

ABSTRACT

Waqf has been a part of society since Islam was first introduced to the archipelago. It has been used extensively in the development of *dayah* educational institutions across the state of Aceh. This study analyzes the development and educational financing through *waqf* in Aceh. Through adopting a qualitative method, data were obtained through interviews and a review of selected literature. The results show that there is enormous potential for *waqf* development in Aceh. However, the efficacy of *waqf* remains limited and has been unable to generate significant impact toward fostering greater welfare. *Waqf* plays an important role in financing education in Aceh by providing land for the construction of *dayah*. *Waqf* also plays the role of providing buildings for the *dayah*. However, it has yet to play a it has yet to play a significant role in bearing the operational costs of *dayah*. Furthermore, numerous obstacles limiting educational financing through *waqf* arise from the *nazir*, state, and society. This study shows that *waqf* plays a role in financing education in Aceh, eventhough *waqf* doesn't been efficiently utilized.