

Making Road to Makkah Accessible for Pakistanis: Proposed Model from the Experience of Indonesia and Malaysia

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Abstract

Hajj is one of the five pillars of Islam that is mandatory for every Muslim adult. For the management of Hajj funds, countries like Malaysia, Indonesia, Nigeria and Maldives etc. have established separate legal entities to provide services to pilgrims and administering the Hajj deposits that it can benefit them in the shape of Halal returns. This paper aims to evaluate the Hajj fund management of two economies i.e., Indonesia and Malaysia; analyzes the current structure of management of Hajj funds in Pakistan. The study suggests an efficient model for Pakistan's Hajj fund management based on the best practices of Indonesia and Malaysia. The paper argues setting up of an independent entity, whereby public can start saving at an early age by entering into financial contract, thus efficient utilization of Hajj funds can be ensured that provides optimum facilitation to the potential pilgrims of Pakistan at a reasonable cost.

Keywords: Hajj Funds Administration, Tabung Haji Malaysia (TH), Badan Pengelola Keuangan Haji (BPKH), Ministry of Religious Affairs & Interfaith Harmony (MoRA).