

Zakat Policy

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Responsible Team:	Philanthropy and Communications
Required Training:	To be determined in line with clause 3.13

1. Purpose

As a humanitarian organization dedicated to saving lives, building greater resilience and promoting long-term health and wellbeing in communities in Africa, Asia and the Middle East where the populations are predominantly Muslim, including Afghanistan, Bangladesh, Iraq, Iran, Jordan, Lebanon, Occupied Palestinian Territory, Pakistan, Sudan, Syria, Türkiye and Yemen, Relief International is in a unique position to provide Muslims with a means to fulfill their obligations to provide Zakat to support life-saving work and delivery of urgent humanitarian aid in communities affected by conflict, climate change and disaster.

This document outlines Relief International's policy for receiving, tracking and distributing Zakat in accordance with Islamic (Shariah) law, and in an honest, ethical and transparent manner.

2. Scope and Application

2.1. This Policy applies to Zakat collected by Relief International, Inc., Relief International–Europe, and Relief International–France and Relief International–UK (collectively “**Relief International**”). While this Policy focuses specifically on Zakat, Relief International is also open to receiving Sadaqah and other forms of Muslim charitable giving to support our ongoing humanitarian work saving lives and providing communities in need with opportunities for greater health and wellbeing.

2.2. Zakat is one of the five pillars of Islam that obligates Muslims that own wealth equal to or above a defined Nisaab threshold to annually give 2.5 % of their wealth to charitable causes to benefit one or more from the eight categories of recipients specified in the Quran: {Alms are meant only for the poor, the needy, those who administer them, those whose hearts need winning over, to free slaves and help those in debt, for God's cause, and for travelers in need. This is ordained by God; God is all knowing and wise} (Quran:9:60).

Zakat serves as a means of gratitude for what you have been given from wealth to share part of it with the Muslim community to address social and economic disparities. The eight categories of permitted recipients of Zakat funds are:

- a) the poor
- b) the needy/indigent
- c) administrators of Zakat funds
- d) those that incline their hearts towards good
- e) those in bondage (slaves and captives)
- f) those in debt
- g) those in the cause of God
- h) those who are stranded or traveling with few resources

2.3. The specific aims of this Policy are:

- a) To ensure appropriate governance of Zakat funds from Islamic (Shariah) law perspective.
- b) To provide clear guidance to Relief International staff and partners on how Zakat funds should be collected, allocated, distributed, monitored, and reported on.
- c) To provide clarity to donors and recipients on how they can expect Relief International to collect, allocate, and distribute Zakat funds as an agent that administers Zakat on their behalf.
- d) To improve internal and external communications on Relief International's activities related to Zakat.
- e) To ensure that Relief International's Zakat activities are conducted in the most transparent and Shariah-compliant manner possible.
- f) To enable Relief International to utilize Zakat within our programs in a manner that ensures maximum impact and efficiency in saving lives, building greater resilience and promoting long-term health and wellbeing in communities affected by conflict, climate change and disaster.

3. Policy Principles

3.1. Relief International takes seriously the responsibility placed on it by Zakat givers, donors and recipients to collect, allocate, administer and distribute Zakat in accordance with Islamic teachings, the humanitarian principles, and our commitment to ethical conduct, good stewardship of funds, accountability and transparency.

3.2. Relief International is considered as a Wakeel (agent) of the Zakat giver as they are delivering their Zakat to the eligible beneficiaries.

3.3. All Zakat givings received by Relief International are internally tagged as Zakat, held in interest-free bank accounts, and ring-fenced for use exclusively for Zakat-eligible programs and projects.

3.4. Zakat-eligible projects are identified based upon need and in accordance with the eight categories noted in the Quran as specified in clause 2.2 above.

3.5. When a Zakat giving is designated to a certain program or project by a donor, this restriction will be respected and the funds used solely for the donor's intended purpose, unless doing so becomes impossible due to external circumstances. Where Relief International is unable to spend restricted Zakat in the requested manner, the Zakat will be reallocated to where it is most needed within the framework of this Policy.

3.6. When a Zakat giving is not designated to a specific program or project by the Zakat giver, Relief International allocates the funds to specific projects matching one of the eight categories of Zakat-eligible programs as outlined in clause 2.2 above. Relief International strongly encourages Zakat givers to make their donations unrestricted this way because it provides us with the greater flexibility to respond to urgent needs.

3.7. Where Relief International can increase the funds ultimately received by it through recognized tax schemes (for example, Gift Aid in the UK), we will treat this increase as a donation that can be used to support Zakat-eligible projects without restriction.

3.8. While Relief International will focus its Zakat-eligible projects in communities where there are Muslim majorities, as a humanitarian organization, Relief International will provide its support in those communities in a way that does not discriminate between individuals based on race, religion, sect, gender or disability. Relief International delivers aid guided by the internationally recognized humanitarian principles of impartiality, independence, humanity and neutrality. For instance, when working with a predominantly Muslim community in Lebanon that also includes a small number of non-Muslims in similar need, Relief International ensures inclusive assistance for all similarly situated individuals.

3.9. In the case where the target population is clearly Zakat eligible (i.e., refugees, internally displaced persons in a camp, following a natural disaster in a Muslim country, etc.), then it is clear or extremely likely that the beneficiaries are Zakat eligible and Zakat may be distributed without an individual eligibility assessment.

3.10. In line with item c) of clause 2.2, a portion of the Zakat funds collected are eligible to be allocated toward covering administrative and overhead costs of Relief International. A maximum of 11.4% of Zakat givings is allocated towards the administrative and overhead costs of Relief International, which is in line with the overhead costs across the organization. Administrative and overhead costs could include non-project staff, office costs and other support costs. We commit that our overall total administrative and overhead costs between ourselves and our partners will, in accordance with Shariah law, never exceed 12.5% of all incoming Zakat donations.

3.11. Relief International will make every effort to disburse Zakat funds as rapidly as possible, with the intention of using not later than within one lunar year of their collection, recognizing that circumstances outside of our control may occasionally necessitate a longer holding period of the Zakat funds.

3.12. Relief International is committed to ensuring that Zakat funds are tracked accurately and used within the above-mentioned constructs. As such, Zakat givings are marked specifically as Zakat so that the funds are allocated properly in accounting processes.

3.13. Frontline teams (including Philanthropy, Communications, Finance, Awards Management Unit (AMU) and country leads) will be trained on Zakat eligibility criteria, basic elements for calculating Zakat obligations, and on Relief International protocols for managing and reporting on Zakat funds so they will be able to provide clarity and understanding to stakeholders.

3.14. Relief International will monitor and evaluate Zakat projects as per our normal Monitoring & Evaluation procedures and processes.

3.15. Relief International will produce an annual report documenting how Zakat funds were spent in the prior financial year, either integrated into our annual report or as a stand-alone document.

3.16. Relief International has enlisted the expertise of a leading and respected qualified Islamic scholar: (a) to support the development this Zakat Policy; (b) to provide oversight and verification of the administration and distribution of Zakat by Relief International; (c) to conduct an annual review of Relief International's Zakat procedures and processes to ensure alignment with Shariah law and Islamic principles; and (d) review and approve the annual Zakat report referenced in clause 3.15.

3.17. Relief International's Zakat Policy has been reviewed and confirmed to be in accordance with Shariah by Shaykh Haytham Tamim. [Linked here.](#)

4. Required Procedures

4.1. Relief International implements its Zakat giving program and ensures compliance with this Policy through appropriate processes and procedures that are approved, monitored and reviewed by a qualified Islamic scholar.

4.2. Members of the public can get in contact with the Philanthropy and Communications team any time via zakat@ri.org to ask questions of the Zakat giving program.

5. Roles and Responsibilities

5.1. The Senior Leadership Team (SLT) is responsible for approving this Policy and overseeing its implementation, and ensuring compliance and that management decisions adhere this Policy.

5.2. The General Counsel is responsible for ensuring this Policy and related guidance and training materials remain up to date, and providing legal guidance regarding laws and regulations related to this Policy.

5.3. The Chief Finance Officer is responsible for ensuring Zakat funds are held, allocated, administered and disbursed to Zakat-eligible projects in accordance with this Policy.

5.4. The Awards Management Unit (AMU) is responsible for ensuring project implementation teams understand and meet any Zakat donor reporting requirements and obligations in accordance with this Policy. They will also ensure that the Grant Management Guidelines are kept up to date in line with this Zakat Policy,

5.5. The Regional Directors and regional management teams are responsible for ensuring this global policy and its procedures are rolled out fully and effectively in their regions. Regional leadership are responsible for ensuring that country leaders are aware of this Policy's requirements, supporting country compliance, and properly escalating challenges and gaps countries are facing in the implementation of the Policy within their region.

5.6. The Philanthropy Director is responsible for:

5.6.1. Ensuring this Zakat Policy is kept up to date and reviewed annually in accordance with the Policy;

5.6.2. Leading on annual Zakat report, working with other stakeholders to obtain figures on use of funds;

5.6.3. Responding to queries from members of the public on this Zakat Policy.

5.7. All Relief International management and leaders within the scope of their authority are responsible for ensuring that their decisions adhere to this Policy.