

## **SOCIO-ECONOMIC IMPACT OF SELECTED WAQF PROJECTS: TERENGGANU CULINARY ACADEMY & USIM'S SPECIALIST MEDICAL CLINIC**

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### **ABSTRACT**

In Malaysia, the management of waqf has been placed under the supervision/purview of State Islamic Religious Councils (SIRC). They are the sole trustees of waqf as enshrined in the Malaysian Federal Constitution/respective State's waqf enactments. In order to ensure the betterment of the socio-economic impact to the society by employing the awqaf mechanisms, the development of waqf either the physical or non-physical development must be under the management and purview of SIRC. Federal agencies such as Department of Awqaf, Zakat and Hajj (JAWHAR) and Malaysian Awqaf Foundation (YWM) have helped in enhancing the potential of waqf in Malaysia. Involvement of other agencies also contributed to the success story of the waqf developments in Malaysia. Thus, this paper will focus on: firstly, the basic concepts of waqf and its legislation in Malaysia and secondly the preliminary study on the socio-economic impact of selected waqf projects. The selected waqf projects are the Terengganu Culinary Academy and USIM's Specialist Medical Clinic (USMC). The former had been developed as joint ventures between SIRC and YWM and other agencies in the areas of education/training. We will look at the mechanism of its establishment and the socio-economic impact of the development that brings fruitful benefits thereby empowering the mawquf 'alaih (the intended beneficiaries). The USMC is a joint cooperation between USIM and the SRIC NS which committed RM 2 million (RM 1 million as waqf grant and RM 1 million as Qardhul Hasan towards establishment of the clinic. The State Government provided funds to establish a specialist mobile clinic which facilitates medical specialists from USMC to do medical screenings of patients in rural areas.

**Keywords:** *waqf*, endowment, socio-economic, impact, society, training, education, culinary, Terengganu

### **INTRODUCTION**

Since the early days of Islam, *waqf* has been a popular way to provide public services to societies and continues to play important roles in Islamic civilization over the time. This is because *waqf* institutions compliment the government in providing social services to the public such as developing the hospitals, schools and community hall using funding from waqf (Cizacka, 2011). Another possible reason on the wide usage of *waqf* is perhaps because *waqf* beneficiaries are not specifically stated unlike *zakat*. The benefits of *waqf* in general can be

enjoyed by anyone regardless of religion except for *waqf ahli* or *dhurri* which is specific *waqf* for family members. History also indicates that throughout the world many reputable higher education institutions either use *waqf* or share similar spirit of *waqf* through endowment to sustain their operations.

The main objective of this paper is to elaborate on the social impact of selected *waqf* projects with special reference to Terengganu Culinary Academy and Universiti Sains Islam Malaysia (USIM) Specialist Medical Clinic and Mobile Specialist Clinic. The first one is a joint venture between State Religious Islamic Council Terengganu (MAIDAM, Malaysia Waqf Foundation (YWM) and GIATMARA. The second one is a joint cooperation between Universiti Sains Islam Malaysia (USIM) and State Islamic Religious Council Negeri Sembilan (MAINS). This paper is an extension of Mohd Fadzli Rosli et al., 2017. The issue of social impact of *waqf* projects need to be examined to provide evidence on the efficiency of managing the *waqf* contributions to fulfil the intention of the donors. Indirectly, the information helps to promote *waqf* and at the same time improve the current *waqf* practices if there are any weaknesses.

Following this Introduction section, this paper discusses the *waqf* concepts from its definition, basis and benefits in Section 2. Section 3 discusses the governance of *waqf* in Malaysia. Section 4 explains briefly the methodology adopted in this study. An analysis on social impact of selected *waqf* projects is presented in Section 5. Section 6 gives limitations of the study and suggestions for further research. The final section gives the summary and conclusion.

## **WAQF: DEFINITION, BASIS AND BENEFITS**

*Waqf* is literally defined as “to hold” (Obaidullah, 2015, pg. 59) and according to *shariah*, *waqf* refers to perpetual endowment. The benefits from an asset could be used according to the terms and conditions specified by the *waqif* (donor). The assets which are already being *waqf* cannot be inherited, sold, given as a gift, leased, rented or owned by any types of ownership. The assets must be maintained and the ownership of the assets cannot be transferred to other party.

The act of giving *infaq* in general and *waqf* in particular from one’s property is highly enjoined in Islam. Allah SWT promises high rewards for the one who does that. Evidence from the Quran and hadith, respectively are as follows:

Surah Al-Baqarah verse 261:

*Meaning: “The example of those who spend their wealth in the way of Allah is like a seed [of grain] which grows seven spikes; in each spike is a hundred grains. And Allah multiplies [His reward] for whom He wills. And Allah is all-Encompassing and Knowing.”*

There is a hadith reported by Abu Hurairah RA which has been used to justify the practice of *waqf*.

Abu Hurairah (May Allah be pleased with him) reported: The Messenger of Allah (ﷺ) said

“When a man dies, all his acts come to an end, but three, recurring charity (sadaqah jariyah) or knowledge (by which people benefit), or a pious offspring who prays for him” (Muslim 1992, Chapter 3, hadith 14).

From *fiqh* point of view, *waqf* could generally be grouped based on three different aspects which are the timing, purpose and object (Jalil and Mohd Ramli, 2008). Based on timing aspect, *waqf* can be divided into permanent and temporary. The purpose of *waqf* can be grouped into two main groups which are for family members (*waqf ahli/dhurri*) and general charity (*waqf khayri*). The general charity can be further divided into two groups which are general (*waqf am*) and specific (*waqf khass*). If *waqf* is defined according to the nature of object, then it can be divided into moveable assets which are transformed into *waqf* assets (*waqf al-manqul*) and non-moveable assets (*waqf al-àqar*). Moveable assets are assets which can be transferred from one place to another such as cash *waqf*.

There are basically three models of *waqf* such as physical asset *waqf*, cash *waqf* and corporate *waqf* (Mohd. Hanefah et al., 2010). Physical asset *waqf* refers to assets such as land and building which have been *waqf* for charity purpose and normally being used as schools or mosques. In some cases, there are also buildings which are built on land which have been *waqf* by the donor and later the buildings are rented or leased. The rental or lease income is credited into the *waqf* fund which will be channelled to the beneficiaries.

Another type of *waqf* is cash *waqf* or *waqf* of monetary which is currently popular among the public (Jalil & Mohd Ramli, 2008). Cash *waqf* is endowment in the form of monetary assets or cash or near cash items such as financial securities (Obaidullah, 2015). The income from the investment in funds using the cash or near cash items are later used as charities to the beneficiaries. One advantage of cash *waqf* which may explain its popularity is its flexibility in term of raising *waqf* resources and applying the *waqf* resources. Unlike *waqf* on physical assets, cash *waqf* can take in any forms of value and thus less rigid.

The third type of *waqf* is corporate *waqf*, which in Malaysia was initiated by Johor Corporation (JCorp). Despite some similarities with cash *waqf* with both handle cash and stocks, corporate *waqf* is different since it involves an institutional entity and entitle for a status of nazir or management-trustee (Obaidullah, 2015). Among important elements of corporate *waqf* are the asset must be transferable in nature, the corporate entity is the trustee (*mutawwali*) and at the same time could become beneficiaries of the *waqf* assets (Mohd Ramli and Jalil, 2013). It is a contemporary concept of *waqf* and has been in practice in many Muslim majority populated countries such as Turkey, Pakistan and Bangladesh (Mohd Ramli and Jalil, 2013).

In most cases, corporate *waqf* activities are performed through establishments of foundations. In Turkey for example, two of its well-known conglomerates, Koc Holdings and Hanabic Holdings are actively involved in corporate *waqf* activities by establishing universities and schools (Cizakca, 2011). The *waqf* activities are performed through two foundations, Koc Foundation and Sabanic Foundation respectively. In Pakistan, a pharmaceutical corporation, Hamdard Laboratories has established Hamdard Foundation to manage and provide *waqf* funds to poor and needy students (Mohd Ramli & Jalil, 2013).

A different concept of corporate *waqf* could be seen from the case of Bangladesh. In 1995, Social Investment Bank of Bangladesh, which is a local bank in Bangladesh has started a micro financing scheme which is based on a *waqf* concept. The ‘cash *waqf* certificate’ program offers organizations and individuals to participate in cash *waqf* and later, the fund is used to sponsor qualified individuals to start business (Mannan, 1999).

In Malaysia, a subsidiary of JCorp, Wakaf An-Nur Corporation (WANCorp) was established to manage the corporate *waqf* and its activities were focused on providing health-care services through its chain of clinics under Klinik Wakaf An-Nur and Hospital Wakaf An-Nur (Mohd Hanefah et. al., 2010). Apart from health-care services, corporations in Malaysia such as Tabung Haji Properties (TH Properties) and UDA Holdings are in cooperation with Islamic Religious Councils to participate in *waqf* activities. These Islamic Religious Councils act as a sole trustee in their respective states to develop and manage land properties. For instance, TH Properties is in cooperation with Wilayah Persekutuan Islamic Religious Council to manage Menara Bank Islam, a *waqf* asset which is leased to Bank Islam Malaysia Berhad. In September 2012, Bank Muamalat Malaysia Berhad with the cooperation of Perbadanan Wakaf Selangor introduced a cash *waqf* scheme known as *Wakaf Selangor Muamalat*.

The above discussions present some examples of corporate *waqf* in Malaysia which basically have six corporate *waqf* models. Another corporate *waqf* model is the university corporate *waqf* model (Mohd Ramli and Jalil, 2013) which suggests that a university or a higher learning institution is given the status of a *mutawalli* (management-trustee) which enables it to initiate *waqf* projects such as USIM's Specialist Medical Clinic and Mobile Specialist Clinic.

## **WAQF GOVERNANCE IN THE MALAYSIAN CONTEXT**

The governance of *waqf* in Malaysia falls under the Islamic Religious Council of the respective states since under the Malaysian statutes, Islamic Religious Council of each state is responsible for Islamic religious matters. The Sultan, as the Head of Islam in each state delegates the authority to the State Islamic Religious Council (MAIN) to be responsible in handling religious matters including matters relating to *waqf*. Under List II, State List, Ninth Schedule of the Federal Constitution, *waqf* is placed under the jurisdiction of states in Malaysia. Referring to this provision, MAIN is the sole trustee of all *waqf* properties in its respective state. This is clearly enshrined in the *waqf* enactments in the states of Selangor, Melaka, Negeri Sembilan and Perak. For example in Selangor, Section 89 of the Administration of the Religion of Islam (State of Selangor) Enactment 2003 states 'The Council becomes the sole trustee of *waqf*, nazar and trust'. *Waqf* property is a trust that the holders should be responsible for, especially in ensuring that the purpose and aspirations of the *waqifs* are achieved. Trustees should also be able to rebuild their land to raise their value and return, manage and administer the lands in an organized manner and report their accounts every year to exhibit the transparency of all transactions (Mohammad et al., 2017).

## **METHODOLOGY**

As stated earlier the main objective of this paper is to elaborate on the social impact of selected *waqf* projects with special reference to the Terengganu Culinary Academy and Universiti Sains Islam Malaysia (USIM) Mobile Eye Specialist Medical Clinic which is attached to the USIM's Specialist Medical Clinic. Secondary data have been used as basis for analysis. The relevant data for the Terengganu Culinary Academy were provided by the organisation that managed the *waqf* project. The comprehensive students' data of Terengganu Culinary Academy was provided by Mr. Shahril Nizam Al Malek, the officer from YWM MAIN Holdings Sdn. Bhd. that managed

the Academy. Data on outreach programs (health screenings visits to rural area) by the USIM's Mobile Eye Specialist Clinic were provided by Dr Maimunah from USIM's Medical Specialist Clinic.

## **SELECTED WAQF PROJECTS IN MALAYSIA**

The analysis on the social impact of *waqf* in this paper will focus on two *waqf* projects. The projects are the Terengganu Culinary Academy and Universiti Sains Islam Malaysia's (USIM) Mobile Eye Specialist Clinic which is attached to the USIM's Specialist Medical Centre. The two *waqf* projects were chosen to be analysed based on the following reasons. First, the Terengganu Culinary Academy was established based on a joint cooperation between MAIDAM, Yayasan Wakaf Malaysia and GIATMARA. MAIDAM provided *waqf* land as the site for the Academy and expenses for the students enrolled at the Academy. YWM contributed to the construction cost of the Academy from its 2010 Budget. Meanwhile GIATMARA provides the trainers.

The focus of the *waqf* project is to provide education through culinary skills training especially to the children of the *asnaf*. This hopefully will help to improve their families' economic status and in the long term will eradicate poverty. The success of the project underpins the importance of other stakeholders' involvement together with MAIDAM to develop *waqf* land productively, in this case the beneficiaries have been the children of the *asnaf*.

The USIM's Specialist Medical Clinic is a *waqf* enabled project initiated by USIM which later obtained the support from the Negeri Sembilan State Government in the establishment of the USIM Mobile Eye Specialist Clinic (Wan Abdul Fattah et al., 2018). The latter provides medical services to people in the rural areas in Negeri Sembilan based on the concept of medical *waqf*. USIM is the first public university to obtain the *mutawalli* status from the State Islamic Religious Council Negeri Sembilan (MAINS). Medical *waqf* as one of the *waqf* practices can be considered as an example of a contemporary *waqf* practice which is different from the usual traditional practices of *waqf*. The choice of the USIM Specialist Medical Clinic in general and the USIM Mobile Eye Specialist Clinic in particular is justified by the following reason. The strong support from MAINS and then the State Government in providing the initial capital (*waqf* fund, *qardhul hassan* and government allocations) provides the impetus for the development of *waqf* projects by a Public University. USIM is the first Public University that has been approved the *mutawalli* status which enables it to seek *waqf* fund in the state to finance *waqf* projects.

Examining the social impact of these two *waqf* projects is important to give insights to *waqf* practitioners, the donors and the public, of how a *waqf* project can give impact to the society. This is more interesting since the focus of the two *waqf* projects can be considered different from the usual *waqf* practised in this country.

The joint cooperation between MAINS/PWNS and USIM augurs well for the development of the *waqf* culture in the State which will give benefits in the areas of health and education. Given that a substantial portion of the capital expenditure (renovation and equipment purchases) covered by *waqf* grant, the clinic will be able to charge lower consultation fees compared to that charged by other private specialist clinics. The specialists are also willing to accept lower consultation fees by imputing part of their time as *waqf* of expertise. Well to do patients may also pay extra with the difference donated to a *tabarru'* fund. This fund may be used to support members of the *asnaf* (registered zakat recipients) and poor patients referred to

the clinic. The use of waqf fund and the existence of the philanthropic spirit will help to make specialist medical services more accessible.

The State Government has also agreed to support the Specialist Medical Clinic to have a mobile specialist clinic. Under the State Blue Ocean Strategy health has been chosen as the focus. USIM has been chosen to lead the *Projek Cahaya*. What this basically means is that USIM's eye specialists visit rural areas using the mobile clinic to do screening for eye-sight problems especially among the senior citizens. The latter will then be able to obtain specialist eye treatment. Specialist service is brought to rural areas benefitting patients who normally would not be able to afford the service.

### **Terengganu Culinary Academy**

Terengganu Culinary Academy is a confectionary and bakery skill training centre developed by YWM on *waqf* land entrusted to Terengganu SIRC (MAIDAM) at Lot 2466, 2467, and 2468 in the Kerengga District of Marang, Terengganu with the allocation of the 2010 YWM Budget of RM2.5 million. The AKT building development was completed on 30th July 2012. Operations began on 2nd September 2012 (YWM Magazine, 2016).

Since its establishment, the Academy has been managed by the National *Waqf* Limited Cooperation but starting from 1<sup>st</sup> April 2017 until present, this Academy has been managed by YWM MAIN Holdings Sdn. Bhd. The development of this Academy basically was the first product of the collaboration between MAIDAM (the owner), YWM (financier and manager) and GIATMARA (instructor).

MAIDAM as the sole trustee for waqf fixed assets played a big role to facilitate the establishment of this Academy. MAIDAM contributed financial support for students enrolled in this Academy besides the waqf land for the Academy's site. The financial allocations cover tuition fees, accommodation, dining, welfare and etc. YWM contributed RM2.5 million to the construction cost. The allocation came from YWM 2010 Budget. GIATMARA provided instructors/trainers who train the students using modules/courses developed by GIATMARA.

The *waqf* model of the Terengganu Culinary Academy is depicted in Figure 1 below (The authors acknowledged with thanks help from Ustaz Fazdli, who prepared the diagram).

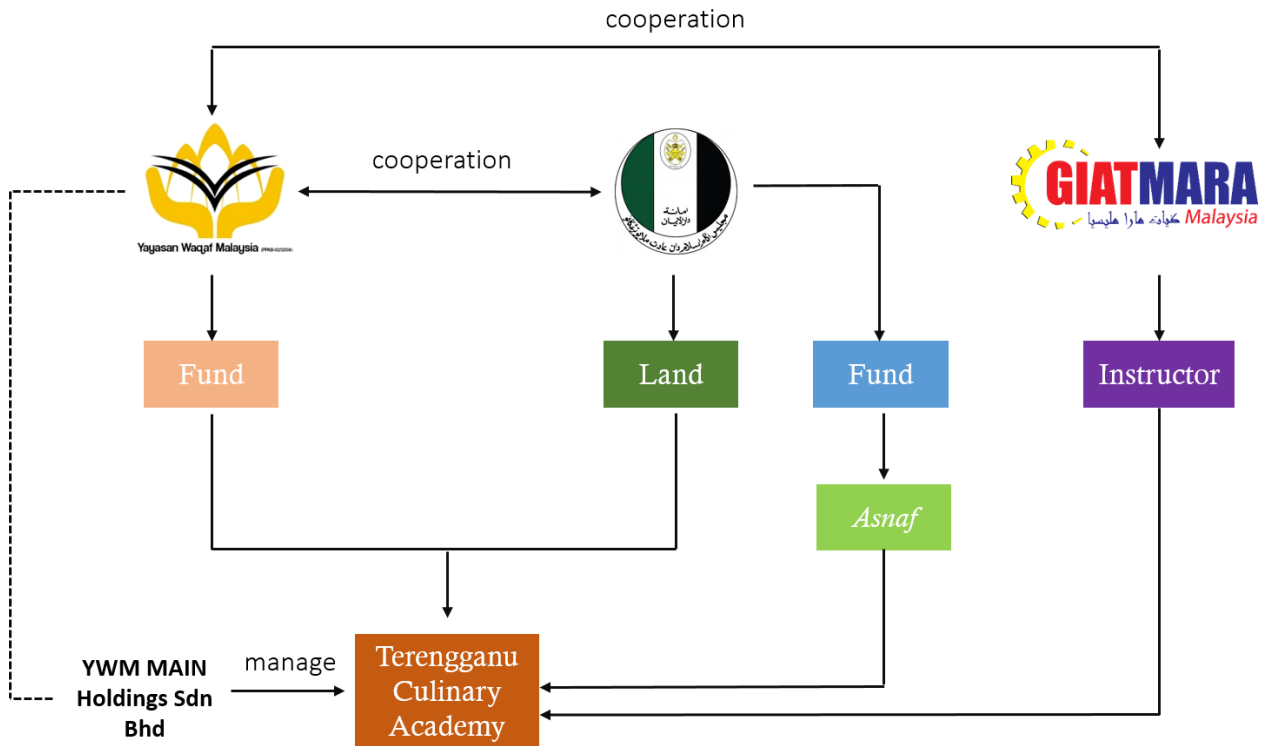


Figure 1: Waqf Model for Terengganu Culinary Academy

### Students and Training Courses

This academy offers 6 month programs for each session in the field of Confectionary & Bakery with full board for MAIDAM *asnaf* children. Presently (July 2018), the academy has conducted 10 sessions (2 sessions per year). A total of 342 students, all of them females, have graduated from this academy. The graduates obtained the Malaysian Skills Certificate (SKM) Level 2. The module of courses offered here are as follows:

Table 1: Courses offered at the academy

MODULE NO	PROGRAMME / COURSE NAME
01	Manage safety at work
02	Manage hygiene and safety of food / products
03	Handling electrical equipment
04	Produce biscuits products
05	Produce hot desert products
06	Produce pastry products
07	Produce cold desert products
08	Produce Malay cakes product
09	Produce cakes
10	Cake decorating work
11	Produce continental and desert cake

	products
<b>12</b>	Produce chocolate products
<b>13</b>	Produce beverage products
<b>14</b>	Produce ice cream and desert products
<b>15</b>	Produce bread products
<b>16</b>	Produce frozen products

### **The Socio-Economic Impact of Terengganu Culinary Academy**

Analysis of the socio-economic impact will focus on the following aspects:

*a. Asnaf as Waqf beneficiaries – Related agencies contributions*

Selected students were from *asnaf* families. They had to undergo interviews conducted by MAIDAM. In order to maximise the social impact of this academy and to facilitate smooth operations, MAIDAM had allocated funds for this academy under two types of expenses:

Expenses for the purchase of fixed assets, inventories and loose tools. For this expenses, MAIDAM allocated RM341,772.50. Table 2 below gives the details:

Table 2: MAIDAM expenses on academy's assets

No	Expenses Item	Total (RM)
<b>1.</b>	Fixed assets	249,557.50
<b>2.</b>	Inventories	69,430.00
<b>3.</b>	Loose tools	16,785.00
<b>4.</b>	Others	6,000.00
<b>Total</b>		341,772.50

*b. Expenses for students' education and welfare.*

For each student, MAIDAM has allocated RM1,400.00 per month (6 months) for their expenses which cover tuition fees, food, curricular activities and welfare. That means MAIDAM has allocated RM2,872,800.00 for the total of 342 students starting from session 1 until 10 as indicated below.

$$342 \text{ students} \times \text{RM}1,400 \text{ per month} \times 6 \text{ months} = \text{RM}2,872,800.00.$$

Table 3 below shows the total of MAIDAM expenses for the students of the Academy.

Table 3: MAIDAM total expenses on academy

Item	Expenses (RM)
<b>Assets purchasing</b>	341,772.50
<b>Students' education and welfare</b>	2,872,800.00
<b>Total</b>	3,214,572.50

YWM allocated RM2.5 million for the development of this academy’s complete building including training / course kitchen and students’ hostel.

Besides providing the instructors and the teaching modules, GIATMARA also allocated an allowance amounting RM200.00 per month per student. This translated to a total allocation of RM410,400.00 for the students from GIATMARA as shown below.

$$342 \text{ students} \times \text{RM}200 \text{ per month} \times 6 \text{ months} = \text{RM}410,400.00$$

*c. Students’ status after graduation*

342 students have graduated and finished their studies from this Academy (Session 1 – 10). To analyse their status after graduation, they have been categorized into eight (8) segments viz.:

- i. Students successfully establish a company
- ii. Students managed to get job within industry
- iii. Students managed to get job in other industry
- iv. Students own small scale business in industry
- v. Students furthered their study
- vi. Students still under tracing
- vii. Students under incubator program
- viii. Students who just finish study

Figure 2 below explains that 8 students (3%) successfully established a company, 82 students (24%) are getting a job within the industry, 51 students (15%) are getting a job in other industry, 69 students (20%) own a small scale business within the industry, 7 students (2%) further their studies, 30 students (9%) still under tracing, 1 student has joined an incubator program and 94 students (27%) just finished their studies.

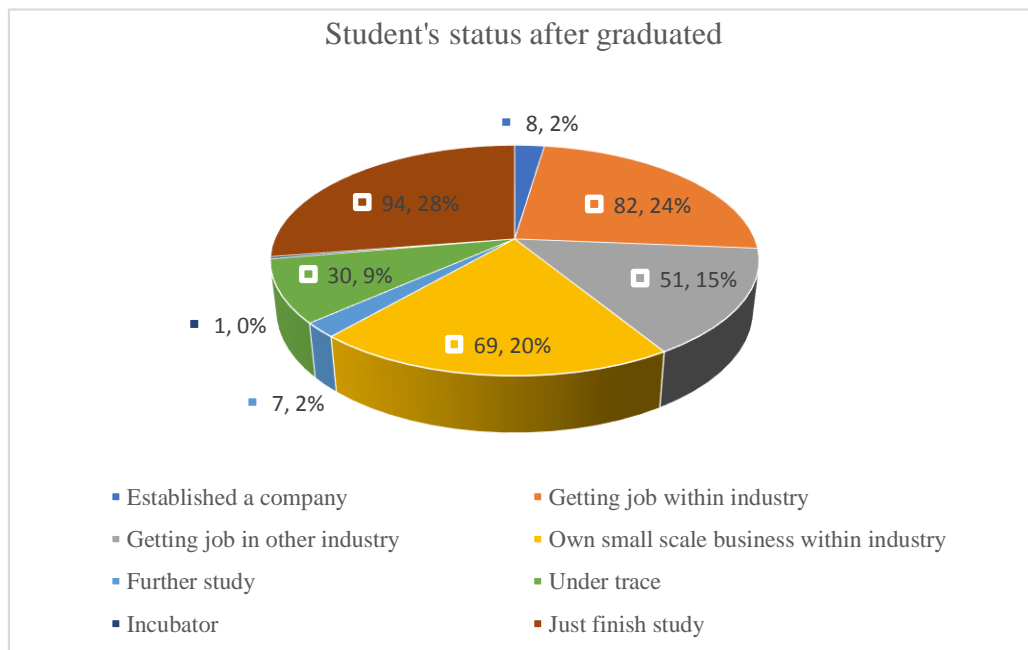


Figure 2: Students’ status after graduation

*d. Students' level of educational attainment*

From the data, 342 students who enrolled in this program had successfully obtained the Malaysian Skills Certificate (SKM) Level 2. Previously, they came from various academic backgrounds. Figure 5.3 shows that 4 students (1%) who enrolled with Lower Secondary Assessment (PMR) certificate managed to finish the study, 319 students (93%) enrolled with Malaysian Certificate of Education (SPM) certificate, 9 students (3%) were diploma / degree holders while 10 students (3%) enrolled into this Academy with other academic qualifications.

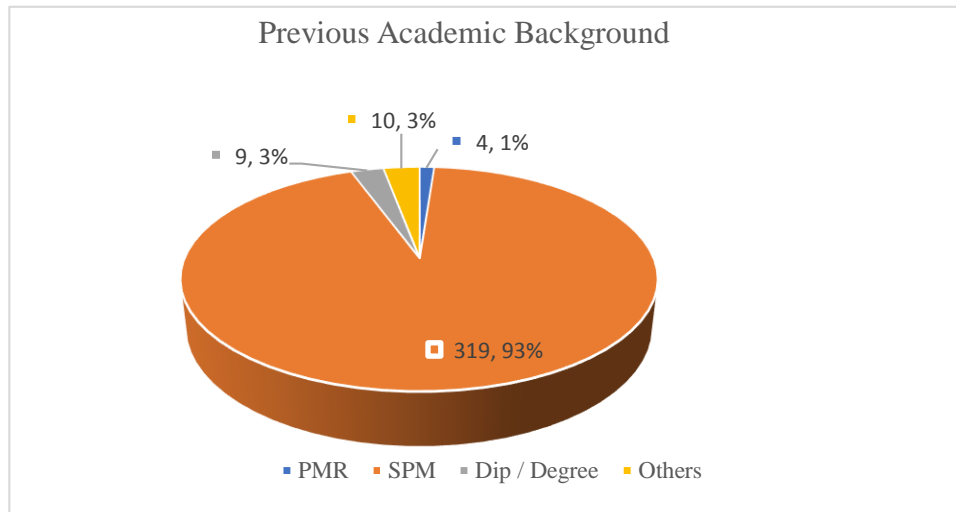


Figure 3: Students' previous academic background

*e. Student's status after finishing their studies based on previous academic background*

Figure 4 also shows the students' activities after graduation based on their previous academic background. 7 students with SPM qualification and 1 diploma/degree holder successfully established their companies. 2 students with PMR qualification, 79 students with SPM and 1 student with diploma / degree have already obtained employment within the industry. 48 students with SPM and 3 with diploma / degree have already obtained jobs in other industries. 1 student with PMR, 59 with SPM and 10 with other qualifications already owned small scale businesses in industry. 1 student with SPM joined the incubator program while 90 students with SPM and 4 students with diploma degree qualification just finished their course at the academy. While 1 student with PMR and 29 students with SPM still under tracing.

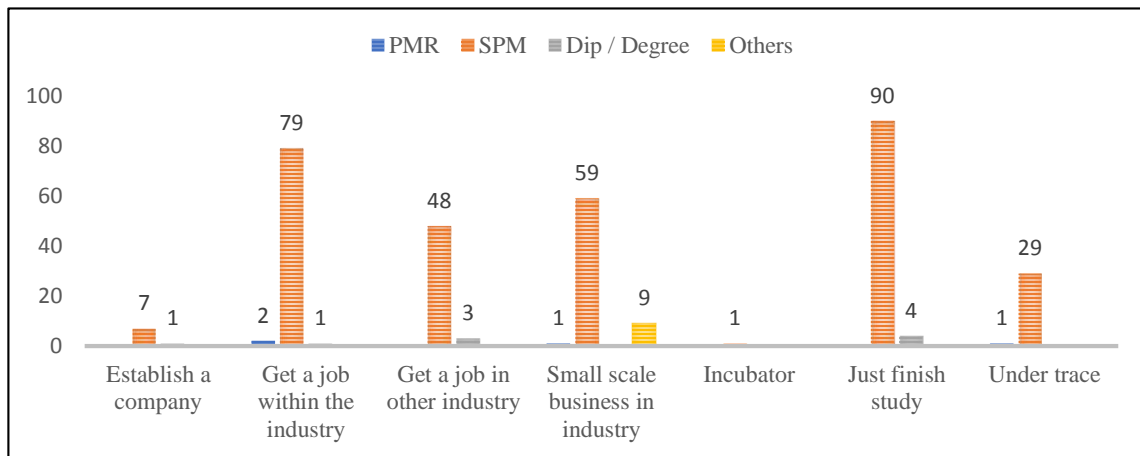


Figure 4: Students' current activities by previous academic background

#### f. Students' monthly income

##### Poverty Line Income (PLI)

*Businessdirectory.com* describes poverty line as standard family income threshold (set by each state and revised occasionally) below which the family is officially classified as poor and entitled to welfare assistance. From the data, the study will compare the students' monthly income with the Poverty Line Income (PLI) for the Terengganu state, since all respondents are from Terengganu.

As recorded by the Implementation Coordination Unit (ICU) Terengganu and Department of Statistics Malaysia (DOSM), the rate of PLI for hard core poor and poor in Terengganu is RM520.00.

##### Students' incomes with Poverty Line Income (PLI) benchmark

To analyse the impact from career mileage through current income segment, the complete data only consists 101 respondents that represent the Academy which are 40 students from Session 5, 32 students from Session 6 and 29 students from Session 8. Data on students from another session are still inaccessible and incomplete for research purposes.

Data on students' monthly incomes have been tabulated into five segments which are:

- i. Income from self-employment (industry entrepreneur)
- ii. Income from self-employment (non-industry entrepreneur)
- iii. Income from working (industry)
- iv. Income from working (non-industry)
- v. Income from working and part-time self-employed (industry)

Figure 5 below shows that 2 students who are self-employed (industry entrepreneur) and 1 student from working (non-industry) segment earned between RM0-RM200 monthly. 12 students

from self-employed (industry entrepreneur) and 2 students from working (non-industry) segment earned between RM200-RM400. 7 students from self-employed (industry entrepreneur), 1 student from self-employed (non-industry entrepreneur), 1 student from working (non-industry) segment and 1 student from working and part-time self-employed earned between RM400-RM600. 1 self-employed (industry entrepreneur) and 4 students from working (industry) earned RM600-RM800 per month. 4 students from working (non-industry) earned RM800-RM1,000 per month, while 2 students from working (industry) and 5 students working (non-industry) managed to earn RM1,000-RM1,200. And 1 student from working and part-time self-employed earned between RM1,600 - RM1,800 per month.

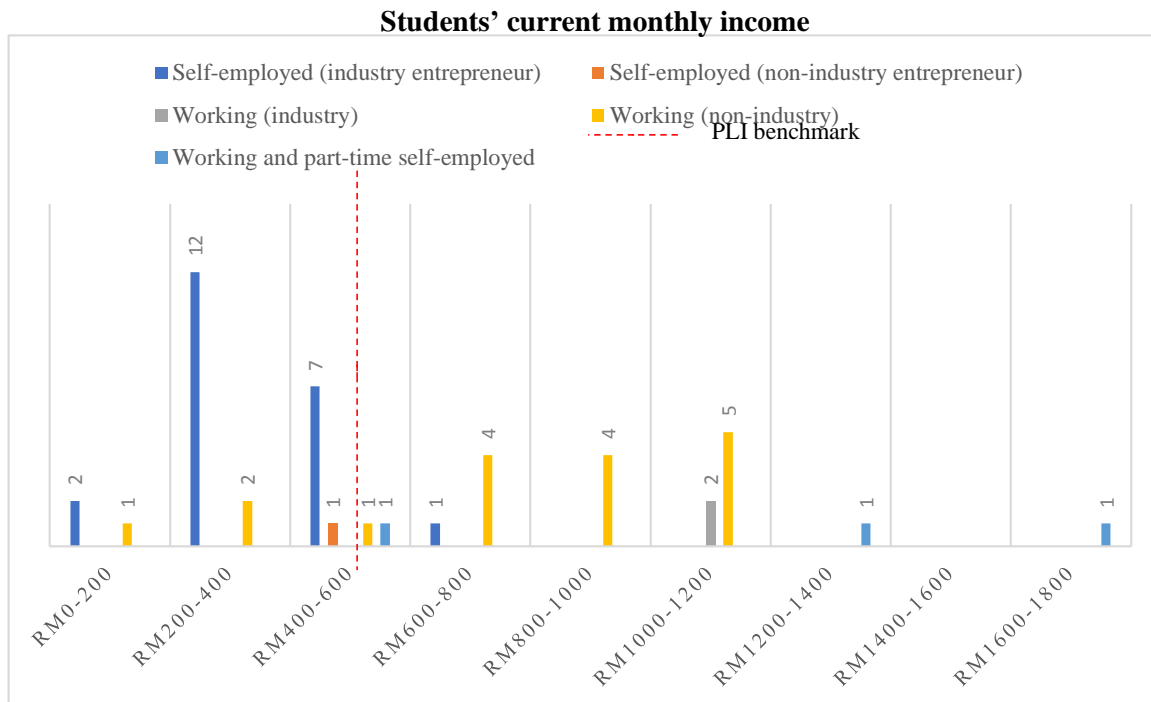


Figure 5: Students' current monthly income

From the analysis above, Figure 6 shows that from 101 respondents retrieved from the data, 45 students managed to earn income and 56 are not (further study, just finish study and untraceable). From 45 students, 19 of them exceeded the PLI benchmark, while 26 have not.

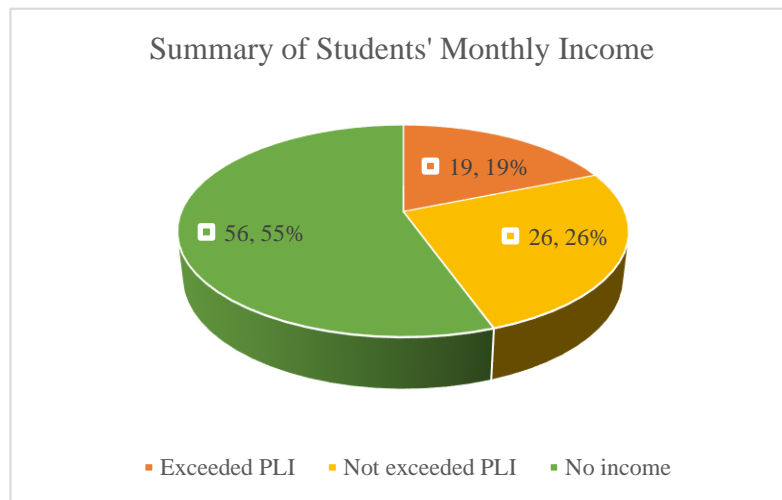


Figure 6: Summary of student's monthly income

### Usim's Specialist Medical Clinic And Mobile Specialist Clinic

USIM and State Islamic Religious Council Negeri Sembilan (MAINS) have ventured into waqf financing beginning with healthcare which augurs well for the future (Mohammad Haji Alias et al, 2017; Mohammad Haji Alias & Fuadah Johari, 2016; Kamal Amran Kamarudin et al., 2016). Universiti Sains Islam Malaysia (USIM) is the 12<sup>th</sup> public university in Malaysia. USIM has established the Center for Awqaf Development Financing in March 2013. The Center manages the USIM Al-Abraf Waqf Fund. The Center has undergone restructuring and is now known as Center for Waqf and Zakat. The Fund is registered and approved by the Negeri Sembilan Islamic Religious Council (NSIRC/MAINS). The State Islamic Religious Council has approved the appointment of USIM as *Mutawalli* (manager) of waqf (letter dated 22 July 2013). MAINS and USIM signed a Memorandum of Understanding on 21 January 2014 with a view to jointly develop a number of projects to nurture the waqf culture especially through the establishment of the USIM Specialist Medical Clinic and the USIM-MAINS Haemodialysis Clinic ([news.usim.edu.my/.../422-usim-meterai-mou-bersama](http://news.usim.edu.my/.../422-usim-meterai-mou-bersama), Mohammad Haji Alias and Fuadah Johari, 2016).

USIM Specialist Medical Clinic provides services by medical, eye and dental specialists and outpatient treatment. The specialists are from USIM's Faculty of Medicine and Health Sciences and the Faculty of Dentistry. MAINS has allocated RM2 million to USIM, RM 1 million as outright waqf grant and RM1 million as *qardhul hassan* to cover the costs of renovation and to purchase medical equipments. The clinic started operations from April 2015 after obtaining the operating licence from the Ministry of Health. USIM has entered into a 3 year (with a 2 year option for extension) tenancy agreement with Putra Nilai Development Sdn Bhd to rent 3 units of double storey shop-lots at Nilai Square, Bandar Baru Nilai as premises for the Medical Specialist Clinic and Haemodialysis Center. The application for the operating licence from the Ministry of Health Malaysia is under the name of USIM Tjjarah Holdings, a company wholly owned by USIM. The Specialist Medical Clinic is treated as a business arm of USIM

Tijarah. In terms of marketing and branding, it will be acknowledged that the clinic has received waqf funding from MAINS.

MAINS has also allocated RM 1.5 million for the establishment of the USIM-MAINS Haemodialysis Clinic located next to the Medical Specialist Clinic. The renovation work and the purchase of medical equipments have been carried out by MAINS Holdings. The operation of the clinic is under USIM medical staff. The clinic started operations in October 2018 with 3 patients, increasing to 6 patients after obtaining operating license from CKAPS of the Ministry of Health Malaysia.

With the USIM Specialist Medical Clinic (Medical and Dentistry) already in operation, the State Government of Negeri Sembilan via The State Secretary had allocated around RM650,000 to establish the USIM Mobile Eye Specialist Clinic (Clip Mobile), officiated on 18 November 2015. USIM's eye specialists have carried out eye screening tests in rural areas, thus giving access treatment by specialists to low income patients. This project has a high social impact. Bringing eye specialists closer to patients in rural areas makes them accessible to high quality medical screening and treatment (where necessary). Many have been found to suffer from eye-sight ailments (glaucoma, cataract) and with further treatments have led to improvements in the quality of their lives (Wan Abdul Fattah, Mohammad Haji Alias & Fuadah Johari, 2018). 2,690 patients have been screened over the period 1st January 2016 to 8 June 2018 (see Section 1 of Attachments to this paper). Nearly 85% of the patients aged 40 years and above. 805 patients or 29.9% were referred for further treatment, 23.6% to Ophthalmologists and 6.3% to Optometrists. Out of 2,396 patients screened, major ophthalmic conditions detected during outreach activity in rural areas, 29.88% (716) had cataracts, 31.68% (759) had diabetic retinopathy and 15.53% (372) had refractive error. 401 persons with cataracts had been referred to hospitals for surgery.

## **LIMITATIONS OF STUDY**

The data for the Terengganu Culinary Academy only focused on the basic data such as the students' qualifications before submitting the academy, the student's status for the study either finish or not and the current status after finish the study. The data relating to current job status and salary/incomes obtained are not complete. The Academy is still carrying out tracer study of all the students who have completed their studies. Therefore, further research should be conducted when all the relevant data of students have been compiled.

The data for the USIM's case pertained only to results of health screenings done by the USIM Mobile Eye Specialist Clinic. The social impact has been quite significant. However the joint cooperation between USIM and MAINS/PWNS involved also the setting up of the USIM Specialist Medical Clinic and the USIM-MAINS Haemodialysis Clinic. All are already in operation. Further research is suggested to establish the social impact of these clinics on a holistic basis. We need to ascertain to what extent waqf for healthcare has also generated surpluses that are treated as financial benefits from productive waqf that can be channelled to finance education related activities.

## SUMMARY AND CONCLUSIONS

This paper reports the results of a preliminary study on the socio-economic impact of *waqf* projects using the Terengganu Culinary Academy and USIM's Specialist Medical Clinic (USMC) as examples. In both cases the respective State Islamic Religious Council, MAINS in Negeri Sembilan and MAIDAM in Terengganu, where the entities are located have played crucial roles. The joint cooperation between MAIDAM as the sole trustee for the *waqf* land, YWM (financier and manager) and GIATMARA (the instructor) have benefitted the *mauquf alaih* mainly students from *asnaf* families. Besides the *waqf* land as the site for the Academy, MAIDAM allocated funds for the students' training covering tuition fees, accommodation, dining, welfare etc.

The socio-economic impact of the Terengganu Culinary Academy relates to the survival of the *asnaf*. This project has benefitted students from *asnaf* families with various backgrounds to further their studies. Having acquired the relevant knowledge and skills, opportunities are opened up for them to obtain gainful employment or to set up their own businesses. What is more significant is that the students after completing their studies are able to change the economic cycle of culinary segmentation. They tend to have their own companies, selling their own products and/or becoming trainee chefs for any culinary-based company. They will then be able to help themselves and their families to come out of the poverty trap.

The establishment of the USIM Specialist Medical Clinic (USMC) has been the result of a joint cooperation with MAINS and USIM's Faculty of Medicine and Health Sciences and Faculty of Dentistry. USMC has been *waqf* enabled. Given the observed success of the clinic, the State Government, GLCs and *waqf* endowers have provided funds to support the project. Besides the State Government's allocation to set up USIM-MAINS Specialist Mobile Clinic, Perbadanan Nasional Berhad had contributed RM700 thousand *waqf* fund for the purchase of two intermediate shop-lots, premises for the USMC and USIM-MAINS Haemodialysis Centre. In this paper we focussed on the Mobile Eye Specialist Clinic activities. As mentioned earlier, this project has a high social impact. Bringing eye specialists closer to patients in rural areas makes them accessible to high quality medical screening and treatment (where necessary). Many have been found to suffer from eye-sight ailments (glacoma, cataract) and with further treatments have led to improvements in the quality of their lives (Wan Abdul Fattah, Mohammad Haji Alias & Fuadah Johari, 2018).

The social impact study in this paper only covered two *waqf* projects as discussed above which may not be comprehensive in providing evidence on the importance of *waqf*. USIM for example has started providing other medical services based on *waqf* under its USMC and USIM-MAINS Haemodialysis Centre in Nilai. It is thus worthy for future studies to look into the social impact of these medical services as well as other *waqf* projects managed by public universities in Malaysia as a way to promote *waqf* culture among the society.

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**ATTACHMENTS**

**Outreach Programme Census Klinik Pakar Mata Bergerak USIM**

**Date of activities: From 01-01-2016 to 08-06-2018**

**Total Patient  
 (General): N= 2690  
 Total Patient  
 (Subspeciality): N= 0**

**SECTION 1: DETAILS OF ACTIVITY**

**Table 1.1: Age Distribution**

Age Group, years	N= 2690	
	No	Percentage (%)
< 7	13	0.48
7-17	119	4.42
18-39	272	10.11
40-64	1486	55.24
>=65	800	29.74

**Table 1.2: Organizer**

Organizer	n= 67	
	No	Percentage (%)
Hospital/Department	3	4.48
JKN	29	43.28
Rotary Club	0	0.0
Lion's Club	0	0.0
Others	35	52.24

**SECTION 2: REFERRAL**

**Table 2.1: Referral**

Referral	n= 805	
	No	Percentage (%)
Total Number referred to Ophthalmologist	636	23.64
Total Number referred to Optometrist	169	6.28

**SECTION 3: SPECIFIC DISEASE DETECTION**

**Table 3.1: Ophthalmic Conditions Detected During Outreach Activity**

Ophthalmic Conditions	n= 2396	
	No	Percentage (%)
1. Cataract	716	29.88
2. Refractive Error	372	15.53
3. Glaucoma	100	4.17
4. Pterygium	76	3.17
5. Others	330	13.77
6. Diabetic Maculopathy	43	1.79
7. Diabetic Retinopathy	759	31.68

<b>If Diabetic Retinopathy</b>		
No Apparent DR	628	82.74
Mild Non Proliferative Diabetic Retinopathy	64	8.43
Moderate Non Proliferative Diabetic Retinopathy	41	5.40
Severe Non Proliferative Diabetic Retinopathy	6	0.79
Proliferative Diabetic Retinopathy	13	1.71
Advanced Diabetic Eye Disease	7	0.92

**SECTION 4: CATARACT SURGERY IN OUTREACH**

<b>Cataract Surgery</b>	<b>No</b>
Total Number Referred to Hospital for Surgery	401
Total Number Performed as Outreach (reach-out)	
Total Number Detected in Outreach but Performed in Hospital (reach-in)	

**Table 4.1: Cataract Surgery**

**SECTION 5: SUBSPECIALITY OUTREACH**

**Table 5.1: Subspeciality By Number of Patients and Number of Surgery/Procedure in Outreach**

<b>Subspeciality</b>	<b>Total Number of Patients Seen in Clinic</b>	<b>Total Number of Surgery / Procedure Performed</b>
Total		

**SECTION 6: PARAMEDIC TRAINING**

**Table 6.1: Updated Number of Paramedic**

<b>Year</b>	<b>Total Number of Primary Eye Care Staff Trained</b>	<b>Total Number of Ophthalmic Post Basic Staff Available</b>
2016	6	
2017		
2018		

**Source:** Klinik Pakar Kesihatan USIM