

Complexities of Waqf Development in Bangladesh

Rashedul Hasan^{a*}, Siti Alawiah Siraj^b

^a*Department of Accounting, American International University-Bangladesh, Dhaka, Bangladesh*

^b*Department of Accounting, International Islamic University Malaysia, Selangor, Malaysia*

Abstract

Bangladesh is coping with the problem of poverty since its independence. Recent success stories of the country in alleviating poverty have been the outcome of the efforts of several public and private initiatives. As a Muslim-majority country, Bangladesh is yet to incorporate Islamic vehicles of poverty reduction in the national development strategies. Waqf has been sidelined as a mere charity even though it has historical success in producing continuous income and thus reducing poverty levels in the Muslim countries. This paper is divided into three sections. In the first part, it provides a historical overview of Waqf in Bangladesh followed by a brief description of Waqf institutions that are responsible for managing Waqf in Bangladesh. The final section discusses contemporary issues that are affecting the efficient management of Waqf funds towards making its mark in alleviating poverty from Bangladesh. In describing various problems, issues concerning governance and information disclosure were addressed that provide significant insight for different stakeholders. Information gathered through systematic literature review process indicated that Waqf institutions in Bangladesh are lacking appropriate governance mechanisms that are resulting in information asymmetry. Future research on the governance mechanisms applied by Waqf institutions and their impact on the extent and quality of information disclosure will provide further insight for the need of reform in this voluntary sector to ensure their sustainable future and contribution towards economic development in Bangladesh.

Keywords: Waqf; Accountability; Governance; Disclosure

1. Introduction

Poverty alleviation has been the priority of Bangladesh since its independence due to its link with the economic growth. Despite political instability and natural calamities, Bangladesh has made remarkable progress in reducing poverty. According to Jolliffe et al. (2013), poverty rates demonstrated an impressive and steady improvement during 2000 - 2010 with an average decline of 1.74 percentage points per year. Poverty declined 1.78 percentage points per year between 2000 and 2005, and the corresponding decline for 2005-2010 was 1.70 percentage points. The decrease in the poverty rates are outcomes of the efforts of institutions at different segments of the country.

* Corresponding author: Rashedul Hasan, Tel.: +8801914433277
E-mail address: hasanaiub05@gmail.com

This success of poverty reduction happened as a result of three-dimensional efforts, namely the Government of Bangladesh, the Non-Governmental Organization (NGO) and the academia. NGO like BRAC, Proshika, and Grameen Bank have worked tremendously hard together with the government and the Bangladesh Institution of Development Studies (BIDS) to reduce the poverty rates. Bangladesh also adopted the Millennium Development Goals (MDGs), introduced by United Nations (UN) in 2000 which had a specific target of reducing the headcount poverty from an estimate of 50 percent in 2000 to 25 percent in 2015. In Bangladesh, government and non-government poverty alleviation programs are quite substantial and diverse.

Table 1. Government and Non-Government Poverty Alleviation Programs in Bangladesh

Type	No	Poverty Alleviation Programs	Duration
Government	1	Production and Employment Project (PEP)	1986-87
	2	Vulnerable Group Development (VGD)	1987
	3	Rural Poverty Cooperation Project (RPCP)	1993
	4	Rural Poverty Alleviation Programme (RPAP)	1993
	5	Food for Work (FFW)	1995
	6	Integrated Poverty Alleviation Programme (IPAP)	2003
	7	Rural Livelihood Project (RLP)	2007
Non-Government	1	BRAC community employment programme (CEP)	1977
	2	Grameen Bank's Housing for the poor (1984)	1984
	3	BRAC's Income Generation for Vulnerable Group Development Program (IGVGD)	1987
		ASA's Microfinance	1992

Microfinance schemes have gained popularity around the world as a viable tool for poverty alleviation. However, microfinance institutions are facing major challenges that are limiting their potential in alleviating poverty. High and exploitative interest rates in microfinance have resulted in over-indebtedness and faulty products. Lack of Shariah compliance is among the biggest problems faced by microfinance institutions in South Asia (Pramanik et al., 2015). Charging a very high interest rate under the conventional microfinance is a major concern that has led to the criticisms of microfinance institutions toward exploiting their clients. Research findings suggest that customers of microcredit are becoming over-indebted which is related to the amount of loan borrowed, the number of establishments patronized by customers of loan borrowed and the ethical considerations of the clients (Schicks & Rosenberg, 2011).

Hossain (2007) was surprised that in a country of approximately 85 percent God-fearing Muslim; Waqf has yet to make a significant contribution towards poverty alleviation. It looks like all the major players in the game of poverty alleviation have overlooked the ability of Zakat and Waqf in poverty eradication. Zakat is fundamental to every Muslim, which can eradicate poverty and uphold the light of Islam (Dhar, 2013). Waqf, a recurring charity, is different from Zakat but has the similar ability in poverty eradication through generating a continuous flow of income. Due to the voluntary nature of Waqf, it has gone under the shadow of Zakat and has not been utilized as a proper tool for poverty alleviation by a Muslim state recently. But its contribution to human civilization in the Islamic regions was highly significant, and it went far beyond normal charity (Hoexter, 1998).

Waqf is being managed by the Ministry of Religious Affairs (MORA) through their affiliated institution named "Waqf Bangladesh". A census of Waqf estates was conducted by Bangladesh Bureau of Statistics in 1986. The findings of the census revealed that the total annual income from the registered Waqf estates was Taka 708,293,652 which is around **8853670** USD (assuming 1USD = 80Taka). This income is only from the registered Waqf estates and still there are plenty of Waqf estates not being registered or being handled by private Waqf Institutions. However, Waqf is still not considered as a practical tool for poverty alleviation in Bangladesh due to several problems.

The rest of the paper is divided into three sections. In the first section, brief definitions of Waqf is provided. Section Two focuses on Waqf management in the context of Bangladesh followed by the

discussion of complexities in Waqf development. This study has been undertaken to share some insights regarding development activities of Waqf estates, institutions responsible for the management of Waqf estates and problems arising in the proper development and allocation of Waqf fund in improving the quality of life for people living below poverty line. Issues discussed in this paper will provide valuable guidelines to regulators in the areas of reform required for the modern revival of Waqf for becoming a poverty alleviation tool for Bangladesh.

2. Definition of Waqf

Waqf is an Arabic word which means to hold still and last long. Technically, Waqf involves the transformation of personal properties into public resources. Sadeq (2002) stated that Waqf assets cannot be disposed, its ownership cannot be transferred, only its benefits are to be used for the particular purposes, which are mainly charitable in nature and it is a voluntary charity characterized by perpetuity.'

In other words, Waqf could be viewed as an endowment of an asset with benevolent intentions as described by Gaudiosi (1988):

“the detention of the corpus from the ownership of any person and the gift of its income or usufruct either presently or in future, to some charitable purpose and the ownership of the Waqf property was thereby relinquished by the funder, it was not acquired by any person rather, it was “arrested” or detained.”

From the Shariah point of view, Waqf could be defined as holding an asset and averting its consumption for the purpose of repeatedly extracting its usufruct for the benefit of an objective representing righteousness/philanthropy (Kahf, 1999). This definition of Waqf allows the inclusion of land and construction for religious purposes, agricultural utilization or for any other productive use in the industry and urban areas provided that the net revenues be exhaustively devoted to philanthropic causes.

In the economic context, Waqf can be defined as diverting funds from consumption and investing them in productive assets that provide either usufruct or revenues for future use by individuals or groups of individuals (Kahf, 1999). In Singapore, the Singapore's Administration of Muslim Law Act or AMLA defined Waqf as a permanent deduction by a Muslim of any movable or immovable property for any purposes recognized by the Muslim law as pious, religious and charitable (Karim, 2010).

In Malaysia, Waqf is defined as property which included any movable or immovable property, any right, interest, title, claim, choice of action, whether present or future or which is otherwise of value by Hukum Syarak (Zakaria, Samad, & Shafii, 2013). In Northern Africa, Waqf is legally defined as protecting something, by preventing it from becoming the property of a third person as it is irrevocable gift of a corporal property for the benefit of donors family or someone else or something, in perpetuity, as a charity promised and normally executed during the lifetime of the donor, which is not capable of transfer, gift and transmission thereafter (Mohammad, Iman, & Hamid, 2006).

3. Waqf Management in Bangladesh

Waqf assets in Bangladesh can either be registered or unregistered. It is managed based on its registration status. Ministry of Religious Affairs administers all the registered Waqf properties as the sole trustee. The responsibility for operating the Waqf estates are given to Waqf Bangladesh, a state-owned institution established to assist the Ministry of Religious Affairs. Waqf administration is centralized in which all decision making are undertaken at the head office of Waqf Bangladesh in Dhaka. In the case of unregistered Waqf properties, the property is managed by the trustee appointed by the Waqif (Donor). The Waqf Ordinance 1962 regulates Waqf estates and related activities in Bangladesh.

Bangladesh Bureau of Statistic has conducted two separate surveys named “Census of Waqf Estates” in 1989 and “Mosque Census” in 1983 to determine the value of Waqf estates. The results of these surveys revealed that the total number of Waqf estates in Bangladesh is 150,593 including 1,400 estates around different ‘Mazars (Tomb of the Exalted).’ In addition, out of 200,000 mosques, 123,006 are registered Waqf properties. According to this Census, Comilla had the highest (9,841) number of Waqf estates followed by Mymensingh (5,659) and Chittagong (5,535). The lowest number of Waqf estates is in Bandarban (201). Most of these assets are either unregistered or not properly recorded and left idle. There have been instances that these valuable properties are often neglected and leased out with nominal charges or sold out for small prices (Ahmad & Safiullah, 2012).

4. Legal Framework for Waqf Management in Bangladesh

Waqf estates used to be administered according to Shariah laws, and the Chief Qadi (Judge) of a district was the trustee of Waqf estates of that specific district during the British occupation. The first laws of Waqf were enforced by the British in 1894 through the declaration of the Privy Council, in which family Waqf was made invalid. The act was subsequently repealed and replaced by “The Mussalman Waqf Validating Act” in 1913. In 1934, the “Waqf Act of Bengal” was enacted to foster the supervision and protection of Waqf estates through an autonomous and legal organization headed by Waqf Commissioner of Bengal.

After the creation of Pakistan in 1947, the Bengal Waqf Act of 1934 was adopted by Bangladesh which was known as East Pakistan back then. In 1962, the Waqf Ordinance was enacted without repealing Bengal Waqf Act of 1934. After becoming an independent state in 1971, Bangladesh adopted Waqf Ordinance 1962 which is still governing Waqf administration in Bangladesh.

Waqf estates in Bangladesh are governed by the Ministry of Religious Affairs. Section 7 of the Waqf ordinance, 1962 allows the Government to appoint an Administrator for a five-year term, who is a Muslim. The ordinance also provides for a Waqf committee which consists of Principal, Deputy and Assistant Administrator. Waqf Bangladesh, an entity under the Ministry of Religious Affairs, looks after all registered Waqf estates in all six divisions in Bangladesh. Although it has operations in all divisions, the administration of Waqf is centralized, leaving divisional and district level managers no power to make decisions.

The Ordinance also required all Waqf estates to be registered with the Office of the Administrator by the Mutawalli or trustee of the Waqf property irrespective of the time they were endowed. A description of the waqf properties, the gross annual income of the properties listed as Waqf, the total rents, rates and annual taxes payable in respect to the Waqf, annual expenses incurred in the realization of Waqf income and the Mutawalli’s salary, allowances to individuals, purely religious purposes, charitable purposes and any other expenses (Khair & Khan, 2004). As far as the registration with Office of the Waqf Administration (OWA) (also called Waqf Bangladesh) under the Ministry of Religious Affairs is concerned, Waqf properties in Bangladesh can be categorized into three categories. Firstly, Waqf estates registered with OWA; secondly, Waqf created as private trusts and are not listed with OWA and finally, Waqf managed by Mutawallis or committees without registering with OWA (Karim, 2009).

5. Institutions responsible for Waqf Management in Bangladesh

5.1 Public Institutions

Ministry of Religious Affairs (MORA)

The Ministry of Religious Affairs (MORA) was set up in Bangladesh right after the independence but first as a division of Ministry of Education. Later, the Ministry became part of the Ministry of Sports,

Culture and Education. In 1980, it was renamed as Ministry of Religious Affairs and Endowments. Finally, in 1985, the name of the ministry was changed back again to Ministry of Religious Affairs.

The primarily aims of the ministry is improving the religious matters in Bangladesh by continuously working to encourage brotherhood, value, religious belief in both national and international levels. The Ministry is also currently acting as a sole trustee for all register waqf estates in Bangladesh. In this capacity, the Ministry's roles include investigating and determining the nature and extent of Waqf properties, giving directions to the proper administration of Waqf and determining the remuneration of Mutawalli.

Waqf Bangladesh

Waqf Bangladesh is a small organization under by the Government of Bangladesh. In 1988, the Ministry of Religious Affairs established this institution to administer the registered Waqf estates at the divisional and district level. The institution currently has operations in all six (6) divisions in Bangladesh managing a total number of 13827 Waqf estates thus includes 9,429 mosques and about 606,107.232 acres of land. The huge amount of waqf Estates is divided into two categories of public and private Waqf. More than fifty percent of the available net income should be dedicated to the religious and charitable purpose to become a public Waqf. Private Waqf includes those estates whose benefit is directed to the beneficiaries of the Waqif. At present, the majority of the Waqf estates administered by the institution is public (11560 waqf estates).

5.2 Waqf Institutions registered under Waqf Bangladesh

Hamdard Laboratories (Waqf)

Hamdard Laboratories (Waqf) is a private non-profit organization that has a history of more than one hundred years. Hamdard Laboratories started its journey in undivided India in 1906. The word "Hamdard" is derived from the Persian language of "Ham" and "Dard" which the former means "friend" and the later refers to "pain." As a result, the combined word of "Hamdard" connotes "a friend of pain or someone who shares the pain of others".

The institution was not established as a Waqf from its very first existence. It first started its operation in the undivided India as a non-profit research laboratory for Unani and Ayurvedic medicine under the name of Hamdard Dawakhana by the founder Hakim Abdul Majeed. After the independence in 1947, a branch was established in Karachi, Pakistan by Hakim Mohammed Saeed, son of the late founder of the institution. In 1953, the institution was converted to Waqf and renamed as Hamdard Laboratories (Waqf) Pakistan.

Hamdard began its operation in Bangladesh on 1953 as a Waqf institution. The initial development of this significant institution was rather slow due to several economic and political imbalance. Past the independence of Bangladesh in 1971, the institution had gone through rapid change under the direction of Dr. Hakim Md. Yusuf Harun Bhuiyan. Currently, Hamdard Laboratories (Waqf) has operations in all 64 districts of Bangladesh. Besides producing quality Unani, Herbal, and Ayurvedic products, the Institute has recently expanded its operations in education industry by establishing schools, colleges and university.

The institution has an adamant governance mechanism in place. There are twelve members currently present in the Board of Trustees who are experts and renowned personalities from their field. The diversity of the board members is visible as members have a background in engineering, law, government service, medicine, armed forces and education. Besides the Board of Trustees, the managing director and Directors are also dynamic personalities and are experts in their fields that chart the growth of the operations.

5.3 Cash Waqf collection through Islamic Banks

Cash waqf is a recent innovation that allows people to make a small amount of donations to Waqf institutions. In Bangladesh, cash waqf collection and management is done through several Islamic banks. Social Islamic Bank Limited was the first Islamic bank that introduced cash Waqf deposit scheme. The donors can open the waqf cash account by depositing a fixed amount or by contributing a minimum amount every month which they will not be allowed to withdraw.

The bank normally invests those deposits in a Shariah compliant investment options and distributes the profit to beneficiaries either by donors or according to their list. The success of Social Islamic Bank in dealing managing the cash Waqf has led other Islamic banks such as Al-Arafah Islami Bank, Islamic Bank Bangladesh Limited, Exim Bank Bangladesh Limited and Shahajalal Islami Bank Limited to introduce similar accounts of cash Waqf. Prime Bank and Bank Asia have recently undertaken initiatives to operate cash Waqf deposit schemes under their Islamic Window.

The use of bank as an agent to collect cash Waqf is quite a common practice in several Muslim countries. Aziz et. al. (2014) investigated the relationship between the level of income and method of contribution and appointment of Islamic Waqf Bank as an agent in collecting Waqf fund. They found a strong tendency that the Islamic Waqf bank's operation will run effectively with proper contribution method and appointment of Islamic Waqf bank as an agent in collecting the cash waqf fund. Therefore, the use of Islamic bank can be seen as the starting point in developing Islamic Waqf banks, for cash Waqf collection purposes in Bangladesh.

6. Non-registered Waqf estates

The Census conducted by Bangladesh Bureau of Statistics in 1986 identified a total number of Waqf estates to be 150,539 among which only 97,046 are registered under the Ministry of Religious Affairs. These unregistered Waqf estates can be categorized as a gray area for Waqf operations in Bangladesh. Because, Waqf estates which are not registered under the MORA, cannot be effectively monitored by the Waqf Bangladesh. There is again a huge number of land, commercial buildings, mosques and educational institutions that fall under the category of Waqf, but the management of those properties are not interested in registering themselves under the government institution because of the fear of increased regulation and monitoring.

7. Waqf estates in Bangladesh

A census of Waqf estates has been conducted by Bangladesh Bureau of Statistics based on the direction and collaboration of the Ministry of Religious Affairs in 1986. The census started in January 1986 and was completed within two months. At the time of the Census, Bangladesh had six divisions, i.e. Dhaka, Rajshahi, Chittagong, Khulna, Barisal, and Sylhet. Summary of the statistical results on Waqf estates are presented in Tables 2, 3 and 4. Based on these results, we can conclude that Chittagong division is dominating regarding the amount of land while Rajshahi has the highest number of Waqf estates beating Dhaka by a close margin. It is surprising to find that Dhaka division is earning and spending almost twice having 3842 less Waqf estates than Rajshahi. Chittagong is dominating regarding income and expenditure in terms of Waqf estates.

Table 2. Division wise classification of Waqf Estates in Bangladesh

Name of the Division	No of Waqf Estate	Classes of Waqf		No of Mosques	Total Land (acre)
		Public	Private		
Dhaka	3,058	2,735	323	2,099	32,572.46
Chittagong	4,505	4,040	464	3,818	1,46,663.14
Rajshahi	3,287	2,830	457	2,135	123,677.06
Khulna	386	305	81	149	4,240.10
Sylhet	571	449	122	515	237,014.75
Barisal	1,001	1,186	815	679	61,939.72
Total	13,827	11,560	2,260	9,429	606,107.23

Table 3. Summary of Waqf Estates by Status in Bangladesh

Division	All Waqf Estates		Status of Waqf					
			Registered		Verbal		Traditional	
	Number	%	Number	%	Number	%	Number	%
Chittagong	26386	17.52	17562	18.1	7132	15.64	1692	21.31
Sylhet	11267	7.5	6024	6.21	4509	9.89	744	9.37
Dhaka	41317	27.45	28422	29.29	11225	24.61	1620	20.4
Barisal	11931	7.95	8224	8.47	2877	6.31	830	10.45
Khulna	14533	9.52	6395	6.59	7055	15.47	1083	13.64
Rajshahi	45159	30	30419	31.34	12809	28.1	1971	24.82
Bangladesh	150593	100	97046	100	45607	100	7940	100

Table 4. Annual Income and Expenditure of the Waqf Estates in Bangladesh

Division	All Waqf Estates		Waqf Estates Reporting	
	Land (In Acres)	Annual Income (Taka)	Annual Expenditure (Taka)	
Chittagong	26386	1.08	10225	10454
Sylhet	11267	1.87	8177	7794
Dhaka	41317	0.40	6563	5869
Barisal	11931	1.31	4455	4262
Khulna	14533	0.41	3918	3567
Rajshahi	45159	0.70	3615	3261
Bangladesh	150593	0.80	6628	6306

8. Challenges of Waqf Development in Bangladesh

Waqf development in Bangladesh is being affected by numerous challenges. Among them are highly centralized Waqf administration, inadequate manpower, lack of organizational and administrative competency, unregistered Waqf properties, lack of provisions in the relevant laws, lack of social awareness, illegal occupation, and misappropriation of Waqf properties, operational inefficiency, integrity and qualification of Mutawalli and lack of Shariah and advisory board. These challenges have significantly affected the trust among stakeholders and have limited Waqf's contribution in alleviating poverty from Bangladesh.

Waqf is being managed by the government authority in a highly centralized environment. Several complaints regarding the personal use of the compensation money derived from the acquisition of Waqf properties in Bangladesh have been made by Mutawallis against officials (Karim, 2009). These complaints alone can be harmful for the Waqf institution which is operated in a world of trust (Stibbard, Russell, & Bromley, 2012). Mutawalli's have often ignored the original intent of the Waqif in dealing with Waqf estates that have decreased the level of Waqif's trust.

There have been surveys conducted by The World Economic Forum, the Eurobarometer, the Asia Barometer, Latin barometer, Australian Government Information Management Office (AGIMO) Accenture, MORI, BBC and Gallup International, United Nations Online Network in Public

Administration and Finance (UNPAN), the United Nations Development Program (UNDP), the Transparency International to confirm declining trust in public sector organizations in various parts of the world. These surveys have found that there is a consistent and ubiquitous decline of trust in a range of public institutions in both developed and developing countries since 2004 (Blind, 2007).

As mentioned before, one of the challenges of Waqf management in Bangladesh relates to the lack of relevant laws. Waqf Ordinance, 1962 is the only regulation which provides some general guideline for the regulating authority. Instructions regarding the recording procedure can be found in Chapter Four of the Ordinance while Chapter Three and Four reflects the governance aspects of Waqf. These chapters provide some basic guidelines about the accounting procedures of Waqf in Bangladesh. The ordinance has made reporting of the statement of accounts mandatory only to the Administrator by the Mutawalli, which has allowed reporting to other stakeholders voluntary. Currently, annual accounts are prepared and disclosed to the internal management. As a result, performance measurement of Waqf institutions is not possible for stakeholders. Lack of information on the Waqf management has generated a lack of awareness on the development of such estates among the general public that might create windows of misrepresentation of Waqf estates. Unavailability of financial reports might have an adverse influence on the donor trust in Waqf institutions which could affect the sustainability of this perpetual charitable vehicle of Islam.

An effective governance mechanism can play a significant role in ensuring efficient performance (Grove et al., 2011), disclosure (Ho & Shun, 2001) and accountability (Moore & Ryan, 2006). Information asymmetry has created agency problem between managers and principal (Fama & Jensen, 1983). Managers are traditionally viewed as opportunistic who need to be controlled by implementing various governance mechanisms which are expected to have an impact on the information disclosure (Akhtaruddin & Haron, 2010; Albassam, 2014; Eng & Mak, 2003; Tsamenyi, Enninful-Adu, & Onumah, 2007). This situation applies to both profitable (Kelton & Yang, 2008) and non-profit organizations (Hooper, Sinclair, Hui, & Mataira, 2008). Ihsan, Ayedh, and Shahul (2006) and Cajee (2008) have highlighted that the Waqf development in the future will largely depend on the governance of Waqf institutions. Alias (2012) stated that the Waqf institutions should be guided by a code of governance and possibly a code of ethics that will help them to understand their role, exercise control over the Waqf assets and allow them to discharge accountability. In the case of a non-profit religious organization like Waqf, a solid governance structure can improve accounting practices and performance toward enhancing accountability (Torres & Pina, 2003; Unerman & O'Dwyer, 2006). However, evidence the adoption of an effective code of governance has not yet to be found for Waqf institutions in Bangladesh.

Inadequate manpower is another critical issue faced by the government body responsible for Waqf administration in Bangladesh. Only 111 officers and employees are managing nearly 100,000 waqf estates of the whole country. Among other problems, lack of organizational and academic competency, unregistered Waqf properties, lack of provisions in the relevant law, illegal occupation and misappropriation of Waqf properties, lack of social awareness, integrity of Mutawallis and their qualification and lack of Shariah and Advisory Board are identified as major factor leading to inefficient management of Waqf in Bangladesh.

The result of such ignorance in the governance, disclosure and accountability practices to gain donor trust in Waqf institutions can be traced by looking into two specific scenarios. First, the growth in the deposit of Cash Waqf made in Social Islami Bank Limited has decreased from 28.84 percent in 2012 to 17.37 percent in 2014. Second, the increase of income through the operations of Waqf Bangladesh has declined from 23.40 percent in 2008 to 17.52 percent in 2009 while the expenditure growth rose from 15.71 percent in 2008 to 22.86 percent in 2009.

Although recent information could not be included due to lack of availability, lack of commitment from donors in Waqf institutions in Bangladesh is clearly visible from the above statistics. There could be numerous reasons for this decline, but the lack of trust among donors caused by the lack of disclosure, governance and accountability practices is worth of exploration. Thus, a study that investigates the

perception of donors toward various factors that might affect their trust is vital to ensure the sustainability of Waqf in Bangladesh.

9. Conclusion

Throughout Bangladesh's history, the practice of giving to others without expecting any return and helping the distressed often began at home and formed a crucial part of the socialization process in which family values and traditions were instilled with both voluntary and religious dimensions (Khair & Khan, 2004: 49). However, Waqf institutions are currently serious challenges in Bangladesh. The centralization of Waqf administration in Bangladesh can result in communication barriers, possibilities of power misuse and inefficient supervision. All the decisions for both public and private Waqf institutions are made by head offices which render no opportunities for divisional employees to participate in the decision making. Also, the qualification and abilities of Mutawalli's in effectively managing Waqf estates to generate a continuous flow of fund for their sustainable future are also questionable. These challenges pose serious concerns on the governance structure of the Waqf institutions in Bangladesh which is vital for the future growth and sustainability of such institutions.

References

- Abdul Karim, S. B. (2010). Contemporary Shari'a Compliance Structuring for the Development and Management of Waqf Assets in Singapore. *Kyoto Bulletin of Islamic Area Studies*, 3(2), 143–164.
- Ahmad, M. M., & Safiullah, M. (2012). *Management of Waqf Estates in Bangladesh: Towards a Sustainable Policy Formulation*.
- Akhtaruddin, M., & Haron, H. (2010). Board ownership, audit committees' effectiveness, and corporate voluntary disclosures. *Asian Review of Accounting*, 18(3), 245–259.
- Albassam, W. (2014). *Corporate governance, voluntary disclosure, and financial performance: an empirical analysis of Saudi listed firms using a mixed-methods research design*. University of Glasgow.
- Aziz, M. R. A., Yusof, M. A., Johari, F., & Sabri, H. (2014). Relationship Between Level of Income and Method of Contribution and Appointment of Islamic Waqf Bank as an Agent in Collecting Waqf Fund. *Journal of Emerging Economies and Islamic Research*, 2(2), 1–10.
- Blind, P. K. (2007). Building Trust in Government in the Twenty-First Century: Review of Literature and Emerging Issues. In *7th Global Forum on Reinventing Government Building Trust in Government* (pp. 1–31). Vienna.
- Cajee, Z. A. (2008). The Revival of Waqf in Muslim Communities: Implementation of the Recommendations of the International Waqf Conference South Africa, Cape Town, 2007. In *International Conference on Waqf and Islamic Civilization*. Cape Town.
- Dhar, P. (2013). Zakat as a Measure of Social Justice in Islamic Finance : An Accountant's Overview. *Journal of Emerging Economies and Islamic Research*, 1(1), 1–11.
- Eng, L. L., & Mak, Y. T. (2003). Corporate governance and voluntary disclosure. *Journal of Accounting and Public Policy*, 22(4), 325–345. [http://doi.org/10.1016/S0278-4254\(03\)00037-1](http://doi.org/10.1016/S0278-4254(03)00037-1)
- Fama, E., & Jensen, M. (1983). Agency problem and residual claims. *Journal of Law and Economics*, 327–329.
- Gaudiosi, M. (1988). The influence of the Islamic law of waqf on the development of the trust in England: The case of Merton College. *University of Pennsylvania Law Review*, 136(4), 1231–1261.
- Grove, H., Patelli, L., Victoravich, L. M., & Xu, P. T. (2011). Corporate Governance and Performance in the Wake of the Financial Crisis: Evidence from US Commercial Banks. *Corporate Governance*, 19(5), 418–436.
- Hamdan, N., Mohd Ramli, A., Jalil, A., & Haris, A. (2013). Accounting For Waqf Institutions : A Review

- On The Adaptation Of Fund Accounting In Developing The Shariah Compliant Financial Reports For Mosque. In UITM & IKAZ (Eds.), *Transforming Islamic Philanthropy For Ummah Excellence* (Vol. 2013). UITM.
- Ho, S. S. ., & Shun Wong, K. (2001). A study of the relationship between corporate governance structures and the extent of voluntary disclosure. *Journal of International Accounting, Auditing, and Taxation*.
- Hoexter, M. (1998). Endowments, rulers, and community: Waqf al Haramayn in Ottoman Algiers. *Studies in Islamic Law and Society*, 6.
- Hooper, K., Sinclair, R., Hui, D., & Mataira, K. (2008). Financial reporting by New Zealand charities: finding a way forward. *Managerial Auditing Journal*, 23(1), 68–83.
- Hossain, S. (2007). Poverty and vulnerability in urban Bangladesh: the case of slum communities in Dhaka City. *International Journal of Development Issues*, 6(1), 50–62.
- Ihsan, H., Ayedh, A. M., & Shahul, H. M. I. (2006). Towards The Betterment Management and Transparency of Waqf Institutions: Lesson Learned from the Charity Commission. *Al Risalah*, 6, 27–46.
- Jolliffe, D., Gimenez, L., Ahmed, F., & Sharif, I. (2013). Bangladesh - Poverty assessment : assessing a decade of progress in reducing poverty, 2000-2010, 1–262.
- Kahf, M. (1999). Financing the development of “Awqaf” property. *The American Journal of Islamic Social Sciences*, 16(4), 39–66.
- Karim, M. (2009). *Problems and prospects of Awqaf in Bangladesh: A legal perspective*. Kuala Lumpur.
- Kelton, A. S. A., & Yang, Y. (2008). The impact of corporate governance on Internet financial reporting. *Journal of Accounting and Public Policy*, 27(1), 62–87.
<http://doi.org/10.1016/j.jaccpubpol.2007.11.001>
- Khair, S., & Khan, S. (2004). Philanthropy and Law in Bangladesh. *Philanthropy and Law in South Asia*, 385. Retrieved from <http://pdf.steerweb.org/From Katalyst pc/2. Bangladesh.pdf>
- Mohammad, M., Iman, M., & Hamid, A. (2006). Obstacles of the current concept of waqf to the development of waqf properties and the recommended alternative. *Malaysian Journal of Real Estate*, 1(1), 27–38. Retrieved from <http://eprints.utm.my/501/>
- Moore, M., & Ryan, W. (2006). *A Framework for Analyzing Nonprofit Governance and Accountability Policies and Strategies*. Hauser Centre for Non-profit Organisations.
- Pramanik, A. H., Mohammed, M. O., Haneef, M. A., Amin, F. M., Aliyu Dahiru Muhammad, Kenan, B., & Dabour, N. (2015). *Integration of Waqf and Islamic Microfinance for Poverty Reduction: Case Studies of Malaysia, Indonesia, and Bangladesh*. Kuala Lumpur.
- Sadeq, A. M. (2002). Waqf, perpetual charity and poverty alleviation. *International Journal of Social Economics*, 29(1/2), 135–151.
- Schicks, J., & Rosenberg, R. (2011). *Too Much Microcredit? A Survey of the Evidence on Over-Indebtedness*. Washington, D.C.
- Stibbard, P., Russell, D., & Bromley, B. (2012). Understanding the waqf in the world of the trust. *Trusts & Trustees*, 18(8), 785–810.
- Torres, L., & Pina, V. (2003). Accounting for Accountability and Management in NPOs. A Comparative Study of Four Countries: Canada, the United Kingdom, the USA and Spain. *Financial Accountability & Management*, 19(3), 265–285.
- Tsamenyi, M., Enninful-Adu, E., & Onumah, J. (2007). Disclosure and corporate governance in developing countries: evidence from Ghana. *Managerial Auditing Journal*, 22(3), 319–334.
- Unerman, J., & O’Dwyer, B. (2006). Theorizing accountability for NGO advocacy. *Accounting, Auditing & Accountability Journal*. <http://doi.org/10.1108/09513570610670334>
- Zakaria, A. A. M., Samad, R. R. A., & Shafii, Z. (2013). Venture philanthropy waqf model: A conceptual study. *Jurnal Pengurusan*, 38, 119–125.