



# Skill Waqf as a Mechanism for Economic Empowerment of Youth: A Comprehensive Literature Review Grounded in Islamic Economic Principles

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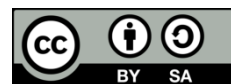
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## ABSTRACT

This investigation delves into skill waqf as a pioneering variant of productive waqf aimed at economically empowering the youth within the context of Islamic economic paradigms. Employing a Systematic Literature Review (SLR) methodology, a total of 29 scholarly publications disseminated between 2013 and 2024 were scrutinized to evaluate the implementation, advantages, and obstacles associated with skill waqf across diverse socio-economic environments. The results indicate that skill waqf—characterized as the endowment of knowledge, technical competencies, and professional acumen—significantly contributes to the enhancement of employability, entrepreneurship, and human capital development among Muslim youth. Furthermore, the practice of skill waqf is congruent with fundamental Islamic values such as *maslahah* (public benefit), justice, *amanah* (trust), and a *tawhidic* socio-economic vision. Nonetheless, the practical execution of skill waqf continues to encounter regulatory, institutional, and technological impediments. This manuscript advocates for the fortification of institutional partnerships, digital infrastructures, and legal frameworks to mainstream skill waqf as a scalable paradigm for inclusive and ethical youth empowerment within Muslim societies.

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## Introduction

The disparity in skillsets among Muslim youth represents a considerable obstacle to sustainable economic development. The absence of pertinent skills results in elevated rates of unemployment and poverty. The waqf, functioning as an instrument of Islamic social finance, possesses substantial potential for the empowerment of the youth economy. Empirical research indicates that waqf can serve as a financial resource for skills training and support micro-enterprises, thereby enhancing the economic welfare of individuals (Maulina et al., 2025).

The application of waqf in the context of skills training (skill waqf) aligns with the principle of wealth redistribution inherent in the Islamic economic framework. Economic models grounded in Islamic principles, which prioritize social justice and equitable wealth distribution through waqf, have the capacity to mitigate economic disparity (Kato, 2022).

The level of public awareness and perception regarding waqf significantly influences the effectiveness of waqf skills initiatives. Research conducted by Abdu et al. (2023) in Nigeria



indicates that altruistic tendencies and youthful demographics incentivize entrepreneurs to acknowledge the efficacy of waqf institutions in addressing socioeconomic challenges.

Muslim millennials exhibit a pronounced inclination towards online cash waqf contributions. Their trust and heightened social consciousness augment their willingness to engage in waqf activities, which can be strategically utilized to finance skills training programs (Widiastuti et al., 2025). The inclination of waqf towards waqf-based qardhul hassan financing in Malaysia implies that this methodology is suitable for enhancing the welfare of economically disadvantaged individuals. The integration of waqf skills with this financial mechanism can facilitate youth in initiating entrepreneurial ventures (Amin et al., 2024).

The implementation of waqf skills signifies an innovative approach to alleviating youth unemployment in developing nations. Research by Lambon-Quayefio et al. (2023) in Ghana demonstrates that well-structured skills training initiatives can enhance employment prospects for the youth. Nonetheless, the absence of impact assessments and a lack of coordination among programs present significant challenges. The incorporation of waqf skills into skills training initiatives can furnish sustainable resources that are congruent with Islamic economic tenets.

Models of skills-based waqf can also play a pivotal role in diminishing economic inequality. Studies employing agent-based modeling frameworks reveal that resource allocation through sadaqah can contribute to the reduction of economic disparity. The skill waqf as a manifestation of organized philanthropy can serve as an effective mechanism for wealth redistribution (Sabzian et al., 2018). The amalgamation of waqf skills within the paradigm of Islamic Social Entrepreneurship can bolster sustainable social enterprise ecosystems. This framework underscores the critical role of waqf in fostering sustainable social initiatives, and waqf skills can be fundamental by offering skills training to youth for engagement in social projects (Yasmeen, 2024).

Despite the substantial potential of waqf skills in empowering youth economically, there remain significant gaps in the literature regarding their systematic implementation and efficacy. Consequently, a thorough literature review is essential to discern best practices and challenges associated with the application of waqf skills.

## **Skill Waqf**

Dwi Putri Nirmala et al. (2024) elucidates that skills-based waqf, alternatively referred to as profession waqf, constitutes an innovative modality of Islamic philanthropy wherein individuals donate their professional competencies for the advancement of societal welfare. This concept has garnered considerable scholarly attention owing to its potential for fostering social and economic development. A notable study in this regard is the article titled “Legal Status of Profession Waqf from a Positive Legal Perspective in Indonesia,” which examines the legal standing of profession waqf within Indonesia and underscores the necessity for unequivocal regulatory frameworks to facilitate its effective implementation.

Islamiah & Munandar (2022) further posited that in the context of Indonesia, the significance of skills in waqf management is accentuated in the article “The Urgency of Assessing Zakat and Waqf Management Graduates,” which highlights the imperative for professionals adept in the administration of zakat and waqf. This indicates that the cultivation of human resources endowed with specialized competencies in this domain is crucial for optimizing the potential of the waqf.

In summary, the skills waqf presents a novel paradigm within Islamic philanthropy that possesses the capacity to effectuate substantial advancements in social and economic



development. Through the endorsement of appropriate regulatory frameworks and the enhancement of skilled human resources, the skills waqf can emerge as a potent instrument in the pursuit of sustainable development objectives and the enhancement of community welfare.

### **Previous Researches**

Numerous antecedent studies pertinent to this subject have been conducted by prior researchers, specifically:

Abubakar Gwadabe & Abdul Rahman (2022). The objective of the study is to investigate the prospective function of Waqf institutions in the delivery of Waqf-based youth empowerment initiatives aimed at realizing one of the foundational elements of positive peace, which is the establishment of a Sound Business Environment, thereby fostering a harmonious society within Kano state. Waqf is characterized as an everlasting charitable endowment contributed by affluent individuals to assist the underprivileged. A Waqf institution has historically played a crucial role in the enhancement of socio-economic activities and currently functions as a mechanism for the social and economic welfare of the community. The concept of a Sound Business Environment is deemed a vital component in the cultivation of a peaceful society, as it generates employment opportunities, facilitates wealth creation, and promotes youth empowerment.

This study will explore the capabilities of Waqf institutions in actualizing the indicators of a Sound Business Environment within Kano state. A qualitative research methodology will be employed for this investigation, wherein prior documents and pertinent literature will be examined, and structured interviews will be conducted to determine the role of Waqf in youth empowerment for the establishment of a Sound Business Environment and peace within the state. The data collected from the structured interviews will be subjected to thematic data analysis. The findings of the study indicate that Waqf, as a perpetual charitable entity, and philanthropic endeavors in Kano have significantly contributed to youth empowerment in areas such as education, vocational skills, employment opportunities, and entrepreneurship, ultimately facilitating the attainment of a peaceful society and fostering a Sound Business Environment as a cornerstone of positive peace. The study concludes that Waqf-based youth empowerment programs possess substantial potential in empowering numerous youths in the state, with many individuals receiving support in education, training, and skill acquisition, as well as obtaining initial capital for diverse business ventures, thereby contributing to the establishment of a peaceful and prosperous Kano society in pursuit of one of the pillars of Positive Peace, namely a conducive environment for business.

Kamarudin et al. (2025). The Youth Waqf initiative presents a novel approach to addressing Malaysia's affordable housing dilemma by revitalizing underutilized waqf assets. Amidst escalating property prices and the diminishing availability of affordable housing, particularly affecting the B40 demographic earning less than RM2500 monthly, this initiative aspires to enhance waqf properties for philanthropic objectives. It motivates both individuals and organizations to contribute goods or real estate, thereby guaranteeing affordable housing for those in need. This initiative, aligned with the corporate social responsibility (CSR) program of SkyLine Builders, facilitates low-income groups in securing rental accommodations at reasonable rates, while society can participate through cash waqf contributions. The study employed qualitative research methods through semi-structured interviews with six key informants, identifying principal challenges and proposing integrated solutions for the growth of waqf properties, donor management, and community support. By accentuating social impact, multi-stakeholder collaboration, and the application of Waqf principles, the project endeavors to mitigate government housing expenditures, foster social equity, and yield substantial social and economic advantages. The support of governmental entities through streamlined



regulations and effective waqf management is imperative for the successful realization of the project. The Youth Waqf initiative has the potential to serve as a model for other developers, illustrating how waqf can be utilized to foster sustainable and affordable housing solutions.

Elmahgop et al. (2025). Waqf investment funds epitomize an innovative paradigm in sustainable finance, harmonizing Islamic investment principles with contemporary socio-economic objectives. The research investigates the impact of Waqf investment funds on socio-economic factors in Saudi Arabia, examining their influence on personal income, healthcare systems, and education while concurrently analyzing financial sustainability. The study evaluated primary socio-economic indicators utilizing beneficiary survey data, expert interviews, and secondary sources. Methodological approaches included chi-square tests, exploratory factor analysis (EFA), and regression analysis to assess the long-term effects of these funds on social welfare and economic stability. The findings underscore several significant accomplishments, with the enhancement of personal income through increased purchasing power being paramount. Concurrently, healthcare outcomes exhibited substantial improvements attributed to support for chronic disease therapies. Assistance in student housing and living services exerted a favorable influence on the education sector by ensuring learning stability and access to educational opportunities. Financial sustainability attained its zenith through bolstered financial security measures. However, the full potential of Waqf investment funds remains constrained due to persistent challenges related to investment diversification, governance efficacy, and entrepreneurial support. The findings suggest that Waqf investment funds function as a tool for welfare while simultaneously acting as a strategic mechanism for sustainable development in alignment with Saudi Vision 2030 and the United Nations Sustainable Development Goals.

Dahiru Idriss, et al. (2023). The objective of the study was to investigate the prospective functions of waqf institutions in facilitating youth empowerment as a means to mitigate the prevalence of corruption in Kano State. The diminished level of corruption is recognized as one of the fundamental components of constructive peace. The phenomena of youth unemployment, insufficient resources, and inadequate funding have culminated in heightened corruption within the society, consequently leading to an escalation in the rates of criminal activity, insecurity, and social vices among the youth in the state. The prevailing issues of insecurity, poverty, unemployment, and deteriorating living conditions in Kano are escalating at an alarming rate, with numerous instances of criminal behavior among the youth, including thuggery, theft, and substance abuse, which can be attributed to unemployment, illiteracy, and poverty. The circumstances faced by the youth in Kano necessitate immediate intervention to restore peace and stability within the state. Methodology - the research employed a qualitative approach to investigate the potential role of waqf in addressing these pressing issues and proposed mechanisms through which waqf funds could be utilized effectively to empower the youth; furthermore, interviews were conducted, and the data were subjected to thematic analysis. Findings - Waqf possesses the potential to address the challenges of unemployment, insecurity, and other social vices affecting the youth in Kano, thereby contributing to the reduction of corruption and the establishment of peace. The study concluded that waqf institutions have a significant role in promoting youth empowerment, which in turn can lead to a decrease in corruption and foster peaceful coexistence within the state.

Hidayah (2023). Engagement in social responsibility practices is increasingly recognized as essential for Islamic organizations. The prospective application of waqf as a funding source for such initiatives remains relatively unexplored. The aim of this study is to present evidence concerning the utilization of waqf as a social responsibility for Islamic organizations. The findings of the study indicate that the primary social responsibility programs of Islamic organizations can be implemented through the utilization of waqf within the



organization, while the programs that are considered in the context of waqf utilization are predominantly oriented towards addressing community issues. Waqf is perceived as a viable alternative that Islamic organizations can employ to tackle social problems within society. Nevertheless, there exist challenges that must be addressed regarding the practice of waqf in Islamic organizations. Therefore, further research is warranted to reform waqf utilization practices.

Rizal, et.al (2020). As the most populous Islamic nation, Indonesia possesses substantial potential to actualize its Islamic financial market. Nevertheless, there exists an imperative for advancement in human development within this domain to guarantee the system's sustainability. This investigation endeavors to explore the unexploited potential of the youth demographic in Indonesia. The manuscript employs a qualitative research methodology to develop waqf and zakah funds, drawing upon the practices of the Forum Silaturrahim Studi Ekonomi Islam (FoSSEI). The findings of the study indicate that the waqf and zakah funds in Indonesia may provide viable solutions to the nation's Islamic financial literacy challenges. Furthermore, the paper proposes a framework for the development of waqf and zakah funds aimed at disseminating Islamic financial literacy through the empowerment of youth, specifically through the design of an Islamic Economic Boarding School (IEBS) project. The study advocates for policymakers to establish a robust framework for zakah and waqf that will guide the industry and enhance the nation's economy towards long-term prosperity.

Muhammad et.al (2018). Islamic social finance constitutes a nascent area of scholarly inquiry and practical application, distinct from conventional finance. It pertains to the provision of financial resources to members of the community or nation for the purpose of socio-economic development. However, this field confronts sustainability challenges, which may originate from either the legal or regulatory frameworks or from a deficit in awareness among societal members. The historical trajectory of Islamic social finance in Nigeria can be traced back to the Islamic revivalist movement led by Shehu Uthman Bin Fodio in 1804. In recent years, the establishment of the Zakat and Endowment Committee in Sokoto in 2007 has led to heightened awareness and engagement in contemporary Islamic social finance, particularly following the government's elevation of the Committee to Commission status in 2016, which conferred independence to initiate and implement its policies. The primary aim of this paper is to scrutinize two of its recently executed initiatives concerning youth and women empowerment programs. The study employs qualitative techniques for data collection and analysis. Two focus group discussions were conducted with youth and women entrepreneurs who benefited from the empowerment initiatives orchestrated by the SZEC. The study reveals that the youth have successfully leveraged their capabilities by expanding their enterprises and enhancing the quality of their products and services, such as shoe repair, as a result of the skills acquired during the training. Additionally, the women have significantly improved their welfare and that of their children to an unprecedented extent. They have succeeded in sustaining their chosen business as a source of income. However, they report that the marketing of their finished products constitutes a significant challenge they encounter.

Rusli & Sukmana (2024). Waqf, an Islamic philanthropic institution with profound historical antecedents, has garnered considerable scholarly attention and investigation across a multitude of academic disciplines. The corpus of literature pertaining to Waqf is voluminous, encapsulating the multifaceted dimensions of this distinctive socio-economic and religious institution. The current systematic literature review endeavors to furnish a thorough overview of the extant body of knowledge regarding Waqf, synthesizing principal themes, methodologies, and conclusions derived from pertinent studies. This review seeks to delineate the historical trajectory of Waqf literature, pinpointing seminal contributions and pivotal milestones that have informed the discourse. Grasping the evolution of thought concerning





Waqf is imperative for appropriately contextualizing contemporary debates and policy formulations. A "Systematic Literature Review" constitutes a methodical research strategy for aggregating, assessing, and synthesizing pertinent literature within a specified research domain. This research systematically aggregates and evaluates literature associated with Waqf, with a concentrated emphasis on methodical analysis. In conclusion, this systematic literature review functions as a navigational guide through the expansive landscape of Waqf literature, illuminating its historical importance, legal complexities, socio-economic ramifications, and current challenges. Through this exhaustive examination, the study aspires to stimulate further inquiries, cultivate informed dialogues, and contribute to the ongoing endeavors aimed at enhancing the comprehension and effective utilization of Waqf within the contemporary milieu.

Nura Abubakar Gwadabe & Asmak Ab Rahman. (2020). This study scrutinizes the prospective roles of Islamic Finance in the modern context regarding the provision of waqf-based economic, social welfare, and youth empowerment initiatives to mitigate the economic repercussions of the COVID-19 pandemic, alleviate human suffering, and safeguard human lives, which represent fundamental objectives of Shariah. The manuscript endeavors to establish a framework for waqf in facilitating youth empowerment through entrepreneurship and human capital development, aimed at fostering socio-economic advancement in Kano State. This investigation assesses the impact of accessibility to fundamental healthcare services and economic growth as integral components of the Maqasid al-Shariah objectives, specifically the protection of life and dignity. The paper adopts a qualitative methodology to explore the function of waqf in empowering youth to navigate the economic downturn precipitated by the COVID-19 pandemic. Structured interview questions were meticulously crafted to investigate the potentialities of waqf in facilitating youth empowerment. The findings of the study indicated that waqf constitutes a form of charitable Islamic empowerment capable of providing support to the youth and enhancing the economic wellbeing of the people of Kano through financing small and medium enterprises. The study concludes that waqf can serve as a mechanism to surmount economic challenges during the COVID-19 and post-COVID-19 periods, thereby achieving financial stability and realizing the objectives of Maqasid Shariah.

Mujahidah & Rusydiana (2023). The objective of this research is to examine the intention to contribute cash waqf among the youth of the Indonesian Muslim community. Furthermore, this study elucidates the theory of planned behavior (TPB) alongside two supplementary variables, namely Islamic religiosity and willingness. The Partial Least Square Structural Equation Modeling (PLS-SEM) methodology was utilized to assess both the measurement and structural models. Online surveys were subsequently disseminated to purposively selected participants across Indonesia, encompassing all principal islands. A total of 104 participants engaged in the study. The findings revealed that the variables of attitude and willingness significantly influenced the intention to contribute cash waqf among Indonesian Muslim youth. In contrast, the variables of subjective norms, perceived behavioral control, and Islamic religiosity were not demonstrated to be significant determinants. With the incorporation of contemporary data and examined variables, these insights can serve as foundational guidelines for policymakers, particularly those regulating waqf and managing waqf institutions, to innovate and enhance the profile of cash waqf contributors, especially among Muslim youth, thereby ensuring the sustainability and advancement of waqf mechanisms.

Based on the preceding research delineated above, the subsequent research deficiencies can be discerned:

1. **Insufficiency of Research Regarding Specific Waqf Skills (Waqf Skills).** The predominant focus of extant research has been on cash waqf, productive waqf, or waqf investment funds, whereas the conceptualization and empirical examination of skill waqf—that is, waqf manifested in the form of skills or skill training—remain markedly limited.



2. Constraints of a Study Evaluating the Waqf as a Mechanism for Youth Empowerment. Although a plethora of studies examines the function of waqf in social development or poverty alleviation, a paucity of research directly correlates waqf with the economic empowerment of youth, despite the significant role this demographic plays in sustainable economic development.
3. Deficiency in the Integration of Islamic Economic Principles within Skill-Based Waqf Programs. Numerous studies merely apply waqf as a financial or charitable instrument without elucidating its profound interrelation with Islamic economic principles such as justice (adl), balance (mizan), and sustainability (istidamah).
4. The Prevalence of Contextual Studies in the West African Region and the Neglect of the Context of Southeast Asia (Indonesia). The majority of prior research has been conducted in Nigeria and select regions of the Middle East. Empirical investigations within the Indonesian context, particularly concerning the development of waqf skill models congruent with the local socio-economic framework, remain scant.
5. Absence of an Integrated Model Linking Skill Waqf, Youth Empowerment, and Digitalization. As digital technologies advance, the application of digital platforms for waqf skills (e.g., waqf-based online training) has been insufficiently explored within the scholarly literature, despite its considerable potential to engage a larger youth demographic.
6. Limitations of the Assessment of the Impact of the Waqf Program on the Economic Independence of Youth. Certain studies are either descriptive or normative, and there exists a dearth of research employing quantitative indicators or definitive measures to evaluate the impact of waqf skills on economic dimensions such as income, employment levels, or entrepreneurship.
7. Scarcity of Studies Utilizing the Systematic Literature Review (SLR) Approach. Waqf studies are predominantly narrative or case studies. The SLR methodology remains infrequently utilized, notwithstanding its significance in informing the future trajectory of research and establishing a robust theoretical foundation grounded in prior findings.

## **Research Methodology**

### **Types of Research**

This investigation is characterized as a qualitative study employing the Systematic Literature Review (SLR) methodology. This approach is utilized to identify, evaluate, and synthesize all pertinent scholarly literature concerning the notion of waqf skills in the context of youth economic empowerment as informed by Islamic economic principles.

### **Systematic Literature Review (SLR) Approach**

The SLR methodology is executed through the following sequential phases: Identify Research Questions In what manner is the concept of waqf skill comprehended and utilized within the literature? What role do waqf skills play in facilitating youth economic empowerment? How are Islamic economic principles incorporated in the practical application of waqf skills?

### **Inclusion and Exclusion**

Criteria Inclusions: Scholarly articles and journals that examine productive waqf, skill waqf, youth empowerment, and the principles of Islamic economics. Published within the timeframe of 2013 to 2024. Articles composed in either English or Indonesian languages. Articles obtained from esteemed journals (Scopus, WoS, DOAJ, Sinta 1—2). Exclusions:



Articles that lack relevance to the central focus of the topic. Publications with sources that cannot be verified.

### **Sources and Databases**

A comprehensive literature review was conducted utilizing the subsequent databases: Scopus, Web of Science (WoS), Google Scholar, Directory of Open Access Journals (DOAJ), Garuda, Sinta (designated for Indonesian journals)

### **Search Strategy**

The keywords employed in the literature search encompass: "waqf skills" "economic empowerment of youth" "model of Islamic waqf" "productive waqf" "Islamic economics and empowerment". The search was conducted utilizing Boolean operators such as: ("waqf skills" OR "productive waqf") AND ("youth empowerment" OR "economic empowerment of youth") AND ("Islamic economics")

### **Article Selection Process**

The selection procedure is executed in a systematic manner: Initial screening is conducted through the examination of titles and abstracts. Subsequent full-text evaluation is performed to ascertain the alignment of the content with the research objectives. Finally, an assessment of the article's quality is undertaken utilizing the PRISMA Flow Diagram tools.

### **Data Analysis and Synthesis**

The examination is conducted through thematic and descriptive qualitative methodologies. Chosen scholarly articles are categorized and coded according to: waqf methodology, waqf skill development, target demographic of youth groups, and principles of Islamic economics. Synthesis is executed by juxtaposing the results from diverse articles and pinpointing deficiencies or avenues for additional inquiry.

### **Research Findings**

Following an exhaustive selection procedure utilizing the Systematic Literature Review (SLR) methodology, a cumulative total of 29 peer-reviewed articles spanning the years 2013 to 2024 were ascertained as pertinent to the discourse surrounding waqf skills and the economic empowerment of youth within the framework of Islamic economic principles. The articles were sourced from an array of academic databases, including Scopus, Google Scholar, the Directory of Open Access Journals (DOAJ), and Sinta 1—2.

### **Distribution by Year of Publication**

There is a discernible upward trajectory in the volume of publications addressing the themes of skill waqf and youth empowerment, particularly following the year 2020. This phenomenon underscores the growing scholarly interest in the notion of non-material waqf and its significance in enhancing the economic potential of the younger demographic.

### **Distribution by Region of Study**

The majority of the research endeavors were undertaken in: Indonesia (12 studies): concentrating on the execution of boarding school-based waqf skill development and entrepreneurship training initiatives. Malaysia (8 studies): highlighting the waqf model concerning professional competence and institution-centered training paradigms. Africa (5 studies): investigating the contribution of waqf skills to mitigating youth unemployment among the Muslim populace. Pakistan and the Middle East (4 studies): exploring the amalgamation of waqf with vocational training and Islamic microfinance strategies.





## **Found Waqf Skill Forms**

The cultivation of technical competencies: encompassing disciplines such as tailoring, agribusiness, and technological advancement. Transmission of Waqf knowledge/professional acumen: imparted by seasoned experts to the youth demographic. Sharia-compliant entrepreneurial guidance: rendered by accomplished businesspersons to economically disadvantaged youth. Community-oriented instructional paradigm: bolstered by waqf institutions or places of worship.

## **Principles of Islamic Economics Underlying the Waqf Skill**

Maslahah (public welfare): the competencies associated with waqf are strategically aligned with the collective benefit, particularly for underprivileged youth. Trust and equity: emphasizing transparency and integrity in the management of waqf and the allocation of training resources. Tawhid and ukhuwah: waqf-associated skills are perceived as manifestations of social devotion and the enhancement of communal solidarity.

## **Discussion**

### **Waqf Skills as a Productive Waqf Innovation**

The results indicate that waqf skills constitute a non-material variant of waqf that is increasingly acknowledged for its significant role in enhancing the economic capabilities of youth in a sustainable manner. In contrast to traditional waqf, which typically manifests in the form of tangible assets or real estate, skill waqf is predicated on the transmission of knowledge, competencies, and experiential learning as enduring assets (mawquf). This paradigm validates the broadening of the concept of waqf within a contemporary framework that is more inclusive and addresses the pressing challenges associated with youth unemployment.

### **The Role of Waqf Skills in Youth Economic Empowerment**

The waqf skill possesses the capacity to: Diminish the dependency of youth on direct monetary assistance. Enhance the prospects of employability and foster entrepreneurial endeavors. Promote youth engagement in an economic framework grounded in Islamic principles. Cultivate an inclusive and community-centric socio-economic environment. Numerous studies have indicated that young individuals who have undergone waqf skills training exhibit elevated rates of entrepreneurial success and a more pronounced entrepreneurial disposition in comparison to their counterparts who did not partake in such interventions.

### **Integration with Islamic Economic Principles**

The utilization of waqf competencies is intrinsically linked to the fundamental tenets of Islamic economics, specifically: Social equity: waqf competencies confront disparities in economic opportunities. Redistribution of intellectual resources: transferring knowledge from the proficient to the underprivileged. Collective engagement: manifested through a jama'i waqf (collective) aimed at youth development initiatives.

### **Implementation Challenges**

Numerous Muslim countries lack explicit regulations governing waqf competencies. There exists an absence of incentives or digital infrastructures for representatives aspiring to actualize expertise. A deficiency in integration persists among waqf institutions, educational entities, and industrial sectors.



## **Recommendations**

It is imperative for government entities and waqf organizations to advocate for the standardization and legal recognition of waqf competencies. The establishment of blockchain-enabled digital platforms for skill-based waqf (e.g., applications) is essential to promote transparency and facilitate the documentation of waqf contributions. Collaborative efforts among boarding schools, Islamic universities, and commercial enterprises are vital to ensure the efficacy of waqf-oriented skills training initiatives.

## **Conclusion**

The research elucidates that waqf skills represent a significant innovation in the advancement of productive waqf, possessing considerable potential to facilitate the empowerment of youth economies in a sustainable framework. In contrast to traditional waqf, which is primarily grounded in physical assets, skill waqf prioritizes the contribution of scientific knowledge, practical skills, experiential learning, and specialized expertise as non-material waqf instruments that exert a direct influence on the capacity enhancement of youthful human resources. Utilizing a Systematic Literature Review (SLR) methodology encompassing 29 scholarly articles from a variety of countries and contexts, it was ascertained that the deployment of waqf skills yielded a positive impact in: Enhancing the employability and entrepreneurial endeavors of the youth, Mitigating social and economic disparities, Incorporating Islamic economic principles such as justice, *maslahah*, and communal engagement. Nevertheless, the execution of waqf skills continues to encounter obstacles pertaining to regulatory frameworks, inter-agency collaboration, and the effective utilization of technology.

## **Policy and Practical Implications**

### **Policy Implications**

**Regulation of Non-Material Waqf:** The government, through the National Waqf Agency (BWI) and the Ministry of Religious Affairs, must formulate comprehensive policies and technical guidance pertaining to the acknowledgment and administration of waqf skills, which constitute a legitimate category of waqf amenable to registration. **Tax Incentives and Professional Recognition:** There exists a necessity for the establishment of a fiscal incentive framework aimed at professionals who integrate their expertise into youth training initiatives. **Integration in National Youth Programs:** Programs designed for youth empowerment, such as pre-employment training, vocational training centers (BLK), and micro, small, and medium enterprises (MSMEs), should incorporate waqf skill frameworks grounded in Islamic principles to enhance their outreach and efficacy.

### **Practical Implications**

**Cross-Institutional Collaboration:** It is imperative for waqf institutions, boarding schools, universities, and the commercial sector to forge collaborative consortia aimed at the formulation and implementation of waqf skills training programs that are pertinent to the demands of the labor market. **Digitalization of the Waqf Skill Platform:** The development of a digital platform is essential to facilitate professionals in demonstrating their skills online, enabling comprehensive recording and monitoring of their impact in a transparent manner (for instance, through the application of smart contracts or tokenization mechanisms). **Waqf-Based Business Mentoring:** Merely providing skills training is insufficient; it is critical that waqf skills be integrated with entrepreneurial mentorship, access to Sharia-compliant capital, and sustained business mentoring to ensure the long-term sustainability of the training outcomes.



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