

Expanding The Benefits of Waqf For The Environment In Waqf Policy In Indonesia

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Abstract

Waqf in Indonesia has been known since before Indonesia became independent, however, the purpose and benefits of waqf are still understood with a narrow understanding that is limited to the aspect of providing religious facilities only, while the benefits of waqf can be expanded according to the conditions and era without reducing the main standards that were conveyed by the Prophet Muhammad in Umar hadith. The aim of this research is to analyze opportunities to expand the benefits of waqf to protect the environment and minimize the impact of ecological disasters in Indonesia, through applicable regulations and policies. The research method used is literature study through legal and policy study materials relevant to waqf. The results of this research show that the waqf law No. 41 of 2004 still needs to be amended, especially regarding the regulatory scheme and policy on waqf benefits for the environment which can be collaborated with other financial sectors that comply with sharia and legal provisions in Indonesia.

Keywords: Waqf, Environment, Ecology, Law, Policy

Abstrak

Wakaf di Indonesia telah dikenal sejak sebelum Indonesia merdeka. Namun, tujuan dan manfaat wakaf masih dipahami secara sempit, yaitu hanya terbatas pada penyediaan fasilitas keagamaan saja. Padahal, manfaat wakaf dapat diperluas sesuai kondisi dan perkembangan zaman tanpa mengurangi standar utama yang telah disampaikan oleh Nabi Muhammad dalam hadis Umar. Tujuan penelitian ini adalah untuk menganalisis peluang perluasan pemanfaatan wakaf untuk melindungi lingkungan dan meminimalkan dampak bencana ekologis di Indonesia melalui regulasi dan kebijakan yang dapat diterapkan. Metode penelitian yang digunakan adalah studi literatur melalui

kajian bahan hukum dan kebijakan yang relevan dengan wakaf. Hasil penelitian ini menunjukkan bahwa Undang-Undang Wakaf No. 41 Tahun 2004 masih perlu dilakukan perubahan, terutama terkait skema pengaturan dan kebijakan pemanfaatan wakaf untuk lingkungan yang dapat dikolaborasikan dengan sektor keuangan lain yang sesuai syariah dan ketentuan hukum di Indonesia.

Kata Kunci: *Wakaf, Lingkungan Hidup, Ekologi, Hukum, Kebijakan*

INTRODUCTION

Indonesia is a country endowed with abundant natural resources and vast human capital. With its tropical climate, fertile lands, rich biodiversity, and extensive marine ecosystems, Indonesia holds immense ecological potential that, if managed wisely, can serve as the foundation for sustainable development. At the same time, the nation's population over 270 million people, the majority of whom are Muslim represents a significant socio-religious force that can be mobilized to support environmental and economic resilience through Islamic philanthropic instruments such as *waqf* (endowment) (Nurfattah & Bachtiar, 2023). However, the challenge lies in effectively managing these dual potentials: natural wealth and human generosity. When efforts to manage and preserve natural resources are neglected, the consequences manifest in environmental degradation and recurrent disasters (Sunjoto, Tika, Huda, & Rizqon, 2022).

According to the National Disaster Management Agency (*Badan Nasional Penanggulangan Bencana* or BNPB), Indonesia experienced 4,940 natural disasters in 2023, marking a 39.39% increase compared to 3,544 incidents in 2022 (Indonesiabaik.id, 2023). These disasters include floods, landslides, earthquakes, volcanic eruptions, and forest fires many of which are exacerbated by human-induced environmental degradation such as deforestation, unsustainable mining, and poor land-use planning. Such data underline an urgent need for integrating social, economic, and religious dimensions into Indonesia's environmental governance. One promising pathway is to incorporate *waqf* as a mechanism for environmental protection and sustainable resource management (Farhand, Nurjanah, & Nurcholis, 2020).

Indonesia's human resources, particularly its Muslim population, offer a unique advantage in mobilizing *waqf* for public and ecological benefit. The 2023 *World Giving Index* ranked Indonesia as the world's most generous nation for the sixth consecutive year (Nabilah Muhammad, 2023). This generosity, rooted in Islamic ethics of *sadaqah*, *zakat*, and *waqf*, can be directed toward long-term developmental goals. Based on data from the Ministry of Religious Affairs, the total recorded *waqf* land in Indonesia amounts to approximately 57,263.69 hectares, with around 57% already certified (Siwak Kemenag,

n.d.). These figures illustrate the magnitude of *waqf* potential that can be utilized not only for religious facilities but also for broader socio-economic and environmental objectives.

However, several obstacles hinder the optimal utilization of *waqf* in Indonesia. A major challenge is the low level of *waqf* literacy among the general population. According to the 2020 *Waqf Literacy Index* survey by the Indonesian Waqf Board (BWI), the majority of Indonesians perceive *waqf* merely as the donation of immovable assets such as land and buildings for religious purposes, particularly for mosques, schools, and cemeteries (BWI, 2020; Husniyah, 2019). Few understand that *waqf* can also take the form of movable assets, including cash, securities, and intellectual property rights, which can be utilized productively to finance various sectors, including environmental management. This narrow perception limits the developmental potential of *waqf*, which if reinterpreted can be aligned with contemporary issues such as ecological conservation, renewable energy, and sustainable agriculture (Furqon, 2012; Syamsuri, Perdi, & Aris Stianto, 2020).

Philosophically, *waqf* embodies the principle of continuous charity (*sadaqah jariyah*) that outlives the donor, as emphasized in the hadith of the Prophet Muhammad (peace be upon him):

“When a person dies, his deeds come to an end except for three: ongoing charity (*sadaqah jariyah*), beneficial knowledge, or a righteous child who prays for him.” (HR. Muslim, No. 1631)

This hadith highlights *waqf* as a means of generating enduring social and moral value. It also implies flexibility in the scope of *waqf* applications, as long as the purpose aligns with the spirit of perpetual benefit (*isti'mal da'im*). In this context, expanding the benefits of *waqf* to address environmental sustainability reflects not only the essence of *sadaqah jariyah* but also the objectives of *maqasid al-shariah*—specifically, the protection of life (*hifz al-nafs*), property (*hifz al-mal*), and the environment that sustains both (Latif, Ahmad, Lesmana, & Nabila, 2022).

In the contemporary era, the growing interest in “green *waqf*” or “eco-*waqf*” reflects an evolution of Islamic social finance to respond to modern challenges. Studies such as *Green Waqf: Sustainable Surplus Perspective Balanced Scorecard Analysis* (Moch Mahsun et al., 2022) have begun to conceptualize how *waqf* could fund environmental sustainability projects, including reforestation, renewable energy, and waste management. These emerging discussions underscore the necessity of bridging the gap between religious endowment frameworks and environmental policy. However, most current studies stop at the conceptual level and have yet to address the legal and policy mechanisms required for practical implementation in Indonesia.

The *Waqf Law* (Law No. 41 of 2004) provides a general legal framework for *waqf* management, stipulating permissible objects (both movable and immovable) and the purposes for which *waqf* may be dedicated namely, for worship, education, health, social

welfare, and other activities that promote public benefit. While this law already includes broad provisions for public welfare (*maslahah ‘ammah*), it lacks explicit references to environmental conservation or ecological restoration. As a result, the potential of *waqf* to serve as a funding mechanism for environmental protection remains underdeveloped within Indonesia's current legal system. The absence of clear policy directives, regulatory instruments, and institutional coordination has prevented *waqf* assets from contributing effectively to environmental management (Ardiyansyah & Kasdi, 2021).

The integration of *waqf* into environmental governance requires both doctrinal and policy-level innovation. From a doctrinal perspective, Islamic jurisprudence allows for *ijtihad* (reasoned interpretation) in the management of *waqf* as long as it does not contradict the principles of *sharia*. The maxim “*taghayyur al-ahkam bi taghayyur al-azman wa al-amkan*” (laws change with the change of time and place) provides flexibility for scholars and policymakers to adapt the concept of *waqf* to contemporary needs. From a policy standpoint, Indonesia's commitment to achieving the United Nations Sustainable Development Goals (SDGs) especially Goal 13 (Climate Action) and Goal 15 (Life on Land)—provides a global framework within which *waqf* can operate as a faith-based financial instrument for sustainable development.

Moreover, expanding *waqf* to include environmental objectives aligns with the principles of Islamic environmental ethics, which view humans as *khalifah* (stewards) entrusted to manage the earth responsibly (Abduh, 2019). The Qur'an frequently reminds believers of their duty to maintain balance (*mizan*) in nature and to avoid corruption (*fasad*) on earth (QS. Al-A‘raf [7]: 56; QS. Ar-Rum [30]: 41). These scriptural imperatives serve as moral and theological foundations for developing *eco-waqf* models that integrate environmental responsibility into Islamic charitable practices.

Institutionally, Indonesia is well-positioned to pioneer *eco-waqf* implementation given the growing synergy between Islamic finance, public policy, and environmental awareness. Initiatives such as the *Cash Waqf Linked Sukuk* (CWLS), launched in collaboration between the Ministry of Finance and the Indonesian Waqf Board, have already demonstrated the feasibility of integrating *waqf* with sustainable financing instruments. Extending this model toward environmental projects such as mangrove rehabilitation, reforestation, clean water initiatives, and urban green spaces could simultaneously strengthen environmental resilience and enhance the spiritual, social, and economic impact of *waqf* (Umam, Mafaza, Arif, & Ahmad, 2024).

In summary, Indonesia's dual potential abundant natural resources and strong Islamic philanthropy creates a fertile ground for developing *eco-waqf* as an innovative instrument for sustainable development. However, to realize this potential, several challenges must be addressed: (1) enhancing *waqf* literacy to broaden public understanding beyond religious facilities; (2) reforming the legal framework to explicitly accommodate environmental

purposes; (3) improving institutional coordination and *nazhir* professionalism; and (4) promoting research and pilot projects that integrate *waqf* with environmental management. This paper therefore aims to analyze the opportunities and challenges of expanding *waqf* benefits for the environment within Indonesia's legal and policy context, offering recommendations for regulatory reform, institutional innovation, and sustainable implementation.

LITERATURE REVIEW

Conceptual and Etymological Foundations of Waqf

Etymologically, the word *waqf* originates from the Arabic root *waqafa*, which means “to stop,” “to hold,” or “to prevent.” It is derived from the verbal noun (*masdar*) *waqfan*, and has a synonymous term, *habsan*, meaning to withhold something from personal use for the benefit of others. Classical Arabic lexicons such as *Lisan al-‘Arab* define *waqf* as the act of withholding property and preventing it from being sold, inherited, or transferred, while dedicating its benefits to charitable or public purposes (Az-Zuhaili, 2011).

Although the specific term *waqf* does not appear explicitly in the Qur'an or hadith, its essence is captured through the concept of *sadaqah jariyah* (continuous charity), which the Prophet Muhammad (peace be upon him) described as one of three enduring good deeds whose rewards continue even after a person's death. The hadith narrated by Abu Hurairah states:

“When a person dies, his deeds come to an end except for three things: ongoing charity (*sadaqah jariyah*), beneficial knowledge, and a righteous child who prays for him.” (HR. Muslim, No. 1631)

This hadith provides the spiritual foundation for *waqf* as an institution of perpetual benefit. Over time, Muslim jurists (*fujahah*) formulated the term *waqf* to represent this form of continuous charity that permanently allocates an asset or its usufruct for religious, educational, or public welfare purposes. As noted by Wahbah al-Zuhaili (1998), *waqf* signifies an act of devotion in which the ownership of an asset is divinely transferred from private to public use while preserving its corpus.

The concept of *waqf* is deeply rooted in Islamic legal and ethical traditions. In the Qur'an, numerous verses encourage believers to spend in the way of Allah (*fi sabilillah*), emphasizing altruism, social justice, and compassion. For example, Surah Al-Baqarah (2:261) likens charity to a seed that produces multiple ears of grain, each yielding seven hundredfold. This parable encapsulates the principle of sustainability inherent in *waqf*: a single act of giving can generate recurring benefits for society.

Juridical Definitions and Classical Interpretations

In Islamic jurisprudence (*fiqh*), *waqf* is defined as the voluntary act of dedicating a property's usufruct for charitable or pious purposes, while the corpus remains inalienable. Imam Abu Hanifah defined *waqf* as "the detention of property for the benefit of others while preserving its substance" (Al-Kasani, *Bada'i al-Sana'i*). Imam al-Shafi'i considered *waqf* valid when accompanied by a clear declaration of the donor's intention (*niyyah*) and specification of the beneficiaries (*mauquf 'alaikh*). The Maliki and Hanbali schools likewise accepted *waqf* as an act that removes ownership from the donor and transfers its usufruct to the beneficiaries indefinitely.

Mundzir Qahaf (2006) provided a more modern and functional definition of *waqf* as the act of holding assets—either permanently or temporarily—to be used directly or indirectly, with their proceeds repeatedly utilized for general or specific purposes that align with public welfare. This definition broadens *waqf* beyond static real estate assets to include productive forms such as cash, intellectual property, or business enterprises. It reflects the evolving interpretation of *waqf* as both a religious duty and a financial mechanism for sustainable development.

Wahbah al-Zuhaili (1998) further emphasized that *waqf* is not merely a spiritual act but also a legal construct that requires fulfillment of specific conditions (*arkan* and *shurut*) for its validity. According to classical scholars, there are four essential pillars (*arkan al-waqf*):

1. Al-Waqif : the donor who initiates the endowment;
2. Al-Mauquf : the asset or property that is endowed;
3. Al-Mauquf 'Alaih : the beneficiaries or the designated purpose of the *waqf*; and
4. Al-Sighah : the declaration or pledge expressing the donor's intent to endow.

The validity of *waqf* also depends on conditions such as the donor's legal capacity, the permanence of the dedication, and the clarity of the beneficiary purpose. In contrast, modern positive law such as Indonesia's Waqf Law No. 41 of 2004—formally expands these pillars to six, adding Nadzir (the manager or trustee) and Waqf Period, reflecting contemporary governance and accountability needs (Masyhari, 2019). This adjustment represents a harmonization between *sharia* principles and modern legal systems that demand institutional oversight and administrative registration.

Waqf under Indonesian Law

Under Article 1 of Law No. 41 of 2004, *waqf* is defined as a legal act of a *waqif* (donor) who separates and transfers part of his property to be used permanently or for a specific period in accordance with its purpose for worship and general welfare, according to *sharia*.

This statutory definition codifies the traditional understanding of *waqf* while introducing regulatory clarity regarding the roles of *nazhir* (managers), procedures of certification, and permissible uses of *waqf* assets.

Article 16 of the law classifies *waqf* assets into two categories:

1. Immovable assets such as land, buildings, and other fixed properties;
2. Movable assets such as money, securities, precious metals, vehicles, intellectual property rights, and other items not consumed by use, provided they comply with *sharia* principles.

This broad categorization creates the legal basis for *cash waqf* (*waqf al-nuqud*) and other modern innovations, which are increasingly recognized as tools for financing social and economic development projects. However, the law remains silent on the specific utilization of *waqf* for environmental or ecological purposes. Consequently, *eco-waqf*—the use of *waqf* assets for conservation, reforestation, or climate resilience—requires interpretive expansion within the framework of *maslahah mursalah* (public interest reasoning).

Despite the flexibility provided by the law, institutional and administrative challenges persist. Many *waqf* assets in Indonesia remain undocumented or uncertified, leading to inefficiencies, disputes, and misuse. According to the Ministry of Religious Affairs' 2023 report, only about 57% of *waqf* lands have been formally registered, while a substantial number lack official legal documentation. These weaknesses underscore the importance of professional management, robust data systems, and clear policy guidelines to ensure the productive and transparent use of *waqf* resources (Siwak Kemenag, 2023).

Modern Expansion: Productive, Digital, and Green Waqf

The evolution of *waqf* in the 21st century reflects broader transformations in Islamic finance and philanthropy. The concept of *productive waqf* (*waqf istithmari*)—whereby assets are invested to generate sustainable returns—has gained traction in several Muslim-majority countries. In Indonesia, productive *waqf* models have been applied to education, healthcare, and microfinance sectors, often in partnership with Islamic banks and non-profit organizations. The *Cash Waqf Linked Sukuk* (CWLS), launched in 2020, represents one of the most notable innovations. It combines *waqf* donations with sovereign Islamic bonds (*sukuk*), where returns are allocated to social or environmental programs. Early studies (Irianti et al., 2023; Rusydiana, 2023) show that CWLS can successfully mobilize funds while maintaining *sharia* compliance (S. bin Lahuri, Putri, Ahmad, & Mahfudz, 2024).

Parallel to financial innovation is the rise of *digital waqf* platforms, which leverage technology to facilitate online donations, transparency, and community engagement. Through mobile applications and blockchain-based systems, *waqf* can now be managed with greater efficiency and accountability, broadening participation among younger and tech-savvy Muslims. Such innovations also enable thematic campaigns, including *green*

waqf where donations are directed toward environmental initiatives such as tree planting, waste management, and renewable energy projects (Musari, 2022).

The *green waqf* or *eco-waqf* model integrates Islamic social finance with environmental stewardship (Fauzi, Dahlan, & ..., 2022). It operationalizes the Islamic principle of *khalifah fil-ardh* (human stewardship over the Earth) and supports the United Nations Sustainable Development Goals (SDGs), particularly Goal 13 (Climate Action) and Goal 15 (Life on Land). Empirical examples from Malaysia's Johor Green Waqf and Turkey's Vakif environmental foundations demonstrate that integrating *waqf* with environmental management can yield measurable ecological and social outcomes (Musari, 2022; Lestari, 2023). However, in Indonesia, such applications remain limited due to the absence of explicit legal frameworks, dedicated institutions, and professional expertise in environmental project management among *nazhir*.

Philosophical and Jurisprudential Rationale for Eco-Waqf

From a jurisprudential perspective, expanding *waqf* to environmental purposes is consistent with *maqasid al-shariah*—the higher objectives of Islamic law. Classical scholars such as Al-Shatibi (d. 790H) categorized *maqasid* into the preservation of religion, life, intellect, lineage, and property. Environmental protection supports these objectives holistically: clean air, fertile soil, and balanced ecosystems are prerequisites for sustaining life and prosperity. Furthermore, the *fiqh* maxim “*Al-mashaqqah tajlib al-taysir*” (hardship begets ease) and “*Dar’ al-mafasid muqaddam ‘ala jalb al-masalih*” (preventing harm takes precedence over pursuing benefits) justify proactive environmental measures under *waqf* management to mitigate harm caused by degradation.

The flexibility of Islamic law also allows for adaptive interpretation. The legal maxim “*Taghayyur al-ahkam bi taghayyur al-azman wa al-amkan*” (laws change with time and place) legitimizes reinterpretation of *waqf* practices in response to evolving social and environmental contexts. Hence, developing *eco-waqf* does not contravene classical jurisprudence but rather extends its ethical spirit to contemporary challenges such as climate change and biodiversity loss.

Synthesis and Research Gap

Existing literature reveals that while *waqf* has been extensively studied as a financial and social institution, its environmental dimension remains underexplored, particularly in Indonesia. Most legal analyses have focused on asset registration, governance, and economic utilization, leaving ecological applications relatively untouched. The conceptualization of *green waqf* has been advanced in academic discourse (Mahsun et al., 2022; Rusydiana, 2023), but practical implementation faces barriers including weak institutional capacity, limited funding models, and the absence of cross-sector coordination between religious and

environmental authorities.

Therefore, a legal and policy-oriented approach is essential to bridge this gap. This involves revisiting the Waqf Law's provisions, aligning them with national environmental policies, and formulating operational guidelines for eco-waqf implementation. In addition, enhancing *waqf* literacy and public awareness will be crucial to inspire donors (*waqif*) to dedicate assets for environmental protection. By integrating Islamic legal theory with sustainable development frameworks, *waqf* can serve as both a spiritual practice and a tangible instrument for ecological justice.

RESEARCH METHOD

The research method used in this research is a doctrinal legal research method using primary legal data sources in the form of laws and regulations in Indonesia such as waqf laws, compilations of Islamic law, the Al-Qur'an, hadith. Sources of secondary legal data in the form of journals, related scientific articles that are appropriate to the discussion of waqf, are then compiled using literature studies and analyzed using qualitative description methods.

RESULT AND DISCUSSION

Historical Development of Waqf and Its Adaptive Functions

The concept of *waqf* has undergone significant transformation throughout Islamic civilization, adapting to diverse socio-economic and political contexts. During the Mamluk Dynasty in Egypt (1250–1517 CE), *waqf* was categorized into three types, each reflecting its functional flexibility in serving different societal needs (Munzir Qahaf, 2006).

First, *Ahbas*, referring to *waqf* lands used for large-scale agricultural enterprises whose yields (*tsamarah*) were allocated for the maintenance of mosques and religious institutions. Second, *Awqaf Hukmiyah*, or state-managed *waqf* properties, whose revenues supported the maintenance of Cairo and other public utilities. Importantly, the benefits of *Awqaf Hukmiyah* extended beyond Muslims to include non-Muslims, underscoring *waqf*'s universality and inclusiveness as a public good. Third, *Awqaf Ahliyah*, or family *waqf*, involved the dedication of property for the welfare of relatives, with surplus revenues directed toward the poor.

This tripartite classification illustrates how *waqf* historically operated as both a religious and civic institution. It was not confined to the construction of mosques or religious schools but also encompassed economic enterprises that promoted social welfare. The Prophet Muhammad himself established the spiritual foundation for this practice in the famous hadith of *Umar ibn al-Khattab*, who endowed his land in Khaybar: "If you wish, keep the property as it is and donate its fruits." So 'Umar dedicated the land such that it could not be sold, inherited, or gifted, and its

produce was allocated to the poor, relatives, travelers, and in the cause of Allah (HR. Bukhari and Muslim).

This *hadith* forms the doctrinal precedent for the principle that the essence of *waqf* lies not in the asset itself, but in its perpetual utility (*manfa'ah*). From this foundation, Islamic jurists have allowed considerable flexibility in defining *waqf* objects and purposes, enabling innovation in response to changing societal needs.

The legal maxim “*Taghayyur al-ahkam bi taghayyur al-azman wa al-makan*” (laws change according to the change of time and place) provides jurisprudential legitimacy for contemporary reinterpretation. In modern contexts, this maxim opens the door for developing new forms of *waqf*—including *eco-waqf*—to address issues such as deforestation, water scarcity, and climate change. These challenges were unimaginable in the early centuries of Islam but fall squarely within the *maqasid al-shariah* objectives of preserving life (*hifz al-nafs*) and property (*hifz al-mal*).

Legal Framework of Waqf in Indonesia: Opportunities and Limitations

Indonesia's *Waqf Law* (Law No. 41 of 2004) provides a comprehensive structure for regulating *waqf* activities. Article 16 distinguishes between immovable and movable assets, while Article 22 outlines the permissible allocations of *waqf* benefits, including religious, educational, health, and welfare purposes. Although environmental objectives are not explicitly mentioned, the law's reference to “advancement of general welfare” (*kemaslahatan umum*) leaves room for interpretive expansion.

This flexibility is consistent with *sharia* principles, which allow *ijtihad* (independent reasoning) to adapt religious institutions to emerging social realities. For instance, Article 22 can be interpreted in light of ecological welfare as part of *maslahah 'ammah*, thereby legitimizing environmental uses of *waqf* under Islamic jurisprudence. Nonetheless, without explicit recognition, eco-waqf projects face regulatory ambiguity, making institutional collaboration and legal reform essential.

The *Indonesian Waqf Board* (BWI) plays a central role in coordinating *waqf* management nationwide. However, according to recent assessments (BWI, 2020; Ministry of Religious Affairs, 2023), persistent issues remain:

1. Fragmented data: Only around 57% of *waqf* lands are certified, leading to vulnerability in legal ownership and utilization.
2. Limited professionalism among *nazhir*: Many *nazhir* lack managerial and financial expertise, hindering the productive use of *waqf* assets.
3. Low public literacy: The majority of Indonesians still equate *waqf* with mosque construction, not productive or environmental ventures.

Consequently, despite vast *waqf* potential (over 57,000 hectares of land), most assets remain idle or underutilized. To unlock these assets for environmental purposes—such as reforestation, mangrove rehabilitation, and renewable energy installations—

policy reform must broaden the functional definition of *waqf* to explicitly include ecological objectives.

Waqf and Environmental Stewardship in Islamic Perspective

Islamic environmental ethics are grounded in the concept of stewardship (*khalifah fil-ardh*). The Qur'an commands believers not to cause corruption (*fasad*) on earth and to maintain balance (*mizan*):

“Do not cause corruption on the earth after it has been set in order” (Q.S. Al-A‘raf: 56). The Prophet Muhammad exemplified this ethic through acts that protected natural life prohibiting unnecessary tree-cutting, emphasizing humane treatment of animals, and encouraging the planting of trees as a form of charity. Thus, environmental protection is not a secular obligation but an expression of *ibadah* (worship).

Waqf, as an enduring form of charity, offers a structural mechanism to institutionalize this ethic. By endowing land for nature conservation or renewable projects, Muslims fulfill both social responsibility and spiritual reward. The fusion of *waqf* and environmental stewardship thereby actualizes *maqasid al-shariah* in a contemporary context, transforming abstract ethics into tangible social policy.

Eco-Waqf as an Innovative Islamic Financial Instrument

The notion of *eco-waqf* represents an innovation in Islamic social finance, merging the spiritual motivation of *waqf* with the operational frameworks of environmental management. Its implementation can take various forms:

1. Land Waqf for Conservation: Endowed lands converted into protected green zones, urban forests, or reforestation projects.
2. Cash Waqf for Renewable Energy: Monetary endowments invested in solar, hydro, or biogas initiatives, with proceeds supporting local communities.
3. Waqf for Waste and Water Management: Utilizing endowed funds to finance recycling infrastructure, waste reduction, and clean water facilities.

In Indonesia, these models can complement existing environmental financing mechanisms such as *green sukuk* Islamic bonds earmarked for eco-projects. Integrating *waqf* into this ecosystem enables the creation of hybrid models like the *Cash Waqf Linked Sukuk (CWLS)*. Launched in 2020 by the Ministry of Finance and BWI, CWLS mobilizes *waqf* funds through sukuk instruments to finance social and sustainable projects. Although early-stage and small in scale, the CWLS experience demonstrates the feasibility of channeling religious endowments into modern financial systems while maintaining sharia compliance (S. B. Lahuri, Prastyaningsih, & ..., 2024; Musari, 2022).

Comparative Insights from Malaysia and Turkey

Learning from other Muslim-majority nations is vital to strengthen Indonesia's eco-waqf framework. In Malaysia, the *Johor Green Waqf Project* (2021) dedicates *waqf* land for mangrove rehabilitation and eco-tourism, managed through partnerships between *Majlis Agama Islam Negeri* (State Islamic Religious Councils) and local NGOs. The initiative integrates *waqf* management with the *Sustainable Development Goals (SDGs)*, using digital platforms for transparency. Malaysia's regulatory clarity—embedding *productive waqf* and environmental objectives within state enactments—provides a model for Indonesia's regional governments.

In Turkey, the *General Directorate of Foundations (Vakıflar Genel Müdürlüğü)* oversees thousands of *waqf* properties, some of which support reforestation and heritage site conservation. The Turkish model highlights strong institutionalization, where *waqf* revenue is reinvested in environmental and cultural preservation.

Both cases demonstrate three key lessons for Indonesia:

1. Legal certainty: Explicit statutory support for environmental *waqf*.
2. Professional management: Skilled institutions capable of handling finance and conservation simultaneously.
3. Community engagement: Local participation ensures accountability and sustainability.

Socio-Economic and Policy Implications of Eco-Waqf in Indonesia

The expansion of *waqf* benefits to environmental sectors has multiple implications for Indonesia's socio-economic development and policy alignment. First, it introduces an alternative financing stream for environmental projects, reducing reliance on state budgets or external loans. *Waqf* funds especially cash *waqf* can finance reforestation, coastal rehabilitation, and waste management projects that lack commercial appeal but deliver high public value.

Second, eco-waqf enhances community participation in sustainability. By involving local *nazhir*, NGOs, and religious leaders, environmental protection becomes a grassroots movement grounded in spiritual motivation. Third, eco-waqf aligns Indonesia's Islamic financial ecosystem with the SDGs, especially SDG 13 (*Climate Action*) and SDG 15 (*Life on Land*) (Hudaefi, Hassan, & Abduh, 2023). Through faith-based initiatives, Indonesia can simultaneously advance environmental and social objectives while showcasing Islamic finance's relevance in addressing global crises. However, successful implementation demands cross-sectoral coordination. Ministries of Environment, Religious Affairs, and Finance must collaborate to develop integrated frameworks linking *waqf* with environmental policy. A *National Eco-Waqf Coordination Council* under BWI could serve as a central platform to oversee project selection, funding distribution, and monitoring.

Moreover, public education is crucial to inspire *wakif* (donors) to dedicate assets for environmental causes. This requires sermons, media campaigns, and integration of eco-awareness into religious education curricula.

Legal and Ethical Dimensions: Ensuring Compliance and Transparency

Expanding *waqf* purposes must always uphold the dual accountability of Islamic law and positive law. From a *sharia* standpoint, the *mauquf 'alaiah* (beneficiary purpose) must align with acts of *ibadah* or *maslahah*. Environmental protection clearly meets this criterion as it sustains life and societal well-being. Yet, clarity in documentation is vital: every eco-waqf project must specify its ecological objectives in the *waqf deed* (*akta ikrar wakaf*) to ensure transparency and prevent misuse.

From the legal-administrative side, certification by the *Kantor Urusan Agama (KUA)* and the National Land Agency (*Badan Pertanahan Nasional*) must be streamlined to facilitate eco-waqf registration. Moreover, financial accountability requires professional audits, impact measurement, and public reporting. Adopting international sustainability reporting standards (such as the Global Reporting Initiative) can strengthen credibility and attract wider participation, including diaspora and institutional donors (Hussain et al., 2021). Ethically, eco-waqf embodies a profound moral narrative. It transforms philanthropy from reactive charity into proactive stewardship. Instead of merely alleviating poverty, *waqf* becomes a long-term investment in the planet's health and humanity's future a true manifestation of *rahmatan lil 'alamin* (mercy to all creation).

Challenges and Strategic Recommendations

Despite its promise, several structural and practical challenges must be addressed for eco-waqf to thrive in Indonesia:

1. Regulatory ambiguity: The absence of explicit legal provisions for environmental waqf in Law No. 41/2004 leads to cautious interpretation by religious and legal authorities.
2. Institutional fragmentation: Coordination gaps exist among BWI, KUA, environmental agencies, and local governments.
3. Limited data and digital infrastructure: Accurate mapping of waqf lands and potential ecological zones is lacking.
4. Human capital constraints: Few *nazhir* possess expertise in environmental management or sustainable finance.
5. Financial sustainability: Eco-waqf projects often require long-term funding with low financial returns, which may discourage participation unless supported by hybrid mechanisms like *CWLS* or *green sukuk*.

Strategic solutions include:

1. Amending Law No. 41/2004 to incorporate "environmental and conservation waqf" as a formal category.

2. Creating a *National Eco-Waqf Coordination Unit* within BWI with representation from environmental ministries.
3. Establishing *Eco-Waqf Certification* programs for *nazhir* with training in sustainability management.
4. Digitizing waqf data using GIS technology for mapping potential conservation sites.
5. Developing hybrid financing mechanisms combining *waqf*, *green sukuk*, and international climate funds.

The Broader Vision: Waqf as an Engine of Sustainable Civilization

The ultimate goal of expanding *waqf* for environmental purposes transcends mere policy reform; it reflects a civilizational renewal rooted in Islamic ethics. Historically, *waqf* sustained hospitals, schools, roads, and water systems that underpinned centuries of Muslim prosperity. In the 21st century, eco-waqf can rejuvenate this legacy by positioning the Muslim community at the forefront of global sustainability efforts.

By harmonizing faith, law, and ecology, Indonesia can pioneer a model of *sharia*-compliant environmental governance that contributes to both national and planetary well-being. Such a model would not only mobilize untapped financial capital but also spiritual and moral capital encouraging Muslims to view environmental protection as a form of worship (Meo et al., 2021).

In this way, the reorientation of *waqf* from static religious infrastructure to dynamic ecological stewardship represents not merely an administrative innovation, but a moral evolution: from charity to sustainability, from maintenance to regeneration, and from individual piety to collective responsibility.

CONCLUSION

Waqf in Indonesia is a social financial instrument that is very much needed, especially in collaborating social financial instruments and Islamic business, so that it can expand the benefits of *waqf*, especially for nature conservation and preventing natural and other disasters. Waqf Law No. 41 of 2004 specifically does not relate to *waqf* for nature conservation or means of preventing natural disasters, but innovation in strengthening *waqf* in all sectors is contained in Article 22 of Waqf Law No. 41 of 2004, namely that *waqf* can be aimed at advancing other general welfare which does not conflict with *sharia* and statutory regulations. The *waqf* designation must be in line with the *wakif's* intentions registered in the *waqf* pledge deed. If the *waqf* assets are movable objects such as cash *waqf*, they can go through the LKS-PWU to produce a cash *waqf* certificate, and if the *waqf* assets are immovable *waqf* assets such as land and buildings, they can register the

assets with the management with PPAIW at the local KUA and have them certified to the national land agency.

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