

## Grant Making Policy

### 1. Purpose of this policy

- 1.1. The purpose of this policy is to set out the principles, criteria and processes that govern how the trustees of Fuel Macedonia (the Charity) make grants.
- 1.2. A grant is defined as a financial award the trustees make to a successful applicant. Any decision whether to award a grant remains solely the responsibility of the trustees.

### 2. Introduction

#### 2.1. Charitable purpose:

Fuel Macedonia is set up for the prevention and relief of poverty and the relief of those in need by reason of financial hardship in the Republic of North Macedonia. It is governed by a board of operational and non-operational trustees.

- 2.2. The trustees award the funds of Fuel Macedonia at their discretion and in accordance with the charitable purposes (Object, as defined in the Constitution) of the charity.

### 3. Priorities for support

- 3.1. The amount of work or number of projects that can be supported by the trustees is necessarily limited to the amount of funds that are available or have been raised for distribution. The trustees have determined that the current priorities for funding are:

- The prevention and relief of poverty within local communities in the west of North Macedonia or as determined by the trustees from time to time and in accordance with this policy;
- The relief of poverty within local communities and among the deprived and needy peoples in North Macedonia or as determined by the trustees from time to time and in accordance with this policy;
- The education of individuals in deprived areas of North Macedonia to achieve their best potential in society and employment.

- 3.2. The priorities for support will be reviewed by the trustees every year and may be changed depending upon circumstances and the perceived effectiveness of the application of funds. Any change to these priorities must still fulfil the charitable purpose and objectives of the Charity.

### 4. Principles applied in determining support

In awarding grants, the trustees will apply the following principles;

- 4.1. The trustees will consider any requests or known situations that are eligible for consideration:
  - From the Republic of North Macedonia;
  - From organisations, local Macedonian partners and individuals alike.
- 4.2. Each request or situation will be considered on its own merits. Where situations have been previously considered (whether successful or not) any due diligence undertaken to reach an earlier decision will be made available to the trustees.
- 4.3. The trustees will carry out sufficient due diligence to ensure that the request or situation meets both the **charitable purposes**, and the **priorities for support** set out in this policy.

4.4. The trustees reserve the right to apply conditions to any grant.

4.5. The trustees are content to work in partnership with other grant making bodies where funding of an entire project is beyond the scope of any single organisation.

## **5. Applicant and partner due diligence**

5.1. The trustees will carry out sufficient due diligence on any potential beneficiary to ensure:

- The identity of the beneficiary and, in cases where a partner is involved as intermediary, the relationship between the partner and the beneficiary;
- That funds are applied in accordance with the charity's charitable purpose;
- That funds are not knowingly used for:
  - Money laundering in accordance with the operative Money Laundering regulations;
  - Terrorist financing in accordance with the Terrorist Act 2000;
  - Bribery in accordance with the 2010 Bribery Act.

5.2. In cases where the charity is not the only supporter of the work or project, and to protect its reputation, the trustees may choose to extend any due diligence beyond the proposed beneficiary and to include other partner supporting organisations.

5.3. The trustees will adopt a risk rated approach to due diligence. Risk factors will include;

- the size of the grant;
- the country of residence of the proposed recipient;
- the geographical location in which the grant will be applied;
- when the applicant is a partner or organisation, the nature of the relationship between the partner or organisation making the application and the beneficiary;
- the nature of the relationship between the Charity and the applicant.

5.4. Grant size will be an important risk factor and the larger the grant the greater will be the likely level of due diligence undertaken.

5.5. Where the proposed beneficiary is well known to the trustees and the relationship has been long standing and well established, the amount of due diligence undertaken is likely to be reduced.

5.6. Where the proposed beneficiary is unknown to the charity but is known to the applying partner or organisation 5.3 will apply.

5.7. The results of any due diligence will not last indefinitely. In cases where beneficiaries are supported for a significant period of time, additional due diligence will be undertaken on a change of circumstances that might impact the beneficiary, or in any case after a period of three years.

## **6. Administration**

6.1. For smaller grants (up to the currency equivalent of £100), requests may be made informally. Where specific needs or situations are known, grants may be made at the discretion of the trustees without any formal request but these should be agreed by at least 2 trustees and may be made on location when a specific need presents or is observed that is in line with this policy.

6.2. For grants in excess of £100 a written application is required.

6.3. For grants (up to £1,000), trustees should be confident:

- of the purpose of the proposed grant including an understanding of the work and the way in which the grant will be managed and applied;

- of the person(s) responsible for the management of the grant and for overseeing the work;
  - that all local applicable laws and working practices associated with the work are fully and properly applied;
  - that suitable safeguarding policies are in place in cases where the applicant works with children or vulnerable adults.
- 6.4. For any grants over £1,000, in addition to the requirements set out in 6.3, trustees would expect a written report (on request) setting out the progress and achievements for the period covered and detailing any forthcoming changes to either the nature or the location of ongoing work.
- 6.5. In situations where a project grant application has been successful and one in which there could be many beneficiaries and an ongoing need (for example a project to provide food for families in need) the only requirement for new beneficiaries under this project are that the trustees be satisfied of the actual needs of the beneficiary.
- 6.6. With the agreement of the Charity and the beneficiary, grants will be provided by means of:
- an electronic banking transfer;
  - a signed, receipted local currency payment for a project;
  - a receipted cash payment for smaller beneficiary grants.
- The Charity's normal payment authorisation process will be applied to any payments (see Constitution).
- 6.7. Where the grant is for a specified project or purpose, and in situations where that purpose does not proceed or where any grant or part thereof remains unused, unused funds must be returned.
- 6.8. Where formal written applications have been received, or other records maintained, these will be stored and subsequently disposed of in accordance with the charity's policy on data protection and prevailing Data Protection legislation.

## **7. Decision making**

- 7.1. The decision of the trustees on whether to award a grant is final.
- 7.2. The trustees are not obliged to provide an explanation to applicants in the event that their application is not successful.