



#Zakat

#IslamicSocialFinancing

#InvestInHumanity

#MERCYMalaysia

INTRODUCTION

**Islamic Social Financing (ISF) is a corporate social responsibility initiative in the forms of humanitarian and socio-development programs by Islamic Financial Institutions (IFI) and corporations. Innovative investments in humanitarian action through ISF will not only lead to effective relief works and long-term social improvements, but also to long-term resilience and to adaptive capacity building for communities at risk.**

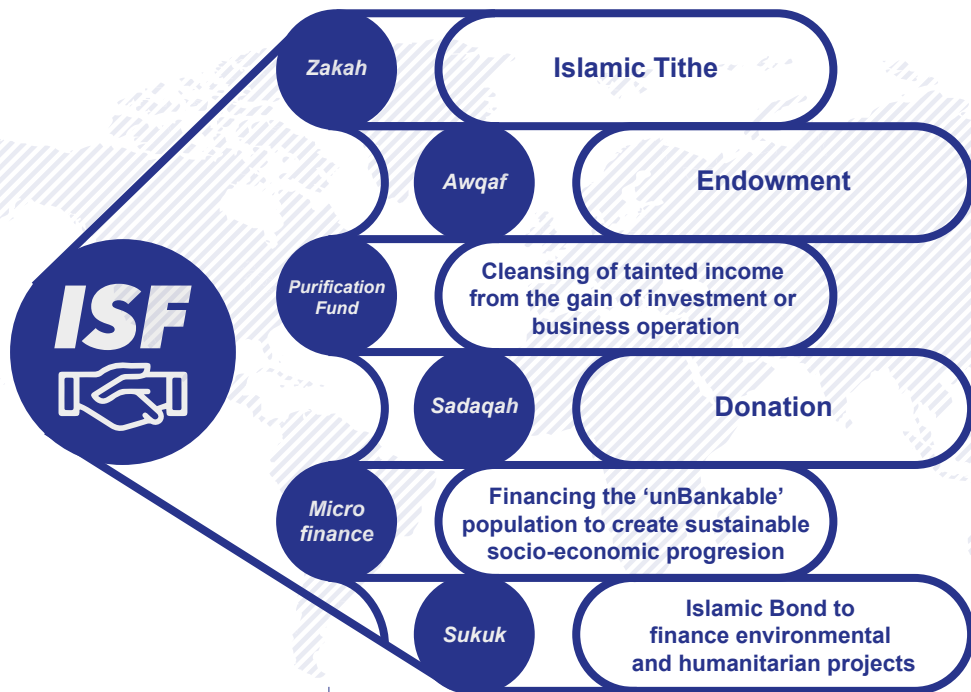


## ***Zakat Initiative for Humanitarian Actions***

***Islamic Social Financing for Sustainable Humanitarian and Development Funds.***

# Islamic Social Finance:

## An innovative and sustainable approach in humanitarian financing



Funding is one of the biggest challenges faced by NGOs – it is about maintaining the long term health, security and effectiveness of an organisation. Successful fundraising enables planning the long term future of an organisation. Devising, implementing and reviewing a fundraising strategy is a way for NGOs to work towards sustainable funding.

At MERCY Malaysia, we are always on the lookout of any potential fundraising initiatives to finance the whole projects and operation costs. One of the fundraising initiatives is through Islamic Social Financing (ISF).

Islamic Social Financing (ISF) is a corporate social responsibility initiative in the forms of humanitarian and socio-development programs by Islamic Financial Institutions (IFI) and corporations. ISF is done through various approaches and structures that are predefined by Shariah Law.



## MERCY Malaysia's zakat initiative

*“There is no greater purpose than giving these people, who have nothing, the ability to stand up and make something of themselves, realize their potential, and maintain their dignity and hope.”*

Among the main structures applied in ISF programs are Zakat, Waqaf, Purification Fund, Sadaqah, Microfinance and Sukuk. As part of the ISF initiatives, MERCY Malaysia has positioned itself as the recipient of funds for Donation, Zakat and Purification Fund from the tainted incomes of Shariah non-compliant business and investment activities.

Besides sustainable funding, these initiatives are to help save and improve the lives of the people who have been all but ignored for generations and give them a chance to change their lives towards the better, living happily, healthily and productively.



## *Why MERCY Malaysia?*

# Delivering humanitarian aid

*MERCY MALAYSIA is one of the major agencies of its type to provide an efficient, trusted route for people to fulfil Zakat obligations. Through its Zakat initiative, MERCY MALAYSIA provides an efficient, trusted and discreet route to ensure Zakat contributions go directly to the people most in need.*

### **20 YEARS OF HUMANITARIAN ACTIONS**

MERCY MALAYSIA has a 20-year track record in providing aid to people in need throughout the world, regardless of the background of their plight. Through a unique carefully planned development programme, all Zakat contributions go directly to the people most in need.

### **ACCOUNTABILITY**

MERCY MALAYSIA provides complete peace of mind: our Zakat initiative is subject to rigorous governance and oversight, ensuring transparency throughout the process, and our core mandate and groundwork set the global benchmarks for the provision of aid. We take the responsibility of handling Zakat extremely seriously. By making your Zakat payment to MERCY Malaysia, you can be sure your payment will help those suffering from poverty or extreme hardship.

### **EFFICIENT AND SAFE**

In providing a fast, efficient, discreet and safe way for people to fulfill their Zakat obligations, through online bank transfers, MERCY MALAYSIA is bringing Zakat provision into the modern era.



## Accreditation

# Zakat collection appointment

*MERCY Malaysia has been appointed as a Zakat Collection and Distribution Agent by Lembaga Zakat Negeri Kedah and Majlis Agama Islam Perlis. MERCY Malaysia has also been appointed by Lembaga Zakat Selangor to provide Healthcare Services to Refugees in Selangor.*



## Timeline



**June 2018** – Collaboration with Lembaga Zakat Selangor in providing Health Services to Refugees in Selangor



**October 2018** – Appointed as Taawun Agent for Majlis Agama Islam Perlis



**October 2018** – Appointed as Corporate Agent for Lembaga Zakat Negeri Kedah



**December 2018** – Invited to collaborate with MAIWP in providing Medical Outreach for Urban Poor in Klang Valley



## ISF Framework

# Zakat collection distribution

*MERCY Malaysia has created viable pathways and framework for mobilizing and operationalizing Zakat for the purposes of development and humanitarian assistance. This framework is important as it is not only congruent with the times but address the empowering aspects of Zakat to serve those in need.*

### EXAMPLES OF PROGRAM TYPES

1. Food aid programs
2. Clean water and sanitation projects
3. Healthcare services
4. Reproductive health improvement
5. Education support
6. Community livelihood
7. Emergency relief
8. Disaster preparedness
9. Vounteers support
10. Logistics and operations support
11. Rebuilding and reconstruction
12. Protection and psychosocial support



Islamic Social Financing



Zakat management:  
Dedicated bank account



Zakat distribution:  
Programs and operations



Monitoring/reporting:  
Shariah advisory board  
MAIPS  
LZNK



## Governance

# Our Shariah advisor

- MERCY Malaysia's Exco Members
- ISF Team
- Management



### Advisor

Datuk Dr. Mohd Daud Bakar is the Chairman of the Amanie Group and was previously the Deputy Vice-Chancellor at the International Islamic University Malaysia. He is currently the Chairman of the Shariah Advisory Council at the Central Bank of Malaysia, the Securities Commission of Malaysia and the Shariah Supervisory Board of The International Islamic Liquidity Management Corporation. He is a Shariah board member of the Dow Jones Islamic Market Index (New York), Muzn Islamic Banking (The National Bank of Oman), BNP Paribas (Bahrain), Morgan Stanley (Dubai), Bank of London and Middle East (London), amongst other financial institutions.

***“Your zakat means a lot to them. Pay your zakat through MERCY Malaysia and bring a smile to the needy people in Malaysia and around the world.”***



***Support this initiative***

**MERCY Malaysia Zakat**

Account Name: Mercy Malaysia

Account No.: 5642-5858-7606

Bank Name: Maybank Islamic

Address: Tower A, Dataran Maybank

1 Jalan Maarof, 59000 Kuala Lumpur

Currency: MYR

Swift Code: MBISMYKL

Contact person:

Amrul Hazirin Hamidon

E: zakat@mercy.org.my

***For quick updates***

[facebook.com/MERCYMalaysia](https://facebook.com/MERCYMalaysia)

*All cash donation to MERCY Malaysia are tax-exempt under sub-section 44 (6) of Income Tax ACT 1967*



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