

A Conceptual Analysis of Sustainable Waqf Property Development

¹Mohd Ashrof Zaki Yaakob, ^{2*}Nurulaina Saidin, ³Azri Bhari, ⁴Mohammad Mahyuddin Khalid, ⁵Mohd Faiz Mohamed Yusof, ⁶Mohd Yusra Abdullah, ⁷Abu Bakar Jaafar

^{1,2,3,4,5,6}Academy of Contemporary Islamic Studies (ACIS), Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia

⁷Academy of Contemporary Islamic Studies (ACIS), Universiti Teknologi MARA, Cawangan Jengka, Bandar Tun Abdul Razak, Jengka, Pahang, Malaysia

*Corresponding Author

DOI: <https://doi.org/10.47772/IJRISS.2026.100800888>

Received: 06 September 2026; Accepted: 11 September 2026; Published: 19 September 2026

ABSTRACT

The sustainability of waqf property development cannot be assessed solely through physical asset preservation or financial returns. It requires alignment among the objectives of waqf, fiduciary integrity, asset productivity, continuity of benefits, financial resilience, beneficiary well-being and environmental stewardship. This article reconceptualises sustainable waqf property development and proposes an integrative framework suited to contemporary waqf management. It employs conceptual analysis through qualitative document analysis. Mat Hassan and Ayub (2019) serve as the anchor study, while Shariah sources and literature on waqf, *maqasid al-Shariah*, governance, Islamic social finance and sustainable development are synthesised thematically and comparatively. Six interdependent dimensions emerge: Shariah legitimacy and maqasid, asset preservation, productivity and financial resilience, governance and accountability, social impact and intergenerational justice, and environmental responsibility. The proposed Integrated Sustainable Waqf Property Development Framework links normative foundations, institutional capabilities, development processes, outputs and impacts. Sustainability is defined as the capacity of a waqf institution to preserve the substance and real value of endowed assets, continuously generate lawful benefits, distribute those benefits equitably according to the donor's intent, manage risk transparently, and produce measurable social and environmental impact across generations. The framework extends prior emphasis on perpetuity, productivity and benefit by adding implementation mechanisms and evaluation indicators. It provides a theoretical foundation and assessment architecture for regulators, State Islamic Religious Councils, *mutawallis*, developers and waqf researchers. Cross-state empirical validation is recommended to test the relationships between the six dimensions and sustainable waqf asset performance.

Keywords: Waqf Property; Sustainability; Asset Development; Maqasid Al-Shariah; Waqf Governance; Social Impact

INTRODUCTION

Waqf is an Islamic philanthropic institution that combines the preservation of endowed assets with the continuous allocation of their benefits to charitable purposes. The hadith concerning the endowment of 'Umar ibn al-Khattab's land in Khaybar, in which the Prophet Muhammad (peace be upon him) instructed that the corpus of the property be retained while its proceeds were distributed as charity, provides the foundational rationale for preserving the substance of a waqf asset while allowing its benefits to circulate continuously (al-Bukhari, Hadith No. 2737; Muslim, Hadith No. 1632). Sustainability is therefore not an externally imposed concept added to the institution of waqf. Rather, it is inherent in its legal and ethical structure through the continuity of benefits, fiduciary responsibility, and prohibition against the misuse of endowed assets.

Nevertheless, legal perpetuity does not automatically ensure sustainable development. Land may retain its legal status as waqf while remaining idle, generating insufficient returns, being vulnerable to encroachment, lacking

complete documentation, or being developed through projects that do not correspond to local needs. Conversely, a financially profitable project cannot necessarily be considered sustainable if it diminishes the value of the endowed asset, disregards the founder's intentions, transfers risks inequitably, neglects its intended beneficiaries, or causes environmental degradation. This distinction between the perpetuity of legal status and the sustainability of performance constitutes the central analytical problem addressed in this article.

Mat Hassan and Ayub (2019) provide an important foundation by conceptualising sustainable waqf property development through four dimensions: sources of reference, implementation principles, development elements, and spiritual objectives. The principles identified comprise justice, trustworthiness, Shariah compliance, economic viability, and environmental preservation, while the principal elements encompass the preservation of the waqf corpus (*'ayn*), productivity, and benefits. This framework represents a valuable initial conceptualisation within the Malaysian context. However, developments in the post-2019 landscape, including the growing emphasis on the Sustainable Development Goals (SDGs), impact financing, digitalisation, climate-related risks, outcome measurement, and governance requirements, necessitate the advancement of the concept from a descriptive set of principles towards an assessable conceptual framework.

Recent literature indicates that waqf research increasingly intersects with sustainable development, regional planning, and information management (Misbah et al., 2022). Concurrently, a systematic review of Islamic values in waqf governance identifies *tawhid*, justice, trustworthiness, accountability, *shura*, and *maqasid* as fundamental institutional principles (Ramdani et al., 2024). Abdullah (2018) further demonstrates the potential of waqf to support the achievement of the SDGs when development planning is guided by *maqasid al-Shariah*. These developments suggest that waqf sustainability should be understood as a form of systemic performance rather than merely as an attribute of an individual physical development project.

Accordingly, this article addresses three research questions: (i) What are the core components of sustainable waqf property development based on a synthesis of Shariah principles and the sustainable development literature? (ii) How are these components interconnected from their normative foundations to their ultimate impacts? and (iii) What preliminary indicators may be employed to operationalise the concept? The objectives of this article are therefore to analyse and reconceptualise sustainable waqf property development, construct an integrative conceptual framework, and propose empirically testable propositions and assessment indicators.

Contextual Background And Problem Statement

In Malaysia, waqf administration falls within the jurisdiction of the individual states, with each State Islamic Religious Council serving as the sole trustee of waqf assets pursuant to its respective state legislation. At the federal level, the Department of Waqf, Zakat and Hajj (JAWHAR) facilitates coordination, policy development, the publication of guidelines, and project support, while institutions such as Yayasan Waqaf (YWM) Malaysia complement the ecosystem by facilitating resource mobilisation and waqf development. Although this multi-institutional structure creates opportunities for innovation, it also results in variations in legislation, *mutawalli* capacity, asset data management, financing mechanisms, and performance reporting.

The first problem concerns the inconsistent and imprecise use of the term “sustainability.” Some studies equate sustainability with the perpetuity of waqf status, others emphasise asset productivity, while another stream of research associates it with the continuity of benefits. Although all three elements are relevant, they are not synonymous. An asset may retain its perpetual waqf status while remaining unproductive; a productive asset may generate only limited benefits; and short-term benefits may be achieved at the expense of substantial financial or ecological risks. In the absence of a multidimensional definition, sustainability assessments may become overly dependent on isolated indicators, such as occupancy rates or total rental income.

The second problem relates to the gap between formal Shariah compliance and the attainment of *maqasid*. Compliance with contractual requirements and the screening of permissible activities represent minimum conditions, whereas *maqasid al-Shariah* require broader outcomes associated with the preservation of religion, life, intellect, progeny, and wealth. Bank Negara Malaysia's Value-based Intermediation strategy similarly distinguishes formal compliance from the creation of positive impacts and the prevention of harm. This underlying rationale may be cautiously adapted to the waqf sector: development decisions should assess who

benefits from a project, how long those benefits are likely to continue, which forms of harm are prevented, and whether wealth and benefits are circulated equitably.

The third problem concerns the inadequate integration of property development, governance, and impact measurement. Waqf projects may be developed through various mechanisms, including *istisna'*, *ijarah*, *musharakah*, *sukuk*, long-term leases, and public-private partnerships. Nevertheless, their sustainability ultimately depends on the rigour of feasibility assessments, clarity in risk allocation, life-cycle maintenance planning, transparency in procurement, managerial competence, and effective monitoring mechanisms. Financing instruments are merely enabling mechanisms; they cannot substitute for sound governance.

The fourth problem involves the environmental dimension, which is frequently acknowledged at the normative level but rarely operationalised in the planning and assessment of waqf development projects. Physical development produces carbon emissions, consumes water and energy, affects biodiversity, and may increase exposure to flooding, urban heat, and long-term maintenance costs. Recent literature has similarly highlighted the need to balance the productive development of waqf assets with ecological protection. Without measurable indicators and clearly defined risk thresholds, the Islamic principle of human stewardship (*khalifah*) and the prohibition of environmental corruption (*fasad*) remain difficult to translate into concrete project-level decisions.

LITERATURE REVIEW

Waqf, Perpetuity and Continuity of Benefits

The classical conception of waqf emphasises the principle of *tahbis al-asl wa tasbil al-manfa'ah*, namely, preserving the corpus of an endowed property while dedicating its benefits to designated purposes. This principle has two important implications. First, preservation does not necessarily require maintaining an asset in its original physical form without modification. Subject to applicable Shariah rulings and the approval of the relevant authorities, waqf management may involve repairs, redevelopment, or *istibdal* when such measures are necessary to safeguard the objectives of the waqf. Second, the success of waqf management should not be assessed solely by the physical condition of the asset but also by its capacity to deliver the benefits intended by the founder. Accordingly, preservation should encompass the protection of the asset's substance, real value, and capacity to generate benefits.

The analysis of *fiqh al-Bukhari* undertaken by Yaakob et al. (2022, 2026) reinforces the proposition that waqf-related hadiths in *Sahih al-Bukhari* should not be interpreted merely as isolated legal evidence for the permissibility of waqf, independently of their jurisprudential implications and managerial applications. Al-Bukhari's arrangement of chapter headings and selection of narrations provide insights into the preservation of the endowed corpus, the governance of its benefits, and the potential development of the waqf institution. This finding supports the argument advanced in this article that waqf sustainability should be grounded in a normative and operational interpretation of the hadith, rather than being assessed exclusively through modern economic indicators.

From an infrastructural perspective, Yaakob et al. (2017) report that a substantial proportion of the waqf-related hadith texts identified in *al-Kutub al-Sittah* concern the development or management of infrastructure. Their findings demonstrate that land, wells, mosques, and public facilities represent historical manifestations of the manner in which waqf transformed endowed assets into service-delivery capacity. Suliaman and Yaakob (2019) further interpret the application of hadiths concerning infrastructure waqf through the framework of *maqasid al-Sunnah*. Their analysis emphasises that the physical form of a development project must ultimately be evaluated according to its underlying purposes, the public interest it serves, and the continuity of the benefits it is intended to generate.

Mat Hassan and Ayub (2019) integrate the elements of perpetuity, productivity, and benefit in their conceptualisation of sustainable waqf property development. The present article adopts this triad but interprets it as an interconnected chain: preservation establishes and protects the asset base; productivity converts the asset's potential into streams of income or services; and benefits connect these outputs to the well-being of the *mauquf 'alayh*. Failure at any point in this chain compromises the sustainability of the waqf as a whole.

Maqasid al-Shariah and the Objectives of Waqf

Maqasid al-Shariah provides a normative foundation for evaluating purposes, securing *maslahah*, and preventing *mafsadah*. Within the context of waqf, the founder's intention constitutes a specific governing parameter, while public interest and intergenerational justice provide the broader normative horizon. Abdullah (2018) connects waqf with the Sustainable Development Goals (SDGs) through a *maqasid*-oriented framework, while Ahmed (2015) highlights the potential of Islamic social finance instruments to finance development objectives. Such alignment does not imply that the SDGs replace *maqasid al-Shariah*. Instead, the SDGs may serve as a contemporary taxonomy of development outcomes, provided that their implementation remains subject to Shariah principles and the conditions stipulated by the founder.

From the perspective of *maqasid al-waqf*, three requirements must be appropriately balanced: preserving the endowed property, maximising permissible benefits, and protecting beneficiaries' rights across generations. Decisions that focus exclusively on maximising financial returns may conflict with the objectives of waqf if, for example, rental rates exclude the intended beneficiary groups or project-related risks threaten the underlying endowed asset. Waqf optimisation should therefore be understood as a constrained form of optimisation governed by fiduciary responsibility, justice, and the prohibition of harm.

Sustainable Development and Intergenerational Justice

The conventional definition of sustainable development emphasises meeting present needs without compromising the ability of future generations to meet their own needs. Within the institution of waqf, intergenerational justice assumes even greater significance because endowed assets are dedicated to generating enduring benefits. This obligation requires appropriate policies governing reserves, maintenance, reinvestment, and the protection of asset values against inflation. Distributing all available surpluses to current beneficiaries may appear generous but could undermine the asset's future productive capacity. Conversely, retaining excessive surpluses may deny present beneficiaries their legitimate entitlements. Sustainability therefore requires a transparent formula for balancing present distributions with reserves and reinvestment.

The triple-bottom-line perspective, comprising economic, social, and environmental dimensions is valuable but insufficient for evaluating the sustainability of waqf property development. In the context of waqf, Shariah and governance must be treated as distinct dimensions because they determine the legal validity, institutional legitimacy, and fiduciary integrity of a development project. Accordingly, this article does not simply import the conventional triple-bottom-line model. Instead, it integrates its economic, social, and environmental dimensions within the overarching foundations of *tawhid*, *maqasid al-Shariah*, and the founder's intentions.

Governance, Accountability, and Trust

Ramdani et al. (2024) find that Islamic values in waqf governance are principally centred on *tawhid*, justice, accountability, trustworthiness, *shura*, God-consciousness, and the obligation to enjoin good and prevent wrongdoing. These values require corresponding institutional structures, including the separation of board and management functions, Shariah review, conflict-of-interest management, auditing, transparent procurement, performance disclosure, and accessible grievance mechanisms. Without such structures, fiduciary responsibility remains a normative aspiration that is difficult to assess or verify.

Public trust constitutes an important institutional asset that influences contributions, strategic collaboration, and transaction costs. Transparency concerning asset data, development status, revenue, expenditure, beneficiaries, and project impacts can reduce information asymmetry between waqf institutions and their stakeholders. Digitalisation may accelerate asset registration, monitoring, and reporting; however, technology alone cannot rectify poor-quality data or ambiguous lines of accountability. Data governance, cybersecurity, and decision traceability must therefore develop alongside digital transformation.

Productivity, Financing and Resilience

Productive waqf development encompasses both income-generating assets and assets that deliver socially valuable services. Hospitals, schools, and affordable housing projects may not maximise commercial returns,

yet they remain productive when their service costs, accessibility, and social impacts are appropriately measured. Waqf productivity should therefore be assessed through a blended-return approach encompassing financial returns, social value, and non-financial benefits.

Resilience introduces temporal and risk dimensions into the assessment of waqf sustainability. It refers to the ability of waqf assets and institutions to withstand market shocks, disasters, regulatory changes, prolonged vacancies, project-partner failures, and rising operational costs. Feasibility studies, income diversification, *takaful* protection, maintenance reserves, scenario analyses, and business continuity plans constitute important resilience mechanisms. Financing structures should correspond to the project's duration, cash-flow characteristics, and risk profile without exposing the entrusted waqf assets to disproportionate or unjustifiable risks.

Yaakob et al. (2016) connect the investment of waqf properties through infrastructure development with hadith principles and risk-management considerations. This relationship is particularly important because the obligation to enhance the productivity of waqf assets does not eliminate the duty to protect their corpus (*'ayn*) and benefits. Innovations such as long-term leases, joint ventures, and structured financing should therefore be preceded by comprehensive due diligence and the identification of Shariah, construction, market, operational, and counterparty risks. These risks should subsequently be allocated to the parties best positioned to manage them. Risk management should thus be regarded as an integral component of fiduciary responsibility rather than as a technical function detached from the objectives of waqf.

RESEARCH METHODOLOGY

This study employed a qualitative conceptual analysis based on document review. This approach was selected because the study aimed to clarify the meaning and key dimensions of sustainable waqf property development and to develop an integrated conceptual framework. It was not intended to measure statistical relationships or identify conceptual relationships. Document analysis enabled relevant written materials to be systematically examined, interpreted, compared, and synthesised (Bowen, 2009).

The study by Mat Hassan and Ayub (2019) was used as the principal reference because it directly discusses sustainable waqf property development in Malaysia. Additional documents were selected purposively based on four criteria: (i) direct relevance to waqf, sustainability, property development, governance, or Islamic social finance; (ii) academic, normative, or policy relevance; (iii) contribution to the identification of concepts, principles, mechanisms, or indicators; and (iv) availability from a reliable publisher, institutional website, or valid Digital Object Identifier (DOI). The analysed materials included selected Qur'anic verses and hadiths, peer-reviewed journal articles, institutional reports, and policy documents. Recent publications from 2018 to 2026 were prioritised, while relevant foundational studies were also retained.

The analysis was conducted in five stages. First, the definitions, principles, and key elements of sustainable waqf property development were extracted from the selected documents. Second, recurring themes were identified and coded, including Shariah compliance, preservation of the waqf corpus, productivity, continuity of benefits, governance, financial resilience, social impact, and environmental responsibility. Third, similar concepts were grouped together, while differences among inputs, processes, outputs, outcomes, and impacts were clarified. Fourth, the identified themes were organised into a conceptual matrix linking each sustainability dimension to its normative foundations, implementation mechanisms, and possible indicators. Finally, the relationships among the dimensions were synthesised to develop the proposed Integrated Sustainable Waqf Property Development Framework.

The credibility of the analysis was strengthened by comparing evidence from different categories of sources, including Islamic primary sources, academic studies, policy documents, and institutional publications. The emerging themes were also checked for internal consistency and examined against contrasting examples. For instance, a legally preserved but undeveloped waqf asset was used to demonstrate that perpetuity alone does not constitute sustainability. Similarly, a profitable project that fails to benefit its intended beneficiaries was used to demonstrate that financial performance alone is insufficient.

This study is limited by its reliance on documentary sources and the absence of field-based data from waqf institutions, practitioners, or beneficiaries. The proposed framework should therefore be regarded as a theoretically informed conceptual framework rather than an empirically validated model. Future research may validate its dimensions and indicators through expert interviews, Delphi analysis, case studies, surveys or comparative studies involving State Islamic Religious Councils and waqf institutions.

Findings of The Conceptual Analysis

Operational Definition

Sustainable waqf property development is defined as the capacity of a waqf institution to preserve the substance, legal status, and real value of its endowed assets; develop and operate these assets in a Shariah-compliant and resilient manner; continuously generate financial returns or service-based benefits; distribute such benefits equitably in accordance with the founder's intentions; and produce positive and measurable social and environmental impacts across generations.

This definition incorporates five important characteristics. First, sustainability represents a dynamic institutional capacity rather than a static condition. Second, its unit of analysis encompasses both the waqf asset and the institution responsible for its management. Third, the benefits generated may take financial or service-based forms. Fourth, sustainability must be assessed over time rather than at a single point. Finally, its legitimacy is subject to Shariah principles and the fulfilment of the fiduciary responsibilities arising from the founder's intentions.

Six Dimensions of Sustainability

Table 1. Six Dimensions of Sustainable Waqf Property Development

Dimension	Conceptual focus	Key mechanisms	Illustrative indicators
1. Shariah legitimacy and objectives	Legitimacy of the asset, contractual arrangements, and operational activities; compliance with the founder's intentions; promotion of <i>maslahah</i> ; and prevention of harm.	Shariah review, documentation of Shariah justifications, screening of business partners, and <i>maqasid</i> -based assessment.	Registration status; number of Shariah non-compliance incidents; alignment of the project with the founder's stipulated conditions; and implementation of corrective measures.
2. Asset preservation	Preservation of the asset's legal status, substance, real value, and capacity to generate continuous benefits.	Asset registration, protection of legal ownership, life-cycle maintenance, periodic valuation, and regulated <i>istibdal</i> .	Percentage of registered assets; building condition index; deferred maintenance obligations; and changes in the asset's real value.
3. Productivity and financial resilience	Capacity to generate sufficient and continuous streams of benefits while remaining resilient to financial and operational shocks.	Feasibility studies, appropriate financing structures, financial reserves, <i>takaful</i> protection, income diversification, and scenario analysis.	Occupancy rate; operating-cost ratio; maintenance reserve ratio; cash-flow stability; and social value generated per Malaysian ringgit.
4. Governance and accountability	Competent, transparent, conflict-free, and	Competent governing board, segregation of duties, auditing,	Timeliness of audits; extent of performance disclosure; time taken to address audit

	accountable institutional decision-making.	transparent procurement, risk management, and public reporting.	findings; management of conflicts of interest; and data quality.
5. Social impact and intergenerational justice	Equitable access, beneficiaries' well-being, and a balanced distribution of benefits between present and future generations.	Needs assessment, beneficiary eligibility criteria, outcome measurement, and transparent distribution and reinvestment policies.	Number and profile of beneficiaries; affordability; changes in beneficiary outcomes; distribution-to-reinvestment ratio; and beneficiary satisfaction.
6. Environmental responsibility	Reduction of ecological harm, efficient use of resources, and enhancement of climate resilience.	Environmental impact assessment, green design, energy and water efficiency, waste management, and climate-adaptation measures.	Energy and water intensity; waste diverted from landfills; carbon emissions; flood-risk exposure; and life-cycle costs.

Source: Authors' synthesis based on Mat Hassan and Ayub (2019), Abdullah (2018), Misbah et al. (2022), Ramdani et al. (2024) and relevant policy documents.

Interrelationships among the Dimensions

The six dimensions of sustainable waqf property development do not operate independently or merely in parallel; rather, they are interconnected and mutually reinforcing. Shariah legitimacy and *maqasid* establish the normative boundaries within which all development decisions must be made. Governance and institutional capacity then translate these normative principles into policies, strategies, and operational decisions. These decisions directly influence asset preservation, productivity and financial resilience, as well as environmental performance.

The resulting financial and service-related outputs subsequently contribute to social outcomes and broader societal impacts. Evidence derived from impact and risk indicators should then be reported to the governing board and incorporated into subsequent strategic reviews and corrective measures. The proposed framework should therefore be understood as a continuous learning and improvement cycle rather than a linear, one-off sequence of development activities.

Table 2. Stages of the Integrated Sustainable Waqf Property Development Framework

Framework Stage	Principal Components	Key Evaluative Question
Normative foundations	<i>Tawhid</i> , <i>maqasid al-Shariah</i> , <i>maqasid al-waqf</i> , the founder's intentions, justice and fiduciary responsibility.	Is the project legally and Shariah-compliant, does it promote <i>maslahah</i> and does it remain faithful to the objectives of the waqf?
Institutional capacity	Legal mandate, professional competence, data availability, governance, financing capacity and risk management.	Does the institution possess the capacity to make, implement and oversee decisions throughout the asset's life cycle?
Development process	Land-use planning, feasibility assessment, contractual arrangements, procurement,	Is the development process transparent, financially viable, resource-efficient and capable of managing relevant risks?

	financing, construction, operations and maintenance.	
Outputs	Operational assets, net income, services provided, beneficiary access and environmental performance.	What financial and non-financial outputs have been generated, at what cost and at what level of quality?
Outcomes and impacts	Beneficiary well-being, social inclusion, asset preservation, public trust and intergenerational benefits.	What changes have occurred, and to what extent can they reasonably be attributed to the waqf intervention?
Feedback and strategic improvement	Auditing, impact assessment, Shariah review, stakeholder grievances, performance evaluation and strategic adjustment.	Which aspects should be improved, discontinued, expanded or refinanced?

Source: Authors' Conceptualisation.

DISCUSSION

From Legal Perpetuity to the Preservation of Asset Value and Function

The first contribution of the proposed framework lies in distinguishing formal perpetuity from substantive preservation. Although the legal status of a waqf asset may remain unchanged, inflation, depreciation, physical deterioration and changes in market or community demand may reduce its capacity to generate the intended benefits. Waqf managers must therefore monitor the asset's real value, physical and technical condition, suitability for its designated use, and deferred maintenance costs.

The preservation of function also permits carefully considered adaptation when an asset's original use is no longer optimal or capable of fulfilling the objectives of the waqf. Any such adaptation must remain subject to the founder's stipulated conditions, applicable Shariah rulings, relevant legislation, and the approval of the competent authorities. Sustainable preservation should therefore protect not only the physical existence of the endowed asset but also its long-term capacity to fulfil its intended social and religious purposes.

From Financial Returns to Blended Returns

The second contribution involves broadening the meaning of productivity beyond financial returns. Rental income represents an important performance indicator, but it does not adequately capture the educational, healthcare, social protection or religious value generated by waqf assets. Each waqf development project should therefore be guided by a theory of change explaining how its inputs and activities are expected to generate outputs, outcomes, and longer-term impacts.

For commercial projects, the assessment should emphasise net returns, risk exposure, financial resilience and reinvestment. For socially oriented projects, indicators should include cost per beneficiary, accessibility, service quality, and changes in beneficiaries' well-being. A diversified waqf portfolio may consequently balance commercially yielding assets with socially impactful assets instead of requiring every asset to achieve an identical financial profile. This blended-return approach recognises financial returns, social value and non-financial benefits as complementary components of waqf productivity.

Governance as a Mediating Mechanism

The third contribution of the framework is its positioning of governance as the mechanism connecting normative principles with institutional performance. Fiduciary responsibility does not automatically produce sustainable outcomes in the absence of professional competence, reliable data, effective oversight, and appropriate checks and balances. Governing boards should therefore possess or have access to expertise in property development, Shariah, finance, risk management, environmental sustainability and community needs.

Waqf reporting should extend beyond the disclosure of collections and distributions. It should also provide relevant information on asset portfolios, development status, project costs, financial reserves, beneficiary profiles, social outcomes, principal risks and management responses. The level of disclosure should protect personal data and commercially sensitive information without compromising accountability. Governance thus translates the values of trustworthiness, justice and transparency into verifiable institutional practices and measurable outcomes.

Environmental Responsibility as a Fiduciary Obligation and Financial Risk

The fourth contribution involves connecting environmental stewardship with the fiduciary responsibility to preserve waqf assets. Energy and water efficiency can reduce operating costs, flood-resilient design can protect assets and preserve the continuity of benefits, durable construction materials can reduce long-term maintenance requirements and biodiversity assessments can help prevent *mafsadah*. Environmental considerations therefore have direct implications for financial resilience, beneficiary safety, asset preservation and the continuity of waqf benefits.

Environmental responsibility should not be regarded merely as a reputational consideration or an additional feature of a development project. It should instead constitute an integral component of asset and risk management. Life-cycle cost analysis should therefore complement and where appropriate, replace decision-making approaches that focus exclusively on initial construction costs.

Alignment with the SDGs without Diluting the Identity of Waqf

Waqf has the potential to contribute to several Sustainable Development Goals, including poverty reduction, good health and well-being, quality education, clean water and sanitation, affordable and clean energy, sustainable cities and communities, and climate action. However, the mapping of waqf projects to the SDGs should begin with the mandate of the waqf and a clearly articulated theory of change. It should not be undertaken merely as a retrospective labelling exercise after project completion.

Within this relationship, *maqasid al-Shariah* serve as the ethical and teleological framework for evaluating the legitimacy, priorities, and consequences of waqf development. The SDGs, meanwhile, provide a contemporary language of development outcomes that can facilitate collaboration, reporting, comparison, and impact assessment. The relationship between the two frameworks should therefore be understood as complementary rather than substitutive. SDG alignment may enhance the relevance and measurability of waqf initiatives, but it must not obscure the distinctive Shariah foundations, fiduciary character and objectives of the waqf institution.

Policy And Management Implications

First, the relevant authorities could develop a national sustainability scorecard comprising a set of common core indicators while allowing appropriate adaptation to different state jurisdictions. The core indicators should encompass the legal and Shariah status of waqf assets, preservation of asset value, financial performance, audit and accountability, beneficiary outcomes and environmental performance. Performance comparisons should be conducted according to asset category because mosques, educational institutions, housing developments, healthcare facilities and commercial buildings serve different objectives and should not be evaluated using identical benchmarks.

Second, every proposed waqf development project should be accompanied by a clear *maqasid* statement, theory of change, alternative-use analysis, feasibility study, risk matrix, life-cycle maintenance plan, exit or recovery strategy and measurable impact indicators. Project approval should not be based solely on projected financial returns. It should also consider Shariah legitimacy, social benefits, implementation capacity, risk exposure, environmental implications and the long-term preservation of the endowed asset.

Third, distribution policies should establish a transparent formula for allocating available returns among current beneficiary distributions, financial reserves, asset maintenance and reinvestment. The appropriate allocation formula may vary according to the type, maturity and financial position of an asset. Nevertheless, the rationale

underlying the allocation decision should be transparent, documented and periodically reviewed. Such a policy would help balance the rights and needs of present beneficiaries with the obligation to preserve benefits for future generations.

Fourth, institutional capacity-building programmes should extend beyond knowledge of waqf jurisprudence to include property management, investment appraisal, contract management, data governance, climate-risk assessment and impact measurement. Strategic collaboration with universities, professional bodies, technical specialists and financial institutions could help address expertise gaps. Such collaboration, however, should complement rather than transfer or diminish the ultimate fiduciary accountability of the *mutawalli*.

Fifth, waqf institutions could adopt public portfolio dashboards supported by clearly defined and independently verified indicators. These dashboards may disclose information on asset status, financial performance, development progress, beneficiary reach, social outcomes, environmental performance and major project risks. However, digitalisation should be supported by common data standards, consistent metric definitions, appropriate access controls, cybersecurity safeguards and audit mechanisms. The quality, reliability, and comparability of disclosed information are more important than the volume of data reported.

CONCLUSION

Sustainable waqf property development represents a fiduciary commitment to preserving an asset's capacity to generate continuous benefits, rather than merely maintaining its waqf designation or physical existence. The analysis demonstrates that the concept should incorporate six interrelated dimensions: Shariah legitimacy and objectives, asset preservation, productivity and financial resilience, governance and accountability, social impact and intergenerational justice, and environmental responsibility. These dimensions operate within an integrated system that begins with normative foundations, is translated into action through institutional capacity, implemented through development and operational processes, evaluated according to outputs, outcomes, and impacts and continuously improved through feedback and strategic review.

The proposed framework retains the essential principles identified in the foundational study, justice, trustworthiness, Shariah compliance, economic viability, environmental preservation, perpetuity, productivity, and continuity of benefits, while extending them through the inclusion of implementation mechanisms, risk considerations, and measurable indicators. Its practical value lies in its capacity to guide the formulation of appropriate evaluative questions before, during, and after the development of waqf assets.

A waqf development project may therefore be considered sustainable only when it is legally and Shariah-compliant, remains faithful to the founder's intentions, preserves the real value and productive capacity of the endowed asset, demonstrates financial and operational resilience, ensures transparent and accountable governance, distributes benefits equitably between present and future beneficiaries, and avoids transferring environmental costs to society or future generations. Empirical validation constitutes the next essential step in transforming this conceptual framework into a robust policy, management and assessment instrument for waqf institutions.

REFERENCES

1. Abdullah, M. (2015). A new framework of corporate governance for waqf: A preliminary proposal. *ICR Journal*, 6(3), 353–370. <https://doi.org/10.52282/icr.v6i3.316>
2. Abdullah, M. (2018). Waqf, sustainable development goals (SDGs) and maqasid al-Shariah. *International Journal of Social Economics*, 45(1), 158–172. <https://doi.org/10.1108/IJSE-10-2016-0295>
3. Ahmed, H. (2015). On the sustainable development goals and the role of Islamic finance (Policy Research Working Paper No. 7266). World Bank. <https://hdl.handle.net/10986/22000>
4. Al-Bukhari, M. I. (n.d.). *Sahih al-Bukhari 2737: Conditions—Chapter on conditions in waqf*. Sunnah.com. <https://sunnah.com/bukhari:2737>
5. Bank Negara Malaysia. (2018). Value-based intermediation: Strengthening the roles and impact of Islamic finance. <https://www.bnm.gov.my/documents/20124/761688/Strategy%2BPaper%2Bon%2BVBI.pdf>

6. Bowen, G. A. (2009). Document analysis as a qualitative research method. *Qualitative Research Journal*, 9(2), 27–40. <https://doi.org/10.3316/QRJ0902027>
7. Hassan, M. K., Aliyu, S., Huda, M., & Rashid, M. (2019). A survey on Islamic finance and accounting standards. *Borsa Istanbul Review*, 19(Supplement 1), S1–S13. <https://doi.org/10.1016/j.bir.2019.07.006>
8. Jabatan Wakaf, Zakat dan Haji. (n.d.). Dasar wakaf. <https://www.jawhar.gov.my/wakaf/dasar-wakaf/>
9. Mat Hassan, S. H., & Ayub, M. N. (2019). Sustainable development of waqf property: Conceptual analysis. *Jurnal Intelek*, 14(1), 26–35.
10. Misbah, H., Johari, F., Mat Nor, F., Haron, H., Shahwan, S., & Shafii, Z. (2022). Sustainable development, regional planning, and information management as an evolving theme in waqf research: A bibliometric analysis. *Sustainability*, 14(21), Article 14126. <https://doi.org/10.3390/su142114126>
11. Muslim ibn al-Hajjaj. (n.d.). Sahih Muslim 1632a: The book of wills. *Sunnah.com*. <https://sunnah.com/muslim:1632a>
12. Ramdani, R., Widiastuti, T., & Mawardi, I. (2024). Implementation of Islamic values in waqf governance: A systematic literature review. *Journal of Islamic Marketing*, 15(8), 1925–1941. <https://doi.org/10.1108/JIMA-03-2023-0079>
13. Sukmana, R. (2020). Critical assessment of Islamic endowment funds (waqf) literature: Lessons for governments and future directions. *Heliyon*, 6(10), Article e05074. <https://doi.org/10.1016/j.heliyon.2020.e05074>
14. Suliaman, I., & Yaakob, M. A. Z. (2019). Analysis on textual hadith of waqf infrastructure in al-Kutub al-Sittah and its applications from the perspective of maqasid al-Sunnah. *Al-Bayān: Journal of Qurʾān and Hadīth Studies*, 17(2), 221–245. <https://doi.org/10.1163/22321969-12340077>
15. Tok, E., Yesuf, A. J., & Mohamed, A. (2022). Sustainable development goals and Islamic social finance: From policy divide to policy coherence and convergence. *Sustainability*, 14(11), Article 6875. <https://doi.org/10.3390/su14116875>
16. United Nations. (2015). Transforming our world: The 2030 agenda for sustainable development. <https://sdgs.un.org/2030agenda>
17. World Commission on Environment and Development. (1987). Our common future. Oxford University Press. <https://sustainabledevelopment.un.org/content/documents/5987our-common-future.pdf>
18. Yaakob, M. A. Z., Suliaman, I., Khalid, M. M., Mohd Sirajuddin, M. D., Bhari, A., Shahrudin, M. S., & Abdullah, M. Y. (2016). The investment of waqf properties through infrastructure development according to al-Hadith and risk management perspective. *Advanced Science Letters*, 22(9), 2224–2227. <https://doi.org/10.1166/asl.2016.7573>
19. Yaakob, M. A. Z., Suliaman, I., & Khalid, M. M. (2017). The growth of waqf properties through infrastructure development according to al-Hadith. *Pertanika Journal of Social Sciences & Humanities*, 25(Special issue), 211–218. <https://eprints.um.edu.my/22770/>
20. Yaakob, M. A. Z., Saidin, N., Mohamed Yusuf, M. F., Khalid, M. M., Bhari, A., Abdullah, M. Y., Harun, H. M. F., & Suliaman, I. (2022). An analysis of waqf hadiths in Sahih al-Bukhari from the fiqh al-Bukhari perspective. *International Journal of Academic Research in Business and Social Sciences*, 12(11), 1407–1414. <https://doi.org/10.6007/IJARBS/v12-i11/15416>
21. Yaakob, M. A. Z., & Suliaman, I. (2026). Wakaf infrastruktur: Pelaksanaannya di Malaysia. Penerbit Universiti Malaya.