



ifg

Zakat

Impact Fund

Strategic donations with leveraged
long term returns for the community

We are pleased to share with you IFG's Zakat Impact Fund. We are focused on maximum impact, long term poverty alleviation, and the overall strengthening of God's cause.

1 Zakat Eligible

The Fund is a discretionary zakat fund certified by Sh Akram Nadwi as zakat-eligible ¹.

2 Economic Empowerment

50% of the Fund will be deployed into economic empowerment: helping zakat-eligible individuals attend training and upskilling to get them started on a career or help them set up their own businesses to permanently climb out of poverty.

3 High Impact Strategic Donations

50% of the Fund will be deployed into high-impact strategic donations usually through funding a job role in organisations. The recipients of these donations will change from time to time but they will be chosen based on the following principles:

- Is this a donation that will create a leveraged return? (e.g. a political empowerment donation can unlock significantly greater returns based on what is successfully lobbied for, or a “catalyst role” that unlocks potential from hundreds of others)
- Is this an area that IFG can add specific expertise and guidance to?
- Is this an area that is otherwise neglected by other donors?

¹ Please note that if you follow certain narrower readings of zakat eligibility, you would regard only 60% of this Fund to be zakat eligible, so please adjust your donations accordingly.

We want to build a better world with your support. We have three goals:

1 A Self-Sustaining Zakat Pot

We want to go further than giving hand-outs (necessary though they are). We don't want to just give the fish, we don't even want to teach the man to fish - we'll buy the man the rod. Eventually some of the individuals we support will succeed and themselves become donors.

2 Ummah Strength

Global events have shown us starkly the Muslim weakness today. But it does not have to be this way. With the right legal, political, and intellectual moves, God's cause can be strengthened so that the Muslim position holds weight for everyone.

3 Affinity to Islam

We will help usher in a day when Islam is honoured how it should be, and Muslims are looked up to with respect. When non-Muslims are warm to the promise of our great faith. When everyday folk find the light of Islam in their thousands.

Leveraged donations go further

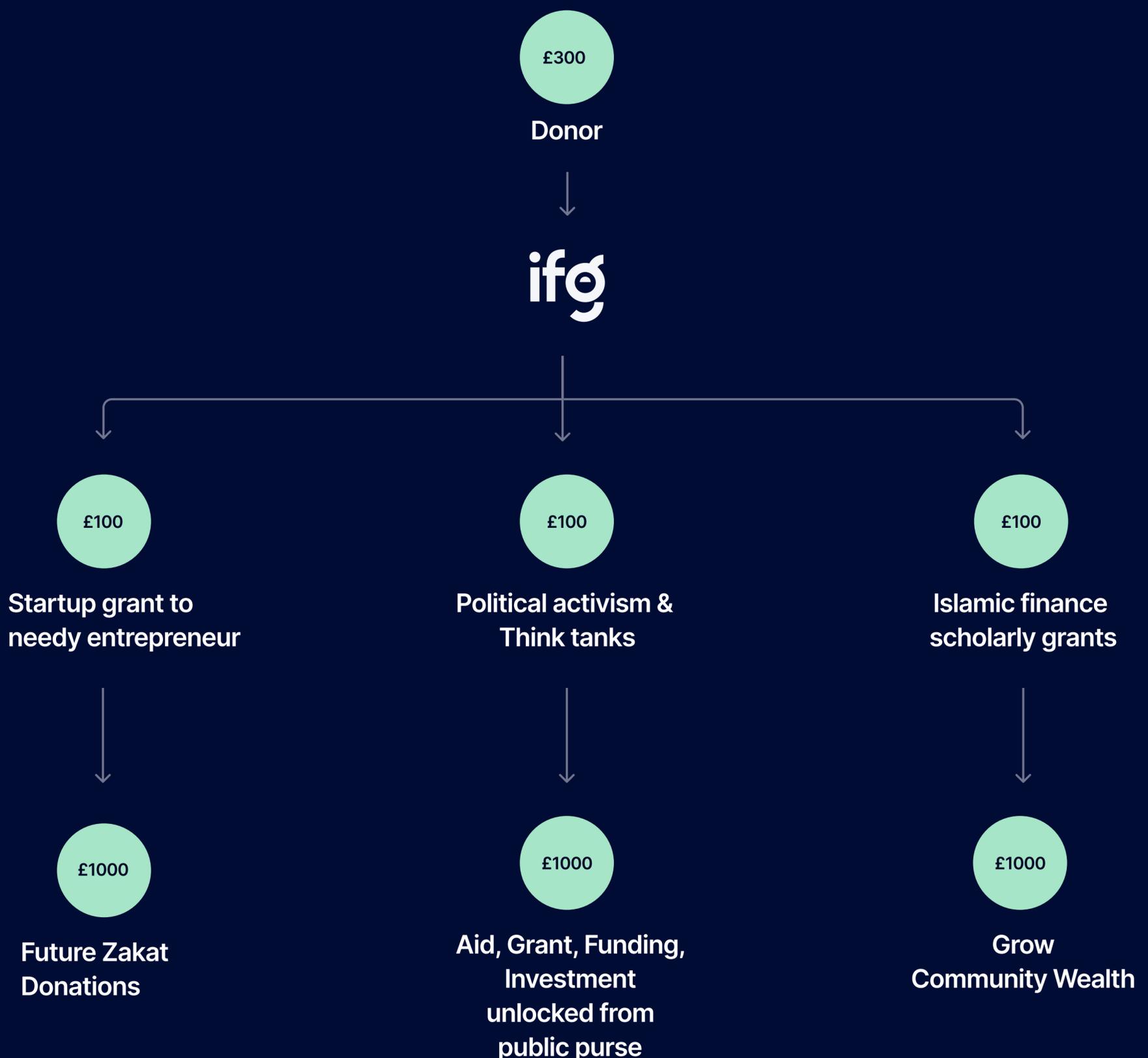
We think zakat on poverty alleviation is incredibly important - but we need to go beyond that as well. When we do this well, we get leveraged returns as a community.

Normal donation

(& we still need a lot of this)



Leveraged Donation





Fund Methodology

Fund Principles

- The Fund will look to back initiatives for the long term. We will try to follow our money over a multi-year timeframe.
- The Fund will look to take board or advisory seats wherever possible to help provide steer and oversight to the project. It is the intention of the Fund to be an active supporter rather than a passive donor.
- The Fund will initially take no administration fee but anticipates that as the Fund grows over time, it will eventually need to take a small administration fee. We will always be completely transparent about this.
- The Fund will always allocate a portion of its pot towards simple poverty alleviation, and once the Fund grows to over £20m per annum, 25% of the allocation will be to poverty alleviation.

Decision Making Process

- The receiving organisations will be determined by the IFG zakat executive committee comprising Ibrahim Khan and Mohsin Patel and overseen by an advisory committee of experienced charity sector donors.
- These allocations will be revisited every quarter by the committee.
- The Fund will require all recipient organisations to:
 - Submit annual accounts
 - Quarterly updates
 - Attend a bespoke strategy session focused around stress-testing impact and aligning on the theological underpinnings behind our public work.



Sharia Methodology

The fund will always adhere to guidelines set by Shaykh Akram Nadwi on eligible zakat recipients.

Economic Empower Pot

50% of the Fund will be focused on economic empowerment for zakat-eligible individuals and as such is accepted by all scholarly traditions as zakat.

Strategic Pot

50% of the Fund will avail of all zakat categories, particularly “reconciliation of the hearts”, “in the cause of God”, the poor and the needy. At least 10% of this Pot will be allocated to donations to the poor and needy.

Where an individual follows a narrower reading of zakat eligibility they should treat only 60% of the Fund as zakat-eligible.



Indicative Allocations & Impact



- **NZF Economic Empowerment 50%**
- **Political & Civic Participation 15%**
- **Think Tank 15%**
- **Islamic Finance Scholarly Grant**
- **Others 10%**

The above is an indicative example of how the Fund will be deployed, though it is a discretionary fund and the committee may decide to make small tweaks to the above as the situation arises - sticking within the rules of the Fund set out earlier.

Recipient

Desired Impact

Economic Empowerment

- A community of newly-employed created who would otherwise not have been employed as gainfully.
- A small minority of sustainable businesses are created which then flourish and contribute back into the pot.
- A self-sustaining pot created by Year 10.

Think Tank

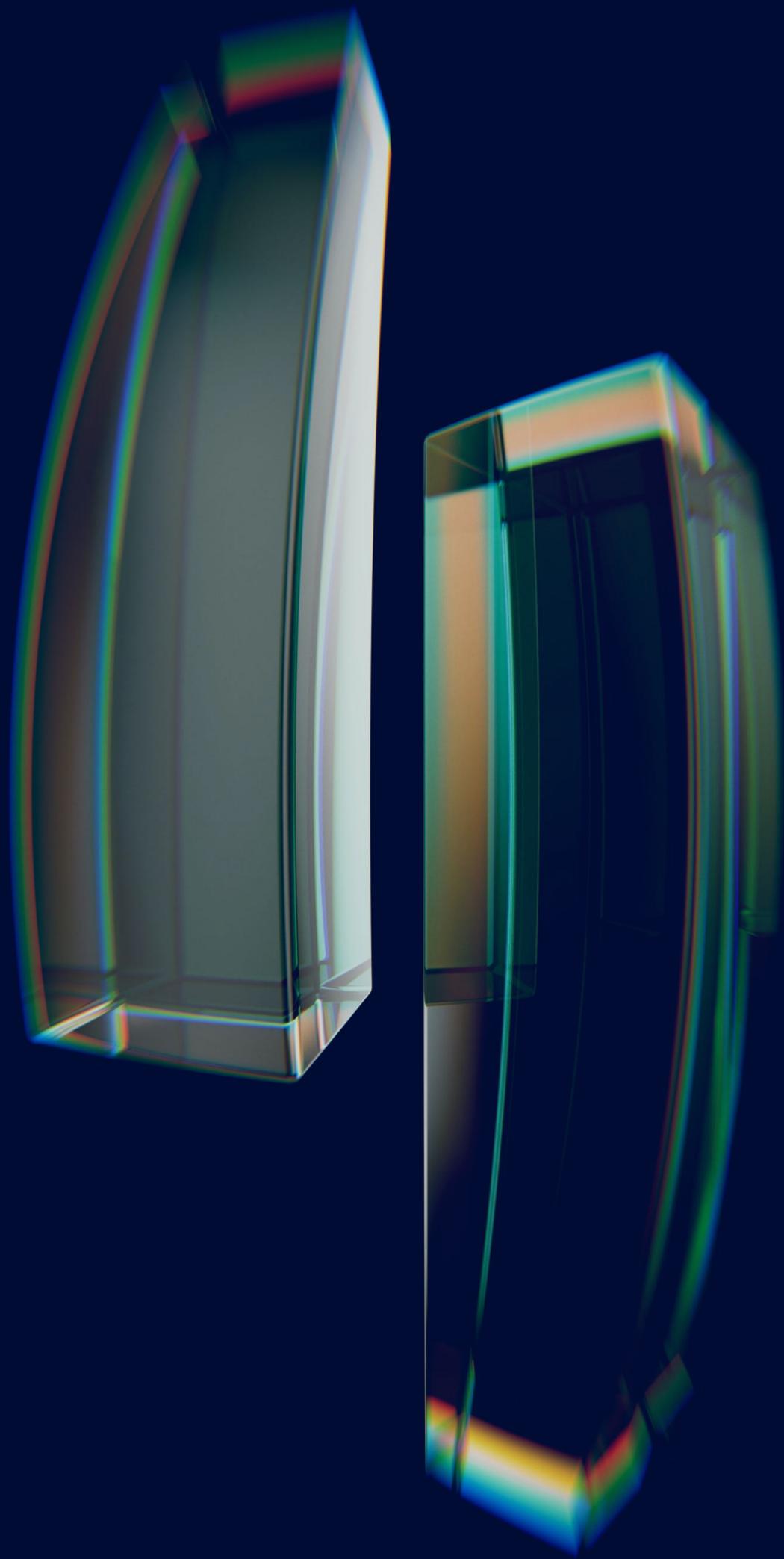
- A think tank that has the ear of the government that consistently churns out high quality policy papers on issues that move the needle for Muslims.
- An organisation that helps proactively shape the political narrative and agenda, rather than reactively playing catch-up

Political & Civic Participation

- An educated, coordinated and unified Muslim electorate.
- A Muslim community much more actively engaged at local civic society level.

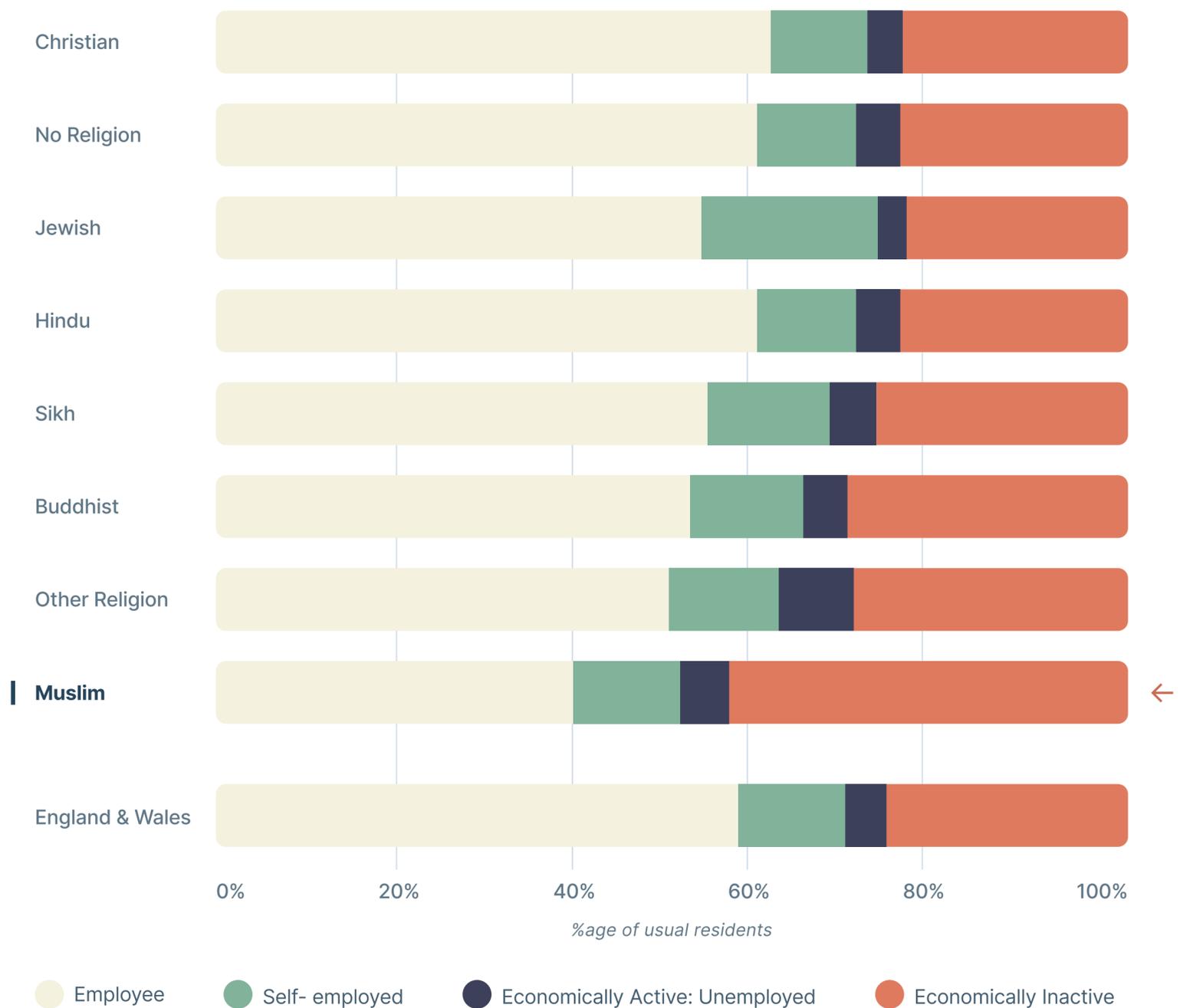
Islamic Finance Scholarly Grants

- A strong crop of future Islamic finance leaders who are experienced in Islamic financial law as well as modern finance and fintech with industry experience.
- The emergence of new startups and products to help fill the gaps in the market today.



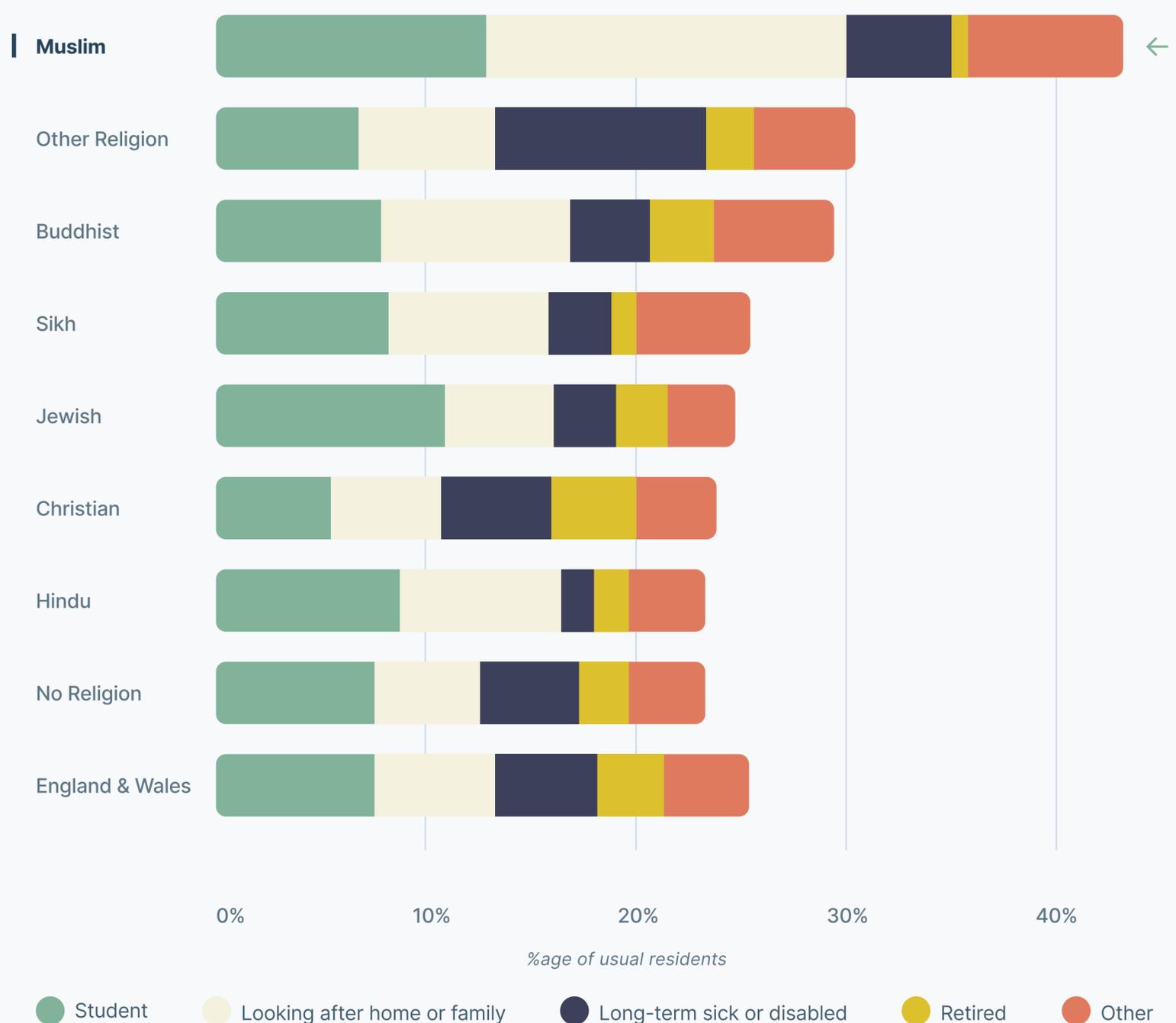
Economic Empowerment Deep Dive

Muslims in the UK are unfortunately the highest percentage for a faith group of *economically inactive* individuals



But there is also hope:

Our community is most well-represented in the student category, showing that there are bright, educated Muslims coming through who could do great things with the right funding:



The Fund anticipates raising £1m per year, and will be deploying £500k of that across multiple small grants.

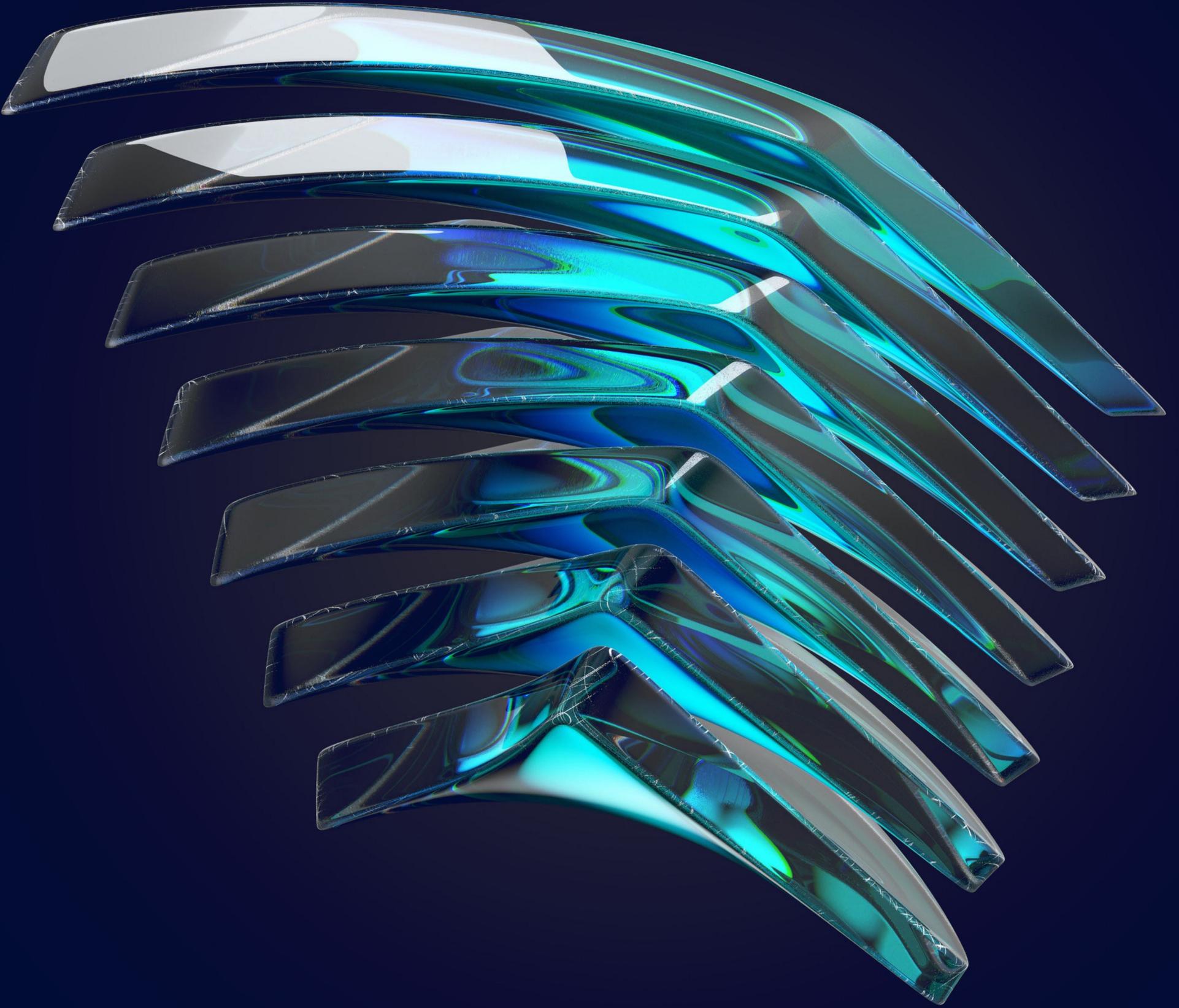


National Zakat Foundation are our chosen partner as they are leaders in distributing zakat and screening for zakat eligibility. They also already have an economic empowerment fund that supports those looking to get into employment.

IFG also has a long-standing relationship with **Deen Developers** and will make available some economic empowerment grants through pitch processes organised by Deen Developers, to all zakat-eligible participants. Funds will also be available ad-hoc to eligible recipients approached by NZF, Deen Developers or IFG.

IFG has a **domain expertise** in helping with entrepreneurial empowerment, will commit to providing training throughout the year to recipients of the grants, and will help train the National Zakat Foundation coordinators to help them pick the most viable projects.

Recipients of the grants will be encouraged (though not required) to donate their zakat and sadaqah back into this **economic empowerment pot** once they have grown their business. The aim for this portion of the Fund is to achieve sustainability within 10 years.



Strategic Pot

2024 is a year with **multiple elections** and as such we will be focused on donations that **leverage this dynamic.**

1 **Think Tank Initiative**

We will be making a foundational donation to **think tank initiatives** that will prioritise Muslim issues and equip policy makers with well-researched policy papers to help shape their thinking. It is time Muslims made incisive and useful contributions to the world of ideas and thoughts.

2 **Education & Local Drives**

We will support **local political education** and **civic participation drives** through community organisations to help organise Muslim voters.

3 **Strategic Donations**

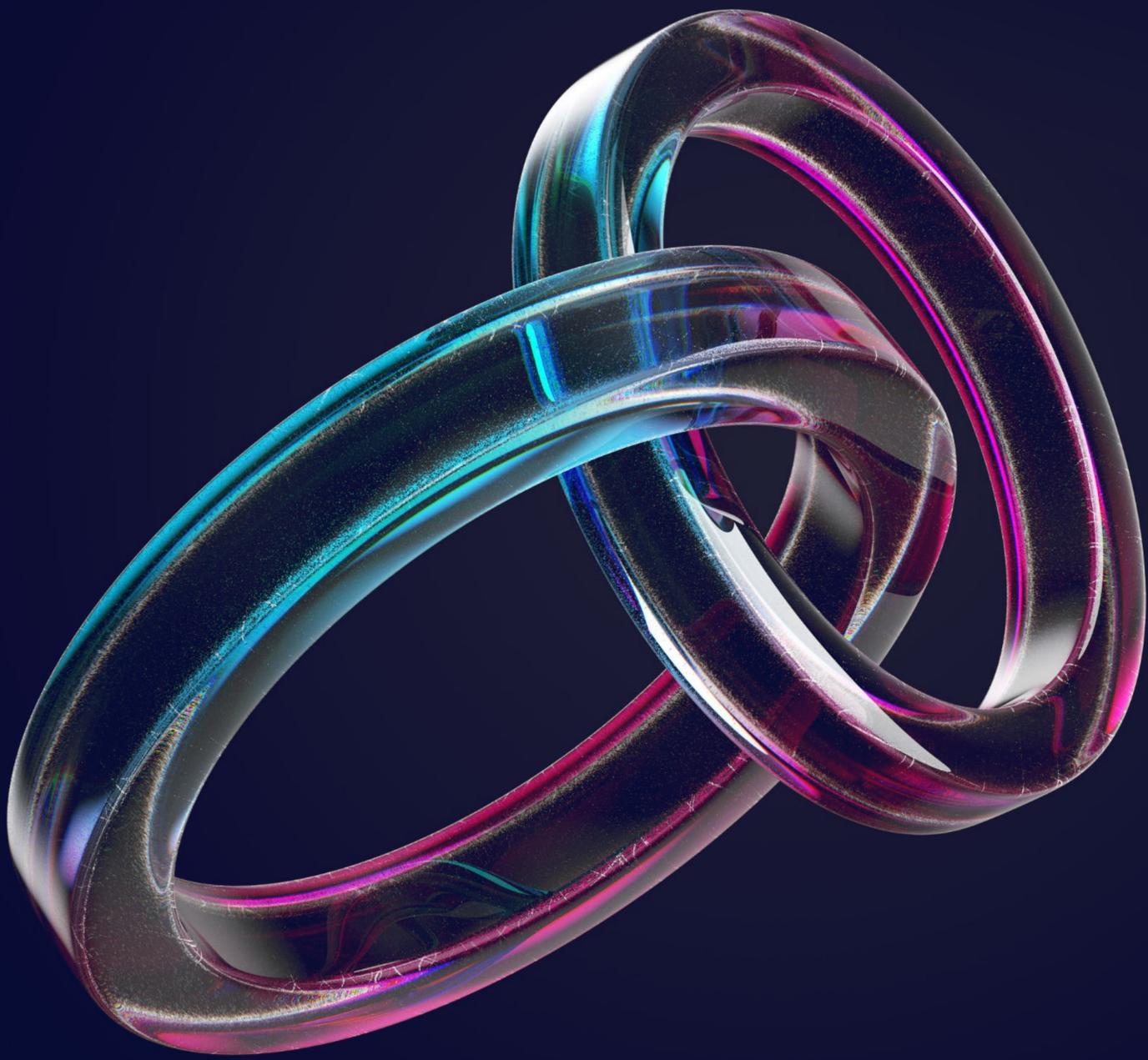
We may also make strategic smaller donations to **local groups**, **media outlets** and other **civil society organisations.**

IFG has, by the grace of God, come to play a central role in the Islamic financial system of the Muslim community and as such it can play a key role in shaping the next generation.

We will be funding specialist **Islamic finance practitioners** and scholarly grants over a 2-year period with a view to developing the next generation crop of IF leaders who are well-rounded in secular and Islamic scholarship and skill sets.

The IFG team are from a legal background and have been involved in pro bono legal work for years and as such they are well-placed to guide donations of a legal flavour.

- We will be looking to make strategic donations to legal charities in the UK and USA who defend Muslim rights.
- We will also be looking to donate to legal charities supporting the rights of the Palestinians and Palestine activists both in the Middle East and in the West.



How to donate

- 
- Investors on the [**Cur8 Capital platform**](#) can directly donate there.
 - Everyone can donate via [**this link**](#).
 - Not sure what your zakat amount is? Calculate and donate it [**here**](#).

Please ensure you fill out all details needed to claim gift aid on your behalf.

You can expect to receive semi-annual reporting for this Fund.

**Jazzzak
Allah
Khayr**