



The Empowerment Of Digital Cash Waqf As A Strategy For Community Economic Development In The Era Of Digital Transformation

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Abstract: Digital transformation has reshaped many aspects of life, including the governance of Islamic philanthropy. Cash waqf is a key Islamic economic instrument with considerable potential to support the economic development of the ummah, yet its utilization remains limited. This article examines the concept of digital-based cash waqf empowerment and its strategic significance for community economic development in the digital era. Using a descriptive-analytical literature review of primary and secondary sources covering waqf fiqh, regulatory frameworks, and digital economy scholarship this study finds that digitalization can improve accessibility, transparency, accountability, and public participation in cash waqf. Digital platforms may also strengthen cash waqf's role as a sustainable source of productive social financing. Supported by professional governance and robust regulation, digital-based cash waqf is well-positioned to become a strategic instrument for advancing the economic development of the ummah.

Keywords: Cash Waqf, Digitalization, Community Economy, Islamic Philanthropy, Digital Transformation.

Introduction

The economic development of the Muslim community is a key focus of the Islamic economic system, which emphasizes the principles of justice, prosperity, and sustainability. Among the various instruments that can support these objectives, waqf—particularly cash waqf—plays a strategic role. Unlike conventional waqf, which generally consists of fixed assets, cash waqf is more flexible and responsive to contemporary economic developments.

As the era of digital transformation unfolds, advancements in information technology have influenced patterns of social interaction and transactions, including in the practice of religious philanthropy. Digitalization presents new opportunities in the processes of collecting, managing, and distributing cash waqf so that they can be carried out more effectively and efficiently. The presence of digital platforms, such as mobile apps, waqf websites, and electronic payment systems, enables broader public engagement without being

constrained by spatial or temporal limitations.

Nevertheless, the utilization of digital-based monetary waqf has not yet reached an optimal level. Various challenges remain, including low waqf literacy, public trust levels, the capacity and professionalism of waqf trustees, and the challenge of integrating Sharia principles with digital technology. Another challenge is the limited public participation in cash waqf. Although the Cash Waqf Movement was launched on January 25, 2021, by President Jokowi with the hope of opening opportunities for many parties to get involved, not all segments of society have a sufficient understanding of the concept of cash waqf or how to participate in this digital fundraising effort.¹ Therefore, there is a need for intensive education and outreach regarding the importance of digital cash waqf, as it can serve as a means to contribute to the economic development of the Muslim community.²

Given these conditions, this article aims to examine the role of digital cash waqf empowerment as a strategic approach to driving economic development for the Muslim community amid the digital transformation era. This digital-based cash waqf empowerment is positioned as a strategic step because it integrates Islamic philanthropic values with advancements in contemporary financial technology. The implementation of digital systems in cash waqf management enables a more transparent, accountable, and effectively coordinated process, thereby contributing to increased public trust and community engagement. Furthermore, digitalization offers opportunities to optimize the productive utilization of waqf funds by channeling them into sustainable economic sectors, such as strengthening micro, small, and medium enterprises (MSMEs), developing education, and providing social services that directly impact the improvement of the community's welfare.

Furthermore, this study is expected to provide a conceptual contribution to the development of research on cash waqf in a digital context, while also serving as a reference for stakeholders, including waqf trustees, regulators, and Islamic financial institutions. By integrating Sharia principles, professional governance, and the utilization of digital technology, cash waqf has great potential to be developed as an innovative and effective economic instrument for the community. Therefore, the empowerment of digital-based cash waqf is not only normatively relevant but also practically urgent in supporting the agenda of inclusive and sustainable economic development for the community.

Methods

This study employs a descriptive qualitative approach using library research. The qualitative approach was chosen because this study aims to gain an in-depth understanding of the concept of digital-based cash waqf empowerment as a strategy for the economic development of the Muslim community in the era of digital transformation. The primary focus of the study is not on statistical measurement but on interpretation, analysis, and the construction of theoretical understanding regarding the integration of cash waqf with digital technology within the context of contemporary Islamic economics. This approach enables the

¹ Imam Ghazali Said, *Kitab-Kitab Karya Ulama Pembaharu*, ed. Ahmad Faiz (Jakarta: PT. Duta. AKSARA MULIA, 2017).

² M. Zaidi, "Eksplorasi Wakaf Berbasis Crowdfunding: Peluang dan Tantangan dalam Pengembangan PTKI", *Horizon Ilmu UIN Mataram*, (Mataram: UIN Press, 2025), hlm. 2..

researcher to examine the phenomenon of cash waqf comprehensively through the perspectives of Islamic law, Islamic economics, digital transformation, and modern Islamic philanthropic practices.

As a literature review, the data used is entirely derived from written sources relevant to the research theme. Data sources in this study are divided into two categories: primary and secondary sources. Primary sources include books, national and international journal articles, government regulations, fatwas, and scientific research findings that directly address monetary waqf, Islamic economics, the digitization of waqf, and community economic development. Primary literature also includes classical works on waqf jurisprudence, such as **al-Fiqh al-Islam wa Adillatuhu** by Wahbah al-Zuhaili, **Fath al-Qadir** by Kamaluddin Muhammad bin Abdul Wahid al-Siwasi, **al-Muhadzdzab** by Abu Ishaq al-Syairazi, and various references regarding the views of Islamic schools of thought on monetary waqf. Additionally, government regulations and official documents regarding the development of Islamic economics and monetary waqf in Indonesia were utilized.

The secondary sources in this study consist of supporting literature related to Islamic economic theory, Islamic philanthropy theory, the concept of digital transformation, waqf governance, Islamic financial inclusion, as well as scientific articles and reports that support the research analysis. This secondary literature serves to strengthen the conceptual framework and provide context for the dynamics of digital-based cash waqf empowerment in the modern era.

Data collection was conducted through systematic documentation and literature review. The first stage involved identifying the main issues and concepts of the research using keywords such as cash waqf, digital waqf, Islamic philanthropy, digital transformation, productive waqf, and community economic development. Subsequently, a literature search was conducted across various scientific databases, such as Google Scholar, Scopus, DOAJ, Garuda, as well as university journal portals and official government documents. The retrieved literature was then selected based on relevance, source credibility, year of publication, and its relevance to the research focus.

The collected data was subsequently classified into several main themes, namely: (1) the economic conditions of the Muslim community and the development of Islamic finance in Indonesia; (2) cash waqf from the perspective of Islamic scholars and Islamic law; (3) the digitization of cash waqf; (4) digital-based cash waqf empowerment models; and (5) strategies for developing cash waqf as an instrument for the economic development of the Muslim community. This classification aims to facilitate the data analysis and synthesis process to achieve a systematic and structured understanding.

Data analysis in this study employs content analysis and descriptive-critical analysis. Content analysis is used to identify key ideas, patterns of thought, and discourse trends from the reviewed literature. Meanwhile, descriptive-critical analysis is used to interpret and evaluate the relevance of digital cash waqf concepts in supporting the economic development of the Muslim community in the era of digital transformation. Through this approach, the study not only describes the phenomenon but also provides a critical analysis of the opportunities, challenges, and development strategies for digital cash waqf in Indonesia.

To ensure data validity, this study applies source triangulation techniques, which involve comparing various references from books, journals, regulations, and previous research findings to ensure information consistency and strengthen data interpretation. Additionally, a critical evaluation of the literature was conducted to ensure that the selected sources possess genuine academic validity and relevance to the research focus. Consequently, this research methodology is expected to yield a deep, systematic, and academic analysis of the empowerment of digital cash waqf as a strategy for the economic development of the Muslim community in the era of digital transformation.

Results And Disucssi

A. The Economic Conditions Of Muslims In Indonesia

The economy of Indonesia's Muslim community is inextricably linked to the growth of the Islamic finance sector, which continues to thrive to this day; in recent years, it has demonstrated a solid and sustainable growth trend. The value of national Islamic financial assets has seen a significant increase, rising from Rp 6.193 trillion in 2021 to Rp 10.257 trillion in 2025. This growth rate is closely tied to the acceleration of halal product certification, rising market interest in the Muslim fashion, cosmetics, and pharmaceutical industries, as well as the expansion of the Muslim-friendly tourism sector, which further strengthens the competitiveness of Indonesia's halal ecosystem. These conditions underscore that the Islamic economy is playing an increasingly strategic role as one of the pillars of national economic growth while simultaneously opening up broader business opportunities for the public.³

On the international stage, Indonesia's position has also strengthened, achieving third place globally in the 2024–2025 Global Islamic Economy Indicator, a sharp rise from 11th place in the previous period. This achievement places Indonesia ahead of several countries long recognized as key players in the Islamic economy, such as the United Arab Emirates and Bahrain. The rise in ranking reflects the increasingly solid institutional foundations, regulatory quality, and capacity of the national halal industry, while reaffirming Indonesia's role as one of the leading global hubs for the Islamic economy.⁴

However, behind this, the gap between levels of Islamic financial literacy and inclusion remains a critical issue requiring serious attention. Public utilization of Islamic financial services is not yet optimal, making this a key priority that must be collectively advanced moving forward. The Coordinating Minister for Economic Affairs, a position previously held by Airlangga Hartarto, explained that the current national financial literacy rate stands at around 66 percent. Nevertheless, this achievement has actually surpassed the

³ Kementerian Koordinator Bidang Perekonomian Republik Indonesia, "Pertumbuhan Pesat Ekonomi Syariah Dorong Indonesia Menjadi Pemain Utama di Kancan Global," 1 Desember 2025, diakses 9 Januari 2025, <https://www.ekon.go.id/publikasi/detail/6704/pertumbuhan-pesat-ekonomi-syariah-dorong-indonesia-menjadi-pemain-utama-di-kancan-global>

⁴ Kementerian Koordinator Bidang Perekonomian Republik Indonesia, "Pertumbuhan Pesat Ekonomi Syariah Dorong Indonesia Menjadi Pemain Utama di Kancan Global," 1 Desember 2025, diakses 9 Januari 2025, <https://www.ekon.go.id/publikasi/detail/6704/pertumbuhan-pesat-ekonomi-syariah-dorong-indonesia-menjadi-pemain-utama-di-kancan-global>.

OECD average of 62 percent, indicating that financial literacy in Indonesia holds significant potential for further improvement and broader adoption by the public. This was conveyed in a virtual keynote speech at the launch of the Indonesia Sharia Economic Outlook (ISEO) 2026, themed “Strengthening the Contribution of an Inclusive Sharia Economy and Finance to Support the National Priority Agenda.”

In an effort to strengthen the sharia economy, the Government has prepared a sharia economic development strategy for the 2025–2029 period. This strategy includes strengthening the halal industry, particularly in the food and beverage, Muslim fashion, pharmaceutical, cosmetics, tourism, and creative economy sectors. Additionally, the empowerment of halal SMEs continues to be promoted through the acceleration of halal certification and the creation of a more efficient ecosystem. The Government also aims to increase exports of halal products and strengthen international cooperation in the Islamic economy. On the financial front, the deepening of the Islamic financial sector is being carried out through the strengthening of Islamic banking, the Islamic capital market, and the Islamic non-bank financial industry, as well as the optimization of Islamic social funds (ZISWAF) as instruments for economic equality and social protection.

In addition, the Government is developing four Halal Industrial Zones (KIH) designed as global-standard halal production centers, namely Modern Halal Valley in Banten, Halal Industrial Park Sidoarjo, Bintan Inti Halal Hub, and Jababeka Halal Cluster. The National Council for Inclusive Finance is also continuing to intensify efforts to improve Islamic financial literacy and inclusion through various strategies, including the expansion of educational programs, the development of digital services, and the utilization of electronic money. All of these initiatives are reinforced by the development of digital infrastructure to ensure equitable access to Islamic financial services across all regions of Indonesia.

This overview highlights commendable achievements. However, the nation’s condition by the end of 2025—marked by various disasters in several regions across the country—has had a tangible impact on the financial well-being of the Muslim community. Although the impact varies on a national scale, this situation generally has the potential to slow economic growth. This impact is felt more acutely by those directly affected, while other groups remain heavily reliant on the national recovery process and government-provided assistance programs.⁵

In this context, cash waqf can be positioned as both an alternative and complementary instrument in efforts to strengthen the sustainable economy of the Muslim community. Unlike social assistance, which tends to be consumptive and short-term in nature, cash waqf is productive because the funds raised can be managed and invested in strategic Sharia sectors, such as halal SMEs, microfinance, education, and health services. Through professional and transparent management, the returns from monetary waqf can be utilized to support communities affected by crises, while simultaneously fostering a more self-reliant and sustainable economic recovery for the Muslim community.

Furthermore, the use of digital technology in the collection and management of

⁵ Zaydan and Sjukur.

monetary waqf opens up broader opportunities for participation across various segments of society. The digitization of waqf enables contributions to be made in affordable amounts, quickly, and accountably, thereby strengthening social solidarity while expanding the community's funding base. In an economic situation slowed by disasters and uncertainty, cash waqf functions not only as an instrument of religious philanthropy but also as a social-economic mechanism capable of maintaining the economic resilience of the Muslim community and strengthening the foundations of the national Sharia financial system.

B. Money Waqf From The Perspective Of Islamic Scholars

The discourse on monetary waqf has long been a subject of debate among jurists. Although not explicitly or specifically discussed in classical literature, monetary waqf falls under the category of waqf of movable property, which is part of the study of waqf jurisprudence. Some scholars argue that waqf in the form of money or cash is permissible, while others maintain that such a practice is not justified. The Hanafi school of thought holds that monetary waqf may be permitted as an exception, given that the practice has developed and is widely accepted within society.⁶ This view is based on a hadith narrated from Abdullah bin Mas'ud, which states: "Mā ra'āhu al-muslimūna hasanan fahuwa 'inda Allāhi ḥasanun, and what they deem evil is also evil in the sight of Allah" (what the Muslims deem good is good in the sight of Allah, and what they deem evil is evil in the sight of Allah).⁷ The Hanafī school asserts that legal rulings derived from 'urf (customs prevalent in society) possess legal force equivalent to laws established based on textual evidence. Furthermore, Imam al-Zuhri, whose views are followed within the Hanafi tradition, explains that the mechanism of monetary waqf can be implemented by using the funds as capital for business ventures or commercial activities. Subsequently, the profits from managing this capital are channeled toward the purposes of the waqf, while the principal of the waqf funds is preserved.⁸

Ibn 'Abidin holds the view that if societal custom is used as the basis for legitimizing the permissibility of monetary waqf—as in the practice of dirham waqf—then the social context must be carefully considered. According to him, the tradition of dirham waqf essentially developed only among Roman society, while in other regions this practice was not recognized as a common custom. On this basis, he concluded that monetary waqf lacking a traditional foundation ('urf) in a particular region or country is considered legally invalid.

Meanwhile, Kamal bin Hammam from the Hanafī school of thought argues that the prohibition against endowing movable property, such as currency, dinars, and dirhams, stems from their perishable or easily lost nature, even though such property functionally possesses utility value. This view underscores the importance of the principle of the

⁶ *Jawāhir al-Muḍī'ah*, jilid 1, 26; *al-Nujūm al-Zāhirah*, jilid 2, 12; *Ṭabaqāt al-Sya'rānī*, jilid 1, 45; Ibn Hajar al-'Asqalani, *Tahzīb al-Tahzīb*, jilid 10, 499

⁷ Abdullah bin Mas'ud r.a., lihat Ahmad Ibn Hanbal, *Musnad Ahmad Ibn Hanbal*, dalam kitab *Musnad al-Maktūrīn min al-Ṣaḥābah*, bab Musnad Abdullah bin Mas'ud, hadis no. 3418..

⁸ Abu al-Su'ud Muhammad, *Risālah fī Jawāzi Waqf al-Nuqūd* (Beirut: Dār Ibn Hazm, t.th.), 20–21; bandingkan dengan Wahbah al-Zuhaili, *al-Fiqh al-Islāmī wa Adillatuhū*, jilid 10 (Beirut: Dār al-Fikr, 1997), 7610r.

perpetuity of the endowment object in the establishment of endowment law.⁹

As for the Maliki school of thought, they have not yet established specific criteria regarding what makes the endowment of movable property valid or invalid.¹⁰ However, they hold differing opinions regarding the validity of such endowments. What is clear is that they all agree that the law regarding the endowment of movable property is valid if its form is clear; however, they differ in opinion regarding whether it is permissible to endow movable property whose form is unclear.

Meanwhile, al-Dardiri, a member of their school, holds the view that regarding the permissibility of waqf of movable property—such as food whose form is uncertain and does not resemble money—this has raised doubts among scholars. It is said that this doubt exists because the form is unclear, but if the property is tangible and clear, there is no doubt and it is considered valid to be endowed. Thus, the Maliki school does not distinguish between the permissibility of endowing property, whether movable or immovable.¹¹

The Shafi'i¹² and Hanbali schools permit the endowment of movable property just as they do with immovable property, because the foundation of endowment is the principle of perpetuity. The Shafi'i school explains the validity of endowing movable property based on two principles:

First, perpetuity is the primary standard in every form; therefore, any property that is not perpetual means its perpetuity lasts only as long as the object itself exists. Therefore, the waqf will end if the movable property that has been endowed is destroyed.¹³ For example, Imam al-Shayrazī holds that it is permissible to endow livestock because they can be utilized indefinitely.¹⁴ The phrase “indefinitely,” according to the Shafi'i scholars, is relative. The perpetuity of any thing extends only as long as it remains usable. Meanwhile, Syarbini al-Khatib explains that “its permanence is sufficient until it is revoked after the lease period expires or the return of the lender.”¹⁵

Second, a waqf does not end with the destruction of the movable property, but must be replaced with other property, and the replacement will take the place of the movable property that has been destroyed. Although the opinions of the Shafi'i and Hanbali schools mentioned above tend to permit movable property, al-Bakri argues that the Shafi'i school's view on the endowment of movable property—specifically monetary endowments—is

⁹ Kamaluddin Muhammad bin Abdul Wahid al-Siwasi, *Fath al-Qadir*, Jilid V (Mesir: Musthafa Muhammad, 1356 H), 51..

¹⁰ *Khulashah Tahzīb al-Kamāl*, 313; Jalaluddin al-Suyuthi, *Thabaqat al-Suyuthi*, 89; dan Ibn Katsir, *al-Bidāyah wa al-Nihāyah*, Jilid X (Beirut: Dar al-Fikr, t.th.), 174.

¹¹ A Muhammad Arafah al-Dasuki, *Hasyiyah al-Dasuki 'ala Syarh al-Kabir*, Jiloid IV, (Mesir: Muhammad Ali Shabih, 1934), hlm. 77

¹² Ibn Hajar al-‘Asqalani, *Adab al-Syafi'i wa Manaqibuhu*, Jilid I, 24; Tajuddin al-Subki al-Asnawi, *Thabaqat al-Syafi'iyyah*, Jilid I, 11; dan Ahmad Amin, *Duha al-Islam* (Kairo: Maktabah al-Nahdah al-Mishriyyah, t.th.).

¹³ Z Muhammad Abid Abdullah al-Kabisi, (alih bahasa Ahrul Sani Fathurrahman, cs), *Hukum Wakaf Kajian Kontemporer pertama dan Terlengkap tentang Fungsi dan Pengelolaan Wakaf serta Penyelesaian atas Sengketa Wakaf*, (Jakarta: Kuwais Mandiri Cahaya Persada, 203), hlm. 274.

¹⁴ Abu Ishak Ibrahim bin Ali bin Yusuf, *al-Muhadzhab*, Jilid I, (Mesir: Isa al-Babi al-Hulabi, tth), hlm. 440.

¹⁵ Muhammad Syarbini al-Khatib, *Mughni al-muhtaj Syarh al-Minhaj*, Jilid III, (Mesir: Mustafa al-Babi al-Hulabi, tth.), hlm. 378.

impermissible, given that dirhams and dinars (money) cease to exist once paid out, leaving no tangible form.¹⁶

Based on the above discussion, it is clear that the rationale for whether or not it is permissible to endow currency revolves around whether the form of the money, after being used or paid out, remains as it was originally—that is, preserved and capable of generating returns over the long term—or not. Therefore, according to economic calculations and projections, the endowment of money can be carried out by using it as business capital, as in the Hanafi school. This method allows the money (capital) to be preserved, as in a reputable banking institution, and the profits can be distributed as waqf proceeds. For added security, it must be supported by a guarantor institution (Sharia insurance) as a measure to avoid business failure. Thus, the endowed money can be replaced, ensuring that the funds remain intact and do not disappear.

C. Models And Strategies For Digital-Based Cash Waqf Empowerment

The concept of cash waqf is not actually new, as this practice has been known since the Ottoman and Mamluk dynasties.¹⁷ However, as history has unfolded, the implementation of cash waqf has become less common in Muslim countries. In recent decades, the discourse and practice of cash waqf have resurfaced in several Muslim countries, including Indonesia, following Bangladesh's successful implementation of the Cash Waqf Certificate through a social institution named Social Investment Bank Limited (SIBL). The Cash Waqf Certificate scheme developed by SIBL is designed as an instrument to encourage affluent segments of society to actively participate in productive social investment, while also serving as a means to achieve sustainable social welfare.¹⁸

Cash Waqf (money) indeed opens unique opportunities for investment creation across various sectors, including religious, educational, and social service fields. Money has three functions in its role: as a medium of exchange, a unit of account, and a store of value. Based on this, cash waqf could potentially be developed through its function as a store of value.¹⁹ Savings from high-income individuals can be utilized through the exchange of Cash Waqf Certificates issued by the Indonesian Waqf Board. Meanwhile, the income generated from managing this cash waqf can be spent on various different purposes, such as maintaining the waqf assets themselves or for the benefit of the poor, but its value must not decrease.

In the digital context, the empowerment of cash waqf involves integrating Islamic philanthropic principles with the use of information technology to enhance the effectiveness, transparency, and reach of waqf. This model is not only focused on fundraising but also on the productive and sustainable management and utilization of waqf. So, what kind of cash

¹⁶ Al-Bakri, *I'annah al-Thlmibin*, Jilid III, (Kairo: Isa Hurlabi, tth), hlm. 157.

¹⁷ M. A. Mannan, *Sertifikat Wakaf Tunai (Sebuah Inovasi Instrumen Keuangan Islam)* (Jakarta: CIBER, 2001), 36. Bandingkan dengan Junaedi dkk., *Pedoman Pengelolaan dan Pengembangan Wakaf* (Jakarta: Dirjen Bimas Islam Depag RI, 2006), 126..

¹⁸ M. A. Mannan, *Sertifikat Wakaf Tunai (Sebuah Inovasi Instrumen Keuangan Islam)* (Jakarta: CIBER, 2001), 36. Bandingkan dengan Junaedi dkk., *Pedoman Pengelolaan dan Pengembangan Wakaf* (Jakarta: Dirjen Bimas Islam Depag RI, 2006), 126..

¹⁹ Muhammad Iqbal, *Dinar Solution*, (Jakarta: Gema Insani, 2008), hlm. 107

waqf empowerment do we envision in today's digital era? Here are several models for the development of monetary waqf that, in the author's opinion, can be implemented, including the following:

1. Digital Fundraising Waqf

This model focuses on the use of digital platforms as a means of collecting monetary waqf. Donors can make waqf contributions through: (a) online waqf applications, (b) Sharia-compliant e-wallets and mobile banking, (c) waqf marketplaces, and (d) QRIS waqf and Sharia-compliant crowdfunding.

This model allows for waqf to be made in small amounts (micro-waqf), thereby opening up broad participation across social classes, particularly among the younger generation and digitally literate urban communities. The following diagram illustrates this:



Image 1: Cash Waqf Fundraising Scheme

2. Productive Management Based on Sharia-Compliant Investments

The collected cash waqf funds are professionally managed by the nazhir and invested in safe and productive Sharia-compliant investment instruments, such as:

- Waqf sukuk,
- Halal SME financing,
- Mudharabah deposits,
- Waqf-based productive assets (hospitals, education, waqf agriculture).

From this waqf development model, the proceeds are utilized for the beneficiaries (mauquf 'alaih) in accordance with the intended purpose and declaration of the waqf, whether through social programs, education, healthcare services, or the economic empowerment of the Muslim community. The principal value of the waqf is always preserved and may not be reduced, so that its benefits can be sustained and provide long-term impact in accordance with the principles of waqf in Islamic teachings.



Image 2: Cash Waqf Management Scheme

3. Model Distribusi dan Pemanfaatan Berbasis Program Sosial-Ekonomi

The use of proceeds from cash waqf is directed toward community empowerment programs, including:

- a. Strengthening the economy of productive beneficiaries,
- b. Funding for education and scholarships,
- c. Waqf-based health services,
- d. Economic empowerment of Islamic boarding schools and mosques.

Digitalization enables data-driven mapping of beneficiaries, making distribution more targeted and measurable. To understand the value chain of the distribution of these cash waqf benefits, it can be illustrated as follows:



Image 3: Cash Waqf Management Scheme

The Digital-Based Cash Waqf Empowerment Strategy can be implemented through the following methods, among others:

1. Waqf Digital Literacy Empowerment

The key strategy to be implemented is to enhance public understanding of cash waqf and its digital mechanisms through: social media-based education, webinars, and digital da'wah content; and the integration of waqf materials into religious education and training curricula. Digital literacy regarding cash waqf is a fundamental prerequisite for the success of sustainable waqf empowerment. Therefore, education through social media, webinars, and digital da'wah is highly relevant as it can reach a broad segment of society, particularly the younger generation and the digital middle class. Integrating waqf material into religious education and training curricula also serves as an effort to internalize values, so that monetary waqf is not merely understood as a fleeting philanthropic practice, but rather as a strategic, rational, and adaptive Islamic socio-economic instrument that fit social changes.



Image 4: Strategies to improve people's understanding

To illustrate the patterns of relationships in the promotion of literacy, the authors describes them as follows:

2. Management Digitalisation and Transparency

- a) Waqf trustees need to implement a digital system for waqf management, including:
- b) Financial reporting via a digital dashboard,
- c) Real-time tracking of waqf fund usage,
- d) Transparent Sharia and financial audits.

This transparency is key to building public trust in waqf institutions.

Image 5: Digitalisation of Waqf Management and Transparency



3. Strengthening Waqf Trustee Institution

To strengthen the institutional capacity of waqf trustees, several strategies can be implemented, including:

- a) Enhancing the capacity of waqf trustees in the areas of Islamic finance and digital technology,
- b) Collaborating with Islamic banking institutions, waqf startups, and other relevant entities.
- c) Standardizing waqf management in accordance with regulations and the principles of good governance.
- d) The nazhir plays a key role in ensuring that monetary waqf is truly productive and impactful.

4. Integration of Waqf into Digital Sharia Monetary Ecosystem

Cash waqf needs to be integrated into the national Islamic financial ecosystem, such as: Islamic banks, Islamic microfinance institutions, and digital-based inclusive finance platforms. This integration will expand access, increase the scale of waqf funds, and strengthen the role of waqf as an Islamic socio-economic instrument.

5. *Maqāṣid al-Syarī'ah* Approach

Strategies for the empowerment of cash waqf must be oriented toward achieving the *maqāṣid al-sharī'ah*, specifically:

Hifz al-māl (protection of wealth),

Hifz al-nafs and al-‘aql (well-being and education), Hifz al-dīn (strengthening of religious values).

With this approach, monetary waqf is not only a form of worship but also a strategic instrument in the social and economic development of the Muslim community. The three models above, in the author’s view, represent forms of monetary waqf that are highly feasible for implementation within society. Nevertheless, their implementation must be handled professionally by experts. Given that this form of monetary waqf can be categorized as public funds, it must be managed by administrators of the highest integrity and accountability.

Therefore, while the management of monetary waqf was initially permitted and mandated only by Law No. 41 of 2004 through the LKS PWU, it may now be managed by institutions/foundations or individual trustees who have obtained a trustee competency certificate from the LSP BWI. This is because they have received comprehensive training on how to manage, develop, and mitigate risks for the community, as well as on resolution efforts should waqf-related issues arise.

Disucssion

The discourse on monetary waqf has long been a subject of debate among Islamic jurists. These differing viewpoints stem from the status of money as a movable asset that is considered to be impermanent or easily transformed after use. Some scholars permit monetary waqf based on considerations of public interest and its benefits to society, while others maintain that a waqf must be permanent and its substance must not be lost.

The Hanafi school is among those that permit monetary waqf by considering aspects of social custom (‘urf) and the resulting economic benefits. This perspective demonstrates the flexibility of Islamic law in responding to the socio-economic developments of society. In a modern context, this view remains relevant because monetary waqf can be managed as productive capital, the proceeds of which are utilized for the social welfare of the community, while the principal amount is preserved.

Meanwhile, some scholars from the Shafi’i and Hanbali schools also allow for the

endowment of movable property as long as its benefits can be sustained. The concept of perpetuity in waqf is understood not to necessarily require a physically permanent nature, but rather that its beneficial value can be continuously maintained and utilized for the benefit of the community. This approach provides a normative foundation for the development of monetary waqf in the modern era, including within sharia investment systems and digital management.

In the context of the contemporary economy, the digitalization of monetary waqf signifies a transformation of Islamic philanthropy from traditional models toward a system that is more modern, inclusive, and adaptable to technological advancements. The use of digital platforms not only enhances the efficiency of fund collection but also expands public participation across generations and regions. Digitalization also strengthens the transparency and accountability of waqf management, thereby increasing public trust in waqf institutions.

The digital-based approach to empowering monetary waqf is also in line with the principles of *maqāṣid al-syarī'ah*, particularly in efforts to preserve wealth, improve public welfare, strengthen education, and support the socio-economic resilience of the Muslim community. Therefore, monetary waqf is no longer understood merely as an instrument of individual worship, but rather as a strategic instrument of Islamic socio-economic development that holds great potential in supporting the strengthening of the community's economy in the era of digital transformation.

Conclusion

Based on the discussion above, it can be concluded that the implementation of digitalization in the management of monetary waqf can improve accessibility, transparency, accountability, and public participation in waqf. Furthermore, the use of digital platforms has the potential to optimize the function of monetary waqf as a sustainable source of productive social financing. With the support of professional governance and robust regulations, digital-based monetary waqf has the potential to become a strategic instrument in driving the economic development of the Muslim community.

On the other hand, monetary waqf through digital means has the potential to address poverty in Indonesia; monetary waqf is a highly promising asset. Until now, poverty alleviation programs have relied on foreign credit assistance, particularly from the World Bank. And these funds are also very limited in amount. Therefore, following the example of countries that have successfully implemented cash waqf certificates is a necessity, such as Bangladesh, Turkey, Qatar, Kuwait, and others. The most important aspect in implementing cash waqf is that it must be carried out with full responsibility, professionalism, honesty, trustworthiness, and transparency, and must be subject to continuous oversight by the public—especially the trustees authorized to manage it in collaboration with designated financial institutions.

May these simple thoughts be beneficial and complement the previous ideas and concepts previously presented by the authors regarding the development of cash waqf in Indonesia. Finally, we greatly welcome criticism and suggestions regarding this article to improve future writings.

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