

The Investment of Algerian Waqf Institutions in Sustainable Development.

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Abstract:

Algerian waqf institutions are considered vital tools capable of effectively contributing to the achievement of sustainable development goals by investing financial and real estate resources to support key social and economic sectors. The nonprofit nature of waqf offers wide-ranging opportunities to promote education, healthcare, and poverty alleviation, aligning with national development plans. Activating the developmental role of these institutions requires modernizing their legal and administrative frameworks and adopting contemporary investment mechanisms to ensure effectiveness and sustainability. The importance of establishing specialized endowments in fields such as environmental protection and innovation is increasingly evident, alongside strengthening partnerships with the public and private sectors. Although waqf institutions hold promising prospects, their developmental impact remains contingent on addressing challenges related to governance, financing, and enhancing public awareness of their role. This necessitates the formulation of integrated policies to reintegrate waqf institutions into the dynamics of sustainable development in Algeria.

Keywords: *Investment, Waqf Institutions, Algerian, Development, Sustainable.*

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I. INTRODUCTION

The waqf system constitutes an immense wealth and a significant civilizational legacy, in addition to being an autonomous legal framework grounded in Islamic jurisprudence. It is a mechanism intended to withhold the asset itself while allocating its usufruct for the purposes ordained by Islamic law. As such, waqf represents one of the foundational pillars of the Islamic economic system, contributing to the advancement of development and the fulfillment of societal needs.

Historically, waqf played a vital role within Islamic states in fostering social solidarity and alleviating social issues. In more recent history, particularly under the Ottoman Caliphate, Algerian endowments witnessed remarkable prosperity and reached the height of their influence, largely due to the diversity and widespread distribution of endowed assets and their substantial societal functions.

In contemporary Algeria, endowments possess considerable potential that can be mobilized to support both the social and economic sectors. However, the realization of this potential is hindered by various challenges—administrative, legal, and structural in nature.

Accordingly, and in recognition of the pivotal role that the waqf sector has historically played in the economic, cultural, and religious spheres of Islamic societies and states, this study aims to examine the Algerian experience in this domain.

The central research question can thus be articulated as follows: **How can Algerian waqf institutions be effectively utilized to contribute to sustainable development?**

1. The Concept of Waqf and Waqf Institutions:

1.1. Definition of Waqf:

1.1.1 In the Arabic language : *waqf* (endowment) means restraint or detention. The terms *waqf*, *tahbees* (confinement), and *tasbeel* (dedication) carry the same meaning—namely, to restrain or withhold. The proper and classical usage is to say *waqaftu* (I endowed) without the initial “alif,” while *awqaftu* (with “alif”) is a variant in the Tamimi dialect, which is considered weak or colloquial. This latter form means “to pause, desist, or withhold,” and is common among the general public. (Al-Fayruzabadi, 2005, p. 205)

Jurists (fuqahā’) sometimes use the term *waqf* and at other times *habs* (detention), although the former is generally regarded as the stronger and more precise term in legal discourse. Waqf may also be referred to by the term *sadaqah* (charitable giving), provided it is accompanied by wording that conveys the intention of permanent dedication or restraint. (Al-Hattab, 2012, p. 11)

1.1.2 Terminological Definition of Waqf: Definitions of *waqf* (endowment) vary among the different Islamic jurisprudential schools (*madhāhib*). Below are the principal definitions according to each school:

a. Ḥanafī School:

Waqf is defined as: “Restraining the property while keeping it in the ownership of the donor, and donating its usufruct similar to lending.” (Al-Marghīnānī, 1417 AH, p. 13)

b. Mālikī School:

Waqf is defined as: “Granting the benefit of something for as long as it exists, while it remains—at least notionally—in the ownership of the donor.” (‘Alīsh, 1984, p. 34)

c. Ḥanbalī School:

Waqf is defined as: “Detaining the original asset and designating its yield for charitable purposes.” (Ibn Qudāmah, 1997, p. 184)

d. Shāfi‘ī School:

- e.** Waqf is defined as: “Restraining a property whose benefits can be enjoyed while keeping its essence intact, by prohibiting transactions involving its ownership, and allocating it for a lawful purpose.” (Al-Haythamī, 1938, p. 235)

Some contemporary scholars favor the definitions provided by the Shāfi‘ī and Ḥanbalī schools, particularly the formulation that waqf means: “*Detaining the original asset and dedicating its yield.*” This preference is attributed to several reasons (Al-Luwaiyīdīq, www.alukah.net), including:

- It aligns most closely with the wording of the Prophetic tradition in which the Prophet Muhammad (peace be upon him) said to ‘Umar (may Allah be pleased with him): “*If you wish, retain the asset and give it in charity.*”
- This definition has not been subject to the same criticisms as others, and its immunity from objections strengthens its validity.
- The definition avoids detailed conditions such as stipulating religious proximity (*qurbah*), which might complicate the concept and divert it from its primary purpose.

1.2. The Legitimacy of Waqf: The legitimacy of waqf is established through numerous sources, including verses from the Qur’an, Prophetic traditions (aḥādīth), and the consensus (ijmā‘) of the Muslim ummah. Below are some of the key evidences supporting the legitimacy of waqf:

1.2.1. From the Holy Qur’an: Verses that encourage charitable giving, particularly voluntary charity (ṣadaqat al-taṭawwu‘), are considered indicative of the permissibility and desirability of waqf. Among such verses are:

- Allah Almighty says: “وما يفعلوا من خير فلن يكفروه والله عليم بالمتقين” Sūrat Āl ‘Imrān:115
- Allah Almighty says: “يا أيها الذين آمنوا اركعوا واسجدوا واعبدوا ربكم وافعلوا الخير لعلكم تفلحون” Sūrat al-Hajj :77.
- Allah Almighty says : “يا أيها الذين آمنوا أنفقوا من طيبات ما كسبتم ومما أخرجنا لكم من الأرض ولا تيمموا :” Sūrat al-Baqarah :267.

1.2.2. From the Sunnah (Prophetic Tradition): The legitimacy of waqf is also firmly established in the Sunnah through the sayings, actions, and approvals of the Prophet Muhammad (peace be upon him). Among the ḥadīths that serve as evidence for the institution of waqf are the following:

a. Prophetic Traditions (Aḥādīth): One of the most significant ḥadīths affirming the legitimacy of waqf is the following:

- On the authority of Abū Hurayrah (may Allah be pleased with him), the Messenger of Allah (peace and blessings be upon him) said: “**When a son of Adam dies, his deeds come to an end except for three: ongoing charity, beneficial knowledge, or a righteous child who prays for him.**” (Narrated by Muslim, Book of Wills, Chapter: What Reaches a Person After Death, Ḥadīth No. 1631)

- On the authority of Abū Hurayrah (may Allah be pleased with him), the Messenger of Allah (peace and blessings be upon him) said: "**Whoever keeps a horse for the cause of Allah out of faith and hope for reward, its feeding, dung, and urine will all be counted as good deeds for him on the Day of Judgment.**" (Narrated by al-Bukhārī, Book of Jihād and Military Expeditions, Chapter: One Who Endows a Horse for the Cause of Allah, Ḥadīth No. 2853)
- b. **The Prophet's Actions as Evidence for the Legitimacy of Waqf**: In addition to his sayings, the Prophet Muhammad (peace be upon him) also established the legitimacy of waqf through his own actions. One notable example is reported by 'Amr ibn al-Ḥārith (may Allah be pleased with him), who said "**The Prophet (peace be upon him) left nothing after his death except his white mule, his weapons, and a piece of land which he had left as charity.**" (Narrated by al-Bukhārī, Book of Jihād and Military Expeditions, Chapter: The Prophet's White Mule, Ḥadīth No. 2873)
- c. **The Prophet's Approvals (Taqrīrāt) as Evidence**: Among the Prophet's tacit approvals indicating the legitimacy of waqf is the following narration reported by Abū Hurayrah (may Allah be pleased with him), in which the Prophet (peace and blessings be upon him) said: "**As for Khalid, he dedicated his armor and equipment for the sake of Allah.**" (Narrated by Muslim, Book of Zakāt, Chapter: On Giving and Withholding Zakāt, Ḥadīth No. 983)

1.2.3. Consensus (Ijmā') on the Legitimacy of Waqf: Muslim scholars are unanimously agreed on the legitimacy of waqf. Among the clearest statements reflecting this consensus is the saying of Ibn Qudāmah (may Allah have mercy on him), who said: "Jābir (may Allah be pleased with him) said: 'There was no one among the Companions of the Messenger of Allah (peace and blessings be upon him) who had the means, except that he established a waqf.' This constitutes consensus among them, for everyone who was capable of making a waqf did so, and this became well known, and no one objected to it. Thus, it became a consensus." (**Ibn Qudāmah, 1997, p. 186**)

1.2.4. Analogical Reasoning (Qiyās) in the Legitimacy of Waqf: Muslim jurists have agreed that the construction of mosques and the act of removing the land upon which they are built from the ownership of the donor serve as the foundational precedent for endowing property (waqf al-'aṣl)—that is, the immobilization of assets and the donation of their yields. Based on this foundational case, other types of waqf are analogically derived (qiyās).

It is important to note that only a limited number of waqf rulings are directly established by textual evidence from the Sunnah; the majority of its legal rulings have been formulated through juristic reasoning based on principles such as istihsān (juristic preference), maṣlaḥa (public interest), and prevailing custom ('urf). (**Abū Ghuddah & Shaḥāta, 2014, p. 48**)

1.3. Types of Waqf: The types of waqf can be categorized as follows: (**al-Juraywī, 2016, p. 16**)

1.3.1. Charitable Waqf (Public Waqf): This type of waqf is established by the donor (wāqif) with the intention of dedicating the proceeds to perpetual charitable causes. These may include specific beneficiaries such as the poor and the needy, or general public welfare institutions such as mosques, schools, and hospitals.

1.3.2. Family Waqf (Private Waqf): Also known as waqf dhurri or waqf ahli, and referred

to in classical literature as *aḥbās mu‘aqqabah* (successive endowments). In this form, the benefit of the waqf is initially designated for the donor and their family members (descendants), and upon their extinction, it is transferred to charitable causes.

1.3.3.

1.3.4. Mixed Waqf (Combined Waqf): This is a hybrid form wherein the benefits are distributed both to the donor's descendants and to a charitable cause concurrently.

1.4. Definition of Waqf Institutions : Waqf institutions are specialized entities that manage endowment (waqf) funds in accordance with the principles of Islamic law (Shari'ah), and in line with the intentions outlined in the waqf deed, with the goal of maximizing benefits and services that are directed toward individuals and communities. **(Shaḥāta, 2011, p. 5)**

Waqf institutions are also defined as non-profit charitable entities established for the purpose of managing, overseeing, and enhancing endowment properties, with the revenue from these properties directed toward public welfare. These institutions operate under either federal or local laws or specific legislative provisions. **(Al-Salāḥāt, 2005, p. 20)**

1.5. Methods and Materials: Characteristics of Waqf Institutions : Waqf institutions are characterized by the following: **(Shaḥāta, 2011, p. 6)**

- a. The primary goal of waqf institutions is to provide charitable services and benefits (social, economic, etc.). These institutions do not aim to generate profit from their activities but instead focus on achieving social and economic development for charitable purposes. However, when investing waqf funds, they aim to achieve the highest possible return (growth) to assist in fulfilling their objectives.
- b. Ownership structure: Waqf institutions are owned by a social entity under government supervision. This ownership does not transfer through trade or sale among individuals, unlike in economic institutions or companies. Additionally, waqf institutions have a legal personality that is formally recognized and authorized by the state.
- c. Legitimacy: Waqf institutions are characterized by their legitimacy, meaning that all their activities are regulated by the principles and rulings of Islamic law (Shari'ah), as well as fatwas (legal opinions), decisions, and recommendations issued by Islamic jurisprudential councils.
- d. Management: The management of waqf institutions is entrusted to a board of directors composed of individuals with expertise, specialization, and interest, either voluntarily or for compensation, according to the governing systems, regulations, and laws. The day-to-day activities of the institution are carried out by employees, who are compensated based on prevailing customs and practices.
- e. Main activities: Waqf institutions carry out a variety of core activities, including encouraging the endowment of funds, managing waqf assets, distributing the benefits and services generated from waqf funds, as well as other various service activities.
- f. Protection of assets: The assets of waqf institutions cannot be seized or confiscated except for legally valid reasons according to Islamic law.

2. Concept of Sustainable Development :

2.1. Definition of Sustainable Development : The concept of sustainable development was first introduced in the 1987 report of the World Commission on Environment and Development, and it was defined as:

"Development that meets the needs of the present without compromising the ability of future generations to meet their own needs." **(al-Nish, 2001)**

The Webster Dictionary defines it as development that utilizes natural resources without allowing them to be depleted or destroyed either partially or entirely.

William Ruckleshaus, the Director of the U.S. Environmental Protection Agency, defined it as:

"A process that acknowledges the need for economic growth compatible with the environment, from the standpoint that economic development and environmental protection are complementary, not contradictory." **(Abu Zant & Ghanim, 2006, p. 156)**

Sustainable development is also understood as the genuine development capable of sustaining itself and continuing over time, from the perspective of its use of natural resources. This can occur through a strategy that positions ecological balance at its core. Such balance can be achieved through a social-environmental framework aimed at improving the quality of life for individuals through political, economic, social, and cultural systems that preserve environmental integrity. **(al-Khatib, 2000, p. 220)**

2.2. Foundations of Sustainable Development: Sustainable development is based on a set of core principles, as follows:

- 2.2.1.** Development must consider the preservation of the characteristics and performance levels of current and future natural resources as a foundation for intergenerational equity in accessing these resources.
- 2.2.2.** Under this concept, development does not primarily focus on the value of economic growth returns, but rather on the quality and distribution of those returns, and the resulting improvements in citizens' living conditions.
- 2.2.3.** It is necessary to reconsider current investment patterns and promote the use of environmentally compatible technologies that aim to reduce environmental harm and maintain the continuity of natural resources.
- 2.2.4.** It is not sufficient to merely adjust investment patterns and production structures; there must also be changes in prevailing consumption patterns to avoid waste and the depletion of resources.
- 2.2.5.** The concept of return on development must encompass all societal benefits, and not be limited to profit and cost analysis. **(Jabr, 2004)**
- 2.2.6.** Development must reflect an essential and fundamental aspect of the long-term economic, social, or environmental health of society across generations.
- 2.2.7.** It must be clear and achievable.
- 2.2.8.** It must be measurable and predictable.

2.3. Areas of Achieving Sustainable Development : Achieving sustainable development requires focusing on three main dimensions **(Al-Hassan, 2011):**

- 2.3.1 Achieving Economic Growth and Justice:** This is done by creating a connection between global economic systems and laws in a way that ensures responsible and long-term economic growth for all countries and societies without exception or discrimination.
- 2.3.2. Preserving Environmental and Natural Resources:** This requires continuous efforts to find effective solutions that limit the unjustified and irrational consumption of economic resources, in addition to reducing environmental pollution factors.

2.3.3. Achieving Social Development Worldwide: This includes creating job opportunities, providing food, education, and healthcare for all, including access to water and energy. Global efforts between 1972 and 2002 have emphasized the importance of establishing the foundations of sustainable development worldwide, through the organization of three major international conferences.

2.4. Dimensions of Sustainable Development : Sustainable development does not focus solely on the environmental aspect but also encompasses economic and social aspects. Thus, it is a three-dimensional development—interconnected, integrated, and intertwined—within a framework of interaction characterized by regulation, planning, and rational use of resources. The dimensions of sustainable development are as follows: (Abu Zant & Ghoneim, 2006, p. 160)

2.4.1. Financial Capital: Refers to monetary or financial capital.

2.4.2. Natural Capital: Refers to natural resources and ecological systems.

2.4.3. Produced Capital: Includes physical assets capable of producing goods and services.

2.4.4. Human Capital: Refers to the productive capacities of individuals, whether inherited or acquired.

2.4.5. Social Capital: Includes the prevailing social culture with all its values, customs, and traditions.

3. The Algerian Experience in the Field of Waqf (Endowments) :

3.1. Algiers City :

3.1.1. The Holy Mosques Endowment Foundation :

The Waqf of the Two Holy Mosques in Algeria refers to endowed properties established by Algerians during the Ottoman period and earlier centuries. The purpose was to support the Two Holy Mosques (Al-Masjid al-Haram and Al-Masjid an-Nabawi) by managing resources to serve the needs of pilgrims and visitors.

These endowments emerged during the Ottoman era (1518–1830), when some benefactors allocated agricultural lands or commercial shops in major cities such as Algiers, Constantine, and Tlemcen. The profits generated were either directed to Mecca and Medina or used to support Algerian pilgrims. (Maghli, 2003, p. 03)

3.1.2. Second: The Great Mosque of Algiers Endowment Foundation :

The Great Mosque of Algiers Endowment Foundation is an Algerian institution established by presidential decree. Its main objective is to manage and invest endowments that benefit the Great Mosque of Algiers (Djamaa El Djazair), ensuring the sustainability of funding for its religious, cultural, scientific, and social activities.

It was officially established by Presidential Decree No. 21-77 dated February 28, 2021. The Foundation is a public institution of a special nature, possessing legal personality and financial independence. It operates under the supervision of the Presidency of the Republic, reflecting its symbolic and religious significance. (Official Gazette No. 21-77)

3.1.3. Sabil al-Khayrat Ḥanafī Endowment Foundation :

The Sabil al-Khayrat Ḥanafī Endowment Foundation was established in the year 999 AH / 1590 CE. It comprised around 331 endowments and was founded by Sha‘ban Khodja. The foundation oversaw eight mosques, most notably the New Mosque (Djamaa El Jedid), in addition to various charitable projects that served the public interest—such as road maintenance, irrigation canal construction, care for the needy and disaster victims, establishment of educational institutes, and the development of libraries.

The foundation was managed by an administrative body composed of 11 members, including 8 elected advisors. The wakil (administrator), the Khodja (scribe), and an additional staff member were appointed to oversee its operations. (Saadallah 1998, p. 237)

3.1.4. The Endowment Foundation of the People of Al-Andalus :

The Endowment Foundation of the People of Al-Andalus was established in 980 AH / 1572 CE, when wealthy members of the Andalusian community donated their properties for the benefit of newly arrived refugees. A special administrator, known as the “Wakil al-Andalus” (Agent of Al-Andalus), was appointed to manage the endowments, collect revenues, and distribute them to eligible beneficiaries.

- a. **The foundation aimed to achieve several objectives, including:** Providing financial support: Offering aid to the poor and needy within the Andalusian community.
- b. **Supporting education and religion:** Funding schools, mosques, and zawiyas (religious lodges) that served the Andalusian society.
- c. **Preserving cultural identity:** Ensuring the continuity of Andalusian traditions and customs within Algerian society. (Al-Qusha’i, 2001, p. 230)

3.1.5. Waqf of the Bayt al-Mal Foundation:

It was a traditional Islamic financial institution that was responsible for collecting and distributing public funds according to Islamic law in Algeria during the Ottoman period. This institution developed to become one of the main pillars in managing the state's financial and social affairs. The Bayt al-Mal Foundation performed several vital functions, including: (Saidouni 2001, p. 268)

- a. **Managing Waqfs:** It supervised public endowments and ensured that their revenues were directed towards legitimate purposes, such as building and maintaining mosques, schools, and zawiyas.
- b. **Social Welfare:** It provided assistance to the poor, orphans, and wayfarers, took care of burying the deceased who had no relatives, and gave alms to those in need.
- c. **Managing Vacant Properties:** It handled the liquidation of inheritances, safeguarded the wealth and properties of absentees, contributing to the stability of the financial and social system.
- d. **Investing in Infrastructure:** It contributed to the establishment of public facilities such as roads and bridges, and built places of worship, which enhanced local development.

3.1.6. Waqfs of the Awliya and the Shurafa Group:

The waqfs of these independent institutions belong to the righteous saints (awliya), the shurafa (descendants of the Prophet), and the schools they established during their lifetime. The shurafa, like the Andalusians, were considered a distinguished group in society, and they had their own dedicated waqfs. The proceeds from these waqfs were spent on maintaining the zawiya (spiritual center) that was established by the Dey Muhammad Bektash in 1121 AH/1709 CE. Some of the key roles of these waqfs include: (Brahimi 2005, p. 93)

- a. Providing a permanent source of livelihood for the shurafa.
- b. Funding the Sufi educational zawiyas managed by the shurafa.
- c. Enhancing the religious and social influence of the shurafa group in both rural and urban areas.

3.1.7. The Military Waqf Foundation:

This refers to the waqfs allocated for the military, barracks, and various defense requirements to protect Algerian cities. In the city of Algiers alone, there were nine military barracks, each containing ten rooms, with each room being managed by a representative (wakil) responsible for overseeing waqf properties associated with it. **(Al-Awqaf Al-Jaza'iriya, p. 30)**

The military waqfs contributed to:

- a. Strengthening the financial independence of the army from the state's treasury.
- b. Ensuring the military's readiness without relying on direct taxes.
- c. Supporting the stability of the military institution in addressing internal and external challenges.

3.1.8. Waqfs for Public Facilities:

Several properties within and outside the city of Algiers were designated for funding public utilities such as roads, canals, irrigation channels, and other infrastructure. Each of these public services had a dedicated representative (wakil) responsible for managing its waqf and overseeing its affairs, such as the waqf of the water springs and irrigation systems. **(Saidouni2001, p. 243)**

These waqfs played a crucial role in maintaining and developing the public infrastructure, contributing to the city's urban and economic development. The resources generated from these waqfs helped ensure the sustainability and functionality of essential services for the community.

3.2. Eastern Algeria:

The spread of waqfs was not limited to the city of Algiers; it extended to many regions of the country. One of the notable cities in eastern Algeria where waqfs were prominent, particularly after independence, is Constantine. It is estimated that there were 1,693 waqfs in Constantine, including 100 educational institutions, 35 mosques, and 169 zawiyas (Sufi religious schools) with 600 students. A significant number of these waqfs were associated with the Grand Mosque of Constantine, which had an income of 491 rials during the time of Salah Bey, while its expenditures amounted to 403 rials. **(Ben Azouz, 2003/2004, p. 37)**

This data reflects the important role waqfs played in supporting educational, religious, and social institutions in the eastern part of Algeria, particularly in the city of Constantine. These waqfs helped fund a range of activities, from maintaining mosques and religious schools to providing for the welfare of students and the community.

3.3. Western Algeria:

The Ottoman administrative province of western Algeria (Baylik al-Gharb) saw significant growth in waqfs, with many cities in the region known for their large number of waqfs, including Tlemcen, Mascara, Mazouna, Nedroma, Mostaganem, Oran, and Miliana. For example, the waqfs in Miliana and Tenes ranked second only to the waqfs of Algiers in terms of significance. In 1847, the area of waqf land in these regions was estimated to be 1,071,218 hectares. (Qasimi, 2016, p. 251)

This expansion of waqfs in western Algeria highlights the role these institutions played in supporting religious, educational, and social structures across the region. The significant land area dedicated to waqfs indicates the importance of this practice in sustaining the local communities and institutions. The waqfs helped to fund various needs, from maintaining mosques and schools to supporting welfare programs.

3.4. The Algerian South:

The Algerian South, which includes cities such as Ouargla, Tamanrasset, Illizi, and Ghardaïa, witnessed significant waqf (endowment) activity during the Ottoman period (1518–1830). Numerous endowments were established for mosques, zawiyas, schools, and public facilities, contributing to the strengthening of religious and social life.

3.5. The Greater Kabylie Region:

The Greater Kabylie region also saw the spread of waqf, which expanded significantly towards the end of the Ottoman period. This was primarily in the form of zawiyas (Sufi centers), along with orchards, houses, and other properties that were dedicated as waqf. The number of zawiyas reached 64, distributed across Tizi Ouzou, Bordj Bou Arreridj, Béjaïa, Bouira, and some neighboring areas. (Casmi, 2002, p. 225)

These waqfs were often established informally, without formal registration, with agreements being made verbally. Despite this, they played a crucial role in the religious, educational, and social life of the local communities.

4. Contemporary Algerian Waqf and Its Role in Sustainable Development:

Waqf investment in Algeria has not yet been effectively implemented on the ground, as the pace of establishing investment waqf projects remains noticeably slow, despite its promising potential to support local development and strengthen the social economy. However, signs of qualitative progress are emerging through some pioneering models, such as the "Hay Al-Karam" project in the municipality of Sahel in Algiers and the Grand Mosque project. These models reflect a shift in the mindset surrounding the investment of waqf properties.

This transformation would not have been possible without the legal framework established for this purpose, which is represented by Law No. 91/10 dated April 27, 1991, corresponding to Shawwal 12, 1411 AH, concerning the regulation of waqf. This legal framework was later reinforced by amendments introduced by Law No. 01/07 dated May 22, 2001, corresponding to Safar 28, 1422 AH, which amended and complemented the provisions of the original law. This provided broader prospects for the investment of waqf in modern ways that align with the requirements of sustainable development.

An analysis of Law No. 91/10 concerning waqf shows that Article 45 is the only provision that explicitly addresses the possibility of investing waqf properties, on the condition that the will of the waqf founder is respected and that the principles of Islamic law are adhered to in this regard. However, this provision remained general, and its content was not supported by detailed regulatory measures to clarify the practical application of these provisions, which resulted in limited waqf property investments. Most activities were confined to leasing and price adjustments, mechanisms that often recorded lower rates compared to actual market prices, thus reducing waqf returns.

Despite the issuance of Executive Decree No. 98/381 dated December 1, 1998, which defined the conditions for the management, administration, and protection of waqf properties, the procedural nature of this text remained insufficient to propel waqf investment at the desired pace. A significant shift in this direction only occurred after the issuance of Law No. 01/07 dated May 22, 2001, which amended and complemented the provisions of Law No. 91/10, providing a more detailed and clearer legal framework for the investment mechanisms of waqf, especially in the real estate sector.

Thus, Law No. 91/10 can be considered the first cornerstone in the regulation of waqf investment in Algeria, while Law No. 01/07 represents an advanced step toward establishing a clearer and more comprehensive vision for waqf investment that is in line with modern requirements and sustainable development objectives.

5. Waqf Investment in Sustainable Development in Algeria:

The waqf sector in Algeria represents a promising avenue for development; however, its management still faces several challenges that require addressing through effective reform strategies. In this context, several future prospects for managing waqf to achieve sustainable development can be outlined as follows:

- 5.1. **Updating the Legal and Regulatory Framework:** Despite the provisions laid out by Law No. 91/10, as amended by Law No. 01/07, for regulating waqf activities, the texts still need further expansion and detailing, particularly with regard to investment models, ensuring alignment between the founder's conditions and contemporary requirements (Aïssawi, 2015, p. 112).
- 5.2. **Institutionalizing Good Governance Principles:** The management of waqf still suffers from bureaucracy and administrative stagnation, necessitating the integration of principles such as transparency, oversight, and accountability to ensure effective waqf property management (Soufi et al., 2013, p. 87).
- 5.3. **Digitalizing the Waqf System:** Digitization of the sector is a strategic option that helps establish a national database for waqf properties, improve documentation processes, and enhance oversight. While some partial experiments have been initiated in this area, they have yet to be fully implemented (Ministry of Religious Affairs and Waqf, 2022).
- 5.4. **Restructuring Waqf Institutions:** Sustainable development requires reorganizing existing waqf institutions by supporting their independence, adopting modern administrative and financial systems, and enabling the establishment of waqf investment funds based on Islamic economic principles (Aïssawi, 2015, p. 114).
- 5.5. **Diversifying Waqf Investment Fields:** Limiting investment to leasing does not exploit the vast potential of waqf properties. Therefore, there is a need to expand into vital sectors such as education, health, and income-generating real estate, utilizing Islamic financing models like joint waqf (Qashrou, 2013, p. 91).

- 5.6. **Human Resource Development:** The lack of specialized competencies in waqf jurisprudence and management is a structural barrier. It is essential to provide university-level and vocational training in waqf economics and property management (**Aïssawi, 2015, p. 116**).
- 5.7. **Raising Community Awareness of Waqf:** The community remains a key player in the continuity of waqf, necessitating the intensification of awareness campaigns. Linking waqf to public interest through media, mosques, and educational institutions is vital for its sustainable growth (**Ministry of Religious Affairs and Waqf, 2022**).

6. Conclusion:

Waqf represents an effective instrument for achieving sustainable development, due to its enduring nature and its social, economic, and spiritual objectives. In the Algerian context, it can be said that waqf institutions possess significant potential, despite the legal, regulatory, and administrative challenges that continue to limit their effectiveness. The Algerian experience has shown that activating waqf investment—particularly in real estate—inevitably requires a revision of the legislative framework, the enhancement of governance, and the expansion of investment domains in line with societal needs and development requirements.

With the enactment of laws such as Law No. 91/10 and its amendment by Law No. 01/07, a reformist vision has begun to emerge for utilizing waqf in service of development goals. However, practical implementation still falls short of expectations.

Therefore, the future of waqf investment in Algeria hinges on the integration of efforts among the state, waqf institutions, the private sector, and civil society, within the framework of a comprehensive national strategy. Such a strategy must aim to transform waqf from a traditional social instrument into a vital economic pillar that contributes to the realization of social justice, the fight against poverty, and the reinforcement of economic and social stability.

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