

In the Name of Allah, the Merciful and the Compassionate

## Tabah Foundation's Annual Review of UNHCR's- Refugee Zakat Fund Operations (February 2021)

On February 8 and 25, Tabah Foundation for Research and Consultancy conducted their third annual compliance review of UNHCR's Zakat distribution processes. This year's reviews could not be held onsite and in person due to the current pandemic, so reviews were conducted via virtual meetings with UNHCR's offices in Lebanon, Jordan, Yemen and Mauritania.

During these meetings, UNHCR staff clarified the amount of Zakat funds donated to beneficiaries in each country, that funds equalling that amount had been allocated for and distributed in each of the four countries under review, and the number of households and individuals impacted through distribution of Zakat funds.

**General.** During 2020, UNHCR received \$48.58 million USD in Zakat. Donors had the option to designate a country where their donation should be allocated, or that it should be allocated where it's most needed. Donations for the four countries under review were

Lebanon	\$5,665,819.59
Jordan	\$865,990.22
Yemen	\$26,549,862.76
Mauritania	\$85,424.87

More detailed figures can be found in UNHCR's forthcoming 2021 Islamic philanthropy report.

**Lebanon.** There are currently an estimated 1.5 million Syrian refugees under UNHCR's protection in Lebanon. During 2020, UNHCR distributed nearly \$66 million to the most vulnerable Syrian refugees living in Lebanon through its cash assistance program; \$5.6 million (9% of the total cash assistance provided) was funded by Zakat, 100% of the Zakat going to Zakat-eligible recipients. This Zakat reached 50,298 families, each family receiving

\$102<sup>1</sup> monthly on average. The top three uses for the assistance were food, rent and health costs.

**Jordan.** There are 752,193 registered persons of concern in Jordan; 88% are Syrian. During 2020, UNHCR distributed nearly \$62.3 million to the most vulnerable Syrian refugees in Jordan through its cash assistance program; \$865,990 (1.39% of the total) was funded by Zakat, 100% of the Zakat going to Zakat-eligible recipients. This Zakat reached 3,509 families, each family receiving \$180 monthly on average. The top uses for cash assistance funds include food, rent, utilities and bills, health costs, and water.

**Yemen.** Out of Yemen's population of 30 million, 80% (24 million) are in need of humanitarian assistance, 58% (17.4 million) live in extreme poverty, and over 13% (3.9 million) are displaced. From that 13%: 73% of them are women and children, 92% have no source of income or live on less than \$40 per month, and 67% live in a dire situation of emergency food insecurity. There are also over 135,000 registered refugees and asylum-seekers in Yemen, mainly from Somalia and Ethiopia. During 2020, UNHCR distributed nearly \$55 million to the most vulnerable displaced families through its cashed-based assistance program; \$26 million (48% of the total) was funded by Zakat (with \$25 million donated by a single donor), 100% of the Zakat going to Zakat-eligible recipients. This Zakat reached over 108,000 families, each receiving \$245 on average. The top uses for cash assistance funds include food, rent, firewood and fuel and gas, health costs, and water.

**Mauritania.** There are 67,622 refugees located in Mauritania. During 2020, UNHCR distributed nearly \$485,280 to 62,546 Malian refugees located in the Mbera camp through their cash-in hand program which distributes funds for specific needs, shelter, and socio-economic support; \$85,425 (17% of the total) was funded by Zakat, 100% of the Zakat going to Zakat-eligible recipients. This Zakat reached 2,090 refugees, each receiving \$40.87 on average. The top uses for funds include food, coal, debts, and transportation.

<sup>1</sup> Families receive cash assistance in local currency. As a result of the exchange rate variations, the assistance to beneficiaries increased from LBP 262,500 in April, to LBP 320,000 in May to LBP 400,000 in July.

UNHCR's Zakat distribution operations in all regions perform periodic assessments to ensure that Zakat is channelled to individuals who are Zakat

eligible according to the guidelines mentioned in Tabah's UNHCR Zakat distribution . Checks are also made at the time of collection to verify the identity the recipient's identity. The specific means of distribution and verification vary from country to country, ranging from ATMs with iris scans (Jordan), ATMs with pins (Lebanon), and in-person cash-in-hand verification (Mauritania and Yemen). Programs in all regions perform periodic follow up surveys to assess how funds are used, their impact, difficulties experienced in collecting funds, coping mechanisms, and other aspects of service delivery.

Based on the information UNHCR presented to Tabah Foundation during these meetings, Tabah Foundation continues to endorse UNHCR's Zakat distribution programs in those countries. Tabah also offers the following recommendations:

Tabah recommends that UNHCR explores options to inform recipients that some of their funding comes from Zakat so they are aware that the global Muslim community has not abandoned them.

Tabah advises UNHCR to follow a clearer approach to managing donations that have been designated by online donors 'to where it's most needed', which are currently allocated by UNHCR to the least funded Zakat-compliant programme on annual basis. In 2020, these funds have been allocated to IDPs In Iraq.

And Allah knows best.

Report drafted on behalf of the Tabah Foundation review committee by Musa Furber (Kuala Lumpur based), Senior Research Fellow, Tabah Foundation

Date: March 23, 2021

