



Waqf Effectiveness in Nigeria: Problems and Solutions

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Abstract

The efficiency of the institution of *Waqf* in alleviating poverty is undisputable and Nigeria as a country with a significant Muslim population stands to benefit immensely from well-functioning *Waqf* institutions. Despite the presence of *Waqf* in Nigeria, the country still experiences increasing levels of poverty. This study aims to find the problems hindering the effectiveness of the *Waqf* operation in alleviating poverty in Nigeria. It uses the thematic framework medium of interviewing as a methodology of retrieving the necessary data. From the analysis, it was evident that a combination of a lack of awareness, lack of transparency as well as corrupt practices is what has led to the inefficiency of *Waqf* operations in Nigeria. The study concludes by discussing solutions that can be employed to remedy the challenges, including producing experts in *Waqf* management, providing tax exemptions for *Waqf* donors, enacting Federal laws relating to *Awqaf* and awareness creation.

Keywords: *waqf*, poverty, Nigeria

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1. Introduction

The word “*Waqf*” means an asset that is set aside such that its usufruct is dedicated in perpetuity to a charitable cause. The term “*Waqf*” originates from the root word “*Waqfa*” which literally means to hold or to restrict the movement or exchange of a particular thing.

Although *Waqf* is not explicitly mentioned in the *Qur'an*, it is alluded to in *Suratul Kahf* (Chapter 18), of the *Qur'an*. In this *Surah*, there is a story of Prophet Musa and Khidr in which the two found a wall about to collapse. Khidr explained to Prophet Musa that the father of two orphans had left some treasure for his heirs under the wall (*Suratul Kahf*: verse 82). *Waqf* is also alluded to in some *hadith* of Prophet Muhammad (ﷺ). An example is the following authentic *hadith* (*Shāḥih* Muslim: 1631): “When a man dies, only three deeds will survive him: continuous charity, beneficial knowledge and a pious child praying for him.”

Having explained what *Waqf* is and its textual evidence in Islam, it is necessary to explain the motivation for this paper. The main motivation for this paper is the high incidence of poverty and inequality in Nigeria. Even though Nigeria is blessed with abundant natural and human resources, the problems of widespread poverty and inequality still linger. The ideal situation in Nigeria is that of an egalitarian society. However, the reality is different. We are therefore proposing, through this paper, that *Waqf* be harnessed to reduce the incidence of widespread poverty and inequality in Nigeria. *Waqf* is an important Islamic Social Finance instrument that has the potential of reducing poverty and inequality in a country such as Nigeria. Through *Waqf*, well-to-do Muslims can make bequests that will benefit the less-privileged members of the society. A common misconception is that *Waqf* is only for religious purposes such as building mosques and *Qur'an* memorization schools. This is untrue because *Awqaf* (plural of *Waqf*) can be established for projects such as the provision of

secular education, healthcare, accommodation for travellers and the construction of roads. The use of *Waqf* for non-religious purposes was particularly witnessed during the Ottoman empire (Fakhrunnas and Liutammima, 2017; Hasan et al., 2019; Rabiah Adawiah Engku Ali et al., 2019). Usage of *Waqf* for non-religious purposes has also been done in recent times. A very good example of this can be found in the activities of *Finterra* (<https://finterra.org/>), a startup that integrates blockchain technology with *Waqf*, among other activities.

It is a conundrum that although Nigeria, a country with a sizeable proportion of its population being Muslim, lags when it comes to the effectiveness of *Waqf*. A summary of the literature shows that several problems beset the institution of *Waqf* in Nigeria. These include lack of confidence by members of the public in *Waqf* institutions, lack of Government support, lack of awareness amongst the populace about what *Waqf* is and inadequate legal framework for *Waqf* as an institution (Ahmad, 2019). Therefore, this study aims to close a gap in knowledge by comprehensively identifying what authorities in *Waqf* in Nigeria perceive to be the challenges facing *Waqf*'s efficacy. Specifically, the objectives of this study are as follows:

1. To find out whether perceived mismanagement of *Waqf* properties due to lack of capacity or corruption discourages prospective *Waqf* donors from engaging in *Waqf* donation in Nigeria.
2. To investigate whether perceived lack of transparency on the part of the *Mutawalli* (*Waqf* trustee) discourages prospective *Waqf* donors from engaging in *Waqf* donation in Nigeria.
3. To inquire whether there is a lack of awareness among Muslims in Nigeria about *Waqf* and its characteristics.
4. To report other challenges facing *Waqf* as an institution in Nigeria from the perspective of the *Mutawalli*, and
5. To proffer solutions to the challenges towards *Waqf* effectiveness in Nigeria identified in this study.

Having established the study's objectives, we turn now to the hypotheses of this study, as follows:

1. *Waqf* bodies in Nigeria are faced with lack of capacity, corruption, and lack of transparency, and
2. There is a lack of awareness among Nigerian Muslims as to what *Waqf* entails.

This study is of both practical and academic importance. It is of practical importance because the recommendations at the end of this study will inform the Nigerian Government as well as Nigerian Muslims what needs to be done to fulfil the potentials of *Waqf* in Nigeria. When properly administered, the institution of *Waqf* could be a complement to provisions of the Government in the areas of health, education, infrastructure, and social amenities. This study is of academic importance because it provides insight to researchers in academia regarding the undocumented challenges facing *Waqf* in Nigeria.

This study employs qualitative data through semi-structured interviews. The sample of interviewees was selected using judgement sampling, a non-probability sampling method. The rest of this paper is organized as follows: the next section covers the literature review, the third section covers research methodology, the fourth section covers data analysis, the fifth section handles discussion of findings while the last section concludes.

2. Literature Review

The benefits of *Waqf* institutions have become more apparent as the years go by. Aliyu (2018) pointed out that *Waqf* institutions have helped tremendously in lessening tax burden and budget deficits, increase public good as well as combat issues of inequality and poverty alleviation among other things. More evidence of their role is in the maintenance of social welfare as witnessed in the implementation by Ottoman rule where it was used to finance health, education and other welfare services (Zuki, 2012). Likewise, in a more contemporary perspective Mikail and Adekunle (2017) is of the notion that *Waqf* and *Zakat* can be used as tools in micro-*Takaful* and will promote social security and economic empowerment. It can be used in a more contemporary form of promoting financial inclusion via micro-*Takaful*.

In the case of Nigeria, the institution of *Waqf* is governed by trustees as compared to it being governed by the law which is in the case with other countries such as Malaysia (Chabbal, 2020). It is important to highlight that there is no existing Federal law that directly overlooks the management as well as administration of *Waqf* in Nigeria. The only provision made for *Waqf* in the Federal constitution is in highlighting that all issues pertaining to *Waqf* are to be handled under the *Shariah* law (Oseni, 2012). More so, the institution of *Waqf* has played a very important role in promoting widespread religious activities by encouraging the developments of

mosques and catering to its maintenance.

To narrow down on the challenges faced by *Waqf* globally, studies have shown that the condition of *Waqf* institutions remain poor as many areas which were once powerhouses of Islam have experienced a tremendous collapse of their *Waqf* institutions (Rashid, 2011; Shirazi, 2011). Several of the *Waqf* buildings are lacking basic maintenance. A recent study by Laallam et al. (2020) noted that there are several issues with *Waqf* performance around the Muslim world and most of them are linked to the state's direct control and management of the *Waqf* sector. In addition to this, the sector also faces issues such as corruption, weak legal protection, inadequate legal and financial reforms amongst others. Similarly, according to (Omar and Sanyinna, 2018) who used a qualitative approach to evaluate the situation of *Waqf* in the Muslim world in general, the cumulative cause for the decline in *Waqf* assets on the global front is a combination of legislative negligence, administrative failure, lack of political determination, a lack of public awareness of the advantages of *Waqf* and a high rate of corruption. The situation in Nigeria is not very different, neither is it impressive because *Waqf* institutions are currently still underdeveloped. This has been the case since the fall of the *Sokoto* caliphate in 1903 (Sunni Muslim caliphate who ruled the West Africa between 1802-1903) where Islam and the *Waqf* administration flourished (Oseni, 2012). However, some states in the country have tried to revive the *Waqf* institution such as *Zamfara* State. This saw the re-establishment of *Waqf* alongside *Zakat* institutions which was also experiencing a downfall. However, since their reestablishment, not much growth has been noticed. Ahmad and Rashid (2017) attribute this failure to lack of adequate corporate governance.

As highlighted by Aliyu (2018), the institution of *Waqf* in the northern parts of Nigeria has failed to achieve the desired result despite the presence of laws to govern its operation. This issue is one not only inherent to the situation in Nigeria but also globally. Boudjellal (2008) highlighted that the institution has not reached its potential and is still widely overshadowed by conventional methods of philanthropy and this calls for more effort to be used in scrutinizing the current situation of the institution and what it needs to reach its potential. One challenge is the practice of *Waqf* following the Maliki law which permits for properties given out as *Waqf* to be revoked by the endower at any time of their choosing (Abubakar, 2014). Other challenges faced by the institution of *Waqf* in Nigeria are the attitude of Muslim leaders towards the *Waqf* establishments, a lack of adequate *Waqf* legislation, the existence of unregistered *Waqf* properties and lack of proper public awareness of the concept of *Waqf* (Ahmad, 2019).

In agreement with Abubakar (2014), studies carried out by Ahmad (2019) have shown that Nigerians in the north are very likely to donate and contribute to cash *Waqf* if there is adequate awareness of it. This, according to the author, proves that the institution can eliminate or at the least reducing poverty in Nigeria. An empirical study by Ahmad (2019) to investigate the cause of the low performance of *Zakat* and *Waqf* institutions in Nigeria shows the presence of gaps among which are: the erosion of trust and confidence in the institution, public displeasure with the involvement of government in appointing officials for the institution, disregards of public opinion as to their preferred choices for administrative officials, lack effort by the government to increase public awareness, lack of adequate knowledge of the potential as well as latest modification of *Waqf* among board members which limits the use of *Waqf* in poverty alleviation. An interview by Ahmad (2019) presented strong evidence to support his finding that another challenge faced by the *Waqf* institution is the difference in religious ideologies which contributes to a lack of trust and confidence. He further explained that if the board is headed by an official from a different group, members from other groups are not likely to accept his authority and vice versa. The solution to this predicament was to have a representative from each sect as part of the board. A recommendation by Ahmad (2019) on how to improve the efficiency of the *Zakat* and *Waqf* institutions in Nigeria is the domination of the boards of these institutions by respected Muslim scholars who are under the leadership of the *Emirs* (rulers). The successful implementation of this practice can be seen in *Jigawa* State *Zakat* committee. Secondly, measures to ensure accountability and transparency should be developed and implemented. The third recommendation is to ensure limited interference of the State Government to only the supervision of the appointed officials as compared to the current practice of appointing them. The last recommendation of the author is to grant the board semi-autonomy which would increase innovation and expansion.

Seeing the importance of *Waqf* in the development of various sectors of an economy, ways to enable its continuous development and stable operation must be identified and implemented especially in evidence from previous studies (Dandy et al., 2018; Jafri and Mohd Noor, 2019; Tutuko et al., 2017). Besides, having reviewed

a considerable number of studies on the issue of *Waqf* both on the global front as well as locally in Nigeria, using empirical data, this study would focus on investigating the general effectiveness of *Waqf* in Nigeria while highlighting its challenges.

3. Research Methodology

3.1 Data collection

The concept of *Waqf* is known in Nigeria but its activation is very scarce among the Muslim communities. Although studies have shown that the legality of *Waqf* in Nigeria can be traced to the federal government law on endowment (1999 constitution of the Federal Republic of Nigeria as amended; Section 262 sub section 1 & 2), yet challenges are confronting the potentials of *Waqf* as socio-economic Islamic instruments in Nigeria. Few *Waqf* institutions in operation are witnesses to the success stories and problems of *Waqf* effectiveness in Nigeria.

The works of [Muhammad \(2014\)](#), [Bakar et al. \(2017\)](#), [Amuda \(2019\)](#) and [Ishola \(2019\)](#) have indicated that most of the literature on the *Waqf* system in Nigeria is based on literature review, legal analysis, and implications. Other studies focus on the potential socio-economic impact of *Waqf* and proposed models for activating *Waqf* in Nigeria. Considering the dearth of primary data on the practice of the *Waqf* system in Nigeria, this study undertakes interviews to explore the pragmatic perspectives of *Waqf* operators, administrators and legal experts on the achievements and challenges of *Waqf* institutions in Nigeria. This research interview method aligns with the study of [Saad et al. \(2017\)](#) which combines a literature review with an in-depth research interview to gather relevant data for its research. The choice of research interview is based on the fact that primary data from the practitioners, operators and administrators in a specialized field will display first-hand information and perception about the condition of the subject matter ([Saunders et al., 2003](#)). A qualitative research method is designed to explore related information and infer from relevant data on the selected respondent's opinion, perspective, and views about the study ([Williams, 2018](#)). This study therefore designs an interview method for collecting relevant data to align with the main objectives of the study towards illustrating the extent of effectiveness in the application of *Waqf* institutions in Nigeria. Selected interviewees are from the existing and functioning *Waqf* institutions in Nigeria.

The selected interviewees are sufficient to represent the practical opinion and perceptions about the success and challenges in Nigeria because they represent registered *Waqf* institutions from different states across the southern and northern parts of Nigeria. However, due to the limited numbers of *Waqf* institutions in Nigeria, five prominent personalities from different institutions accepted the call for participation in the interview sessions. [Creswell \(2003\)](#) suggests that saturation in qualitative interview aiming at interpretative experience of the informants is sufficient when researcher perceived no further new data may be received.

3.2 Data analysis through interviews

This study examines qualitative information from the selected interviewees using the Framework Analysis Approach (FAA). FAA is a research approach used to analyze interview data based on observation of participants ([Srivastava and Thomson, 2009](#); [Nili et al., 2017](#), [Hackett and Strickland, 2019](#); [Busari and Aminu, 2021](#)). This method is employed to evaluate the perception and opinions of interviewees about the opportunities and challenges of the *Waqf* system in Nigeria. The data analysis process includes the identification of themes and sub-themes in coded form. These codes represent in-depth information about on-the-field perceptions and opinions on the challenges of *Waqf* in Nigeria. This study, therefore, uses a thematic framework to encapsulate and illustrate the interview data based on themes and sub-themes.

3.3 Participants

A total of five participants in Nigeria were interviewed. Three out of the five people interviewed were directly involved with *Waqf* while the other two individuals were active researchers in the field of *Waqf*. The names of the institutions of the *Waqf* practitioners are: Jaiz Charity and Development Foundation; Gombe State *Waqf* and *Zakat* Foundation; and *Baytul Hikma wal Ulum* foundation. The other two individuals were: a researcher with the International *Shariah* Research Academy for Islamic Finance (ISRA), Malaysia and a Senior Lecturer in Islamic Law at Kwara State University, Nigeria. All the interviews were conducted on the Zoom platform because of the current Covid-19 challenges regarding to face-to-face meetings. The gender category of the interviewees is male (four) and female (one).

Table 1: Participants' Characteristics

Alias	Gender	Waqf/NGO	Position
R1	Male	Department of Islamic Law, Kwara State University, Nigeria	Lecturer of <i>Waqf</i> Law & Practices
R2	Male	International <i>Shariah</i> Research Academy for Islamic Finance, Malaysia	Researcher of <i>Waqf</i> Law & Practices
R3	Male	Jaiz Charity & Development Foundation, Nigeria	Executive Director
R4	Male	Gombe State <i>Waqf</i> and <i>Zakat</i> Foundation, Nigeria	Chairman
R5	Female	Baytul hikma wal ulum, Nigeria	Management

4. Thematic Framework

This study identified two major themes and seven sub-themes from the framework analysis. One of the two themes focuses on the opportunities while the other focuses on the challenges of the *Waqf* application in Nigeria. The seven sub-themes are the research interview questions captured in this study. For this study, *Waqf* effectiveness is labeled as WE, the study labeled interview questions as Q while data from respondents are labeled as R1, R2, R3, R4 and R5. The analysis and interpretation of the data in this study is represented as N.

4.1 Thematic framework and data analysis

4.1.1 Opportunities and challenges

1. Demographic information (Name, Institutions, Specialization, Years of Experience in *Waqf* Management)

The respondents are professionals, researchers and academicians that are directly involved in *Waqf* projects in Nigeria. The researcher interviewed five respondents with the saturation of information based on the objectives of the study. By implication, there are few qualified *Waqf* experts in Nigeria to provide *Waqf* intervention for about 190 million people whereby over 90% of the population is living below \$5.50 per day.

2. What is the name of *Waqf* institutions you have deal with, and did you perceive any mismanagement in the system of operation?

R3: Jaiz Charity and Development Foundation: about five years.

R4: Chairman, Gombe State *Waqf* and *Zakat* Foundation: In reality, I, do not have more than three to four years of experience.

R5: *Baytul hikma wal Ulum*: 6 years

3. Are you familiar with the responsibility of *Waqf Mutawallis* and how do you perceive their transparency in managing *Waqf* donations?

Interviewee R2 highlights the roles of *Mutawalli* in the management of *Waqf* properties. "Firstly, the position of a *Mutawalli* is based on trust. We may want to equate the requirement to be a *Mutawalli* to that of a judge with the need for high level of integrity. Secondly, the goodwill and personality, for example, if you look at the Chairman of *Sokoto* State *Zakat* and *Waqf* Commission, *Mallam* Maidoki, even though the institution is there, everything that is going on is based on his personality that people respect, and they know him to be trustworthy. Thirdly, a *Mutawalli* must have self-restraint in the sense that he is going to be exposed to a lot of properties that will be worth millions of Naira. Fourthly, *Mutawalli* should have some skills in management and administration, especially of humans and property".

These concise highlights suggest that the respondents have significant knowledge of *Waqf* administration and how it has been working in Nigeria. It also shows that the role of *Mutawalli* in the management of *Waqf* properties cannot be overemphasized (according to R2).

4. Do you believe there is a lack of transparency in managing *Waqf* donations in Nigeria?

All the respondents from the interview suggest that there are challenges of transparency of the *Waqf* institutions in Nigeria except that they differ on the causes of the lack of transparency in *Waqf* institutions. It seems the lack of expertise and trust have triggered transparency challenges in *Waqf* institutions. For instance; according to R1: "The problem of *Waqf* in Nigeria is the expertise in the management and administration of *Waqf* institutions. There is a lack of innovation in the *Waqf* institutions in Nigeria and the *Waqf* is not performing to the level that will enable them to actualize the *Maqasid Shariah* of *Waqf* which is poverty alleviation". "Then people have this fear of lack of trust and confidence in the institutions of *Waqf*. Another thing is that the people

are not comfortable with the State Government appointing personnel that will manage the *Waqf* institutions”.

However, respondents R2, R3 and R4 posit that there is transparency challenge from documentation and data submission to the regulatory body. In this regard, R2 said: “It is a case-by-case basis and this is where the issue of documentation comes in in the areas of the challenging situation in the country, because there is no established system. There is a need to confirm whether *Waqf* established with Corporate Affairs Commission that is expected to submit what is called annual report are complying or not to the rule of transparency”.

While respondent R3 said: “*Awqaf* institutions like other non-profit organizations (NPOs), are not insulated from this challenge of transparency while some *Awqaf* has a strong element of transparency as a parameter for good governance. Above all, there is a need for all *Awqaf* institutions in the country to raise their transparency bar above average in the management and administration of *Waqf* donations”.

5. Do you believe there is a lack of awareness about *Waqf* dynamics among Nigerians?

It is interesting to note that all the respondents are unanimous that there is a lack of awareness about *Waqf* dynamics in Nigeria. The respondents submit thus:

R1: “This was also part of my findings. The awareness is not there. So, there is a need to create awareness among the people. Some people don’t even believe that *Waqf* is an Islamic Social Finance instrument capable of alleviating poverty because awareness is limited to the traditional *Awqaf* like graveyards and *masajid* (mosque)”.

R2: “There is high level of lack of awareness even among the elites. Even some highly-rated Muslim scholars do not pay much-desired attention to *Waqf*. The lack of awareness is because *Waqf* is not a pillar of Islam like *Zakat* which is known to everybody. Some people even ask what *Waqf* is, what it is about and how it can impact the society.”

R3: “Based on United Nations data, the population of Nigeria is about 200 million people, slightly above 100 million for Muslims. Over 80% of Muslims in Nigeria are ignorant about *Waqf* as one of the Islamic Social Finance instruments. The few ones who are aware of *Waqf* are suffering from misconception and poor understanding of this important institution”.

R4: “There is not even a little bit of high level of awareness”.

R5: “The lack of awareness is so much”.

6. Have *Waqf* institutions contributed to the socio-economic and religious development in Nigeria?

All respondents to the interview agreed there are elements of socio-economic and religious impacts of *Waqf* institutions in Nigeria but they differ in the approach and segments of the contributions. For instance, respondent R1 said: “People in Nigeria and anywhere in the Muslim world do *Waqf* but it is unknown to them that they are doing *Waqf*. For example, there are a lot of schools in Nigeria that have been built by people because some people donated land for the school to be built. When you donate land for a school to be built, that land is *Waqf*. The school is also *Waqf* because it is promoting scholarship and knowledge. So, from this perspective, I will say that *Waqf* has contributed to the socio-economic development in Nigeria but it is very meagre.”

Also, the respondent R2 said: “This reflects in various segments especially in the areas of provision of water and mosque structures. Some people make a certain amount of money available with some banks requesting to them that the funds be given out as interest-free loans. Some institutions that have been established that are *Waqf*-based. For instance, *Kaduna* orphanage school”.

Respondent R3 seemed more expository by mentioning samples of socio-economic and religious contributions of *Waqf* institutions in Nigeria. R3 said: “Few *Awqaf* institutions are contributing to the thematic areas such as health, water, sanitation, education, Muslim cemeteries, mosques, orphanages, economic empowerment and agriculture. For example, since 2016 to date, Jaiz Charity and Development Foundation has established three major cash *Waqf* schemes which we call *Waqfu Nuqud* under corporate *Waqf* model valued at over N1.3 billion, equivalent to about US\$3.5 million partly for Jaiz Takaful Insurance Plc. The second corporate *Waqf* of Jaiz foundation is Jaiz Investments and Services Ltd and corporate *Waqf* of Jaiz foundation is Jaiz International Halal certification Ltd.”

There are the socio-administrative contributions of *Waqf* to Nigeria. Respondent R3 explained stakeholders’ efforts in developing *Waqf* institutions in Nigeria. R3 said: “Some of the practitioners of *Zakat* and *Waqf* in the country, myself inclusive, met to standardize the practice, management and administration of *Waqf*. The Sultan of *Sokoto*, his eminence Alhaji Sa’ad Abubakar, CFR (Commander of the Order of the Federal Republic), gave

his blessings, leading to the establishment of the Association of *Zakat* and *Waqf* Operators in Nigeria with the acronym AZAWAN to serve as the Umbrella organization for all *Zakat* and *Awqaf* institutions in the country with a view to setting standards, documentation of the contributions of the various institutions and co-ordinating and synergizing all organizations under AZAWAN in one place.” Respondent R4 said: “When it comes to poverty and inequality reduction, I can say there is little contribution in that area. Even in the provision of healthcare, there are a very few clinics established by religious organizations but they are not run as *Waqf*. They are run sometimes like private clinics and not necessarily *Awqaf*.”

Some of the respondents contend that there are elements of unknown *Waqf* contributions in Nigeria. Some of the Muslim institutions and organizations have projects that are not called *Waqf* but operating on the structure and philosophy of *Waqf*. According to R3, R4 and R5, Muslim organizations in Nigeria are engaged in health care provision, free or subsidized education, microcredit facilities and hajj initiative program.

7. What challenges do you believe are facing the administration and management of *Awqaf* in Nigeria?

The respondents highlighted several challenges facing the development of *Waqf* institutions in Nigeria. The challenges mentioned by the respondents are as follows:

(i) Challenge of knowledge and expertise in *Waqf*

Respondent R2 argued thus: “One of the major challenges is the education and knowledge about *Waqf* among *Waqf* managers and administrators”. R3 further stated: “There is the inadequacy of experts and practitioners in this industry, there is a very wide misunderstanding of the concept of *Waqf* and *Waqf* practices, we have lack of awareness about *Waqf* amongst most of the Muslims, there is low patronage of *Waqf* by high net-worth individuals, Muslims, corporate bodies, communities, and Governments alike.

There is the negative impact of colonialism and neo-colonialism. The colonialists met the *Waqf* institutions but they dislocated them, overshadowed them and made them insignificant from that time till date”. Respondent R4 opined thus: “One of the important challenges I will mention is the lack of expertise. We do not have experts that have training in *Waqf* management. It is different from lack of awareness.”

(ii) Challenges of record-keeping and documentation

Response from R2 is: “Record-keeping is very important and this is related to the issue of documentation. *Waqf* requires that when any *Waqf* is made, the *Waqf* deed should be prepared. However, I don’t know how many *Awqaf* have their own *Waqf* deed. This is a major problem because in future if there is no *Waqf* deed, there may be a challenge that if the heirs of the person who made a *Waqf* are not conscious enough, they may deny the *Waqf*”.

(iii) The challenges of registration and disclosure

Information from R1 shows thus: “There is a lack of knowledge of *Awqaf* and inadequate research on *Awqaf* up till now. In terms of *Waqf*, there is no National law although, it is recognized by the Nigerian constitution. We have no specific Act, just as we have the CAMA (Companies and Allied Matters Act) regulating businesses and charitable organizations.

Respondent R3 contended as follows: “There is poor documentation of *Awqaf* projects and activities by several *Awqaf* organizations. There is lack of legal framework of *Waqf* in Nigeria. There is this challenge of jurisdiction and constitutional conflicts on *Waqf* matters in the 1999 constitution of the Federal Republic of Nigeria as amended. For example, the *Shariah* Court of Appeal is vested with jurisdiction to adjudicate on appeals on any case concerning *Waqf* as the subject matter. Its jurisdiction is determined in Section 262 subsection 1 while Section 262 subsection 2 and paragraph (c) states that the jurisdiction of the *Shariah* Court of Appeal on *Waqf* is only applicable where the endower/donor/testator/deceased is a Muslim. So, another conflicting provision of the 1999 constitution as amended is in Section 39 subsection 1 of the Land-use Act of Nigeria”. “Also the case of CAMA 2020; that is, the Companies and Allied Matters Act 2020 that subjects all *Awqaf* organizations registered with the CAC, that is Corporate Affairs Commission, a Federal Government Agency, to file their annual returns seems challenging while such *Awqaf* organizations are State-based. In addition to these is the fact that currently in Nigeria, there is no *Shariah* Court registry for *Awqaf* properties. So *Awqaf* land or property are registered at the State High Court Registry.”

(iv) The challenge of corruption

Respondents R2 and R3 allude to the challenges of corruption in the operation and management of *Waqf* institutions in Nigeria. In this regard, respondent R2 argued thus: “There is also the challenge of corruption and

lack of trust that has become a menace in the country. If you come up now that you want to engage in *Waqf* management, people will begin to suspect that perhaps you want to be defrauding people. Beyond that, there should be an institutional advancement of good image for *Waqf* institutions such that people will not have doubts when it comes to *Waqf*.” Respondent R3 noted that there is lack of good Corporate Governance in *Waqf* in Nigeria. He also opined that trustworthy and honest *Awqaf* managers are absent. The last challenge noted by R3 is the challenge of sustainability of *Awqaf* projects.

(v) Other challenges

Respondents R2 and R3 also suggest the need to address the challenges of mismanagement and lack of cooperation between the public and private authorities. On the other hand, respondent R5 expressed concern about the level of sincerity among the operators of the *Waqf* institutions in Nigeria.

Respondent R2 said: “I also see as a challenge, the existence of a disjointed effort in the management and administration of *Waqf* in the country in the sense that there has not been a close link between the public and private authorities. For instance, I expect that the *Shariah* Court of Appeal across the country especially where they have it in the North should have a *Waqf* registry that will make it possible for those who are engaged in *Waqf* to register their *Waqf*. The *Shariah* Court of Appeal has not realized its role in the advancement of *Waqf*.”

Moreover, respondent R3 explained thus: “These are challenges that the *Awqaf* operators and organizations are currently contending with in Nigeria, undue Government interference in the *Awqaf* administration. There is poor investment portfolios of *Awqaf* projects by several *Awqaf* organizations. Some people are still holding rigidly to traditional ways of dealing with *Awqaf*.” According to R5, another problem is the lack of sincerity on the part of *Waqf* managers. Respondent R5 mentioned that donors not completely keeping their hands off the donated property even after giving it away as *Waqf* as another challenge. Another problem is lack of sincerity on the part of *Waqf* managers, according to R5.

8. What solution can you proffer towards alleviating the challenges of *Waqf* development and management in Nigeria?

Considering the significance of government policy in socio-economic development of the society, some respondents suggested the need for effective government policies towards redistribution of wealth in the society. Respondent R1 stated: “Just as I have said, we need a Federal law that will take care of *Awqaf*. This is very easy because the Nigerian 1999 constitution recognizes *Waqf* under the jurisdiction of the *Shariah* Court of Appeal. Thus, Muslims can sponsor a bill at the National Assembly to enact a law on *Waqf* because being a religious-based institution requires a specific law which should be able to convince the Federal Government to enact a law as part of the Federal Government efforts to alleviate poverty from the grassroots. Enacting laws that permit temporary *Waqf* provides an alternative to people who do not have money to give in perpetuity. The law should also allow permanent *Waqf* just like we have in Common Law, revocable and irrevocable trust”.

Respondent R2 suggested means of alleviating challenges of *Waqf* in Nigeria thus: “National Universities Commission should review the University Curriculum to incorporate concepts such as *Awqaf*, its management and administration. It should also make it *Waqf* visible with a view to producing well-informed graduates of *Awqaf* in Nigerian Universities to shape their understanding of *Waqf*.”

Practical suggestions

There were practical propositions from different respondents ranging from increase in knowledge sharing and awareness, partnering between public and private entities, and provision of enabling environment for the *Waqf* operators. The first respondent, R1, proposed thus: “The Government should provide tax relief for persons who donate to *Waqf*. This is what is happening in Malaysia. If you pay *Zakat*, you will get tax reduction so long as you have evidence that you have paid *Zakat* to an officially-recognized *Zakat* institution. If you give *Waqf*, you get tax reduction so long as you can provide evidence that you have paid *Waqf* to an officially-recognized *Waqf* institution. By doing this, we are empowering the *Awqaf* institution so that they will be financially resilient.”

Respondent R2 said: “Private organizations may establish *Waqf* academies to build the capacity for more *Waqf* practitioners in Nigeria thereby closing the gap of inadequate *Waqf* experts. *Awqaf* organizations especially AZAWAN should embark on grassroot enlightenment, advocacy, and public lectures on *Waqf* with a view to creating more awareness about *Waqf* in the country. *Awqaf* organizations also need to make the minds of high net-worth individuals and corporate bodies key into *Awqaf* projects to deepen the provision of social services in the country. All stakeholders in the *Awqaf* industry especially AZAWAN and Muslim Lawyers Association of Nigeria (MULAN) should embark on serious lobbying with members of the National Assembly

to review the conflicting provisions of the 1999 constitution of the Federal Republic of Nigeria as amended about *Waqf* as well as make provision for a robust *Waqf* legal framework. *Awqaf* institutions including AZAWAN should work diligently to revive and revitalize *Waqf* system in Nigeria in synergy with Government agencies in the provision of social services to stakeholders”.

Administrative suggestions

Some of the respondents proposed the need to promote management culture in *Waqf* institutions, while emphasizing on the need for transparency to enhance the purpose of *Waqf* towards alleviating the challenges of the needy and the poor. Respondent R1 proposed thus: “The personnel working in the administration of *Awqaf* institutions should not be taking a giant share from the proceeds of *Awqaf* to pay their salary. If they do so, then the people will lose trust and confidence in them. This may not be possible unless that *Waqf* is under the State Government so that the State Government will be using the State money to pay the salaries such that the personnel managing the *Waqf* proceeds will not have any reason to use the *Waqf* proceeds for their salaries. Where the *Waqf* belongs to a Muslim community and not under the State Government, it will require the *Waqf* administrator to invest in low-risk businesses so that the *Waqf* can pay their salaries and assist the poor by alleviating their poverty. When the people working on *Awqaf* are able to prove to the public what they have made in profit and what their overhead costs were and what the reserves are, then nobody will nurse any fear. Rather, people will give them more support. What is there is that we must prove to the public that we are transparent. The website should have everything, receipts should be issued to people and donors should be given the permission to see what the *Waqf* bodies are doing.”

Respondent R2 suggested as follows: “All *Awqaf* organizations should endeavor to develop the organizational culture of documentation of *Awqaf* projects for efficient and effective database and data storage of *Awqaf*. Successive State Governments especially in the Northern region should be non-partisan on State *Awqaf* institutions to grow the industry and support *Awqaf* managers to deepen the knowledge and experiences on *Waqf* management and administration in the country. That is, experienced investment analysts and risk managers should be brought on board as part of the people that will run *Awqaf* institutions to help grow *Awqaf* projects and investments for profitability and sustainability. Strong corporate governance culture should be entrenched and strengthened to overcome the challenge of bad governance. Last but not the least is that strong ethical codes of practice such as trustworthiness, honesty, transparency, accountability, responsibility, and professionalism should be institutionalized in *Awqaf* organizations in Nigeria”.

Knowledge-based suggestion

Respondent R2 proposed a knowledge-based solution thus: “So, even though there is some impact that *Waqf* is making, it is not so direct that people appreciate that what the *Waqf* institutions are doing. This is because they only see it as some form of *Sadaqah* which creates the problem that such projects are not managed as they ought to be managed as *Waqf*. When I was undergoing a field work, I had an encounter that a well that was dug for a mosque had to be filled up when they wanted to expand the mosque and those who donated the well did not feel bad about that. However, if it had been appreciated that the well was *Waqf*, provision would have been made for a replacement of that well. So, this is part of the challenges that even when people do something that is *Waqf*, they do not really appreciate that it is *Waqf* and that makes it difficult for such projects to enjoy the status of *Waqf* and be respected as such”. In addition, respondent R4 said: “The greatest suggestion is awareness creation through different means including workshops for stakeholders, sermons, publications, and the media (traditional media and new media). The other solution is producing experts in *Waqf* management. Another is redirecting people’s awareness from pure religious *Waqf* to philanthropic *Waqf* related to healthcare, education and so on”. Respondent R5 suggested the creation of awareness and enlightenment about the value of *Waqf* as solutions to the challenges facing *Waqf* in Nigeria.

Smart suggestion

Respondent R3 posits that: “*Awqaf* institutions and practitioners should be open-minded and ready to go digital in their operations to take *Awqaf* management to greater heights”. In addition, respondent R2 agreed that blockchain technology is one of the best ways to address the issue of transparency.

5. Discussion of Findings

Waqf is an Islamic social financing instrument capable of providing economic empowerment and amenities such as hospital, schools and housing for less privileged in the society. Despite the potential benefits of *Waqf* in the society, responses from this study point to challenges towards achieving higher objectives of *Shariah* in the activities and initiatives of *Waqf* institutions in Nigeria. The information from the interviewed respondents indicates that *Waqf* in Nigeria is facing the challenges of lack of awareness, transparency and corrupt practices in the administration and management of the *Waqf* institutions. By corrupt practices, we mean that fund misappropriation and embezzlement might persist with lack of proper accountability. The respondents all posit applicable and sustainable suggestions towards the realization of the objectives of *Waqf* institutions in Nigeria. This study suggests engaging the government to enact laws that empower the administration and recognition of the *Waqf* institutions towards collection and effective disbursement of the *Waqf* proceeds to beneficiaries. It also proposed practical solution such as providing tax exemptions for donors to *Awqaf* and *Zakat* institutions. Moreover, the interview responses suggest the dire need to increase the knowledge-base of *Waqf* institutions in Nigeria through education, research and publications. One of the respondents opined that modern technology such as blockchain technology be harnessed to combat the problem of lack of transparency.

6. Conclusion

The legality of *Waqf* institutions in Nigeria has an element of reference in the Federal constitution of the nation but requires review because the existing *Waqf* entities still have registration, documentation, recording and disclosure issues. Hence, for *Waqf* institutions to remain relevant in the contemporary society, there is a need to address the lingering challenges of lack of awareness, transparency issues and inadequate expertise in *Waqf* practice in Nigeria. The efficacy of *Waqf* institutions in Nigeria depends on the collaborative efforts between the policymakers and the operators of the institutions.

The interviews with some *Waqf* operators in this study bring to limelight the challenge of knowledge deficit and the need for public and private stakeholders of the *Waqf* institutions to enrich the existing body of knowledge through teaching, research and publications. *Waqf* is a potential Islamic social financing tool that requires urgent attention to encourage the attitudes of donors towards participation in the socio-economic initiatives in Nigeria. However, there are issues that require urgent attention. The knowledge sharing, research, and innovation in the management of *Waqf* in Nigeria needs improvement. It is fair to say that the loopholes in knowledge sharing, awareness and research have contributed to increasing lack of public trust in some of the *Waqf* institutions in Nigeria. This study suggests the need to explore the use of modern technology like blockchain in the collection, recording, investment and distribution of *Waqf* proceeds. Our suggestion for further research is to investigate the factors that provide impetus for individuals to donate to *Waqf* institutions and projects.

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