Wakaf Administration & Management in Singapore

November 2019

WAKAF

Wakaf Management in Singapore

Assets of > $0.8b

Legal governance framework

Management structure

Fatwa guidance

WAKAF

Our Wakaf Assets

156

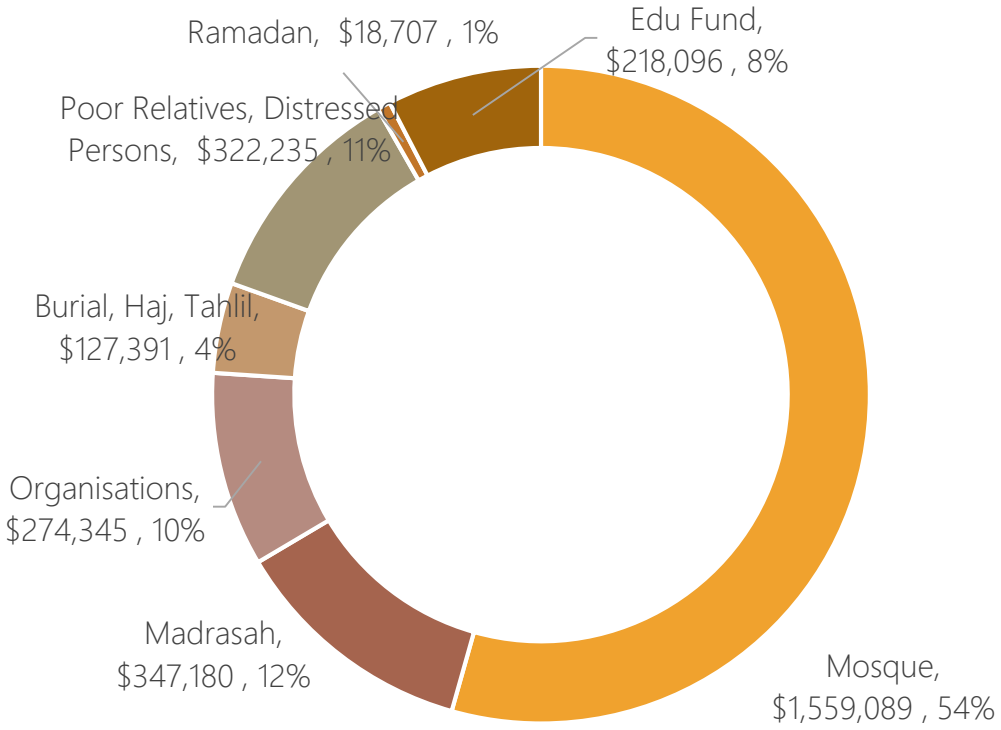
properties

1	16	109	30
Mixed Development	Commercial (others)	Commercial (conserved)	Residential

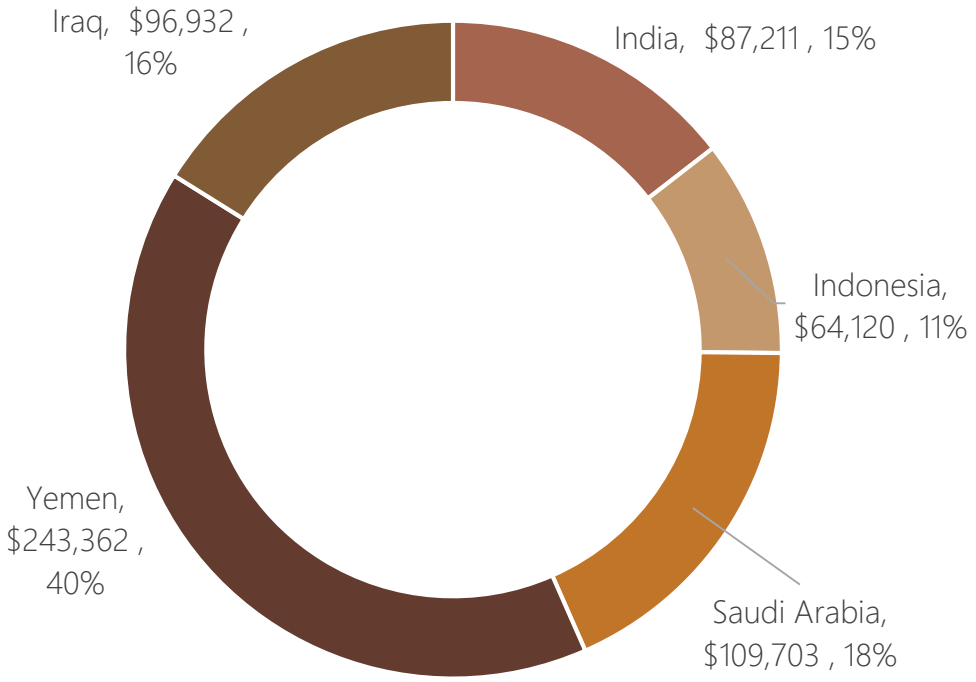
WAKAF

Wakaf Disbursement FY2018; $4,150,598

Local $2,867,043



Foreign $1,283,554



WAKAF

MUIS is a statutory board under the Administration of Muslim Law Act

- Established 1st July 1968
- To advise the President of Singapore/Government on all matters relating to Islam in Singapore
- To promote religious, social, educational, economic and cultural activities in accordance with the principles and traditions of Islam

Various Muis' Functions under AMLA

Mosque Administration	Management of Mosque Building Fund	Haj Management	Islamic Education
Issuance of Fatwa	Collection & Distribution of Zakat & Fitrah	Asset & Wakaf Administration	Halal Certification

WAKAF

Powers under AMLA

- Majlis administer all wakaf; all wakaf to vest under Majlis
- Power to appoint mutawallis and remove existing trustees
- Able to establish Rules for administration and management of wakaf
- Make amendments to strengthen legislation governing wakaf

WAKAF

Provisions for Administering Wakaf

Notwithstanding any provision to the contrary in any written law or in any instrument or declaration creating, governing or affecting the same, the **Majlis shall administer all wakaf**, whether wakaf 'am or wakaf khas, all nazar am, **and all trusts** of every description creating any charitable trust for the support and promotion of the Muslim religion or for the benefit of Muslims in accordance with the Muslim law to the extent of any property affected thereby and situate in Singapore.

58(2)

59

All property subject to section 58 shall if situate in Singapore vest in the Majlis, without any conveyance, assignment or transfer whatever, for the purpose of the Baitulmal, wakaf or nazar am affecting the same.

WAKAF

Where Wakaf's Use Isn't Clear

Where there is **no specific provision** in such instrument or declaration for the expenditure of the wakaf or nazar, the **income shall be paid to and form part of the Fund.**

61(2)

62(2)

If from lapse of time or change of circumstances it is **no longer possible beneficially to carry out the exact provisions** of any wakaf or nazar am, the Majlis shall prepare a scheme for the application of the property and assets affected thereby **in a manner as closely as may be analogous to that required** by the terms of such wakaf or nazar am and shall apply the same accordingly.

WAKAF

Where Wakaf's Use Isn't Clear

If the terms of any wakaf or nazar am are such **that no method of application of the property and assets affected thereby is specified**, or it is uncertain in what manner the same should be applied, the **Majlis may direct that the property** and assets shall be **added to and form part of the Fund.**

62(4)

WAKAF

Muis' Role in Wakaf Management

WAKAF

Several Muis Roles in Wakaf Management

Muis implements governance	Formulates policies on wakaf management	Seek Fatwa Committee's guidance	Muis' subsidiary Warees Investments as our managing arm
• Ensure wakaf accounts are audited • Approval for purchase of property, development of property projects	• Issue terms & conditions for mutawallis and trustees' compliance • Disbursement, sinking fund policies	• Muis seek religious guidance for proposed solutions or innovative methods of wakaf management	• Internal commitment to grow wakaf assets • Revitalising wakaf assets

WAKAF

Regulator & Mutawalli Roles

MUIS

Sets policies, appointment of mutawallis, mutawallis' Terms & Conditions & monitoring mutawalli and wakaf performance

Mutawallis

Wakaf Management
Tenancy
Project management
Facilities management
Maintenance
Development & Renovations
Engage consultants

Wakaf Disbursement
Payments
Find beneficiaries
Prepare disbursement reports

WAKAF

Distribution of Warees & Mutawalli Managed Wakaf

ALL WAKAF VESTED IN MUIS

Wakaf Khas
Specific Wakaf

Wakaf Am
General Wakaf

Muis/Warees Managed
62 Wakaf

Mutawalli Managed
29 Wakaf

WAKAF

Fatwas Guide in Wakaf Management

WAKAF

Examples of Fatwa Issued

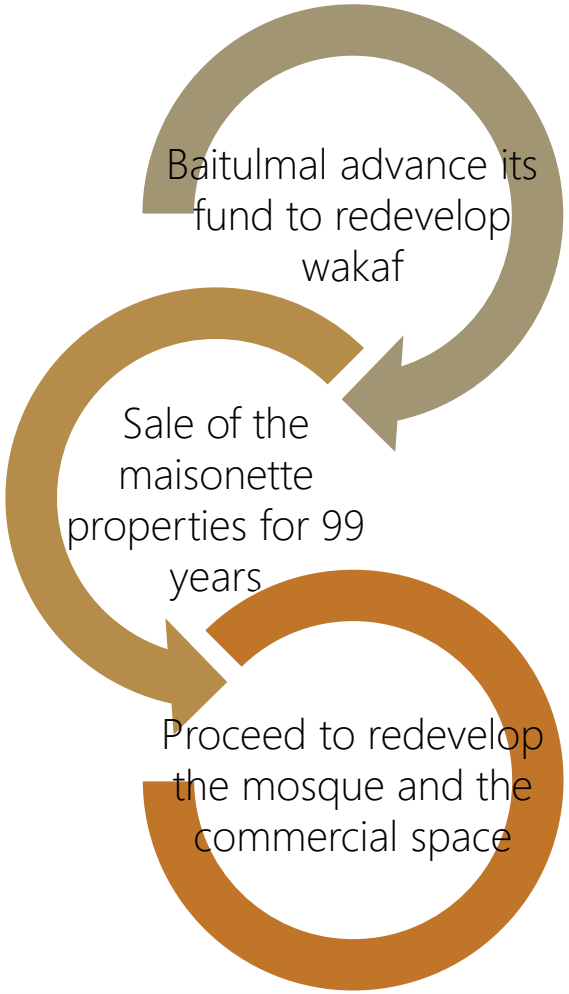
Wakaf Development	•Wakaf Istibdal •Wakaf on leasehold properties •Wakaf properties redevelopment
Wakaf Administration	•Loan to redevelop wakaf properties •Change of wakaf objective •Wakaf disbursement freeze temporarily
Contemporary Wakaf	• Cash wakaf; Wakaf Ilmu

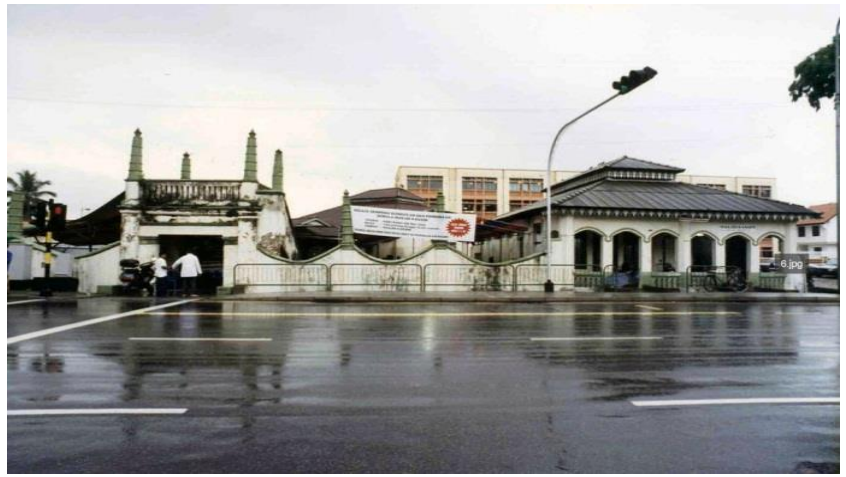
WAKAF

Application of Fatwas for Development of Wakaf

WAKAF

Redevelopment Wakaf Kassim





WAKAF

Istibdal of 42 Wakaf

WAKAF

Temporary Change in Objective

- Accumulated disbursements to Baghdad, Iraq as per the will
- Sought Fatwa's opinion to use funds since disbursement cannot be made now
- Loan to Masjid Angullia for development

WAKAF

Funding Mechanisms in Developing Wakaf

Sukuk Musyarakah	• Bencoolen • 11 Beach Rd
Internal Baitulmal financing	• Upgrading of conserved shophouses (20 Joo Chiat Road, 723 North Bridge Road)
Internal financing with mosques	• Red House (partial)
Joint venture development with tenant	• 245 Jalan Besar

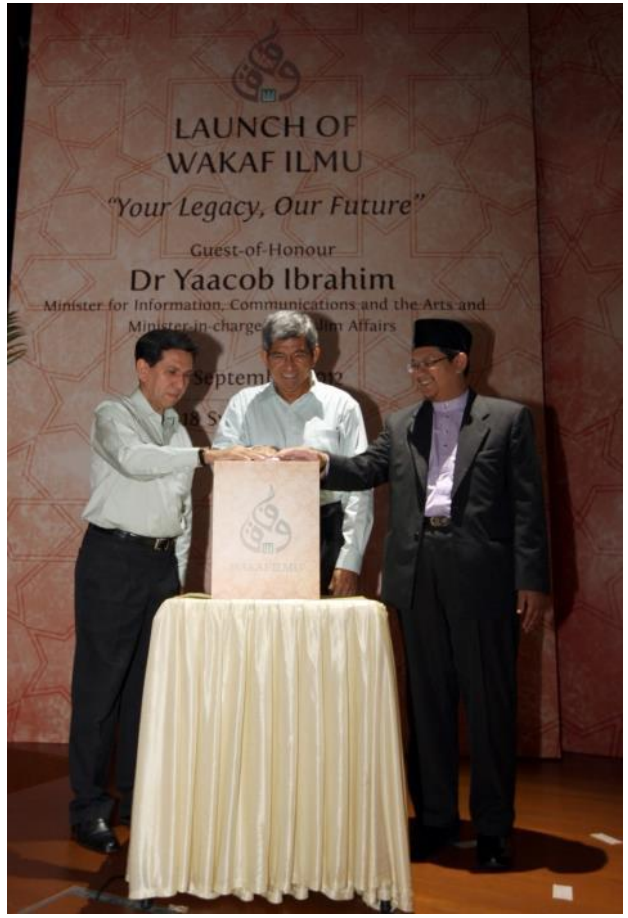
WAKAF

Reviving Wakaf Through Wakaf Ilmu

WAKAF

Cash Wakaf launched, Wakaf Ilmu

- Recreating wakaf giving via cash instead of properties
- Wakaf Ilmu launched on 5th of September 2012
- Similar to mosques, the madrasah forms an important institution in creating religious leaders for our community
- Objective: fund the Islamic Education in Singapore, particularly the full time and part time madrasah



WAKAF

Features of Wakaf Ilmu

- Capital preservation guideline
- Low risk, consistent and steady flow of income
- Cash invested in property, low risk deposits

WAKAF

Contributions via Various Channels

- Baitulmal – Inheritance Income
- Planned Giving
- Donations from Public
- Institutional Donors

WAKAF

Mosque Building Fund

WAKAF

History

- Launched in 1975
- Urgent need to raise funds to build mosques in new housing estates
- First mosque built in 1977 at $0.8m
- **Every working Muslim in Singapore** (including foreign workers and permanent residents) are to contribute to the fund
- Employers pay on behalf of employees via the Central Provident Fund Board (similar to pension fund system)

WAKAF

Mosque Building Fund

for the **purpose of building and maintaining mosques**, and premises or facilities for conducting religious education, in Singapore and for connected purposes, including —

(i) any **extension, alteration, reconstruction or restoration** of the whole or part of any existing mosque, or any existing premises or facilities for conducting religious education, and any other building works, that the Majlis may approve; and

(ii) any **purchase of any land, obtaining or renewal of any lease**, tenancy or other interest in land, or obtaining or renewal of a licence

WAKAF

26 built since 1977, 25 upgraded to date

Up to Masjid Yusof Ishak (TOP 2017)

WAKAF

Conclusion

- MUIS as the authority in the administering wakaf assets in Singapore needs to achieve the best return for the wakaf and beneficiaries
- Constantly looking for ways to improve our assets through development strategies, innovative financing and backed by progressive Fatwa thinking
- Continuing the giving spirit by re-creating the wakaf concept and educating the public on the benefits of wakaf

WAKAF