

11) Agricultural Financing:

Farming can be financed through detailed fiqh (Islamic jurisprudence) formats outlined in the books of Jurists. These formats include "Mugarasah," "Muzarah," and "Musaqah," each of which has specific fiqh details mentioned in the books of Jurists.

"Praise be to Allah, the Lord of all the worlds, and may Allah's peace and blessings be upon our Prophet Muhammad, and upon his family and companions altogether"

the manufacturing contract or after negotiation, as it signifies the party responsible for financing rather than the party seeking financing. Some of these conditions include:

- It is permissible to conclude a manufacturing contract between the financing party and the manufacturer even if the financing party does not already own the item to be sold or the materials required for it.
- The financing party is allowed to benefit from the price offer obtained by the client from other parties.
- It is not permissible for the financing party to contribute to financing a manufacturing contract concluded between a manufacturer and another party.

9) Partnership Approach:

It involves joint ownership of something with financial value between two or more parties, each of whom has the right to dispose of the property. The Waqf institution and its partner or partners establish a joint ownership company. Thus, it is permissible for the Waqf institution to participate in purchasing real estate, with some of it being designated as Waqf and some being unrestricted.

10) Waqf Financing through Partnership:

It occurs by offering a property to someone to build it, with the builder becoming a partner according to the agreement between the Waqf institution and the property owner.

completion. The company recoups the construction cost from it, and then ownership of the building transfers to the property owner.

– **Similar contracts, such as:**

- **Build-Transfer-Operate (BTO):** In this method, the executing company finances all project commitments according to the specifications set by the property owner. After completing the project, the company transfers ownership to the property owner while retaining the right to operate it for a specified period. During this time, it recovers its project expenses along with a predetermined return.
- **Build-Transfer-Lease (BTL):** In this arrangement, the executing company constructs the project according to the specifications provided by the waqf owner or the property owner. Once the company completes the construction, the project becomes owned by the property owner. The property owner then leases the project to the executing company, which manages and operates it for a predetermined rent.

B. Istesnaa (Manufacturing): It's a contract for the sale of a specified item needs to be manufactured. In reality, it's the contracting and construction of the project, commonly referred to as manufacturing, contracting, or project construction. It has several jurisprudential conditions for directly concluding

assets represented by the sukuk, sharing in their profit and loss and they are entitled to profit sharing if any.

7) The Sale of Debts:

This is a type of financing; If there is a Waqf institution that has rental income or debts owed to people and it seeks financing, there is a method called "tasneed," which is selling these debts for goods, and it has two methods:

Debts are fixed assets, regardless of the reason for their fixed debts, whether they are in the form of money, goods, or goods, or benefits.

Types of debt sales are classified based on their buyer into:

- A.** Selling the debt to the debtor themselves.
- B.** Selling the debt to a third party other than the debtor.

Each of them has its own rulings.

8) Private Real Estate Financing:

If a Waqf institution owns real estate or has a building in need of rehabilitation, maintenance, or reconstruction, there are several types of real estate financing available, including:

A. Partnership Method Musharakah: Such as:

- **Build-Operate-Transfer (BOT) Contract:** In BOT, the property owner and a company agree to implement projects on the property. The owner grants the company the concession right to operate the project for a specified period after its

- E. Murabaha (cost-plus) Sukuk:** The issuer of these Sukuks is the applicant to participate with him in a specific project or specific activity. The subscribers are the partners in the partnership contract, and the proceeds of the subscription are subscribers' share in the partnership capital. The Sukuk holders own the company's assets with its spoils and fines and are entitled to their share in the company's profits, if any.
- F. Musharaka (Partnership) Sukuk:** The issuer of these sukuk is the participant seeking to share in a specific project or designated activity, and the subscribers are partners in the participation contract. The proceeds of the issuance represent the investors' share in the capital of the participation. The sukuk holders own the company's assets by virtue of their ownership, sharing in their profit and loss, and they are entitled to their share of the company's profits if any.
- G. Al-Mudarabah (Speculative) Sukuk:** The issuer of these sukuk is the speculator, and the subscribers are the capital providers. The proceeds of the issuance represent the capital for speculation. The sukuk holders own the speculative assets and the agreed-upon share of profit for the capital providers, and they bear the loss if it occurs.
- H. Investment Agency Sukuk:** The issuer of these sukuk is the investment agent, and the subscribers are the mandators or authorizers. The proceeds of the issuance represent the amount entrusted to be invested. The sukuk holders own the

The Relationship Between Parties in Sukuk Issuance Contract:

- A. Beneficial Ownership Sukuk (Asset/Specified/Service):** The issuer of these Sukuk is the seller of the asset's benefit, and the subscribers are buyers of it. The subscription proceeds represent the price of that benefit/service. The holders of the Sukuk collectively own these benefits, sharing in their profit and loss.
- B. Asset-Leased Sukuk:** The issuer of these Sukuk is the seller of a leased asset or a promised leased asset, and the subscribers are buyers of it. The subscription proceeds represent the purchase price. The holders of the Sukuk collectively own these leased assets, sharing in their profit and loss, based on their participation.
- C. Salam Sukuk:** The issuer of these Sukuk is the seller of a Salam commodity, and the subscribers are buyers of that commodity. The subscription proceeds represent the purchase price of the commodity (Salam capital). The holders of Salam Sukuk own the Salam commodity and are entitled to its sale price.
- D. Istisnaa' (Manufacturing) Sukuk:** The issuer of these bonds is the manufacturer (seller), and the subscribers are buyers of the commodity intended to be manufactured. The proceeds of the subscription represent the cost of the manufactured item. The holders of the bonds own the manufactured items and are entitled to their selling price.

various types, but their juristic details are of interest to financing entities and business developers. Endowment institutions, on the other hand, seek to approach financing entities such as banks to request funding in the form of Sukuk. The Sukuk are then structured according to Shariah standards, and ultimately, the endowment institution secures the desired financing through Sukuk issuance.

Characteristics of Investment Sukuk:

- A.** They are documents issued in the name of their owner or bearer, in equal value categories, to prove the owner's right to the represented financial rights and obligations.
- B.** They represent a common share in the ownership of assets dedicated to investment, including tangible assets, benefits, services, or a combination thereof, as well as intangible rights, debts, and cash. They do not represent a debt on the issuer to the holder.
- C.** They are issued on the basis of a Sharia-compliant contract, with Sharia guidelines governing their issuance and trading.
- D.** Their trading is subject to conditions related to what they represent.
- E.** Their owners share in their profits according to the agreement outlined in the issuance prospectus and bear their losses proportionally to their ownership of the Sukuk.

ownership of assets, benefits, services, rights, or in the assets of a specific project or a particular investment activity. This occurs after the issuance of the sukuk, the closure of the subscription period, and the commencement of their use for the intended purpose.

Some sukuk are tradable, while others are not. Those that are not tradable, or the majority of them, represent debts. Trading debts is permissible only under specific conditions, which do not apply to sukuk trading. There are several types of sukuk available in the market, whether domestic or international, including:

- A.** Equity Sukuk: These represent ownership stakes in leased assets, specified assets under trust, or designated services by a particular party or as specified in the trust.
- B.** Lease Sukuk
- C.** Salam Sukuk: Islamic financing Sukuk.
- D.** Istisna'a (Manufacturing) Sukuk.
- E.** Mudaraba (Speculation) Sukuk
- F.** Musharaka (Partnership finance) Sukuk
- G.** Murabaha (Cost-plus financing) Sukuk
- H.** Agency Sukuk for Investment: These are linked to agency agreements for investment.

Some of the most well-known Sukuk include those issued by SABIC, Saudi Electricity Company, and others. These represent

5) Crowdfunding:

It involves the collaboration of a group of individuals in funding a common investment through any of the legitimate investment formats, and it has two types:

The first: CrowdFunding from Banks: It is suitable for large endowment entities, as it involves the collaboration of a group of individuals in funding a common investment through any of the legitimate investment formats, whether it is through deferred sales or otherwise.

The second: CrowdFunding through Financial Technology Companies, such as FinTech firms that lead us towards collective ownership financing. Several companies have emerged in this field, including Manfa-e company, Arab Emkan Company, Al-Mekyal Technologies company, Ausoul, Baqiyat Al-Istithmariya, and the Alliance Platform. These are financial technology companies. Additionally, there are licensed financing entities regulated by the Capital Market Authority, such as Sukuk, Dinars, and Mudaraba. They operate by pooling funds through platforms to finance existing projects.

6) Sukuk Financing:

It involves the financing entity designing Sharia-compliant sukuk, which are alternatives to bonds, and they come in several types, still subject to further development. Its inception involves documents representing common equal-value shares in the

The diminishing partnership involves a binding promise from one party only to acquire the share of the other party, with the other party having the option, through the conclusion of sales contracts upon ownership of each portion of the share. This can be done through the exchange of positive acceptance notices. This structure has been approved by Sharia standards and is accepted by some Islamic banks but not by others because a binding promise from one party alone does not constitute a contract, unlike a binding promise from both parties, which resembles a contract.

The diminishing partnership is considered valid if it adheres to the general principles of partnerships and complies with the following guidelines:

- A.** Not committing to purchase the other party's share at the same value when establishing the partnership.
- B.** Not requiring either party to bear insurance, maintenance expenses, or other costs; instead, expenses should be shared proportionately according to their shares in the partnership.
- C.** Determining the profits of the parties involved based on common percentages; specifying a fixed amount of profits or a percentage of the contribution is not permissible.
- D.** Prohibiting any provision granting one party the right to reclaim his contribution (funding).
- E.** Separating contracts and obligations related to the partnership.

6. If the benefit is completely or partially lost due to the lessee's actions while the asset remains intact, the lessee is responsible for restoring or repairing the benefit.
7. The lessor cannot stipulate that the lessee is responsible for fundamental maintenance of the asset because the asset's guarantee is on the owner, who is the lessor.
8. The leased asset is under the lessor's guarantee throughout the lease period, unless there is negligence or misconduct from the lessee. The lessor may also insure it through legitimate insurance means.

4) Diminishing Partnership:

A partnership that ends with one partner owning the other partner's share:

It's a new transaction involving a partnership between two parties in an income-generating project. One partner commits, without obligation, to gradually buy the other partner's share, whether from the buying party's income share or other resources. It's a popular financing format built on a binding promise from one party. For example, a 50% partnership between the two parties, the Waqf institution buys a percentage of the project at the end of each year, with the end goal being the Waqf institution acquiring the entire project over time, making it a decreasing partnership: one starts as a partner and gradually decreases his shares to zero. This commitment is binding on the financing entity.

3. Leasing can apply to an asset described generically in the contract, even if it is not yet owned by the lessor, as long as the description is precise.
4. The client can co-purchase the asset with the financing institution, then lease the institution's share of the asset from the financing institution.
5. The financing institution can authorize one of its clients to purchase on its behalf what the client needs, with the institution leasing these items to the client after taking possession either physically or legally.

Among the provisions regarding usufruct and leased assets are the following:

1. It is required for the leased asset that it be usable while the asset remains intact, and for the usufruct, it is required to be permissible according to Islamic law.
2. It is impermissible for the leased subject to constitute a share of jointly owned property.
3. It is permissible to engage in a lease contract even with a non-Muslim if the agreed purpose of the contract is lawful, unless the lessor knows or strongly suspects that the lease is intended for an unlawful purpose.
4. The lessee must adhere to the appropriate use of the leased asset or to what is commonly accepted.
5. The lessor cannot stipulate their exemption from the defects of the leased asset that undermine its utility.

3) Financial Leasing:

It is a contract aimed at granting the usufruct of a known legitimate benefit for a specified period in exchange for a known consideration. It has two types: Islamic leasing and operational leasing.

If the lease concludes with ownership, it has two outcomes: either the lessee pays an installment for purchase or ownership is contingent upon the settlement of installments. Both forms are available among financing institutions in the Kingdom of Saudi Arabia, with conditions including: ensuring the financed asset, so if it is damaged, its guarantee lies with its original owner, and the owner must have real ownership of the asset. This verification is assumed to be conducted by the Sharia supervisory board of the financing institution. As for the endowment institution, its right is to bestow trust, and the institution is thereafter considered reliable and doesn't interfere in the details of these conditions because they are exclusive to the financing institution.

The conditions for leased assets include the following:

1. For the validity of leasing assets, the financier must own the asset or its usufruct. It is permissible to acquire the asset from a person or entity and then lease it back to them.
2. A lessee is permitted to lease the asset to someone other than the original owner. The lessee may also lease the asset to its original owner during the initial lease term if both leases are urgent.

with agriculture, and give up striving in the cause of Allah, Allah will inflict humiliation upon you that will not be removed until you return to your religion.”⁽¹⁾

Among the conditions for the validity of tawarruq are the following:

1. Fulfillment of Sharia requirements: Ensuring the existence of the commodity, ownership by the seller, and that it is not cash.
2. Identification of the commodity: Including possession and disclosure of its documents and numbers.
3. In case of absence of the commodity, providing the client with its description or model.
4. Receipt of the commodity: Either physically or legally.
5. Avoidance of linkage between deferred and spot transactions, as it deprives the client of the right to receive the commodity.
6. The financing institution should not be authorized to sell the commodity unless it has been received physically or legally.
7. The financing institution should not delegate another party to sell the commodity.
8. The commodity should only be sold by the client himself or by a proxy other than the financing institution.
9. The financing institution must provide the client with necessary information about the commodity.

(1) Narrated by Ahmad (4987) and Abu Dawood (3462) from the route of Ibn Umar. It was authenticated by Al-Albani in Sahih Abu Dawood.

Preceding the contract of Murabaha are the following procedures:

- The client expresses his desire for the commodity through the financing institution.
 - Owned by the funder, these matters may not fall under the jurisdiction of the endowment organization, as each bank has a Sharia board and Sharia supervision, ensuring compliance with conditions.
 - The financing institution is obliged to purchase the commodity based on the request and demand of its client.
 - The client may request from the financing institution that the purchase of the commodity be from a specific source and no other.
 - The client's request does not imply a commitment or pledge unless explicitly stated.
 - The client has the right to receive offers at commodity prices, and once acceptance is given, the sale is automatically concluded.
- C. Tawarruq:** It involves purchasing a commodity on deferred payment or through profit-sharing, then selling it to someone other than the original seller to obtain cash at a spot price. If it is sold back to the original seller, it becomes a sale of a specific item, which is prohibited, as stated in the hadith of the Prophet Muhammad peace be upon him(ﷺ): "When you engage in tailings, hold on to the tails of cows, are content

seller owning the goods, absence of any usury or exploitative interest between the two compensations (the price and the appraiser) must be such that no usury of credit is applicable between them. The deferred payment being a debt not an tangible; to avoid deception and ignorance, the sold goods must be present, not deferred, and the deadline must be known, as per the hadith: "Whoever grants a loan should do so based on known measures and terms until a known deadline"⁽¹⁾, Additionally, installment sales should be completed promptly to avoid deception.

B. Murabaha Sale (Profit-sharing) or Purchase Order: It is the sale of a commodity at a price equal to the cost the seller incurred, plus an agreed-upon profit margin, either in percentage or a fixed amount, whether executed immediately or based on a prior promise. It can be executed based on a promise to purchase from the buyer who wishes to obtain the goods through a financing institution. As mentioned, the financing applicant approaches and says, "I want this item," buys it, then sells it to me. This method is used in financing the purchase of cars, real estate, and other items.

(1) Narrated by Abdullah ibn Abbas: The Messenger of Allah (peace be upon him) arrived in Medina, and they used to engage in transactions involving deferred payments for fruits for one or two years. He said, "Whoever grants a loan should do so based on known measures and terms until a known deadline." This hadith is reported by Al-Bukhari (2240) and Muslim (1604).

- C. Financing through Usurious Loans:** This type involves obtaining loans through bonds or borrowing from conventional banks domestically or internationally. This is prohibited by law as well as by the regulations of the General Authority of Endowments, which prohibits any transaction contrary to Islamic law and applicable regulations. Usurious loans are unanimously prohibited as is well known.

2) Investment Financing:

This refers to financing in which the funder seeks profit. It is facilitated through institutions falling under the supervision of SAMA (Saudi Arabian Monetary Authority). Banks offer several Sharia-compliant financing options, including installment sales, murabaha (cost-plus financing), and tawarruq (commodity trading), all of which involve deferred payments. Investment companies also engage in financing through investment sukuk (Islamic bonds). One of the modern forms of financing is through financial technology (fintech), which encompasses crowdfunding among individuals and companies. All of these fall under the following categories with some additional modifications to suit each financing type. The most prominent forms of investment financing include:

- A. Installment Sale:** It's a contract for the sale of goods on deferred payment terms, paid in separate and predetermined installments over specified periods. Conditions include the

them, nor does it enter into the actual expenses on loan services the indirect expenses. This means preventing any loopholes to take interest on loans.

One of the types of financing through loans includes:

A. Developmental Financing through Loans:

- This type of financing includes loans provided by banks and developmental funds. They are non-profit-oriented and are established by the government to serve developmental projects, such as:
- The Saudi Fund for Development operates according to its system to finance economically significant establishments, such as private hospitals, colleges, and schools.
- And among them is the Industrial Development Fund, where industrial establishments can take developmental loans from the Industrial Development Fund.
- And among them is the Social Development Bank, as one of their activities involves financing small-scale establishments.
- And among them is the Cultural Development Fund, which contributes to cultural development by providing developmental loans.

B. Financing through Charitable Loans: These are loans provided by affluent individuals to charitable or endowment organizations. They are frequently implemented in charitable associations and endowments.

It is required that the subject of the loan be money with a known, ideal value. The fundamental principle is the obligation to return an equivalent amount of the loan at the place of delivery. The borrower possesses the money lent upon receipt, and the equivalent amount is documented in their liability.

One of the provisions of conditional benefit in loans is that:

- It is prohibited to stipulate an increase in the loan for the borrower, as it constitutes usury, which is forbidden. Scholars unanimously agree that any loan that entails an added benefit for the lender is considered usury.
- It is not permissible to stipulate a reciprocal contract (such as sale, lease, or partnership) within the loan contract. Some entities may say, “We will lend you, for example, a million, and you will return it a million, but you must purchase goods from us or contract with us for the execution of a project, such as one hundred thousand or a feasibility study for one hundred thousand,” This is forbidden, and it is a trick to gain benefit from the loan. The Prophet peace be upon him (ﷺ) said: “Combining a loan and a sale is not permissible”⁽¹⁾.
- It is permissible to charge the borrower the expenses of loan services to the financial institution, as it takes for loan servicing an amount equivalent to the actual direct expenses. However, it is not permissible for it to take any surplus on

(1) Narrated by Al-Tirmidhi (1234), Abu Dawood (3504), and Al-Nasa’i (4611). Al-Tirmidhi, Ibn Abd al-Barr, and Al-Albani authenticated it.

is that borrowing is only to prevent the disruption of the endowment, thereby avoiding harm. There is no harm from not spending on the beneficiaries if the endowment has no yield. Borrowing on the endowment to increase expenses for the beneficiaries is not permissible according to the standard. Some Sharia-based justifications have been mentioned, and one can refer to them for further information.

As for the financing formats for endowment institutions are:

1) Financing through Loans:

A loan: is the provision of a sum of money to someone who is obligated to repay an equivalent amount, and it is not permissible to stipulate an increase upon repayment. It is a common misconception to label deferred sales as loans because loans contradict the concept of sale.

A loan is contracted through offer and acceptance using the terms "loan" or "advance," or any other expression that conveys their meanings through speech or action. It is a prerequisite for the lender to have the eligibility for donation, while the borrower must have the eligibility for disposal.

In endowment entities, the borrower may be either the superintendent, the manager of the endowment company, or the manager of the endowment institution, depending on the nature and structure of the endowment entity.

- “1/6/3/5 It is permissible to borrow against the endowment’s liability through legitimate borrowing, deferred payment purchases, or any financing permissible by Sharia for its maintenance or development, provided that there is a condition set by the endower or the judge’s permission, along with the necessity for borrowing and considering the ability of the endowment’s yield to bear the burden of financing and repayment. It is not considered restricted borrowing as previously mentioned if an amount is paid for the benefit of the endowment from the superintendent’s own funds, provided that the endowment has yields that can be used for reimbursement.”
- “2/6/3/5 Likewise, the justifiable cases for borrowing, in the absence of a condition set by the endower, include: the need for essential maintenance or development of the endowment without sufficient yield for that, the payment of financial obligations—if any—without sufficient yield to cover them, and the inability to pay the salaries of those managing the endowment or workers needed to achieve its purposes if it is feared that their non-payment would disrupt the benefit from the endowment. All these are justifiable reasons.”
- “3/6/3/5 Borrowing is not permissible for spending on the beneficiaries of the charitable endowment’s yield.” The basis for restricting borrowing to what is necessary for the endowment, without spending on its yield beneficiaries,

to establish endowment projects. Article (23) stipulates that all its actions must comply with the conditions of the endowers, if they do not conflict with Islamic law and applicable regulations, including the requirement that financing must not be contrary to Sharia.

The financing of endowments has been included in the Endowment regulations Project, which is with the regulatory authorities. It was previously published to gather feedback, and it includes: restrictions on handling the endowment, construction of the endowment, sale of some of the endowment for its development, sources of endowment growth, investment of the endowment, leasing of the endowment, replacement of endowment assets, provisions for substitutes, mortgaging the endowment, and its financing. It also addresses jurisdiction in termination cases and requests for permission to mortgage the endowment when the endowment needs a loan from a public or private entity (electronically).

There are jurisprudential conditions for financing endowments from the endowment standard issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), which state: "6/3/5 Borrowing on behalf of the endowment is permissible with the condition set by the endower or with the judge's permission and the presence of necessity. The following must be observed in borrowing:

reclaimed when the surplus is realized⁽¹⁾. This is mentioned in several jurisprudential books, as well-known. The legal procedures for financing waqf establishments are mentioned in Article (223) of the Code of Procedure, in the second paragraph. If deemed necessary for the benefit, it is also permissible to obtain financing or a loan for it, and to mortgage the real estate after obtaining permission from the competent court.

The Saudi regulator has mentioned the financing of endowments in several regulations: some implicitly or insinuation and some explicitly or declaration, as in the Endowment regulation Project and the General Authority for Endowments regulation. For example, in the General Authority for Endowments regulation, it is mentioned that the interest of the endowment and the conditions of the endowers are to be followed if they do not contradict Islamic law. Article (3) of the General Authority for Endowments regulations states that it aims to organize, preserve, develop, and grow the endowments, and development includes taking financing on them. Article (4/2) of the regulations supervises the superintendents' activities, among other things. As mentioned in Article (5/5/c), it provides financial and administrative consultant, including ways of financing. Article (10/5/c) of the Endowment regulation also states that it contributes

(1) See: Al-Khafif's "Companies," p. 23; Al-Khayyat's "Companies," 1/211; and Sheikh Mustafa Al-Zarqa's "Introduction to the General Theory of Obligation in Islamic Jurisprudence," pp. 251, 269, 271, 289, 290.

Waqf establishments can also be institutions, as was traditionally practiced. This involves obtaining a commercial registration for the waqf institution from the Ministry of Commerce and relevant authorities. They may also as mere endowments, such as real estate, for which a regular waqf registration, license, or waqf deed is obtained from the competent court. The waqf entity can then open a bank account.

The Sharia standard⁽¹⁾ states that the liability of a waqf - whether it is real estate, an institution, or a company - has legal personality, unlike traditional commercial institutions. This is because its liability is that of its owner. However, a waqf institution has legal personality and financial liability. The waqf owner or endower cannot be held accountable for the obligations of the institution, as stated in standard number (33), which reads: “(2/4/3) Waqf has legal personality and financial liability, making it eligible for obligations and commitments, distinct from those who manage it.” Hence, it is.

permissible for the superintendent to borrow on behalf of the waqf

for its benefit with the permission of the judge, and then reclaim it from its surplus. This indicates that the waqf bears a form of financial liability that can be borrowed against, then

(1) This is the endowment standard issued by the Shariah Board responsible for it, which is the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) in the Kingdom of Bahrain.

- Deferred Payment Sale or Installment Sale: This can be done either by using the sold item or through the intention of Tawarruq (monetization).
- Murabaha (Cost-Plus Financing) to the Purchase Order: This also includes both types of installment sales.

These types of financing are typically provided by banks, financing companies, FinTech or (financial technology) companies.

The Third Category: Investment Financing through Leasing, this includes:

- Leasing with Subsequent Ownership (Ijarah that end with ownership), also known as financial leasing, or Operational Leasing (Ijarah): This applies to assets such as cars, office equipment, industrial machinery, and medical equipment in hospitals and waqf medical institutions, among others. Since these assets are used up and need to be replaced after a certain period, operational leasing is often more suitable, which is a type of financing.

As for the types of waqf establishments, they can be companies operating under the new company law, such as non-profit companies of its various kinds, public non-profit companies, private non-profit companies, private limited liability companies, or privately held limited liability companies, or open joint-stock companies or simplified joint-stock companies.

Imam Al-Bahwati stated: "The Superintendent is allowed to borrow on behalf of the waqf (take a loan, whether through a deferred sale or a loan) without the need for a judge's permission, if it is for a beneficial purpose, such as purchasing for the waqf on credit or with unspecified cash⁽¹⁾.

Loans come in various forms: developmental loans, charitable loans, and usurious loans, which will be covered later.

The Sharia-compliant financing methods intended for profit are divided into several types, including:

The First Category: Investment Financing through Partnership:

Jurists have mentioned several forms of this, including:

- Musaqat (Irrigation Partnership).
- Muzara'a (Sharecropping).
- Shirkat (Partnership), which includes:
- Mudarabah (Profit-sharing) and Inan (Joint Partnership)

Additionally, this category includes some modern variations such as: Diminishing Partnership (Musharaka Mutanaqisa) and Sukuk (Islamic Bonds) for Profit-sharing and Partnership.

The Second Category: Investment Financing through Sale, this includes various forms such as:

- Salam (Forward Sale).
- Istisna'a (Manufacturing Contract).

(1) Explanation of Muntaha al-Iradat, 2/505.

Funding of Waqf Establishments

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Praise be to Allah, the Lord of all worlds, and may peace and blessings be upon our Prophet Muhammad, his family, and all his companions.

Indeed, wealth can take various forms; Some of it consists of tangible assets such as movable property and real estate, some of it consists of benefits, some of it can be invention and innovation rights and some of it can be debts.

Financing: Financing or Funding refers to the acquisition of the necessary funds by an individual, whether in cash or intangible. The jurists have mentioned the financing of waqf (endowments).