



POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS

APPROVED BY:

T.V. VOLOCHAI

Director

Effective date:

2022

Order

No.

dated

2022

Version:

1.0

Content

1.	TERMS AND DEFINITIONS	3
2.	GENERAL PROVISIONS	3
3.	ROLE AND POSITIONING OF THE FOUNDATION	3
4.	GEOGRAPHY OF THE FOUNDATION'S ACTIVITIES	4
5.	SUSTAINABLE DEVELOPMENT GOALS UNTIL 2030 AND THE FOUNDATION'S ACTIVITIES	4
6.	PRIORITY DIRECTIONS OF THE FOUNDATION	4
7.	PRINCIPLES OF WORKING WITH STAKEHOLDERS, BENEFICIARIES, AND PARTNERS OF THE FOUNDATION	5
8.	MECHANISMS OF COOPERATION WITH PARTNERS	5
9.	GENERAL PRINCIPLES OF PROVIDING GRANT (SUB-GRANT) PROJECT SUPPORT	5
10.	COMMUNICATION AND VISIBILITY	6
11.	RESPONSIBILITY	6
	Appendix No. 1. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "SOCIAL CAPITAL"	7
	Appendix No. 2. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "SOCIAL CAPITAL"	13
	Appendix No. 3. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "PUBLIC HEALTH"	20
	Appendix No. 4. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "ENERGY EFFICIENCY AND ECOLOGY"	26
	Appendix No. 5. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "COUNTERING THE CONSEQUENCES OF WAR"	32
	Appendix No. 6. STATUS REPORT FORM	38
	Appendix No. 7. FINANCIAL STATEMENT FORM	39

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0

1. TERMS AND DEFINITIONS

Beneficiaries of the Foundation (*direct recipients of assistance*), depending on the type of activity, can be: legal entities and individuals in the target territories; residents of local communities; self-organization bodies of the population and public (non-governmental) organizations; local self-government bodies and local executive authorities; mass media; and so on.

Partners – (*interested parties ready to participate in the implementation of joint activities with the Foundation with financial, human, or other resources*) - representative offices of international programs and donor structures in Ukraine; government donors; public donors; private donors; corporate donors; large socially responsible businesses represented in the target territories; local socially responsible businesses (micro, small, medium); public (non-governmental) organizations, as well as initiative groups of residents (without creating a public association); local self-government bodies and local executive authorities; educational, medical, cultural, sports institutions, etc.

Foundation Stakeholders (*the environment we influence*) means the population of small towns, settlements, and villages in the territory of 14 regions specified in clause 4 of the Policy, including children, young people, working-age adults (women, men), people of respectable age, people with disabilities, etc.

Foundation means CO "CF MHP-GROMADI"

SDGs means Sustainable Development Goals

2. GENERAL PROVISIONS

- 2.1.** The Policy of CO "CF MHP-GROMADI" (hereinafter referred to as the Foundation) on Cooperation with Partners, Granters and Donor Organizations (hereinafter referred to as the Policy) is developed in accordance with the Charter, Development Strategy and Communication Policy of the Foundation, and is aimed at informing, common understanding of concepts and regulating relations between all participants in joint projects, events, actions, etc.

3. ROLE AND POSITIONING OF THE FOUNDATION

- 3.1.** The Foundation has been working fruitfully since 2015 to transform people's lives in regions, helping communities unite to solve their social, economic, and environmental problems, and creating conditions for self-development (educational, cultural, economic) of children, young people, and people of respectable age in rural areas in accordance with European standards of living. The Foundation is a range of different opportunities, bringing communities and talented people together around our common goal.
- 3.2. Positioning:** The Foundation is a leader in implementing development projects and implementing socially significant changes in small towns and villages of Ukraine. This is a team of professional project managers and experts on sustainable community development who masterfully build partnerships between business, government, society, and international partnership.
- 3.3. Purpose of the Foundation** is to promote the integrated development of territorial communities and civil society institutions as engines of local democracy by activating and coordinating the efforts of government, business, and communities themselves.
- 3.4. Mission of the Foundation** is to assist in bringing people together to solve their social, economic, and environmental problems in communities.
- 3.5. Vision of the Foundation** – small communities are transformed into places you want to live.
- 3.6. Foundation Principles** means the desire to "hear" communities and become better together, support for Ukrainian producers and their further development, innovation, honesty, and strict adherence to the highest standards of ethics and integrity, the importance of continuous improvement in relation to sustainable development goals, minimizing the impact on the environment, and active social position.
- 3.7. Business ethics** – we are always open to cooperation with those partners, granters, and donor organizations whose activities meet the highest standards of transparency and security.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 4 of 39

- 3.8. We recognize that the transformation of society takes time to implement, but our goal is to work only with those partners who share our values, are ready to act transparently, and constantly improve their activities. We adhere to the principles and standards that form the basis of this Policy, and expect the same attitude from each of our partners, granters, and donor organizations.

4. GEOGRAPHY OF THE FOUNDATION'S ACTIVITIES

- 4.1. The Foundation's activities cover 14 regions of Ukraine: Cherkasy, Kyiv, Vinnytsia, Lviv, Volyn, Ivano-Frankivsk, Ternopil, Khmelnytskyi, Sumy, Dnipropetrovsk, Chernihiv, Donetsk, Poltava, Zhytomyr regions of Ukraine.
- 4.2. If the Foundation's territory is expanded, all provisions of this Policy will apply to other regions of Ukraine.

5. SUSTAINABLE DEVELOPMENT GOALS UNTIL 2030 AND THE FOUNDATION'S ACTIVITIES

- 5.1. The Foundation's development guide is the Sustainable Development Goals (hereinafter referred to as the SDGs), which outline global sustainable development priorities and aspirations for the period up to 2030.
- 5.2. 7 Goals that correspond to the spirit and principles of our Foundation's activities:
- Goal 1:** Ensuring a healthy lifestyle and promoting well-being for all citizens at all ages.
- Goal 2:** Providing full-fledged and high-quality education, and encouraging continuous lifelong learning for all citizens, regardless of age and experience.
- Goal 3:** Ensuring the availability and rational use of water resources and sanitation for all.
- Goal 4:** Promoting progressive, inclusive, and sustained economic growth, full and productive employment of citizens, and decent working conditions for all.
- Goal 5:** Promoting the safety of living, resilience, and environmental sustainability of cities and localities.
- Goal 6:** Protecting and restoring land ecosystems and promoting their rational use, rational forest management, combating desertification, stopping and reverse dynamics (deploying) of the process of land degradation, and stopping the process of biodiversity loss;
- Goal 7:** Strengthening the means of implementing and revitalizing the Global Partnership for Sustainable Development.
- 5.3. Sustainable Development for the Foundation is, first of all, an understanding of the value of responsibility for the future. Our approach: we think globally, but we act locally.

6. PRIORITY DIRECTIONS OF THE FOUNDATION

- 6.1. In the process of developing viable communities, the Foundation supports development activities (projects, events, actions, initiatives, etc.) that meet the priority Sustainable Development Goals defined in clause 5 of this Policy in the following thematic areas:
- ✓ **Direction "Social Capital"**, the main task of which is to create conditions for self-development (in educational, cultural, economic, and sports areas) of children, youth, working-age population, and people of respectable age in rural regions in accordance with European standards of living.
 - ✓ **Direction "Capable Community"**, the main task of which is to increase the level of consciousness, activity, responsibility of citizens in small towns and rural areas by supporting, stimulating, and implementing various development projects (infrastructure and educational)
 - ✓ **Direction "Public Health"**, the main task of which is to promote the improvement of the physical, moral, and spiritual health of each person, as well as to support medical facilities and institutions.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 5 of 39

- ✓ **Direction "Energy Efficiency and Ecology"**, the main task of which is to form and promote eco-awareness, preserve natural resources and manage waste, and support initiatives for the use of renewable energy sources in communities.
 - ✓ **Direction "Countering the Consequences of War"**, the main task of which is to protect the territory of Ukraine and the freedom of citizens; to ensure the needs of internally displaced persons as a result of military operations; to ensure the needs of citizens in maintaining the necessary quality of life; to support families who have lost their source of income due to the loss of father/breadwinner as a result of military operations.
- 6.2.** The following appendices to the Policy are used for detailed regulation of activities within each direction:
- ✓ *Appendix 1: Program Activity Regulations in the direction "Social Capital";*
 - ✓ *Appendix 2: Program Activity Regulations in the direction "Capable Community";*
 - ✓ *Appendix 3: Program Activity Regulations in the direction "Public Health";*
 - ✓ *Appendix 4: Program Activity Regulations in the direction "Energy Efficiency and Ecology";*
 - ✓ *Appendix 5: Program Activity Regulations in the direction "Countering the Consequences of War".*

7. PRINCIPLES OF WORKING WITH STAKEHOLDERS, BENEFICIARIES AND PARTNERS OF THE FOUNDATION

- 7.1.** Partnerships with all parties concerned are based on the following principles:
- ✓ Equality and mutual respect of all participants in activities;
 - ✓ Transparency, openness and accountability of the Foundation's procedures;
 - ✓ No conflict of interests;
 - ✓ Social justice and respect for human rights;
 - ✓ Tolerance and non-discrimination on any basis;
 - ✓ High environmental standards;
 - ✓ Introduction and implementation of the sustainable development policy;
 - ✓ Innovation, activity, and creativity.

8. MECHANISMS OF COOPERATION WITH PARTNERS

- 8.1.** Cooperation with partners is based on a "project approach", that is the development and implementation of a joint development project (*a sequence of interrelated activities aimed at achieving a specific significant result*).
- 8.2.** Projects are submitted in the thematic directions defined in clause 4 of the Policy. Implementation is carried out in accordance with the requirements of the Program Activity Regulations of the selected direction and/or by the decision of the Foundation's Director. Financing of such projects takes place in the form of a grant (sub-grant); non-refundable financial assistance, in some cases – the provision of a certain amount of non-financial resources.
- 8.3.** Additionally, the Foundation can support partners through such mechanisms as:
- ✓ assistance through volunteer activities of employees;
 - ✓ provision of other non-financial resources (premises, transport, inventory items, etc.)

9. GENERAL PRINCIPLES OF PROVIDING GRANT (SUB-GRANT) PROJECT SUPPORT

- 9.1.** The general principles are:
- ✓ **Honesty** – we value honesty, and therefore are accountable and transparent.
 - ✓ **Partnership** – we cooperate with others for maximum achievements and positive changes.
 - ✓ **Diversity** – we welcome and appreciate diverse views as a necessary component of our success.
 - ✓ **Public trust** – we work on public trust and make every effort to be worthy of it.
 - ✓ **Respect** – we create positive relationships with grant recipients, partners, and other interested institutions, listen carefully, and clearly declare our principles.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 6 of 39

- ✓ **Objectivity** – we strive to support the most effective initiatives and projects that will benefit communities, and, therefore, we apply a professional approach in evaluating and monitoring projects and initiatives that are looking for grant support.
- ✓ **Project Sustainability** – we strive to ensure that all our initiatives have a further life; therefore, we focus on the financial and institutional sustainability of initiatives supported by the Foundation.

10. COMMUNICATION AND VISIBILITY

- 10.1. The Foundation openly communicates about the implemented projects and the progress of each of them, thereby confirming the transparency of its operational and financial activities.
- 10.2. The main purpose of communication and transparency activities is to disseminate information about the results of partnership. These measures should focus not only on resources, but also on the results of activities and their impact on communities and citizens.
- 10.3. Dissemination of information about the Foundation's activities is aimed at attracting initiative representatives of communities and other donors, and drawing the attention of the authorities to public problems for cooperation and partnership, improving the well-being of each community in the target territories.
- 10.4. Key approaches, principles, and methodology for monitoring, collecting and summarizing information about the Foundation's activities are set out in a separate document, "Communication Policy".
- 10.5. In order to avoid conflicting or controversial issues regarding the reflection of the Foundation's participation in the implementation of joint activities, all partners are recommended to read the above document.

11. RESPONSIBILITY

11.1. From the Foundation:

Responsibility for the operational and financial activities of the Foundation is assigned directly to the Director of the Foundation; regional managers report on the current implementation of projects in the manner and within the time limits set by the Director of the Foundation; if necessary, they are also involved in solving organizational issues (unless otherwise provided by the project terms).

11.2. From Grantee Partners:

During the implementation of projects, it is mandatory to determine the coordinators (curators) on the part of each partner. They are responsible for the intended use of the Foundation's financial and/or resource support, and provide current and final reports (unless otherwise provided by the project terms).

11.3. From strategic co-financing Partners:

The responsibility of the above-mentioned Partners is established and regulated on the basis of signed Memoranda of cooperation on corporate social responsibility (unless otherwise provided by the project terms).

Appendix No. 1. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "SOCIAL CAPITAL"

1. TERMS AND DEFINITIONS

Beneficiary (recipient of assistance)	an individual or legal entity, a social group that receives certain benefits resulting from the project implementation.
Charitable Organization	a non-governmental, non-profit organization whose main purpose is to carry out charitable activities in the interests of certain categories of citizens or society as a whole.
Project Budget	form (plan) of formation and use of resources, mainly financial ones, which are necessary to ensure the implementation of project goals and objectives during its duration.
Project Executor	any person authorized by the grantor and/or grantee who directly implements project implementation measures and is responsible for achieving project results.
Grant	funds that are irrevocably transferred by the donor to an individual or legal entity on a competitive basis for implementing a specific project.
Grantor	legal entities in Ukraine or abroad that provide material, financial, organizational, or other charitable assistance on a competitive basis.
Public Association	voluntary association of individuals and/or legal entities of private law for the exercise and protection of rights and freedoms, satisfaction of the public, in particular economic, social, cultural, environmental, and other interests. According to its organizational and legal form, a public association is formed as a public organization or a public union.
Donors	legal entities and individuals in Ukraine or abroad who voluntarily provide material, financial, organizational, or other charitable assistance.
Project Viability	the ability of project to produce results after the termination of external support.
Expert Council	members of the evaluation team specializing in a particular field and acting as a source of professional knowledge when evaluating grant applications.
Application	list of documents that must be submitted to receive support (grant).
Project Initiator	a person (representative of the organization) who initiates a new project and forms an Application for consideration of the initiative.
Projects (Programs) Monitoring	a system for regular monitoring of the project (program) implementation status.
Evaluation	periodic assessment of the effectiveness, efficiency, impact, duration and compliance of the project in the context of the goals set. Assessment is usually carried out in the form of an independent study of the environment, goals, results, actions (activities) and means used in order to find knowledge that may become necessary when making decisions in the future.
Project	<p>a) a set of actions and/or measures that are carried out to achieve the planned results within the allotted time, with the help of financial and material resources (budget) intended for this purpose by a certain circle of people.</p> <p>b) a document that defines the goals and objectives, areas of activity, and joint actions of project participants (donors, performers, beneficiaries, recipients), as well as the resources necessary to achieve the planned results.</p>
Project Application	a document containing the project proposal, project budget, and appendices completed in accordance with the donor's requirements.
Resources	funds necessary to achieve the project goal and its specific results.
Co-financing	participation of two or more parties in project financing
Sustainable Development	development of society that meets the needs of modern society without compromising the ability of future generations to meet their needs.
Stakeholders	individuals and organizations that can directly or indirectly, positively or negatively, influence the project, or feel its impacts

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0

2. GENERAL PROVISIONS

- 2.1. Realizing the growing importance of social capital in the modern world and its huge potential for the economic development of Ukraine, investments of CO "CF MHP-GROMADI" (hereinafter referred to as the Foundation) are aimed at creating conditions for self-development and qualitative improvement of the structure, content and nature of social capital, professional knowledge, acquisition of skills, dissemination of experience, development of intellectual and creative abilities, strengthening of high moral qualities of a person.
- 2.2. Social capital is central to the system of sustainable development. Investments in social development are identical to investments in fixed assets, which contribute to improving professional skills and improving a person's productive abilities and thereby increase labor productivity – *this is an investment in sustainable development*.
- 2.3. Social capital is considered the basis for creating intellectual capital and ceases to be considered only as a value, but is considered as an investment, if it can be measured. Social capital as a strategic resource for the sustainable development of an innovative economy is an intensive productive factor in the development of the economy and society, including the educated part of labor resources, knowledge, tools for intellectual and managerial labor, the living and working environment
- 2.4. Direction "Social Capital" reflects the Foundation's commitment to contribute to the development of the following Sustainable Development Goals: goal 3 – "good health"; goal 4 – "quality education"; goal 8 – "decent work and economic growth". Reserves for the development of social capital in Ukraine are proactive citizens, which is why the Foundation pays so much attention to supporting the direction "Social Capital" with an emphasis on residents of small towns, villages, and settlements.
- 2.5. Program Activity Regulations in the direction "Social Capital" (hereinafter referred to as the Regulations) are the appendix to the Policy of CO "CF MHP-GROMADI" regarding cooperation with Partners, Granters, and Donor Organizations.

3. PRIORITIES OF THE DIRECTION

- 3.1. In the direction "Social Capital", the Foundation has identified the following 5 main priorities for supporting residents of small towns, villages and settlements:
 - ✓ **Priority 1 "Education"** supports activities that are related to:
 - Development of dual education;
 - Andragogics (training of adults, including people of respectable age);
 - Development of business education;
 - Support for talent among both students and teachers;
 - All types of innovative and non-formal education.
 - ✓ **Priority 2 "Arts and Culture"** supports activities that are related to:
 - Holding events (festivals, film screenings, concerts, exhibitions, etc.) aimed at engaging the population in art, literature, music, architecture, media, and film;
 - Preserving and popularizing authentic Ukrainian culture;
 - Preserving historical monuments and tangible/intangible cultural heritage both of local and national significance.
 - ✓ **Priority 3 "Sport"** supports activities that are related to:
 - Development of sports infrastructure;
 - Conducting sports competitions of various levels;
 - Development of sports tourism;
 - Promoting a healthy lifestyle;
 - Creating conditions for sports activities of different age groups (including people of respectable age).
 - ✓ **Priority 4 "Gender Equality and Demographic Development"** supports activities that are related to:
 - Popularization and promotion of the values of a healthy and strong Ukrainian family;
 - Support for young families (including those with newborn children);
 - Caring for people of respectable age;
 - Promoting gender equality in all areas.
 - ✓ **Priority 5 "Volunteering"** supports activities that are related to:

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 9 of 39

- Promoting the movement and creating a culture of volunteering among all stakeholders, beneficiaries and partners of the Foundation;
 - Involving the broad masses of the population of small towns and villages (settlements) in volunteering;
 - Volunteer management, and innovative volunteering.
- 3.2. The indicated priorities of direction ***are not exclusive***. If the application from the granter corresponds to thematic priority (while it is outside the limits indicated above), it can be accepted for consideration and financed by the decision of the Director of the Foundation and/or the competition council (if it is created within the project).
- 3.3. The Foundation may change, add, exclude, or review certain directions/priorities as a result of updating its activities.

4. PROJECTS NOT SUPPORTED BY THE DIRECTION

- 4.1. The Foundation does not provide grant support to projects that:
- do not meet the thematic priorities of grant competition;
 - do not meet the eligibility criteria;
 - do not correspond to the geography of the Foundation's activities;
 - have a commercial nature;
 - have a political or religious orientation;
 - promote violence, cruelty, racial, national, gender, and other intolerances;
 - previously, we received 100% funding from other sources.

5. THE INITIATOR OF THE PROJECT AND THE RECIPIENT OF SUPPORT (GRANTER) CAN BE

- 5.1. Grant support can be provided to projects developed and submitted for the competition:
- ✓ ***by public organizations, unions of public organizations, charitable organizations***, which are included in the register of non-profit organizations and correspond to the geography of the Foundation's activities;
 - ✓ ***by initiative groups of individuals***. At the same time, the creation of initiative group must be confirmed by the relevant minutes of the meeting on creation of initiative group, which, among other things, must indicate surname and first name, data on the place of registration of the authorized person and other necessary information that will have the authority to represent the interests of initiative group when interacting with the Foundation and will be responsible for the implementation of the project;
 - ✓ ***by representatives of local self-government bodies*** acting on behalf of the territorial community located on the territory of the Foundation's activities;
 - ✓ ***by regional managers of the Foundation***, at the request of more than 10 members of the community located on the territory of the Foundation's activities;
 - ✓ ***other grant seekers (including individual entrepreneurs, etc.)***, in accordance with the terms of the announced competition within a certain direction.
- 5.2. The Foundation may itself develop, implement projects/activities/campaigns/initiatives and encourages the creation of partnerships for their implementation, including submission to current grant programs/competitions in which the organization can provide additional funding in the amount of 50 %, subject to approval of project idea by the Director of the Foundation or other authorized person from the members of the Supervisory Board of the Foundation.

6. CONFLICT OF INTERESTS AND WAYS TO OVERCOME IT

- 6.1. The Foundation strives to avoid situations in project implementing organizations (granters) that may cause conflicts of interest.
- 6.2. The following situations are considered potential conflicts of interest for granters who have received support from the Foundation:
- ✓ the granter is involved in making a decision on a case in which he cannot remain disinterested or objective in choosing between the goal and interests of the project and his own interests;
 - ✓ the granter (his relatives, close friends or business partners) is or may be financially interested in receiving or supplying goods or services for the project implementation from individual legal entities and individuals.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 10 of 39

6.3. Granters are obliged to inform the Foundation of the existence of relationships with employees and suppliers of goods or services that may bring personal, institutional, political or financial benefits to him (them), his (their) relatives, close friends and business partners. After reporting such interests, the Foundation examines the potential conflict situation and determines the necessary steps to avoid conflict.

7. MAKING DECISIONS ON PROVIDING SUPPORT

7.1. Competitive projects are considered by the Competitive (Expert) Council consisting of selected experts. The personal composition of the Expert Council is approved by the Director of the Foundation.

7.2. The principles and procedure of the Expert Council's activities are regulated by:

- The Foundation's Policy on Cooperation with Partners, Granters and Donor Organizations;
- Regulations on the relevant project/competition (if any);
- Regulations/instructions/rules, etc. of donor organizations that co-finance the project (if any);
- as well as these Regulations.

7.3. After a thorough analysis of projects and their discussion, as well as based on the results of evaluation, the Competition (Expert) Council decides on granting or refusing to grant. The decision of the Competition (Expert) Council is final and is not subject to review. The reasons for not providing the grant are not disclosed.

7.4. If there is no need to create a competitive (expert) commission, decision to provide support is made by the Director of the Foundation.

8. PROCEDURE FOR FINANCIAL (GRANT) SUPPORT WITHIN EXISTING AND PLANNED PROJECTS OF THE FOUNDATION

8.1. Projects are financed from the Foundation's own and/or borrowed funds as non-refundable, targeted financial assistance, and other legitimate sources in accordance with the current legislation of Ukraine.

8.2. Support is provided using a project-based approach and includes the following stages:

- ✓ Approval of the competition regulations (instructions for participants, budget forms, etc.) of projects for obtaining a grant, creating a competition council (if necessary);
- ✓ Announcement of competition with the establishment of a deadline for submitting projects;
- ✓ Conducting informational sessions for potential competition participants, providing explanations on the terms of participation and procedures;
- ✓ Receiving applications and checking them for compliance with technical requirements (timely submission, completeness, legitimacy of applicant);
- ✓ Evaluation by the competition (expert) council on the merits (for compliance with the established criteria);
- ✓ Identification and notification of winners (granters);
- ✓ Signing a grant agreement and transferring funds to the grantee;
- ✓ Implementation of the project by the grantee;
- ✓ Project performance monitoring and final reporting.

8.3. Projects implemented not only by the Foundation, but also in cooperation with other donor structures, may have procedural differences.

9. NON-COMPETITIVE GRANT OF PILOT INITIATIVES AND PROVISION OF NON-FINANCIAL (RESOURCE/ VOLUNTEER) SUPPORT BY THE FOUNDATION

9.1. Pilot (non-project) initiatives (as well as independent initiatives of communities and public organizations in cooperation with other donors) within direction are supported by the Foundation on the basis of a written application to the Director of the Foundation and/or agreed by the Chairman of the Supervisory Board of the Foundation.

9.2. The application must contain a detailed description of the idea (project) in accordance with the established form containing a list of activities within the project, the implementation period and a reasonable budget or the required amount of additional funding by the Foundation (in case of implementation of independent initiative).

9.3. The Director of the Foundation decides on the scope and timing of funding for pilot initiatives.

9.4. Applications for non-financial (resource/volunteer) support are also considered in accordance with the procedure prescribed in clauses 9.1. – 9.3. of these Regulations.

9.5. The application for non-financial support must be relevant, reasonable, realistic, effective and correspond to the priorities of direction.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 11 of 39

10. ELIGIBILITY CRITERIA FOR APPLICATIONS (PROJECTS)

10.1. Eligibility Criteria means the requirements that are a prerequisite for receiving support from the Foundation.

There are three groups of Foundation's eligibility criteria, which relate to:

➤ ***applicants who may apply for support:***

To be eligible for receipt, applicants must:

- be legal entities, and
- be non-profit organizations and
- belong to certain types of organizations, for example: civil society organizations such as non-governmental, non-profit organizations, community-level organizations and non-profit agencies, private sector institutions and organizations, and networks of such organizations at the local, national, regional or international levels established in accordance with the current legislation of the country concerned;
- be directly responsible for the project preparation and management together with joint applicants and affiliated organizations, and not be just intermediaries;
- carry out activities on the territory of geography of the Foundation's activities.

➤ ***projects that can be supported:***

Projects can be financed (co-financed) by the Foundation if they meet the following conditions:

- are cost-effective;
- the place of implementation corresponds to the geography of the Foundation's activities;
- the documents submitted with the application are provided on time, are reliable and complete;
- correspond to the priorities of the direction " Social Capital";
- are viable;
- exclude double financing.

➤ ***types of expenses that can be taken into account when determining the amount of financing (co-financing):***

Eligible expenses are expenses actually incurred by the granter that meet all of the following criteria:

- expenses associated with services and works should relate to activities that take place during the project implementation period;
- expenses must be necessary to complete the Project for which the grant is provided;
- expenses must be possible before identification and verification, first of all they must be taken into account in the granter's accounting documentation in accordance with the accounting standards of Ukraine, as well as in accordance with the standard practice of granter's accounting;
- expenses must meet the requirements of the current tax and social legislation of Ukraine;
- expenses must be appropriate, reasonable and meet the requirements of proper financial management, primarily cost-effectiveness and efficiency.

The categories of acceptable and unacceptable costs are determined in the implementation conditions of each individual project. The budget is both a cost estimate and a maximum level of "acceptable costs". It is in the applicant's best interest to provide a realistic and cost-effective budget for consideration.

10.2. An application submitted for a competition (project) must meet all three groups of eligibility criteria.

11. PROJECT IMPLEMENTATION MONITORING

11.1. Monitoring involves regularly updating information about the status of current work, analyzing deviations and their impact on the results, budget and timing of the project. The granter is responsible for monitoring the effectiveness of project implementation.

11.2. To conduct monitoring, the Foundation and granters should use the following indicators and deadlines:

- **Intermediate result** is the products/results of funded activities, in particular: number of prepared reports, number of seminars held, length (in km) of cleared riverbed, number of open innovation centers. They report what was actually received for the funds provided by the project.
- **Results** are the immediate benefits of these measures, for example, the number of changes in regional policy, the number of task force members that received additional training,

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 12 of 39

the percentage reduction of some pollutants in the river system, the number of newly created businesses. They talk about the benefits of funding interim results.

- **Impact** means a long-term benefit of measures, in particular: improved regional situation through more effective policies, reduction in the proportion of unemployed people who could not find work for a long time, improved biodiversity, and increase in regional gross product. It relates to the project goals and reports whether short-term benefits (results) actually led to the desired improvements.
- **Achievements** are used to describe combinations of impact, results, and intermediate results of project.

11.3. The project progress is measured by financial and physical indicators, which are regularly controlled (monitored). Indicators should reflect, as far as possible, the goals that Partners want to achieve through the project.

11.4. An authorized employee of the Foundation, on behalf of the Director of the Foundation, can also monitor the implementation of granters' projects (through documentary analysis and/or monitoring mission).

12. PROJECT (GRANT) REPORTING

12.1. Granters must also submit status reports and financial reports within the time limits set by the Foundation and in a form approved by the Foundation.

12.2. Status report is a descriptive report that records the presence (absence) of deviations from the planned indicators and tasks, as well as suggestions for making optimal changes if necessary.

- ✓ For projects with implementation period *less than 3 months*, such report is submitted only if there are significant deviations and it is necessary to agree and approve the changes. If there are no changes, such report is submitted at the end of project implementation and is considered the final report (Form **Appendix 6**).
- ✓ For projects with implementation period *more than 3 months*, such report is submitted in case of significant deviations and changes, and/or once every 6 months and must contain planned tasks for the next period. Final status report is submitted after the project is completed.
- ✓ The granter is responsible for the proper management of the funds (resources) provided by the Foundation and for maintaining reliable reports on their expenditure. The granter uses the funds to cover the costs associated with the implementation of project goals and objectives only if these costs are justified, provided for or permitted in accordance with the project terms.

12.3. Financial report is a document confirming the intended use of funds provided by the Foundation as financial support.

- ✓ The financial report must be submitted in electronic (Excel format) and/or paper form (Form **Appendix 7**), a bank statement is the appendix to the report confirming the transfer of funds for the target items.
- ✓ The deadline for submitting financial report depends on the duration of a particular project and is determined at the stage of approval of the grant amount.

Appendix No. 2. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "SOCIAL CAPITAL"

1. TERMS AND DEFINITIONS

Beneficiary	aid recipient, individual or legal entity, or a social group receiving certain benefits resulting from the project implementation.
Charitable Organization	a non-governmental non-profit organization which main purpose is to carry out charitable activities in the interests of certain categories of citizens or society as a whole.
Project Budget	form (plan) of formation and use of resources, mainly financial ones, which are necessary to ensure the implementation of project goals and objectives during its duration.
Project Executor	any person authorized by the grantor and/or grantee who directly implements project implementation measures and is responsible for achieving project results.
Grant	funds that are irrevocably transferred by the donor to an individual or legal entity on a competitive basis for implementing a specific project.
Grantor	legal entities in Ukraine or abroad that provide material, financial, organizational or other charitable assistance on a competitive basis.
Public Association	means a voluntary association of individuals and/or legal entities of private law for the exercise and protection of rights and freedoms, satisfaction of public, in particular economic, social, cultural, environmental, and other interests. According to its organizational and legal form, a public association is formed as a public organization or a public union.
Donors	legal entities and individuals in Ukraine or abroad who voluntarily provide material, financial, organizational or other charitable assistance.
Project Viability	the ability of project to produce results after termination of external support.
Expert Council	members of evaluation team specializing in a particular field and acting as a source of professional knowledge when evaluating grant applications.
Application	list of documents that must be submitted to receive support (grant).
Project Initiator	a person (representative of organization) who initiates a new project and forms an Application for consideration of the initiative.
Local Development	a manageable process aimed at creating prerequisites for meeting the economic, social and other needs of the current generation without compromising future generations.
Projects (Programs) Monitoring	a system for regular monitoring of the project (program) implementation status.
Evaluation	periodic assessment of the effectiveness, efficiency, impact, duration and compliance of the project in the context of the goals set. Assessment is usually carried out in the form of independent study of the environment, goals, results, actions (activities) and means used in order to find knowledge that may become necessary when making decisions in the future.
Project	<p>a) a set of actions and/or measures that are carried out to achieve the planned results within the allotted time, with the help of financial and material resources (budget) intended for this purpose by a certain circle of people.</p> <p>b) a document that defines the goals and objectives, areas of activity and joint actions of project participants (donors, performers, beneficiaries, recipients), as well as the resources necessary to achieve the planned results.</p>
Project Application	a document containing the project proposal, project budget, and appendices completed in accordance with the donor's requirements.
Resources	funds necessary to achieve the project goal and its specific results.
Social Entrepreneurship	a business organization which priority goal of transparent (public) activities is to solve social problems. The security goal includes making a profit reinvested in its development.

Co-financing	participation of two or more parties in project financing
Capable Community	territorial communities of villages (settlements, towns), which as a result of voluntary association are able independently or through the relevant local self-government bodies to ensure the proper level of service provision, in particular in the field of education, culture, healthcare, social protection, housing and communal services, taking into account human resources, financial support and infrastructure development of the relevant administrative-territorial unit.
Sustainable Development	development of society that meets the needs of modern society without compromising the ability of future generations to meet their needs.
Stakeholders	individuals and organizations that can directly or indirectly, positively or negatively, influence the project, or feel its impacts

2. GENERAL PROVISIONS

- 2.1. The globalization of economy and the growth of internationalization of life have changed the roles of the main market participants, redistributed the responsibility of the state, regions and communities for local development. Ensuring a positive trend in local development is becoming increasingly technological and complex. Communities seeking to improve their well-being today clearly understand that to succeed, their efforts must be more thoughtful, strategic, planned, ambitious, and innovative.
- 2.2. Today, society is beginning to realize that the state of economic development of a country directly depends on the ability and interest of communities to engage in local development in their territory. Territorial communities should turn from an object of management into a subject of management and independently form their capacity.
- 2.3. The ability of territorial communities is, first of all, the availability of conditions (financial, infrastructure and personnel), on the basis of which the ability of territorial community to provide public services is determined in the process of functioning, as well as the ability to use unused and hidden potential (investment, economic, human, managerial, financial, public participation) for the reasonable, sustainable and inclusive development of a territorial community
- 2.4. The ability of territorial community is determined by the unity of the ability of government bodies and the participation of residents of the community in its life. Therefore, CO "CF MHP-GROMADI" (hereinafter referred to as the Foundation) makes significant efforts to develop the functional capacity of territorial communities using such tool as the formation of effective partnership trilateral dialogue "power-community-business". Among the conceptual areas for strengthening the community capacity, the Foundation uses **community development-oriented approach**, which consists in identifying strengths and allows to ensure its comprehensive development.
- 2.5. When developing and implementing projects for sustainable local development, the Foundation relies on six basic postulates:
 - ✓ Economic development is created by businesses (including small ones);
 - ✓ Jobs ensure the well-being of the community and affect the growth of both individual income of residents and the growth in the total social product;
 - ✓ Local authorities and public organizations create conditions for business development;
 - ✓ Developed infrastructure is the main element of community competitiveness;
 - ✓ High-quality services provided by local authorities to community and businesses are the main element of competitive advantages and, in turn, quality products (services) back from business;
 - ✓ Effective community management is ensured by systematic management (planning, organization, motivation, control), local resources, dissemination of the best democratic practices, consolidation of efforts of all parties concerned and trilateral partnership (business, government and community).
- 2.6. Program Activity Regulations in the direction "Capable Community" (hereinafter referred to as the Regulations) are the appendix to the Policy of CO "CF MHP-GROMADI" regarding cooperation with Partners, Granters and Donor Organizations.

3. DIRECTION PRIORITIES

- 3.1. In the direction "Capable Community", the Foundation has identified the following 4 main priorities for supporting and developing the potential of residents of small towns, villages and settlements:

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 15 of 39

- ✓ **Priority 1 "Innovation and Infrastructure"** supports activities that are related to:
 - Digital development and modern IT technologies in the community (including digitalization of communities);
 - Reconstruction and renovation of the existing socially significant infrastructure;
 - Spatial planning in the community (including public spaces);
 - Modernization of municipal infrastructure;
 - Improving the tourist infrastructure.
 - ✓ **Priority 2 "Partnership for Development"** supports activities that are related to:
 - Building a platform for the open trilateral dialogue "power-business-community";
 - Involving the private sector in community development;
 - Corporate social responsibility of local and national businesses.
 - ✓ **Priority 3 "Local Economic Development"** supports activities that are related to:
 - Development of rural small businesses (including the provision of "scarce" services);
 - Support for aspiring entrepreneurs to start their own businesses (startups);
 - Creating coworking spaces, business hubs, and joint workshops/kitchens;
 - Development of rural, green, sports, ethnic, gastronomic, industrial and other types of tourism;
 - Social entrepreneurship;
 - Creation and development of multifunctional service cooperatives.
 - ✓ **Priority 4 "Democratic Governance and Civil Society Development"** supports activities that are related to:
 - Innovative methods of involving the community in community development planning and decision making;
 - Civic activity of young people;
 - Creation, support and institutional development of public associations;
 - Development of competence and capacity of local leaders, activists, current and future Deputies of city (village and settlement) councils.
 - Equality of rights and opportunities for women and girls.
- 3.2. The indicated priorities of the direction "Capable Community" **are not exclusive**. If the application from the granter corresponds to thematic priority (while it is outside the limits indicated above), it can be accepted for consideration and financed by the decision of the Director of the Foundation and/or the competition council (if it is created within the project).
- 3.3. The Foundation may change, add, exclude, or review certain directions/priorities as a result of updating its activities.

4. PROJECTS NOT SUPPORTED BY THE DIRECTION

- 4.1. The Foundation does not provide grant support to projects that:
- do not meet the thematic priorities of grant competition;
 - do not meet the eligibility criteria;
 - do not correspond to the geography of the Foundation's activities;
 - have a commercial nature;
 - have a political or religious orientation;
 - promote violence, cruelty, racial, national, gender and other intolerances;
 - previously, we received 100% funding from other sources.

5. THE INITIATOR OF THE PROJECT AND THE RECIPIENT OF SUPPORT (GRANTER) CAN BE

- 5.1. Grant support can be provided to projects developed and submitted for the competition:
- ✓ **by public organizations, unions of public organizations, charitable organizations**, which are included in the register of non-profit organizations and correspond to the geography of the Foundation's activities;
 - ✓ **by initiative groups of individuals**. At the same time, the creation of initiative group must be confirmed by the relevant minutes of the meeting on creation of initiative group, which, among other things, must indicate surname and first name, data on the place of registration of the authorized person and other necessary information

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 16 of 39

that will have the authority to represent the interests of initiative group when interacting with the Foundation and will be responsible for the implementation of the project;

- ✓ *by representatives of local self-government bodies* acting on behalf of the territorial community located on the territory of the Foundation's activities;
 - ✓ *by regional managers of the Foundation*, at the request of more than 10 members of the community located on the territory of the Foundation's activities;
 - ✓ *other grant seekers (including individual entrepreneurs, etc.)*, in accordance with the terms of the announced competition within a certain direction.
- 5.2. The Foundation may itself develop, implement projects/activities/campaigns/initiatives and encourages the creation of partnerships for their implementation, including submission to current grant programs/competitions in which the organization can provide additional funding in the amount of 50 %, subject to approval of project idea by the Director of the Foundation or other authorized person from the members of the Supervisory Board of the Foundation.

6. CONFLICT OF INTERESTS AND WAYS TO OVERCOME IT

- 6.1. The Foundation strives to avoid situations in project implementing organizations (granters) that may cause conflicts of interest.
- 6.2. The following situations are considered potential conflicts of interest for granters who have received support from the Foundation:
- ✓ the granter is involved in making a decision on a case in which he cannot remain disinterested or objective in choosing between the goal and interests of the project and his own interests;
 - ✓ the granter (his relatives, close friends or business partners) is or may be financially interested in receiving or supplying goods or services for the project implementation from individual legal entities and individuals.
- 6.3. Granters are obliged to inform the Foundation of the existence of relationships with employees and suppliers of goods or services that may bring personal, institutional, political or financial benefits to him (them), his (their) relatives, close friends and business partners. After reporting such interests, the Foundation examines the potential conflict situation and determines the necessary steps to avoid conflict.

7. MAKING DECISIONS ON PROVIDING SUPPORT

- 7.1. Competitive projects are considered by the Competitive (Expert) Council consisting of selected experts. The personal composition of the Expert Council is approved by the Director of the Foundation.
- 7.2. The principles and procedure of the Expert Council's activities are regulated by:
- The Foundation's Policy on Cooperation with Partners, Granters and Donor Organizations;
 - Regulations on the relevant project/competition (if any);
 - Regulations/instructions/rules, etc. of donor organizations that co-finance the project (if any);
 - as well as these Regulations.
- 7.3. After a thorough analysis of projects and their discussion, as well as based on the results of evaluation, the Competition (Expert) Council decides on granting or refusing to grant. The decision of the Competition (Expert) Council is final and is not subject to review. The reasons for not providing the grant are not disclosed.
- 7.4. If there is no need to create a competitive (expert) commission, decision to provide support is made by the Director of the Foundation.

8. PROCEDURE FOR FINANCIAL (GRANT) SUPPORT WITHIN EXISTING AND PLANNED PROJECTS OF THE FOUNDATION

- 8.1. Projects are financed from the Foundation's own and/or borrowed funds as non-refundable, targeted financial assistance, and other legitimate sources in accordance with the current legislation of Ukraine.
- 8.2. Support is provided using a project-based approach and includes the following stages:
- ✓ Approval of the competition regulations (instructions for participants, budget forms, etc.) of projects for obtaining a grant, creating a competition council (if necessary);
 - ✓ Announcement of competition with the establishment of a deadline for submitting projects;

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 17 of 39

- ✓ Conducting informational sessions for potential competition participants, providing explanations on the terms of participation and procedures;
- ✓ Receiving applications and checking them for compliance with technical requirements (timely submission, completeness, legitimacy of applicant);
- ✓ Evaluation by the competition (expert) council on the merits (for compliance with the established criteria);
- ✓ Identification and notification of winners (granters);
- ✓ Signing a grant agreement and transferring funds to the grantee;
- ✓ Implementation of the project by the grantee;
- ✓ Project performance monitoring and final reporting.

8.3. Projects implemented not only by the Foundation, but also in cooperation with other donor structures, may have procedural differences.

9. NON-COMPETITIVE GRANT OF PILOT INITIATIVES AND PROVISION OF NON-FINANCIAL (RESOURCE/ VOLUNTEER) SUPPORT BY THE FOUNDATION

- 9.1. Pilot (non-project) initiatives (as well as independent initiatives of communities and public organizations in cooperation with other donors) within direction are supported by the Foundation on the basis of a written application to the Director of the Foundation and/or agreed by the Chairman of the Supervisory Board of the Foundation.
- 9.2. The application must contain a detailed description of the idea (project) in accordance with the established form containing a list of activities within the project, the implementation period and a reasonable budget or the required amount of additional funding by the Foundation (in case of implementation of independent initiative).
- 9.3. The Director of the Foundation decides on the scope and timing of funding for pilot initiatives.
- 9.4. Applications for non-financial (resource/volunteer) support are also considered in accordance with the procedure prescribed in clauses 9.1. – 9.3. of these Regulations.
- 9.5. The application for non-financial support must be relevant, reasonable, realistic, effective and correspond to the priorities of direction.

10. ELIGIBILITY CRITERIA FOR APPLICATIONS (PROJECTS)

10.1. **Eligibility Criteria** means the requirements that are a prerequisite for receiving support from the Foundation.

There are three groups of Foundation's eligibility criteria, which relate to:

➤ ***applicants who may apply for support:***

To be eligible for receipt, applicants must:

- be legal entities. and
- be non-profit organizations and
- belong to certain types of organizations, for example: civil society organizations such as non-governmental, non-profit organizations, community-level organizations and non-profit agencies, private sector institutions and organizations, and networks of such organizations at the local, national, regional or international levels established in accordance with the current legislation of the country concerned;
- be directly responsible for the project preparation and management together with joint applicants and affiliated organizations, and not be just intermediaries;
- carry out activities on the territory of geography of the Foundation's activities.

➤ ***projects that can be supported:***

Projects can be financed (co-financed) by the Foundation if they meet the following conditions:

- are cost-effective;
- the place of implementation corresponds to the geography of the Foundation's activities;
- the documents submitted with the application are provided on time, are reliable and complete;
- correspond to the priorities of the direction " Social Capital";
- are viable;
- exclude double financing.

➤ ***types of expenses that can be taken into account when determining the amount of financing (co-financing):***

Eligible expenses are expenses actually incurred by the grantee that meet all of the following criteria:

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0

- expenses associated with services and works should relate to activities that take place during the project implementation period;
 - expenses must be necessary to complete the Project for which the grant is provided;
 - expenses must be possible before identification and verification, first of all they must be taken into account in the granter's accounting documentation in accordance with the accounting standards of Ukraine, as well as in accordance with the standard practice of granter's accounting;
 - expenses must meet the requirements of the current tax and social legislation of Ukraine;
 - expenses must be appropriate, reasonable and meet the requirements of proper financial management, primarily cost-effectiveness and efficiency.
- The categories of acceptable and unacceptable costs are determined in the implementation conditions of each individual project. The budget is both a cost estimate and a maximum level of "acceptable costs". It is in the applicant's best interest to provide a realistic and cost-effective budget for consideration.

10.2. An application submitted for a competition (project) must meet all three groups of eligibility criteria.

11. PROJECT IMPLEMENTATION MONITORING

11.1. Monitoring involves regularly updating information about the status of current work, analyzing deviations and their impact on the results, budget and timing of the project. The granter is responsible for monitoring the effectiveness of project implementation.

11.2. To conduct monitoring, the Foundation and granters should use the following indicators and deadlines:

- **Intermediate result** is the products/results of funded activities, in particular: number of prepared reports, number of seminars held, length (in km) of cleared riverbed, number of open innovation centers. They report what was actually received for the funds provided by the project.
- **Results** are the immediate benefits of these measures, for example, the number of changes in regional policy, the number of task force members that received additional training, the percentage reduction of some pollutants in the river system, the number of newly created businesses. They talk about the benefits of funding interim results.
- **Impact** means a long-term benefit of measures, in particular: improved regional situation through more effective policies, reduction in the proportion of unemployed people who could not find work for a long time, improved biodiversity, and increase in regional gross product. It relates to the project goals and reports whether short-term benefits (results) actually led to the desired improvements.
- **Achievements** are used to describe combinations of impact, results, and intermediate results of project.

11.3. The project progress is measured by financial and physical indicators, which are regularly controlled (monitored). Indicators should reflect, as far as possible, the goals that Partners want to achieve through the project.

11.4. An authorized employee of the Foundation, on behalf of the Director of the Foundation, can also monitor the implementation of granters' projects (through documentary analysis and/or monitoring mission).

12. PROJECT (GRANT) REPORTING

12.1. Granters must also submit status reports and financial reports within the time limits set by the Foundation and in a form approved by the Foundation.

12.2. Status report is a descriptive report that records the presence (absence) of deviations from the planned indicators and tasks, as well as suggestions for making optimal changes if necessary.

- ✓ For projects with implementation period *less than 3 months*, such report is submitted only if there are significant deviations and it is necessary to agree and approve the changes. If there are no changes, such report is submitted at the end of project implementation and is considered the final report (Form **Appendix 6**).
- ✓ For projects with implementation period *more than 3 months*, such report is submitted in case of significant deviations and changes, and/or once every 6 months and must contain planned tasks for the next period. Final status report is submitted after the project is completed.
- ✓ The granter is responsible for the proper management of the funds (resources) provided by the Foundation and for maintaining reliable reports on their expenditure. The granter uses the funds to cover the costs

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 19 of 39

associated with the implementation of project goals and objectives only if these costs are justified, provided for or permitted in accordance with the project terms.

12.3. Financial report is a document confirming the intended use of funds provided by the Foundation as financial support.

- ✓ The financial report must be submitted in electronic (Excel format) and/or paper form (Form *Appendix 7*), a bank statement is the appendix to the report confirming the transfer of funds for the target items.
- ✓ The deadline for submitting financial report depends on the duration of a particular project and is determined at the stage of approval of the grant amount.

Appendix No. 3. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "PUBLIC HEALTH"

1. TERMS AND DEFINITIONS

Beneficiary	aid recipient, individual or legal entity, or a social group receiving certain benefits resulting from the project implementation.
Charitable Organization	a non-governmental non-profit organization which main purpose is to carry out charitable activities in the interests of certain categories of citizens or society as a whole.
Project Budget	form (plan) of formation and use of resources, mainly financial ones, which are necessary to ensure the implementation of project goals and objectives during its duration.
Project Executor	any person authorized by the grantor and/or grantee who directly implements project implementation measures and is responsible for achieving project results.
Grant	funds that are irrevocably transferred by the donor to an individual or legal entity on a competitive basis for implementing a specific project.
Grantor	legal entities in Ukraine or abroad that provide material, financial, organizational or other charitable assistance on a competitive basis.
Public Health	prevention of diseases, injuries, disability and prolongation of life expectancy, provided that a healthy lifestyle is maintained in a healthy environment and living conditions for present and future generations.
Public Association	voluntary association of individuals and/or legal entities of private law for the exercise and protection of rights and freedoms, satisfaction of public, in particular economic, social, cultural, environmental, and other interests. According to its organizational and legal form, a public association is formed as a public organization or a public union.
Donors	legal entities and individuals in Ukraine or abroad who voluntarily provide material, financial, organizational or other charitable assistance.
Project Viability	the ability of project to produce results after termination of external support.
Expert Council	members of evaluation team specializing in a particular field and acting as a source of professional knowledge when evaluating grant applications.
Application	list of documents that must be submitted to receive support (grant).
Project Initiator	a person (representative of organization) who initiates a new project and forms an Application for consideration of the initiative.
Local Development	a manageable process aimed at creating prerequisites for meeting the economic, social and other needs of the current generation without compromising future generations.
Projects (Programs) Monitoring	a system for regular monitoring of the project (program) implementation status.
Evaluation	periodic assessment of the effectiveness, efficiency, impact, duration and compliance of the project in the context of the goals set. Assessment is usually carried out in the form of independent study of the environment, goals, results, actions (activities) and means used in order to find knowledge that may become necessary when making decisions in the future.
Project	<p>a) a set of actions and/or measures that are carried out to achieve the planned results within the allotted time, with the help of financial and material resources (budget) intended for this purpose by a certain circle of people.</p> <p>b) a document that defines the goals and objectives, areas of activity and joint actions of project participants (donors, performers, beneficiaries, recipients), as well as the resources necessary to achieve the planned results.</p>
Project Application	a document containing the project proposal, project budget, and appendices completed in accordance with the donor's requirements.
Resources	funds necessary to achieve the project goal and its specific results.

Co-financing	participation of two or more parties in project financing
Sustainable Development	development of society that meets the needs of modern society without compromising the ability of future generations to meet their needs.
Stakeholders	individuals and organizations that can directly or indirectly, positively or negatively, influence the project, or feel its impacts

2. GENERAL PROVISIONS

- 2.1.** The health of citizens is one of the greatest values both for each civilized country and for each individual community, the most important component of its social and economic development. Public health is primarily the prevention of diseases, increase in life expectancy and promotion of health through organized efforts of society. Therefore, public health is a collective responsibility.
- 2.2.** Ukraine remains one of the countries with a short life expectancy in Europe and a high level of morbidity. The formation of modern European public health system focused on preventing and improving the health of citizens is a key task and an absolute priority of the Foundation.
- 2.3.** Forming the strategy and priorities of work in the direction "Public Health", the Foundation is based on 7 Principles of a quality healthcare system:
- ✓ **Security** – provision of medical services should not harm patients;
 - ✓ **Client-centered approach** – the entire medical care system works to meet the needs of patients at a high level;
 - ✓ **Efficiency** – correct provision of medical services, development of human potential and effective use of medical equipment for rapid recovery of patient;
 - ✓ **Accountability**– the monitoring and evaluation system improves health systems, and responsibility is shared among the parties concerned;
 - ✓ **Availability** – the principle is determined by the ease of obtaining medical services, which depends on geographical and financial factors;
 - ✓ **Impartiality** – the level and quality of healthcare services should not depend on factors such as gender, age, social status, and sexual orientation;
 - ✓ **Partnership** – this principle implies maximum medical benefits for the patient, staff, hospitals and community, and can only be implemented through successful interaction between all parties concerned.
- 2.4.** The goal of the Foundation is to draw attention to the issue of public health, in particular, to the importance of collective responsibility for the level of public health. The issue of public health involves first of all health and only then — treatment. Controlling the state of your body is much cheaper and more useful than treating it. Thus, in the center of our attention is the person as such and the person as a member of society. People's health depends not only on the quality and availability of medical services, but also on other factors. Whether people are healthy or not is largely determined by circumstances, environment, and individual lifestyle.
- 2.5.** The Foundation promotes the public health approach "Healthy Environment". It highlights the importance of networks and projects to create a healthy environment – such as healthy schools, healthy hospitals, healthy jobs, and even cities. Health promotion potential exists in almost all organizations and communities. The services of medical institutions alone, isolated from other measures, cannot improve the health of the population. Activities should involve a wide range of people by increasing understanding of ways to improve the health of the population or community.
- 2.6.** Program Activity Regulations in the direction "Social Capital" (hereinafter referred to as the Regulations) are the appendix to the Policy of CO "CF MHP-GROMADI" regarding cooperation with Partners, Granters and Donor Organizations.

3. DIRECTION PRIORITIES

- 3.1.** In the direction "Public Health", the Foundation has identified the following 4 main priorities for strengthening control over own health by developing the potential of small towns, villages and settlements:
- ✓ **Priority 1** "Preventive Medicine" supports activities that are associated with:

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 22 of 39

- Measures aimed at preventing diseases, their development and strengthening health of individuals and communities;
 - Popularization and promotion of a healthy lifestyle.
- ✓ **Priority 2 "Infrastructure of Medical Facilities and Institutions"** supports activities that are related to :
- Reconstruction and renovation of existing medical institutions;
 - Digitalization of medical institutions;
 - Modernization of medical equipment (devices);
 - Ensuring equal access (approximation) to medical services for residents of small towns, villages and settlements;
 - Providing medical institutions with basic medicines.
- ✓ **Priority 3 "Support for Doctors"** supports activities that are related to:
- Creating conditions for psychological relief of medical personnel;
 - Updating doctors' professional knowledge, improving and developing new skills and abilities;
 - Voluntary donation promotion campaigns;
 - Providing personal protective equipment for working in epidemics and pandemics (including the COVID-19 pandemic).
- ✓ **Priority 4 "Strong Physical and Mental Health"** supports activities that are related to:
- Introduction of innovations in the field of improving and popularizing public health at the local level;
 - Educational campaigns creating a caring culture for physical and psychological health;
 - Activities promoting a healthy lifestyle and healthy eating;
 - Creating conditions for active longevity;
 - Complexes of social, educational and medical and psychological measures aimed at restoring a personal and social status of person, returning him to the family, educational institution, labor collective, and socially useful activities.
- 3.2. The indicated priorities of the direction "Public Health" *are not exclusive*. If the application from the granter corresponds to thematic priority (while it is outside the limits indicated above), it can be accepted for consideration and financed by the decision of the Director of the Foundation and/or the competition council (if it is created within the project).
- 3.3. The Foundation may change, add, exclude, or review certain directions/priorities as a result of updating its activities.

4. PROJECTS NOT SUPPORTED BY THE DIRECTION

- 4.1. The Foundation does not provide grant support to projects that:
- do not meet the thematic priorities of grant competition;
 - do not meet the eligibility criteria;
 - do not correspond to the geography of the Foundation's activities;
 - have a commercial nature;
 - have a political or religious orientation;
 - promote violence, cruelty, racial, national, gender and other intolerances;
 - previously, we received 100% funding from other sources.

5. THE INITIATOR OF THE PROJECT AND THE RECIPIENT OF SUPPORT (GRANTER) CAN BE

- 5.1. Grant support can be provided to projects developed and submitted for the competition:
- ✓ *by public organizations, unions of public organizations, charitable organizations*, which are included in the register of non-profit organizations and correspond to the geography of the Foundation's activities;
 - ✓ *by initiative groups of individuals*. At the same time, the creation of initiative group must be confirmed by the relevant minutes of the meeting on creation of initiative group, which, among other things, must indicate surname and first name, data on the place of registration of the authorized person and other necessary information that will have the authority to represent the interests of initiative group when interacting with the Foundation and will be responsible for the implementation of the project;
 - ✓ *by representatives of local self-government bodies* acting on behalf of the territorial community located on the territory of the Foundation's activities;

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 23 of 39

- ✓ *by regional managers of the Foundation*, at the request of more than 10 members of the community located on the territory of the Foundation's activities;
 - ✓ *other grant seekers (including individual entrepreneurs, etc.)*, in accordance with the terms of the announced competition within a certain direction.
- 5.2.** The Foundation may itself develop, implement projects/activities/campaigns/initiatives and encourages the creation of partnerships for their implementation, including submission to current grant programs/competitions in which the organization can provide additional funding in the amount of 50 %, subject to approval of project idea by the Director of the Foundation or other authorized person from the members of the Supervisory Board of the Foundation.

6. CONFLICT OF INTERESTS AND WAYS TO OVERCOME IT

- 6.1.** The Foundation strives to avoid situations in project implementing organizations (granters) that may cause conflicts of interest.
- 6.2.** The following situations are considered potential conflicts of interest for granters who have received support from the Foundation:
- ✓ the granter is involved in making a decision on a case in which he cannot remain disinterested or objective in choosing between the goal and interests of the project and his own interests;
 - ✓ the granter (his relatives, close friends or business partners) is or may be financially interested in receiving or supplying goods or services for the project implementation from individual legal entities and individuals.
- 6.3.** Granters are obliged to inform the Foundation of the existence of relationships with employees and suppliers of goods or services that may bring personal, institutional, political or financial benefits to him (them), his (their) relatives, close friends and business partners. After reporting such interests, the Foundation examines the potential conflict situation and determines the necessary steps to avoid conflict.

7. MAKING DECISIONS ON PROVIDING SUPPORT

- 7.1.** Competitive projects are considered by the Competitive (Expert) Council consisting of selected experts. The personal composition of the Expert Council is approved by the Director of the Foundation.
- 7.2.** The principles and procedure of the Expert Council's activities are regulated by:
- The Foundation's Policy on Cooperation with Partners, Granters and Donor Organizations;
 - Regulations on the relevant project/competition (if any);
 - Regulations/instructions/rules, etc. of donor organizations that co-finance the project (if any);
 - as well as these Regulations.
- 7.3.** After a thorough analysis of projects and their discussion, as well as based on the results of evaluation, the Competition (Expert) Council decides on granting or refusing to grant. The decision of the Competition (Expert) Council is final and is not subject to review. The reasons for not providing the grant are not disclosed.
- 7.4.** If there is no need to create a competitive (expert) commission, decision to provide support is made by the Director of the Foundation.

8. PROCEDURE FOR FINANCIAL (GRANT) SUPPORT WITHIN EXISTING AND PLANNED PROJECTS OF THE FOUNDATION

- 8.1.** Projects are financed from the Foundation's own and/or borrowed funds as non-refundable, targeted financial assistance, and other legitimate sources in accordance with the current legislation of Ukraine.
- 8.2.** Support is provided using a project-based approach and includes the following stages:
- ✓ Approval of the competition regulations (instructions for participants, budget forms, etc.) of projects for obtaining a grant, creating a competition council (if necessary);
 - ✓ Announcement of competition with the establishment of a deadline for submitting projects;
 - ✓ Conducting informational sessions for potential competition participants, providing explanations on the terms of participation and procedures;
 - ✓ Receiving applications and checking them for compliance with technical requirements (timely submission, completeness, legitimacy of applicant);
 - ✓ Evaluation by the competition (expert) council on the merits (for compliance with the established criteria);
 - ✓ Identification and notification of winners (granters);
 - ✓ Signing a grant agreement and transferring funds to the grantee;

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 24 of 39

- ✓ Implementation of the project by the grantor;
- ✓ Project performance monitoring and final reporting.

8.3. Projects implemented not only by the Foundation, but also in cooperation with other donor structures, may have procedural differences.

9. NON-COMPETITIVE GRANT OF PILOT INITIATIVES AND PROVISION OF NON-FINANCIAL (RESOURCE/ VOLUNTEER) SUPPORT BY THE FOUNDATION

- 9.1.** Pilot (non-project) initiatives (as well as independent initiatives of communities and public organizations in cooperation with other donors) within direction are supported by the Foundation on the basis of a written application to the Director of the Foundation and/or agreed by the Chairman of the Supervisory Board of the Foundation.
- 9.2.** The application must contain a detailed description of the idea (project) in accordance with the established form containing a list of activities within the project, the implementation period and a reasonable budget or the required amount of additional funding by the Foundation (in case of implementation of independent initiative).
- 9.3.** The Director of the Foundation decides on the scope and timing of funding for pilot initiatives.
- 9.4.** Applications for non-financial (resource/volunteer) support are also considered in accordance with the procedure prescribed in clauses 9.1. – 9.3. of these Regulations.
- 9.5.** The application for non-financial support must be relevant, reasonable, realistic, effective and correspond to the priorities of direction.

10. ELIGIBILITY CRITERIA FOR APPLICATIONS (PROJECTS)

10.1. Eligibility Criteria means the requirements that are a prerequisite for receiving support from the Foundation.

There are three groups of Foundation's eligibility criteria, which relate to:

➤ ***applicants who may apply for support:***

To be eligible for receipt, applicants must:

- be legal entities, and
- be non-profit organizations and
- belong to certain types of organizations, for example: civil society organizations such as non-governmental, non-profit organizations, community-level organizations and non-profit agencies, private sector institutions and organizations, and networks of such organizations at the local, national, regional or international levels established in accordance with the current legislation of the country concerned;
- be directly responsible for the project preparation and management together with joint applicants and affiliated organizations, and not be just intermediaries;
- carry out activities on the territory of geography of the Foundation's activities.

➤ ***projects that can be supported:***

Projects can be financed (co-financed) by the Foundation if they meet the following conditions:

- are cost-effective;
- the place of implementation corresponds to the geography of the Foundation's activities;
- the documents submitted with the application are provided on time, are reliable and complete;
- correspond to the priorities of the direction " Social Capital";
- are viable;
- exclude double financing.

➤ ***types of expenses that can be taken into account when determining the amount of financing (co-financing):***

Eligible expenses are expenses actually incurred by the grantor that meet all of the following criteria:

- expenses associated with services and works should relate to activities that take place during the project implementation period;
- expenses must be necessary to complete the Project for which the grant is provided;
- expenses must be possible before identification and verification, first of all they must be taken into account in the grantor's accounting documentation in accordance with the accounting standards of Ukraine, as well as in accordance with the standard practice of grantor's accounting;
- expenses must meet the requirements of the current tax and social legislation of Ukraine;
- expenses must be appropriate, reasonable and meet the requirements of proper financial management, primarily cost-effectiveness and efficiency.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0

The categories of acceptable and unacceptable costs are determined in the implementation conditions of each individual project. The budget is both a cost estimate and a maximum level of "acceptable costs". It is in the applicant's best interest to provide a realistic and cost-effective budget for consideration.

10.2. An application submitted for a competition (project) must meet all three groups of eligibility criteria.

11. PROJECT IMPLEMENTATION MONITORING

11.1. Monitoring involves regularly updating information about the status of current work, analyzing deviations and their impact on the results, budget and timing of the project. The granter is responsible for monitoring the effectiveness of project implementation.

11.2. To conduct monitoring, the Foundation and granters should use the following indicators and deadlines:

- **Intermediate result** is the products/results of funded activities, in particular: number of prepared reports, number of seminars held, length (in km) of cleared riverbed, number of open innovation centers. They report what was actually received for the funds provided by the project.
- **Results** are the immediate benefits of these measures, for example, the number of changes in regional policy, the number of task force members that received additional training, the percentage reduction of some pollutants in the river system, the number of newly created businesses. They talk about the benefits of funding interim results.
- **Impact** means a long-term benefit of measures, in particular: improved regional situation through more effective policies, reduction in the proportion of unemployed people who could not find work for a long time, improved biodiversity, and increase in regional gross product. It relates to the project goals and reports whether short-term benefits (results) actually led to the desired improvements.
- **Achievements** are used to describe combinations of impact, results, and intermediate results of project.

11.3. The project progress is measured by financial and physical indicators, which are regularly controlled (monitored). Indicators should reflect, as far as possible, the goals that Partners want to achieve through the project.

11.4. An authorized employee of the Foundation, on behalf of the Director of the Foundation, can also monitor the implementation of granters' projects (through documentary analysis and/or monitoring mission).

12. PROJECT (GRANT) REPORTING

12.1. Granters must also submit status reports and financial reports within the time limits set by the Foundation and in a form approved by the Foundation.

12.2. Status report is a descriptive report that records the presence (absence) of deviations from the planned indicators and tasks, as well as suggestions for making optimal changes if necessary.

- ✓ For projects with implementation period *less than 3 months*, such report is submitted only if there are significant deviations and it is necessary to agree and approve the changes. If there are no changes, such report is submitted at the end of project implementation and is considered the final report (Form **Appendix 6**).
- ✓ For projects with implementation period *more than 3 months*, such report is submitted in case of significant deviations and changes, and/or once every 6 months and must contain planned tasks for the next period. Final status report is submitted after the project is completed.
- ✓ The granter is responsible for the proper management of the funds (resources) provided by the Foundation and for maintaining reliable reports on their expenditure. The granter uses the funds to cover the costs associated with the implementation of project goals and objectives only if these costs are justified, provided for or permitted in accordance with the project terms.

12.3. Financial report is a document confirming the intended use of funds provided by the Foundation as financial support.

- ✓ The financial report must be submitted in electronic (Excel format) and/or paper form (Form **Appendix 7**), a bank statement is the appendix to the report confirming the transfer of funds for the target items.
- ✓ The deadline for submitting financial report depends on the duration of a particular project and is determined at the stage of approval of the grant amount.

Appendix No. 4. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "ENERGY EFFICIENCY AND ECOLOGY"

1. TERMS AND DEFINITIONS

Beneficiary	aid recipient, individual or legal entity, or a social group receiving certain benefits resulting from the project implementation.
Charitable Organization	a non-governmental non-profit organization which main purpose is to carry out charitable activities in the interests of certain categories of citizens or society as a whole.
Project Budget	form (plan) of formation and use of resources, mainly financial ones, which are necessary to ensure the implementation of project goals and objectives during its duration.
Waste	in the broad sense provided for in Directive 2008/98/EC on waste, means any substance or object that the owner disposes of/throws away, intends or is obliged to dispose of/throw away.
Project Executor	any person authorized by the grantor and/or grantee who directly implements project implementation measures and is responsible for achieving project results.
Grant	funds that are irrevocably transferred by the donor to an individual or legal entity on a competitive basis for implementing a specific project.
Grantor	legal entities in Ukraine or abroad that provide material, financial, organizational or other charitable assistance on a competitive basis.
Public Association	voluntary association of individuals and/or legal entities of private law for the exercise and protection of rights and freedoms, satisfaction of public, in particular economic, social, cultural, environmental, and other interests. According to its organizational and legal form, a public association is formed as a public organization or a public union.
Donors	legal entities and individuals in Ukraine or abroad who voluntarily provide material, financial, organizational or other charitable assistance.
Project Viability	the ability of project to produce results after termination of external support.
Expert Council	members of evaluation team specializing in a particular field and acting as a source of professional knowledge when evaluating grant applications.
Preventing waste generation	measures taken before a substance, material, or product becomes waste. It provides for optimization of resource extraction design processes, production of goods (eco-design) and waste generation.
Application	list of documents that must be submitted to receive support (grant).
Project Initiator	a person (representative of organization) who initiates a new project and forms an Application for consideration of the initiative.
Local Development	a manageable process aimed at creating prerequisites for meeting the economic, social and other needs of the current generation without compromising future generations.
Projects (Programs) Monitoring	a system for regular monitoring of the project (program) implementation status.
Evaluation	periodic assessment of the effectiveness, efficiency, impact, duration and compliance of the project in the context of the goals set. Assessment is usually carried out in the form of independent study of the environment, goals, results, actions (activities) and means used in order to find knowledge that may become necessary when making decisions in the future.
Project	<p>a) a set of actions and/or measures that are carried out to achieve the planned results within the allotted time, with the help of financial and material resources (budget) intended for this purpose by a certain circle of people.</p> <p>b) a document that defines the goals and objectives, areas of activity and joint actions of project participants (donors, performers, beneficiaries, recipients), as well as the resources necessary to achieve the planned results.</p>

Project Application	a document containing the project proposal, project budget, and appendices completed in accordance with the donor's requirements.
Resources	funds necessary to achieve the project goal and its specific results.
Co-financing	participation of two or more parties in project financing
Sustainable Development	development of society that meets the needs of modern society without compromising the ability of future generations to meet their needs.
Sustainable mobility	mobility (movement or displacement) can be considered sustainable if it is based on the principles of safety, respect for the environment, provides for the material needs of society and guarantees equal opportunities for movement to each person.
Stakeholders	individuals and organizations that can directly or indirectly, positively or negatively, influence the project, or feel its impacts

2. GENERAL PROVISIONS

- 2.1. Ukraine has significant natural resources and a unique environment for Europe, but at the same time it is one of the most environmentally polluted countries in the region. In addition, Ukraine is one of the countries in the world where energy resources are used least efficiently. Rational use and general state of natural environment are essential conditions for ensuring sustainable development.
- 2.2. *Green agenda for Ukraine* – policy priorities in sustainable energy and environmental protection until 2030, were formed and presented by parliamentarians on March 19, 2019 (<https://niss.gov.ua/sites/default/files/2020-02/zeleniy-rozvitok-2030.pdf>). The key areas of "green" agenda include: transition to a green economy, development of renewable energy, efficient waste management, environmental protection, combating climate change, maximum energy efficiency and energy saving, green cities, sustainable development of rural communities, clean and safe transport.
- 2.3. Effective management of natural resources and environmental protection are essential for preserving biological life support systems, improving the quality of life and reducing poverty in Ukraine. The key factor in introducing the green agenda into everyday life is the perception of these processes by Ukrainian society and the participation of citizens in them. Therefore, CO "CF MHP-GROMADI" (hereinafter referred to as the Foundation) helps communities strengthen their potential by promoting and spreading the best environmental practices, and supports innovative proposals for using the energy-saving technologies.
- 2.4. Issues such as climate change, biodiversity loss, and environmental pollution are global in nature. But solving these problems begins with changing practices and attitudes at the local level. Since a physically and psychologically healthy society requires a healthy environment, it is necessary to develop the willingness of people to take responsibility for the development of their communities not only in economic, but also in environmental and resource-saving areas.
- 2.5. Program Activity Regulations in the direction "Energy Efficiency and Ecology" (hereinafter referred to as the Regulations) are the appendix to the Policy of CO "CF MHP-GROMADI" regarding cooperation with Partners, Granters and Donor Organizations.

3. DIRECTION PRIORITIES

- 3.1. In the direction "Energy Efficiency and Ecology", the Foundation has identified the following 4 main priorities for strengthening control over own health by developing the potential of small towns, villages and settlements:
 - ✓ **Priority 1 "Eco-Awareness"** supports activities that are related to:
 - Popularization and promotion of eco-conscious consumption and ecological lifestyle;
 - Promoting consumption of organic products, sustainable nutrition;
 - Involving the community in joint eco-activities (carrying out measures to clean up park, forest, and recreational areas from garbage; popularizing alternative energy sources, spreading the idea of sorting and further processing household waste, etc.);
 - Eco-tourism.
 - ✓ **Priority 2 "Waste Management"** supports activities that are related to :
 - Popularization of public initiatives for sorting, processing and reuse of waste;
 - Preventing or minimizing waste generation;

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 28 of 39

- Infrastructure solutions for waste sorting sites, installation of special containers, sorting facilities for the development of garbage infrastructure;
 - Reuse and recycling;
 - Composting.
- ✓ **Priority 3 "Clean Water and Restored Environment"** supports activities that are related to:
- Reconstruction and improvement of green areas in communities;
 - Landscaping of small towns, villages and settlements;
 - Cleaning and improvement of water bodies in communities;
 - Access to sources and drinking water;
 - Restoration of forest stands.
- ✓ **Priority 4 "Conservation of Natural Resources"** supports activities that are related to:
- Economical exploitation of natural resources (or resource conservation, including modern energy saving and renewable energy);
 - Measures for rational use of natural resources (including educational (formation of ecological culture of the population));
 - Reducing and cleaning up emissions into the environment and neutralizing waste, recycling – using waste as secondary resources.
 - Modernization of infrastructure facilities in order to reduce resource intensity;
 - Sustainable mobility.
- 3.2.** The indicated priorities of the direction "Energy Efficiency and Ecology" *are not exclusive*. If the application from the granter corresponds to thematic priority (while it is outside the limits indicated above), it can be accepted for consideration and financed by the decision of the Director of the Foundation and/or the competition council (if it is created within the project).
- 3.3.** The Foundation may change, add, exclude, or review certain directions/priorities as a result of updating its activities.

4. PROJECTS NOT SUPPORTED BY THE DIRECTION

- 4.1.** The Foundation does not provide grant support to projects that:
- do not meet the thematic priorities of grant competition;
 - do not meet the eligibility criteria;
 - do not correspond to the geography of the Foundation's activities;
 - have a commercial nature;
 - have a political or religious orientation;
 - promote violence, cruelty, racial, national, gender and other intolerances;
 - previously, we received 100% funding from other sources.

5. THE INITIATOR OF THE PROJECT AND THE RECIPIENT OF SUPPORT (GRANTER) CAN BE

- 5.1.** Grant support can be provided to projects developed and submitted for the competition:
- ✓ *by public organizations, unions of public organizations, charitable organizations*, which are included in the register of non-profit organizations and correspond to the geography of the Foundation's activities;
 - ✓ *by initiative groups of individuals*. At the same time, the creation of initiative group must be confirmed by the relevant minutes of the meeting on creation of initiative group, which, among other things, must indicate surname and first name, data on the place of registration of the authorized person and other necessary information that will have the authority to represent the interests of initiative group when interacting with the Foundation and will be responsible for the implementation of the project;
 - ✓ *by representatives of local self-government bodies* acting on behalf of the territorial community located on the territory of the Foundation's activities;
 - ✓ *by regional managers of the Foundation*, at the request of more than 10 members of the community located on the territory of the Foundation's activities;
 - ✓ *other grant seekers (including individual entrepreneurs, etc.)*, in accordance with the terms of the announced competition within a certain direction.
- 5.2.** The Foundation may itself develop, implement projects/activities/campaigns/initiatives and encourages the creation of partnerships for their implementation, including submission to current grant programs/competitions in

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 29 of 39

which the organization can provide additional funding in the amount of 50 %, subject to approval of project idea by the Director of the Foundation or other authorized person from the members of the Supervisory Board of the Foundation.

6. CONFLICT OF INTERESTS AND WAYS TO OVERCOME IT

- 6.1.** The Foundation strives to avoid situations in project implementing organizations (granters) that may cause conflicts of interest.
- 6.2.** The following situations are considered potential conflicts of interest for granters who have received support from the Foundation:
 - ✓ the granter is involved in making a decision on a case in which he cannot remain disinterested or objective in choosing between the goal and interests of the project and his own interests;
 - ✓ the granter (his relatives, close friends or business partners) is or may be financially interested in receiving or supplying goods or services for the project implementation from individual legal entities and individuals.
- 6.3.** Granters are obliged to inform the Foundation of the existence of relationships with employees and suppliers of goods or services that may bring personal, institutional, political or financial benefits to him (them), his (their) relatives, close friends and business partners. After reporting such interests, the Foundation examines the potential conflict situation and determines the necessary steps to avoid conflict.

7. MAKING DECISIONS ON PROVIDING SUPPORT

- 7.1.** Competitive projects are considered by the Competitive (Expert) Council consisting of selected experts. The personal composition of the Expert Council is approved by the Director of the Foundation.
- 7.2.** The principles and procedure of the Expert Council's activities are regulated by:
 - The Foundation's Policy on Cooperation with Partners, Granters and Donor Organizations;
 - Regulations on the relevant project/competition (if any);
 - Regulations/instructions/rules, etc. of donor organizations that co-finance the project (if any);
 - as well as these Regulations.
- 7.3.** After a thorough analysis of projects and their discussion, as well as based on the results of evaluation, the Competition (Expert) Council decides on granting or refusing to grant. The decision of the Competition (Expert) Council is final and is not subject to review. The reasons for not providing the grant are not disclosed.
- 7.4.** If there is no need to create a competitive (expert) commission, decision to provide support is made by the Director of the Foundation.

8. PROCEDURE FOR FINANCIAL (GRANT) SUPPORT WITHIN EXISTING AND PLANNED PROJECTS OF THE FOUNDATION

- 8.1.** Projects are financed from the Foundation's own and/or borrowed funds as non-refundable, targeted financial assistance, and other legitimate sources in accordance with the current legislation of Ukraine.
- 8.2.** Support is provided using a project-based approach and includes the following stages:
 - ✓ Approval of the competition regulations (instructions for participants, budget forms, etc.) of projects for obtaining a grant, creating a competition council (if necessary);
 - ✓ Announcement of competition with the establishment of a deadline for submitting projects;
 - ✓ Conducting informational sessions for potential competition participants, providing explanations on the terms of participation and procedures;
 - ✓ Receiving applications and checking them for compliance with technical requirements (timely submission, completeness, legitimacy of applicant);
 - ✓ Evaluation by the competition (expert) council on the merits (for compliance with the established criteria);
 - ✓ Identification and notification of winners (granters);
 - ✓ Signing a grant agreement and transferring funds to the grantee;
 - ✓ Implementation of the project by the grantee;
 - ✓ Project performance monitoring and final reporting.
- 8.3.** Projects implemented not only by the Foundation, but also in cooperation with other donor structures, may have procedural differences.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 30 of 39

9. NON-COMPETITIVE GRANT OF PILOT INITIATIVES AND PROVISION OF NON-FINANCIAL (RESOURCE/ VOLUNTEER) SUPPORT BY THE FOUNDATION

- 9.1.** Pilot (non-project) initiatives (as well as independent initiatives of communities and public organizations in cooperation with other donors) within direction are supported by the Foundation on the basis of a written application to the Director of the Foundation and/or agreed by the Chairman of the Supervisory Board of the Foundation.
- 9.2.** The application must contain a detailed description of the idea (project) in accordance with the established form containing a list of activities within the project, the implementation period and a reasonable budget or the required amount of additional funding by the Foundation (in case of implementation of independent initiative).
- 9.3.** The Director of the Foundation decides on the scope and timing of funding for pilot initiatives.
- 9.4.** Applications for non-financial (resource/volunteer) support are also considered in accordance with the procedure prescribed in clauses 9.1. – 9.3. of these Regulations.
- 9.5.** The application for non-financial support must be relevant, reasonable, realistic, effective and correspond to the priorities of direction.

10. ELIGIBILITY CRITERIA FOR APPLICATIONS (PROJECTS)

10.1. Eligibility Criteria means the requirements that are a prerequisite for receiving support from the Foundation.

There are three groups of Foundation's eligibility criteria, which relate to:

➤ ***applicants who may apply for support:***

To be eligible for receipt, applicants must:

- be legal entities. and
- be non-profit organizations and
- belong to certain types of organizations, for example: civil society organizations such as non-governmental, non-profit organizations, community-level organizations and non-profit agencies, private sector institutions and organizations, and networks of such organizations at the local, national, regional or international levels established in accordance with the current legislation of the country concerned;
- be directly responsible for the project preparation and management together with joint applicants and affiliated organizations, and not be just intermediaries;
- carry out activities on the territory of geography of the Foundation's activities.

➤ ***projects that can be supported:***

Projects can be financed (co-financed) by the Foundation if they meet the following conditions:

- are cost-effective;
- the place of implementation corresponds to the geography of the Foundation's activities;
- the documents submitted with the application are provided on time, are reliable and complete;
- correspond to the priorities of the direction " Social Capital";
- are viable;
- exclude double financing.

➤ ***types of expenses that can be taken into account when determining the amount of financing (co-financing):***

Eligible expenses are expenses actually incurred by the granter that meet all of the following criteria:

- expenses associated with services and works should relate to activities that take place during the project implementation period;
- expenses must be necessary to complete the Project for which the grant is provided;
- expenses must be possible before identification and verification, first of all they must be taken into account in the granter's accounting documentation in accordance with the accounting standards of Ukraine, as well as in accordance with the standard practice of granter's accounting;
- expenses must meet the requirements of the current tax and social legislation of Ukraine;
- expenses must be appropriate, reasonable and meet the requirements of proper financial management, primarily cost-effectiveness and efficiency.

The categories of acceptable and unacceptable costs are determined in the implementation conditions of each individual project. The budget is both a cost estimate and a maximum level of "acceptable costs". It is in the applicant's best interest to provide a realistic and cost-effective budget for consideration.

10.2. An application submitted for a competition (project) must meet all three groups of eligibility criteria.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 31 of 39

11. PROJECT IMPLEMENTATION MONITORING

- 11.1.** Monitoring involves regularly updating information about the status of current work, analyzing deviations and their impact on the results, budget and timing of the project. The grantor is responsible for monitoring the effectiveness of project implementation.
- 11.2.** To conduct monitoring, the Foundation and grantors should use the following indicators and deadlines:
- **Intermediate result** is the products/results of funded activities, in particular: number of prepared reports, number of seminars held, length (in km) of cleared riverbed, number of open innovation centers. They report what was actually received for the funds provided by the project.
 - **Results** are the immediate benefits of these measures, for example, the number of changes in regional policy, the number of task force members that received additional training, the percentage reduction of some pollutants in the river system, the number of newly created businesses. They talk about the benefits of funding interim results.
 - **Impact** means a long-term benefit of measures, in particular: improved regional situation through more effective policies, reduction in the proportion of unemployed people who could not find work for a long time, improved biodiversity, and increase in regional gross product. It relates to the project goals and reports whether short-term benefits (results) actually led to the desired improvements.
 - **Achievements** are used to describe combinations of impact, results, and intermediate results of project.
- 11.3.** The project progress is measured by financial and physical indicators, which are regularly controlled (monitored). Indicators should reflect, as far as possible, the goals that Partners want to achieve through the project.
- 11.4.** An authorized employee of the Foundation, on behalf of the Director of the Foundation, can also monitor the implementation of grantors' projects (through documentary analysis and/or monitoring mission).

12. PROJECT (GRANT) REPORTING

- 12.1.** Grantors must also submit status reports and financial reports within the time limits set by the Foundation and in a form approved by the Foundation.
- 12.2. Status report** is a descriptive report that records the presence (absence) of deviations from the planned indicators and tasks, as well as suggestions for making optimal changes if necessary.
- ✓ For projects with implementation period *less than 3 months*, such report is submitted only if there are significant deviations and it is necessary to agree and approve the changes. If there are no changes, such report is submitted at the end of project implementation and is considered the final report (Form **Appendix 6**).
 - ✓ For projects with implementation period *more than 3 months*, such report is submitted in case of significant deviations and changes, and/or once every 6 months and must contain planned tasks for the next period. Final status report is submitted after the project is completed.
 - ✓ The grantor is responsible for the proper management of the funds (resources) provided by the Foundation and for maintaining reliable reports on their expenditure. The grantor uses the funds to cover the costs associated with the implementation of project goals and objectives only if these costs are justified, provided for or permitted in accordance with the project terms.
- 12.3. Financial report** is a document confirming the intended use of funds provided by the Foundation as financial support.
- ✓ The financial report must be submitted in electronic (Excel format) and/or paper form (Form **Appendix 7**), a bank statement is the appendix to the report confirming the transfer of funds for the target items.
 - ✓ The deadline for submitting financial report depends on the duration of a particular project and is determined at the stage of approval of the grant amount.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 32 of 39

Appendix No. 5. PROGRAM ACTIVITY REGULATIONS IN THE DIRECTION "COUNTERING THE CONSEQUENCES OF WAR"

1. TERMS AND DEFINITIONS

Beneficiary (recipient of assistance)	an individual or legal entity, a social group that receives certain benefits resulting from the project implementation.
Charitable Organization	a non-governmental non-profit organization which main purpose is to carry out charitable activities in the interests of certain categories of citizens or society as a whole.
Project Budget	form (plan) of formation and use of resources, mainly financial ones, which are necessary to ensure the implementation of project goals and objectives during its duration.
Project Executor	any person authorized by the grantor and/or grantee who directly implements project implementation measures and is responsible for achieving project results.
Grant	funds that are irrevocably transferred by the donor to an individual or legal entity on a competitive basis for implementing a specific project.
Grantor	legal entities in Ukraine or abroad that provide material, financial, organizational or other charitable assistance on a competitive basis.
Public Association	voluntary association of individuals and/or legal entities of private law for the exercise and protection of rights and freedoms, satisfaction of public, in particular economic, social, cultural, environmental, and other interests. According to its organizational and legal form, a public association is formed as a public organization or a public union.
Donors	legal entities and individuals in Ukraine or abroad who voluntarily provide material, financial, organizational or other charitable assistance.
Project Viability	the ability of project to produce results after termination of external support.
Expert Council	members of evaluation team specializing in a particular field and acting as a source of professional knowledge when evaluating grant applications.
Application	list of documents that must be submitted to receive support (grant).
Project Initiator	a person (representative of organization) who initiates a new project and forms an Application for consideration of the initiative.
Projects (Programs) Monitoring	a system for regular monitoring of the project (program) implementation status.
Evaluation	periodic assessment of the effectiveness, efficiency, impact, duration and compliance of the project in the context of the goals set. Assessment is usually carried out in the form of independent study of the environment, goals, results, actions (activities) and means used in order to find knowledge that may become necessary when making decisions in the future.
Project	<p>a) a set of actions and/or measures that are carried out to achieve the planned results within the allotted time, with the help of financial and material resources (budget) intended for this purpose by a certain circle of people.</p> <p>b) a document that defines the goals and objectives, areas of activity and joint actions of project participants (donors, performers, beneficiaries, recipients), as well as the resources necessary to achieve the planned results.</p>
Project Application	a document containing the project proposal, project budget, and appendices completed in accordance with the donor's requirements.
Resources	funds necessary to achieve the project goal and its specific results.
Co-financing	participation of two or more parties in project financing
Stakeholders	individuals and organizations that can directly or indirectly, positively or negatively, influence the project, or feel its impacts

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 33 of 39

2. GENERAL PROVISIONS

- 2.1. Realizing the extremely large negative impact of military operations on the economic, social, environmental and cultural development of society, the investments of CO "CF MHP-GROMADI" (hereinafter referred to as the Foundation) are aimed at creating conditions for stabilization, returning to the pre-war state and further developing socio-economic relations, the normal functioning of which was disrupted by military operations.
- 2.2. Countering the consequences of war should begin without waiting for the end of hostilities. The Foundation operates on the basis of preventive prevention of a large number of problems that will simultaneously become apparent after the end of the war. The Foundation strives to partner people and communities in solving problems caused by war.
- 2.3. The overall impact of war on communities and society depends on the state of their economy, level of development, governance, geography, demographics, and cultural factors. The Foundation strives to provide comprehensive assistance to communities, taking into account all these factors and their combination with the characteristics of certain territories.
- 2.4. The escalation of violence that other countries have experienced since the war, anti-discrimination work in the regions and prevention of future conflicts should be a priority in developing the social aspect of community development in and after the war.
- 2.5. Program Activity Regulations in the direction "Countering the Consequences of War" (hereinafter referred to as the Regulations) are the appendix to the Policy of CO "CF MHP-GROMADI" regarding cooperation with Partners, Granters and Donor Organizations.

3. PRIORITIES OF THE DIRECTION

- 3.1. In the direction "Countering the Consequences of War", the Foundation has identified the following 4 main priorities for supporting residents of small towns, villages and settlements:
 - ✓ **Priority 1 "Rehabilitation of Demobilized"** supports activities that are related to:
 - Participation in providing rehabilitation after injuries;
 - Psychological rehabilitation;
 - Return to social life;
 - ✓ **Priority 2 "Preventing Future Conflicts"** supports activities that are related to:
 - Carrying out measures aimed at reducing conflicts in the post-war period;
 - Carrying out work to achieve dialogue and peaceful settlement of conflicts caused by war;
 - Implementing post-conflict rehabilitation and mediation activities.
 - ✓ **Priority 3 "Anti-Discrimination Work in the Regions"** supports activities that are related to:
 - Support for measures to prevent and overcome discrimination caused by war;
 - Calling on certain social groups in society to realize discrimination caused by war;
 - ✓ **Priority 4 "Integration of Internally Displaced Persons (hereinafter referred to as IDPs) and Refugees"** supports activities that are related to:
 - Solving the problems of deferred education, healthcare and livelihoods;
 - Improving the sustainability of communities hosting IDPs and resettled entrepreneurs;
 - Responding to the challenges faced by communities in meeting the needs of new residents and communicating with local authorities;
 - ✓ **Priority 5 "Infrastructure"** supports activities that are related to:
 - Participation in restoration of infrastructure facilities destroyed during the war;
 - Participation in restoration of housing stock objects;
 - Participation in restoration of critical infrastructure facilities;
 - Participation in construction and arrangement of shelters.

The indicated priorities of direction *are not exclusive*. If the application from the granter corresponds to thematic priority (while it is outside the limits indicated above), it can be accepted for consideration and financed by the decision of the Director of the Foundation and/or the competition council (if it is created within the project).
- 3.2. The Foundation may change, add, exclude, or review certain directions/priorities as a result of updating its activities.

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 34 of 39

4. PROJECTS NOT SUPPORTED BY THE DIRECTION

- 4.1.** The Foundation does not provide grant support to projects that:
- do not meet the thematic priorities of grant competition;
 - do not meet the eligibility criteria;
 - do not correspond to the geography of the Foundation's activities;
 - have a commercial nature;
 - have a political or religious orientation;
 - promote violence, cruelty, racial, national, gender and other intolerances;
 - previously, we received 100% funding from other sources.

5. THE INITIATOR OF THE PROJECT AND THE RECIPIENT OF SUPPORT (GRANTER) CAN BE

- 5.1.** Grant support can be provided to projects developed and submitted for the competition:
- ✓ *by public organizations, unions of public organizations, charitable organizations*, which are included in the register of non-profit organizations and correspond to the geography of the Foundation's activities;
 - ✓ *by initiative groups of individuals*. At the same time, the creation of initiative group must be confirmed by the relevant minutes of the meeting on creation of initiative group, which, among other things, must indicate surname and first name, data on the place of registration of the authorized person and other necessary information that will have the authority to represent the interests of initiative group when interacting with the Foundation and will be responsible for the implementation of the project;
 - ✓ *by representatives of local self-government bodies* acting on behalf of the territorial community located on the territory of the Foundation's activities;
 - ✓ *by regional managers of the Foundation*, at the request of more than 10 members of the community located on the territory of the Foundation's activities;
 - ✓ *other grant seekers (including individual entrepreneurs, etc.)*, in accordance with the terms of the announced competition within a certain direction.
- 5.2.** The Foundation may itself develop, implement projects/activities/campaigns/initiatives and encourages the creation of partnerships for their implementation, including submission to current grant programs/competitions in which the organization can provide additional funding in the amount of 50 %, subject to approval of project idea by the Director of the Foundation or other authorized person from the members of the Supervisory Board of the Foundation.

6. CONFLICT OF INTERESTS AND WAYS TO OVERCOME IT

- 6.1.** The Foundation strives to avoid situations in project implementing organizations (granters) that may cause conflicts of interest.
- 6.2.** The following situations are considered potential conflicts of interest for granters who have received support from the Foundation:
- ✓ the granter is involved in making a decision on a case in which he cannot remain disinterested or objective in choosing between the goal and interests of the project and his own interests;
 - ✓ the granter (his relatives, close friends or business partners) is or may be financially interested in receiving or supplying goods or services for the project implementation from individual legal entities and individuals.
- 6.3.** Granters are obliged to inform the Foundation of the existence of relationships with employees and suppliers of goods or services that may bring personal, institutional, political or financial benefits to him (them), his (their) relatives, close friends and business partners. After reporting such interests, the Foundation examines the potential conflict situation and determines the necessary steps to avoid conflict.

7. MAKING DECISIONS ON PROVIDING SUPPORT

- 7.1.** Competitive projects are considered by the Competitive (Expert) Council consisting of selected experts. The personal composition of the Expert Council is approved by the Director of the Foundation.
- 7.2.** The principles and procedure of the Expert Council's activities are regulated by:
- The Foundation's Policy on Cooperation with Partners, Granters and Donor Organizations;
 - Regulations on the relevant project/competition (if any);

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0

- Regulations/instructions/rules, etc. of donor organizations that co-finance the project (if any);
 - as well as these Regulations.
- 7.3.** After a thorough analysis of projects and their discussion, as well as based on the results of evaluation, the Competition (Expert) Council decides on granting or refusing to grant. The decision of the Competition (Expert) Council is final and is not subject to review. The reasons for not providing the grant are not disclosed.
- 7.4.** If there is no need to create a competitive (expert) commission, decision to provide support is made by the Director of the Foundation.

8. PROCEDURE FOR FINANCIAL (GRANT) SUPPORT WITHIN EXISTING AND PLANNED PROJECTS OF THE FOUNDATION

- 8.1.** Projects are financed from the Foundation's own and/or borrowed funds as non-refundable, targeted financial assistance, and other legitimate sources in accordance with the current legislation of Ukraine.
- 8.2.** Support is provided using a project-based approach and includes the following stages:
- ✓ Approval of the competition regulations (instructions for participants, budget forms, etc.) of projects for obtaining a grant, creating a competition council (if necessary);
 - ✓ Announcement of competition with the establishment of a deadline for submitting projects;
 - ✓ Conducting informational sessions for potential competition participants, providing explanations on the terms of participation and procedures;
 - ✓ Receiving applications and checking them for compliance with technical requirements (timely submission, completeness, legitimacy of applicant);
 - ✓ Evaluation by the competition (expert) council on the merits (for compliance with the established criteria);
 - ✓ Identification and notification of winners (granters);
 - ✓ Signing a grant agreement and transferring funds to the grantee;
 - ✓ Implementation of the project by the grantee;
 - ✓ Project performance monitoring and final reporting.
- 8.3.** Projects implemented not only by the Foundation, but also in cooperation with other donor structures, may have procedural differences.

9. NON-COMPETITIVE GRANT OF PILOT INITIATIVES AND PROVISION OF NON-FINANCIAL (RESOURCE/ VOLUNTEER) SUPPORT BY THE FOUNDATION

- 9.1.** Pilot (non-project) initiatives (as well as independent initiatives of communities and public organizations in cooperation with other donors) within direction are supported by the Foundation on the basis of a written application to the Director of the Foundation and/or agreed by the Chairman of the Supervisory Board of the Foundation.
- 9.2.** The application must contain a detailed description of the idea (project) in accordance with the established form containing a list of activities within the project, the implementation period and a reasonable budget or the required amount of additional funding by the Foundation (in case of implementation of independent initiative).
- 9.3.** The Director of the Foundation decides on the scope and timing of funding for pilot initiatives.
- 9.4.** Applications for non-financial (resource/volunteer) support are also considered in accordance with the procedure prescribed in clauses 9.1. – 9.3. of these Regulations.
- 9.5.** The application for non-financial support must be relevant, reasonable, realistic, effective and correspond to the priorities of direction.

10. ELIGIBILITY CRITERIA FOR APPLICATIONS (PROJECTS)

- 10.1. Eligibility Criteria** means the requirements that are a prerequisite for receiving support from the Foundation. There are three groups of Foundation's eligibility criteria, which relate to:

➤ ***applicants who may apply for support:***

To be eligible for receipt, applicants must:

- be legal entities. and
- be non-profit organizations and
- belong to certain types of organizations, for example: civil society organizations such as non-governmental, non-profit organizations, community-level organizations and non-profit agencies, private sector institutions and organizations, and networks of such organizations at the local, national, regional or international levels established in accordance with the current legislation of the country concerned;

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0
		Page 36 of 39

- be directly responsible for the project preparation and management together with joint applicants and affiliated organizations, and not be just intermediaries;
- carry out activities on the territory of geography of the Foundation's activities.

➤ ***projects that can be supported:***

Projects can be financed (co-financed) by the Foundation if they meet the following conditions:

- are cost-effective;
- the place of implementation corresponds to the geography of the Foundation's activities;
- the documents submitted with the application are provided on time, are reliable and complete;
- correspond to the priorities of the direction "Countering the Consequences of War";
- are viable;
- exclude double financing.

➤ ***types of expenses that can be taken into account when determining the amount of financing (co-financing):***

Eligible expenses are expenses actually incurred by the granter that meet all of the following criteria:

- expenses associated with services and works should relate to activities that take place during the project implementation period;
- expenses must be necessary to complete the Project for which the grant is provided;
- expenses must be possible before identification and verification, first of all they must be taken into account in the granter's accounting documentation in accordance with the accounting standards of Ukraine, as well as in accordance with the standard practice of granter's accounting;
- expenses must meet the requirements of the current tax and social legislation of Ukraine;
- expenses must be appropriate, reasonable and meet the requirements of proper financial management, primarily cost-effectiveness and efficiency.

The categories of acceptable and unacceptable costs are determined in the implementation conditions of each individual project. The budget is both a cost estimate and a maximum level of "acceptable costs". It is in the applicant's best interest to provide a realistic and cost-effective budget for consideration.

10.2. An application submitted for a competition (project) must meet all three groups of eligibility criteria.

11. PROJECT IMPLEMENTATION MONITORING

11.1. Monitoring involves regularly updating information about the status of current work, analyzing deviations and their impact on the results, budget and timing of the project. The granter is responsible for monitoring the effectiveness of project implementation.

11.2. To conduct monitoring, the Foundation and granters should use the following indicators and deadlines:

- **Intermediate result** is the products/results of funded activities, in particular: number of prepared reports, number of seminars held, length (in km) of cleared riverbed, number of open innovation centers. They report what was actually received for the funds provided by the project.
- **Results** are the immediate benefits of these measures, for example, the number of changes in regional policy, the number of task force members that received additional training, the percentage reduction of some pollutants in the river system, the number of newly created businesses. They talk about the benefits of funding interim results.
- **Impact** means a long-term benefit of measures, in particular: improved regional situation through more effective policies, reduction in the proportion of unemployed people who could not find work for a long time, improved biodiversity, and increase in regional gross product. It relates to the project goals and reports whether short-term benefits (results) actually led to the desired improvements.
- **Achievements** are used to describe combinations of impact, results, and intermediate results of project.

11.3. The project progress is measured by financial and physical indicators, which are regularly controlled (monitored). Indicators should reflect, as far as possible, the goals that Partners want to achieve through the project.

11.4. An authorized employee of the Foundation, on behalf of the Director of the Foundation, can also monitor the implementation of granters' projects (through documentary analysis and/or monitoring mission).

	Charitable Foundation "MHP-Gromadi"	
	POLICY ON COOPERATION WITH PARTNERS, GRANTERS AND DONOR ORGANIZATIONS	
	Effective from:	Version: 1.0

12. PROJECT (GRANT) REPORTING

- 12.1.** Granters must also submit status reports and financial reports within the time limits set by the Foundation and in a form approved by the Foundation.
- 12.2. Status report** is a descriptive report that records the presence (absence) of deviations from the planned indicators and tasks, as well as suggestions for making optimal changes if necessary.
- ✓ For projects with implementation period *less than 3 months*, such report is submitted only if there are significant deviations and it is necessary to agree and approve the changes. If there are no changes, such report is submitted at the end of project implementation and is considered the final report (Form **Appendix 6**).
 - ✓ For projects with implementation period *more than 3 months*, such report is submitted in case of significant deviations and changes, and/or once every 6 months and must contain planned tasks for the next period. Final status report is submitted after the project is completed.
 - ✓ The granter is responsible for the proper management of the funds (resources) provided by the Foundation and for maintaining reliable reports on their expenditure. The granter uses the funds to cover the costs associated with the implementation of project goals and objectives only if these costs are justified, provided for or permitted in accordance with the project terms.
- 12.3. Financial report** is a document confirming the intended use of funds provided by the Foundation as financial support.
- ✓ The financial report must be submitted in electronic (Excel format) and/or paper form (Form **Appendix 7**), a bank statement is the appendix to the report confirming the transfer of funds for the target items.
 - ✓ The deadline for submitting financial report depends on the duration of a particular project and is determined at the stage of approval of the grant amount.

Appendix No. 6. STATUS REPORT FORM

STATUS REPORT of Project "___name___"

Reporting period	<i>month, year</i>
Project priority	<i>according to the Regulations</i>
Project Manager	<i>Name</i>
Contact details of Project Manager	<i>phone number, email address</i>
Planned project implementation period	<i>month, year</i>
Project status by deadlines	<i>according to plan/deviation from plan/project suspended</i>

1. During the reporting period, the following activities were made:

The list of the main results achieved, decisions made, documents approved, working meetings held, goods and services purchased

No.	Task	Result
	➤	•
	➤	•
	➤	•

2. Tasks with deviation from the project:

The list of tasks with financial, deadline, or other deviation

No.	Task	Deviation	Reasons for deviation
	➤	•	•
	➤	•	•
	➤	•	•

3. Problems and proposed solutions:

Project impact – negative consequences for the project if the problem is not solved; Proposed solution – measures or actions recommended by the Project Manager to solve the problem/ issue.

No.	Problem/issue	Impact on project	Proposed solution
	➤	•	•
	➤	•	•
	➤	•	•

4. Tasks for the next period (filled in only for projects with implementation period of more than 3 months):

No.	Task description	Implementation period

5. Link to Google Disk with uploaded documents, photos, etc. related to project (if necessary)

