Productive Waqf as a Catalyst for Sustainable Rural Economic Development in Malaysia: A Comparative Analysis of Selected Initiatives

Ahmad Yusairi Yusli[1]*, Mohd Shahid Azim Mohd Saufi[2]

[1]Islamic Business School, College of Business, Universiti Utara Malaysia (UUM), Sintok, Kedah, Malaysia

[2]Faculty of Business and Management, Universiti Teknologi MARA (UiTM) Kedah Branch, Malaysia

***Corresponding Author**

DOI: https://doi.org/10.47772/IJRISS.2026.101000593

Received: 30 October 2026; Accepted: 04 November 2026; Published: 11 November 2026

ABSTRACT

Access to productive assets and reliable economic infrastructure remains uneven in rural Malaysia. Productive waqf offers a means of supporting agriculture and fisheries through endowed property and institutional financing, but evidence on how different projects maintain their operations and deliver continuing benefits remains fragmented. This study examines the operating arrangements of four initiatives in Malaysia and identifies the sustainability measures associated with different types of productive assets. Using qualitative comparative document analysis, nine official institutional and government records available up to 31 October 2026 were reviewed for the Hassan rice processing initiative in Kedah, Wakaf Bot in Perak, agricultural waqf activities in Banggol, Kelantan, and agricultural land leasing administered by Perbadanan Wakaf Selangor. Information was organised according to financial continuity, asset preservation, social benefits and institutional governance, with a distinction between stated objectives, documented activities and reported outcomes. The findings show that the initiatives rely on different mechanisms: collaborative financing of processing facilities, affordable leasing of fishing equipment, cultivation of agricultural waqf land, and commercial land leasing. Their sustainability requirements also vary. Fishing equipment demands regular maintenance and provision for replacement, whereas agricultural land and processing facilities require appropriate operating arrangements, supervision and funding for continued productive use. Official records provide evidence of selected activities and institutional arrangements, but comparable audited financial results and long-term beneficiary outcomes are limited. The study develops a framework linking asset characteristics with the financial, operational and governance arrangements required to preserve waqf benefits. These findings suggest that waqf institutions should assess sustainability at project level and report operational performance separately from fundraising achievements and intended social impact.

Keywords: Productive Waqf, Rural Economic Development, Asset Sustainability, Documentary Analysis, Waqf Governance

INTRODUCTION

Rural economic development remains important to Malaysia because access to productive assets, processing capacity and local market opportunities is unevenly distributed. The Department of Statistics Malaysia reported a rural median monthly household income of RM4,588 in 2024, compared with RM8,139 for urban households (Department of Statistics Malaysia, 2025). This gap does not establish the effectiveness of any particular intervention, but it provides a policy context for examining institutional approaches to productive economic participation. The Thirteenth Malaysia Plan (2026–2030) also emphasises more balanced regional development and socioeconomic inclusion (Ministry of Economy Malaysia, 2025).

Waqf combines the dedication of permissible resources with continuing benefits for designated purposes. Its underlying principles of preserving an endowed asset and directing its benefits can support economic infrastructure as well as religious and social facilities. Historically, income-generating endowments were not absent from Muslim economies (Çizakça, 1998). In contemporary Malaysia, state waqf authorities and specialised institutions have explored cash waqf, agricultural land use, productive equipment and collaborative development arrangements (Daud et al., 2022). However, an activity associated with a waqf institution is not automatically equivalent to a legally endowed asset, and the presence of an economic facility does not demonstrate a sustained increase in beneficiary income.

The distinction matters for recent Malaysian initiatives. The Hassan scheme in Kedah seeks waqf contributions for rice-processing infrastructure within a wider agricultural ecosystem; Wakaf Bot Perak makes a fishing vessel available through an affordable leasing model; records from Kelantan describe agricultural activity on waqf land in Banggol; and Perbadanan Wakaf Selangor reports leasing endowed parcels for commercial crops. These cases cover different asset classes and operating relationships. Consequently, they cannot be evaluated by merely comparing fundraising totals, land areas or headline social objectives (Yayasan Waqaf Malaysia, n.d., 2024a, 2024b; Wakaf Perak Ar-Ridzuan, n.d.-a, n.d.-b; Dewan Negeri Selangor, 2024).

Three gaps motivate the study. First, productive waqf research has offered financing models and investigated agriculture, but less attention has been paid to how continuity controls differ between physical equipment, processing facilities and leased land (Allah Pitchay et al., 2018; Ishak et al., 2025; Arsad et al., 2026). Second, studies on waqf financial sustainability and governance often assess institutions or general practices rather than identifying the project-level obligations created by a particular operating model (Sulaiman & Zakari, 2019; Mahmud & Noordin, 2024). Third, institutional publications mix project goals, implemented activities and claimed outcomes; their evidential standing is rarely made explicit in cross-case comparisons.

The study therefore aims (1) to identify the productive operating models and asset status of four selected initiatives; (2) to compare the continuity mechanisms required by each asset and contractual arrangement; and (3) to develop an evidence-sensitive, asset-contingent typology for analysing contributions to rural-oriented economic development. The unit of analysis is the specific initiative, and the study does not claim that every site satisfies a statistical rural-place classification. Its contribution is to analyse economic activities serving agricultural or coastal livelihoods while explicitly distinguishing project location, the target population and the strength of documented evidence.

LITERATURE REVIEW

Conceptual and Shariah Foundations of Waqf

Waqf concerns the dedication of an eligible asset or its benefits for purposes recognised by Shariah. The report of Umar ibn al-Khattab concerning land at Khaybar associates retention of the corpus with allocation of the benefits (Muslim ibn al-Hajjaj, n.d., Hadith 1632a). This distinction is relevant to modern productive assets: the institution must determine what property is actually endowed, who administers it, and how the benefits may be applied. Juristic differences over ownership, irrevocability and duration should not be erased through a single simplified definition (Abdullah, 2020).

Historically, waqf financed social facilities and income-generating activities. Çizakça (1998) documents the economic role of awqaf and cash waqf, indicating that agricultural and financial applications are not entirely contemporary inventions. Daud et al. (2022) trace more recent product and governance developments in Malaysia, where institutional innovation has expanded the forms of resource mobilisation. Taken together, these studies suggest that the central analytical question is not whether waqf can be productive, but under what legal and operational conditions productive benefits can be maintained.

This distinction is particularly important for multi-institutional initiatives. A scheme may mobilise cash waqf for a designated facility, while adjoining land, equipment or other operating inputs originate from different sources, including zakat or ordinary institutional expenditure. Treating all components as endowed property

would obscure legal obligations and attribution of outcomes. The present study consequently treats the source and legal status of assets as an initial analytical category rather than assuming uniform waqf ownership.

Productive Waqf and Rural-Oriented Economic Development

Productive waqf may assist rural-oriented production by reducing barriers to land, equipment, processing infrastructure and local enterprise activity. Allah Pitchay et al. (2018) propose a cooperative-waqf financing model for developing idle land, highlighting capital mobilisation as an initial condition. However, the conceptual structure does not in itself show that operations subsequently cover maintenance costs or achieve better rural livelihoods.

Ishak et al. (2025) identify critical success considerations for sustainable waqf agriculture using expert inputs. The study strengthens understanding of the conditions required for agricultural development, but the identification of expert-prioritised factors should not be confused with verified results from specific projects. Arsad et al. (2026) review links between waqf land, agricultural innovation, financing, governance and socioeconomic empowerment, demonstrating the breadth of the existing discussion. Their work also makes it inappropriate to portray the connection between waqf and rural development as wholly unexplored.

The underdeveloped question is comparative and operational. A rice mill, leased fishing vessel, cultivated agricultural waqf site and leased agricultural parcel face different asset-life-cycle risks and different institutional choices over who operates, maintains and monitors the productive resource. A robust cross-sector comparison must identify these differences before it can infer any common sustainability logic. The present study therefore emphasises mechanism-level explanation rather than claiming that activities in agriculture or fisheries necessarily create measurable poverty reduction.

Sustainability, Institutional Governance and Social Accountability

Financial continuity is a necessary but insufficient condition for productive waqf. Sulaiman and Zakari (2019) show that the financial sustainability of state waqf institutions varies across indicators, while also demonstrating the difference between institutional financial health and the finances of a specific project. A project can have an endowed asset but lack operating cash, maintenance provision or transparent revenue allocation.

Mahmud and Noordin (2024) underscore collaboration and governance in a Malaysian waqf financing arrangement. Institutional partnerships may provide technical and financial capabilities but can also blur responsibilities if the trustee, owner, financier and project operator are not distinguished. Zain et al. (2023) extend the discussion beyond financial records by emphasising impact measurement, accountability and the identification of beneficiary-level results. These studies support financial, asset, social and governance dimensions, but the four dimensions should not be treated as a novel discovery.

The contribution developed here is a conditional connection between asset class and sustainability control. Depreciating movable equipment calls for maintenance and replacement planning; agriculture on endowed land raises cultivation and production risks; contractual land leasing makes rent collection, land stewardship and beneficiary distribution salient; and a processing facility requires a clearly attributable capital and operating structure. This is an analytical proposition to be assessed against the documentary record, not an empirically verified causal model.

Table 1. Three Thematic Strands and the Specific Gap Addressed

Theme	Three core references	Contribution to the present analysis
Shariah and conceptual basis	Çizakça (1998); Abdullah (2020); Daud et al. (2022)	Asset provenance, endowment conditions and distinction between endowed property and supporting programmes

Productive waqf and development	Allah Pitchay et al. (2018); Ishak et al. (2025); Arsad et al. (2026)	Capital mobilisation, agricultural development and the unresolved asset-specific operational comparison
Sustainability and governance	Sulaiman & Zakari (2019); Zain et al. (2023); Mahmud & Noordin (2024)	Financial viability, social accountability and allocation of operational responsibility

METHODOLOGY

Research Design and Analytical Boundary

A qualitative, comparative documentary design was used to examine four purposefully selected Malaysian initiatives. Documentary analysis is appropriate for tracing what institutions formally announce, report as implemented and attribute as programme outcomes (Bowen, 2009). The comparative logic follows the principle that cases should be compared on a consistent set of analytical questions, while retaining their contextual differences (Eisenhardt, 1989). The design does not estimate causal economic impacts or claim statistical representativeness.

The cases were selected according to three explicit criteria: (i) official documentation connecting a waqf institution, waqf-funded asset or endowed land to a productive economic activity; (ii) relevance to agriculture, fisheries or associated rural-oriented value chains; and (iii) sufficient case-specific detail to establish an asset or operating mechanism. Sectoral and operating-model variation were additional purposive considerations. The initial WATANI pilot was not retained as a principal case because publicly available material placed its pilot site on land owned by Perbadanan Putrajaya and did not establish its status as registered waqf property. The Banggol agricultural waqf initiative in Kelantan was selected instead using official MAIK and YWM documentation. This replacement strengthens asset-status relevance, although the specific site boundaries and rural-place classification are not independently established in the record.

Document Corpus, Time Boundary and Screening

The case-level documentary corpus consists of nine identifiable official records made available by the evidence cut-off of 31 October 2026: four for the Hassan initiative, two for Wakaf Bot, two for Banggol, and one for the agricultural leases described by the Selangor State Legislative Assembly. Documents were drawn from the issuing waqf institution, a participating Islamic social-finance institution or an official government record. Academic articles and national statistics support context and interpretation, but they are not counted as the nine case-level records. Because selection was purposive rather than a comprehensive search of all Malaysian projects, the corpus is not described as an exhaustive systematic review.

Eligibility depended on an explicit link to the selected initiative and useful detail regarding the nature or status of the asset, governance or implementation. General awareness campaigns, untraceable social-media claims, undated commercial summaries and repetitions without additional case information were not treated as primary case-level evidence. The corpus is itemised in Appendix A using IDs H01–H04, B01–B02, K01–K02 and S01. Each record includes a source organisation, reporting year, supported information and an evidential limitation. The older MAIK Banggol record and the later YWM Banggol report were retained separately; the reported 95-acre agrotourism development and 60-acre agricultural project were not assumed to be identical sites.

Evidence Extraction, Coding and Cross-Case Matrix

A source-linked extraction matrix was constructed using the READ principles of preparation, extraction, analysis and synthesis (Dalglish et al., 2020). For each document, the analysis recorded source ID, issuing institution, date or n.d. status, the stated asset type, named partners, operational mechanism, beneficiary group, quantitative figures and their context. Claims were classified as (A) institutional intention or programme design; (B) documented implementation or institutional activity; or (C) an outcome stated by the reporting institution. An additional category, independently verified outcome, was reserved for evidence supported by external

evaluation, audited project-level data or beneficiary-level analysis; none of the selected case-level documents independently substantiated a causal welfare effect.

The coding was deductively informed by four sustainability dimensions (financial, asset, social and governance) and supplemented by inductively identified distinctions between the four operating models. A cross-case matrix was then developed by linking every inference to a source ID and recording absences of evidence rather than assigning assumed scores. This structured charting approach is compatible with the Framework Method for making qualitative comparisons transparent (Gale et al., 2013), while the identification of patterns is informed by thematic analysis (Braun & Clarke, 2006). No claim of independent intercoder reliability is made, because such testing was not performed.

Table 2. Case-Linked Documentary Coding Examples

Source ID	**Extracted evidence (paraphrased)**	**Evidence class / code**	**Interpretation boundary**
H01; H02	Designated cash-waqf fund for a rice mill; a related mill had been purchased by LZNK in 2024	A/B: capital mobilisation; asset provenance	Waqf-funded share and project cash flows not established
B01; B02	Boat handed over in 2017 and used; 50:50 rental allocation specified on project page	B/A: implementation; maintenance reserve	No audited collections or proof of revolving-fund success
K02	YWM reported 60-acre farm, 2023 proceeds of RM3.1m, and 31 participants exiting poverty	C: reported production and socioeconomic outcome	Single institutional report; no baseline or causal verification
K01; K02	MAIK discussed 95-acre Banggol agrotourism in 2018; YWM later reported 60 acres	B/C: site and reporting scope	Areas cannot be combined or assumed identical
S01	PWS reported agricultural leasing of 4 acres of pineapple and 3 acres of rock melon	B: contractual productive land use	Rental receipts and beneficiaries not disclosed

The classification is deliberately conservative: a project fundraising page can support a statement about financing design but not net profit, and an institution-reported poverty-exit claim is analysed as a reported claim rather than independently established causation. The full document trail and corresponding analytical codes are presented in Appendix A.

A sensitivity review tested the substantive interpretation against a more restrictive rule in which institution-reported welfare and production figures were excluded from evidence of demonstrated impact. The four asset-and-operating-model pathways remained identifiable because they depend principally on reported asset status, use arrangements and institutional functions. However, claims about realised benefits became much narrower. A rival explanation is that the apparent differences in project performance reflect reporting styles and document availability rather than genuine differences in economic success. The analysis therefore does not rank the initiatives by impact or sustainability. Missing contracts, absent project-level accounts and inconsistent land-area figures were retained as negative or uncertain observations, not filled through inference. This procedure makes the boundaries of the resulting typology explicit and reduces the risk of treating richer publicity material as stronger economic performance.

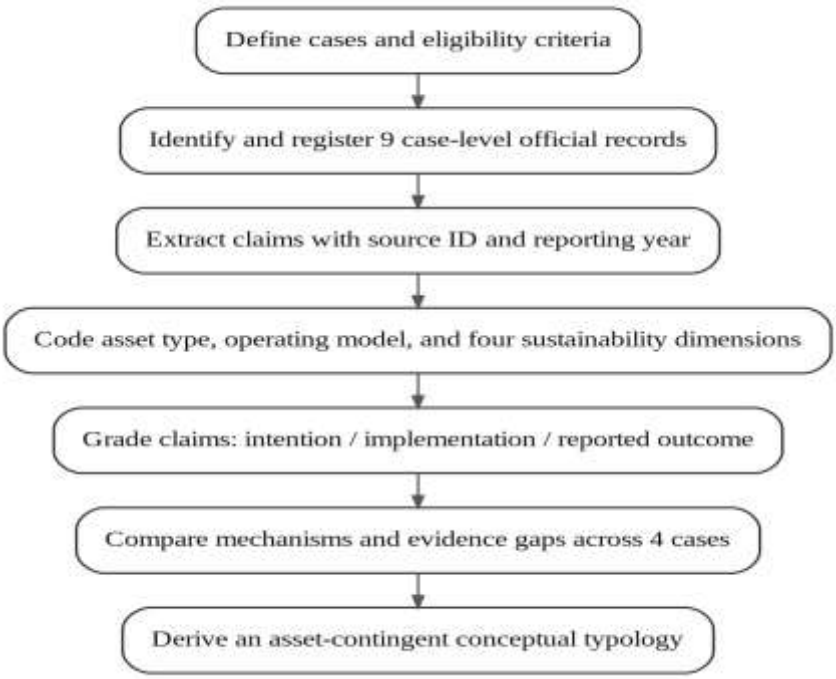

Figure 1. Source-linked documentary extraction and cross-case analysis procedure.

Trustworthiness and Limitations

Authenticity was addressed by selecting identified official publishers and verifying dates and source URLs. Credibility was treated as claim-specific: an official report is suitable evidence of an institutional announcement but not automatically proof of an independently evaluated social impact. Data were triangulated where different official issuers described related aspects of a case, notably in the Hassan and Banggol records. Contradictory or non-equivalent figures were retained with their time and scope rather than harmonised without evidence. The study is restricted to public documentation and cannot infer unreported contracts, beneficiary incomes, profitability or longitudinal sustainability. Site classification as statistically rural was not independently tested; the scope is therefore rural-oriented economic activities, not a representative sample of administratively rural projects.

RESULTS

Case Selection and the Legal Status of Productive Resources

The first finding is a differentiation of productive resource provenance. Hassan comprises a cash-waqf financing arrangement for assets in a larger project involving LZNK, rather than an undifferentiated claim that the entire rice-growing and milling ecosystem is endowed. YWM reports that cash waqf is directed particularly towards rice-mill development and identifies institutional approval on 16 October 2024 (H01; Yayasan Waqaf Malaysia, n.d.). An earlier YWM account records a 2024 visit to a mill already acquired by LZNK, illustrating why the existing mill and a subsequently proposed waqf-funded component must not automatically be treated as the same legal asset (H02; Yayasan Waqaf Malaysia, 2024b). The 2025 YWM update continued to discuss the direction of the waqf rice-mill initiative (H03; Yayasan Waqaf Malaysia, 2025), while an LZNK report in 2026 described institutional engagement at the site (H04; Izzati, 2026). These documents corroborate project activity but do not document a definitive allocation of each existing and future asset to waqf ownership.

Wakaf Bot Perak provides a clearer asset-based description: an institutional product page says that the financed vessel is to be registered as a MAIPk waqf asset and operated through a fishing association (B02; Wakaf Perak Ar-Ridzuan, n.d.-b). Its project-development page records handover of the first boat on 21 December 2017 and commencement of fishing activity (B01; Wakaf Perak Ar-Ridzuan, n.d.-a). Although the vessel was

implemented, the available sources do not include its registration instrument or audited operating accounts; the legal description and the documentary evidence of operational use must therefore be kept distinct.

Banggol offers an agricultural land case explicitly identified with waqf by both the MAIK and YWM communications. An MAIK account concerning 2018 filming described a 95-acre agrotourism/agricultural waqf property in Kampung Banggol used for watermelon cultivation (K01; Majlis Agama Islam dan Adat Istiadat Melayu Kelantan, 2018). A YWM record dated 26 February 2024 reports visiting a 60-acre waqf agricultural site at Lot 806, Mukim Banggol, used for fruit and vegetable farming (K02; Yayasan Waqaf Malaysia, 2024a). The differences in acreage, crop description and report dates are not resolved by the accessible documents. Accordingly, the analysis treats the 2024 report as the basis for the 60-acre claim without asserting that it covers the full land described in 2018.

The Selangor case differs again: an official 2024 legislative answer states that PWS used agricultural tenancy or lease arrangements for endowed parcels, including four acres of pineapple cultivation at Sungai Merab and three acres of rock melon at Meru, Klang (S01; Dewan Negeri Selangor, 2024). This directly establishes a use arrangement on waqf land, but the source does not identify individual contract terms, rental amounts or subsequent distribution of the proceeds.

Table 3. Purposeful Selection and the Analytically Distinct Cases

Case	Productive resource	Operating arrangement	Case-specific evidential strength
Hassan (Kedah)	Waqf contributions planned for rice-processing assets within a larger programme	Multi-institutional infrastructure development	Financing purpose and institutional activity; asset-by-asset attribution unclear
Wakaf Bot (Perak)	Waqf-financed movable boat	Affordable lease mediated by fishermen's association	Vessel handover and use documented; rental formula stated
Banggol (Kelantan)	Agricultural waqf land in official MAIK/YWM records	Cultivation of fruits/vegetables; precise operator not disclosed	Institution-reported agricultural output and beneficiary claims; conflicting area scopes
PWS (Selangor)	Existing endowed agricultural parcels	Tenancy/lease to crop operators	Agricultural leases reported; contract performance not disclosed

Four Asset-Contingent Pathways and Their Continuity Controls

The second finding is that four cases embody different exposure to operational risk. The Hassan mechanism is primarily capital-formation and infrastructure-dependent. The central sustainability question is not the amount raised alone, but who bears operating costs and maintains the processing equipment once contributions have been converted into assets. The source material verifies the funding rationale and related mill activities; it does not show whether revenues from a waqf-defined part of the venture cover operation, repair or capital replacement. Thus, its distinctive continuity challenge is attribution and transition from capital mobilisation to operating performance.

Wakaf Bot is the most explicit example of an earmarked maintenance-and-expansion formula. The WPAR project description allocates half of rental receipts to boat maintenance and half to a revolving fund for further vessels (B02). The fishing-boat asset is physically depreciating, so rental collections must be sufficient for repairs, safety requirements and eventual replacement. A fixed percentage is not a verified reserve adequacy test; it is a proposed budgeting rule whose success depends on utilisation, actual costs and collections. The project webpage documenting early use (B01) provides implementation support, but no financial statements demonstrate the performance of the 50:50 rule.

Banggol represents cultivated agricultural waqf land rather than the rental of a discrete piece of equipment. The 2024 YWM report attributes farm output of approximately RM3.1 million for 2023 and states that 31 B40 and asnaf participants had moved out of poverty (K02). These are more specific claims than the plans recorded for several other projects, but the report does not establish whether RM3.1 million represents gross sales, production value, distributions or net income. Nor does it disclose baseline income, time horizon, counterfactual comparison or individual beneficiary outcomes. The finding is therefore institution-reported production and social performance, not an independently established causal effect of waqf. Agronomic, input-cost and market risks remain material to continued operation.

PWS demonstrates a contractual land-access pathway. The agricultural leases documented in S01 indicate that the waqf institution need not directly bear every cultivation decision or production cost. Nevertheless, contractual delegation creates alternative sustainability obligations: monitoring land condition, enforcing permissible lease terms, securing rents and distributing the institution's share consistently with the endowment purpose. Whether these controls function effectively cannot be established from the general legislative answer because lease contracts and project accounts are not published there.

Cross-Case Evidence Gaps and the Limits of Reported Outcomes

The third finding concerns the asymmetry between documented processes and documented outcomes. Implementation is most directly substantiated for the boat handover and initial use, and for the existence of agricultural tenancy arrangements in Selangor. The Hassan file demonstrates institutional processes and project activity, but does not isolate the financial results of its waqf contribution component. The Kelantan report provides the strongest stated output and beneficiary numbers, but these remain one institution's reported figures without independent impact assessment. Evidence categories are therefore not synonymous with performance rankings.

Table 4. Cross-Case Findings: Continuity Risk, Mechanism and Reporting Gap

Initiative	Distinctive continuity risk	Observed or stated mechanism	Missing evaluation evidence
Hassan	Attribution of waqf funds/assets; transition to operating costs	Cash-waqf project financing and inter-institutional planning	Ring-fenced accounts, operating margin, asset inventory, farmers' attributable benefits
Wakaf Bot	Depreciation, repair and replacement of movable equipment	Affordable leasing; specified 50:50 rental allocation	Actual collections, repair invoices, reserve adequacy, beneficiary income panel
Banggol	Crop yields, input costs, market volatility, tenure and benefit flows	Reported cultivated waqf site and social/production outputs	Gross-versus-net clarification, independent baseline and beneficiary follow-up
PWS	Contract performance, land stewardship, rent and benefit distribution	Endowed land leased for two crop types	Lease terms, realised rental receipts, distribution records, land-condition monitoring

A further distinction is required between sectoral relevance and administrative geography. Yan rice production and coastal fisheries have evident connections to rural-oriented livelihoods. Banggol agriculture and the Selangor parcels are relevant to cultivation, but the available records do not independently establish whether every site is statistically rural under Malaysian classifications. The findings therefore concern asset-based support for rural-oriented production systems; they do not establish a representative pattern across all rural districts.

DISCUSSION

From Generic Sustainability Dimensions to Asset-Contingent Controls

The comparative evidence helps refine, rather than simply repeat, existing sustainability scholarship. The financial, asset, social and governance dimensions are already familiar from research on institutional resilience, land development and impact accountability (Sulaiman & Zakari, 2019; Ishak et al., 2025; Zain et al., 2023). The present comparison suggests that these common dimensions take distinct practical forms when the productive resource is a fixed processing facility, a depreciating vessel, cultivated land or rented land. An institutional checklist that merely asks whether maintenance, finance and governance exist would miss these differences.

A fixed processing facility raises questions about capital acquisition, business viability and the separation of endowed from non-endowed components. A rented vessel requires an asset replacement policy and viable rental pricing. Agricultural cultivation requires documentation of input and production costs alongside reported yields and farmer participation. Land tenancy requires enforceable contractual responsibilities and oversight of rent and land condition. These controls are not proof of success; they are logically derived requirements for sustaining each kind of productive arrangement. The specific asset model should therefore determine which sustainability indicators are prioritised.

This result also complicates claims that more complex institutional collaboration necessarily improves outcomes. The Hassan and Wakaf Bot cases involve complementary actors, but the division of legal trusteeship, financing and operational responsibility must remain intelligible for accountability. The Selangor leasing arrangement shifts day-to-day cultivation responsibilities towards an operator; it does not remove the trustee's duty to monitor lawful use and benefit allocation. Institutional collaboration is thus a governance mechanism requiring documentation, not an outcome indicator by itself (Mahmud & Noordin, 2024).

An Evidence Hierarchy for Waqf Development Claims

A second conceptual contribution is methodological. Waqf project reports often contain aspirations and institutional accounts of activity, and may also announce beneficiary results. These types of statements have different evidential meanings. The Banggol report is a useful test: its figures on 2023 production and 31 participants are much richer than a general programme announcement, yet they are not enough to estimate project profit or demonstrate that waqf caused the reported poverty exit. Similarly, WPAR's rental rule specifies how proceeds are intended to be distributed but does not show that reserves accumulated as planned.

The study proposes four evidence classes for future evaluation: intended mechanism, implemented activity, institution-reported result, and independently verified result. In the present case corpus, the final class is not established for causal rural household outcomes. Clear classification protects institutions against overclaiming and allows future researchers to locate the exact missing evidence. It also encourages annual reporting at the project level rather than treating fundraising and construction announcements as substitutes for results.

Proposed Asset-Contingent Productive Waqf Framework

Figure 2 develops the paper's central synthesis. It begins with legal verification of the endowed property or financed component, then identifies the asset-and-operating-model pathway. For each pathway, a different continuity control is prioritised. These controls are tested across financial, asset, social and governance dimensions, while the final outcome assessment is classified according to evidence strength. This sequence reflects a conceptual decision model, not estimated causal arrows or a framework validated through longitudinal observation.

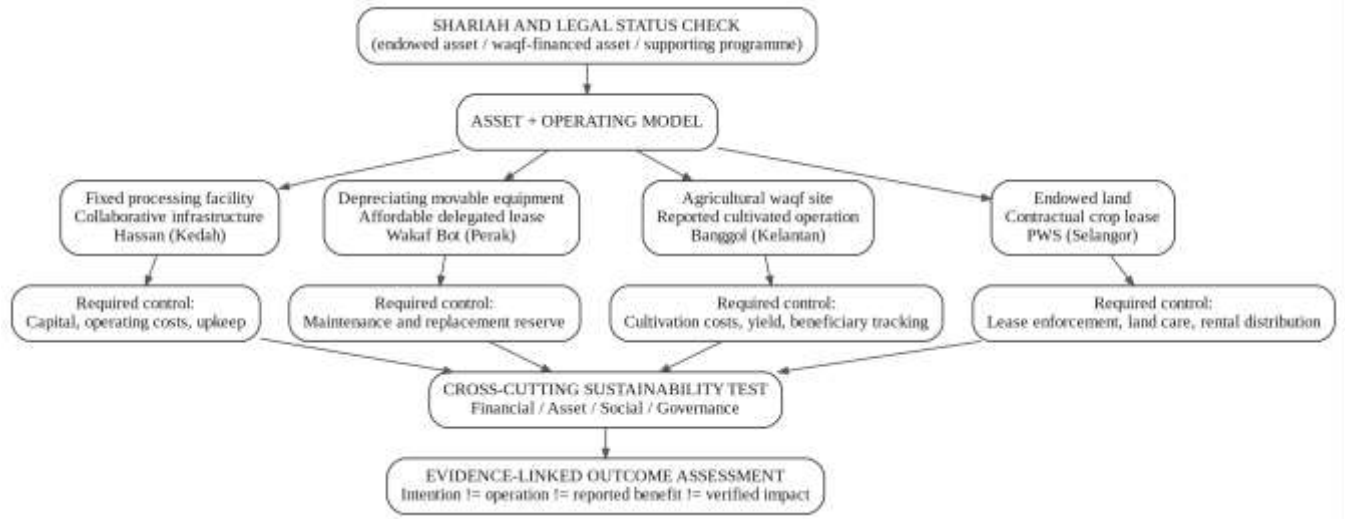

Figure 2. Proposed asset-contingent productive waqf sustainability and evidence framework (conceptual synthesis; not empirically validated).

The framework is deliberately more discriminating than a uniform four-factor model. It can be used to formulate institutional questions: Has the asset legally entered the waqf structure? Is the asset operated directly or through a contract? What costs and risks arise over its life cycle? Are the promised benefits measured and attributed appropriately? Where is evidence absent? These questions can be applied to existing initiatives without assuming that a public announcement establishes sustainable economic impact.

Policy Implications and Research Limitations

Three practical implications follow. First, institutions should publish project-specific asset registers that distinguish endowed assets, non-endowed supporting property and waqf-funded expenditure. Second, reporting indicators should be differentiated by asset type: realised income and repair reserves for boats, operating accounts for mills, gross and net farm results for cultivation, and lease receipts and land-condition records for agricultural tenancy. Third, beneficiary reporting should identify who receives benefits, how outcomes were measured and whether reported changes can be plausibly attributed to the project rather than to wider economic conditions.

The study remains constrained by a small purposive corpus of nine official documents and the absence of contracts, audited project accounts, interviews and independent beneficiary data. The Banggol area discrepancy cannot be resolved from the accessible records; the 2018 and 2024 figures are not forced into one land-area estimate. Sites were not geocoded against an official rural classification. The framework is therefore a transparent analytical typology generated from documents, not a measurement of nationwide prevalence or a causal test. Future work should use institutional records and longitudinal interviews to validate the asset-dependent controls and compare financial and beneficiary outcomes over time.

CONCLUSION

This study examined four Malaysian initiatives through nine official case-level documents to determine how productive waqf arrangements differ by asset class and operating model. The evidence identifies cash-waqf infrastructure financing in Kedah, waqf-financed boat leasing in Perak, institution-reported agricultural activity on waqf land in Kelantan, and agricultural tenancy on endowed parcels in Selangor. These distinctions matter because facilities, movable equipment, cultivated land and leased land require different mechanisms to preserve productive capacity and distribute benefits.

The principal contribution is an asset-contingent typology of continuity controls complemented by an explicit hierarchy of documentary evidence. The common sustainability dimensions of financial, asset, social and governance performance remain useful, but their indicators should be selected according to the underlying resource and operational relationship. Project intentions, implemented activities and institution-reported

outcomes must not be conflated. The official records support mechanisms and selected reported outputs, not a causal claim that all four initiatives reduced rural poverty or achieved long-term financial independence.

Productive waqf can be a relevant institutional complement to rural-oriented economic development where its legal asset status, operating obligations and benefit flows are transparent. Greater analytical credibility requires project-level financial reporting, clear asset maintenance and replacement plans, and independent verification of beneficiary outcomes.

Data Availability And Ethical Considerations

This study analyses publicly accessible official institutional and government documents identified in Appendix A and the references. It did not involve interviews, surveys, human participants or animal research. The case-level analytical matrix is reproduced within the manuscript in summarised form. No confidential dataset was used.

Conflict Of Interest

The authors declare no conflicts of interest in relation to this study.

Appendix A. Document Register And Analytical Audit Trail

The following register provides the documentary basis of the nine selected case-level records. The document number is an internal analytic identifier, not an external record ID. Source dates refer to the webpage or institutional report as available.

Table A1. Source Register for the Four-Case Comparison

ID	Issuer and date	Documentary proposition used	Limitation
H01	YWM (n.d.), Hassan fundraising page	Cash-waqf scheme; institutional approval on 16 Oct 2024; rice-mill financing purpose	No attributable project accounts
H02	YWM (30 Jul 2024), Hassan RTD	Existing mill acquired by LZNK visited; funding and sustainability discussed	Mill ownership cannot be mapped to waqf corpus
H03	YWM (24 Apr 2025), Hassan update	Meeting on direction of waqf rice-mill initiative	No profit or beneficiary performance
H04	LZNK/Izzati (9 Sep 2026), site report	Institutional engagement at rice-mill waqf site in Yan	No audited cash flows
B01	WPAR (n.d.-a), project progress	First waqf vessel handed over 21 Dec 2017; early fishing use reported	No continuing operational series
B02	WPAR (n.d.-b), Wakaf Bot	Boat description and 50% maintenance / 50% revolving-fund rule	Rule not independently audited
K01	MAIK (2018), Banggol agrotourism report	95-acre wakaf agrotourism/agriculture site reported	Not confirmed identical to K02 farm area
K02	YWM (26 Feb 2024), Kelantan visit	60-acre Lot 806 farm; 31 participants and RM3.1m 2023 proceeds reported	Institution-reported outcomes; no net accounts / impact design
S01	Dewan Negeri Selangor (2024), Question 224	PWS agricultural leases: 4 acres pineapple; 3 acres rock melon	No realised lease receipts or contract terms

REFERENCES

1. Abdullah, M. (2020). Classical waqf, juristic analogy and framework of awqāf doctrines. ISRA International Journal of Islamic Finance, 12(2), 281–296. https://doi.org/10.1108/IJIF-07-2019-0102
2. Allah Pitchay, A., Mohd Thas Thaker, M. A., Mydin, A. A., Azhar, Z., & Abdul Latiff, A. R. (2018). Cooperative-waqf model: A proposal to develop idle waqf lands in Malaysia. ISRA International Journal of Islamic Finance, 10(2), 225–236. https://doi.org/10.1108/IJIF-07-2017-0012
3. Arsad, S., Adenan, N. Z. C., Bakar, M. A., Ahmad, R., Abas, H., & Said, R. (2026). Waqf land utilisation for agricultural development and socio-economic empowerment: A critical literature review. International Journal of Law, Government and Communication, 11(44), 309–326. https://doi.org/10.35631/IJLGC.1144019
4. Bowen, G. A. (2009). Document analysis as a qualitative research method. Qualitative Research Journal, 9(2), 27–40. https://doi.org/10.3316/QRJ0902027
5. Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. Qualitative Research in Psychology, 3(2), 77–101. https://doi.org/10.1191/1478088706qp063oa
6. Çizakça, M. (1998). Awqaf in history and its implications for modern Islamic economies. Islamic Economic Studies, 6(1), 43–70. https://ideas.repec.org/a/ris/isecst/0092.html
7. Dalglish, S. L., Khalid, H., & McMahon, S. A. (2020). Document analysis in health policy research: The READ approach. Health Policy and Planning, 35(10), 1424–1431. https://doi.org/10.1093/heapol/czaa064
8. Daud, M. Z., Hanafi, H., & Abu@Hussin, M. F. (2022). Literature on current development of waqf practices in Malaysia. Journal of Shariah Law Research, 7(2), 223–240. https://doi.org/10.22452/jslr.vol7no2.4
9. Department of Statistics Malaysia. (2025). Household income survey report 2024 (Malaysia & states). https://www.dosm.gov.my/portal-main/release-content/household-income-survey-report--malaysia--states-2024
10. Dewan Negeri Selangor. (2024). Tanah wakaf yang didaftarkan di Perbadanan Wakaf Selangor [Legislative answer, Question 224]. https://dewan.selangor.gov.my/question/tanah-wakaf-yang-didaftarkan-di-perbadanan-wakaf-selangor/
11. Eisenhardt, K. M. (1989). Building theories from case study research. Academy of Management Review, 14(4), 532–550. https://doi.org/10.5465/amr.1989.4308385
12. Gale, N. K., Heath, G., Cameron, E., Rashid, S., & Redwood, S. (2013). Using the framework method for the analysis of qualitative data in multi-disciplinary health research. BMC Medical Research Methodology, 13, Article 117. https://doi.org/10.1186/1471-2288-13-117
13. Ishak, A. H., Mohamad, S. N. A., Ab Manan, S. K., Yahaya, M. H., Wan Daud, W. N., & Sharif, D. (2025). The critical success factors of waqf land development for sustainable agriculture. Social Sciences & Humanities Open, 11, Article 101244. https://doi.org/10.1016/j.ssaho.2024.101244
14. Izzati. (2026, September 9). Dari menara zakat ke kilang padi wakaf, sinergi JAWHAR–LZNK diperkukuh. Lembaga Zakat Negeri Kedah. https://www.lznk.com.my/dari-menara-zakat-ke-kilang-padi-wakaf-sinergi-jawhar-lznk-diperkukuh/
15. Mahmud, S., & Noordin, N. H. (2024). Constructive collaboration in ensuring the sustainability of waqf fund in Malaysia: A case study of myWakaf initiative. Journal of Islamic Social Finance, 2(2), 1–17. https://journals.iium.edu.my/jisf/index.php/iiibf/article/view/35
16. Majlis Agama Islam dan Adat Istiadat Melayu Kelantan. (2018). Sesi penggambaran pembangunan tanah wakaf MAIK dalam siri rancangan Ringgit ke Syurga [Institutional report]. https://waqaftunai.e-maik.my/index.php/component/k2/item/90-sesi-penggambaran-pembangunan-tanah-wakaf-maik-dalam-siri-rancangan-ringgit-ke-syurga-astro-oasis-dengan-usahasama-yayasan-wakaf-malaysia.html
17. Ministry of Economy Malaysia. (2025). Thirteenth Malaysia Plan, 2026–2030. https://rmk13.ekonomi.gov.my/
18. Muslim ibn al-Hajjaj. (n.d.). Sahih Muslim (Hadith 1632a). https://sunnah.com/muslim:1632a
19. Sulaiman, M., & Zakari, M. A. (2019). Financial sustainability of state waqf institutions (SWIs) in Malaysia. Journal of Islamic Accounting and Business Research, 10(2), 236–258. https://doi.org/10.1108/JIABR-05-2016-0054

20. Wakaf Perak Ar-Ridzuan. (n.d.-a). Perkembangan Projek Wakaf Bot. https://wakafperak.maiamp.gov.my/v1/index.php/projek-wpar/perkembangan-projek/197-pw175
21. Wakaf Perak Ar-Ridzuan. (n.d.-b). Wakaf bot. https://www.wakafperak.gov.my/product/wakaf-bot/
22. Yayasan Waqaf Malaysia. (n.d.). Tabung kutipan dana wakaf tunai Projek Hassan (Ekosistem Smart Sawah). https://ywm.gov.my/tabung-wakaf-tunai-projek-hassan
23. Yayasan Waqaf Malaysia. (2024a, February 26). Kunjungan hormat Pelan Induk Wakaf Nasional 2025–2030 dan lawatan kerja ke Majlis Agama Islam dan Adat Istiadat Melayu Kelantan. https://www.ywm.gov.my/aktiviti/785
24. Yayasan Waqaf Malaysia. (2024b, July 30). Program Round Table Discussion Projek Hasan 2024 oleh Lembaga Zakat Negeri Kedah. https://ywm.gov.my/aktiviti/902
25. Yayasan Waqaf Malaysia. (2025, April 24). Projek Hassan: Wakaf Kilang Padi di Kedah. https://www.ywm.gov.my/aktiviti/1022
26. Zain, N. S., Hassan, R., & Syed Marwan. (2023). Social impact measurement as a tool of governance and accountability for waqf organisations. International Journal of Islamic Economics and Finance Research, Special Issue, 132–148. https://doi.org/10.53840/ijiefer122