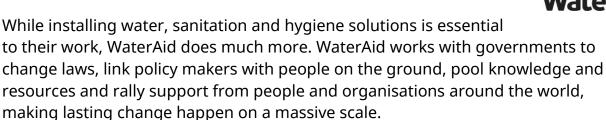
WaterAid Zakat Policy

Executive Summary

WaterAid works with partners in <u>28 countries</u> across the world to transform millions of lives every year by improving access to clean water, toilets, and hygiene. The work is supported by offices in the UK, US, Australia, Sweden, Canada, Japan, and India.



Why are WaterAid accepting Zakat?

In many countries where the state does not administer Zakat, such as Western nations, charities that have projects in the relevant sectors have stepped in to assist in the administration of Zakat on behalf of Muslims. As many of the projects being delivered by WaterAid are within predominantly Muslim-majority countries, we have undertaken an extensive consultation process on Zakat. As a result, WaterAid has developed its Zakat policy which confidently and appropriately fulfils the requirements of receiving and administering Zakat payments.

How does WaterAid use Zakat payments?

- Zakat payments made to WaterAid are allocated to a restricted Zakat fund and made available directly and only to Zakat eligible projects.
- 100% of Zakat payments are spent on projects and the costs associated with delivering the projects (for example, salaries of those working on the project) to help those identified as in need. Zakat is not used to cover any WaterAid's organisational costs that are not directly linked to the administration of Zakat and is only used to fund the specified projects.
- WaterAid Zakat eligible projects are in Muslim countries or Muslim majorities with clearly identified communities in need of water, sanitation, and hygiene.



WaterAid

How do WaterAid administer Zakat?

Principle Statement

At WaterAid, we ensure that Zakat is collected and utilised according to the widely recognised Zakat principles. Our projects are carefully selected within Muslim or Muslim majority communities around the world to ensure that we fully meet and fulfil the necessary Zakat criteria. Our policies and procedures are independently audited annually by a Zakat specialist and Muslim scholar to ensure we are fully Zakat compliant.

We have a 100% Zakat donation policy ensuring that only those communities who are in need of water solutions due to suffering from poverty and financial hardship receive the support through Zakat including any respective development costs in line with Zakat administration. Donors can select which country or project they wish to allocate their Zakat towards.

Key Zakat administration processes:

- WaterAid ensures its payment platforms clearly indicate and give the option to donate Zakat.
- Receipts are sent automatically for all Zakat payments marked as such.
- WaterAid has a dedicated, interest free bank account for Zakat, where funds are held until being sent to the relevant countries for implementation of Zakat funded project.
- Gift Aid can be claimed on Zakat payments. UK taxpayers can claim Gift Aid, which will be reclaimed by WaterAid and treated as a general to support our work.
- Zakat payments are utilised within one lunar year as per the rules and regulations of Zakat
- Communities or individuals who are potential recipients of Zakat are identified and consulted before appealing to donors for relevant projects
- Beneficiary communities are trained to maintain and service the installed projects



- Ownership of any Zakat project is transferred to local beneficiary communities upon completion
- Zakat funds can be used to support water, sanitation, and hygiene projects as well as intangible benefits such as education and training
- WaterAid country programme and partner staff monitor our project delivery and recipient communities, to ensure we always meet Zakat guidelines
- WaterAid is a development charity and as such abides by international codes of conduct ensuring all are supported within communities irrespective of religion or colour and as such some Muslim majority communities may also have a small number of non-Muslim beneficiaries in similar need of support and as such will also benefit from the project. Sadaqah or general funds will be utilised to meet any shortfall.

What was the scope of the consultation process?

WaterAid undertook a comprehensive research process to fully understand the required criteria around Zakat payments. This was followed by consultation process with Islamic experts who specialise in this field. WaterAid also consulted with British Muslims who represent the bulk of potential Zakat donors, alongside partners and recipients in regions where our projects are delivered. Finally, WaterAid worked with a Muslim charity consultant on the practicalities of their Zakat policy, processes, project delivery and wider implementation. As a result of this work, WaterAid has been able to develop its own robust Zakat policy.

Who can I contact for further information relating WaterAid Zakat policy?

If you have any questions about WaterAid and Zakat, you can get in in touch with us at supportercare@wateraid.org

WaterAid Zakat Advisors

WaterAid has worked with <u>Shaykh Abid Khan</u>, and his counterparts to help oversee the implementation of its Zakat policy.

Shaykh Abid Khan's knowledge and expertise will be crucial to provide advice and recommendations relating to its compliance and ensuring the reliability



and credibility of this policy. At least once a year a review will be carried out ensure the practical implementations of WaterAid's Zakat Policy.

Shaykh Abid Khan

Shaykh Abid Khan is a graduate of Law and a teacher by profession. Having studied the Islamic sciences with teachers in the UK, Shaykh Abid decided to take his studies further and spent several years studying at the prestigious Al-Azhar university in Egypt from which he graduated with a BA in Islamic and Arabic studies. He also holds a Masters in Islamic Education and completed a post graduate diploma for Imams under the tutelage of Shaykh Abdullah Yusuf al-Judai.

Shaykh Abid teaches at several institutions including the European Institute of Islamic Sciences and is a founder member of the Al-Marifah Foundation. Shaykh Abid also serves as a member of the Manchester Sharee'ah Council dealing with family law cases.

Shaykh Abid has worked with several international charities as a Zakat consultant and continues to advise various charities on Zakat related matters.

Checked and approved by:

Shaykh Abid Khan

18th January 2021

