

# Zakat Insights: a Newsletter on Zakat and Justice

#4 June 2026

Welcome to Zakat Insights, sharing the latest news, stories and developments on the subject of Zakat.

## A New Hijri Year: Reflecting on Faith, Zakat, and Community

As we begin the new Hijri year 1448 AH, we extend our warm wishes to all and pray for a year of peace, blessing, and benefit. The *Hijra* marks not only the beginning of a new calendar, but also the formation of a new community in Madinah, where Zakat was established as an obligation upon Muslims and became part of a wider framework of social responsibility, solidarity, and care.

Through the Constitution of Madinah, the social covenant that organised the diverse communities of Madinah around shared responsibilities, justice, and collective security, a new model of community was established. As we reflect on this new year, and having recently completed Ramadan and Hajj, the two major seasons of worship in the Islamic calendar, it is a fitting time to consider how institutions such as Zakat contribute not only to meeting material needs, but also to strengthening faith, belonging, and community.

These themes were at the heart of our latest Zakat Co-Learning Session, "**Beyond Financing: Zakat, Aid Reform, and Faith and Community Building**," which explored whether contemporary discussions around Zakat risk reducing it to a financial instrument while overlooking its wider social and spiritual purposes.



## Zakat Funds: Bridging Muslim-led INGOs and the UN?

*10 years on from the World Humanitarian Summit when “Islamic Social Finance” appeared on the UN’s agenda for the first time, has Zakat become a bridge for accommodating Muslim charities within the UN system?*

On the 26th of March this year, Muslim Hands (UK) [signed](#) an agreement with IOM for the distribution of Zakat, committing to community outreach and donor engagement (Zakat collection) with IOM distributing. IOM’s Islamic Philanthropy Fund was launched in 2025, and has been awarded three fatwas, two of which encourage collaboration, cooperation and coordination between charities and the UN as well as encouraging civil society organisations and governments to generously contribute.

This partnership follows a pattern. Last year Humaniti (Canada / US) [upped](#) their partnership with the UNHCR Refugee Zakat Fund, with a two year \$2million commitment for cash assistance and in May this year, Al-Rahma International Charity (Kuwait) [signed a grant agreement](#) for the provision of relief items to Sudanese refugees in Chad, via the same fund.

The UNHCR Refugee Zakat Fund, for which the first Fatwa was obtained in 2017 – illustrates the growing relationship between Islamic philanthropy partners and the UN, and the increasing endorsements and fatwas obtained allowing UN bodies to administer Zakat. At its peak in 2022, the fund reported 58 Islamic philanthropy partners and today has achieved 17 Fatwas and endorsements.

Evidently then, the inclination of Islamic philanthropy partners (which includes Muslim-led NGOs) to pass on Zakat collected from their donor base to UN agencies for their onward distribution is significant. In some ways, it possibly shows that a closer relationship has been built between Muslim-led NGO’s and the UN in the last 10 years. However whether or not the relationship is reciprocal, and whether the partnerships constrain or limit the mandate of Zakat – particularly when it comes to community and faith building objectives for example – is less clear.

What is likely, is that amidst the new wave of reforms, namely UN80 and the humanitarian reset, the current landscape of funding scarcity will continue to drive interest in Islamic giving, including Sadaqah, Zakat and Waqf via government donors, private foundations, NGO’s and individuals alike.

**Pakistan/Global:** The government of Pakistan [sets the Nisab](#) at Rs503,529 for Ramadan 2026, a significant rise from 2025, [due the rising prices](#) of gold and other metals. This will reduce the number of Muslims overall eligible to pay Zakat

**Global:** UNHCR launch 8th [Islamic Philanthropy Global Report \(2025\)](#), and report that almost 60% of all Zakat and Sadaqah received in 2025 came from MENA-based donors. UNHCR’s Refugee Zakat Fund is backed by 18 Fatwas and scholar endorsements.

## Learning Group: Beyond financing: Zakat, aid reform, and faith and community building objectives, 11.06.2026

The 5th learning group in the series was the most popular to date - with around 30 participants joining from around the world. It explored the impact of reform agendas, and UN interest in Zakat on Zakat administration and the extent to which Zakat's faith and community building objectives are being considered and upheld. Regarding the difference between secular and faith based actors, it was argued that whereas operations might look similar between secular and Muslim actors, the intention premised in the theological framework differentiates them. One contributor highlighted the distinction between "Amil" (steward of and participant in worship represented by faith based actors) and "wakeel" (agent, temporary, represented by secular actors) explaining that where Wakeels deliver, Amils steward. They noted that with regards to fatwas for the UN, scholars had permitted the UN to courier and deliver under strict conditions, rather than administer and steward. The difference, it was emphasised, is relational, communal and spiritual – something that can only be upheld by Muslims and their shared belief system.

Modalities of Zakat collection were discussed with the consideration that donors are drawn to appealing and easy Zakat apps, but that apps alone are not able to uphold the spiritual intention of transferring Zakat. Some participants reflected that there was work to do to catch up technologically and operationally. Others discussed the importance of striving for and measuring impact.

Participants discussed efforts leading up to the WHS that highlighted the role of faith based charities with the intention of achieving recognition, not necessarily anticipating the direction that this interest would go in. UN engagement was sometimes considered positive – for example for bringing zakat into mainstream discussions and fostering partnerships. However, the growing involvement of UN agencies was also considered to have marginalised local zakat administrators and zakat's religious requirements:

*"Zakat maybe adapted to fix the existing humanitarian system rather than humanitarian system adapting to accommodate Zakat's religious requirement."*

One participant shared that while funding cuts has led to the increasing view that Zakat presents an opportunity to fill the gap, the question remains as to whether or not this is Zakat's main purpose.

Giving Zakat to secular organisations was explained as related to the perception that giving money to Muslim-led organisations brings risk and it was further pointed out that the secular debate should be connected to questions on how the governance and facilitation of Zakat in the Muslim world often operates within secular environments anyway. Therefore concern regarding secular administration needs to be extended to the secular nature of governments in the Muslim world.

One speaker commented that Muslim led NGO's have adopted their institutional logics from conventional NGO's – which approaches poverty as a "matrix issue" - rather than from the ethical and spiritual values of Islam. This outsources solidarity rather than taking a role in emancipation and empowerment and the ummah becomes a donor base rather than a moral community.

*"We cannot use the term efficiency when it comes to such matters. That's the language, the grammar, of neoliberalism that has imposed its institutional logic on us...Rather than how much Zakat we have distributed and hence the efficiency question, we have to look at the equity question, with the amount of Zakat what kind of society have we created? A society that leads to a practice of Islam? And hence a sharing and solidarity understanding? Or we are just moderating the consequences of neoliberalism and we become an instrument of neoliberalism in the end?"*

The topic on locality of Zakat administration was raised, with the position that zakat should ideally be distributed in the locality where it is collected, i.e. at the mosque and neighbourhood level – and this proximity strengthens communal responsibility, solidarity and relationships *"that money transfer alone cannot achieve."*

These considerations were picked up by other participants who reflected that place based planning and community impact lacked a working model, and that community strengthening is more challenging, but not impossible, in the international administration of Zakat. Another speaker felt that coordination at the national level was necessary prior to developing a working model at the local level.

The term Islamic Social Finance was critiqued as adopted from the global system, that defies Zakat's objective –“Qard al Hassan” instead is Islamic Social Finance. Whilst responding to global realities, it was argued that the ontology of humanitarian aid needs to be developed, using Islam's civilization language. Identifying the right of the poor and society, and acknowledging Zakat as a system and as a political economy tool for disciplining wealth.

*“The language of charity obscures the language of justice. Justice to the wealth in terms of accountability, and justice to the people who deserve because at the end of the day Allah created all of those resources for everyone to have access. And when the privatisation of those resources happens, expropriation happens and the compensations have to follow. Hence the language of justice is important. What Zakat does is restore the right. The objective is not simply poverty reduction but the community formation, where poverty reduction can be an instrument to do so.”*

Language was therefore considered important in relation to how Zakat's objectives – community transformation and emancipation– are dampened or fulfilled.

*“Zakat should enable us to challenge unjust structures. But unfortunately because we have adopted only the language of poverty reduction we are not challenging the unjust structures”*

It was explained that faith, and Zakat as part of the faith, should transform societies. Whereas charity alleviates and stabilises rather than challenging the structures, in contradiction of Islamic ontological framework.

Understanding why poverty is happening in the first place was picked up by another speaker, with the reminder that poverty is not “natural” but a consequence of something having gone wrong in the ordering of society:

*“To distribute without asking what produced the need in the first place is to accept the situation as a given.”*

The speaker continued that treating the Mustahiq (people eligible to receive Zakat) as a permanent category, and their situation enduring for decades, is a problem, arguing instead for structural responses.

*“If Zakat is social justice, then it is the existing order that is disordered and therefore we have to think about how we administer it.”*

Another speaker disagreed that the main concern should be impact, considering the primary question to be about the fulfilment of religious obligations properly – *“not fulfilling our religious obligation is actually the bigger catastrophe than inefficient humanitarian impact.”* – and emphasising the importance of independent oversight.

It was furthermore emphasised that this conversation needed to be extended beyond charities, to mosques and community based organisations that also collect and distribute considerable amounts of Zakat.

## Reading recommendations on the topic of Zakat, faith, spirituality and community strengthening.

**IPB University, Indonesia, Professor at FEM IPB University: CIBEST Model Becomes New Instrument for Assessing Welfare Based on Maqashid Syariah, 26 Jan 2026**

*“The CIBEST Model was born from the perspective of maqashid syariah (sharia objectives), measuring poverty and welfare that does not solely discuss the issue of fulfilling basic material needs, but also spiritual needs”*

**Dr Sohail Hanif, in The Muslim 500, The Role of Zakat in Building Faith Communities (Date not stated)**

*“The detailed rules of the payment and distribution of zakat, as laid out in classical law texts, speak clearly of a higher purpose for this institution. This purpose is to create, strengthen, nourish and nurture communities of believers, wherever they are found, to enable them to uphold the cause of God and His remembrance.”*

**Raseethu Mohamed Kasjin & Mohamed Haniffa Mohamed Nairoos, APPRIISING THE OBJECTIVES OF ZAKAT AND ITS RELIGIOUS, SOCIAL, AND ECONOMIC IMPACTS ON THE INDIVIDUAL AND SOCIETY, in Vol. 6 Number 1. April, 2025 Religion and Culture. See: Religious Objectives of Zakat and Its Effects, p15-17**

*“Zakat, a social dimension of the solidarity system in Islam, aims to assist those in need and support the vulnerable. This system strengthens individuals and the entire community, promoting cohesion and solidarity.”*

**Taufiq, Faizal: Reconceptualizing Zakat as Islamic Philanthropy: Integrating Spiritual Values and Social Justice in Sustainable Development, TAZAKKA, Journal of Zakat and Waqf, Vol. 1, No. 1, January 2026, pp. 12-29.**

*“There is a need for an integrative framework that consciously weaves together the spiritual ethos of zakat with the strategic objectives of social justice and the measurable outcomes of sustainable development”*

**Yaqeen Institute for Islamic Research, Faraz Adam and Lucy Bushill-Matthews, Zakat is not just Charity: Unlocking the Transformative Power of Islam's Third Pillar (2018)**

*“Distributing Zakat to the poor and needy is critical, not only to provide a believer with the material resources required for essential needs, but also for cultivating a sense of belonging to the Muslim community and the ability to maintain a healthy and sustainable state of subservience.”*

## **NEXT UP: Technology and empire - considerations for a just administration of Zakat**

As June's session explored, the role of secular actors in administering Zakat - a sacred pillar of the Islamic faith - is sometimes contested. But what about the technology that is used to facilitate its administration? What contradictions does Big Tech pose to Islamic ethics and therefore the administration of Zakat?

This discussion will look at the relationship between technology and Zakat, noting challenges, opportunities and alternatives.

[Register here join our coming co-learning session](#)

**Have anything to share or contribute on Zakat and Justice? [Get in touch!](#)**

---

