# Executive Summary

# Aiding the Ummah: Analysing the Muslim Humanitarian Charity Sector in the UK

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AYAAN INSTITUTE

# CONTENTS


| | |
|---|---|
| INTRODUCTION | 5 |
| EXECUTIVE SUMMARY | 9 |
| FROM CHARITY TO ISLAMIC WELFARE | 15 |
| MUSLIM COMMUNITIES IN THE UK | 23 |
| METHODOLOGY AND LIMITATIONS | 26 |
| OVERVIEW OF THE MUSLIM HUMANITARIAN CHARITY SECTOR | 30 |
| THE TOP 10 AND 20 MUSLIM CHARITIES BY INCOME | 35 |
| OVERVIEW OF COUNTRIES PROJECTS, AND TYPES OF AID | 43 |
| KEY CHARITY OBJECTS AND WORK | 52 |
| CONCLUSIONS AND RECOMMENDATIONS | 55 |


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# INTRODUCTION

*Syrian refugees families who came from Kobani district living in refugees tent in Suruc district, Turkey , Sanliurfa — Shutterstock*

# Analysing the Muslim Humanitarian Sector in the UK

## Introduction

The Ayaan Institute was established in January 2021, with a vision to work toward a Muslim world that is united, independent, strong, prosperous, free of wars and conflict, and capable of resolving their issues. At the heart of this vision is the huge challenge of working towards strengthening Ummah sentiments and solidarity beyond mere rhetoric. That requires an approach embedded in the production of knowledge, understanding, identifying obstacles, and practical measures to deal with problems.

The Muslim world is divided into 53 Muslim-majority nation-states, seemingly powerless, permanently dependent on the West, Russia, or China, and unable to tread independent political and economic paths. Most of these states emerged at the end of empires after the First World War, or at the end of colonial rule. In many Muslim countries, the political, economic, and educational inheritance of colonialism (from lack of development and exploitation), still handicaps these states. There remains economic and educational underdevelopment, political corruption, unjust legal/political systems, and a lack of welfare support for those in need. These factors combine to produce large-scale unemployment and long-term poverty within Muslim countries.

Added to this misery of poor economic progress, there have also been conflicts and wars between Muslim countries (or waged against them by Western countries), especially in the last 20 years. Some of these nation-states, in places like Iraq, Lebanon, Libya, Somalia, Sudan, Syria, and Yemen have, or are, fracturing into mini states along ethnic, tribal, or sectarian lines. These wars, along with occasional natural disasters and economic underdevelopment, have produced an endless need for welfare provision for large numbers of refugees and the poor in the Muslim world, often met by Muslim charities or international Western aid agencies.

Central to ending poverty and need in the Muslim world must be achieving genuine independence of states, through self-reliance, mutual trade, connectivity, good governance, and aiding persecuted or refugee communities. This must be grounded in an Islamic ethical/spiritual and practical framework. It also requires that those states work in partnership and alliance with each other to end conflicts and deal with poor economic performance.

When it comes to poverty, welfare, and refugees, those Islamic ethical values are rooted in the principles of solidarity and fraternity (Ikhwa) of the believers established at Madinah sometimes known as Mawakhat-e-Madinah, as well as the philosophy of welfare and its injunctions set out in the Qur'an. Indeed, one of the pillars of Islam is the giving of Zakat, mentioned almost always along with establishing Salah in the Quran. Zakat is incorrectly translated and considered as just charity or tax (even by Muslim charities) when it has a different philosophy and meaning. It means a spiritual cleansing leading to both material and spiritual growth and recompense in the afterlife. It is an act of faith and belief.

The structure of the modern world, and its global institutions being divided into states with borders, has produced a mentality in which fellow Muslims and non-muslims see other people in crisis as a problem and threat to countries, and their indigenous residents. This nation-centric international order often mitigates against Ummah-based solutions. The United Nations refugee agency (UNHCR) and international refugee conventions (from 1951) are based on the primacy of national interests and state laws. Thus, indigenous citizens are treated as having different rights from those seeking refuge or fleeing persecution. Land and wealth are viewed as belonging to a people and country; rather than an Amanah (Trust) from Allah SWT to individuals and groups of people and something to be shared and used to lift others out of need. In the Islamic obligations to the poor and needy, wealth and land are treated as a grant/gift from Allah SWT, not an individual, national, or ethnic property.

In the last 20 years, the number of external and internal wars in the Muslim world has led to a humanitarian crisis that has displaced some thirty-seven million people, mainly Muslims. The Ayaan Institute has described them as "An Ummah of Refugees". Their population is greater than some Muslim-majority states. Displaced Muslims live in squalid refugee camps in various parts of the world, totally dependent on aid. These camps have become a permanent feature of life for their inhabitants. Some of these camps have now existed for decades with second and third-generation children being born within them. They are confined to a life of misery with limited options to improve their lives, and are not free to attain any form of financial independence.

Contrary to media narratives in the West, most Muslim refugees reside in and are hosted in Muslim or developing countries. Whilst the United Nations assists with funding, there have been financial and political implications for some Muslim countries, which also happen to be the poorest in the world.

The terms 'migrant', 'refugee', and 'asylum seeker' have also become loaded with negativity and stereotypes. At Ayaan, we decided to limit the use of these terms and use alternatives such as mobile, roaming, international or transnational communities instead. This is in part a recognition of the changing world we live in. Global movements of people looking for work, or displaced due to conflict, natural disasters, and climate change are increasing. In the future, more people will be mobile and not emotionally or physically attached to borders. For this report, the terms migrant, refugee, and asylum seeker had to be used. We also use the term refugee generically in this report to include internally displaced people (IDPs).

Ayaan's mission is to further research issues such as transnational communities and humanitarian assistance and attempt to find solutions to issues arising out of the challenges this poses to states. We also aim to stimulate greater understanding and thinking among Muslims to develop and formulate new ideas and policy proposals for solving the complex problems facing Muslims and their states.

Muslim charitable giving is one area where the Islamic sentiments of the Ummah and fraternity have been strong. Charitable fundraising for those in need utilises Ummah and solidarity in campaigns. It is heartening to see that Muslims in the UK involved in humanitarian assistance, are working actively in different parts of the world within the spirit of Ummah.

However, whilst that work is vital, very little research has been done on what that work looks like, its effectiveness, and if it accords with the Islamic concepts of welfare rather than contemporary Western notions of charity. With that in mind, and to highlight the positive work of UK Muslim global humanitarian assistance, we set out to examine the work of the Muslim humanitarian sector in the UK. Whilst this work is confined to Muslim charities in the UK, it is worth noting that there are also significant contributions to humanitarian assistance being made around the world by Muslim communities living in the USA, Canada, Australia, and Europe.

Although this research is not as extensive as we would have liked, due to limitations of information available on the Charity Commission information portal, and in charity annual reports, we believe this report to be a first of its kind from which further analysis can be conducted.

Since the Global War on Terror in 2001, the work of Muslim charities has increased and been under great scrutiny and pressure. Many charities have faced investigations, constant media intrusion, and scrutiny of their work and activities. Yet the UK Muslim community and charity sector have shown great resilience and commitment, to ensure that the religious obligations of the community toward the least well-off and persecuted continue to be fulfilled.

The information in this report shows just how seriously Muslim communities take their religious obligations to help the poor and needy around the world. It is in the divinely ordained rituals and obligations of Islam that we find the greatest expressions of Ummah solidarity. The Islamic faith has provided us with the tools to provide for the welfare needs of the Ummah, whether states and politicians are working towards those goals or not.

As someone working among this sector, I am regularly engaged with charities about how they can do more and make their work more effective for those in need and the crisis situations in the Ummah. I hope this report will be of some assistance.

I would like to thank Beatrice Bianchi our Research Associate, for the dedication and diligence she has shown in collating and analysing this important data and contributing towards the recommendations for the future. My thanks also to all the Directors at Ayaan for their support with this research and report, and all the important work that Ayaan has been progressing in the last two years.

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# EXECUTIVE SUMMARY

*Dadaab, Somalia: Tent camp where thousands of Somali immigrants – Photo by ikurucan www.depositphotos.com*

# 1. EXECUTIVE SUMMARY

1.1 An important part of the Ayaan Institute's mission is to identify practical expressions of Ummah solidarity and examine how they can be further enhanced. Our foundation and framework document "Creating a New Civilisation of Islam" identified several project ideas and solutions for enhancing greater Muslim Ummah solidarity and unity. One of these areas was to strengthen charity and community development work.

1.2 It is in Muslim giving and humanitarian work that we find the greatest expression of Ummah sentiments and solidarity. This is not surprising, as the inspiration for that work is to be found directly in the Quranic injunctions regarding Islamic welfare for those in need.

1.3 This research report we believe is the first of its kind, in identifying the number of Muslim humanitarian charities, analysing their contribution, and attempting to provide further strategic direction.

1.4 Searching through Charity Commission data and examining charity accounts and reports is a difficult, time-consuming task. However, we believe this work was necessary and has provided a useful overview at a time when Muslim donors, media, and the public are asking more questions about the nature and effectiveness of the work of Muslim charities.

1.5 Our research was focused on Muslim charities in the UK whose main object was international humanitarian work. We found that as of the year 2020, there were 1026 such charities. The number of humanitarian charities has grown from just two in 1960 to 1026 in 2020. Much of this growth (91%) has occurred in the last 20 years, coinciding with the Global War on Terror and increasing poverty in Muslim countries. This is not surprising given the chaos and destruction caused by wars and conflict in the Muslim world.

1.6 These 1026 charities are managed by 4108 trustees, 4509 employees, and 10127 volunteers. Although we were not able to accurately quantify this, it is apparent through name checks and our knowledge, that trustees are primarily male. There may be more females among employees and volunteers, but we were unable to verify this.

1.7 From 2017 to 2020 there has been a £192 million or 37% growth in the income of Muslim charities in the humanitarian sector. We estimate that based on a conservative income growth rate of 20% every four years the sector could be raising £4.39bn by 2051.

1.8 The combined annual income of these charities for 2020 was £708 million, of which 73% was from general donations. Expenditure for the same period was £611 million, of which 82% was spent on charitable activities. Governance and fundraising together amount to 16% of the total annual spend, or around £96 million. This is in line with averages for similar non-Muslim charities in the sector.

1.9 The amount collected and disbursed within the year shows a remarkable level of commitment and energy in a sector managed largely by voluntary effort. This growth occurred during a period when Muslim charities and their work were subject to greater scrutiny by security services and regulatory agencies around the world. This highlights the resilience of the sector in times of adversity.

1.10 Despite there being 1026 charities, the top 20 by income accounted for 76% of all income, and the top 10 accounted for 62%. Beyond these 20 charities, there are another 20 charities that have an annual income of between one to six million pounds. Whilst the top 10 charities by income are mostly long-established, there is a younger group of charities that have emerged since the war in Syria which began in 2011, who are doing well.

1.11 If we were to include all income from Muslim charities working in the UK, including from some around 2752 mosques/prayer venues, community charities, and all the individuals disbursing Zakat themselves; then we can estimate with some certainty that Muslim giving in the UK would easily exceed a billion pounds a year (£1bn) in 2020. Therefore, in terms of income, employment, and skills development of volunteers, the Muslim charity sector makes a significant contribution to the UK economy and civil society.

1.12 If we consider Muslim giving in the USA, Australia, Canada, and other parts of Europe, then it is apparent that Muslims in the West also make a significant material contribution to the Muslim Ummah in need within Muslim-majority states.

1.13 Despite Zakat being considered central to Muslim giving, we were not able to quantify the total amount of Zakat donated or spent by Muslim charities. This is due to donors not always specifying the nature of the donation, and insufficient public reporting of Zakat by Muslim charities. We were also not able to quantify the total amount of Gift Aid recovered by charities from HMRC, which forms part of the tax paid by Muslim donors returned as donations to the charity.

1.14 If we assume an average of Zakat contributions at 40%, the very high end of what some charities told us, then most Muslim charity income is still not from Zakat. This is contrary to what most Muslims tend to believe.

1.15 Between 2019 and 2021, the Muslim humanitarian charity sector carried out around 3171 projects in 90 different countries around the world. These countries are also broadly in line with either the ethnic origins of the Muslim population in the UK, or areas where there is war, conflict, or natural disaster. In total, 2074 projects out of 3171 were carried out in ten countries (65% of the total). These ten countries were Pakistan, Bangladesh, India, Yemen, Syria, Palestine, Somalia, Gaza, Iraq, and Gambia.

1.16 There were 809 projects carried out in Pakistan, 529 in Bangladesh, 186 in India, 291 in Arab countries, 138 for Palestinians, and 65 in Somalia. This reflects the ethnic composition of the UK Muslim population and key conflict zones.

1.17 The top 11 broad programme categories within which projects fell were food distribution, education, medical aid, water security, orphans, emergency relief, refugees, winterization, development, women, and children. Food distribution accounted for 27% of the 2074 projects. Whilst food aid benefits everyone, there seems to be a lack of projects specifically catering for the needs of women (2.5%), children (1%), and refugees (5%). Given that these three categories are most impacted by wars, conflicts, and displacement, this is somewhat surprising.

1.18 Each of these eleven broad category types of activity is further broken down into defined sub-categories in Figures 9-17. The project sub-categories here will be familiar to most donors as they tend to be those around which fundraising campaigns are conducted, such as orphan sponsorship, refugee emergency aid, and widows. These sub-categories are also broad and not specific. However, much of the aid in these categories also tends to be food or basic needs aid.

1.19 It is obvious that Muslim charities could be carrying out a more diverse range of projects to meet needs. For example, we are not aware of any projects that provided protective clothing, or other support measures to stop injuries to civilians and children in Syria or Yemen, from firing or bombing. Such projects could have prevented many injuries, permanent disabilities, and loss of life over decades of war. Our sources also inform us that there is a great need for artificial limbs in parts of the Muslim world such as Afghanistan and Libya. Helping to establish local businesses that make and supply artificial limbs is a need that would benefit local economies. There are also many needs of women that are not being fulfilled.

1.20 The work of the Muslim humanitarian sector is vital to Muslims around the world, and the need for their work in the foreseeable future is also likely to increase. This is due to further displacement due to global warming, increasing Muslim populations in the Muslim world and the economic failure of Muslim states, leading to mass poverty. The bulk of the world's refugees (including IDP's) in camps, or makeshift settlements, that have existed for decades, are Muslims (in the case of Palestinians they have been stateless refugees for 75 years). The Muslim world cannot be content with such a dreadful situation, which is a mockery of the very idea of an Ummah.

1.21 Ending conflicts and wars through political solutions and preventing the targeting of civilians and war crimes in the Muslim world is a political priority.

1.22 For the charity sector, we argue for a more strategic focus and a better practical approach to the notion of Ummah. It would be an approach based on Islamic welfare. This we argue would yield more benefits and impact. Such an approach requires thinking outside the nation-state, international system, and institutional frameworks. It requires us to think and imagine Islamic Ummah as a philosophy, set of ethics, values, and practical civilisational endeavour relevant in any situation.

**"Muslim refugees have become trapped by the borders of nation-states and international order"**

1.23 The Qur'an, Seerah, and Sunnah of the Prophet Muhammad ﷺ provide an approach to Islamic welfare that can operate within or outside of an Islamic state and system. This approach is summed up in the Islamic religious obligations toward the needy.

1.24 Zakat, for example, is the right of those in need in the wealth of Muslims who are better off. As we say in this report it is "their right in your hands". Zakat is a central component of Islamic Welfare in the hands of Muslims. If it is seen just as a charitable donation to the poor, then there would be no objection to non-Muslims collecting and disbursing it. Indeed, that is already happening with the UNHCR, and non-Muslim charities starting to collect and distribute Zakat

(the UNHCR collected $154.24m Zakat and Sadaqah from 2017-2022).[1] Zakat is an act of faith and should be collected and disbursed by those of the faith. It must not become just another donation that can be collected and handed out by anyone. There are also other types of religious dues and prescriptions, such as Zakat al Fitr, Sadaqah, Qurbani, and Qard e-Hasana.

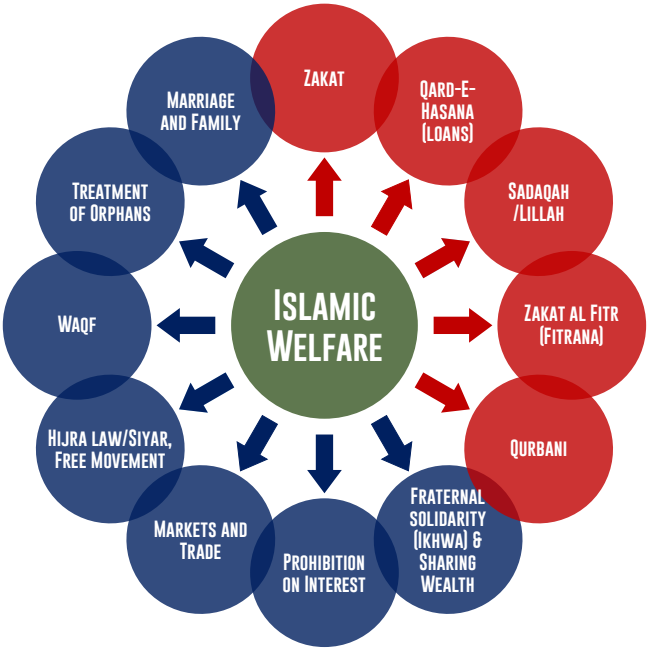
1.25 The approach to Islamic welfare was also exemplified by the Prophet Muhammad ﷺ and his successors in the early period of Muslim rule. For example, seeking refuge in other places, and develop fraternal solidarity (Ikhwa) through sharing of wealth and assets, until the dispossessed attained financial independence. This approach also involved establishing markets and opportunities for trade.

1.26 The fraternal bonds of mutual assistance at Medinah between the Muhajireen (migrants) and Ansar (the indigenous residents) are referenced in the Quran.

> *"As for those who had settled in the city and embraced the faith before the arrival of the migrants, they love whoever migrated to them, never having a desire in their hearts for whatever of the gains is given to the migrants. They give migrants preference over themselves even though they may be in need. And whoever is saved from the selfishness of their own souls, it is they who are truly successful"*
> **Al Quran 59:90**

1.27 Later, in Muslim rule and history, some of these values were embodied in the laws of the Muslim states. For example, Hijra /Siyar law (Siyar is the historic Islamic international law which included rights of refugees and the persecuted, and relations with non-Muslim rulers). Muslims used to have a guaranteed right to move freely to another Muslim area to escape persecution, to trade or receive education, provided no crime had been committed. That right was extended to non-Muslims, a right that many persecuted, including Jewish communities, also benefited from.

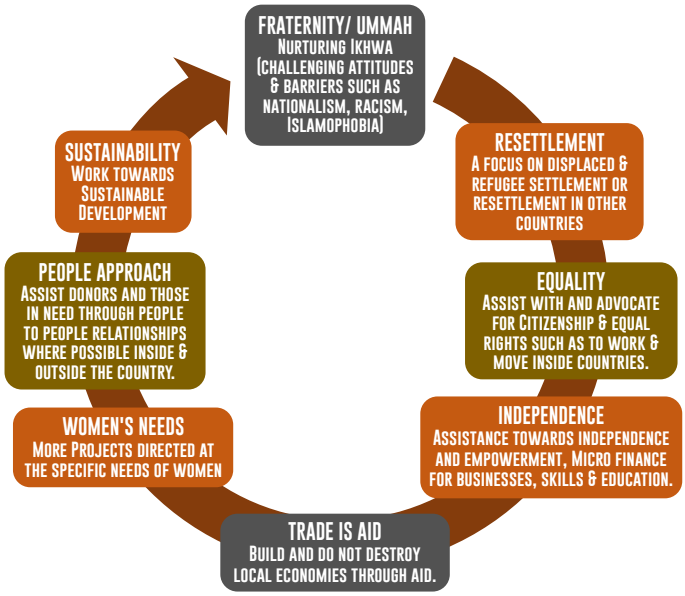
1.28 The diagram below identifies the key components of Islamic Welfare.



*A syrian refugee child in front of his tent in Zaatari refugee camp. Amman, Jordan.* *Shutterstock*

[1] https://wzwf.org/wzf-release/272-zainulbahar-noor-reject-unhcr-zakat-collection.html#:~:text=First%2C%20the%20United%20Nations%20itself%20is%20not%20a,so%20is%20the%20zakat%20organization%20from%20each%20country
https://zakat.unhcr.org/wp-content/uploads/2021/03/UNHCR-Islamic-Philanthropy-2021-Annual-Report.pdf

1.29 We also recommend an eight-point approach or focus for the work of Muslim charities. We recognise that a few charities may be doing some of this work, however, with many charities in competition with each other for funding, and purely focused on delivery, there is often little time for strategic thinking




1.30 When we examined the objects and activities of charities, we found that few have a human rights object or carry out research, advocacy, and campaigning to advance the interests of their beneficiaries or object (within the bounds of charity law). Additional objects could be added. We recommend that charities attempt to do much more in advocacy to assist in tackling barriers that exacerbate poverty and dependence, such as racism, Islamophobia, and laws that prevent settlement.

1.31 We consider this research report the beginning of a wider discussion within the charity sector and among policymakers about how we can move towards an Islamic Welfare philosophy and approach to working with the needy and poor in the Ummah.

1.32 We recommend that several practical measures are taken to develop these approaches further and we will establish working groups for charities interested in doing so. We also make recommendations for policymakers, Muslim states, and the media in the report.

1.33 The work of Muslim charities have had negative media coverage since 2001. The media and policymakers should promote the positive contributions being made by the Muslim humanitarian chairty sector in the UK.

1.34 It should not be sufficient that Ummah, brotherhood, and unity become sentiments only during Ramadan, religious festivals, emergencies and fundraising. They must become practically embedded in the approach and work of Muslim humanitarian charities. It goes without saying that this should be within the confines of UK Charity Commission regulatory guidance.

> *"This is the Book! There is no doubt about it—a guide for those mindful of Allah, who believe in the unseen, establish prayer, and donate/give from what We have provided for them, and who believe in what has been revealed to you O Prophet, and what was revealed before you and have sure faith in the Hereafter. It is they who are truly guided by their Lord, and it is they who will be successful"*
> Al Quran 2:2-4

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