

Digital Zakat: Prospects and Barriers for Online Collection and Distribution in Bangladesh

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Abstract: Digitalization of global Islamic social finance is growing rapidly. Zakat as a tool of Islamic social finance is also adopting technology to enhance its collection and distribution process. Bangladesh as a Muslim majority country and expansion of fin tech ecosystem provides a unique case for the investigation of digitalization of zakat institutions because its traditional system has become plagued with lack of efficiency. This paper examines the prospects and hindrances that surround online zakat collection and distribution in Bangladesh employing a systematic literature review (SLR) centered on the PRISMA guidelines. Among 1,118 studies through inclusion criteria 13 peer-reviewed articles and quality reports were reviewed for qualitative synthesis under five themes: adoption and donor behavior, platform design and fundraising strategies, Shariah governance and operational controls, institutional evidence in Bangladesh and emerging frontiers such as crowd funding and digital assets. The findings indicate that digital zakat offers significant possibilities to enhance the level of transparency and efficiency and inclusivity. The qualities of a successful donor adoption include trust, literacy and usability and the successful platforms include analytics, donor engagement and multi-rail payment systems. However, there are some barriers, which include poor Shariah governance, poor fund separation and audit system, and institutional disintegration in financial ecosystem of Bangladesh. The new opportunities, including zakat on digital assets and diaspora-oriented crowd funding show the prospects of further increase but demand regulatory and jurisprudential preparedness. The paper concludes that an avenue is a federated digital zakat stack, which is a combination of banks, mobile financial services, accredited zakat institutions and verification of beneficiaries through interoperable systems. The secret of realizing the transformative effect of Zakat in alleviating poverty is to improve governance and interoperability.

Keywords: Digital zakat, Islamic fin tech, Bangladesh, crowd funding, Shariah governance, donor behavior, platform design.

INTRODUCTION

Zakat, one of the fundamental pillars of Islam is a tool of redistribution of wealth and an obligation on eligible rich Muslims to pay a specific amount of their wealth to have not and predetermined recipient groups. Bangladesh, as a third Muslim-majority country in the world has substantial potential for the mobilization of zakat that exceeds \$3 billion annually. Sufyan and Mas'ud (2022) stated that the practice in Bangladesh has traditionally been local, seasonal, and cash based and was organized through mosques, community committees and charitable organizations with the highest levels of donations occurring during Ramadan (Ridha *et al.*, 2024). The payment environment in Bangladesh has altered significantly over the last 10 years: mobile financial services, bank applications, QR payments, and dense agent networks have become the standard of digital transactions on scale (Monir, 2024). With convenient payment, automated receipts, funds segmentation, faster delivery among the checked beneficiaries, and auditable routes, such rails are associated with the convenient methods of digitalizing zakat, which can be built on the trust of the donors and encourage them to repeat their performance (Wulan *et al.*, 2019). At the same time, such policies as financial inclusion, the provision of governance, and social protection have attracted the attention of

policymakers, and such favorable conditions can be used to redefine the concept of zakat in digital terms (Hassan *et al.*, 2024).

Although this facilitated situation, the modern digital zakat situation is still disjointed. Sufyan and Mas'ud (2022) found that donors face irregular advice on the calculation (e.g., nisab thresholds, asset classification and timing of liability) and are not well assured of the segregation of funds, timely disbursement and recording which meets both the doctrinal and regulatory standards. Collection is often sent via generic wallet numbers and manual reconciliation processes which make it difficult to trace and increases administrative effort. According to Utami *et al.* (2020), at the distribution level, insufficient interoperability between institutions of zakat and social registries hinders beneficiary verification, poses a risk of duplication and makes it hard to measure outcomes. Rahman *et al.*, (2024) agreed that the asymmetries of information are also present, since the disclosure of fees, program pipelines, and post-disbursement outcomes are not standardized, and therefore, it is hard to measure effectiveness and consistency in practice by donors, regulators, and faith leaders. Lastly, adoption and continued use is stifled by disproportionate digital and financial literacy, particularly in post-urban areas as said by Rahman (2024). What it creates is a proliferation

of isolated pilots as opposed to scalable, trusted and outcome-based ecosystems.

The article fills this gap by summing up knowledge about Islamic social finance, digital payments, and public administration to give an overview of what an integrated digital zakat system that is Shariah-compliant might resemble in Bangladesh. Theoretically, this article considers digital zakat to be an architectural coordination of calculation, collection, fund governance, beneficiary verification and outcome reporting as opposed to a collection of working units known as a donation document. This article anticipates the institutional and technical determinations, conventions, labeling of ledgers, disclosures, and data security, which makes the plausible in general, a reliable performance. This article argues that a federated system, among licensed Zakat institutions, providers of payment services and verifiers, linking them to common laws and open governance, can ensure institutional diversity and offer homogenous assurance on compliance and performance and effect. The following objectives guide this study:

- To map the opportunities of online zakat collection and distribution in Bangladesh about reach, speed, cost-effectiveness, transparency, and experience to donors.
- To determine the most important barriers: regulatory, Shariah governance, operational, technical, and behavioural, which limits quality of the platform and interoperability of the ecosystem.
- To synthesize workable, Shariah-compliant standards and design principles to calculate, segregate funds, disclosures and audit, which are applicable in the Bangladesh regulatory environment.
- To suggest a viable implementation plan concerning a federated digital zakat stack between MFS, banks, accredited zakat institutions and beneficiary verification services with common APIs and reporting on outcomes.

The contribution is twofold. Substantively, it brings together scattered practices and policy indicators into a harmonized model of digitized zakat that suits the Bangladesh institutional realities. In its methodology, it converts the normative requirements into the operation design decisions that can be embraced by the practitioners and monitored by the regulators and faith authorities. With these statements about

articulations of common rails and minimum governance guarantees, not by naming one operator (Hassan *et al.*, 2024), we seek to create a digital zakat ecosystem which is easy to use as a donor, responsible as an institution, and respectable and practical as a beneficiary.

LITERATURE REVIEW

The new situation places digital zakat into the rapidly changing realm of payments in Bangladesh and a new legislation. According to Siddiq & Akbar (2023) and Ridha *et al.*, (2024), the information about the replacement of the ordinance of 1982 by the Zakat Fund Management Act 2023 and the Zakat Board by the Islamic Foundation to modernize collection and distribution, including making use of the ICTs is present in the literature of empirical and descriptive research.

Rahman *et al.*, (2024) stated that the contemporary field-based practice is also expanded to map the institutional landscape of Zakat Board, Centre of Zakat Management (CZM) and non-governmental organizations platform and signifies an ongoing fragmented processes and revelations amid the policy movement.

The mobile financial services (MFS) entail digitalization of the alms on the rails side. According to Aminul *et al.*, (2025), the proportional summaries of the 2024-2025 offered by the Bangladesh bank indicate that transaction and user penetration have been on a steady increase, which is consistent with the scalability of low-friction digital giving.

A more recent map of governance shows finer detail on the number of accounts being adopted: in Bangladesh, 237 million registered MFS accounts (37.6% active), and 1.54 million accounts as merchant accounts as per Monir (2024). Another metric that shows how much MFS can take people onboard with digital zakat, program tagging and recurring deductions (Arif *et al.*, 2023 and Mohamed & Abdulrohim, 2025). Hassan *et al.*, (2024) also affirms that Government-supported crowd funding during the COVID-19 epidemic sets a precedent of end-to-end philanthropy on the internet. On boarding on a verified basis, digital receipts, and even bare transparency on a large scale were demonstrated with EkDesh, an app- and web-based platform launched with government support to allow making donations (including zakat) to accredited entities as stated by Rahman (2024) and Wulan *et al.*, (2019). These

experiences find their reflection in current suggestions of a federated digital zakat stack which is implemented over publicly available rails and interoperable APIs.

There is a similar literature that talks about Shariah governance of digital flows. According to Saoki & Mahir (2025), the most used standard of scope of wealth, nisab, hawl, segregation, and disbursement standard, which is called AAOIFI Shariah Standard SS-35 (Zakah), still forms the basis of institutional implementation and audit, with AAOIFI broader standards and profession-wide syllabi being widely referenced. In contrast, Jenik, Lyman & Nava (2017) argued that, there is unequal adoption across wallets, gateways, and crowd funding sites, which create inconsistency in the calculation, fund labelling, and disclosures. Some of the main frictions to donor trust. Abdullah, Mat Derus & Al-Malkawi (2015) and Hadi *et al.*, (2023) opined that efficiency, transparency and expansion of zakat receipts have been associated with digitalization at both international and Bangladesh-next-door levels coupled with standard reporting and payroll-type or recurrence contributions; poor interoperability and lack of transparency with fees demoralize payment.

METHODOLOGY

The section is the systematic literature review (SLR) process of analyzing how digital (online) zakat collection and distribution can be designed and regulated in Bangladesh. An SLR is a methodical, transparent method that synthesizes previous literature to answer target research

questions and minimize bias occurrence by means of a repeatable procedure (Cabrera & Cabrera, 2023). Adhering to the PRISMA-style principles, we had to pass through the following steps: database selection, search strategy development, screening and eligibility with predefined criteria, and data extraction by thematic synthesis (Al-Zubidy & Carver, 2019).

Database Selection

The process of choosing appropriate databases is crucial to retrieving credible and interdisciplinary evidence. As the domain of digital zakat overlaps with Islamic finance, information system/fin tech, and nonprofit/public management, this paper employed several overarching databases. In particular, Web of Science and Scopus were selected due to their broad scopes of peer-reviewed, multi-disciplinary journals and conference proceedings (Palomino *et al.*, 2019). Furthermore, access to management, nonprofit, and public-sector literature was provided using EBSCO host (Business Source and Academic search). In order to expand the range further, also included were some specific sources of publishers like Springer and Routledge, which feature edited volumes and conference papers containing a lot of information on the topic of Islamic fintech and zakat. These databases were used to cover Islamic finance, technology usage, and governance literatures to digital zakat.

Inclusion and Exclusion Criteria

To collect the most relevant data, proper inclusion and exclusion criteria were developed prior to data collection (See table-1).

Table 1: Inclusion and Exclusion Criteria

Type	Description	Inclusion	Exclusion
Period	Relevance to contemporary digital rails and recent governance	2014–2025 publications	Pre-2014 (unless canonical standards still in force)
Language	Availability and stability	English	Non-English without official translation
Type of Literature	Methodological rigor, practice relevance	Peer-reviewed articles; high-quality conference papers/chapters; reputable grey literature (standards, institutional reports) (Cabrera & Cabrera, 2023)	Opinion/editorials with no methods; duplicative or supersede Materials
Focus Area	Direct connection to the topic	Digital/online zakat collection, distribution, governance/Shariah, or facilitating fintech rails	Charity/donations without zakat connection; non-fin tech fin tech issues
Geography/Transferability	Bangladesh focuses or transferable lessons	Bangladesh studies; Indonesia/Malaysia/others when clearly transferable to Bangladesh	Contexts with non-transferable regulatory/Shariah

		environment
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Search Strategy

This research created database-specific words and text of controlled terms, which were perfected with

pilot searching (see table-2). Process, governance and geography elements were combined to search the required data.

Table 2: Search Terms

Keyword Category	Keywords and Operators
Core topic	“Digital zakat” or “online zakat” or “zakat platform” or “zakat digitalization”
Process	Process collection or distribution or fundraising strategy or governance or Shariah compliance or fund segregation or disclosure or audit or interoperability or mobile payment or fintech
Adoption	behavior or intention or TAM or UTAUT or determinants
Standards	AAOIFI or “Shariah Standard” or nisab or hawl
Geography	Bangladesh or (Indonesia or Malaysia) for transferable insights
Example strings	(“digital zakat” and Bangladesh); (zakat and fintech and distribution and governance); (“online zakat” and AAOIFI and disclosure); (“digital zakat” and behavior and TAM/UTAUT)

Screening and Selection

The screening was carried out in accordance with the PRISMA logic: identification→screening→eligibility→inclusion. Firstly, screenings of titles

were done to eliminate off topic and duplications (Tugwell & Tovey, 2021). Table 1 criteria were then compared with full texts. Arguing it out was used to resolve disagreements.

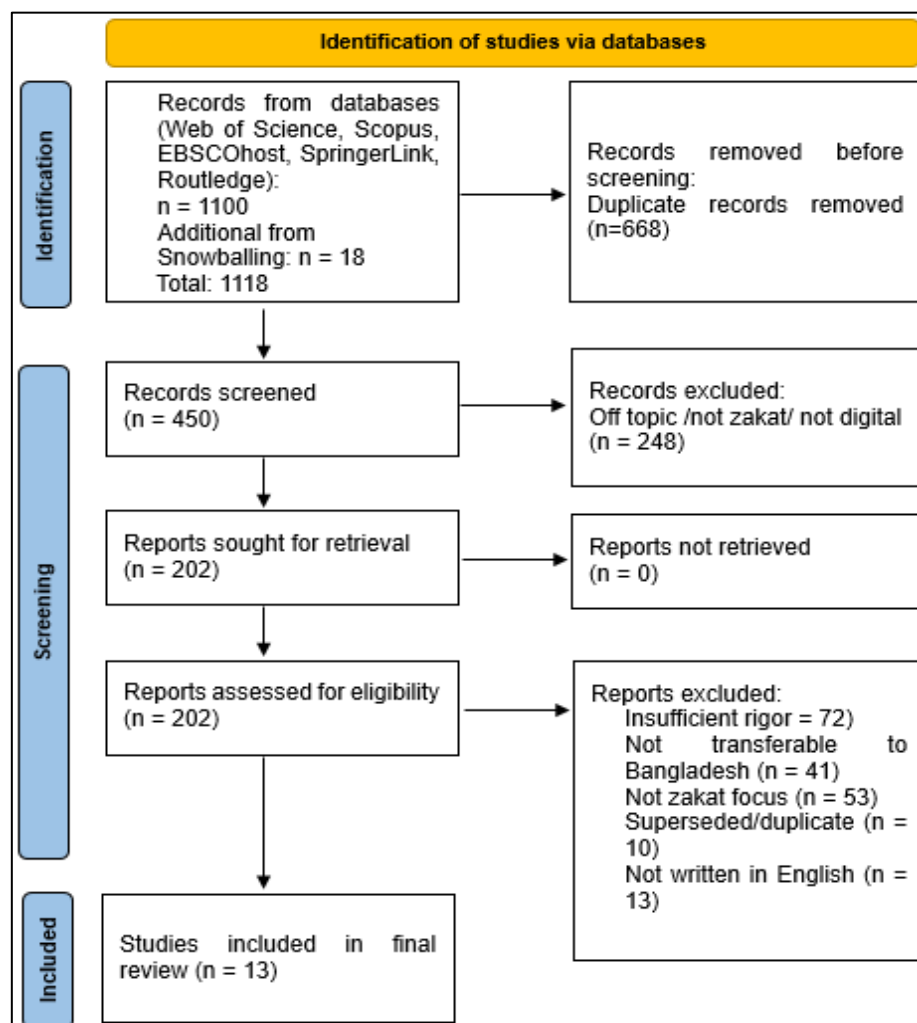


Figure 1: PRISMA Flow Chart

Data Extraction and Analysis

To be consistent in studies we used a structured extraction sheet. This study indicated the bibliographic (authors, year, venue/type), contextual (country, and institutional actors such as zakat boards, NGOs, and fintechs) and methodological features (design, data and other models used as e.g. TAM/UTAUT in adoption studies) as well as the focus area in the selected items (collection, distribution, Shariah governance, rails/interoperability, beneficiary verification and transparency/impact). The results were coded into prospects (benefits/enablers) and barriers (regulatory, Shariah, operational, technical, behavioral), and design principles (calculation/nisab/hawl, fund segregation and labeling, disclosures/audit, data protection, and outcome reporting)(Cabrera & Cabrera, 2023). This data would be captured on the presence of quality and limitation notes and weighted during synthesis. The data were analyzed on a thematic basis: priori themes, which were developed a priori

(Al-Zubidy & Carver, 2019). According to the research questions were coded, followed by cross-case comparisons of the findings, where the results were then generalized to a workable model of a federated digital zakat stack with standardized calculators or disclosures, Bangladesh-specific constraints (e.g., institutional fragmentation) and transferable insights (e.g., determinants of Indonesian adoption).

RESULTS

The systematic literature review integrated the findings of 13 identified studies, which were coded into five cross-cutting themes implementation adoption and donor behaviour, platform design and fundraising strategies, Shariah governance and operational controls, institutional/country evidence in Bangladesh, and emerging frontiers. These themes in combination offer opportunities and obstacles to the adoption of a digital zakat system in Bangladesh.

Table 3: Research Summary

No.	Author(s)	Research findings	Key Themes	Methodology
1	Kasri & Yuniar (2021)	Usefulness, trust, and social influence are the predictors of intention to pay zakat online.	Determinants of adoption; trust in donors.	Quantitative (TAM/UTAUT)
2	Cahyani, Sari & Afandi (2022)	The adoption is attenuated by knowledge about Zakat and the effects of usefulness or trust increase with higher literacy.	Adoption; literacy	Quantitative (TAM with moderation)
3	Soleh (2020)	The more effective digital fundraising features are recurrent payments, multi-rail acceptance and storytelling.	Fundraising strategy; UX	Conceptual review
4	Beik, Swandaru & Rizkiningsih (2021)	DRM, segmentation and analytics improve quality of repetition giving and reporting.	Data/analytics; donor engagement	Conceptual and sector-based insights
5	Uddin & Sultana (2022)	Bangladesh needs interoperability and data management, and Islam can standardize the fintech.	Bangladesh obstacles; financial technology	Conceptual country case
6	Ali (2024)	Absence of equity in Shariah governance; suggests SOPs, platform boards and public audit.	Governance and Shariah	Conference proceedings (policy or technical)
7	Sari & Herviana (2024)	SLR portrays lapses in the computation of transparency, segregation, and disclosures on platforms.	Evidence synthesis; barriers	Systematic literature review
8	Adnan <i>et al.</i> (2021)	Crowd funding may be achieved by way of donations, which may open the small or diaspora flows; trust may be achieved by way of staged disbursement.	Crowdfunding; accountability	Conceptual model and case discussion
9	Mohammed,	Digital management policies: the	Operational	Technical and

	Robbana & Bedoui (2021)	labelled registers, time stamping policies, digital audit, separation of roles.	controls	management chapter
10	Rosele <i>et al.</i> (2025)	Shariah-based digital asset zakat (valuation, nisab, purification) to go future-proof.	Digital assets; jurisprudence	Conceptual or legal analysis
11	Rahman (2024)	Bangladesh institutions that started online collection did so irregularly and reported.	Bangladesh practice; transparency	Empirical institutional review
12	Uddin & Okur (2023)	The timeliness has been improved through the digital distribution anchored by the community which lacks any audit trails.	Distribution models; governance	Qualitative case analysis
13	Yunita (2021)	Digital 4.0 architecture: Automation and real-time dashboards to end transparency.	Architecture; interoperability	Conceptual and technical framework

Adoption and Donor Behavior

In the reviewed studies, it is apparent that trust, perceived usefulness, and social influence consistently influence the intention of the donor to adopt digital zakat platforms. Kasri & Yuniar (2021) concluded that technology acceptance models (TAM/UTAUT) are very reliable in explaining why Muslims use online zakat services, in which trust and usefulness perceptions have overwhelming impacts. This was further elaborated by Cahyani, Sari & Afandi (2022), who revealed that literacy is the moderators of adoption, which increased the impact of trust and usefulness with higher levels of knowledge regarding the regulations on zakat. According to Uddin & Sultana (2022), the introduction of easy-to-use platforms that facilitate the adoption of digital zakat in Bangladesh is not only correlated with the necessity to provide awareness and financial literacy but also educational campaigns. The aspects that enable the engagement with donors also include digital storytelling and recurring payment, and Soleh (2020) identified them as the effective fundraising methods. Collectively, these remarks indicate that behavioral adoption is one of the facilitators, and it augurs well that such a process must be implemented by establishment of trust, literacy of the donors, and functionality of the platform.

Design of the platform and Finance plans

The addition of data analytics, donor-related applications, and accepting of multi-rail payments would be effective in the formulation of digital zakat services. According to Beik, Swandaru, & Rizkiningsih (2021), the relations management systems of the donor (DRM), the segmentation,

and analytics have played a crucial role in increasing repeated giving and donor reporting transparency. Soleh (2020) also added that the usability is enhanced when the platforms are provided with payment channels and automated contributions that are flexible. Beyond the features, platforms also require storytelling along with campaign framing to prolong the engagement as the stream of emotionality and contribution. All these discussions lead to one conclusion that the future of Bangladesh lies in the formation of platforms, which would be highly functional, and behavioural nudges, which would result in the loyalty of the donor. In this instance, however, we still have limitations, as Uddin & Sultana (2022) have discovered that fintech infrastructure in Bangladesh is still struggling to deal with the challenge of interoperability and single data transfer between banks, mobile financial services (MFS), and zakat institutions.

Shariah Governance and Operational Controls

Shariah governance is one of the recurrent barriers. Ali (2024) further notes that there exist equity differences with the Shariah supervision and the He proposed remedies to this dilemma comprising standard operating procedures (SOPs), the use of oversight boards, and application of public audits which ensure accountability. In line with this, Sari & Herviana (2024), in their own SLR, made a point of referring to recurrent failures in transparency, fund segregation, and disclosures on the current zakat sites. Mohammed, Robbana & Bedoui (2021) suggested labelled registers, digital time-stamping policies, and separation of roles as operationally important with regards to protecting Shariah compliance and providing strong digital

audits. These research works come to the central concept that compliance with regulations and platform reliability can only be attained when there is strict governance, disclosure to the people, and technical operational control. In the absence of this the trust of the donors to Bangladesh might not be high even with the technological preparedness.

Evidence on Institutions and in Bangladesh

There is country-specific evidence in Bangladesh that is a mixed progress. Rahman (2024) found that institutions that tested the application of online zakat collection in Bangladesh did so in haphazard forms and were not regularly reported, which is evidence of a lack of operational maturity. On the same note, Uddin & Okur (2023) reported the community-based digital distribution models in Bangladesh that enhanced the timeliness of disbursement but were associated with the lack of audit trails and governance. Uddin & Sultana (2022) also made a case that the fragmented financial ecosystem of Bangladesh is the reason why interoperability is not possible, and integration between MFS, banks, and accredited zakat organizations is necessary. These papers show that whilst Bangladesh has early efforts of digital zakat collection and distribution, structural limitations, including institutional fragmentation, poor governance and poor standardization, discourage scaling.

New Horizons: Crowd funding and Digital Assets

Several studies pointed out the opportunities of increasing digital zakat with the help of crowdfunding and digital assets. Adnan *et al.* (2021) contended that the crowdfunding models, especially when payment is made in installments and publicly visible, may access the diaspora and small-scale donor funding. On the same note, Yunita (2021) also proposed the adoption of Industry 4.0 architectures, such as automation and real-time dashboards, to improve transparency and interoperability. Looking ahead, Rosele *et al.* (2025) clearly stated that Shariah-compliant digital asset zakat with valuation, thresholds of nisab and purification mechanisms are required. This is an indicator of a frontier in which Zakat systems do not only digitize the processes that are already in place but also comply with new financial instruments (Cahyani *et al.*, 2022).

Among those themes, there are opportunities of Bangladesh to engage with the donor more closely with the help of trust and literacy (Kasri & Yuniar, 2021; Cahyani *et al.*, 2022), fundraise more

effectively with the assistance of multi-rail systems and analytics (Soleh, 2020; Beik *et al.*, 2021), and become more transparent with the help of Shariah-compliant operational controls (Ali, 2024; Mohammed *et al.*, 2021). Nevertheless, institutional immaturity, fractured fintech infrastructure, and weak governance oversight remain among the obstacles (Uddin & Sultana, 2022; Rahman, 2024). The evidence all highlights the fact that Bangladesh can transition becoming a federated digital zakat stack if donor literacy, platform design, Shariah compliance, and interoperability are dealt with concurrently.

DISCUSSION

The outcomes of this study identify not only the gigantic opportunities, but also the issues of digitalizing the process of zakat collection and distribution in Bangladesh. Based on the research of Uddin & Okur (2023); Adnan *et al.* (2021); Yunita (2021); Rosele *et al.* (2025), creating an ensemble of evidence that includes evidence on donor behaviour, platform design, Shariah governance, and institutional realities, the way to successful digital zakat stands as a necessity to coordinate the activities with an organized reform process and the alignment of the stakeholders.

These include such the most obvious ones as digital zakat platforms are being adopted by donors depending on behavioural factors, in particular, trust and perceived usefulness, and financial literacy (Kasri & Yuniar, 2021; Cahyani *et al.*, 2022). These results can be compared with Technology Acceptance Model (TAM) and Unified Theory of Acceptance and Use of Technology (UTAUT) that focus on the perceived ease of use and social influence as agreed by Utami *et al.*, (2020). In the case of Bangladesh, where the development of mobile financial services has influenced trust in digital finance, the improvement of the confidence of the donors based on the ease of design, clear reporting, and literacy education will be essential which matched with the opinion of Sufyan & Mas'ud (2022) and Wulan, Khairunnisa & Bahri (2019).

Platform design also came out as an enabling factor. By introducing donor relationship management (DRM), data analytics, and systems of multi-channel payments, it is possible to become more efficient and promote recurrent contributions (Beik *et al.*, 2021; Soleh, 2020). Nevertheless, these advantages are now limited by the disjointed nature of the fintech sector in Bangladesh, which is not yet interoperable among

banks, mobile providers, and zakat institutions (Uddin & Sultana, 2022). This is an indicator that federated digital zakat stack is necessary that will incorporate accredited institutions using standard APIs and reporting requirements that will scale effect which is associated with the research of Arif, Nofrianto & Fasa (2023).

The Shariah governance is both an opportunity and a challenge. Even though certain sources suggest that there are flaws in terms of transparency, fund segregation, and disclosure procedures (Sari & Herviana, 2024; Rahman, 2024), they also provide an idea of where to go. Shops and Operations (SOPs) would achieve the control of the donor trust and protection of its operations through enhancement of operational controls, including digital audits, labelled registers, and boards (Ali, 2024; Mohammed *et al.*, 2021). This is particularly true in Bangladesh where the inconsistency in the historical practices of the institutions of institutions as well as poor audit trails have affected adversely on the administration of zakat.

The evidence provided in Bangladesh assists in emphasizing that adoption is already in place, yet still inconsistent and underdeveloped (Rahman, 2024; Uddin & Okur, 2023). The structural factors that influence the local institutions include regulatory ambiguity, coordination and technical immaturity. This is aligned with the research of Salleh, Rasid & Basiruddin (2022) as this brings out the necessity of having a national level approach that would not only integrate the fintech infrastructure but also provide regulatory stability and Shariah compliant digital standards that will suit the local environment.

The findings are consistent with broader research indicating that digitalization enhances zakat uptake when convenience is combined with reliable assurance; nonetheless, the referenced studies provide nuanced insights into the mechanisms involved. Utami *et al.* (2020) demonstrate national-level potential gains in acceptance post-digitalization, aligning with our adoption findings. Simultaneously, Sufyan and Mas'ud (2022) integrate TAM and TPB to validate the influence of usefulness, attitude, and perceived control on online donation decisions, echoing our focus on UX and literacy. Arif *et al.* (2023) find that young people strongly prefer digital payment, which supports our need for mobile-first, recurring features. This extends from "what drives intention" to "who adopts." Wulan *et al.* (2019) emphasize the internal audit function as an essential adjunct

to digital finance, reinforcing our advocacy for labelled ledgers, timestamp regulations, and audit trails. Design is also important. Suzianti *et al.* (2020) show that redesigning the UI using design thinking makes it clearer, which is in line with our suggestion to add calculators, prompts, and progress updates. Salleh *et al.* (2022) advocate for the optimization of digital technology in end-to-end management at the infrastructure layer, whereas Khairi *et al.* (2024) present blockchain architectures that could facilitate segregation and trace ability aligning broadly with our "federated stack" but offering enhanced immutability assurances. Putra *et al.* (2023) on big-data-driven marketing backs up our suggestions for analytics-based fundraising, but we want to underline that personalisation should be combined with clear Sharī'ah governance to keep trust.

Lastly, what digital zakat would be able to do can be increased with the future of crowdfunding and digital assets. Potential opportunities of the mechanisms of crowdfunding include accessing communities in diaspora, democratizing small-scale giving (Adnan *et al.*, 2021), and Shariah-based systems of the digital assets Rosele *et al.* (2025) have the potential to make zakat responsive to new types of wealth. In the example of Bangladesh, these innovations would require a regulation and jurisprudential approval fine-tuning but would position the country as an Islamic fintech leader.

Concisely, digital zakat can work towards the potentials in Bangladesh to align the level of trust of the donors with the design of the platform with the Shariah governance to transform systems in terms of interoperability as well as regulations (Uddin & Okur, 2023). Without them, credibility and sustainability may be undermined because of the identified barriers. The pathway that bridges the power of technological innovation and the power of governance to achieve the revolutionary prospect of zakat to poverty and inequality.

LIMITATIONS

Although this study provides certain beneficial data about the perspectives of digital zakat and barriers in Bangladesh, it should be noted that there are certain minuses. To start with, the evidence base is obtained solely based on a systematic literature review (SLR). Although the PRISMA-directed process provided rigour and transparency, the usage of secondary sources implies that the findings are limited in terms of quality, scope, and methodological approaches of

the articles included. The lack of primary data gathering, including survey or interviews with the Bangladeshi zakat donors, regulators, or institutions, restricts the possibility of getting behavioural and institutional nuances associated with the country.

Second, the geographical area was deliberately inclusive of the transferable knowledge in states like Indonesia and Malaysia. Even though these contexts provide pertinent lessons because of their common Islamic finance ecosystems, their financial maturity and institutional capabilities may not be directly applicable in Bangladesh. This brings concerns about the degree of transferability.

Third, use of inclusion and exclusion criteria especially to limit to English-language sources, might have left out localized publications, institutional reports, or non-English scholarship that might have helped better understand the practice of zakat in Bangladesh.

Lastly, fintech and Islamic finance are dynamic, and, therefore, some of the findings may become obsolete soon. Some of the technologies like blockchain-based zakat systems and digital asset regulation are still in development and their deployment to Bangladesh is speculative. Further investigation should thus add to this review through empirical studies and involvement of stakeholders to develop a more grounded and dynamic model to be followed in digital zakat implementation.

Future study ought to transcend intention models to empirically evaluate effective strategies in Bangladesh. Priorities encompass randomized A/B and field trials focused on (i) integrated literacy features and disclosures; (ii) categorized ledgers and public Shariah-audit summaries; and (iii) recurring deductions and donor analytics aimed at retention. Quasi-experimental research ought to evaluate interoperability frameworks and privacy-preserving beneficiary verification concerning targeting precision, data leakage, and delivery timelines. Longitudinal panels can keep track of recurring contributions and trust. Design-science pilots ought to assess crowdfunding protections (incremental payouts, milestone reporting) and digital-asset zakat calculators. Finally, trials that focus on certain groups, such youth, rural users, and the diaspora, can show how different groups are and help with large-scale, inclusive rollouts.

CONCLUSION

This paper has investigated opportunities and challenges of digital zakat collection and distribution in Bangladesh by conducting a systematic review of the literature. The results point out that although digitalization of zakat is associated with significant potential to streamline, increase transparency, and interact with donors, the outcome will depend on the ability to overcome regulatory, Shariah, technical, and behavioural issues.

On the behavioural level, trust, literacy and perceptions of usefulness drive donor adoption, implying that education and ease of use will become the key determinants of the massive adoption (Kasri & Yuniar, 2021; Cahyani *et al*, 2022). Technically and in design, useful platforms should have donor management, analytics, recurring donation, and acceptance of multiple rails to make it easy to access and motivate repatronage (Beik *et al.*, 2021; Soleh, 2020). The innovations generate the possibility of making zakat more accommodative and responsive to both home-based and diaspora donors.

Regulatory and governance aspects are, however, still a major drawback. Similar cases and the practice in Bangladesh point to the flaws in fund segregation, disclosure, and Shariah supervision (Ali, 2024; Sari & Herviana, 2024). The absence of an effective audit system and institutional responsibility in digital zakat systems will cause the platforms to become less credible to donors. Additionally, the institutional disintegration of Bangladesh and the inability to interconnect banks, MFS providers, and zakat institutions make the successful scaling of digital solutions worse (Uddin & Sultana, 2022; Rahman, 2024). The imminent possibilities of new concepts such as crowdfunding and zakat on digital resources are also shaping the trend of the future, although their adoption in Bangladesh will be restricted by regulatory readiness and jurisprudential consensus. These innovations can turn Zakat to open the door of richness at the point of its appropriate use and be applicable to the world of the donors.

Overall, Bangladesh digital zakat is a potentially fruitful and at the same time a complex agenda. The weaknesses are its potential future, which it can accomplish to introduce transparency, effectiveness and inclusiveness and gaps in governance, systems that are not integrative and dependent on its donors (Rosele *et al.*, 2025). The

other strategy that appears to have a better course of action to take is the federated digital zakat ecosystem that is founded on interoperability, Shariah conformance and transparency. Through the corresponding reforms, the digital zakat can greatly empower the social finance in Bangladesh and their contribution to poverty alleviation.

RECOMMENDATIONS

The article shows that adoption goes up when ease is combined with trustworthy assurance. To turn usefulness and trust into intention and repeat giving, platforms should include micro-literacy (short nisab/hawl prompts and calculators), information in several languages, and clear updates after payment. According to idea of Salleh, Rasid & Basiruddin (2022), automated, program-level receipts and transparency dashboards can help keep people interested and eliminate uncertainty. UX choices according to Suzianti, Edrisy & Mubarak (2020) like regular deductions and multi-rail acceptance can also make things easier and help with seasonality. These steps directly address the gaps in donor understanding, confidence, and giving that was found.

Evidence suggests that a federated digital zakat stack that connects MFS, banks, accredited institutions, and beneficiary verification services through shared APIs is better for infrastructure, which is already been implanted in some countries according to Khairi, Laili & Ahmad (2024). Across all participating platforms, there should be minimum, auditable standards, such as standardized calculation disclosures, labeled and separated ledgers, times tamped disbursement regulations, and automatic reconciliation. There should also be short public summaries of Shariah audits to turn compliance into visible assurance. Institutions could use basic CRM, segmentation, and A/B testing to make their outreach more personal and keep people longer as per Putra, Rivera & Pramukti (2023). They should also provide outcome metrics that can be compared across programs.

Lastly, policy and experimentation need to work together. Regulators and religious leaders should officially recognize digital zakat operators and make rules for data protection and reporting that maintain Shariah integrity while also allowing for new ideas (Sufyan & Mas'ud, 2022). Time-boxed pilots can test donation-based crowd funding (using staged payouts and milestone reporting) and emerging-asset zakat calculators within the same governance spine, yielding local proof before

scale-up (Utami *et al.*, 2020). These steps fix the main problems that were found broken rails, inconsistent governance, and limited visibility of impact while also creating a trust-based system that works across the country.

ACKNOWLEDGEMENT

The author wishes to express sincere gratitude to Morshedul Alam, whose valuable guidance and constructive feedback greatly improved this research. Appreciation is also extended to the Central Library, International Islamic University Chittagong, for providing academic resources and support. The author acknowledges the assistance of colleagues in the data collection process. Finally, heartfelt thanks are due to the author's family for their encouragement and patience throughout the study.

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Source of support: Nil; **Conflict of interest:** Nil.

Cite this article as:

Iqbal, M. J. "Digital Zakat: Prospects and Barriers for Online Collection and Distribution in Bangladesh." *Sarcouncil Journal of Education and Sociology* 4.10 (2025): pp 38-49.