



THE ROLE OF THE NATIONAL OFFICE OF WAQF AND ZAKAT IN MOBILIZING WAQF AND ZAKAT RESOURCES IN ALGERIA

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ABSTRACT

This study aims to highlight the role of the National Office for Waqf and Zakat in mobilizing Waqf and Zakat resources in Algeria. The Office was established by decree No. 21-179 to establish an institutional structure responsible for managing Waqf and Zakat resources and directing them towards community development. The study reached several conclusions, the most important of which is that the Office is a tool for mobilizing, managing, exploiting, developing, and investing waqf properties. During its activities in the period 2021-2023, it included more than 4,200 waqf properties. The National Office is also a mechanism for collecting, disbursing, and developing zakat, as it collects zakat resources from three main sources, which has led to a continuous increase in its annual revenue, reaching more than 1.649 billion dinars in 2024. Among the study's recommendations is the need to strengthen community confidence in the importance of takaful institutions and their pivotal role in supporting the charitable sector.

1 INTRODUCTION

Considering recent crises, the Islamic financial industry has attracted widespread international attention, particularly about its non-profit instruments such as waqf and zakat, which are considered two forms of charitable giving aimed at

providing money to those who deserve it without compensation, motivated by religious beliefs and ethical considerations within the Islamic framework. Their resources represent a fundamental pillar for supporting bonds of compassion and solidarity among members of

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society, thereby achieving economic and social development.

Consequently, many Islamic countries have moved towards establishing an institutional structure concerned with adopting mechanisms and means to mobilize and collect waqf and zakat resources, to invest and employ them for the benefit of society. In Algeria, the first steps towards creating an institutional framework for these resources were taken in 2003 with the establishment of the Zakat Fund, which was recently transformed by Decree 21-179 to the National Office for Waqf and Zakat so that waqf properties and zakat resources could be managed by a single institutional structure. Previously, waqf management had been entrusted to central and local bodies at the level of the Ministry of Religious Affairs and Waqf, while zakat was supervised by the Zakat Fund, a special body also operating under the auspices of the same ministry.

1.1 Research problem

From the above, the research problem emerges as follows:

What is the role of the National Office for Endowments (Waqf) and Zakat in mobilizing endowment and zakat resources in Algeria?

This leads to the following questions:

- What are the forms and sources through which endowment and zakat resources are mobilized in Algeria?
- What are the most important determinants of the regulation of waqf property and zakat resources by the Algerian legislature?
- What are the tasks entrusted to the National Office for Waqf and Zakat regarding the mobilization of Waqf and Zakat resources?

1.2 Research hypotheses

To answer the research question, the following hypotheses have been formulated:

- Waqf in Algeria varies between charitable waqf for charitable and benevolent causes, private or civil waqf for the cause designated by the waqf founder, and joint waqf. Zakat, on the other hand, is mobilized from three main sources: zakat al-fitr, zakat on crops and fruits, and zakat on money.

- The Algerian legislature has contributed to the establishment of a set of laws and decrees that have resulted in the creation of an institutional framework for the control of waqf property and zakat resources, represented by the National Office for Waqf and Zakat.
- The National Office for Waqf and Zakat is a tool for mobilizing, managing, exploiting, developing, and investing public waqf property in accordance with the wishes of the waqf founder and the provisions and objectives of Islamic law. It is also a mechanism for collecting, disbursing, and developing zakat in accordance with the provisions of Islamic law.

1.3 Research importance and objectives

This study is important because it sheds light on the role of the National Office for Waqf and Zakat in mobilizing waqf and zakat resources with a view to promoting waqf and zakat for the development of society and injecting new dynamism into the social and economic spheres.

This study seeks to achieve the following objectives:

- Defining the nature of waqf and zakat and their sources of mobilization.
- Explain the role of the Algerian legislator in creating an institutional structure for the management and administration of waqf and zakat resources.
- Highlight the role of the National Office for Waqf and Zakat in mobilizing waqf and zakat resources.

1.4 Research methodology and structure

To understand the various aspects of the study, a descriptive and analytical approach was adopted, and the necessary data were collected from the official website of the National Office for Waqf and Zakat for the period 2021-2024. The study was then structured around two main themes, as follows:

- The theoretical and legislative framework for waqf and zakat in Algeria.
- The contribution of the National Office for Waqf and Zakat mobilization in Algeria.

2 THE THEORETICAL AND LEGISLATIVE FRAMEWORK FOR WAQF AND ZAKAT IN ALGERIA

To determine the development of the theoretical and legislative framework for waqf and zakat in Algeria, we will first shed light on the nature of waqf and zakat and the features of their emergence and development.

2.1 Overview of Algerian waqfs

Endowments in Algeria were known as a long-standing social and religious institution during the Islamic period that preceded the arrival of the Turks to power. They continued to spread and expand throughout the Ottoman period, gaining particular importance in the late Ottoman era and the early French occupation, and acquiring a large proportion of property inside and outside cities, thus forming a system. The following section will explain what a waqf is, its types, and its resources in Algeria.

2.1.1 The nature and development of Algerian waqf

In linguistic terms, waqf means to promise something, to hold on to something, to remain still, or to prevent abandonment. The original meaning of the two terms is to prevent and refrain, and their general meaning is then specified by Sharia law as a specific prohibition, which is the detention of sale and gift, the prohibition of inheritance of specific property, and the expenditure of its benefits for a specific purpose. (Ben Tounes, 2024)

According to fiqh terminology, we find that the jurists of the four schools of thought differed in their definition of waqf due to their differences regarding its essence. The common ground in their definitions was the agreement that: "Waqf is the withholding of property and the use of its benefits for good, righteousness, and charity." (Arabi, 2023) Economically, waqf is defined as: "the transfer of funds from consumption and their investment in productive capital assets that generate benefits and revenues to be consumed collectively or individually in the future." (Maayouf, 2022)

In Algerian legislation, waqf is defined as: "the permanent restriction of ownership of property and the confirmation of its benefit to the poor or to

some form of charity or good cause. A waqf is a contract of donation issued by an individual and does not represent the property of a natural or legal person. It enjoys legal personality, and the Algerian state ensures that the will of the donor is respected and implemented." (Law No 91-10, 1991)

From this perspective, Algeria was no different from other Islamic societies, where waqfs represented an important source of solidarity and social cohesion. The development of Algerian waqfs can be illustrated by the following historical milestones (National Office for Waqf and Zakat) :

- *Algerian waqfs during the Ottoman era:* The Ottoman era in Algeria witnessed the beginning of the documentation of waqfs through contracts, deeds, and waqf bonds, at a time when waqfs were expanding throughout the country, contributing to the coverage of charitable expenses, particularly the wages of teachers and those in charge of religious affairs.

Among the most prominent charitable waqf institutions at that time were: the waqfs of the Two Holy Mosques, the waqfs of the Great Mosque, the Sabil al-Khairat Foundation, the waqfs of the zawiyas, saints, shaykhs, and marabouts, and the waqfs of the displaced people from Andalusia.

- *Algerian endowments during the colonial era:* As soon as French colonialism arrived in Algeria, the authorities considered the endowment system to be an obstacle to their colonial projects. and worked to undermine the foundations of the waqf system, disperse its members, and demolish its landmarks through various decrees, the first of which was the Decree of Berman on September 8, 1830, which ruled to confiscate and seize Islamic waqfs and gave the French administration the right to manage, dispose of, and lease waqf properties. This was followed by numerous decrees that enshrined the liquidation of waqfs and their seizure by Europeans.

- *Algerian waqfs after independence:* After Algeria gained independence and national sovereignty, waqfs remained unchanged, affected by a lack of care and maintenance, and confined to a very limited area. The first

decree to regulate them was Decree 63-80 of March 4, 1963, which organized the Ministry of Endowments and appointed directors of national property. This was followed by Decree 64-283 of 1964, which established the system of public endowment property. Under Presidential Decree 71-73, which included the Agricultural Revolution Law, all agricultural land, including waqf land, was nationalized. This had a negative impact on the size and number of waqf properties, until Algerian Family Law No. 84-11 was enacted, which established the general legal framework for waqf in Chapter III, entitled "Donations (bequests, gifts, waqf)."

The 1989 Constitution is considered an important gateway for the protection and constitutional recognition of waqf, as reflected in Law No. 90-25, which contains real estate guidelines and considers waqf property to be a separate category within national property, and Law No. 91-10 on waqf, which is considered the first law to regulate waqf in Algeria. This law sets out the general rules for the organization, management, preservation, and protection of waqf property, and provides for the restitution of property that was previously nationalized. This was followed by executive decrees and ministerial decisions that facilitated the various processes of organizing, managing, exploiting, investing, and developing waqf property.

2.1.2 Types of waqf

There are three types of waqf in Algeria, namely (National Office for Waqf and Zakat):

- *General (charitable) waqf*: This is what is set aside for charitable and benevolent causes, either initially or ultimately, and is divided into two categories:
 - *General waqf without a specific beneficiary*: no specific beneficiary is designated for its proceeds, which are spent on public welfare and charitable causes.
 - *General waqf with a specific beneficiary*: a specific beneficiary is designated for its proceeds, which may not be spent on other charitable causes unless the designated beneficiary is exhausted.
- *Private (family) waqf*: This is what the waqf founder reserves for his male and female

descendants or for persons designated by the waqf founder. The private waqf is transferred to the entity designated by the waqf founder after the death of the beneficiaries, and if there are no beneficiaries, it is transferred to a public waqf.

- *Joint waqf*: This is what the waqf founder initially restricts to a public entity and to one or more persons designated by him.

2.1.3 Forms of waqf property.

Waqf takes many forms, all of which demonstrate the breadth of the concept of waqf in Islam and its practical purpose. In general, waqf resources or property in any Islamic society can be mobilized from the following forms or sources (Ben Tounes, 2024):

- *Fixed assets*: such as land, buildings, gardens, orchards, mosques, factories, warehouses, shops, etc.
- *Semi-fixed assets*: these are attached to and necessary for fixed assets, such as doors and windows for real estate, trees for gardens and orchards, and so on. And anything that cannot be used without its asset.
- *Tradable offerings (movable assets)*: These are offerings that can be traded and transferred, such as animals and cars, from one place to another without being damaged.
- *Offerings in the form of prices (deposited money)*: These are deposited cash funds such as gold, silver, banknotes, instruments, investment certificates, and the like, which are locked up and yield returns for good and charitable causes.
- *Intellectual property rights*: These are intangible assets that generate income for their owner, such as copyrights and patents.

2.2 Basic concepts of zakat

Zakat occupies a central position in the Islamic system, representing an important financing tool for rationalizing economic and social development in Islamic societies. This section, therefore, focuses on defining its concept, sources of collection, and distribution channels.

2.2.1 The concept of zakat.

Zakat is defined in the language as: "purity, growth, blessing, and praise, all of which are used

within the Islamic framework.” In the same context, zakat has been defined by diligent researchers in Islamic jurisprudence as: "Specific money taken from specific money under specific conditions, to be spent under specific conditions. Specific money is the amount of money that is required to be given, such as one-quarter of a tenth of gold and silver, for example. The specific money from which it is taken is the money defined according to Islamic law for the payment of zakat, such as gold, silver, and livestock. The specific conditions are the conditions of zakat for the payer and the money being given, such as reaching the nisab (minimum amount), and so on. The specific recipients are those specified in the Islamic religious texts, foremost among them the poor and the needy". (AL- Hafdaoui, 2013)

Economically, zakat is defined as: “A financial grant that is mobilized by the state or its representatives, whether public or private, definitively, and without any specific benefit in return. It is collected by the state according to the taxpayer's ability to pay and is used to cover the eight expenses defined according to the Islamic religious texts and to fulfill the requirements of Islamic public financial policy.” (Zidan & Ghalmi, 2014)

From the above, zakat is one of the components of free Islamic finance. It is given according to specific conditions, must be paid in specific types of money to be spent on the eight categories specified in Islamic doctrine, without compensation.

2.2.2 Sources of zakat resources

In the context of Islamic law, zakat is considered the third pillar of Islam and one of its most important pillars. It is given that wealth is growing or in estimation. Wealth that is growing includes livestock, crops, fruits, and trade goods. Estimated growth includes gold and silver. Even if they are not used in trade, they are growing even if they are idle, because they can be traded whenever desired.

In general, zakat is given on the following types of wealth (Zidan & Ghalmi, 2014):

- *Money of all kinds:* This includes gold, silver, and securities, in addition to trade and industry offerings.

- *Crops and fruits:* The rate of zakat on fruits varies depending on the method of irrigation. It is estimated at 10% for crops irrigated without machinery, such as rain or springs, while the rate of zakat is 5% for crops irrigated with machinery.
- *Livestock (camels, cows, and sheep):* They are acquired for the purpose of growth and reproduction.
- *Minerals and ores:* There is no specific threshold for zakat on ores, and the price of ores is estimated at one-fifth, or 2.5%.

The following table shows the nisab for different types of wealth on which zakat is due, which represent outlets for collecting zakat resources in any Islamic country.

Table 1. Nisab for Zakat

Zakat Type	Nisab (Minimum Amount)	Rate
Zakat on Gold and Silver	85 grams of gold / 595 grams of silver	2.5%
Zakat on Fruits (Dates, Barley, Wheat, Raisins)	300 Saa' (1 Saa' = 2.05 kg)	10% or 5%
Trade Goods / Financial Balances	Treated as cash	2.5%
Zakat on Camels	5	1 sheep
Zakat on Cattle	30	1 tabi'a (young cow)
Zakat on Sheep	40	1 sheep
Rikaz (Buried Treasure)	---	One-fifth (20%)

Source: (Gandouz, 2019)

The conditions under which zakat becomes due are as follows (Baraq & Krouche, 2012):

- *Full ownership:* Zakat is due on money that is fully owned, i.e., that can be disposed of without entitlement to others.
- *Growth:* The money must be growing or in value.
- *Reaching the threshold:* This is the amount specified by Sharia law, below which zakat is not required.
- *Exceeding basic needs:* Zakat is not required on items acquired for basic needs, such as housing, tools of trade, etc.
- *Passing of the year:* This means that twelve lunar months have passed since the money

reached the minimum amount required for zakat, except for crops and minerals.

- *Prevention of double zakat*: This is the process of paying zakat on the same money after it has changed in nature (zakat is not due on crops after they have been sold or on livestock after they have been sold).

2.2.3 Zakat disbursement categories

The distribution of collected zakat resources follows the provisions set out in Islamic texts, which specify eight categories for its allocation.

Hence, zakat resources are spent in eight ways, which can be divided into two categories as follows: (Manasera, 2020)

- *The first category*: those who take according to their needs, based on the severity and abundance or scarcity of those needs, namely: the poor and the needy, those in bondage (slaves or maidservants), and travelers (strangers who are stranded).
- *Section Two*: Those who take for their benefit, namely those who work on it (those who collect zakat), those whose hearts are to be reconciled (those whose hearts are to be reconciled by persuading them to receive it or by preventing them from harming Muslims), those in debt (those who owe money) to reconcile between them, and those fighting in the way of Allah. If the recipient is not in need and there is no benefit to Muslims, then he has no share in the zakat.

2.3 The legislative framework for waqf and zakat in Algeria

The Algerian legislature has issued a series of laws and executive decrees that broadly frame the mobilization, management, and investment of waqf and zakat resources to serve the development process on the one hand and to support the pillars of the Islamic financial industry in the country on the other.

The most important stages in the development of Algerian legislation in this regard are as follows:

- *March 4, 1963*: The Ministry of Endowments was established under the provisions of Executive Decree No. 80-63 to undertake the

task of managing religious affairs and endowment properties.

- *September 17, 1964*: An executive decree was issued containing the system of public endowments. However, the absence of a national policy to take care of endowments led to the disappearance of the endowment system and the absence of its culture in Algerian society. The management of endowments at the national level was limited to a sub-directorate within the Ministry of Religious Affairs, from which the term "waqf" was removed, and since 1965, it has been under the supervision of a main inspectorate for waqfs directly linked to the general secretariat of the ministry, while its management is handled by the sub-directorate for waqf funds under the Directorate of Religious Affairs. (Bouziane, 2016)
- *June 9, 1984*: The Algerian Family Code was issued, establishing the general legal framework for waqf in its third chapter on donations (charity, gifts, waqf).
- *April 27, 1991*: Enactment of Waqf Law No. 91-10, which sets out the general rules for the organization, management, preservation, and protection of waqf property.
- *December 1, 1998*: Enactment of Executive Decree 98-381, which sets out the conditions and procedures for the management and protection of waqf property.
- *May 22, 2001*: Law No. 01-07 was issued, amending and supplementing Law No. 10-91, which defined the conditions and methods for the exploitation, investment, and development of waqf property through the adoption of a sharecropping contract or a lease contract if the waqf is agricultural land or trees, and the investment of other waqf property on the basis of a contract of enterprise or a barter contract. This law also allows for the development of public waqf property by converting the collected funds into productive investments using various modern investment methods, such as interest-free loans and waqf-benefit deposits, which enable the owner who does not need them for a certain period to hand them over to the authority in charge of waqf in the form of a deposit that can be recovered

whenever he wishes. This authority then invests the deposit along with its other waqf assets and waqf speculation, where some of the waqf's income is used in banking and commercial transactions by the authority in charge of waqfs (Law No 01-07, 2001).

- *In 2003*, the Zakat Fund was established. The idea for it originated in Executive Decree No. 91-83, which included the establishment of a religious affairs office tasked with reviving the practice of zakat by organizing it and disbursing its funds for their legitimate purposes. (Executive Decree No. 91-83, 1991) and Executive Decree No. 2000-200, which defined the interests of religious affairs and included the Zakat Office in the Department of Guidance, Religious Rituals and Endowments, making this office responsible for monitoring and organizing the work of the Zakat Fund (Executive Decree No 2000-200, 2000).
- *May 3, 2021*: Establishment of the National Office for Endowments and Zakat under Executive Decree No. 21-179, which will be discussed in detail in the following section.

From the above, the Algerian legislator is interested in managing and controlling waqf properties and zakat resources, and in directing them to serve the community. This interest became especially evident in 2003, when the first steps were taken towards creating an institutional vehicle represented by the Zakat Fund.

This fund was recently converted, by Decree 21-179, into a national office for waqf and zakat, so that both could be managed by a single institutional structure. Previously, waqf had been managed by central and local bodies under the Ministry of Religious Affairs and Waqf. Zakat, on the other hand, had been supervised by the Zakat Fund, a special body also operating under the auspices of the same ministry.

3 THE CONTRIBUTION OF THE NATIONAL OFFICE OF WAQF AND ZAKAT MOBILIZATION IN ALGERIA

The Algerian government established the National Office with the aim of promoting waqf and zakat in

the development of society to bring new dynamism to the social and economic spheres. The creation of this office has strengthened the Algerian Islamic financial industry with a new institutional structure that promotes Islamic charitable work (takaful) in the country.

3.1 General framework of the National Office for Waqf and Zakat

The National Office for Waqf and Zakat was established, and its basic law was defined by Executive Decree No. 21-179 issued on May 3, 2021. This came after the mechanisms for investing zakat resources within the structure of the Zakat Fund proved inadequate, and the government sought to create a single institutional structure to manage and invest both waqf and zakat resources and direct them towards comprehensive development.

3.1.1 Concept of the office

The National Office is: "A tool for the management, exploitation, development, and investment of public waqf properties in accordance with the will of the waqf founder and within Islamic law, in addition to being a mechanism for collecting, disbursing, and developing zakat resources in accordance with Sharia doctrine." (National Office for Waqf and Zakat)

The Office is defined in Article 2 of the Executive Decree issued in this regard as: "a public industrial and commercial establishment (EPIC), enjoying legal personality and financial independence, under the supervision of the Minister in charge of religious affairs and waqf." Its headquarters are in Algiers, with the possibility of establishing regional and/or provincial branches and even branches abroad if necessary. (Executive Decree No 21-179, 2021)

From this perspective, the National Office for Endowments and Zakat represents a new government structure of an industrial and commercial nature, concerned with organizing the mobilization and investment of endowment and zakat resources in accordance with the objectives of Islamic law. The institution operates under the authority of the Ministry of Religious Affairs and Endowments. Headquarters is located in Algiers.

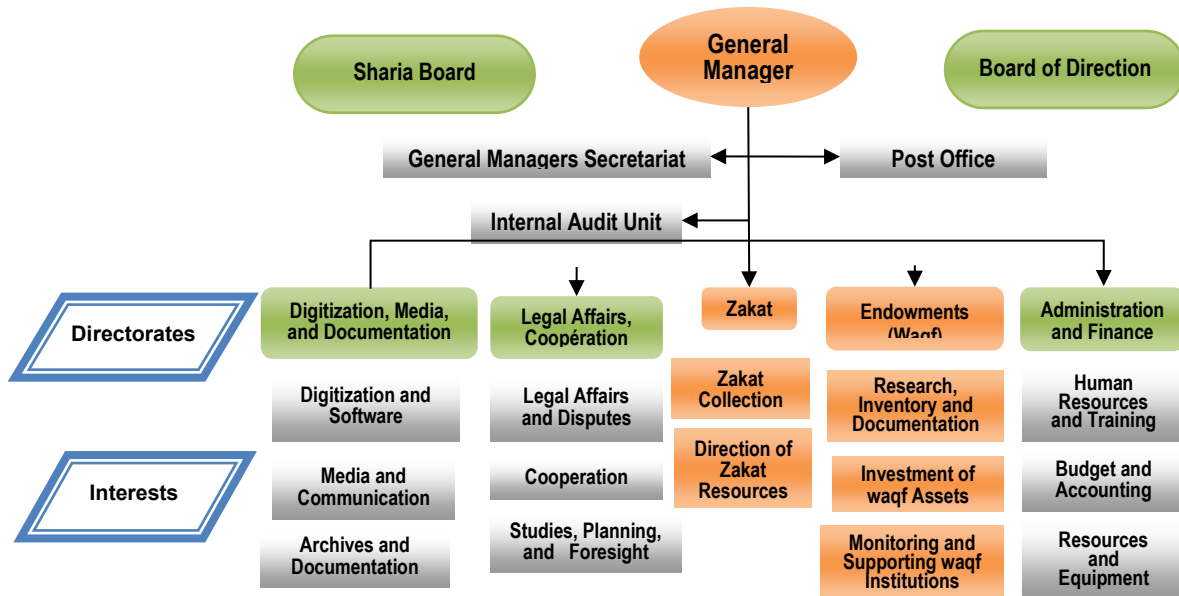


Figure 1. Structure of the National Office for Endowments and Zakat

Source: (National Office for Waqf and Zakat)

3.1.2 Structure of the National Office for Endowments and Zakat.

Figure 1 illustrates the administrative and organizational structure of the National Office for Endowments and Zakat, and shows that the Office consists of three main structures responsible for its management and performance of the tasks entrusted to it, namely:

- *Director General*: Responsible for the optimal management of the Office in accordance with the regulations in force. Pursuant to Article 26 of Decree 21-179, the Director General of the Office is assisted in the performance of his duties by directors who are responsible for monitoring the activities of endowments and zakat. The Endowments and Zakat Directorates include the following departments (Executive Decree No 21-179, 2021):
 - *Waqf Directorate Departments*: Research, Inventory, and Documentation Department; Waqf Property Investment Department; and Waqf Institutions Monitoring and Support Department.
 - *Functions of the Zakat Directorate*: Zakat collection and distribution of zakat resources.
- *Board of Directors*: Represents the core of the Office in view of the major tasks entrusted to it, as it is responsible for deliberating on all matters relating to the organization and

functioning of the Office and all matters related to the achievement of its objectives.

- *The Sharia Board*: Composed of members with diverse practical and administrative skills and experience, they provide advice and jurisprudential assistance to the Office, particularly about the compliance of the latter's activities and operations with the provisions and rules of Islamic law. In this capacity, the Sharia Board is tasked with the following: (Executive Decree No 21-179, 2021)
 - Expressing a Sharia opinion on draft programs and activities sent to it by the Director General of the Office.
 - Making recommendations regarding the Office's program of activities and reports and sending them to the Director General.
 - Contributing to the preparation of scientific studies aimed at developing and promoting the activities of endowments and zakat.

3.1.3 Financial liability of the Office

The Office has independent financial liability, with its budget comprising the following two aspects: (Ministry of Religious Affairs and Endowments, 2021)

- *Revenue*. The Council's revenue comes from the following sources of funding:
 - Initial balance.
 - State contributions to public service expenses.

- Revenue from endowment properties.
- Zakat revenue collected for distribution to those entitled to it.
- Revenues from the National Office's commercial activities.
- Potential contributions from local communities and national bodies.
- Donations and bequests.
- Charitable donations.
- *Expenditure:* This includes:
 - Operating expenses.
 - Equipment expenses.
 - All other expenses necessary to achieve the National Office's objectives.

3.2 Functions of the National Office for Waqf and Zakat

The National Office for Waqf and Zakat is entrusted with several functions in the field of waqf and zakat, as follows:

3.2.1 Functions of the Office in the context of mobilizing waqf and zakat resources.

The Office performs several tasks in public service provision as an administrative body responsible for **mobilizing**, managing, and administering waqf properties and zakat resources. These tasks include the following:

- *In the area of waqf*, the Office performs the following tasks (Khalouf, 2022):
 - Preparing programs related to the exploitation, development, and investment of waqf properties in coordination with the relevant ministry.
 - Searching for waqf properties in coordination with the relevant institutions and authorized public officials, and resorting to all legally available means to recover the discovered waqf properties.
 - Seeking the assistance of a competent public official to document waqf real estate and register its deeds with the competent regional real estate registry.
 - Preserving documents relating to waqf property.
 - Establishing and digitizing the national register of public waqf property.
 - Creating a database of waqf property suitable for investment and development.

- *In the area of zakat*, the National Office shall perform the following tasks (Executive Decree No 21-179, 2021):
 - Collecting and gathering zakat.
 - Distributing zakat according to its legal channels in a manner that contributes to social solidarity and compassion.
 - Updating and digitizing the national registry of zakat beneficiaries.

3.2.2 The tasks of the Office in the context of developing and investing endowment and zakat resources

Within this framework, the National Office for Endowments and Zakat performs the following tasks:

- *In the field of endowments:*

Here, the Office carries out a range of commercial activities to optimize the use of waqf real estate and benefit from its returns in areas of charity and good deeds. To achieve this, the Office does the following (Amour & Baba Ismail, 2022):

 - Leasing endowed properties for residential use, except for mandatory functional housing.
 - Leasing endowed properties for commercial, professional, and craft use.
 - Leasing and exploiting agricultural waqf land.
 - Monitoring the collection of rent and related charges, and any other income generated from the exploitation of waqf properties.
 - Collecting all data relating to the updating of the value of rents and waqf funds in general from data banks and specialized institutions, in accordance with the requirements of the real estate market.
 - Carrying out real estate development and promotion activities for waqf properties and real estate, within the limits of the rules of administration and management.
 - Developing waqf assets (real estate or movable), unless they are reserved for direct use.
 - Maintaining and restoring waqf properties belonging to the National Office, so that they remain usable and their revenues can be exploited.
 - Investment in areas with low risk, after conducting economic feasibility studies for

the targeted projects, as is the case for the investment of waqf real estate stipulated in Decree 18-213.

- Monitoring the exchange of waqf properties managed by the Office, after approval by the Minister in charge.
 - Monitoring and handling disputes relating to waqfs managed by the Office.
 - Reviving and developing cash waqfs.
 - Carrying out all commercial activities and services within the scope of its duties.
- *In the area of zakat:*
In the same vein, and with a view to contributing to social and economic development using zakat resources, the Office shall perform the following tasks: (Executive Decree No 21-179, 2021)
- Establishing effective mechanisms for the development of zakat resources.
 - Supporting and accompanying young people in their projects and micro-enterprises and following up on this in coordination with the relevant bodies and institutions.
 - Concluding agreements with financial and economic institutions that fall within the scope of their activities.
 - Contributing to charitable and solidarity campaigns of national importance.

3.3 The role of the National Office for Endowments and Zakat in mobilizing endowment and zakat resources

Based on the above, the role of the Office in mobilizing endowment and zakat resources will be explained based on an analysis of its activity data for the period 2021-2024, which was collected from the Office's official website.

3.3.1 The Office's contribution to mobilizing and protecting waqf resources (property).

With the creation of the National Office for Waqf and Zakat, it has become the authority responsible for mobilizing, protecting, and utilizing waqf property. In this regard, by the end of 2023, the endowment portfolio transferred to the Office had

reached more than 4,200 endowments, and the revenue generated from the exploitation of endowments had exceeded 26.8 million Algerian dinars. (National Office for Waqf and Zakat)

The following table shows the nature of the waqf properties transferred to the Office at the end of 2023.

Table 2. *Nature of Waqf properties transferred to the National Office for Waqf and Zakat as of 2023*

Item	Number	Percentage %
Lands	1414	33.13%
Shops	1296	30.37%
Bathhouses	25	0.59%
Washrooms	433	10.15%
Offices	77	1.80%
Warehouses	22	0.52%
Residences	861	20.17%
Barns	94	2.20%
Mosques and Places of Worship	30	0.70%
Schools	08	0.19%
Cultural Centers	01	0.02%
Cemeteries	07	0.16%
Total Properties Transferred as of 2023	4268	100%

Source: (Al-Sanusi, 2024)

The data in the table above shows that the number of waqf properties directly managed by the National Office until 2023 amounted to 4,268, and that most of these waqf properties transferred to the Office are essentially real estate waqf properties (including land, shops, and housing) and account for approximately 84% of the total waqf properties.

Table 3 shows how these waqf properties are used by the Office, and that the National Office has utilized approximately 75% of the waqf properties transferred to it through rent, but 21.55% of these waqf properties remain vacant and unused, while 16 waqf properties have been written off.

Table 3. How the National Office for Waqf and Zakat uses waqf properties until 2023

Item	Number	Percentage %
Number of Waqf Properties (2023)	4268	100%
Number of Waqf Properties Rented	3176	74.41%
Number of Waqf Properties Used Without Rent	156	74.41%
Number of Vacant Properties	920	21.55%
Number of Decommissioned Properties	16	0.38%

Source: (Al-Sanusi, 2024)

3.3.2 Contribution of the Office to the Mobilization of Zakat Resources.

Article 47 of the executive decree establishing the Office stipulates that all funds deposited in the central and provincial zakat accounts shall be transferred to the National Office for Endowments and Zakat in accordance with the regulations in force. All movable property acquired during the zakat fund's activities at the level of the external departments of the Directorate of Religious Affairs and Endowments shall also be transferred after the inventory process has been completed.

- *Means used to mobilize zakat resources:* In this regard, the Ministry of Religious Affairs and Endowments has developed a set of means through which the zakat payer can pay his zakat to facilitate the mobilization of zakat resources in the former Zakat Fund and the current National Office. These means include the following: (National Office for Waqf and Zakat)

- *Mosque funds:* These are placed in large mosques in neighborhoods and cities, and the collected proceeds are then transferred to the provincial fund account.
- *Postal transfers:* These are made at post offices and paid into the current postal account of the provincial zakat fund.

- *Postal and bank checks:* Zakat resources can also be collected through postal and bank checks.
- *Bari Mob app:* This is a newly developed app using financial technology that can be downloaded to a smartphone or personal computer, enabling users to pay their zakat.
- *Zakat resources collected by the National Office*
Zakat resources are collected by the National office for Endowments and Zakat from three main sources, as was previously the case under the Zakat Fund, and include the following:
 - *Zakat al-Fitr:* Collected by members of the mosque committee in each neighborhood, where authorized imams and mosque imams are tasked with initiating the process of collecting (mobilizing) Zakat al-Fitr from the middle of Ramadan until the 28th of Ramadan each year on a proxy basis.
 - *Zakat on crops and fruits, and zakat on money:* The means are used to collect these types of zakat. The first has a nisab of 300 sa'a, while the nisab for zakat on money is equivalent to 85 grams of gold. The following table shows the evolution of the nisab for zakat on money in Algeria during the period of activity of the National Office for Endowments and Zakat.

Table 4. Evolution of the nisab for zakat on money during the period 2021-2025 (unit: DZ)

Year	Nisab of Zakat on money
2021	731,000
2022	816,000
2023	892,500
2024	1,105,000
2025	1,615,000

Source: (National Office for Waqf and Zakat)

In line with the above-mentioned zakat sources, the following table shows the zakat resources collected by the National Office for Endowments and Zakat during its period of activity.

Table 5. Evolution of zakat resources collected by the Office during the period 2021-2024 (Unit: DZD)

Item/ Year	2021	2022	2023	2024
Zakat al-Fitr Resources	437,426,140.45 (44.78%)	584,994,442.84 (53.68%)	690,346,211.85 (50.80%)	791,020,078.5 (47.95%)
Zakat on Crops and Fruits	130,559,823.58 (13.36%)	0 (0%)	0 (0%)	0 (0%)
Zakat on money	408,974,810.11 (41.86%)	504,820,741.92 (46.32%)	668,497,539.76 (49.20%)	858,492,987.29 (52.05%)
Total Zakat Resources	976,960,774.14 (100%)	1,089,815,184.76 (100%)	1,358,843,751.61 (100%)	1,649,513,065.79 (100%)

Source: Prepared by the researcher based on (National Office for Waqf and Zakat)

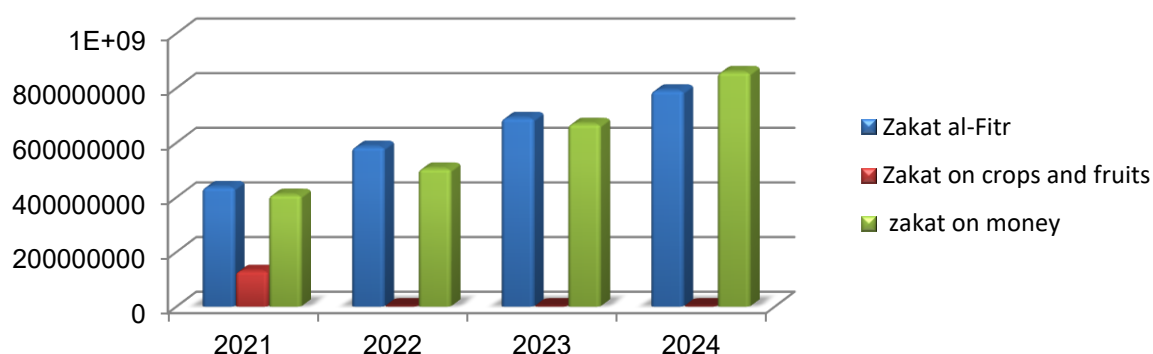


Figure 2. Evolution of zakat revenue during the period 2021-2024

Source: Prepared by the researcher based on data from Table 05

The data in Table 05 shows that zakat revenue collected during the period of the Office's activity is constantly evolving, reaching more than 1.649 billion dinars in 2024, despite the non-collection of zakat on crops and fruits in the period 2022-2024. As shown in Table 5 and Figure 2, zakat al-fitr resources accounted for the largest share of zakat resources collected between 2021 and 2023, except for 2024, when zakat al-mal resources accounted for 52.05% of the total.

4 CONCLUSIONS

In conclusion, it can be said that the endowment and zakat institution currently constitutes a third independent sector, complementing and assisting the public and private sectors and contributing to the economic and social balance of countries. Algeria, like other Islamic countries, has taken an interest in institutionalizing waqf and zakat, establishing the Zakat Fund in 2003 and then merged it into the National Office for Waqf and Zakat in 2021 with a view to establishing an institutional structure dedicated to mobilizing, protecting, and investing waqf and zakat resources and directing them to serve

development and support the pillars of the Islamic financial industry in the country.

This study has reached several conclusions, as follows:

- Algerian endowments represent an important source of social solidarity and takazful. They began to be documented during the Ottoman era and were used to cover charitable expenses at the time, but their landmarks were destroyed and seized during the colonial period. The post-independence period saw a series of laws and decrees that contributed to their restoration and established general rules for their organization and protection.
- Zakat is regarded in Islam as a religious obligation with socio-economic functions. Like waqf, within Islamic law, has specified in its texts the recipients and shares of zakat.
- Waqf and zakat institutions are among the most important solidarity institutions that can achieve various economic and social dimensions, as waqf and zakat resources are classified in Islamic finance as non-profit voluntary resources. The first steps towards

creating an institutional framework for the collection and distribution of zakat in Algeria were taken in 2003 with the establishment of the Zakat Fund, which was transferred to the National Office for Waqf and Zakat in 2021.

- The National Office for Waqf and Zakat has a more independent organizational structure, the most important feature of which is a Sharia board that ensures that its work complies with Islamic law. The Office also benefits from diverse financial resources that allow it to expand the circle of beneficiaries of zakat and waqf, thereby serving the country's development process.
- The National Office for Endowments and Zakat is a tool for managing, exploiting, developing, and investing public endowment properties in accordance with the wishes of the endower and the provisions of Islamic law. Endowments in Algeria vary between charitable endowments for charitable and benevolent causes, private endowments to the entity designated by the endower, and joint endowments. Since its creation, the Office has managed to mobilize and consolidate more than 4,200 waqf properties, most of which are real estate waqfs, and has generated more than 26.8 million Algerian dinars in revenue through their exploitation.

The National Office for Waqf and Zakat is a mechanism for collecting, disbursing, and developing zakat resources in accordance with the provisions of Islamic law. It works to mobilize zakat resources from three main sources: zakat al-fitr, zakat on crops and fruits, and zakat al-mal. Despite the absence of revenue from the second source, the zakat revenue mobilized through the Office's activities is constantly increasing, reaching 1.649 billion dinars in 2024.

Based on the results obtained, the study proposes the following:

- Strengthening community confidence in the importance of takaful institutions and their pivotal role in supporting the charitable sector.
- Activating the role of the National Office for Endowments and Zakat in increasing the revenue from endowments and zakat by adopting mechanisms and means to facilitate and streamline the collection process for the Office, zakat payers, and endowment owners.
- Raising awareness of waqf and zakat among members of society, whether by the Office or by various other government and community bodies, through the organization of forums and seminars to raise awareness of the importance of mobilizing and investing waqf and zakat resources in modern societies.

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