

SUSTAINABILITY HARMONIZATION OF AFFORDABLE HOUSING (RMB) DEVELOPMENT IN JOHOR WITH THE WAQF INSTRUMENT MODEL.

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Abstract

Home is an important home in the beginning of quality and prosperous human life activities. In the face of an era of globalization, every day we are not spared the challenges ahead, hence the home becomes crucial in shaping the next generation. Housing needs should be categorized in the *Daruriyyah* Maqasid Al Shariah hierarchy. In the context of *Hifz An-Nafs* collectively carries the meaning of how important it is to meet the basic needs of a human being as a survival. Therefore, with the population of Johor increases to 3.7 million people by 2020, the issue of insufficient housing should be provided properly to ensure that every segment of society can afford to own a house, especially for the B40 and M40 respectively. Among the obstacles that arise include legal problems, financial problems as well as management and administrative problems. The objective of this study is to identify the challenges that exist to developers in developing waqf properties and studying the development system of waqf properties in Malaysia. The results of this study are expected to benefit the parties concerned in compensating for the insufficiency of affordable housing as well as making Johor emulate the concept of *Baldatun Toyibbah wa Robbun Ghofur*.

Keywords: Affordable Housing Johor (RMB), Selected Developer Companies, and Waqf Instrument Model .

Introduction

In 2018, the rebranding of the Johor Affordable Home Initiative (RMMJ), now known as Affordable House (RMB), has been conducted by former Johor Menteri Besar Datuk Osman Sapian, but its original purpose remains the same as providing affordable and financed housing. In general, this study aims to examine the inadequacy of the Capable House of Johor (RMB) further formulating and providing a waqf instrument development model in Malaysia. The method of development of the waqf instrument is appropriate in developing waqf property in particular involving land becomes an issue that is often discussed. Hence, this study will focus specifically on the key goals you want to achieve. There are four main goals that you want to achieve. Firstly, the exploration of RMB inadequate in Johor .

Secondly, reviewed the extent of the implementation of RMB in the State of Johor. Thirdly, identifying the RMB method using waqf instruments. Finally, provides RMB using the waqf instrument model.

Background

The world today also reports waqf property with various development methods so that these waqf property is not abandoned without any development that can benefit the community. Waqf institutions are also potentially large in generating the current economy of the country without the need to use government money and burden tax liabilities to the people (Muhammad Ali Hashim, 2014).

PHW has earned the place and attention of every society around the world, especially Islamic

countries such as Kuwait, Saudi Arabia, India, Pakistan, Singapore, Indonesia and others. Kuwait, for example, has established a body responsible for managing and planning the development of waqf projects for the community. The body is known as the Kuwait General Waqf Foundation or Kuwait Awqaf Public Foundation (KAPF). Among the projects that have been implemented are providing assistance to poor students and other charitable activities. Funding sources for the success of this waqf project are obtained through income generated from the activities and services offered, donations and donations from the community as well as the provisions of the Government (Habib Ahmad, 2004).

The Kingdom of Saudi Arabia is regulated by the Ministry of Islamic, Endowment Call (DAWA) and the Guidance Affairs who have successfully developed the waqf land for example the construction of Hotel Zam Zam⁶ in the city of Makkah on the land of King Abdul Aziz (Hydzulkifli Hashim Omar & Asmak Ab Rahman, 2015).

The waqf land has been leased to Bin Laden Group Company for 28 years to be developed using the BUILD-OPERATE-Transfer concept (B.O.T). This development involves the cooperation of Munshaat Real Estate Project as financiers to the overall construction cost of USD 390 million. The form of financing applied by Munshaat Real Estate Project is to issue USD 390 million worth of al-Intifa'ah 7 sukuk (RM 1553 million) to investors to get capital to build the hotel (Habib Ahmed, 2004). After reaching 28 years, Munshaat Real Estate Project will submit all the ownership rights of the building to the Saudi Arabian Waqf Institution through Bin Laden Group (Hydzulkifli Hashim Omar & Asmak Ab Rahman, 2015).

Literature Review

According to Mohd Faisal and Mohd Nasir (2019), after these Islamic social financial institutions choose the type of housing waqf product, the house or residence to be made waqf will be paid in cash to the developer by the bank and the developer will submit to the bank when it has been completed construction. Islamic social financial institutions will start paying to the Bank using cash waqf. The house or residence made into this waqf exists in a

residence is still under construction or completed residence.

Meanwhile, various research efforts have been conducted to identify the causes of abandoned waqf land. Based on Megat Abd Rahman et al. (2006), Nik Yusof (1999) and Adnan and Wan Chik (2009), there are six sources often found by previous researchers (a) the problem of land status; (b) the location; (c) the physical characteristics of the land; (d) registration of ownership; (e) database; and (f) the absence of capital to endure it. However, there is a study conducted with the development guide of Waqf Seetee Aisah Park in Penang. The area is selected to conduct a study as the business centre has become the first commercial centre in the country involving waqf land and benefiting Muslims. The commercial development is seen as an effectiveness and can be a result of the development of the next waqf land in the future.

The existence of using the method of waqf instruments to help lower the poverty rate to the Muslim community, especially not a new thing. The existence of phenomena by using waqf instruments to help the ummah have been widely studied by previous researchers. But using waqf instruments to help the B40 and M40 groups to lower the rate of incomplete RMB until now there is not yet to be implemented in the state of Johor but with the existence of urban poverty issues causing RMB not to be purchased and owned by Malaysians.

The method of waqf instruments has provided many benefits to the economy, social and political in Islamic countries in particular. This is because the waqf itself has given many space and opportunities for the development of the ummah. The development of the ummah is not only seen from the political context but also assessed the extent of socio-economic existence that could build the concept of *Baldatun Toyibbah wa Robbun Ghofur*. Through this housing waqf model, several target groups identified through state Islamic religious councils can be assisted as urban poor, B40 and homeless groups. If this model is successful it will contribute to a better economic environment and create more quality human capital thereby forming a great spiritual and physical society.

Methodology

The research methods as discussed were clearly an important procedure that involved the choice of models, collection methods and data analysis using the appropriate Atlas Ti 9 application in planning and implementing a study. This chapter describes in detail the research method adopted in this study. The implementation of this study is divided into two stages ie document studies and field studies. Expert interview methods are in depth used for information on research purposes. While data is analyzed using content analysis methods. All discussions of this research method are aimed at achieving the objectives of the study by answering the question of research that has been raised. Overall, researchers will analyze the truth from the findings based on the accumulated evidence whether supporting or not supporting the findings of the research results to be performed. Conclusions and opinions built will be discussed in more detail when the findings have been made fully based on the data collection method that has been discussed earlier.

This study is based on the main foundation that ranges from discussions relating to each other on the application of waqf model in Malaysia in development. The reality, today the development of waqf land still requires the diversity of appropriate financing methods. This is based on data obtained from JAWHAR, there are almost 11,091.82 hectares of waqf land in Malaysia which is still abandoned without any development (Siti Salmiah A. Hamid, 2016). This situation has led to discussions and debates on the issue of waqf land development methods in particular involving aspects of financing in implementing the development. Overall, there are methods such as federal funding fund funding, direct methods, collaborative methods with GLCs involving four selected play zones. However, there is also a method that is only implemented by MAINPP only involving leasing methods through the B.O.T method which involves two developments that have been successfully implemented on the land of Waqf Seetee Aisah as well as Waqf Khan Mohamed land in Penang.

Discussion

Table 1.0: Types of Waqf Land Development and Financing Methods

| NO | WAQF LAND | WAQF LAND DEVELOPMENT | FINANCING METHODS |
|----|---|--|--|
| 1 | Tanah Wakaf Masjid Melayu Lebuah Aceh | Housing (20 units of terrace houses) Business Premises (9 units of houses shops, 11 office shop units) | Provisions of the 8th and 9th Malaysia Plans |
| 2 | Tanah Wakaf Alimshah Waley. | Housing (56 units of 4 -storey flats) Business Premises (4 shop units) | Provisions of the 8th and 9th Malaysia Plans |
| 3 | Tanah Wakaf Majoodsaw, Timur Laut George Town (Menara UMNO) | Office Complex Building (21 floors) | Sources of Funding from private parties (B.O.T) |
| 4 | Hartanah Wakaf Seetee Aisah | Housing (76 2 -storey terrace units) Business Premises (9 units, 3 floors) | Joint Venture With Government- Link Company (GLC) |
| 5 | Bangunan MARA Di Lebuah Buckingham | Commercial Buildings (2 Lots of shops given to MAINPP) | Joint Venture With Government- Link Company (GLC) |

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|----|--|---|---|
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| 6 | Hartanah Wakaf Khan Mohammad | Housing (34 units of flats, 4 level) | Joint Venture with (MAINPP + JKP) |
| 7 | Wisma Syeikh Abdullah Fahim | Business Premises (9 units of Shops 2 level office) | Private Funds (Rental quote) |
| 8 | Wakaf Rumah Pangsa Kadershah | Housing (47 units of flats 4 level) | Plan Provisions 8th Malaysia |
| 9 | Wakaf Kapitan Keling | Housing (82 units of terrace houses) Business Premises (90 units of shops office) | Plan Provisions 8th Malaysia (repair) |
| 10 | Perumahan Wakaf Sg. Nibong | Housing (77 apartment units 14 floor) - under construction | Plan Provisions |
| 11 | Perumahan kos sederhana Rendah, Butterworth | Housing (2 blocks of apartment buildings, 152 units) - under construction | 10th Malaysia (JAWHAR + MAINPP) |
| 12 | Bazar Rakyat a) Masjid Jamek Bayan Baru b) Masjid Shaikh Eusoff, Jln Air Itam c) Masjid at-Taqwa, Bertam Kepala Batas d) Masjid Daerah Jawi, Nibong Tebal | Business Premises (15 office shop units) | Allocation of YWM Funds (YWM + MAINPP Collaboration) |
| 13 | 1) Pembinaan Maahad al Mashoor al-Islami | Replacement of special wakaf land when the original land is taken by PBN for the development of KOMTAR | <i>Istibdal</i> |
| | 2) Pembinaan Masjid Jamek Ar-Rahman | Demolish and rebuild the mosque | |
| | 3) Pembesaran kawasan, binaan bangunan Masjid Permatang Pauh | Acquisition of owned land located in Permatang Pauh | |

(Source: Zakaria Bahari, 2017 & prepared by informant interview, 2021)

Conclusion

Based on the deep discussion during this study and the end of the formula in this chapter, overall six questions of study in this study have been answered further reaching all the objectives of the stated study. This study has analyzed the waqf instrument application in Malaysia. The development financing method undertaken by WAQF Property Management has been analyzed by content analysis to examine the most dominant development of development methods and is widely applied to MAIN.

The findings in this study are expected to have a positive impact on academics, waqf management and Muslim general communities in upholding this Islamic wealth distribution system. This study will contribute to the framework of the waqf concept that can be used as a reference to other researchers, as well as looking at new development funding methods that can be applied in Malaysia in managing waqf property. The viewpoint in viewing waqf property as an unproductive property should be eroded because with the proper development method of financing, waqf property can be proven.

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