

ISLAMIC SOCIAL FINANCE AND SDG 2: MEASURING THE SOCIAL IMPACT OF ISLAMIC RELIGIOUS AND MALAY TRADITION COUNCIL IN PERAK STATE

ⁱMohamed Fairouz Abdul Khir, ⁱⁱ*Hainnuraqma Rahim, ^{iii,iv}Faaza Fakhrunnas & ^{i,v}Shamimi Mohd Zulkarnaini

ⁱCentre of Excellence for Islamic Social Finance, International Centre for Education for Islamic Finance (INCEIF),
50480 Kuala Lumpur, Malaysia

ⁱⁱFaculty of Business and Management, Universiti Teknologi MARA (UiTM) Cawangan Melaka Kampus Alor Gajah, KM 26
Jalan Lendu, 78000 Alor Gajah, Melaka, Malaysia

ⁱⁱⁱSchool of Graduate and Professional Study, International Centre for Education for Islamic Finance (INCEIF),
50480 Kuala Lumpur, Malaysia

^{iv}Department of Economic, Universitas Islam Indonesia, Yogyakarta 55283, Indonesia

^vInstitute of Islamic Banking and Finance, International Islamic University Malaysia, 53100 Kuala Lumpur, Malaysia

*(Corresponding author) e-mail: hainnuraqma@uitm.edu.my

Article history:

Submission date: 7 October 2024
Received in revised form: 1 November 2024
Acceptance date: 19 November 2024
Available online: 30 April 2025

Keywords:

Islamic social finance, social impact, SDG 2,
Islamic religious, Islamic Religious and Malay
Tradition Council in Perak State

Funding:

This research received no specific grant from
any funding agency in the public,
commercial, or not-for-profit sectors.

Competing interest:

The author(s) have declared that no
competing interests exist.

Cite as:

Abdul Khir, M. F., Rahim, H., Fakhrunnas, F.,
& Mohd Zulkarnaini, S. (2025). Islamic social
finance and SDG 2: Measuring the social
impact of Islamic Religious and Malay
Tradition Council in Perak State. *Malaysian
Journal of Syariah and Law*, 13(1), 134-146.
<https://doi.org/10.33102/mjssl.vol13no1.1016>



© The authors (2025). This is an Open
Access article distributed under the terms of
the Creative Commons Attribution (CC BY
NC) (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits non-commercial re-
use, distribution, and reproduction in any
medium, provided the original work is
properly cited. For commercial re-use, please
contact penerbit@usim.edu.my.

ABSTRACT

Sustainable Development Goals (SDGs) are becoming the global pressure to ascertain sustainable development in a country or any institutional level worldwide. It affects the policymakers in providing future direction and responding to current developments. Thus, the study attempts to examine the performance of Majlis Agama Islam dan 'Adat Melayu Perak/Islamic Religious and Malay Tradition Council in Perak State (MAIPk), Malaysia, on the SDGs achievement, which relates to the issue of zero hunger in the society. The study adopts in-depth interviews with the stakeholders of MAIPk and performs a survey of Islamic social finance recipients in Perak State, focusing on the monthly financial and food bank assistance programs, which the number of recipients is 11,769 and 25,144 recipients. The finding of the study reveals that MAIPk successfully contributes to the achievement of SDG 2, which create social impact for the recipients, such as an increase in the ability to access healthy food, increase physical and mental health, and motivate the recipient to be involved in altruism activities. The study pioneers the scientific examination of the social impact assessment in the State of Perak, Malaysia case. Additionally, the findings of the study imply that the Islamic social funds' institution needs to increase its awareness of measuring social impact on society instead of only focusing on the output-based measurement.

Introduction

Islamic finance is a financial activity that aligns with Islamic principles (Husni & Khairat, 2024; Maulidiana & Famulia, 2023; Pati et al., 2021). Besides concerning commercial aspects, Islamic finance also possesses an avenue to engage in social objectives through Islamic social finance, comprising zakat (alms), *waqf* (endowment), *sadaqah* (charity), and other forms of Islamic social finance. According to Arshad and Haneef (2016), providing social safety nets to the poor and needy has become one of the objectives of Islamic social finance, including basic needs such as food and other related things.

At the same time, there is a global driver to have a more sustainable way to develop the world within the framework of the Sustainable Development Goals (SDGs) program. In general, Alam et al., (2021) argue that SDGs attempt to address the present issue without endangering society to deal with their challenges in future circumstances. With seventeen objectives, SDGs cover four main areas: people, prosperity, planet, peace, and partnership (United Nations, 2023). Therefore, the study attempts to examine the social impact of Islamic social finance on society in the alignment of the SDG framework, focusing on the 2nd SDG objective, namely "End hunger, achieve food security and improved nutrition and promote sustainable agriculture" in the State of Perak, Malaysia.

The reasons for selecting the State of Perak, Malaysia, as the focus of this study are threefold. Firstly, the State of Perak has become one of the poorest states in Malaysia, with a higher poverty rate compared to other states, making it relevant for investigating the social impact measurement of Islamic social finance contributions. According to the latest publication from the Department of Statistics Malaysia (2023), the poverty rate in the State of Perak in 2022 was 7.5%, an increase of 0.2% compared to 2019. This rate is also higher than the national poverty levels of 6.2% and 5.6% in 2022 and 2019, respectively. Secondly, Islamic social finance in Perak, managed by *Majlis Agama Islam dan 'Adat Melayu Perak* (MAIPk) — the Islamic Religious and Malay Tradition Council of Perak — closely aligns with the Sustainable Development Goals (SDGs) through its programs spanning the social, education, economic, and human development sectors. Thirdly, there is a growing collection and distribution of Islamic social funds managed by MAIPk. According to its financial report (MAIPk, 2023), there was a 98.8% increase in fund collections and a 28.9% increase in fund distribution for Islamic social finance. This significant rise in funds and their distribution potentially creates a greater social impact on society, aligning with the SDGs.

Empirically, Islamic social finance impact measurement studies are still meagre, but there is a growing trend in that area. Among the few studies, some studies attempt to investigate the Impact of Islamic social funds, such as Beik and Arsyianti (2016), Ayuniyyah et al., (2018), and Ayuniyyah et al., (2022) for the impact of zakat in poverty alleviation in Indonesia, Asmita et al. (2017) the Impact of Islamic social funds utilization in microfinance in Indonesia, Hudaefi et al., (2020) focusing the impact of zakat to achieve SDGs 6 that specifically observe the sanitation program in Indonesia, and Suprayitno et al., (2017) and Alam et al., (2021) who study in Malaysian case with observing Islamic social funds to achieve SDGs.

In addition, the existing literature mainly adopts case-based research, specifically examining the social Impact of Islamic social funds in specific programs. For instance, Asmita et al., (2017) concern in microfinance program in villages in west Lombok Indonesia. The study reveals a positive social return on investment in which social return funds are higher than invested funds. A similar result is found by Hudaefi et al., (2020) that the sanitation program reduces the society in the Boyolali district from diarrhea disease, and it is in line with the SDG 6 program about sustainability of clean water and sanitation.

Due to the lack of existing studies and few investigations on Islamic social finance and its social impact that align with SDGs, more elaboration in this area is still necessary. It is important to enrich and comprehend the current studies and provide new evidence on the social impacts of Islamic social funds concerning the SDGs framework. The study focuses on SDG 2 measurement, considering the fulfilment of the basic food and nutrition needs. Additionally, the study is significant for MAIPk and the Islamic social funds' stakeholders to measure the effectiveness of the funds' distribution in creating social impact. The evidence may highlight the contribution of the funds to address social problems, particularly in the State of Perak.

Finally, after the introduction, the literature review is discussed in Section I. Then, it is followed by methodology and results, and discussions are explained in Sections II and III, respectively. Section IV ends the study by providing the conclusion and recommendations.

Literature Review

Sustainable Development Goals (SDGs) form a global blueprint for prosperity, environmental protection, and social well-being, aiming to ensure a sustainable future for all. The SDGs originated from the United Nations (UN). It was established in the year 2015. It has 17 goals and 169 associated targets. It was established as an enhancement of the previously established Millennium Development Goals proposed by the UN. The vision of these goals is supremely ambitious and transformational. It envisions a world free of poverty and hunger, a thriving society, non-violence, equal opportunities, safe consumption, and an environment for all living beings, among others. It is an overarching concept of sustainable living for all living beings (United Nations, 2015, paras. 7-9). According to UN DESA (2023), the progress of SDG is at a worrying state, as only 15% of the progress is on track, 48% is moderately or severely off track, while the remaining 37% is stagnant or regressing below the 2015 baseline.

Due to the focus of this article on SDG 2, “End hunger, achieve food security and improved nutrition and promote sustainable agriculture”, hence, our further deliberation on this goal. There are 8 associated targets within this goal. In short, the aim is to eliminate hunger and malnutrition, especially among the vulnerable population, by encouraging sustainable agricultural practices and empowering small-scale producers by 2030. According to Manurung et al., (2022), hunger stems from i) extreme poverty ii) climate change iii) international conflict iv) gender disparity v) emergence of COVID-19 and vi) inconducive global food systems.

According to UN DESA (2023), in 2022, an estimated 735 million people, which is 9.2% of the world population, were facing chronic hunger. Furthermore, 2.4 billion people are facing severe or moderate food insecurity, which equates to an estimated of 29.6% of the world's population. In total, 40% of the world's population is facing food security issues as of 2022. A projection demonstrates that more than 600 million people will face food security issues in 2030, hence requiring immediate attention from the global and national governments. The current situation of a recovering economy and food price inflation has caused a clash, where economic resumption from COVID-19 has led to better income generation and access to food; however, also leads to the rise of food price, which then eats up more income and lower accessibility to food.

There are many initiatives which have been undertaken by governments worldwide, such as Afghanistan, where they enacted several policies and frameworks to support the issue of hunger in their country, which aligns with SDG 2, Afghanistan Food Security and Nutrition Agenda (AFSeN) is one of the policies, among others. Same with Ghana, to boost human capital through investment, it was indicated in their Terra Ranka (Fresh Start) Strategic Operational Plan that food security is one of the essential elements (Manurung et al., 2022).

Malaysia, like many nations, has embraced the SDGs as a guiding framework for national development. Malaysia's implementation of the SDGs is anchored in its national development plans, particularly the Eleventh Malaysia Plan (11MP) and the Shared Prosperity Vision 2030 (SPV 2030). These plans prioritize sustainable development by addressing key issues such as poverty eradication, economic growth, social inclusion, and environmental conservation. One of the key mechanisms for coordinating and monitoring SDG implementation in Malaysia is the establishment of the National SDG Council, chaired by the Prime Minister. The council serves as a high-level platform for coordinating efforts across government agencies, engaging stakeholders, and tracking progress towards the SDGs (Ministry of Economic Affairs Malaysia, 2021).

From the perspective of SDG 2, Malaysia has worked closely with many relevant stakeholders to ensure food security and no hunger in the country. According to the Ministry of Economic Affairs Malaysia (2021), the statistic shows that Malaysia has come a long way in improving the well-being of its citizens. The life expectancy has bettered from 64.6 years to 74.9 years from 1970 to 2020, respectively. The same

goes for mortality rates of infants, where it was 75.5 per 1,000 live births to 6 per 1,000 live births in 2020.

Despite the improvement in the overall well-being of the population, the government has identified that malnutrition and a rise in non-communicable diseases (NCDs) are serious issues facing the country. An estimate of 42.7% of adult Malaysians are overweight or obese in 2019, higher than the year in 2015, an estimate of 32.8% adults is overweight or obese. According to the Global Food Security Index 2020 published by the Economist Intelligence Unit, Malaysia is positioned at 43rd in 2020, scoring 67.9%. Hence, the government's effort in enacting and reviewing the National Nutrition Policy of Malaysia as well as the National Plan of Action for Nutrition in Malaysia III (NPANM III, 2016-2025). NPANM III has three primary aims to elevate nutritional well-being, minimize diet-associated non-communicable diseases (NCDs), and solidify food and nutrition security. One of the initiatives taken through collaboration was by the Ministry of Education (MOE) and the Ministry of Health (MOH) in launching a pilot program, the Free Breakfast Initiative, in seven schools, ensuring all primary school children receive daily nutritious breakfasts. The programme transitioned into the RMT (*Rancangan Makanan Tambahan*), a targeted initiative offering supplementary meals to children from low-income families.

Focusing on Islamic Social Finance (ISF), it has instruments consisting of traditional philanthropic instruments such as *zakat*, *waqaf*, *sadaqah*, *qard* and *kafalah*. It also comprises contemporary instruments such as Islamic microfinance. The primary aim of ISF is to address the issue of ever-increasing poverty in the society. The core principles of ISF are to ensure economic fairness, inclusivity and prosperity (Shahid et al., 2024). The objective of ISF could also be extracted from the al-Quran, surah 9:34, where we are to spend our wealth according to what Allah SWT teaches us. Most of the SDGs are all towards inclusion, justice, fairness, and others. This shows that both ISF and SDGs have many objectives in common. According to Suprayitno et al., (2017), zakat fund was utilized by the local government to drive human capital and economic advancement in the local community. Further, according to Noor and Pickup (2017), the authors found that Islamic values and SDGs align with one another, elaborating that SDG 1, 2, and 4 are closely related to the principles of zakat.

In the state of Perak case, MAIPk plays a crucial role in empowering the community and improving the socio-economic status of the people of Perak through effective and dynamic management of Baitulmal. MAIPk's commitment to community development is evident in its diverse range of zakat assistance schemes, which are formulated into four main programs: social, education, economic, and human development. The activities undertaken by MAIPk is aligned with SDG 2 to end hunger, achieve food security, improve nutrition, and promote sustainable agriculture. Some of MAIPk's key initiatives is the provision of monthly financial assistance to individuals and families in need, operating a food bank to provide essential food items to those facing food insecurity, provides entrepreneurship training to asnaf (those eligible to receive zakat) to enhance their entrepreneurial skills and empower them to create sustainable livelihoods. Through these initiatives and programs, MAIPk is actively contributing to the achievement of SDG 2 in Perak by addressing food insecurity, promoting sustainable agriculture, and empowering individuals and families through education and economic support.

From an empirical perspective, Vos (2015) highlighted that sustainable food and nutrition security, given its global and long-term significance as a public good, requires unified action and immediate improvements in the governance of global food security. In contrast, Paarlberg (2020) argued that addressing hunger and food insecurity demands urgent attention to national governance gaps. He emphasized that certain regions continue to experience severe hunger largely due to national governance issues rather than global shortcomings. Thus, governance should remain a priority and be thoroughly integrated into food and nutrition security strategies, ensuring they address a range of changing needs by fostering aligned priorities and actions across all levels of government.

Authoritative zakat and waqf institutions play a crucial role in effectively collecting and distributing zakat funds and *waqf* benefits to those in need and to the Muslim community (Al-Quran, Surah At-Tawbah, 9:60; Hasan, 2018). The synergy of zakat and waqf instruments is believed to be instrumental in supporting food security development. According to a study by Siti Sarah et al., (2021), titled "The Role of Zakat and Waqf in Eradicating Food Poverty: A Conceptual Study", zakat directly contributes to

helping the poor meet their basic food needs. This is achieved by providing zakat funds to those in need for food purchases or through direct food assistance. Additionally, waqf assets can be used to establish agricultural infrastructure, such as farms, food processing facilities, or food storage centers. This point is also noted in a study by Ahmed et al., (2018), titled “The Role of Waqf in Food Security: A Comparative Study”, which emphasizes that *waqf* assets help increase local food production and ensure long-term food availability.

Another study title “Waqf, Zakah, and Food Security in Muslim Countries: An Empirical Investigation” by Muhammad and Abdullah (2018), indicates that combining zakat and waqf instruments with effective development strategies can achieve significant outcomes in reducing hunger and improving access to adequate food. By integrating zakat instruments, which provide immediate financial assistance, with waqf, which enables the long-term development of food infrastructure, a holistic approach to addressing food security issues within the community can be created. In the Malaysian context, zakat and waqf institutions must collaborate to maximize the positive impact on enhancing food security within communities. This synergy should not only focus within individual states but extend beyond state borders through win-win cooperation based on the blue ocean strategy.

Therefore, based on a study by Mohamed et al., (2021), four policy actions have been proposed to address the food crisis, referring to policies adopted by the World Bank: controlling and stabilizing consumer prices, strengthening buffer stocks, establishing food access safety nets, and implementing instruments that stimulate supply-side responses in agriculture.

Methodology

To examine the Impact of Islamic social finance to contribute to SDG 2 in the case of the MAIPk implemented program focusing on monthly financial assistance and food bank programs. The monthly financial assistance is a cash transfer program to fulfil the daily needs of the recipients, and the food bank provides basic food for the recipients. The food bank program engages the mosque-based local community to identify the eligible recipients, deliver the food, report, and supervise the program activities. According to the MAIPk program report, it has 11,769 recipients for the monthly financial assistance program and 25,144 recipients for the food bank program in the year 2023 (MAIPk, 2023). Thus, to examine the impact of Islamic social finance on contributing to SDG 2, the study adopts mixed methods consisting of quantitative and qualitative approaches.

Quantitative Approach

For the quantitative approach, the study measures the social impact of monthly financial assistance programs by conducting a survey. The simple random sampling method was used in this study. Data obtained from the questionnaire were analyzed using SPSS software version 29 and presented in the form of descriptive statistics and percentage tables, as shown in Table 1. The sample size was determined based on the Sample Size Table introduced by Krejcie and Morgan (1970). Although the Krejcie and Morgan sample size calculation was introduced some time ago, most sample size determination methods still refer to their work, taking into account a 5% confidence level. Thus, the total number of necessary samples is 387 respondents. The survey questions follow the SDG 2 indicators regarding the prevalence of undernourishment. The questions are explained in Table 1 as follows:

Table 1. Main Questions of the Survey

No.	Questions	Scale				
1.	There is a change in daily eating frequency to at least three times a day after receiving financial assistance	1	2	3	4	5
2.	The recipients have more access to healthy foods	1	2	3	4	5
3.	There is a change in food quality after receiving financial assistance	1	2	3	4	5
4.	The recipients have more financial allocation for the children’s education program	1	2	3	4	5
5.	The recipients have a better, healthier quality of life	1	2	3	4	5

For the data collection, the respondents are contacted by phone with prior verification of the identity of the recipients. All of the preliminary information for the respondents is provided by MAIPk, including their phone number, address, and other related personal information. The study ensures that only the appropriate respondents are called using a previously performed verification process before asking questions. In addition, the responses from the respondents are on a Likert scale where 1 is for strongly disagree (strongly unimpactful), 2 is disagree (unimpactful), 3 is neutral, 4 is agree (impactful), and 5 is strongly agree (strongly impactful). The social impact of the program is defined when the Likert scale has a value ≥ 4 .

Qualitative Approach

Additionally, for qualitative data, we conduct in-depth semi-structured interviews for food bank programs to examine the social impact of the programs. Qualitative approaches aim to elaborate on the recipients' personal experiences during the program implementation. As stated by Creswell (2012) and Plano Clark and Creswell (2015), the qualitative approach is suitable for explaining a central phenomenon. Similar to the quantitative approach, semi-structured interview questions are made using the SDG 2 indicators concerning the prevalence of undernourishment. The interviewees consist of the recipients of the program and MAIPk officers. In total, it has eight interviewees, as explained in Table 2 below:

Table 2. Demographic of Participants

No.	Participants	Designation
1.	Informant A	MAIPk Officer
2.	Informant B	Recipient
3.	Informant C	Recipient
4.	Informant D	Recipient
5.	Informant E	Recipient
6.	Informant F	Recipient
7.	Informant G	Recipient
8.	Informant H	Recipient

The purpose of interviewing a MAIPk officer is to understand the objective of the programs, the procedure, implementation, and the expected outcome of the program. In addition, the recipients are also interviewed to gather data on how the program impacts their lives. All in-depth interviews are conducted in face-to-face mode. We follow Dworkin (2012), who suggests that during face-to-face interviews, the sample size needed is five to fifty respondents.

Result and Discussion

Quantitative and Qualitative Findings

The findings of the study consist of quantitative and qualitative results that measure monthly financial assistance and food bank assistance programs, respectively. Firstly, for the quantitative data, after contacting 458 respondents, only 294 respondents answered the questions properly, meaning that according to the Slovin formula, as stated in Eq. 1, the error term becomes between 5-6%. In terms of the demographic data of the respondents, it is explained in Table 3 that in terms of gender, the respondents are dominated by females, reaching 56.5% for females and 43.5% for males. In addition, 75.8% of male respondents are married, while 73.5% of female respondents are widows.

Either male or female respondents are in middle age, 46 to 65 years old. Regarding education background, the data generally shows that male respondents are better than female students in completing their education programs. This can be seen from the number of respondents who finished their education program at the elementary to undergraduate level. In this regard, the higher percentage of male students at the education level, 39.1%, who finish their education at the high school level. Inversely, about 42.2% of most female respondents do not finish their elementary school. From the occupation side, either male

or female respondents, most of them do not work. Many do not work for several reasons, such as the lack of capabilities and physical issues. For female respondents, many of the respondents are housewives.

Table 3. The Description of the Respondents

Characteristic	Male		Female	
	No	%	No	%
Total	128	43.5	166	56.5
<i>Status</i>				
Married	97	75.8	33	19.9
Single	12	9.4	11	6.6
Widow	19	14.8	122	73.5
<i>Age</i>				
18-25 years (Youth)	0	0	1	0.6
26-45 years (Adult)	22	17.2	24	14.5
46-65 years (Middle-aged)	68	53.1	84	50.6
>65 years (Elderly)	38	29.7	57	34.3
<i>Education</i>				
Not finishing elementary school	39	30.5	70	42.2
Elementary school	38	29.7	38	22.9
High School	50	39.1	56	33.8
Diploma	1	0.7	1	0.55
Undergraduate Degree	0	0	1	0.55
<i>Occupation</i>				
Employee	56	43.8	38	22.9
Entrepreneur	3	2.3	8	4.8
Not Working	69	53.9	120	72.3

To assess the impact of the program, the study uses the SDG 2 indicator in "2.1.1 Prevalence of undernourishment" focusing on five questions explained in Table 4. The study reveals that 29% of the respondents do not have a social impact after receiving monthly financial assistance in terms of the frequency of eating (see Table 4). Moreover, 37% of respondents stated that monthly financial assistance impacts their eating frequency, and 34% even acknowledged that the assistance is strongly impactful in increasing their eating frequency. This indicates that monthly financial assistance can increase the eating frequency of the respondents.

Besides having more eating frequency after receiving monthly financial assistance, the respondents also confirm that there is an increase in healthy food access. It is shown in Table 5 in which 45%, consisting of 31% impactful and 14% strongly impactful of respondents, agree that they experience the impact of having more access to healthy foods. In addition, Table 6 exhibits that 72% of the respondents acknowledge that there has been an increase in food quality for daily consumption. The food of quality consists of vitamins, vegetables, and others.

The monthly financial assistance significantly reduces the financial burden of the recipients. Table 7 shows that 44% of the respondents allocated more to children's education programs. The finding indicates that monthly financial assistance not only increases the level of food quality but also impacts other sectors. Thus, the monthly financial assistance systemically impacts respondents' lives, especially in terms of children's education. Then, in general, the social impact of monthly financial assistance also explains that the quality of respondents' lives increases concerning the quality of health through fulfilling the basic needs of foods and increasing the quality of foods.

Table 4. There is a change in the daily eating frequency to be at least three times a day after receiving financial assistance

Impact	Percentage (%)
Strongly Unimpactful	6
Unimpactful	23
Impactful	37
Strongly impactful	34

Table 5. The recipients have more access to healthy foods

Impact	Percentage (%)
Strongly Unimpactful	26
Unimpactful	29
Impactful	31
Strongly impactful	14

Table 6. There is a change in food quality after receiving financial assistance

Impact	Percentage (%)
Strongly Unimpactful	8
Unimpactful	20
Impactful	40
Strongly impactful	32

Table 7. The recipients have more financial allocation for children's education program

Impact	Percentage (%)
Strongly Unimpactful	20
Unimpactful	26
Impactful	38
Strongly impactful	16

Table 8. The recipients have a better healthily quality life

Impact	Percentage (%)
Strongly Unimpactful	2
Unimpactful	15
Impactful	52
Strongly impactful	31

Secondly, from the qualitative side, the result from the interview process is in line with the findings from the quantitative part. In general, the recipients of the programs acknowledge that the program creates an impact on their lives.

There are impacts and differences...

(Informant C, personal communication, December 10, 2023)

There is a difference before and after receiving help, lightening the burden a little...

(Informant E, personal communication, December 10, 2023)

I am so grateful because it reduces my financial burden in life...

(Informant I, personal communication, December 10, 2023)

The assistance from MAIPk creates a change in their life by lessening the financial burden and increasing their eating frequency to three times a day. This argument is also stated by informants with more specifying what the impacts are.

Before receiving assistance, my aunt could not eat much in a day, only twice. However, after receiving assistance from the program, my aunt is able to eat many times a day. There was a little extra... There is an impact and an effect. After receiving the program's assistance, my aunt has a choice of food. It is very impactful... For example, the size of the sardine given is large and very sufficient...

(Informant C, personal communication, December 10, 2023)

Financial Impact. When foodbank items are available, the money that should be used to buy basic items can buy other wet items such as shrimp...

(Informant D, personal communication, December 10, 2023)

Before getting help from a food bank, you had to spend money to buy rice. But after receiving help, you don't need to buy basic items...

(Informant F, personal communication, December 10, 2023)

I acknowledge that after receiving food bank assistance, I can allocate my money to buy other important things...

(Informant G, personal communication, December 10, 2023)

Interestingly, the program assistance also increases the level of altruism of the respondents and triggers entrepreneurship activities using food bank assistance to generate more sustainable income. More importantly, the program also improves the mental health and the informants' quality of life.

There is an impact to me to be grateful... Even though it's hard, I still give charity...

(Informant F, personal communication, December 10, 2023)

The impact of the program is in line with the program's objective to address the issue of food security in the state of Perak by referring to MAIPk's standard operating procedure, particularly for deserving recipients called *asnaf*. In addition, the programs are operationalized in a monthly basis with engaging local mosques to participate in the program.

The foodbank for every month. The fact that it was received every two months was due to the approval being a little late. So, after that, the range is indeed once a month... The list of recipients is determined by the mosque because they know better who the people are who are in need... In the food basket... There are biscuits, flour, sardines, oil, sauce.

(Informant A, personal communication, December 10, 2023)

To ascertain that the program is effectively implemented, MAIPk also engages in program control, especially in ascertaining the suitable recipients of the program.

The process begins. The list is chosen by the people of the mosque. So, after that, we screen it. Because of fear of redundancy.... At the level of the mosque itself, we have a record of qualified individuals.

(Informant A, personal communication, December 10, 2023)

Discussion

To discuss the findings of the studies, according to results from quantitative and qualitative approaches, it can be seen that MAIPk already creates social impacts that are in line with SDG 2. Precisely, the alignment of SDG 2 is relevant to two targets, which are:

- i. By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.
- ii. By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.

Those targets emphasize the attainment of foods mainly in the basic needs of foods and nutritious fulfilment. Interestingly, it has a snowballing impact, meaning that it creates other impacts beyond SDG 2, such as an increase in altruism among the recipients and an improvement in physical and mental health. It indicates that focusing the program on a certain goal in sustainable development impacts not only the single goal but also other goals. Thus, it has interrelated goals among seventeen SDGs.

Increasing the frequency of eating and access to healthy foods

The frequency of eating has become a vital aspect, and society can be said to be free from the threat of hunger when it has a sufficient frequency of eating. Even though the debate remains exists on how often people must eat in a day, there is a leading argument stating that the need to have three times meals in a day consisting of breakfast, lunch, and dinner impacts a better metabolism in the human body (Paoli et al., 2019). The less eating frequency people have, the higher the possibility of facing a threat of malnutrition and hunger they may have. Certainly, the frequency of eating meals in a day must also consider the quality of the food, especially the fulfilment of nutritional aspects that ensure the health of the human body.

In the case of Malaysia, the importance of healthy food is reported by a study conducted by Muda et al., (2019). The report highlights a threat of hidden hunger in the case of Malaysia and all states within the country, with discussion at all age levels. Among the key important points in the report is the need for Iodine fulfilment for Malaysian citizens, which is still below the standard, particularly in the State of Perak, which is still far below other states. Iodine deficiency disorder creates irreversible health problems such as brain damage. In addition, iron deficiency anemia is present in 23% of men and 51% of women between the ages of 15 and 45 who are in danger (Muda et al., 2019). Globally, one-third of the world's population suffers from anemia, of which half are caused by iron deficiency. Such elements that are needed for the body's health can be found in foods as long as society has sufficient access to healthy foods.

In the global context, a current study from Gani and Prasad (2007) reveals that there is a close relationship between food access and the quality of human development. Food accessibility, including the nutritional foods for society, evidently increases the level of human development. Therefore, to increase the level of society, it needs to be supported by sufficient food access. Pérez-Escamilla (2017) then adds that possessing less access to food creates many problems, including social, physical, cognitive development and physical aspects of society. Therefore, contributing to increasing access to food and providing sufficient eating frequency is a significant contribution to addressing short- and long-term challenges to food security that are in line with SDG 2.

Increasing the altruism among others

Altruism is defined as how people can help others (Dahl & Paulus, 2019). According to Weiss- Sidi and Riemer (2023), the act of altruism has a lot of variation, from small things such as offering coffee to others to donating a certain amount of personal wealth to help those who are in need. Thus, the act of altruism is basically an attempt to give more attention or even prioritize others to help their needs. Among the top 5 global risk issues, according to the World Economic Forum (2023), about the erosion of social cohesion in society, the act of altruism has a social impact on increasing social cohesion among others that can be part of an effort to tackle the global risk.

In the case of poverty alleviation, Islamic social finance needs to examine its impact on reducing poverty issues, which consists of material and spiritual measurements (Beik & Arsyianti, 2016). Hence, there is a poverty condition where a person can be spiritually and materially poor, spiritually poor but not materially poor, spiritually not poor but materially poor, and not poor, neither spiritual nor material. An increase in

the altruism aspect indicates that Islamic social finance recipients increase their level of spiritual wealth, and it is believed that Islamic social funds bring blessings to the recipients (Beik & Arsyianti, 2015).

In addition, the act of altruism is also important for economic development. Under the theory of triangle welfare of Defourny and Pestoff (2008), there are three parties that are necessary to engage in economic development: the government (state), the government (firm), and the community (society). The role of the community is to support many economic aspects that the government and market do not cover by conducting voluntary activities, including acts of altruism. For instance, society may be involved in supporting other people who are in need. In the context of Islamic finance, the pivotal role of the community in the theory of triangle welfare is also highlighted by Arshad and Haneef (2016). In this case, society can support Islamic social funds through any form of Islamic charity where the funds are then self-distributed by the donors or managed by the relevant authority to help the people who are in need. Therefore, in the case of social impact obtained from the MAIPk programs, increasing altruism among the recipients to others re-creates another Islamic social fund that helps other people in need, especially in fulfilling their necessities.

Enhancing physical and mental health

According to the finding of the study, it reveals that the programs conducted by MAIPk that are in line with SDG 2 increase physical and mental health. Firstly, increased physical health is mainly caused by more access to food for the recipients. Indeed, physical health plays a pivotal role in having optimal results in each activity, including participation in educational activities, sports, and many other activities. The level of people's fitness determines the result. Thus, achieving good physical health by possessing more access to food is significant in enhancing the quality of life.

Moreover, the finding of the study also discloses that an increase in mental health is caused by many factors, comprising having more financial resources and time for family instead of doing extra working hours. According to the World Health Organization (2023), mental health is part of mental well-being where a person can cope with personal stress, understand and realize their ability, learn and work well, and then be expected to contribute to society. In addition, mental health is part of basic human rights (World Health Organization, 2023). Therefore, achieving good mental health means, at the same time, helping a person to attain their basic human rights.

An existing study conducted by Raaj et al., (2021) reveals that there was a significant increase in mental disorders in the case of Malaysia in the past decade. The impact of the increase is numerous, which is dominated by physical health loss and committing suicide either in the intention or action levels. Raaj et al., (2021) also state that the increase in mental health problems is dominated by economic issues like an increase in the cost of living. The finding is supported by Bialowolski et al., (2021), who also find that the financial aspect is the main determinant of mental health and physical health. A similar result is also found by Yenerall and Jensen (2022), who conclude that unstable financial conditions increase the level of poor mental health of the people. Therefore, an increase in physical and mental health has a significant social impact on the recipients in the case of MAIPk assistance in the State of Perak. A betterment in mental health issues can increase the quality of life and encourage the recipient to have a more productive daily life.

Conclusion

The study aims to assess the social impact of the Islamic social finance program conducted by MAIPk that aligns with SDGs, specifically in SDG 2. The findings reveal that monthly financial assistance and food bank programs done by MAIPk increase the level of food access to the recipients. In addition, there are several social impacts beyond SDG 2, such as increasing the level of altruism among the recipients and strengthening the recipients' physical and mental health. The above-mentioned impacts provide evidence that Islamic social finance contributes to the betterment of a society that is closely aligned with sustainable development goals. Additionally, the findings of the study also inform the beauty of Islamic social finance, which has contemporary social impacts in society, not written only in the scholarly manuscript.

Moreover, the study implies twofold policy implications. First, Islamic social finance management needs to shift from the output to outcome viewpoints. This means that the performance measurement of management is not about how much money is already distributed to the recipients but how much impact is created for the recipients. Secondly, policymakers need to strengthen the ecosystem of Islamic social finance to increase its social impact. This is important because the Islamic social finance application needs to engage with many stakeholders in order to collaborate. In addition, Islamic social finance is only an avenue to assist the needy society. It needs to be combined with other financial instruments, including commercial finance, to create more social impacts.

Finally, to pave the way forward, the study suggests that a more comprehensive measurement is still necessary to examine the impact of Islamic social finance. In the case of MAIPk in the State of Perak, all programs need to be assessed to capture how much impact has been created using Islamic social funds and its alignment with seven teen sustainable development goals. This is pivotal to giving more understanding of how Islamic social funds impact society.

References

- Ahmed, A., Shahid, M., & Sulub, Y. A. (2018). The role of waqf in food security: A comparative study. *Journal of Islamic Studies and Culture*, 6(2), 25-39.
- Alam, M. M., Wahab, N. A., Haq, M. A. Al, & Ahmad, S. A. (2021). Sustainable development status of zakat recipients: Empirical investigation based on Malaysia's Kedah state. *Journal for Global Business Advancement*, 14(5), 6. <https://doi.org/10.1504/JGBA.2021.123544>
- Arshad, M. N. M., & Haneef, M. A. M. (2016). Third sector socio-economic models: How waqf fits in?. *Institutions and Economies*, 8(2), 75-93.
- Asmita, B., Andayani, D. R., & Rizkiningsih, P. (2017). "An analysis of social investment impact of BAZNAS microfinance program using social return on investment (SROI) method". Center of Strategic Studies (PUSKAS) BAZNAS. <https://puskasbaznas.com/publications/published/pwps/1263-an-analysis-of-social-investment-impact-of-baznas-microfinance-program-using-social-return-on-investment-sroi-method>
- Ayuniyyah, Q., Pramanik, A. H., Saad, N. M., & Ariffin, M. I. (2022). The impact of zakat in poverty alleviation and income inequality reduction from the perspective of gender in West Java, Indonesia. *International Journal of Islamic and Middle Eastern Finance and Management*, 15(5), 924-942. <https://doi.org/10.1108/IMEFM-08-2020-0403>
- Ayuniyyah, Q., Pramanik, A. H., Saad, N. M., & Ariffin, M. I. (2018). Zakat for poverty alleviation and income inequality reduction: West Java Indonesia. *Journal of Islamic Monetary Economics and Finance*, 4(1), 85-100.
- Beik, I. S., & Arsyianti, L. D. (2015). Construction of CIBEST model as measurement of poverty and welfare indices from Islamic perspective. *Al-Iqtishad: Jurnal Ilmu Ekonomi Syariah*, 7(1), 87-104. <https://doi.org/10.15408/aiq.v7i1.1361>
- Beik, I. S., & Arsyianti, L. D. (2016). Measuring zakat impact on poverty and welfare using CIBEST model. *Journal of Islamic Monetary Economics and Finance*, 1(2), 141-160.
- Bialowolski, P., Weziak-Bialowolska, D., Lee, M. T., Chen, Y., VanderWeele, T. J., & McNeely, E. (2021). The role of financial conditions for physical and mental health. Evidence from a longitudinal survey and insurance claims data. *Social Science & Medicine*, 281, 114041. <https://doi.org/10.1016/j.socscimed.2021.114041>
- Creswell, J. W. (2012). *Educational research: Planning, conducting, and evaluating quantitative and qualitative research* (4th ed.). Cambridge University Press. <https://doi.org/10.1017/CBO9781107415324.004>
- Dahl, A., & Paulus, M. (2019). From interest to obligation: The gradual development of human altruism. *Child Development Perspectives*, 13(1), 10-14. <https://doi.org/10.1111/cdep.12298>
- Defourny, J., & Pestoff, V. (2008). *Images and concepts of the third sector in Europe*. EMES, Brussels.
- Dworkin, S. L. (2012). Sample size policy for qualitative studies using in-depth interviews. *Archives of Sexual Behavior*, 41(6), 1319-1320. <https://doi.org/10.1007/s10508-012-0016-6>
- Gani, A., & Prasad, B. C. (2007). Food security and human development. *International Journal of Social Economics*, 34(5), 310-319. <https://doi.org/10.1108/03068290710741570>

- Hasan, Z. (2018). Zakat as a social safety net: A sociopolitical perspective. *International Journal of Economics, Commerce and Management*, 6(4), 63-76.
- Hudaefi, F. A., Saoqi, A. A. Y., Farchatunnisa, H., & Junari, U. L. (2020). Zakat and SDG 6: A case study of Baznas, Indonesia. *Journal of Islamic Monetary Economics and Finance*, 6(4), 919-934. <https://doi.org/10.21098/jimf.v6i4.1144>
- Husni, H., & Khairat, M. (2024). Penetration of Muamalah Jurisprudence into Indonesian Law. *Al-Istinbath: Jurnal Hukum Islam*, 9(2), 699–722. <https://doi.org/10.29240/jhi.v9i2.11116>
- Maulidiana, L., & Famulia, L. (2023). Maqâshid al-shari'ah review of the implementation of sharia franchise at 212 mart Bandar Lampung, Indonesia. *Al-'Adalah*, 20(1), 157–157. <https://doi.org/10.24042/adalah.v20i1.16339>
- Muda, W. M. W., Sundaram, J. K., & Tan, Z. G. (2019). "Addressing malnutrition in Malaysia". Khazanah Research Institute. http://www.krinstitute.org/assets/contentMS/img/template/editor/Discussion%20Paper_Address ing%20Malnutrition%20in%20Malaysia.pdf
- Paarlberg, R. L. (2020). *Governance and food security in an age of globalization (2020 Vision Briefs 72)*. International Food Policy Research Institute.
- Paoli, A., Tinsley, G., Bianco, A., & Moro, T. (2019). The influence of meal frequency and timing on health in humans: The role of fasting. *Nutrients*, 11(4), 1-19. <https://doi.org/10.3390/nu11040719>
- Pati, U., Tejomurti, K., Pujiyono, P., & Pranoto, P. (2021). Fintech remittance syariah: The solution of collection ziswaf overseas. *Brawijaya Law Journal*, 8(2), 282–294. <https://doi.org/10.21776/ub.blj.2021.008.02.07>
- Pérez-Escamilla, R. (2017). Food security and the 2015-2030 sustainable development goals: From human to planetary health. *Current Developments in Nutrition*, 1(7), 1-8. <https://doi.org/10.3945/cdn.117.000513>
- Plano Clark, V. L., & Creswell, J. W. (2015). *Understanding research: A consumer's guide*. Pearson.
- Raaj, S., Navanathan, S., Tharmaselan, M., & Lally, J. (2021). Mental disorders in Malaysia: An increase in lifetime prevalence. *BJPsych International*, 18(4), 97-99. <https://doi.org/10.1192/bji.2021.4>
- Siti Sarah, S., Arshad, M., & Zahari, A. (2021). The role of zakat and waqf in eradicating food poverty: A conceptual study. In *the Proceedings of the Advances in Social Science, Education and Humanities Research*, (p. 443).
- Suprayitno, E., Aslam, M., & Harun, A. (2017). Zakat and SDGs: Impact zakat on human development in the five states of Malaysia. *International Journal of Zakat*, 2(1), 61-69. <https://doi.org/10.37706/ijaz.v2i1.15>
- United Nations Department of Economic and Social Affairs (UN DESA). (2023, July 10). "The sustainable development goals report 2023: Special edition". United Nations Statistics Division. <https://unstats.un.org/sdgs/report/2023/>
- United Nations. (2015, September 25). "Transforming our world: The 2030 Agenda for Sustainable Development". <https://sustainabledevelopment.un.org/content/documents/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf>
- Vos, R. (2015). *Thought for food: Strengthening global governance of food security*. Department of Economic & Social Affairs.
- Weiss-Sidi, M., & Riemer, H. (2023). Help others—be happy? The effect of altruistic behavior on happiness across cultures. *Frontiers in Psychology*, 14, 1-14. <https://doi.org/10.3389/fpsyg.2023.1156661>
- World Economic Forum. (2023). "The global risk report 2023: 18th edition". https://www3.weforum.org/docs/WEF_Global_Risks_Report_2023.pdf
- World Health Organization. (2023). "Mental health". https://www.who.int/news-room/fact-sheets/detail/mental-health-strengthening-our-response/?gad_source=1&gclid=CjwKCAiA3JCvBhA8EiwA4kujZtZvjJic8nwgth9kaZg