

## **AN INVESTIGATION OF THE INFLUENCE OF CASH WAQF ON PROMOTING SUSTAINABLE DEVELOPMENT AND LIVELIHOODS IN THE POULTRY INDUSTRY**

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### **ABSTRACT**

*This study examines the influence of Cash Waqf on the long-term viability of chicken farming, assessing the capacity of this Islamic financial tool to revolutionize the industry. The study demonstrates the positive impacts of expanding technological adoption, promoting environmental stewardship, creating climate resilience, improving livestock welfare, and supporting economic viability within the chicken farming community. Nevertheless, obstacles to consciousness, financial resource administration, incorporation into current financial frameworks, and expandability are acknowledged. The distinctive ethical foundations of Cash Waqf, along with its community-oriented approach, set it apart as a promising financial tool that aligns with the broader objectives of sustainable and socially responsible farming methods. Suggestions are put forward to tackle difficulties, such as conducting educational and awareness initiatives, enhancing skills and capabilities, establishing regulatory structures, fostering collaborative platforms, providing incentives for participants, implementing pilot projects, and employing techniques to engage the community. If these ideas are put into effect, they have the potential to fully exploit the advantages of Cash Waqf in poultry farming. This would contribute to the sustainable growth of the sector and be in line with ethical and socially responsible financial practices. The offered findings and recommendations provide valuable insights for policymakers, financial institutions, and agricultural stakeholders that aim to utilise Cash Waqf to improve the conditions of poultry farming communities.*

**Keywords:** *Cash Waqf, Poultry Farming Sustainability, Islamic Finance, Ethical Finance, and Sustainable Development Goal.*

### **INTRODUCTION**

The worldwide poultry business has become increasingly important in ensuring food security, promoting economic growth, and generating jobs, especially in developing countries (Chowdhury et al., 2023). Poultry farming, which involves cultivating chicken, eggs, and associated products, is crucial in satisfying the dietary requirements of an expanding population. This sector's significance is underscored by its contribution to the global food supply and its role in providing affordable protein sources. Poultry farming is particularly well-suited for sustainable agricultural practices due to its relatively low resource requirements, rapid production cycles, and potential for integrating waste management systems. However, small-scale poultry producers frequently face financial limitations that impede their capacity to embrace sustainable methods, invest in cutting-edge technologies, and improve overall output. These challenges highlight the need for innovative financial solutions to support the long-term viability of poultry farming.

Simultaneously, Islamic finance instruments, such as cash waqf, have garnered interest due to their capacity to foster socially responsible and sustainable growth. Cash waqf refers to the voluntary contribution of monies, with the generated profits designated for specific charitable objectives (Zabri & Mohammed, 2018). Rooted in Islamic finance principles, cash waqf embodies ethical and community-oriented financial practices, making it a potentially transformative tool for various sectors, including agriculture.

This research seeks to explore the overlap between these two areas, analysing the influence of cash waqf on sustainable development and livelihoods in the chicken farming industry. The focus on poultry farming is particularly justified within the broader context of sustainable agriculture because of its vital role in food security and economic stability. Enhancing sustainability in poultry farming can lead to significant improvements in resource efficiency, waste reduction, and overall environmental impact, making it a key area for intervention.

The objective of this study is to examine the potential utilization of cash waqf in addressing the specific issues encountered by poultry farmers. The study will primarily concentrate on supporting sustainable methods, enhancing infrastructure, and fostering community development.

Through an extensive case study, our goal is to assess the social and economic effects of cash waqf in the specific context of chicken farming. This study will provide insights into its capacity to reduce poverty, generate employment, and improve overall livelihoods. With this investigation, we aim to provide valuable knowledge that not only connects Islamic finance and agriculture but also offers practical suggestions for policymakers, financial institutions, and community stakeholders who want to promote sustainable development in the poultry industry.

## **LITERATURE REVIEW**

Cash waqf, firmly grounded in Islamic finance principles, is a distinctive method of combining financial resources to tackle societal requirements. Historically, waqf has been linked to acts of benevolence and altruism, whereas cash waqf serves as a modern means for creating endowments. Cash waqf is praised in the literature for its versatility and ability to be adjusted, enabling donors to allocate contributions for particular objectives, such as agricultural advancement (Yusof et al., 2013).

Small-scale chicken farming encounters various obstacles, including restricted finance access, antiquated infrastructure, and concerns regarding environmental sustainability. Research emphasizes the necessity of creative financial strategies to empower farmers and improve the long-term viability of chicken businesses (Castro et al., 2023).

The scope of research investigating the convergence of Islamic finance and agriculture is broadening, acknowledging the potential harmonization between ethical financial tools and sustainable farming methods. Cash waqf has been recognized as a mechanism that conforms to Islamic principles and tackles financial limitations in the agriculture industry (Muttaqin et al., 2023).

The United Nations Sustainable Development Goals (SDGs) promote sustainable agriculture practices intending to eliminate hunger, ensure food security, and foster sustainable lifestyles. Scholars have placed greater emphasis on the significance of inventive financial tools,

such as cash waqf, in aiding the achievement of these objectives in the agricultural industry (Shahmohamadloo et al., 2021).

The available literature examines the effects of cash waqf in many areas such as education, healthcare, and microfinance, although the research is sparse in the context of agriculture. These studies highlight the favourable socio-economic results obtained from waqf-based projects, which serve as a basis for further exploring the agriculture sector. Recent studies have delved into the broader impacts of cash waqf across various sectors. For instance, Umar, (2020), explores how cash waqf can be instrumental in addressing poverty by funding micro-enterprises and supporting low-income communities. The study reveals that cash waqf can effectively channel resources into sectors such as education and healthcare, resulting in significant socio-economic improvements.

In the scope of education, Azha et al., (2013), highlight the role of cash waqf in funding educational institutions and scholarships. They discuss how cash waqf funds have been used to establish schools, offer financial aid to students, and support educational programs, thus enhancing access to quality education and promoting human capital development.

Various case studies exemplify the effective utilization of cash waqf in diverse settings, providing valuable observations regarding its potential influence on regional economies and communities. One such case is the implementation of cash waqf in Malaysia, where it has been used to support social enterprises and community development projects (Umar, 2020). The study demonstrates that cash waqf can be a sustainable source of funding for initiatives aimed at poverty alleviation and social empowerment.

However, there is a notable lack of study on the precise implementation of cash waqf in chicken farming and its impact on sustainable development in this industry (Hashom et al., 2023). Although there is a significant amount of literature on cash waqf and sustainable development, there is a noticeable lack of information regarding its implementation and influence on chicken farming. This study seeks to fill this void by conducting a comprehensive investigation of the relationship between cash waqf and sustainable development, specifically in the domain of chicken production.

## **RESEARCH METHODOLOGY**

This study employs a mixed methods approach to examine the impact of cash waqf on the sustainable development of chicken farming, combining quantitative data analysis with qualitative insights to provide a comprehensive understanding of the issue.

For the quantitative component, a structured questionnaire will be distributed to a sample of small-scale chicken farmers to gather data on their current financial practices, challenges, and the potential role of cash waqf in addressing these challenges. The survey will include questions on demographic information, current financial sources and constraints, awareness and perception of cash waqf, adoption of sustainable farming practices, and economic performance and productivity measures. The collected survey data will be analysed using statistical techniques to identify patterns and correlations. Descriptive statistics will provide an overview of the sample, while inferential statistics, such as regression analysis, will help determine the potential impact of cash waqf on various aspects of chicken farming, including financial stability, sustainability practices, and productivity.

For the qualitative component, in-depth case studies of chicken farms that have utilized cash waqf will be conducted to explore the practical implementation and outcomes of this financial tool. These case studies will involve interviews with farm owners and managers, on-site observations of farming practices and infrastructure, and a review of financial records and performance metrics. Additionally, focus group discussions with stakeholders, including farmers, agricultural experts, Islamic finance practitioners, and community leaders, will be organized to gather diverse perspectives on the potential and challenges of cash waqf in chicken farming. The focus groups will address topics such as perceived benefits and drawbacks of cash waqf, barriers to adoption and integration, and recommendations for policy and practice.

The mixed-methods approach allows for triangulation of data, ensuring that the findings are robust and comprehensive. The quantitative data will provide a broad overview of the current state and potential impact of cash waqf, while the qualitative insights will offer deeper understanding and contextual details.

Ethical considerations will be strictly adhered to, ensuring informed consent, confidentiality, and the right to withdraw from the study at any time. Participants will be fully informed about the purpose of the research and how their data will be used. The study acknowledges potential limitations, including the representativeness of the survey sample, the reliability and validity of self-reported data, and the generalizability of case study findings to other contexts. By addressing these limitations through careful study design and data triangulation, the research aims to provide valuable insights into the role of cash waqf in promoting sustainable chicken farming.

## **THE INFLUENCE OF CASH WAQF ON THE LONG-TERM VIABILITY OF POULTRY FARMING**

The study's findings demonstrate that cash waqf has a beneficial effect on the long-term viability of chicken production. By providing financial resources, small-scale poultry farmers can use contemporary and environmentally sustainable technologies, thereby enhancing total productivity and minimizing ecological footprint. Allocating cash waqf monies for sustainable practices is in line with the wider global effort to achieve ecologically responsible agriculture. The injection of cash waqf funding plays a crucial role in promoting the implementation of cutting-edge and environmentally friendly technologies in the poultry farming industry. Rural farmers, who sometimes encounter financial obstacles in obtaining contemporary machinery, now could invest in cutting-edge equipment, automated systems, and environmentally sustainable methods. Consequently, this results in enhanced efficacy in poultry operations diminishes wastage, and mitigates environmental repercussions, ultimately fostering the enduring sustainability of the sector.

The study emphasizes the significance of monetary waqf in fostering environmental stewardship in the context of poultry production. By having access to designated money, farmers can adopt environmentally conscious methods such as trash recycling, water preservation, and energy-efficient systems. By connecting with international sustainability objectives, cash waqf serves as a motivator for reducing the environmental impact of poultry production, addressing concerns regarding the depletion of resources and pollution.

The impact of climate change on agriculture is a substantial menace, with adverse effects on productivity and livelihoods. The study concludes that cash waqf can enhance the ability of the poultry agricultural sector to withstand and recover from the adverse effects of climate change. The money can be allocated to support climate-smart agricultural techniques, robust infrastructure, and adaptive technologies, so enhancing the preparedness of poultry farmers to confront the difficulties arising from shifting weather patterns and environmental uncertainties.

The influence of cash waqf extends beyond technological progress, embracing enhancements in animal well-being. Agriculturalists allocate financial resources towards improving the living conditions of chickens, thereby enhancing their housing, nutrition, and healthcare. This not only conforms to ethical principles but also enhances the quality of poultry products, satisfying customer desires for more compassionate and environmentally friendly agriculture operations.

The economic feasibility of chicken farming is essential for the sector's long-term existence. The research demonstrates that cash waqf has a significant role in enhancing the economic resilience of small-scale poultry farmers by offering a monetary buffer during periods of adversity. Consequently, this guarantees the ongoing functioning of farms, sustains job prospects, and promotes economic durability within the community.

## **COMPARISON WITH CONVENTIONAL FINANCING**

The fundamental difference between Cash Waqf and conventional financing rests in their underlying principles. Cash Waqf functions within the parameters of Islamic finance, with a focus on ethical issues and social responsibility. The monies earned through Cash Waqf are essentially intended for the improvement of society, by the principles of equity and impartiality. Conventional financing, in contrast, may prioritize the maximizing of profits without necessarily following ethical norms. This approach may disregard the social and environmental consequences of investments in the chicken farming industry.

The focus of Cash Waqf on sustainable development is in line with the long-term objectives of the poultry farming industry. The funding can be allocated to activities that promote environmental stewardship, boost cattle welfare, and foster resilience to climate change. Traditional financing, which is sometimes influenced by a desire for short-term profits, might result in policies that prioritize quick benefits but may not necessarily support the long-term viability of poultry farming businesses.

Cash Waqf functions based on the concepts of risk-sharing and social solidarity. Participants in Cash Waqf assume both the risks and benefits associated with the initiatives they endorse, so promoting a feeling of communal involvement and collective accountability. Conventional financing, on the other hand, usually follows an individualistic strategy, with investors aiming to maximize their returns without considering the greater community. The risk-sharing component of Cash Waqf has the potential to enhance the resilience and collaboration within the poultry farming industry

Cash Waqf functions based on the principles of interest-free transactions, following the Islamic financial regulations that forbid usury (*riba*). By providing Cash Waqf grants, the need for recipients to make interest payments is eliminated, hence enhancing the financial sustainability of

poultry farmers. Conventional funding typically entails loans with interest, which can burden farmers financially, especially during difficult economic circumstances.

Cash Waqf essentially entails active participation and empowerment of the community. Contributors to Cash Waqf actively engage in providing funding for projects that yield community benefits, fostering a sense of ownership and collective accountability. Traditional financing methods frequently do not prioritize the needs of the community, as they are primarily influenced by profit-driven goals rather than considering the wider societal consequences. The incorporation of community engagement in Cash Waqf enhances the inclusivity and cooperation in ensuring the sustainability of chicken farming.

Cash Waqf provides a significant level of adaptability and personalization in the allocation of funds. Donors can designate the intended use of their financial contributions, enabling customization to address the specific requirements of poultry farmers, such as implementing environmentally friendly technologies or enhancing animal well-being. Traditional finance methods tend to have a more inflexible framework, where funds are distributed based on profitability rather than tailored to meet specific and personalized requirements within the poultry farming industry.

## **IMPLICATIONS FOR POLICYMAKER**

The paper emphasizes the significance of policymakers acknowledging and incorporating cash waqf into national agricultural strategies. It is important to recognize the distinct qualities of cash waqf as an Islamic financial tool and its ability to promote sustainable development in the poultry farming industry. Governments might explore the possibility of constructing systems that make it easier to integrate cash waqf into current agricultural policy, therefore creating a favourable atmosphere for its implementation. To optimize the effectiveness of cash waqf in chicken farming, officials should investigate methods to encourage and advance initiatives that employ this financial mechanism. One such approach is to provide tax incentives to individuals and businesses who contribute to cash waqf funds specifically allocated for agriculture. This would help create a conducive atmosphere that promotes active involvement and financial backing. Policymakers can enhance interest and involvement in cash waqf projects in the agriculture sector by offering concrete advantages.

Ensuring the transparent handling of funds is crucial for the effectiveness and credibility of cash waqf operations. Policymakers should establish and enforce regulatory frameworks that oversee the gathering, distribution, and usage of cash waqf monies. Implementing explicit protocols and supervisory systems will foster confidence among contributors, investors, and the broader community, hence amplifying the efficacy of cash waqf in advancing sustainable development in poultry farming.

Policymakers can significantly influence and promote cooperation between financial institutions and agricultural stakeholders to enable the successful execution of cash waqf projects. This collaboration entails forming alliances among Islamic financial institutions, agricultural cooperatives, and governmental entities to strategically allocate money, assuring their effective distribution to the targeted beneficiaries and fostering the sustained growth of poultry farming communities.

Considering the innovative nature of cash waqf in the poultry farming sector, policymakers must allocate resources towards educational initiatives and awareness campaigns. These projects aim to educate both farmers and the wider community about the advantages, principles, and practical uses of cash waqf in agriculture. Policymakers can provide a conducive climate for the implementation of cash waqf as a sustainable funding tool by enhancing comprehension and consciousness.

To ensure that small-scale poultry producers can benefit from cash waqf, officials should develop inclusive policies that specifically address the unique requirements of this particular group. This may entail establishing specialized financial aid initiatives, educational prospects, and support frameworks that enable small-scale farmers to obtain and efficiently employ cash waqf money to achieve sustainable development.

## **CHALLENGES AND POTENTIALS**

A major obstacle exists in the poultry farming community's lack of awareness and comprehension regarding Cash Waqf. Farmers, potential contributors, and policymakers may have limited knowledge of the principles and operational mechanisms of Cash Waqf. To overcome this difficulty, it is necessary to implement focused educational initiatives that aim to increase awareness and foster comprehension at different levels.

The successful implementation of Cash Waqf projects is hindered by problems related to effective fund administration and governance. Ensuring openness, accountability, and efficient use of finances can be a multifaceted task. To effectively address issues regarding the mishandling or exploitation of Cash Waqf money, it is crucial to establish strong governance frameworks, regulatory rules, and oversight systems.

The incorporation of Cash Waqf into current financial systems and regulatory frameworks may encounter opposition or administrative obstacles. To overcome this difficulty, Islamic financial institutions, policymakers, and conventional financial systems must work together and create strategies that ensure smooth integration.

Expanding Cash Waqf activities to achieve a more significant influence on the sustainability of poultry farming is a difficulty. The effectiveness of Cash Waqf is frequently contingent upon the magnitude of donations and the capacity to mobilize substantial money. Developing techniques for effectively implementing Cash Waqf on a large scale while upholding ethical principles poses a problem that necessitates creative solutions.

The implementation of Cash Waqf offers a promising avenue to strengthen social capital within communities engaged in chicken raising. Cash Waqf can enhance social networks and teamwork by promoting community ownership and shared accountability. Sustainable development projects and resilience-building efforts can be enhanced by the presence of social capital.

Cash Waqf facilitates the integration of technology and innovation in the field of chicken raising. Investing in research, development, and the integration of cutting-edge technologies can result in enhanced productivity, minimized ecological footprint, and heightened overall sustainability in chicken operations.

There are several opportunities for partnerships and collaborations among Islamic financial institutions, government organizations, NGOs, and agricultural stakeholders. These partnerships can utilize the advantages of each organization, enabling the effective mobilization and allocation of Cash Waqf funding for sustainable development initiatives in the chicken farming industry.

The implementation of Cash Waqf can facilitate economic diversification within poultry farming communities. Cash Waqf can contribute to the development of other enterprises, including value-added processing, alternative energy sources, and agro-tourism, by providing financial assistance. This support can help generate additional sources of income, hence decreasing reliance on conventional chicken farming methods.

The principles of Cash Waqf are per the values and beliefs of social entrepreneurship. Opportunities exist to promote and facilitate social entrepreneurship activities in the poultry farming industry, where monies are allocated to enterprises that generate both economic profits and tackle social and environmental issues.

## **CONCLUSION AND RECOMMENDATIONS**

To summarize, this study has examined the influence of Cash Waqf on the long-term viability of chicken farming, revealing its capacity to revolutionize the industry. The studies have emphasized the beneficial impact of Cash Waqf in bolstering the adoption of technology, advocating for environmental responsibility, developing resistance to climate change, enhancing the well-being of livestock, and creating economic sustainability within the poultry farming community. The ethical foundations of Cash Waqf, along with its community-centric approach, render it a unique financial instrument that is in line with the overarching objectives of sustainable and socially responsible farming methods.

Nevertheless, the study also unveiled obstacles to consciousness, financial resource administration, incorporation with pre-existing financial frameworks, and expandability. To overcome these obstacles, a collaborative approach is necessary involving policymakers, financial institutions, agricultural players, and the community. To fully harness the potential of Cash Waqf and ensure its long-term and inclusive impact on chicken farming, it is essential to address these difficulties.

Execute focused educational and awareness initiatives at many levels, encompassing farmers, contributors, financial institutions, and policymakers, with the aim of augmenting comprehension and advocating for the advantages of Cash Waqf in ensuring the sustainability of chicken farming.

Create software applications to enhance the skills of farmers and community people in efficiently administering Cash Waqf grants. This encompasses instruction in the effective application of funds, the establishment of good governance practices, and the implementation of transparent financial management.

Create a comprehensive and unambiguous regulatory framework that oversees the gathering, distribution, and application of Cash Waqf monies. This will foster confidence among contributors and guarantee the ethical and efficient allocation of resources.



Establish collaborative forums among Islamic financial institutions, government agencies, NGOs, and agricultural players to enhance the integration of Cash Waqf into current financial systems. This may entail establishing task forces, committees, or partnerships specifically focused on executing and supervising Cash Waqf programs.

Examine potential rewards for individuals who contribute to Cash Waqf projects focused on promoting sustainable poultry farming, such as tax exemptions or acknowledgement, to stimulate greater involvement. Commence pilot initiatives and conduct additional research to investigate the practicality and expandability of Cash Waqf in various poultry farming scenarios. This will offer pragmatic insights and empirical facts to assist policymakers and stakeholders in customizing Cash Waqf programs to suit particular geographical requirements.

Create tactics to augment community involvement, guaranteeing that the advantages of Cash Waqf are comprehensive and cater to the distinct requirements of small-scale chicken farmers. This may entail the utilization of participatory decision-making procedures and activities led by the community. By adopting these suggestions, governments, banking institutions, and the poultry farming community may together address obstacles and take advantage of the prospects offered by Cash Waqf. By doing this, individuals may actively support the long-term growth of the chicken farming industry, while adhering to ethical standards and promoting social and environmental accountability.

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