



PUBLIC PERCEPTION OF THE REVITALIZATION OF INDONESIAN WAQF INSTITUTION



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Abstract

Indonesian Waqf Institution (BWI/Badan Wakaf Indonesia) was formed based on Law Number 41 of 2004 concerning Waqf. BWI has a firm legal standing within the national legal structure. However, several articles in the Waqf Law have an unfavorable impact on the performance of BWI. Waqf's potential and actualization gap is still significant amidst low public trust in Nazir's governance. BWI is also considered not optimal in developing the potential of Waqf in Indonesia. This study aimed to determine public perceptions regarding the proposed revitalization of BWI duties, functions, and authorities in the more ideal Waqf Management rules. The data collection method used was a questionnaire distributed to the public. The data were analyzed by descriptive statistics. The results showed that the community less agreed with expanding the role of BWI. It is possible due to the lack of public knowledge regarding issues related to the management and development of Waqf that are currently occurring. The community has not been able to adapt to changes, and it tends to be challenging to revitalize BWI's duties, functions, and authorities in waqf regulations.

Abstrak

Badan Wakaf Indonesia (BWI) dibentuk berdasarkan Undang-Undang Nomor 41 tahun 2004 tentang Wakaf. BWI memiliki kedudukan hukum yang kuat dalam struktur hukum nasional. Namun, beberapa pasal yang tercantum dalam Undang-Undang Wakaf justru berdampak kurang baik terhadap kinerja BWI. Gap potensi dan aktualisasi Wakaf dinilai masih sangat besar, ditengah rendahnya kepercayaan publik pada tata kelola Nazir. BWI juga dinilai belum optimal dalam mengembangkan potensi wakaf di Indonesia. Penelitian ini bertujuan untuk mengetahui persepsi masyarakat terkait adanya revitalisasi tugas, fungsi dan wewenang BWI dalam aturan Pengelolaan Wakaf yang lebih ideal. Metode pengumpulan data yang digunakan adalah kuesioner yang disebar kepada masyarakat. Data yang diperoleh dianalisis secara statistik deskriptif. Hasil penelitian menunjukkan bahwa masyarakat kurang setuju dengan perluasan peran BWI. Hal ini dimungkinkan karena kurangnya pengetahuan masyarakat terkait isu permasalahan terkait pengelolaan dan pengembangan wakaf yang saat ini terjadi. Masyarakat belum dapat beradaptasi dengan perubahan dan cenderung enggan terhadap upaya revitalisasi tugas, fungsi dan wewenang BWI dalam regulasi wakaf.



INTRODUCTION

Waqf is one of the Islamic social and financial instruments that benefit development. Providing *waqf* funds has implications as a means to increase the faith of those who provide *Waqf* and minimize material difficulties experienced by *waqf* beneficiaries (Mahfud, 2011). *Waqf* has an essential role in Islamic fiscal policy. *Waqf* has strong human and social values. *Waqf* plays a role through education services, training, and business activities for people who can't afford it (Razak, 2020b).

The development of *waqf* is concerned with the dimensions of divine worship and the socio-economic dimensions of worship (Nafis, 2014). Indonesia has quite significant *waqf* assets. According to the World Philanthropy Institute and Charities Aid Foundation (CAF) World Giving Index, Indonesia is the most charitable country in the world. In 2022, WGI Indonesia was 68%, down 1% from the previous year, 69%. Indonesia's highest indicator was related to the donation indicator, with a rate of 83%, or eight out of ten Indonesians donating their money, volunteering (63%), and helping a stranger 58% (Foundation, 2022). *Waqf* is undoubtedly one of the tools helping Indonesia succeed in this endeavour (Ali & Hassan, 2019).

Indonesia has excellent *waqf* potential (Abidillah, 2022). The number of *waqf* land assets in Indonesia is 417,095, with a land area of 55,682.47 hectares. However, it is unfortunate that most of the *waqf* assets in Indonesia are immovable and unproductive (Agama, 2021). The Badan Wakaf Indonesia (BWI/Indonesian *Waqf* Agency) noted that the potential for *waqf* in cash was Rp.188 trillion annually (merdeka.com, 2021). The use of *waqf* land as a place of worship has been quite successful on a social level, but it is still missing on an economic level (Joni & Zuleika, 2018). *Nazir's* inability to effectively manage and develop *waqf* assets is the reason of the *waqf* land's lack of financial usage (Hatim, 2021). The significant potential of *waqf* requires Indonesia to have national and international standardization of management. The large gap in *waqf* potential and realization is also triggered by the low level of public trust in *Nazir* due to the conventional management of *waqf* (Syarif, 2021). The development of *waqf* that is currently developing is being able to produce *Waqf* assets: cash *waqf*, *waqf* through money, and Cash *Waqf* Linked Sukuk (CWLS).

Law Number 41 of 2004 concerning *waqf* is a strategic effort to make the economic potential of the people still used in the consumptive productive and managed with traditional management to modern management. The goal is that the great potential significantly impacts the economy of Muslims in particular. This law is one factor supporting *Waqf's* development in the contemporary era (Rozalinda, 2015). After the *Waqf* Law was passed in 2004, *Waqf* was transformed into cash *waqf*, which was more practical and productive, and the formation of BWI in the same year by the Government led to an increase in *waqf* administration management (Nugraha et al., 2022).

One realization to implement the law's mandate is the establishment of the Badan Wakaf Indonesia (BWI). BWI is the answer to the management and development of Indonesian *waqf* and should occupy a vital role in *waqf*. The establishment of BWI is needed to foster *Nazir* in managing and developing *waqf* assets nationally and internationally. However, several regulations contained in the *waqf* law have an unfavorable impact on the performance of BWI. Including the unclear person in charge of *waqf* management results in overlapping roles between BWI and the Ministry of

Religion, imposing excessive restrictions such as cash *waqf* payments that are required only to be paid through Islamic financial institutions appointed by the Ministry of Religion and the lack of a BWI budget (BAPPENAS, 2015). This also happens in India, which has not been able to function *waqf* institutions formed by the government, while in China, the issue that is developing is the existence of a dual management system carried out by the government (Abd. Jalil, 2020; Razak, 2020a).

In his research, (Rimanto, 2021) he agrees that the status of BWI is unclear, whether it is a structural or non – structural institution in governance in the Republic of Indonesia. This ambiguity has an impact on the independence of BWI in carrying out its duties and authorities. It is necessary to analyze and review the effectiveness and role of the *waqf* law for the development of *waqf* in the country. Including the extent to which the part of the BWI itself is. There is an overlap in the guidance and supervision of *Nazir* and *waqf* assets carried out by another institution, namely the Ministry of Religion. An example of overlap in fostering *Nazir* is in Article 14, and *Nazir* must register with the Ministry and BWI. Meanwhile, the overlap in the management of *waqf* assets is in article 28, "*wakif* can donate movable objects in the form of money through Islamic financial institutions appointed by the Minister." This regulation shows that there are excessive restrictions on the authority of BWI (Hidayatullah & Sidqi, 2019).

The Government does not seem serious about giving responsibility to BWI as an independent institution that carries out the management and development of *Waqf*. This lack of seriousness is evidenced by the state of the BWI structure, which is not regulated explicitly and firmly in the *waqf* law. BWI in Jakarta is the Capital of the Unitary State of the Republic of Indonesia. Still, through the structure of BWI in Provinces and Regencies/Cities, it is not regulated. Regarding the system of the BWI institution, we can see in Article 48: BWI is domiciled in the capital city of the unitary state of the Republic of Indonesia and can form representatives in the province and regency/city as needed. We see this indecision from the sentence " and can form representatives in the Province and Regency/City according to need." The words "can" and "or" are evidence of the indecisiveness of the makers of the *waqf* law in realizing *waqf* brings public welfare. The existence of BWI at the provincial and regency/city levels should also be accommodated in this *waqf* law.

BWI representatives in regions that have not all carried out their duties and authorities properly are due to various obstacles and limitations, including operational costs and organizational resources, which are still crucial issues in several provinces (Rusydiana et al., 2021). BWI's funding sources are still under the allocation of the Ministry of Religion. This allocation of funds contradicts Article 47, paragraph (2) of the *waqf* law, which states that BWI is an independent institution. The role of BWI is considered not optimal in developing the potential of *waqf* in Indonesia, so it is necessary to revitalize the duties and roles of BWI in managing *waqf*, which can answer the challenges of the development of the industrial revolution era by transforming the *waqf* business model towards digitizing *waqf* which has an impact on creating opportunities to transform *waqf*.

One of the efforts to maximize the management and development of *waqf* is to harmonize and improve the *waqf* law to make it more ideal regarding direction, Islamic

jurisprudence, norms, and community habits. It is necessary to revitalize (Putra & Fildayanti, 2021). the duties, functions, and authorities of BWI in *waqf* regulation which aims to enable BWI to have a leading role, given the importance of BWI's role in the management and development of *waqf*. Before making these efforts, it is necessary to know how the public's perception of the expansion of the part of BWI will be outlined in the revision of the *waqf* Law. Because every policy made by the Government is prioritized to meet the needs of the community, based on this background, the author took the initiative to examine the public's perception of the existence of BWI in the management and development of *waqf* in the form of research entitled "Public Perception Regarding the Standing Revitalization of BWI."

METHODS

The data used in this study are primary and secondary. Primary data is data that researchers get directly through questionnaires. In contrast, secondary data is data that the authors get indirectly from literature reviews in journals or books. The researchers distributed primary data from the answers of 66 respondents to the questionnaire. The questionnaire used in this study is a closed questionnaire, where the answers to the questions in the questionnaire have been provided, and respondents only need to choose the answers they want. The questionnaire contains ten questions to determine public perceptions regarding revitalizing BWI's duties, functions, and authorities in *waqf* regulations. The scale used to measure respondents' answers is a Likert scale of 1 – 5, namely strongly disagree (1), disagree (2), less agree (3), agree (4), and strongly agree (5).

Respondents in this study were the general public who knew more or less about the position of BWI, especially from the *amil*, teachers/lecturers, civil servants, private employees, and students in Islamic economics. The questionnaire answers were analyzed descriptively and qualitatively (mixed methods). Quantitative analysis using descriptive statistics related to the data obtained aims to determine the percentage of respondents' answers. Meanwhile, the qualitative analysis includes explaining theories – concepts and strengthening arguments. Analyzing the survey results from literature reviews such as books, journals, articles, news, related laws, government regulations, Minister of Religion Regulations, BWI regulations, and the *fatwa* of the national sharia council related to this research.

RESULT AND DISCUSSION

Respondent Demographics

Respondents in this study consisted of 66 respondents with the following explanation:

Table 1. Respondent Demographics

Demographics	Quantity
Gender	
Man	31
Woman	35
Age	
18 – 35	46
35 – 50	10
>50	8

Job	
Amil	1
State Civil Apparatus	3
Lecturers	14
Teacher	1
Employees	7
Consultant	1
Student	29
Paralegals	1
Retired	1
Civil Servant	1
Banking Practitioner	1
Private	2
Entrepreneurs	3
Income	
< 1 million rupiah	21
1 – 10 million rupiah	15
> 10 million rupiah	16
Not answer	14
Affiliation	
Ahlu Sunnah Wal Jama'ah	2
Muhammadiyah	13
Nahdatul Ulama	33
Islamic Ummah Association	1
Not follow affiliation	17

Source: Primary Data (processed), 2021

Based on Table 1. it is known that the respondents in this study consisted of 31 men and 35 women. Respondents were divided into three age groups which were 46 people in the 18 – 35 – year age group, ten people in the 35 – 50 – year age group, and eight people in the age group over 50 years old. Respondents in this study had different jobs, including 1 amil, 3 state civil apparatus, 14 lecturers, 1 teacher, 7 employees, 1 consultant, 29 students, paralegals 1 person, one person retired, 1 civil servant, 1 banking practitioner, 2 private and 3 entrepreneurs. The income groups of respondents in this study were divided into four groups. 21 people with incomes under one million, 15 with incomes between one and ten million, 16 with incomes beyond ten million rupiah, and 14 with different income ranges who did not disclose or select their income range in the survey. Some respondents' earnings can be confidential. Respondents who follow the Ahlu Sunnah Wal Jama'ah affiliation are two people; Muhammadiyah 13 people; Nahdatul Ulama 33 people; the Islamic Ummah Association one person; and 17 people who do not fill or do not follow the affiliation.

Public Perceptions Regarding the Revitalization of Duties, Functions, and Authorities of BWI in *Waqf* Regulation

This study asked the respondents ten questions to find out how the public's perception regarding the revitalization of the duties, functions, and authorities of BWI in *waqf* regulation, which is described as follows:

1. Public perception of the BWI is domiciled in the capital of the unitary state of the Republic of Indonesia and can form a BWI at the provincial, regency,/municipal levels regulated in the Regulation of the BWI

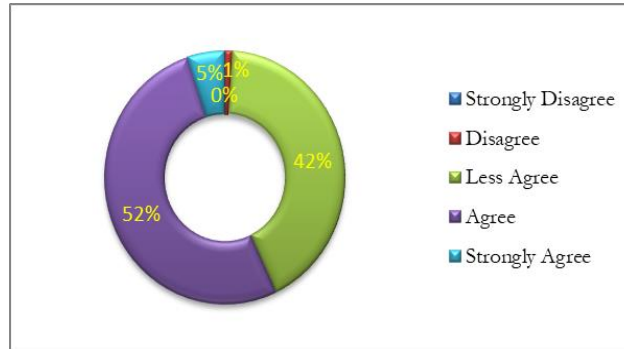


Figure 1. Percentage of Answers to Question 1
Source: Primary Data (processed), 2021

Figure 1. shows that more than 50% of respondents agree that the BWI is domiciled in the capital of the unitary state of the Republic of Indonesia and can form a BWI at the provincial, regency/city level as regulated in the BWI regulations. The existence of BWI at the provincial and regency/city levels should also be accommodated in this *waqf* law. This question emphasizes article 48 of Law no. 41 of 2004 concerning *Waqf*, which tends to be less firm and clear on the independence of BWI. Like the Zakat Institution, zakat is a religious instrument used as positive law. BWI representatives in each province and district/city are deemed necessary to assist in the smooth, efficient, and optimized central BWI's duties in managing *waqf*. It also aims to make the empowerment of *waqf* in Indonesia more maximal and productive. So, the results can be used for the prosperity and welfare of the community.

2. Public perception of the BWI conducts guidance and supervision on the implementation of *waqf* to realize the goals and functions of *waqf*.

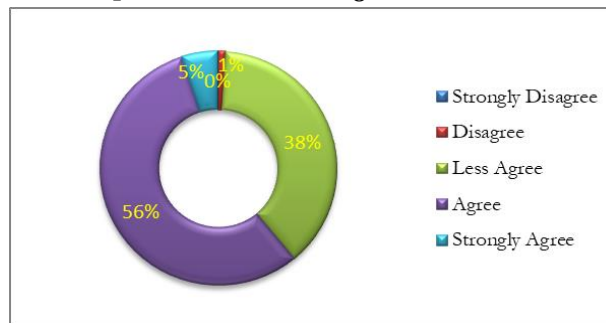


Figure 2. Percentage of Answers to Question 2
Source: Primary Data (processed), 2021

On this question, as many as 56% of respondents agreed. As many as 5% strongly agreed that the BWI guided and supervised the implementation of *waqf* to realize the goals and functions of *waqf*. These results indicate that the community is aware of the crucial role of BWI in providing guidance and supervision of *waqf* administration to realize the goals and functions of *waqf*. It means that respondents agree that there is a revision of the *Waqf* Law Article 63

paragraphs (1) and (2), which state that the Minister carries out the guidance and supervision of *waqf* administration by involving BWI in terms of coaching.

BWI is an institution that is essential in fostering *waqf Nazir* through social services, economic empowerment, and infrastructure development. BWI considers understanding better how the implementation of *waqf* is suitable for realizing the goals and functions of *waqf*. The goal is to make *waqf* management more focused and productive and benefit the community more significantly. The supervision scheme by BWI must be integrated, including aspects of the collection, distribution (investment), managerial, and distribution of benefits from *waqf*. BWI needs to establish a *Nazir* supervision division supervising *Nazir* in Indonesia (Rifai, 2020).

3. The public perceives that BWI is the only body with the duty and authority to formulate policies in the field of *waqf*.

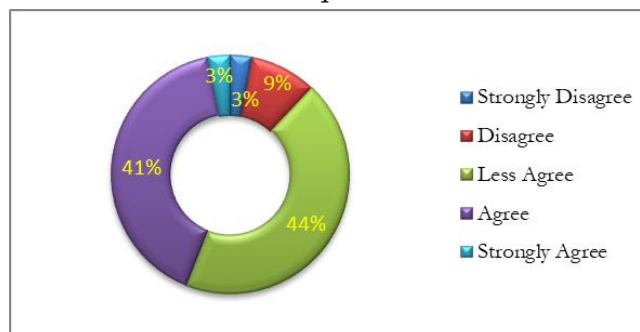


Figure 3. Percentage of Answers to Question 3
Source: Primary Data (processed), 2021

From Figure 3. it can be seen that the majority of respondents agreed that the BWI was the only body with the duty and authority to formulate policies in the field of *Waqf*. It is possible for respondents to feel that in carrying out their duties, BWI must continue to pay attention to the suggestions and considerations of the Minister and the Indonesian Ulema Council. Another reason is possible because of the role of BWI as an operator who acts as a *Nazir*. Zainuri suggested that the Ministry of Religion maintain the policy and authority of *Waqf* while BWI would focus on empowering national and international *Waqf*. This is done so that there is no overlapping of tasks between the Ministry of Religion and BWI (Haneef et al., 2017). Add that the dualism between BWI and the Ministry of Religion has created confusion in the role of the national *waqf* coordinator. In addition, the two institutions have funds from the Government but in unequal amounts. As a result, mixed positions between the two institutions are inevitable. It is feared that if BWI becomes the only body that compiles policies in the field of *Waqf*, it will interfere with the independence of policy – making on *waqf* management, which will interfere with the *Nazir* role of BWI. However, this public concern can be minimized by first establishing the status of BWI, whether as a regulator or operator.

- The public perception that the position of *Nazir* is limited by a period and is continued by the next *Nazir* chosen and appointed by BWI.

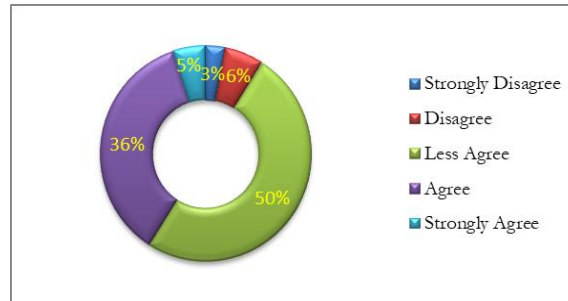


Figure 4. Percentage of Answers to Question 4
Source: Primary Data (processed), 2021

Figure 4 shows that 50% of respondents stated that they less agreed if the position of *Nazir* was limited by the period and continued by the next *Nazir* chosen and appointed by BWI. Before Law Number 41 of 2004 and Government Regulation Number 42 of 2006, there was no restriction on the period of *Nazir*. *Nazir* has the right to manage his *waqf* property for life. However, in article 14, paragraphs (1) and (2) of government regulation 42 of 2006, the term of service for an individual *Nazir* is five years, and BWI can reappoint him during his period of office. *Nazir* carries out his duties properly. *Nazir* has carried out their duties well if they are responsible, efficient, and rational (Kasdi, 2014). The results of respondents' answers indicate that respondents disagree if, after the term of office of the *Nazir* has expired, it is replaced with the following *Nazir* chosen and appointed by BWI. *Nazir* can be the *wakif* himself without registering with the Minister and BWI.

- The public perception that BWI has two functions as a maker of *waqf* pledge deeds and, at the exact time, as *nadir*

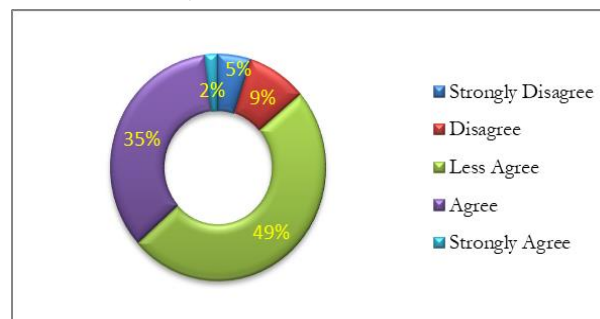


Figure 5. Percentage of Answers to Question 5
Source: Primary Data (processed), 2021

From Figure 5, most respondents less agreed that BWI had two functions as the maker of the *waqf* pledge deed and *Nazir* at the exact time. One of the functions of BWI in developing *Waqf* is as a *Nazir*, namely managing and developing *waqf* assets on a national and international scale. Whereas in Article 37 of Government Regulation number 42 of 2006, the Official Making the *Waqf* Pledge Deed is the Head of the local Religious Affairs Office, for movable *Waqf*

in the form of money is the Sharia Financial Institution Officer, and the *wakif* can make the *Waqf* Pledge Deed before a Notary. The results of this study indicate that respondents disagree if BWI acts as the Official Making the *Waqf* Pledge Deed. Besides serving as *Nazir*, BWI currently works as a regulator. If BWI is given a role as an Official for Making *Waqf* Pledge Deeds, this function will increase BWI's responsibilities, and it is feared that it will not be optimal in its implementation.

6. Public perception of BWI becomes a national and international *Nazir*.

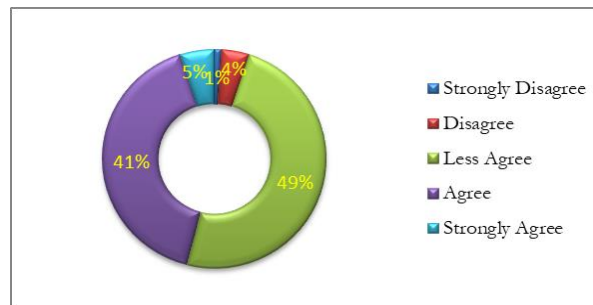


Figure 6. Percentage of Answers to Question 6

Source: Primary Data (processed), 2021

This point asks the public whether they agree or disagree if BWI is the national and international *Nazir*. This is because BWI has two functions, namely, the regulatory function and the management function. One must enquire about this. The way that Indonesia manages *waqfs* will look like this in the future. The results show that most people disagree about the dual functions of BWI. BWI must be given sole authority as a regulator, for example, or as an executor of *waqf* management. Figure 6. shows that 49% of respondents agreed that BWI became a national and international *Nazir*. It is possible because respondents agree more that BWI maximizes its role in supervising and fostering *Nazir* so that their performance of *Nazir* can constantly be monitored and improved. *Waqf* policy products issued by BWI can be more independent or not create a conflict of interest with BWI as *Nazir*. (Hatim, 2021)said that in addition to supervising and coaching, BWI could act as a regulator that focuses on managing, developing *Nazir*'s competencies, and making related regulations. If there is a dualism in the role of BWI, it will result in the mismanagement of another *Nazir* outside BWI. It can weaken and make the development of national *Waqf* not optimal. Article 49 of Law Number 41 of 2004 concerning *Waqf* states that BWI: (a) guides *Nazhir* in managing and developing *waqf* assets; (b) managing and developing *waqf* assets. In India, for example, the 2013 regulations regarding *Waqf* state that there are two types of institutions within *Waqf*: the Central *Waqf* Council and the (*Waqf*) Board (Syed Khalid Rashid, 2018)

7. The public perception that accountability for the implementation of the duties of the BWI is carried out through an annual report audited by an independent audit agency and submitted directly to the President

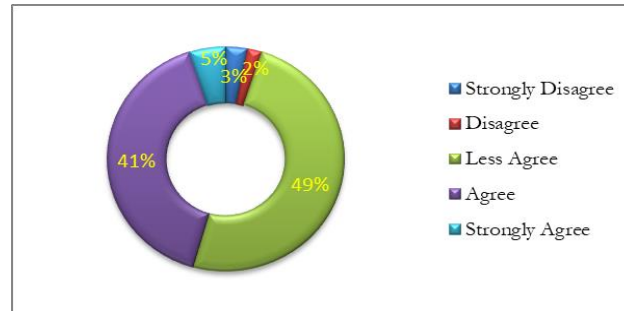


Figure 7. Percentage of Answers to Question 7
Source: Primary Data (processed), 2021

From Figure 7 is known that most respondents stated that they less agreed if the responsibility for implementing the duties of the BWI was carried out through an annual report audited by an independent audit institution and submitted directly to the President. This is possible because respondents are still considering what is explained in Article 61, paragraphs (1) and (2), which demonstrates that the accountability for the implementation of BWI's duties is carried out through an annual report audited by an independent institution and submitted to the Minister and the annual report announced to the public.

A reporting system is essential in the accountability of the *Nazir* and BWI to the *wakif* and the *waqf* beneficiaries. Responsibility can foster public trust in institutions (Machmud et al., 2018). Until now, there is no specific reporting standard for *Waqf*, and still using PSAK Sharia 109 for *Infaq*, *Zakat*, and *Sadaqah*. However, the respondents disagree that BWI has a direct relationship with the President in reporting and still has to be under the Ministry.

8. Public perception if BWI can give administrative sanctions in the form of written warnings; temporary suspension or revocation of permits for activities in the *waqf* sector for Islamic financial institutions; temporary suspension from office or termination of PPAIW's position; and Temporary or permanent dismissal as a *Nazir*

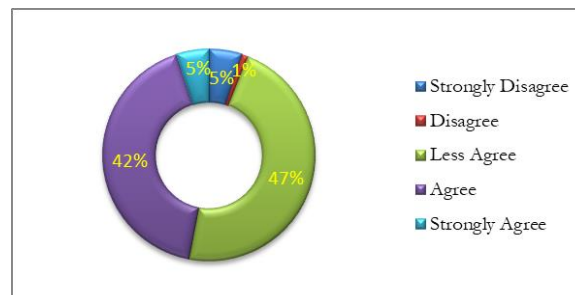


Figure 8. Percentage of Answers to Question 8
Source: Primary Data (processed), 2021

Currently, PPAIW is part of the authority of the Ministry of Religion, and this study tries to offer one of the improvement points for the *Waqf* Law in the future. BWI has the authority to impose administrative sanctions in the form of written warnings; temporary suspension or revocation of permits for activities in

the *waqf* sector for Islamic financial institutions; temporary suspension from office or termination of PPAIW's position; and Temporary or permanent dismissal as a *Nazir*. This point tries to give BWI authority as a regulator and place the Ministry of Religion as a supervisor.

Figure 8. shows that the majority of respondents stated that they less agreed if BWI could provide administrative sanctions in the form of written warnings, temporary suspension or revocation of permits for activities in the *waqf* sector for Islamic financial institutions, temporary suspension from office or termination from the position of the PPAIW; and temporary or permanent dismissal as *Nazir*. It is possible because respondents still consider BWI's ability to carry out this task. After all, BWI has many duties and *authorities*. In addition to BWI functioning as a regulator and motivator, BWI is also authorized as an operator (*Nazir*), managing and developing national and international *waqf*. Another reason is that respondents are still considering the mandate in Article 68 of Law number 41 of 2004 that the Minister who can give administrative sanctions to Islamic financial institutions is the Minister.

9. The public perception that *wakif* can donate movable objects in the form of cash *waqf* through Islamic financial institutions appointed by the BWI

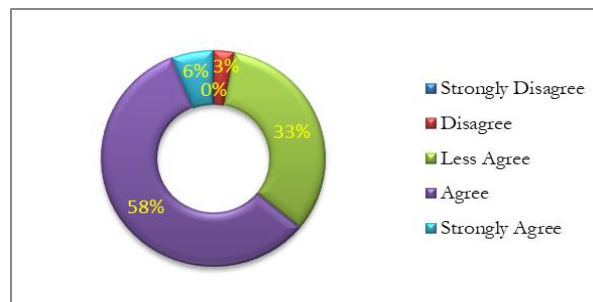


Figure 9. Percentage of Answers to Question 9
Source: Primary Data (processed), 2021

This point explains the proposed improvement of the *Waqf* Law in the future, where BWI has the authority to appoint Islamic financial institutions as cash *waqf* recipients. In Law Number 41 of 2004 concerning *Waqf* Article 28, the Minister is authorized to do so. The public perception of this proposal is that the majority agree if BWI becomes the institution authorized to appoint Islamic financial institutions that manage *waqf* funds through two development methods, namely those initiated by Islamic financial institutions and BWI (Sugianto et al., 2022). In this question, as many as 58% of respondents agreed that *wakif* could donate movable objects in the form of money through Islamic financial institutions appointed by the BWI. These results indicate that respondents agree that Islamic financial institutions that can manage cash *waqf* are established by BWI, no longer by the Ministry of Religion as regulated in Law no. 41 of 2004 concerning *Waqf* Article 28, which contains "Receipt of cash *waqf* can be made through Islamic Financial Institutions that Receive Cash *Waqf* (LKS – PWU) appointed by the minister." (Makhrus, 2018) explained that

the existence of LKS–PWU functions as a sharia financial institution that accepts cash *waqf*, provides cash *waqf* forms, to registers cash *waqf* to the Minister of Religion on behalf of *Nazir*. The greater the number of Islamic financial institutions, the management of *Waqf* becomes leveraged and has a significant impact on the management of *Waqf* institutions and is the ability to provide general welfare.

10. The public perception is that to carry out its duties, the BWI is financed by the state revenue and expenditure budget, rewards from the management and development of *waqf* assets, as well as other *halal* and non – binding sources.

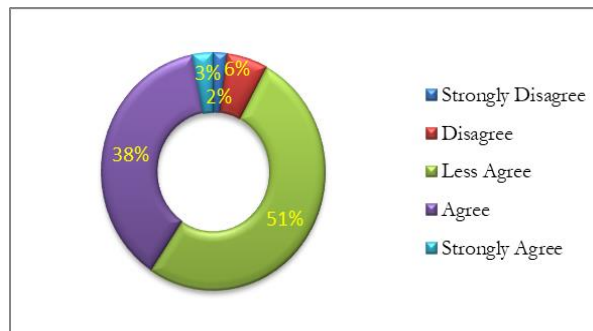


Figure 10. Percentage of Answers to Question 10
Source: Primary Data (processed), 2021

Figure 10 shows that as many as 51% of respondents agreed less that the State Revenue and Expenditure Budget financed the BWI to carry out its duties. It is possible because respondents think BWI's operational financing is sufficient to be funded by the Government without disturbing the results of the management and development of *waqf* assets. Bearing in mind the mandate of Article 14 of BWI Regulation number 2 of 2012 that the operational costs required for carrying out the duties of BWI representatives can be obtained from government assistance, assistance from other parties that are lawful and non – binding, as well as compensation from the net proceeds of the management and development of *waqf* assets at a maximum of 10%. Most respondents realized that the results of the management and development of *Waqf* were only given to the *mauquf 'alaih* (beneficiaries of the *Waqf*). Another reason is the indefinite amount of the percentage distribution of rewards from the management and development of *waqf* assets that can be given to fund the operations of BWI in carrying out its duties in this question.

CONCLUSION

Badan Wakaf Indonesia (BWI) was formed based on Law Number 41 of 2004 concerning *Waqf*. BWI has a firm legal standing within the national legal structure. However, several articles in the *Waqf* Law have an unfavorable impact on the performance of BWI. This study aims to determine public perceptions regarding the revitalization of BWI's duties, functions, and authorities. From the study results, it can be concluded that the community does not agree if the role of BWI should be expanded. This is possible due to the lack of public knowledge regarding issues related to the management and development of *Waqf* that are currently occurring. The

community has been unable to adapt to changes and tends to find revitalizing BWI's duties, functions, and authorities in *waqf* regulations challenging. In the future, the regulatory framework for *waqf* management in Indonesia must be strengthened to respond to the growing challenges of *waqf* management.

One solution that can be sought is to set the institutional status of BWI to be a Non – structural Government Institution (NGI). NGIs is a non – ministerial Government Institutions that are parallel to the Ministry and not NGIs under the Minister (Ministry of Religion). This institutional status was strengthened because BWI was formed based on the Act and not the regulations below it, so it becomes apparent in the state administration system, whose position is directly under the President and can budget its financing, which is charged to the state budget. The development and empowerment of Waqf are substantially impacted by the urgency and potential of BWI as an NGI. The clarity of the institutional status of BWI can minimize the overlapping duties and authorities between BWI and the Ministry of Religion in the management and development of *Waqf*. Only if the institutional position of BWI is clear would it be feasible to align and improve the waqf law so that it is better and supports Waqf in Indonesia.

Strengthening the argumentation of further research can add analysis data from interviews with BWI and *Nazir* representatives, individual *Nazir* organizations, and legal entitie.

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