

***WAQF*-BASED CROWDFUNDING MODEL FOR ISLAMIC HERITAGE CONSERVATION IN MALAYSIA**

(Model Pendanaan Awam Berasaskan Wakaf untuk Pemuliharaan Warisan di
Malaysia)

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ABSTRACT

This paper explores the potential of *waqf*-based crowdfunding as a means to obtain funds for conservation efforts related to Islamic heritage sites or materials in Malaysia. Over the period, several heritage sites, buildings, and materials, including Islamic heritage, have witnessed a lack of funding for conservation efforts, while the budget from the government is limited. Therefore, an alternative fund is needed, and Islamic crowdfunding has the potential to be applied to overcome this issue. This paper is based on conceptual explorations of literature on crowdfunding, *waqf*, and heritage conservation. As a result, its finding proposes a particular model of *waqf*-based crowdfunding fund for Islamic heritage conservation in this country. While several challenges are identified, including the potential failure to reach the target, and the lack of public awareness and approval from authorities, this study expands a new potential for the application of *waqf*. It provides a practical solution for Islamic heritage conservation in Malaysia.

Keywords: *Waqf*; crowdfunding; Islamic crowdfunding; heritage conservation

ABSTRAK

Artikel ini meneroka potensi pendanaan awam berasaskan wakaf sebagai cara mendapatkan dana bagi usaha pemuliharaan tapak atau tinggalan warisan Islam di Malaysia. Sehingga kini, beberapa tapak warisan, bangunan dan tinggalan sejarah termasuk warisan Islam berhadapan kekangan dana untuk usaha pemuliharaan dan dalam masa yang sama, peruntukan kewangan daripada kerajaan semakin terhad. Oleh itu, dana alternatif diperlukan dan pendanaan awam Islamik berpotensi untuk diaplikasi dalam mengatasi masalah ini. Artikel ini berasaskan penerokaan secara konseptual menerusi literatur berkaitan pendanaan awam, wakaf, dan pemuliharaan warisan. Hasilnya, dapatan telah mencadangkan model khas pendanaan awam berasaskan wakaf untuk pemuliharaan warisan Islam di negara ini. Walaupun beberapa cabaran telah dikenal pasti, termasuk kemungkinan gagal dalam mencapai sasaran dana, kurang kesedaran dalam kalangan orang awam dan kelulusan daripada pihak berkuasa agama, kajian ini tetap memperkenalkan potensi baharu untuk aplikasi wakaf. Ia menyediakan penyelesaian praktikal untuk usaha pemuliharaan warisan Islam di Malaysia.

Kata Kunci: *Wakaf; pendanaan awam; pendanaan awam Islamik; pemuliharaan warisan.*

INTRODUCTION

Heritage is widely recognized as an identity of a nation. It reflects history, culture and civilization. Therefore, heritage conservation is among vital efforts carried out by the government and its people so that the identity of the nation can be preserved. Furthermore, this effort promises a high earning income for the government through tourism activities. Also, it can attract funds from various bodies that share a similar vision of preserving world heritage. For example, the city of Georgetown was awarded a special grant of US\$80,000 from the American Express Foundation for its conservation effort in 2002 (Said et al. 2013).

Since Malaysia is a Muslim majority, this country is surrounded by much Islamic heritage. Islam was reported to expand among people of the Malay Archipelago between the 13th and 16th centuries through trading activities, and then it became widely accepted by kings and their people. Malacca, for example, was widely recognized as the centre of Islam in this region as many Arab traders came, and at the same time, they were actively delivering the message of Islam (Hassan & Basri 2005). Also, the discovery of *Batu Bersurat* (inscription stone) in Terengganu has proven to be the earliest evidence of the coming of Islam to the area. Instead, it is how Islam had a

strong influence on the Muslim community (Abdul Rahim et al. 2010). Even though various western empires colonized this country long ago, local people never changed their religion. With a very long history of Islam, Malaysia is rich with multiple Islamic heritages. Historical buildings like traditional mosques have become one of the tourist attractions in this country due to their uniqueness and their contributions (Johar et al. 2011).

Nevertheless, like other remaining heritage sites and materials, Islamic heritage has been threatened by modernization and negligence. In Penang, for example, it was reported that Islamic heritage outside the World Heritage Site had not been paid attention (Jani et al. 2018). In more detail, around 42 Islamic heritage sites in this state did not get the attention like sites within the UNESCO World Heritage Site area in George Town. Even in Muslim majority states, Islamic heritage sites have witnessed a lack of awareness. For example, Masjid Raja at Bukit Besar and Chendering in Terengganu have been replaced with new modern buildings. Sadly, the old mosque at Kampung Belimbing, which some parties argue could be the earliest mosque in Malacca nowadays, seems negligent.

At the same time, it is learned that heritage conservation is costly, which involves hiring notable experts or consultants and buying related materials (Muhamad 2009). This situation worsened when some local authorities experienced a limited budget for conservation. For example, Pengkalan Kempas Megalithic Site, a National Heritage Archaeological Site, was reported not being well-managed because the state authority can no longer bear its maintenance cost (Abd. Ghani & Ishak 2021).

Therefore, this study attempts to identify the practical model of waqf-based crowdfunding in supporting Islamic heritage in Malaysia. Over the period, crowdfunding activities have helped many local activities and society-based projects. Thus, it should be potentially applied to save Islamic heritage. In terms of methodology, as this research is conceptual, the data are based on secondary including books, articles, theses, and related academic and non-academic items. At the same time, several crowdfunding websites are explored to analyse their practices closely. Even though library research is limited in some aspects, it is sufficient as an exploration as well as to theoretically propose a unique model of *waqf-based* crowdfunding to support Islamic heritage conservation in Malaysia.

HERITAGE CONSERVATION FROM AN ISLAMIC PERSPECTIVE

To begin with, heritage can be described as the legacy of physical artefacts and intangible attributes of a group or society that are inherited from past generations, maintained in the present, and bestowed for the benefit of future generations (Nilson

& Thorell 2018). Therefore, Heritage, as stated by Gharib, (2017), Nilson and Thorell (2018), comes in numerous types. Some are physical phenomena, such as objects, statues, documents, and architecture, which categorized as tangible heritage. Others are social relations, inherited traditions, and customs, cultural shows, colours, and languages, which are classified as intangible heritage.

Conservation on the other hand, as described by Idrus et al. (2010) as “ the requisite actions are taken to prevent deterioration by adopting approaches that extend the life and basic functions of a heritage building. Therefore, objects conservation focuses on the method of preserving, restoring, enjoying, and using heritage, with an expectation concerning the future. Relevant expertise in conservation involves scientists, curators, conservators-restorers competent to look after objects, architects, and other caretakers, who pitch in ideas and expertise vis-a-vis the method an object is preserved and presented (Golfomitsou 2017). An uncomplicated understanding is that the method chosen to conserve heritage in various frameworks depends upon the nature of the object itself, the element it is formed from, its importance, the worth it retains, and its prospect usage in a museum collection. These features influence resolutions made concerning the management.

From an Islamic perspective, the word “heritage” which is “*al-turath*” in Arabic is quoted in the Qur’an once and indicates an “inheritance,” which is not the concurrent definition of heritage. Heritage is any work done by one’s ancestors, comprising beliefs, languages, archaeological places, and other components of physical and nonphysical heritage (Alshehaby 2020). However, in the context of Islam, the word conservation which is said to be “*muhafazah*” in Arabic has a similar meaning which is described by Ariffin (2005) as the activities of protection, recording, preserving, guarding, keeping, and observing an object.

In general, the Qur’an specifically defines the actual character of mankind and their relevant placement on the earth as Allah says: “It is We Who have placed you with authority on earth, and provided you therein with means for the fulfilment of your life: small are the thanks that ye give!” (Quran 7:10). Therefore, the notion of succession is a source of maintenance in building up a connection with other beings, the earth itself, and all God’s creations to promote a prosperous society body and construct nations all in all. As ascertained by the scholars, there are three main purposes in the creation of man outlined by the Qur’an these include: to worship Almighty, to guarantee the protraction of humanity, and lastly to build on earth. In consideration of these three purposes, it can be concluded by Gharib (2017) that humans have to preserve life on earth for generations to come and future civilizations. Thus, the process of conserving heritage safeguards the prospect of the city sense of righteous development.

Therefore, it can be learned from the viewpoints of Islam that sustainability must be taken into account that the purpose of living beings on earth is to be benevolent to please Allah. This denotes human adventures to improve the surroundings cautiously and wisely, either way, the person concerned, others, or no human being would take advantage of such conservation (Mahdy 2019). Even though *Shari'ah* sources do not mention heritage conservation in detail, they tend to generalise directives toward life concerns, particularly to increase environmental protection awareness, one of which is preserving heritage (Gharib 2017). Also, looking at the history of early generations in Islam, the companions of the Prophet never demolished ancient sites when they conquered new territories like in Egypt and Syria (al-Qardawi 2005).

According to Araki (2005), Muslim scholars have set up a few principles to classify components that belong to the classification of heritage. This classification comprises:

1. Religious places which include monuments or sites devoted to a deed recommended in *Shari'ah*, in compliance with religious tradition or decrees.
2. Traditional artefact that its development and conservation is indispensable to the common interest.
3. Any religious or historical artefact which is of immeasurable worth and is considered as a most important economic or financial source that entices individuals from all across the planet to come take a look.
4. Any artefact that is essential for growth.

To this effect, it can be concluded that heritage conservation should be in line with Islam. Even though several texts indicate statues must be demolished, heritage conservation is different as the latter is preserved as a means of learning, not for worshipping purposes. Therefore, texts in *Shari'ah* should not be literally understood; instead, the high perspective of Islam must be considered too. To harmonize both, heritage conservation efforts must be carried out under *Shari'ah* principles.

CROWDFUNDING: AN OVERVIEW

The development of crowdfunding as an alternative method of funding is generally undeniable. Its significance for both national and international businesses is outstanding at present as it has been crucially acting the part of an essential role in influencing the un-banked by bringing them online and creating access for them to traditional financial instruments (World Bank 2020). Without a doubt, crowdfunding is recognized as an alternative way to obtain funds that have turned out to be an essential part of the current financial market (Aderemi, Maulida & Maikabara 2021).

To begin with, the term crowdfunding comes from crowdsourcing (Mollick 2014). In fact, both terms share a similar practice of reaching the target by receiving small

contributions from individuals (Zhang 2012). Nevertheless, the two are different in terms of the role of funders in the project (Muliawati & Masya 2019). Currently, crowdfunding has become a favourite means to solicit capital by micro, small and medium enterprises. While crowdfunding may appear and sound like an innovative idea, its concept – “*where people and businesses solicit for small amounts of money from a large group of people*” - is much older and has a deep and great history but in less noticeable method (Gierczak, Bretschneider, Haas, Blohm & Leimeister 2016; Massolution 2015). Notably, the roots of its existence can be traced back to the like of funding of the pedestal of the Statue of Liberty from 1875 to 1880 (Hemer 2011; Massolution 2015)

Talking about the notion of crowdfunding, Wheat, Wang, Byrnes, & Ranganathan (2013) defined it as “a new internet-based means of raising funds in which individuals solicit contributions for projects on a specific crowdfunding platform”. Practically, funding can be carried out by accumulating small amounts of money from a large crowd, of which the capital is meant to finance or re-finance a project (Aderemi & Ishak 2020a). This fundraising has become a new trend for individuals to obtain funds for their projects through an online website. In more detail, crowdfunding facilitates mutual cooperation among people, particularly those with a relationship with fundraisers (Mollick 2014).

In this regard, modern crowdfunding is characterised by the three following elements: Firstly, the fund comes from various individuals. In practice, the fund is obtained from a group called funders or backers, or investors. This group has financially supported the project initiated by fundraisers. At the same time, funders play roles in market testing for the project or product initiated by fundraisers (Beaulieu et al. 2015). Secondly, the fund collected from funders aims to support a group of fundraisers. They can be individuals or teams. They need the fund to realize their idea into a project and seek those who are willing to finance them (Beaulieu et al. 2015). Thirdly, the internet platform links funders and fundraisers. What makes modern crowdfunding different than traditional crowdsourcing, the former utilizes the internet as an intermediary platform to transfer fund from funders and fundraisers (Hendratmi et al. 2019).

Generally, four models of crowdfunding are widely practiced. Firstly, donation-based crowdfunding, the simplest model as donors financially support the project without earning any return. This model is also known as contribution-based or community-based crowdfunding (Marzban, Asutay & Boseli 2014). Secondly, the reward-based model is slightly different from the previous as fundraisers provide an initiative token such as album covers, tickets, t-shirts, mugs and key chains as a reward for their funders (Kraus et al. 2016). Also, this model requires all fundraisers must achieve their target, otherwise, the fund would be returned to the original funders

(Kamaruddin & Ishak 2020). Thirdly, the equity-based model in which it is practised when fundraisers sell the share of their project in a form of equity to the public via a crowdfunding platform (Pierrakis & Collins 2014) the Crowdfunding model. This new form of financing that allows people or businesses to seek small amounts in the form of donation, loan or investment from large numbers of people rather than large amounts from a few, has emerged in the US and numerous European countries in recent years. In 2011 alone, \$1.5 billion was raised through crowdfunding for projects and businesses in need of funds. Not only does the model provide finance but also access to a large number of people who can test and market an idea. Crowdfunding takes a number of different forms, the most successful of which has been the reward-based model where participants receive non-financial rewards in exchange for donating to a project. The model effectively harnesses not only the contributors' desire for the reward but also the intrinsic or social motivations to back a project. Other forms of the model are, however, also growing rapidly. The most recent of these are: i. Fourthly, the lending-based model seems to be similar to banking institutions in terms of offering a loan with interest to their borrowers on one side, while investors deposit their money on the other side (Ramos & Stewart 2014).

Crowdfunding offers multiple advantages for involving parties such as providing funds and creating jobs particularly when fundraisers begin to run the project (Bale 2018; Abdullah 2016). Therefore, crowdfunding promotes a win-win situation for both fundraisers, particularly entrepreneurs as well as society in generating economic growth and creating jobs in areas where financial aid is restricted (Ramos & Stewart 2014). Nevertheless, crowdfunding has a limitation in terms of achieving the big-scale project target, even though fundraisers may attract many funders since their contribution is small (Ramos & Stewart 2014). Also, the protection of ideas from imitation and delay, even the failure of the campaign could be the main disadvantages of crowdfunding (Manchanda & Muralidharan 2014).

In general, the practice of crowdfunding seems to be in line with Islam in terms of promoting cooperation and providing financial aid for the needy (Aderemi & Ishak 2020b). Some crowdfunding models, particularly donation and reward-based, have no *Shari'ah* issues in terms of financial practices. Nevertheless, for both equity and lending-based, some of their instruments may need to be modified so that they are complying with *Shari'ah* (Ishak & Rahman 2021) *the data is analysed based on thematic analysis. Findings: The findings reveal that even though Islamic crowdfunding could be an efficient platform through financial technology (Fintech.* For instance, lending-based crowdfunding platforms have imposed interest-based loans, which are clearly prohibited by *Shari'ah*. Alternatively, various *Shari'ah* instruments can be adopted in crowdfunding like *murabahah* (mark-up sale), *qard hasan* (benevolent loan), *istisna'*

(manufacturing contract) and *salam* (forward sale), *mudharabah* and *musharakah* (full partnership) can be practical as instruments (Ishak et al. 2021).

Another aspect that distinguishes Islamic crowdfunding from conventional crowdfunding is that conventional crowdfunding's objective prioritizes profit over any other value. Meanwhile, Islamic crowdfunding on the other hand must specifically be concerned about the objectives of the *Shari'ah* principle that disregard any non-ethical ventures including gambling or speculative elements (Suleiman 2016). In addition to that, Islamic crowdfunding can be applied to manage Islamic funds like *sadaqah*, *zakat*, and *waqf*. As for *sadaqah* and *zakat*, Islamic crowdfunding can be an internet platform established by religious institutions as an instrument to collect the fund optimally and to channel them effectively (Mohd Thas Thaker et al. 2019). In regards to *waqf*, Cash *waqf* (Islamic endowment) for example has become popular nowadays as a vital tool for charitable purposes. In fact, Islamic crowdfunding can overcome the issues of liquidity in *waqf* management (Mohd Thas Thaker 2018) as this model is proposed to address the liquidity problem faced by *waqf* institution in Malaysia. Design/methodology/approach: The primary data are collected from the survey administered to donors or crowd funders in Klang Valley and the analysis is conducted using Partial Least Squares (PLS).

WAQF-BASED MODEL FOR ISLAMIC HERITAGE CONSERVATIONS

Waqf is an Arabic term which means to restrain. Technically, this term can be described as holding certain property by the *waqif* (endower) to ensure its benefit continuously flows to the community (ISRA 2018). *Waqf* is rooted in the first golden century of the Islamic era as it was developed by the prophet Muhammad (SAW) and it has continuously been practiced by Muslims and Islamic governments to fulfil the needs of people (Harun et al. 2016).

At the modern time, *waqf* is well-known as an Islamic endowment in which a person donates his property for the sake of Allah in perpetuity so as it can be utilized for the benefit of the community (Salarzahi et al. 2010). This concept can be traced back to the case of Umar when he acquired land in *Khaibar* and asked the advice from the Prophet Muhammad. The Prophet said: "If you like, you may keep the corpus intact and give its produce as *sadaqah* declaring that the property must not be sold or inherited or given away as a gift." Umar followed this advice (Muslim 2000). Throughout history, *waqf* has been institutionalized, and it has contributed to various aspects, including social welfare, public health, social affairs, education, and community-based programs.

Regarding crowdfunding, a few past studies have proposed *waqf* as one of its instruments. Achsien and Purnamasari (2016), for example, have conducted a survey regarding Islamic crowdfunding in Indonesia, which suggested a few possible models including the *Infaq-Sadaqa-Waqf*-based model. Meanwhile, Thaker and Pitchay (2018) have attempted to provide a feasible unconventional crowdfunding model to serve as a source of developing *waqf* land. This conceptual study critically reviewed the literature on limited funds experienced by *waqf* institutions in developing *waqf* land.

Similarly, Thaker and Pitchay (2018) examined the behavioural intention of contributors to use the crowdfunding *waqf* model. Their study proposed the crowdfunding *waqf* model in supporting *waqf* institutions to meet up with their liquidity to grow *waqf* land. The study further tests the behavioural motive of contributors empirically in using this model by applying the theory of technology acceptance model. According to his findings, it was reported that both perceived effectiveness and perceived accessibility are significantly directed at swaying the intention of contributors to use the crowdfunding *waqf* model.

Meanwhile, Azganin, Kassim and Sa'ad, (2021) proposed *waqf* crowdfunding models for small farmers and provides the essential guidelines for the implementation of the proposed models. These factors include the *Shari'ah* compliance guidelines, the regulatory compliance guidelines, *waqf* management guidelines, and, finally the risk management guideline. Using a qualitative approach through analysing the pertinent writings on *waqf*, crowdfunding, and agriculture, as well as in conjunction with the *Shari'ah* primary sources, this study ascertains that if crowdfunding is incorporated with *waqf*, it is capable of generating substantial advantages to the sector of agriculture and farmers which in return will facilitate poor farmers to address their needs and contribute to the development of the economy.

In regards with Islamic heritage, this method can be applied to support heritage conservation in Malaysia. This includes covering costs related to heritage conservation as well as providing maintenance of heritage sites and their facilities. In fact, *waqf* is a powerful tool that can be applied for the management of Islamic heritage (Mahdy 2019). In this regard, Yaakob et al. (2017) discussed the awareness towards the role of *waqf* as it should be known by everyone that this institution is not limited to contributing the land or cash rather it is over and above. It is essential for individuals to be aware of the significance of conserving and keeping the surroundings through the *waqf* general scheme. In addition, Budiman (2011) underscores *waqf* as the most

significant organization in Islamic finance that possibly will be utilized for preservation and wise improvement of the surroundings.

Thus, the *waqf* based crowdfunding model in this study can be illustrated in the following figure 1:

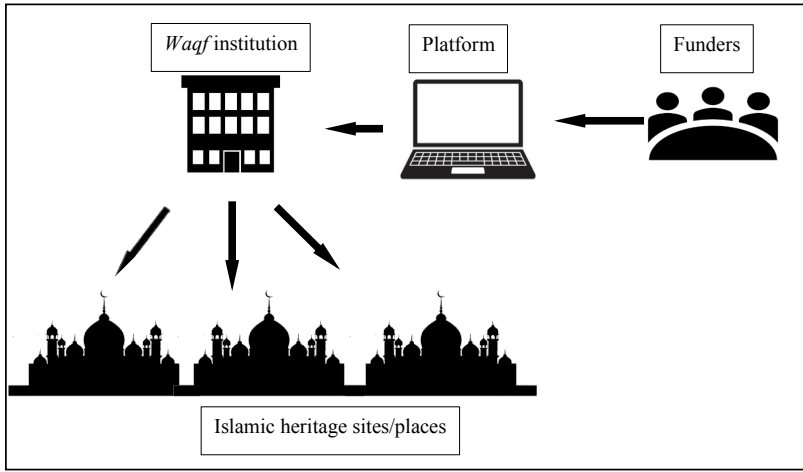


FIGURE 1. Waqf-based Crowdfunding Model for Islamic Heritage Conservation

Explanation:

1. The platform, run by a community-based entity like Malaysian Heritage Trust (MHT) or a government entity like Islamic Tourism Centre (ITC) with the approval of the *waqf* institution and the cooperation with NGOs launches a special campaign to obtain funding for heritage conservation.
2. The fund when achieved the target would be managed by *waqf* institutions to ensure there is no issue in terms of legal and *Shari'ah*.
3. The fund would be channelled to sites or places with monitoring by platform and waqf institution.

CHALLENGES FOR THE MODEL

Nevertheless, practicing *waqf* and crowdfunding is not easy in reality. Several challenges need to be considered before crowdfunding could be applied to Islamic heritage conservation as the following:

1. To ensure the success of any fundraising campaign.
Despite crowdfunding having proven its role in creating a large fund from small funders, in fact, there have been reported many campaigns are unable to reach their target. It can be learned that even though crowdfunding can attract a large number of funders, their contribution is relatively small (Ramos & Stewart 2014).
2. To create awareness among the society on Islamic heritage conservation.
It is commonly believed by people the government should fund matters related to heritage conservation. Therefore, launching a crowdfunding campaign to save heritage may be treated with scepticism, especially when this idea is still new in Malaysia (Ishak & Kamaruddin 2021).
3. To obtain approval and cooperation from the state authority.
Unlike other Islamic funds, *waqf* fund exclusively belong to the state authority, except for the federal territories. This has been clearly mentioned in List II of the Ninth Schedule within the Federal Constitution (2009). In this regard, State Islamic Religious Councils (SIRCs) are stated to be the sole trustee for all *waqf* assets located within their state. Therefore, if the platform intends to implement *waqf* in its fund management, it must seek a permission and cooperation from the respective SIRC. If the permission is granted, the platform can be considered as *mutawalli* (waqf manager) in which it entitled to accept and manage the *waqf* fund (Hasbullah & Ab Rahman 2021)an endowment is known as waqf. As the differences in these two types of funds are found to be indistinctive, this study explores and highlights the atypical concepts. The method of library research has been used to acquire relevant reference materials to discuss the concepts. This paper has identified several aspects that distinguished these two funds, which include the element of perpetuity element, rights of ownership, and governance (law, structure, trustee, need permission, and income sharing. Another point that needs to be concerned is since *waqf* is under the state authority, every government has enacted their regulation as well as administrated their *waqf* independently (Nurwajihah Ajlaa & Ruzian 2020).

POTENTIAL OF THIS MODEL

Although there are various challenges identified, *waqf* based crowdfunding still has a potential in supporting Islamic heritage. In fact, *waqf* has contributed to the well-being of the nation particularly for Muslim welfare. Also, it is classified as an efficient instrument for financing within society (Sulaiman et al. 2019). Not surprisingly, the government gears efforts to improve the practice of *waqf* and reform its administration for the sake of the country's economic development (Mahmood & Mohd Shafiai 2013).

To overcome the challenge of *waqf* issue as mentioned before, it is crucial to consult with the national entity for *waqf* management namely Yayasan Wakaf Malaysia (YWM). This body was launched in 2008 as it has worked closely with Jabatan Wakaf Zakat dan Haji (JAWHAR) and SIRC's. The main objective of YWM is to unite *waqf* resources so that their high economic potential can benefit society. Over the period, YWM has proven its role in collecting *waqf* funds through several fundraising programs for education, health care and socio-economic development (YWM, n.d.). Thus, the idea of *waqf*-based crowdfunding for Islamic heritage could be realized with the support and cooperation of YWM.

Another example that can be learned to realize the idea of *waqf*-based crowdfunding is by exploring myWakaf platform. This platform is run by Bank Negara Malaysia (BNM) through the Association of Islamic Banking and Financial Institutions Malaysia (AIBIM) with the cooperation from SIRC's. This initiative aims to develop the potential of *waqf* asset and to empower the Muslim economy. For this reason, *waqf* needs to be managed efficiently and professionally. To date, several Islamic Banks such as Affin Islamic Bank Berhad, Bank Islam Malaysia Berhad, Bank Muamalat Malaysia Berhad, Bank Rakyat, Maybank Islamic Berhad and RHB Islamic Malaysia Berhad have facilitated the operation of this platform in providing financial resources for the current *waqf* as well as to create new *waqf* assets in education and welfare (MyWakaf n.d.). Since MyWakaf is designed in the form of a modern crowdfunding platform, it can provide insight to realize the idea of *waqf*-based crowdfunding for Islamic heritage in Malaysia.

In terms of crowdfunding, it is clear that this unique financial tool has gained more attention to support society-based projects, including in preserving heritage. In Europe, several special crowdfunding platforms for heritage conservation have been run like PreserVenice in Italy and Dartagnans in France. Another example would be the Finish Museum of Games which has been funded through public donations based on a special crowdfunding campaign. Although, its main objective is not fundraising, instead it aims to promote the museum, it shows how the public is willingly supporting this effort through crowdfunding (Jelinčić & Šveb 2021).

Therefore, crowdfunding is not only a way to obtain funds, but its practice aims to spread awareness among the society on heritage conservation. By involving them into this effort, it could information related to heritage and its conservation so as they can understand related issues. Moreover, public participation in heritage conservation could be the best chance to channel their opinion on the conservation process (Md Dian 2013). With the recent increase in public awareness towards *waqf*-based charities, combining it with crowdfunding could be promising. In this regard, crowdfunding

can be a useful instrument for connecting individuals to perform *waqf* (Suhaili & Palil 2017).

CONCLUSION

This study explores the potential of crowdfunding in supporting Islamic heritage conservation in Malaysia. It is a matter of fact that this country is blessed with various heritage materials, particularly Islamic heritage. Nevertheless, several historical buildings and materials have witnessed the lack of funds to preserve them, which resulting some of them have been demolished and replaced with new structures.

Based on library research, this study found that crowdfunding can be an alternative fund to overcome this issue. By reviewing literature in the area of crowdfunding, waqf, and heritage conservation, a special model of *waqf*-based crowdfunding fund is proposed. However, several challenges need to be tackled such as the potential failure to reach the target, and the lack of public awareness and approval from the authority, especially SIRC. Nevertheless, the outcome of this study is still fruitful as it explores a new potential for the application of *waqf* as well as proposes a practical solution for Islamic heritage conservation in Malaysia. Future studies are suggested to expand into empirical research.

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