CREDIT FACILITY AGREEMENT

dated as of March 10, 2025

between

AGENCE FRANÇAISE DE DEVELOPPEMENT

The Lender

and

THE REPUBLIC OF MOLDOVA

The Borrower

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CREDIT FACILITY AGREEMENT

BETWEEN:

(1) **THE REPUBLIC OF MOLDOVA,**

represented by Mr. Dorin Junghietu, in his capacity as Minister of Energy of the Republic of Moldova who is duly authorised to sign this Agreement,

("**Moldova**" or the "**Borrower**");

AND

(2) **AGENCE FRANCAISE DE DEVELOPPEMENT**, a French public entity governed by French law, with registered office at 5, Rue Roland Barthes, 75598 Paris Cedex 12, France, registered with the Trade and Companies Register of Paris under number 775 665 599, represented by Mr. Rémy Rioux, in his capacity as Chief Executive Officer of the Agence Française de Développement, duly authorised to sign this Agreement

("**AFD**" or the "**Lender**");

(hereinafter jointly referred to as the "**Parties**" and each a "**Party**");

WHEREAS:

(A) The Borrower intends to improve the energy efficiency in higher education and health public buildings in several cities throughout Moldova (the "**Project**"), as described further in Schedule 2 (*Project Description*).

(B) The Borrower has requested that the Lender makes a facility available for the purposes of financing the Project in part.

(C) The Lender, a public entity contributing to the implementation of the French State's development aid policy (in accordance with Article L. 515-13 of French Monetary and Financial Code), has expressed its interest to participate in the financing of the Project.

(D) Pursuant to a resolution n° 20241031of the *Comité des Etats Etrangers* dated 20th November 2024, the Lender has agreed to make the Facility available to the Borrower pursuant to the terms and conditions of this Agreement.

(E) The Project is cofinanced by KfW under the JEFIC[1] joint cofinancing modality, meaning that Project measures shall be jointly co-financed by the Lender and KfW (together, the "**Co-Financiers**") on a pro-rata basis. It will also receive own contribution financing from the Government of Moldova as described in Schedule 3 (*Financing Plan*).

[1] JEFIC – Joint European Financiers for International Cooperation | AFD - Agence Française de Développement

THEREFORE THE PARTIES HAVE AGREED AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Capitalised words and expressions used in this Agreement (including those appearing in the recitals above and in the Schedules) shall have the meaning given to them in Schedule 1A (*Definitions*), except as otherwise provided in this Agreement.

1.2 Interpretation

Words and expressions used in this Agreement shall be construed pursuant to the provisions of Schedule 1B (*Construction*), unless the contrary intention appears.

2. FACILITY, PURPOSE AND CONDITIONS OF UTILISATION

2.1 Facility

Subject to the terms of this Agreement, the Lender makes available to the Borrower a Facility in a maximum aggregate amount of thirty million Euros (EUR 30,000,000).

2.2 Purpose

The Borrower shall apply all amounts borrowed by it under the Facility exclusively towards financing Eligible Expenses, excluding Taxes, in accordance with the Project's description set out in Schedule 2 (*Project Description*) and the Financing Plan set out in Schedule 3 (*Financing Plan*).

2.3 Monitoring

The Lender shall not be held responsible for the use of any amount borrowed which is not in accordance with the provisions of this Agreement.

2.4 Conditions precedent

(a) No later than the Signing Date, the Borrower shall provide to the Lender all of the documents set out in Part I of Schedule 4 (*Conditions Precedent*).

(b) A Drawdown Request may not be delivered to the Lender unless:

(i) in the case of the first Drawdown, the Lender has received all of the documents listed in Part II of Schedule 4 (*Conditions Precedent*) and has notified the Borrower that such documents are satisfactory in form and substance;

(ii) in the case of any subsequent Drawdown, the Lender has received all of the documents set out in Part III of Schedule 4 (*Conditions Precedent*) and has notified the Borrower that such documents are satisfactory in form and substance; and

(iii) on the date of the Drawdown Request and on the proposed Drawdown Date for the relevant Drawdown, no Payment Systems Disruption Event has occurred and the conditions set out in this Agreement have been fulfilled, including:

(1) no Event of Default or mandatory prepayment event is continuing or would result from the proposed Drawdown;

(2) no Co-Financier has suspended its payments in relation to the Project;

(3) the Borrower is up-to-date with all its payment obligations, including fees and commissions due under the Agreement;

(4) the Drawdown Request has been made in accordance with the terms of Clause 3.2 (*Drawdown request*);

(5) each representation given by the Borrower in relation to Clause 10 (*Representations and warranties*) is true;

(6) any previous Advance was used in accordance with this Agreement.

3. DRAWDOWN OF FUNDS

3.1 Drawdown amounts

The Facility will be made available to the Borrower during the Availability Period, in several Drawdowns, provided that the number of Drawdowns shall not exceed twenty (20).

The amount of the proposed Drawdown shall be a minimum of three hundred thousand Euros (EUR 300,000) or an amount equal to the Available Facility if such amount is less than three hundred thousand Euros (EUR 300,000).

3.2 Drawdown request

Provided that the conditions set out in Clause 2.4(b) (*Conditions precedent*) are satisfied, the Borrower (acting through the Ministry of Finance) may draw on the Facility by delivery to the Lender of a duly completed Drawdown Request. Each Drawdown Request shall be delivered by the Borrower (acting through the Ministry of Finance) to the AFD office Director at the address specified in Clause 16.1 (*In writing and addresses*).

AFD and KfW shall receive separate disbursement requests according to each other's own forms. A copy of each request shall be sent by the Borrower through the Implementing Agency to the other Co-Financier.

Each Drawdown Request is irrevocable and will be regarded as having been duly completed if:

(a) the Drawdown Request is substantially in the form set out in Schedule 5A (*Form of Drawdown Request*);

(b) the Drawdown Request is received by the Lender at the latest fifteen (15) Business Days prior to the Deadline for Drawdown of Funds;

(c) the Drawdown Date is a Business Day falling within the Availability Period;

(d) the amount of the Drawdown complies with Clause 3.1 (*Drawdown amounts*); and

(e) all of the relevant documents set out in Schedule 4 (*Conditions Precedent*) for the purposes of the Drawdown are attached to the Drawdown Request, comply with the abovementioned Schedule and with the requirements of Clause 3.4 (*Payment mechanics*), and are in form and substance satisfactory to the Lender.

Any documentary evidence, such as bills or paid invoices, shall include the reference number and date of the relevant payment order. The Borrower, through the Implementing Agency, undertakes to keep possession of the documentary evidence originals, to make

such evidence available to the Lender at any time and to provide the Lender with Certified copies or duplicates of such evidence as the Lender may request.

3.3 Payment completion

Subject to Clause 14.7 (*Payment Systems Disruption*), if each of the conditions set out in Clause 2.4(b) (*Conditions precedent*) of this Agreement has been met, the Lender shall make the requested Drawdown available to the Implementing Agency not later than the Drawdown Date.

The Lender shall provide the Borrower and the Implementing Agencywith a letter of Drawdown confirmation substantially in the form set out in Schedule 5B (*Form of confirmation of drawdown and rate*).

3.4 Payment mechanics

3.4.1 The Facility shall be made available by the Lender in the form of advances ("**Advance(s)**") paid into the Project Account (as defined below).Opening of the Project Account

The Borrower (acting through the Ministry of Energy) shall procure that the Implementing Agency opens and maintains an account in the name of the Project (the "**Project Account**"), in an Acceptable Bank (the "**Account Bank**"), for the sole purpose of (i) receipt of the proceeds of a Drawdown and (ii) payment of the Eligible Expenses.

The Borrower hereby undertakes to procure that the Implementing Agency waives, and procure that the Account Bank waives, any right of set-off such party may have in respect of the Project Account and any other account opened in the name of the Implementing Agencyat the Account Bank, or against any other debt of the Implementing Agency.

3.4.2 Initial Advance

Provided that the conditions set out in Clause 2.4 (*Conditions precedent*) have been satisfied, the Lender shall pay an initial Advance to the Project Account.

For the purposes of the Project and the aforementioned initial Advance (being the first Drawdown) only, the Borrower acting through the Ministry of Finance may request a fixed Interest Rate Drawdown of an amount lower than three million Euros (EUR 3,000,000), provided that such amount is not less than three hundred thousand Euros (EUR 300,000).

AFD will disburse the amount forecasted by the Implementing Agency for the upcoming six-month period, as justified in accordance with the Project Description and the Financing Plan.

The Co-financiers will aim to disburse simultaneously and on a pro-rata basis in accordance with their respective pro-rata share (56.33% for KfW and 43.67% for AFD).

3.4.3 Additional Advances

Additional Advances will be paid upon the Implementing Agency's request, subject to the applicable conditions set out in Clause 2.4 (*Conditions precedent*) being satisfied.

In case of a Drawdown Request with a floating Interest Rate, the amount of the additional Advances will match the amount of the expenses forecasts for the next 6

months of the project, as justified in accordance with the Project Description and the Financing Plan.

3.4.4 The Co-financiers will aim to disburse simultaneously and on a pro-rata basis in accordance with their respective pro-rata share (56.33% for KfW and 43.67% for AFD).Final Advance

Unless the Lender agrees otherwise, the final Advance shall be paid in accordance with the same conditions as the other Advances and, if applicable, shall take into account any change in the financing plan of the Project agreed between the Parties.

3.4.5 Justification for use of Advances

The Borrower agrees to procure that Implementing Agency delivers to the Lender:

(a) no later than the Deadline for Use of Funds, a certificate signed by an authorised signatory of the Implementing Agency certifying that one hundred per cent (100%) of both the penultimate Advance and the final Advance have been used and providing a detailed breakdown of the sums paid in respect of the Eligible Expenses in the relevant period; and

(b) no later than six (6) months after the date of delivery of the certificate referred to in subparagraph (a) above, a final audit report of the Project Account (the "**Final Audit Report**"), carried out by an independent and reputable auditing firm appointed by the Implementing Agency, subject to the Lender's no-objection on the terms of reference of the audit mission and the appointment of the auditing selected by the Borrower and/or the Implementing Agency. All audit costs shall be paid by the Borrower. The appointed auditing firm shall verify that all amounts drawn under the Facility and paid into the Project Account have been used in accordance with the terms and conditions of this Agreement.

3.4.6 Applicable exchange rate

If any Eligible Expenses are denominated in a currency other than Euro, the Borrower acting through the Ministry of Energy shall procure that the Implementing Agency converts the invoice amount into the equivalent amount in Euros using the exchange rate for the relevant currency applied by the European Central Bank, or failing that, the central bank of the country of the relevant currency on the payment date of the relevant invoice. In accordance with the rules and regulations of the National Bank of the Republic of Moldova, for companies based in the Republic of Moldova, payments of Eligible Expenses invoiced in Euros will be made in Moldovan leu, converted at the official exchange rate established by the National Bank of the Republic of Moldova on the day of payment, through the payment system of the State Treasury.

3.4.7 Deadline for Use of Funds

The Borrower acting through the Ministry of Energy agrees and procures that the Implementing Agency agrees that all funds paid in the form of Advances shall be used in full to pay Eligible Expenses no later than the Deadline for the Use of Funds.

3.4.8 Control – Audit

The Borrower acting through the Ministry of Energy agrees that, during the Drawdown Period, the Project Account shall be audited on an annual basis. These audits shall be carried out by an independent and reputable auditing firm, appointed by the

Implementing Agency, subject to the Lender's no-objection on the terms of reference of the audit mission and the appointed auditing firm. All audit costs shall be paid by the Borrower. The auditing firm shall verify that all amounts drawn under the Facility and paid into the Project Account have been used in accordance with the terms of this Agreement.

Audit reports shall be made available no later than six (6) months after the last day of each fiscal year.

During the Drawdown Period, the Lender may carry out, or procure that a third party carries out on its behalf, random inspections rather than systematic control of documentary evidence.

3.4.9 Failure to justify the use of Advances

The Lender may request that the Borrower repays:

(a) all amounts in respect of which utilisation has not been duly or sufficiently justified as Eligible Expenses, together with

(b) all other outstanding sums to the credit of the Project Account on the Deadline for Use of Funds.

The Borrower shall repay such amounts to the Lender within twenty (20) calendar days of receipt of such notification from the Lender. Any repayment by the Borrower under this Clause shall be treated as a mandatory prepayment in accordance with the provisions of Clause 8.2 (*Mandatory prepayment*).

3.4.10 Retention of documents

The Borrower (acting through the Ministry of Energy) undertakes to instruct the Implementing Agency to retain documentary evidence and other documents in connection with the Project Account and use of the Advances for a period of ten (10) years from the date of the last Drawdown under the Facility.

The Borrower (acting through the Ministry of Energy) undertakes to deliver such documentary evidences and other documents to the Lender, or to any auditing firm appointed by the Lender, upon the Lender's request.

3.5 Deadline for the First Drawdown

The first Drawdown shall occur at the latest on the Deadline for the First Drawdown.

If the first Drawdown does not occur in the above-mentioned period, the Lender may cancel the Facility in accordance with Clause 8.4(b) *(Cancellation by the Lender)*.

The Deadline for the First Drawdown may not be postponed without the prior consent of the Lender.

Any postponement of the Deadline for the First Drawdown will be (i) subject to fees and/or new financial conditions and (ii) formalized in writing between the Parties.

3.6 Deadline for Drawdown of the Funds

The full drawdown of the Facility shall occur at the latest on the Deadline for Drawdown of Funds.

If the full drawdown does not occur by the above-mentioned date, the Lender may cancel the Available Facility in accordance with Clause 8.4 (*Cancellation by the Lender*).

The Deadline for Drawdown of Funds may not be postponed without the prior consent of the Lender.

Any postponement of the Deadline for Drawdown of Funds will be (i) subject to fees and/or new financial conditions and (ii) formalized in writing between the Parties.

4. INTEREST

4.1 Interest Rate

4.1.1 Selection of Interest Rate

For each Drawdown, the Borrower may select a fixed Interest Rate or a floating Interest Rate, which shall apply to the amount set out in the relevant Drawdown Request, by stating the selected Interest Rate, i.e., fixed or floating, in the Drawdown Request delivered to the Lender substantially in the form set out in Schedule 5A (*Form of Drawdown Request*), subject to the following conditions:

(a) Floating Interest Rate

The Borrower may select a floating Interest Rate, which shall be the percentage rate per annum, being the aggregate of:

- six-month EURIBOR, or, as the case may be, the Replacement Benchmark plus any Adjustment Margin, as determined in accordance with the provisions of Clause 5 (*Change to the calculation of interest*) of the Agreement; and
- the Margin.

Notwithstanding the above, for each Drawdown and in the case where the first Interest Period is less than one hundred and thirty-five (135) days, the applicable EURIBOR shall be:

- one-month EURIBOR, or, as the case may be, the Replacement Benchmark plus any Adjustment Margin, as determined in accordance with the provisions of Clause 5 (*Change to the calculation of interest*) of the Agreement, if the first Interest Period is less than sixty (60) days; or
- three-month EURIBOR, or, as the case may be, the Replacement Benchmark plus any Adjustment Margin, as determined in accordance with the provisions of Clause 5 (*Change to the calculation of interest*) of the Agreement if the first Interest Period is between sixty (60) days and one hundred and thirty-five (135) days.

(b) Fixed Interest Rate

Provided that the amount of a requested Drawdown is equal to or greater than three million Euros (EUR 3,000,000), the Borrower may select a fixed Interest Rate for such requested Drawdown. The fixed Interest Rate shall be the Fixed Reference Rate increased or decreased by any fluctuation of the Index Rate for the period from the Signing Rate Setting Date and the Rate Setting Date for each Drawdown.

The Borrower may specify in the Drawdown Request a maximum amount for fixed Interest Rate. If the fixed Interest Rate as calculated on the Rate Setting Date exceeds the maximum amount for fixed Interest Rate specified in the relevant Drawdown Request, such Drawdown Request shall be cancelled and the Drawdown amount specified in the cancelled Drawdown Request shall be credited to the Available Facility.

4.1.2 Minimum Interest Rate

The Interest Rate determined in accordance with Clause 4.1.1 (*Selection of Interest Rate)*, regardless of the elected option, shall not be less than zero point twenty-five per cent (0.25%) per annum, notwithstanding any decline in the intetrests rates.

4.1.3 Conversion from a floating Interest Rate to a fixed Interest Rate

(a) Rate Conversion upon the Borrower's request or at the Lender's initiative in the event of Restructuring

The Borrower may request at any time that the Lender converts the floating Interest Rate applicable to a Drawdown or several Drawdowns to a fixed Interest Rate, provided that the amount of such Drawdown or aggregate amount of Drawdowns (as applicable) is equal to, or higher than, three million Euros (EUR 3,000,000).

To this effect, the Borrower shall send to the Lender a Rate Conversion Request substantially in the form set out in Schedule 5C (*Form of Rate Conversion Request*). The Borrower may specify in the Rate Conversion Letter a maximum amount for fixed Interest Rate. If the fixed Interest Rate as calculated on the Rate Setting Date exceeds the maximum amount for fixed Interest Rate specified by the Borrower in the Rate Conversion Request, such Rate Conversion Request will be automatically cancelled.

The fixed Interest Rate will be effective two (2) Business Days after the Rate Setting Date.

In the case of Restructuring or a project of Restructuring affecting the Borrower and likely to have an impact on the Facility, and in order to facilitate the completion of the Restructuring in the interests of the Parties, the Lender may convert the floating Interest Rate into a fixed Interest Rate applicable to one or more Drawdowns. The Lender shall inform the Borrower of any such conversion.

(b) Rate Conversion mechanics

The fixed Interest Rate applicable to the relevant Drawdown(s) shall be determined in accordance with Clause 4.1.1(b) (*Fixed Interest Rate*) above on the Rate Setting Date referred to in subparagraph (a) above.

The Lender shall send to the Borrower a letter of confirmation of Rate Conversion substantially in the form set out in Schedule 5D (*Form of Rate Conversion Confirmation*).

A Rate Conversion is final and effected without costs.

4.2 Calculation and payment of interest

The Borrower shall pay accrued interest on Drawdown(s) on each Payment Date.

The amount of interest payable by the Borrower on a relevant Payment Date and for a relevant Interest Period shall be equal to the sum of any interest owed by the Borrower on the amount of the Outstanding Principal in respect of each Drawdown. Interest owed by the Borrower in respect of each Drawdown shall be calculated on the basis of:

(a) the Outstanding Principal owed by the Borrower in respect of the relevant Drawdown as at the immediately preceding Payment Date or, in the case of the first Interest Period, on the corresponding Drawdown Date;

(b) the exact number of days which have accrued during the relevant Interest Period on the basis of a three hundred and sixty (360) day year; and

(c) the applicable Interest Rate determined in accordance with the provisions of Clause 4.1 (*Interest Rate*).

4.3 Late payment and default interest

(a) Late payment and default interest on all amounts due and unpaid (except for interest)

If the Borrower fails to pay any amount payable by it to the Lender under this Agreement (whether a payment of principal, a Prepayment Indemnity, any fees or incidental expenses of any kind except for any unpaid overdue interest) on its due date, interest shall accrue on the overdue amount, to the extent permitted by law, from the due date up to the date of actual payment (both before and after an arbitral award, if any) at the Interest Rate applicable to the current Interest Period (default interest) increased by three point five per cent (3.5%) (late-payment interest). No formal prior notice from the Lender shall be necessary.

(b) Late payment and default interest on unpaid overdue interest

Interest which has not been paid on its due date shall bear interest to the extent permitted by law, at the Interest Rate applicable to the ongoing Interest Period (default interest), increased by three point five per cent (3.5%) (late-payment interest), to the extent that such Interest has been due and payable for at least one (1) year. No formal prior notice from the Lender shall be necessary.

The Borrower shall pay any outstanding interest under this Clause 4.3 (*Late payment and default interest*) immediately on demand by the Lender or on each Payment Date following the due date for the outstanding payment.

(c) Receipt of any payment of late payment interest or default interest by the Lender shall neither imply the grant of any payment extension to the Borrower, nor operate as a waiver of any of the Lender's rights hereunder.

4.4 Communication of Interest Rates

The Lender shall promptly notify the Borrower of the determination of each Interest Rate in accordance with this Agreement.

4.5 Effective Global Rate (*Taux Effectif Global*)

In order to comply with Articles L. 314-1 to L.314-5 and R.314-1 *et seq.* of the French Consumer Code and L. 313-4 of the French Monetary and Financial Code, the Lender informs the Borrower, and the Borrower accepts, that the effective global rate (*taux effectif global*) applicable to the Facility may be valued at an annual rate of three point sixty-one per cent (3.61%) on the basis of a three hundred and sixty-five (365) day year and an Interest Period of

six (6) months, at a period rate of one point seventy-nine per cent (1.79%), subject to the following:

(a) the above rates are given for information purposes only;

(b) the above rates are calculated on the basis that:

(i) drawdown of the Facility in full at fixed rate on the Signing Date; and

(ii) the fixed rate for the duration of the facility should be equal to three point forty-seven per cent (3.47%) per annum; and

(c) the above rates take into account the fees and costs payable by the Borrower under this Agreement, assuming that such fees and costs will remain fixed and will apply until the expiry of the term of this Agreement.

5. CHANGE TO THE CALCULATION OF INTEREST

5.1 Market Disruption

(a) If a Market Disruption Event affects the interbank market in the Eurozone and it is impossible:

(i) for the fixed Interest Rate, to determine the fixed Interest Rate applicable to a Drawdown, or

(ii) for the variable Interest Rate, to determine the applicable EURIBOR for the relevant Interest Period,

the Lender shall inform the Borrower.

(b) Upon the occurrence of the event described in paragraph (a) above, the applicable Interest Rate, as the case may be, for the relevant Drawdown or for the relevant Interest Period will be the sum of:

(i) the Margin; and

(ii) the percentage rate per annum corresponding to the cost to the Lender of funding the relevant Drawdowns(s) from whatever source it may reasonably select. Such rate shall be notified to the Borrower as soon as possible and, in any case, prior to (1) the first Payment Date for interest owed under such Drawdown for the fixed Interest Rate or (2) the Payment Date for interest owed under such Interest Period for the variable Interest Rate.

5.2 Replacement of Screen Rate

5.2.1 Definitions

"Relevant Nominating Body" means any central bank, regulator, supervisor or working group or committee sponsored or chaired by, or constituted at the request of any of them.

"Screen Rate Replacement Event" means any of the following events or series of events:

(a) the definition, methodology, formula or means of determining the Screen Rate has materially changed;

(b) a law or regulation is enacted which prohibits the use of the Screen Rate, it being specified, for the avoidance of doubt, that the occurrence of this event shall not constitute a mandatory prepayment event;

(c) the administrator of the Screen Rate or its supervisor publicly announces:

(i) that it has ceased or will cease to provide the Screen Rate permanently or indefinitely, and, at that time, no successor administrator has been publicly nominated to continue to provide that Screen Rate;

(ii) that the Screen Rate has ceased or will cease to be published permanently or indefinitely; or

(iii) that the Screen Rate may no longer be used (whether now or in the future);

(d) a public announcement is made about the bankruptcy of the administrator of that Screen Rate or any other insolvency proceedings against it, and, at that time, no successor administrator has been publicly nominated to continue to provide that Screen Rate; or

(e) in the opinion of the Lender, the Screen Rate has ceased to be used in a series of comparable financing transactions.

"Screen Rate" means EURIBOR or, following the replacement of this rate by a Replacement Benchmark, the Replacement Benchmark.

"Screen Rate Replacement Date" means:

(a) with respect to the events referred to in items a), d) and e) of the above definition of Screen Rate Replacement Event, the date on which the Lender has knowledge of the occurrence of such event, and,

(b) with respect to the events referred to in items b) and c) of the above definition of Screen Rate Replacement Event, the date beyond which the use of the Screen Rate will be prohibited or the date on which the administrator of the Screen Rate permanently or indefinitely ceases to provide the Screen Rate or the date beyond which the Screen Rate may no longer be used.

5.2.2 Each Party acknowledges and agrees for the benefit of the other Party that if a Screen Rate Replacement Event occurs and in order to preserve the economic balance of the Agreement, the Lender may replace the Screen Rate with another rate (the **"Replacement Benchmark"**) which may include an adjustment margin in order to avoid any transfer of economic value between the Parties (if any) (the **"Adjustment Margin"**) and the Lender will determine the date from which the Replacement Benchmark and, if any, the Adjustment Margin shall replace the Screen Rate and any other amendments to the Agreement required as a result of the replacement of the Screen Rate by the Replacement Benchmark.

5.2.3 The determination of the Replacement Benchmark and the necessary amendments will be made in good faith and taking into account, (i) the recommendations of any Relevant Nominating Body, or (ii) the recommendations of the administrator of the Screen Rate, or (iii) the industry solution recommended by professional associations in the banking

sector or, (iv) the market practice observed in a series of comparable financing transactions on the replacement date.

5.2.4 In case of replacement of the Screen Rate, the Lender will promptly notify the Borrower of the replacement terms and conditions to replace the Screen Rate with the Replacement Benchmark, which will be applicable to Interest Periods starting at least two Business Days after the Screen Rate Replacement Date.

5.2.5 The provisions of Clause 5.2 (*Replacement of Screen Rate*) shall prevail over the provisions of Clause 5.1 (*Market Disruption*).

6. FEES

6.1 Commitment Fees

A commitment fee of zero point five per cent (0.5%) per annum will be calculated from the Signing Date onwards.

The first payment in respect of such commitment fee shall only be due by the Borrower to the Lender from the Effective Date of this Agreement. The commitment fee shall be computed at the rate specified above on the amount of the Available Credit pro-rated for the actual number of days elapsed increased by the amount of any Drawdown to be made available by the Lender in accordance with any pending Drawdown Request.

The first commitment fee shall be calculated for the period from (i) the Signing Date (excluded) up to (ii) the immediately following Payment Date (included). Subsequent commitment fees shall be calculated for periods commencing on the day immediately following a Payment Date (included) and ending on the next Payment Date (included).

The accrued commitment fee shall be payable after the Effective Date (i) on each Payment Date as long as the Available Facility is higher than zero ; (ii) on the Payment Date following the last day of the Drawdown Period; and (iii) in the event the Available Credit is cancelled in full, on the Payment Date following the effective date of such cancellation.

6.2 Appraisal Fee

Thirty days maximum following the Effective Date and in any case prior to the date of the first Drawdown, the Borrower shall pay to the Lender an appraisal fee of zero point fifty (0.50%) calculated on the maximum amount of the Facility.

7. REPAYMENT

Following expiry of the Grace Period, the Borrower shall repay the Lender the principal amount of the Facility in eighteen (18) equal semi-annual instalments, due and payable on each Payment Date.

The first instalment shall be due and payable on September 15, 2031 and the last instalment shall be due and payable on March 15, 2040. Prior to each Payment Date, the Lender shall deliver to the Borrower a payment notice.

At the end of the Drawdown Period, the Lender shall deliver to the Borrower an amortisation schedule in respect of the Facility taking into account, if applicable, any potential cancellation of the Facility pursuant to Clauses 8.3 (*Cancellation by the Borrower*) and/or 8.4 (*Cancellation by the Lender*).

8. PREPAYMENT AND CANCELLATION

8.1 Voluntary prepayment

The Borrower shall not be entitled to prepay the whole or any part of the Facility prior to the expiration of the Grace Period. As from the date following the expiration of the Grace Period, the Borrower may prepay the whole or any part of the Facility, subject to the following conditions:

(a) the Borrower shall notify the Lender of its intention to prepay by not less than thirty (30) Business Days' written and irrevocable notice prior to the contemplated prepayment date;

(b) the amount to be prepaid shall be equal to one or several instalment(s) in principal;

(c) the contemplated prepayment date shall be a Payment Date;

(d) all prepayments shall be made together with the payment of accrued interest, any fees, indemnities and related costs in connection with the prepaid amount as provided under this Agreement;

(e) there is no overdue amount outstanding; and

(f) in case of a partial prepayment, the Borrower shall have given evidence, satisfactory to the Lender, that it has sufficient committed funding available for the purpose of financing the Project as determined in the Financing Plan.

On the Payment Date on which the prepayment is made, the Borrower shall pay the full amount of the Prepayment Indemnities due and payable pursuant to Clause 9.3 (*Prepayment Indemnity*)

8.2 Mandatory prepayment

The Borrower shall immediately prepay the whole or part of the Facility upon receipt of a notice from the Lender informing the Borrower of any of the following events:

(a) Illegality: it becomes unlawful for the Lender pursuant to its applicable law to perform any of its obligations as contemplated by this Agreement or to fund or maintain the Facility;

(b) Decisions and instructions of the French State: the French State has announced its intention or has decided to sever, suspend or interrupt all or part of its diplomatic ties and/or cooperation with the Borrower or the Government of the Borrower's country; or the Borrower has severed or announced that it will sever all or part of its diplomatic ties and/or cooperation with France;

(c) Default: the Lender declares an Event of Default in accordance with Clause 13 (*Events of Defaults*);

(d) Failure to justify use of funds: the Borrower fails to justify in a manner satisfactory to the Lender the use of the Advances by the Deadline for Use of Funds;

(e) Prepayment to a Co-Financier: the Borrower prepays whole or part of any amounts owed to a Co-Financier, in which case the Lender shall be entitled to request that the Borrower prepays, as the case may be, the Facility or an amount of the outstanding Facility in proportion with the amount prepaid to the Co-Financier.

(f) Prepayment in the event of damage loss:

(i) subject to paragraph (ii) below, if the Borrower receives insurance proceeds under the Insurance Policies for any damage loss sustained in connection with the Project, the Borrower shall apply such insurance proceeds in prepayment of an equivalent amount of the Facility;

(ii) the Borrower shall not be obliged to prepay the Facility pursuant to paragraph (i) above if the Lender approves a reinstatement plan submitted by the Borrower to the Lender; and

(iii) the prepayment date shall be the Payment Date immediately following receipt by the Borrower of the insurance proceeds referred to in paragraph (i) above.

In the case of each of the events specified in paragraphs (a), (b) and (c) above, the Lender reserves the right, after having notified the Borrower in writing, to exercise its rights as a creditor in the manner specified in Clause 13.2 (*Acceleration*).

8.3 Cancellation by the Borrower

Prior to the Deadline for Drawdown of Funds, the Borrower may cancel the whole or any part of the Available Facility by giving the Lender a three (3) Business Days' prior notice.

Upon receipt of such notice of cancellation, the Lender shall cancel the amount notified by the Borrower, provided that the Eligible Expenses, as specified in the Financing Plan, are covered in a manner satisfactory to the Lender, except in the event that the Project is abandoned by the Borrower.

8.4 Cancellation by the Lender

The Available Facility shall be immediately cancelled upon delivery of a notice to the Borrower which shall be immediately effective, if:

(a) the Available Facility is not equal to zero on the Deadline for Drawdown of Funds;

(b) the first Drawdown has not occurred on the Deadline for the First Drawdown;

(c) an Event of Default has occurred and is continuing;

(d) an event referred to in Clause 8.2 (*Mandatory prepayment*) has occurred.

8.5 Restrictions

(a) Any notice of prepayment or cancellation given by a Party pursuant to this Clause 8 (*Prepayment and Cancellation*) shall be irrevocable, and, unless otherwise provided in this Agreement, any such notice shall specify the date or dates on which the relevant prepayment or cancellation is to be made and the amount of that prepayment or cancellation.

(b) The Borrower shall not prepay or cancel all or any part of the Facility except at the times and in the manner expressly provided for in this Agreement.

(c) Any prepayment under this Agreement shall be made together with payment of (i) accrued interest on the prepaid amount, (ii) outstanding fees, and (iii) the Prepayment Indemnity referred to in Clause 9.3 (*Prepayment Indemnity*).

(d) Any prepayment amount will be applied against the remaining instalments in inverse order of maturity.

(e) The Borrower may not re-borrow the whole or any part of the Facility which has been prepaid or cancelled.

9. ADDITIONAL PAYMENT OBLIGATIONS

9.1 Costs and expenses

9.1.1 If an amendment to this Agreement is required, the Borrower shall reimburse to the Lender for any applicable costs incurred in connection with this amendment.

9.1.2 The Borrower shall reimburse to the Lender for all costs and expenses (including legal fees) incurred by it in connection with the enforcement or preservation of any of its rights under this Agreement.

9.1.3 The Borrower shall pay directly or, if applicable, reimburse the Lender, the amount of all costs and expenses or transfer fees in connection with the transfer of funds to, or for the account of, the Borrower invoiced by any bank (intermediary or final) chosen by the Borrower.

9.2 Cancellation Indemnity

If the Facility is cancelled in full or in part in accordance with the terms of Clauses 8.3 (*Cancellation by the Borrower*) and/or 8.4 (*Cancellation by the Lender*) paragraphs (a), (b) and (c), the Borrower shall pay a cancellation indemnity computed at two point five per cent (2.5%) on the cancelled amount of the Facility.

Each cancellation indemnity shall be due and payable on the Payment Date immediately following a cancellation of all or part of the Facility.

9.3 Prepayment Indemnity

On account of any losses suffered by the Lender as a result of the prepayment of the whole or any part of the Facility in accordance with Clauses 8.1 (*Voluntary prepayment*) or 8.2 (*Mandatory prepayment*), the Borrower shall pay to the Lender an indemnity equal to the aggregate amount of:

(a) the Prepayment Compensatory Indemnity; and

(b) any costs arising out of the break of any interest rate hedging swap transactions put in place by the Lender in connection with the amount prepaid.

9.4 Taxes and duties

9.4.1 Registration costs

No registration cost or other similar taxes shall be payable in respect of the Agreement and any potential amendment thereto.

9.4.2 Withholding Tax

The Borrower undertakes that all payments made to the Lender under this Agreement shall be free of any Withholding Tax.

If a Withholding Tax is required by law, the Borrower undertakes to gross-up the amount of any such payment to such amount which leaves the Lender with an amount equal to the payment which would have been due if no payment of Withholding Tax had been required.

The Borrower shall reimburse to the Lender all expenses and/or Taxes for the Borrower's account which have been paid by the Lender (if applicable), with the exception of any Taxes due in France.

9.5 Currency indemnity

If any sum due by the Borrower under this Agreement, or any order, judgment or award given or made in relation to such a sum, has to be converted from the currency in which that sum is payable into another currency, for the purpose of:

(a) making or filing a claim or proof against the Borrower; or

(b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Borrower shall indemnify the Lender against and, within three (3) Business Days of the Lender's request and as permitted by law, pay to the Lender, the amount of any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between: (A) the exchange rate used to convert the relevant sum from the first currency to the second currency; and (B) the exchange rate or rate(s) available to the Lender at the time of its receipt of that sum. This obligation to indemnify the Lender is independent of any other obligation of the Borrower under this Agreement.

The Borrower waives any right it may have in any jurisdiction to pay any amount due under this Agreement in a currency or currency unit other than that in which it is expressed to be payable.

9.6 Due dates

Any indemnity or reimbursement payable by the Borrower to the Lender under this Clause 9 (*Additional Payment Obligations*) is due and payable on the Payment Date immediately following the circumstances which have given rise to the relevant indemnity or reimbursement.

Notwithstanding the above, any indemnity to be paid in connection with a prepayment pursuant to Clause 9.3 (*Prepayment Indemnity*) is due and payable on the date of the relevant prepayment.

10. REPRESENTATIONS AND WARRANTIES

All the representations and warranties set out in this Clause 10 (*Representations and warranties*) are made by the Borrower for the benefit of the Lender on the Effective Date. All the representations and warranties in this Clause 10 (*Representations and warranties*) are also deemed to be made by the Borrower on the date on which all of the conditions precedent listed in Part II of Schedule 4 (*Conditions Precedent*) are satisfied, on the date of each Drawdown Request, on each Drawdown Date and on each Payment Date, except that the repeating representations contained in Clause 10.9 (*No misleading information*) are deemed to be made by the Borrower in relation to the information provided by the Borrower since the date on which the representation was last made.

10.1 Power and authority

The Borrower has the power to enter into, perform and deliver this Agreement and Project Documents and to perform all contemplated obligations. The Borrower has taken all necessary action to authorise its entry into, performance and delivery of this Agreement and Project Documents and the transactions contemplated by this Agreement and Project Documents.

10.2 Validity and admissibility in evidence

All Authorisations required:

(a) to enable the Borrower to lawfully enter into, and exercise its rights and comply with its obligations under this Agreement and Project Documents; and

(b) to make this Agreement and the Project Documents admissible in evidence in the courts of the jurisdiction of the Borrower or in arbitration proceedings as defined under Clause 17 (*Governing Law, Enforcement and Choice of Domicile*),

have been obtained and are in full force and effect, and no circumstances exist which could result in the revocation, non-renewal or modification, in whole or in part, of any such Authorisations.

10.3 Binding obligations

The obligations undertaken by the Borrower under this Agreement and the Project Documents comply with all laws and regulations applicable to the Borrower in its jurisdiction and are legal, valid, binding and enforceable obligations which are effective in accordance with their written terms.

10.4 No filing or stamp taxes

Under the laws of the jurisdiction of the Borrower, it is not necessary that the Agreement be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar taxes or fees be paid on or in relation to the Agreement or the transactions contemplated therein.

10.5 Transfer of funds

All amounts due by the Borrower to the Lender under this Agreement whether as principal or interest, late payment interest, Cancellation Indemnity, Prepayment Indemnity, incidental costs and expenses or any other sum are freely convertible and transferable.

This representation shall remain in full force and effect until full repayment of all sums due to the Lender. In the event that the repayment dates of the Facility are extended by the Lender, no further confirmation of this representation shall be necessary.

The Borrower shall obtain Euros necessary for compliance with this representation in due course.

10.6 No conflict with other obligations

The entry into and performance by the Borrower of, and the transactions contemplated by, this Agreement and the Project Documents do not conflict with any domestic or foreign law or regulation applicable to it, its constitutional documents (or any similar documents) or any agreement or instrument binding upon the Borrower or affecting any of its assets.

10.7 Governing law and enforcement

(a) The choice of French law as the governing law of this Agreement will be recognised and enforced by the courts and arbitration tribunals in the jurisdiction of the Borrower.

(b) Any judgment obtained in relation to this Agreement in a French court or any award by an arbitration tribunal will be recognised and enforced in the jurisdiction of the Borrower.

10.8 No default

No Event of Default is continuing or is reasonably likely to occur.

No breach of the Borrower is continuing in relation to any other agreement binding upon it, or affecting any of its assets, which has, or is reasonably likely to have, a Material Adverse Effect.

10.9 No misleading information

All information and documents supplied by the Borrower to the Lender were true, accurate and up-to-date as at the date they were provided or, if appropriate, as at the date at which they are stated to be given and have not been varied, revoked, cancelled or renewed on revised terms, and are not misleading in any material respect as a result of an omission, the occurrence of new circumstances or the disclosure or non-disclosure of any information.

10.10 Project Documents

The Project Documents represent the entire agreement relating to the Project on the Signing Date and are valid, binding and enforceable against third parties. The Project Documents have not been amended, terminated or suspended without the prior approval of the Lender since the date on which they were delivered to the Lender and there is no current dispute in connection with the validity of the Project Documents.

10.11 Project Authorisations

All Project Authorisations have been obtained or effected and are in full force and effect and there are no circumstances which may result in any Project Authorisation being revoked, cancelled, not renewed or varied in whole or in part.

10.12 Procurement

The Borrower hereby declares that it (i) has received a copy of the Procurement Guidelines and (ii) understands the provisions of the Procurement Guidelines, in particular, those provisions relating to any actions which the Lender may take in the case of a breach of the Procurement Guidelines by the Borrower and (iii) has provided a copy of the Procurement Guidelines to the Implementing Agency which has confirmed that it understands the provisions of the Procurement Guidelines and in particular, those provisions relating to any actions which the Lender may take in the case of a breach of the Procurement Guidelines by the Implementing Agency.

The Borrower is contractually bound by the Procurement Guidelines as if such Procurement Guidelines were incorporated by reference into this Agreement.

The Borrower confirms that the procurement, award and performance of all contracts entered into for the purposes of implementing the Project or any part thereof, comply with the provisions of the Procurement Guidelines, including such contracts entered into, and/or for which the procurement process has started, prior to the Signing Date and that are retroactively financed by AFD.

10.13 Pari passu ranking

The Borrower's payment obligations under this Agreement rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors.

10.14 Licit Origin of the funds and Prohibited Practices

The Borrower represents and warrants that:

(a) the funds which are or will be invested in the Project, if any, other than those provided by the State, are not of Illicit Origin;

(b) the Project (in particular, the negotiation, award and performance of any contracts financed with the Facility) has not given rise to any Prohibited Practices; and

(c) it has not committed or participated in any act contrary to any anti-Money Laundering and counter-Terrorist Financing applicable law; and

10.15 No Material Adverse Effect

The Borrower represents and warrants that no event or circumstance which is likely to have a Material Adverse Effect has occurred or is likely to occur.

11. UNDERTAKINGS

The undertakings in this Clause 11 (*Undertakings*) take effect on the Signing Date, except for the financial obligations which shall take effect on the Effective Date. They shall remain in full force and effect for as long as any amount is outstanding under this Agreement.

11.1 Compliance with Laws, Regulations and Obligations

The Borrower acting through the Ministry of Energy shall comply and procure that the Implementing Agency complies:

(a) in all respects with all laws and regulations to which it and/or the Project is subject, particularly in relation to all applicable environmental protection, safety and labour laws; and prevention and fight against Prohibited Practices; and

(b) with all of its obligations under the Project Documents.

11.2 Authorisations

The Borrower acting through the Ministry of Energy shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect and procure that the Implementing Agency promptly obtains, complies with and does all that it necessary to maintain in full force and effect any Authorisation required under any applicable law or regulation to enable it to perform its obligations under this Agreement and the Project Documents and to ensure the legality, validity, enforceability and admissibility in evidence of any of this Agreementor Project Document.

11.3 Project Documents

The Borrower (acting through the Ministry of Energy) shall provide itself or procure that the Implementing Agency provides the Lender for no-objection or information, as the case may be, with a copy of any Project Documents or amendment thereto and shall not (and shall not agree

to) make any material amendment to any Project Document without obtaining the Lender's prior no-objection.

11.4 Implementation and preservation of the Project

The Borrower (acting through the Ministry of Energy) shall and shall procure that the Implementing Agency:

(a) implement the Project in accordance with the generally accepted safety principles and in accordance with technical standards in force; and

(b) maintain the Project assets in accordance with all applicable laws and regulations and in good operating and maintenance conditions, and use such assets in compliance with their purpose and all applicable laws and regulations.

(c) ensure that the necessary and required Insurance Policies, in compliance with applicable laws and regulations for such projects, are subscribed and maintained in full force and effect.

11.5 Procurement

In relation to the procurement, award and performance of contracts entered into for the purposes of implementing the Project or any part thereof, and financed by the Facility, the Borrower (acting through the Ministry of Energy) shall comply with, and implement, the provisions of the Procurement Guidelines. The Borrower (acting through the Ministry of Energy) guarantees that the Implementing Agency will comply with and implement the Procurement Guidelines.

The Borrower (acting through the Ministry of Energy) shall take all actions and steps deemed necessary for the effective implementation of the provisions of the Procurement Guidelines.

In the event of non-compliance by the Borrower (acting through the Ministry of Energy) and/or Implementing Agency of the Procurement Guidelines, the Lender may declare the related costs ineligible under this Agreement and request the return of the funds from the Facility used to pay such ineligible costs.

The procurement process for the Project shall be handled in accordance with the Lender's own rules, policies, and procedures.

The procurement shall follow the Procurement Plan agreed upon between the Co-financiers and the Borrower (acting through the Ministry of Energy).

The Borrower (acting through the Ministry of Energy) undertakes to comply with the following procurement requirements:

- KfW, as Co-financier, shall be referenced in all procurement documents.

- All procurement notices, bidding documents, and related materials shall explicitly state that AFD's Procurement Guidelines govern the procurement process as described in Clause 11.5.

- The eligibility requirements specified in KfW financing agreement with the Borrower (acting through the Ministry of Energy) shall be recognized in cases where they differ from those of the AFD.

- All procurement documents (requests for expression of interest, prequalification documents, requests for proposals, bidding documents, contracts) shall include the

Statement of Integrity (as defined in Schedule 10), which must be signed by all bidders and considered an integral part of any subsequent contract. For non-competitive procurement, the signed Statement of Integrity shall be annexed to the signed contract.

11.6 Environmental and social responsibility

11.6.1 Implementation of environmental and social measures

In order to promote sustainable development, the Parties agree that it is necessary to promote compliance with internationally recognised environmental and labour standards, including fundamental conventions of the International Labour Organization ("**ILO**") and the international environmental laws and regulations applicable in the Borrower's jurisdiction. For such purpose, the Borrower (acting through the Ministry of Energy) shall:

with respect to its business activities:

(a) comply with international standards for the protection of the environment and labour laws, particularly the fundamental conventions of the ILO and the international environmental conventions, in accordance with the applicable laws and regulations of the country in which the Project is being implemented.

with respect to the Project:

(b) include in the procurement contracts, and, as the case may be, in the bidding documents, a clause whereby the contracting parties agree, and agree to procure that their sub-contractors (if any) agree, to comply with such standards in accordance with the applicable laws and regulations of the country where the Project is being implemented. The Lender will be entitled to request that the Borrower (acting through the Ministry of Energy) deliver a report on environmental and social conditions of implementation of the Project;

(c) put in place appropriate mitigation measures specific to the Project as defined within the context of the environmental and social risk management policy of the Project and describe in the ESCP attached as Schedule 6;

(d) require that the Providers appointed for implementation of the Project, apply the mitigation measures set out in paragraph (c) above and procure that their subcontractors (if any) comply with all such measures and take all appropriate steps in the event of a failure to put in place such mitigation measures; and

(e) provide the Lender with half-yearly follow-up reports in relation to the ESCP.

11.6.2 Environmental and social (ES) complaints-management

(a) The Borrower (acting through the Ministry of Energy) (i) confirms that it has received a copy of the ES Complaints-Management Mechanism's Rules of Procedure and has acknowledged its terms, in particular with respect to actions that may be taken by the Lender in the event that a third party lodges a complaint, and (ii) acknowledges that these ES Complaints-Management Mechanism's Rules of Procedure have, as between the Borrower (acting through the Ministry of Energy) and the Lender, the same contractually binding effect as this Agreement.

(b) The Borrower (acting through the Ministry of Energy) expressly authorises the Lender to disclose to the experts (as defined in the ES Complaints-Management

Mechanism's Rules of Procedure) and to parties involved in the compliance review and/or conciliation processes, the Project documents concerning environmental and social matters necessary for processing the environmental and social complaint, including, without limitation, those listed in Schedule 9 (*Non-exhaustive list of environmental and social documents which the Borrower permits to be disclosed in connection with ES complaints-management mechanism's rules of procedure*).

11.7 Additional financing

The Borrower shall not amend or alter the Financing Plan without obtaining the Lender's prior written consent and shall finance any additional costs not anticipated in the Financing Plan on terms which ensure that the Facility will be repaid.

11.8 Pari passu ranking

The Borrower undertakes (i) to ensure that its payment obligations under this Agreement rank at all times at least *pari passu* with its other current and future unsecured and unsubordinated payment obligations; (ii) not to grant prior ranking or guarantees to any other lenders except if the same ranking or guarantees are granted by the Borrower in favour of the Lender, if so requested by the Lender.

11.9 Assignment

Unless the Lender agrees otherwise in writing, the Borrower (acting through the Ministry of Energy) shall:

(a) amend the Insurance Policies to include the Lender as sole beneficiary in respect of any insurance indemnity until all sums due under this Agreement have been re-paid in full; and

(b) assign to the Lender the benefit of the Provider's Guarantees.

11.10 Project Accounts

The Borrower (acting through the Ministry of Energy) shall open, maintain and fund procure that the Implementing Agency opens, maintains and funds the Project Account in accordance with the terms and conditions of this Agreement.

11.11 Inspections

The Borrower hereby authorizes the Lender and its representatives to carry out inspections the purpose of which will be to assess the Project implementation and operations as well as the impact and the achievement of the Project objectives.

The Borrower shall co-operate and provide all reasonable assistance and information to the Lender and its representatives when carrying out such inspections, the timing and format of which shall be determined by the Lender following consultation with the Borrower.

The Borrower (acting through the Ministry of Energy) shall procure that the Implementing Agency retains and makes available for inspection by the Lender, all documents relating to the Eligible Expenses for a period of ten (10) years from the date of the last Drawdown under the Facility.

11.12 Project evaluation

The Borrower (acting through the Ministry of Energy) acknowledges that the Lender may carry out, or procure that a third party carries out on its behalf, an evaluation of the Project. Feedback from this evaluation will be used to produce a summary containing information on the Project, such as: total amount and duration of the funding, objectives of the Project, expected and achieved quantified outputs of the Project, assessment of the relevance, effectiveness, impact and viability/sustainability of the Project, main conclusions and recommendations.

The main objective of the evaluation will be the articulation of credible and independent judgement on the key issues of relevance, implementation (efficiency) and effects (effectiveness, impact and sustainability).

Evaluators will need to take into account in a balanced way the different legitimate points of view that may be expressed and conduct the evaluation impartially.

The Borrower (acting through the Ministry of Energy) will be involved as closely as possible in the evaluation, from the drafting of the Terms of Reference to the delivery of the final report.

The Borrower (acting through the Ministry of Energy) agrees to the publication of this summary, in particular on the Lender's website.

11.13 Financial Sanctions Lists and Embargo

The Borrower shall undertake :

(a) that no funds or economic resources of the Project are made available, directly or indirectly, to or for the benefit of persons, groups or entities listed on any Financial Sanctions Lists;

(b) not finance, acquire or provide any supplies or intervene in sectors which are subject to an Embargo by the United Nations, the European Union or France.

11.14 Licit Origin, absence of Prohibited Practices

The Borrower undertakes, and ensure that the Implementing Agency undertakes:

(a) to use the funds of the Facility in accordance with the AFD Group's policy to prevent and combat Prohibited Practices as available on its Website;

(b) to ensure that the funds, other than those of State origin, invested in the Project will not be of an Illicit Origin;

(c) to ensure that the Project (in particular during the negotiation, entry into and performance of the contracts funded out of the Facility) shall not give rise to any Prohibited Practice;

(d) as soon as it becomes aware of, or suspects, any Prohibited Practice,to inform the Lender without any delay;

(e) in the event referred to in paragraph (e) above, or at the Lender's request if the Lender suspects any Prohibited Practice has occurred, take all necessary actions to remedy the situation in a manner satisfactory to the Lender and within the time period determined by the Lender; and

(f) to notify the Lender without delay if it has knowledge of any information which leads it to suspect any Illicit Origin of any funds invested in the Project.

11.15 Investigations

The Borrower shall and shall procure that the Implementing Agency undertakes, to allow the Lender or any third party mandated by the Lender, to carry out an investigation in the event of an allegation of Prohibited Practice. To this end, the Lender or any third party mandated by it is authorized to:

(a) interview anyone who may have information about an alleged Prohibited Practice;

(b) conduct audits and controls, both documentary and on-site, as the Lender may deem appropriate, including access to the accounting books and records or any other documentation relating to the Project held by the Borrower or any person or entity connected with the Project;

(c) carry out visits of the sites, facilities and works related to the Project; and

(d) achieve all the steps and actions necessary for these investigations.

The Borrower shall, and shall procure that the Implementing Agency undertakes, to ensure that the tender documents, contracts and sub-contracts financed through the Facility allow the implementation of this Clause.

Non-compliance with this Clause by the Borrower could, at the discretion of the Lender, constitute a Non-Cooperative Practice.

11.16 Visibility and Communication

The Borrower (acting through the Ministry of Energy) shall implement visibility and communication actions related to the implementation of the Project in accordance with the terms of the Visibility and Communication Guide, and acknowledges having fully read and understood the aforementioned guide.

According to the Visibility and Communication Guide, the Project is subject to communication and visibility obligations of Level 2.

Publications by the Borrower (acting through the Ministry of Energy), in whatever form and whatever medium, including the internet, shall carry the following disclaimer: "*This document was produced with the financial assistance of JEFIC Co-financiers. The views expressed herein can in no way be taken to reflect the official opinion of the JEFIC Co-financing*".

11.17 Project specific

(a) The Borrower will ensure that the own contribution from the Moldovan government as set out in the Financing Plan will be provided for the Project in a reliable and timely manner throughout the duration of the Project in order to ensure the full financing of the cost items to be financed by the own contribution as stated in the Financing Plan, most notably, of the project-specific PMU staff and other operational expenses at MEPIU.

(b) MEPIU will, before the start of the design phase, sign Memorandum of Understandings (MoUs) with the owners / managers of the selected buildings, determining the roles and responsibilities of MEPIU and the building owners / managers during Project implementation.

(c) The Government of Moldova shall make its best efforts to ensure continued allocation of the necessary ressourcesto properly operate and maintain the buildings after renovation works under the Project will have been completed.

(d) Measures to fight climate change in terms of mitigation (reduction of energy consumption to 100 kWh/m2 on average) and adaptation (taking into account the risk of flooding, drought through the reduction of water consumption by at least 20%) are implemented satisfactorily for Co-Financiers.

12. INFORMATION UNDERTAKINGS

The undertakings in this Clause 12 (*Information Undertakings*) take effect on the Effective Date and remain in full force and effect for as long as any amount is outstanding under this Agreement.

12.1 Financial Information

The Borrower shall supply to the Lender any information that the Lender may reasonably require in relation to the Borrower's foreign and domestic debt as well as the status of any guaranteed loans, unless such disclosure of information is not permitted under the mandatory provisions of Moldovan law.

12.2 Progress Report

(a) Until the Technical Completion Date, and within one (1) month after the end of each reporting period, the Borrower (acting through the Ministry of Energy) shall supply to the Lender on a half-yearly basis a technical and financial progress report (including E&S reporting in relation with the *Schedule 6 –ESCP*) in relation to the implementation of the Project including a monitoring of the Project' indicators in the form set out in Schedule 7 (*Form of follow-up Report of the Project's indicators*).

(b) Within three (3) months after the Technical Completion Date, the Borrower (acting through the Ministry of Energy) shall supply to the Lender a general progress report including a follow-up report with respect to the Project' indicators in the form set out in Schedule 7 (*Form of follow-up Report of the Project's indicators*).

12.3 Co-Financing

The Borrower shall promptly inform the Lender of any cancellation (in whole or in part) or any prepayment under a Co-Financing.

12.4 Information - miscellaneous

The Borrower shall supply to the Lender:

(a) promptly upon becoming aware of them, details of any event or circumstance which is or may be an Event of Default or which has or may have a Material Adverse Effect, the nature of such an event and all the actions taken or to be taken to remedy it (if any);

(b) promptly upon becoming aware of them, details of any incident or accident directly related to the implementation of the Project which might have a significant impact on the Project site, the working conditions of its employees or Providers' employees, the nature of such incident or accident, together with details of any action taken or proposed to be taken, as applicable, by the Borrower to remedy it;

(c) promptly, details of any decision or event which might affect the organisation, completion or operation of the Project;

(d) promptly but in any event within five (5) Business Days after becoming aware of them, details of any notification of default, termination, dispute or material claim made against it under a Project Document or affecting the Project, together with details of any action taken or proposed to be taken by the Borrower to remedy it;

(e) during the completion of services (including but not limited to services related to studies and monitoring where the Project involves the provision of such services), the interim and final reports drafted by any service provider, and after full completion of such services an overall execution report;

(f) promptly, any further information regarding its financial condition, assets and operations or any documents or other communications given or received by it under any Project Document that the Lender may reasonably request.

13. EVENTS OF DEFAULTS

13.1 Events of Default

Each of the events or circumstances set out in this Clause 13.1 (*Events of Default*) is an Event of Default.

(a) Payment Default

The Borrower does not pay on the due date any amount payable by it under this Agreement in the manner required under this Agreement. However, without prejudice to Clause 4.3 (*Late payment and default* interest), no Event of Default will occur under this paragraph (a) if such payment is made in full by the Borrower within five (5) Business Days of the due date.

(b) Project Documents

Any Project Document, or any of the rights and obligations set out therein, ceases to be in full force and effect, is subject to a notice of termination or its validity, legality or enforceability is challenged.

No Event of Default will occur pursuant to this paragraph (b) if (i) the challenge or notice of termination is withdrawn within thirty (30) calendar days after the date on which the Lender informed the Borrower of such challenge or notice or the Borrower became aware of such challenge or notice; and (ii), according to the opinion of the Lender, such dispute or request has not had a Material Adverse Effect during such thirty (30) day period.

(c) Undertakings and Obligations

The Borrower does not comply with any term of the Agreement, including, without limitation, any of the undertakings it has given pursuant to Clause 11 (*Undertakings*) and Clause 12 (*Information Undertakings*).

Save for the undertakings given pursuant to Clauses 11.6 (*Environmental and social responsibility*), 11.13 (*Financial Sanctions Lists and Embargo*) and 11.14 (*Licit Origin, absence of Prohibited Practices*) in respect of which no grace period is permitted, no Event of Default will occur under this paragraph (c) if the non-compliance is capable of remedy and is remedied within five (5) Business Days of the earlier of (A) the date of the Lender' notice of failure to the Borrower; and (B) the Borrower becoming aware of the

breach, or within the time limit determined by the Lender in the case referred to in subparagraph 11.14(e) of Clause 11.14 (*Licit Origin, absence of Prohibited Practices*).

(d) Misrepresentation

A representation or warranty made by the Borrower in the Agreement, including under Clause 10 (*Representations* and warranties), or in any document delivered by or on behalf of the Borrower under or in relation to the Agreement, is incorrect or misleading when made or deemed to be made.

(e) Cross Default

(i) Subject to paragraph (iii), any Financial Indebtedness of the Borrower is not paid on its due date or, if applicable, within any grace period granted pursuant to the relevant documentation.

(ii) Subject to paragraph (iii), a creditor has cancelled or suspended its commitment towards the Borrower pursuant to any Financial Indebtedness, or has declared the Financial Indebtedness due and payable prior to its specified maturity, or requested prepayment in full of the Financial Indebtedness, in each case, as a result of an event of default or any provision having a similar effect (howsoever described) pursuant to the relevant documentation.

(iii) No Event of Default will occur under this Clause 13.1 (e) if the relevant amount of Financial Indebtedness or the commitment for Financial Indebtedness falling within paragraphs (i) and (ii) above is less than fifteen million Euros (EUR 15,000,000) (or its equivalent in any other currency(ies)).

(f) Unlawfulness

The Borrower's obligations under this Agreement are declared not to be binding on or enforceable against the Borrower or are declared to be illegal upon arbitration proceedings in the conditions set out in Clause 17.2 (*Arbitration*) or by a court of competent jurisdiction.

(g) Material adverse change

Any event (including a change in the political situation of the country of the Borrower) or any measure which is likely, according to the Lender's opinion, to have a Material Adverse Effect occurs or is likely to occur.

(h) Withdrawal or suspension of the Project

Any of the following occurs:

(i) the implementation of the Project is suspended or postponed for a period exceeding six (6) months; or

(ii) the Project has not been completed in full by the Technical Completion Date; or

(iii) the Borrower withdraws from, or ceases to participate in, the Project.

(i) Authorisations

Any Authorisation required for the Borrower in order to perform or comply with its obligations under this Agreement or its other material obligations under any Project

Documents or required in the ordinary course of the Project is not obtained within the required timeframe or is cancelled or becomes invalid or otherwise ceases to be in full force and effect.

(j) Judgments, rulings or decisions having a Material Adverse Effect

Any judgment or arbitral award or any judicial or administrative decision affecting the Borrower has or is reasonably likely, according to the opinion of the Lender, to have a Material Adverse Effect, occurs or is likely to occur.

(k) Suspension of free convertibility and free transfer

Free convertibility and free transfer of any of the amounts due by the Borrower under this Agreement, or any other facility provided by the Lender to the Borrower or any other borrower of the jurisdiction of the Borrower, is challenged.

13.2 Acceleration

On and at any time after the occurrence of an Event of Default, the Lender may, without providing any formal demand or commencing any judicial or extra-judicial proceedings, by written notice to the Borrower:

(a) cancel the Available Facility; and/or

(b) declare that all or part of the Facility, together with any accrued or outstanding interest and all other amounts outstanding under this Agreement, are immediately due and payable.

Without prejudice to the above, in the event that an Event of Default occurs as set out in Clause 13.1 (*Events of Default*), the Lender reserves the right to, upon written notice to the Borrower, (i) suspend or postpone any Drawdowns under the Facility; and/or (ii) suspend the finalisation of any agreements relating to other possible financial offers which have been notified by the Lender to the Borrower; and/or (iii) suspend or postpone any drawdown under any loan agreement entered into between the Borrower and the Lender.

If any drawdowns are postponed or suspended by KfW under a financing agreement with the Borrower, or if such financing agreement is terminated, the Lender reserves the right to postpone or suspend any Drawdowns under the Facility, or terminate this Agreement.

13.3 Notification of an Event of Default

In accordance with Clause 12.4 (*Information - miscellaneous*), the Borrower shall promptly notify the Lender upon becoming aware of any event which is or is likely to be an Event of Default and inform the Lender of all the measures contemplated by the Borrower to remedy it.

14. ADMINISTRATION OF THE FACILITY

14.1 Payments

All payments received by the Lender under this Agreement shall be applied towards the payment of expenses, fees, interest, principal amounts or any other sum due under this Agreement in the following order:

(a) incidental costs and expenses;

(b) fees;

(c) late-payment interest and default interest;

(d) accrued interest;

(e) principal repayments.

Any payments received from the Borrower shall be applied first in or towards payment of any sums due and payable under the Facility or under other loans extended by the Lender to the Borrower, should it be in the Lender's interest to apply these sums to such other loans, in the order set out above.

14.2 Set-off

Without prior approval of the Borrower, the Lender may, at any time, by submitting a declaration to the Borrower, set-off due and payable obligations owed by the Borrower against any amounts held by the Lender on behalf of the Borrower or any due and payable obligations owed by the Lender to the Borrower. If the obligations are in different currencies, the Lender may convert either obligation at the prevailing currency exchange rate for the purpose of the set-off.

All payments made by the Borrower under the Financing Documents shall be calculated and made without set-off. The Borrower is prohibited from making any set-off.

14.3 Business Days

Without prejudice to the calculation of the Interest Period which remains unchanged, if a payment is due on a day which is not a Business Day, the due date for that payment shall be the next Business Day if the next Business Day is in the same calendar month, or the preceding Business Day if the next Business Day is not in the same calendar month.

14.4 Currency of payment

The currency of each amount payable under this Agreement is Euros, except as provided in Clause 14.6 (*Place of payment*).

14.5 Day count convention

Any interest, fee or expense accruing under this Agreement will be calculated on the basis of the actual number of days elapsed and a year of three hundred and sixty (360) days in accordance with European interbank market practice.

14.6 Place of payment

(a) Any funds to be transferred by the Lender to the Borrower under the Facility will be paid to the bank account specifically designated for such purpose by the Borrower, provided that the Lender has given its prior consent on the selected bank.

(b) Any payment to be made by the Borrower to the Lender shall be paid on the due date by no later than 11:00 am (Paris time) to the following bank account:

RIB Code: 30001 00064 00000040235 03

IBAN Code: FR76 3000 1000 6400 0000 4023 503

Banque de France SWIFT code (BIC): BDFEFRPPCCT

opened by the Lender at the Banque de France (head office/main branch) in Paris or any other account notified by the Lender to the Borrower.

(c) The Borrower shall request from the bank responsible for transferring any amounts to the Lender that it provides the following information in any wire transfer messages in a comprehensive manner and in the order set out below:

- Principal: name, address, bank account number
- Principal's bank: name and address
- Reference: name of the Borrower, name of the Project, reference number of the Agreement

(d) All payments made by the Borrower shall comply with this Clause 14.6 (*Place of payment*) in order for the relevant payment obligation to be deemed discharged in full.

14.7 Payment Systems Disruption

If the Lender determines (in its discretion) that a Payment Systems Disruption Event has occurred or the Borrower notifies the Lender that a Payment Systems Disruption Event has occurred, the Lender:

(a) may, and shall if requested by the Borrower, enter into discussions with the Borrower with a view to agreeing any changes to the operation and administration of the Facility as the Lender may deem necessary in the circumstances;

(b) shall not be obliged to enter into discussions with the Borrower in relation to any of the changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, it has no obligation to agree to such changes; and

(c) shall not be liable for any cost, loss or liability arising as a result of its taking, or failing to take, any actions pursuant to this Clause 14.7 (*Payment Systems Disruption*).

15. MISCELLANEOUS

15.1 Language

The language of this Agreement is English. If this Agreement is translated into another language, the English version shall prevail in the event of any conflicting interpretation or in the event of a dispute between the Parties.

All notices given or documents provided under, or in connection with, this Agreement shall be in English.

The Lender may request that a notice or document provided under, or in connection with, this Agreement which is not in English is accompanied by a certified English translation, in which case, the English translation shall prevail unless the document is a statutory document of a company, legal text or other official document.

15.2 Certifications and determinations

In any litigation or arbitration arising out of or in connection with this Agreement, entries made in the accounts maintained by the Lender are *prima facie* evidence of the matters to which they relate.

Any certification or determination by the Lender of a rate or amount under this Agreement will be, in the absence of manifest error, conclusive evidence of the matters to which it relates.

15.3 Partial invalidity

If, at any time, a term of this Agreement is or becomes illegal, invalid or unenforceable, neither the validity, legality or enforceability of the remaining provisions of this Agreement will in any way be affected or impaired.

15.4 No Waiver

Failure to exercise, or a delay in exercising, on the part of the Lender of any right under the Agreement shall not operate as a waiver of that right.

Partial exercise of any right shall not prevent any further exercise of such right or the exercise of any other right or remedy under the applicable law.

The rights and remedies of the Lender under this Agreement are cumulative and not exclusive of any rights and remedies under the applicable law.

15.5 Assignment

The Borrower may not assign or transfer, in any manner whatsoever, all or any of its rights and obligations under this Agreement without the prior written consent of the Lender.

The Borrower hereby expressly agrees for the Lender to assign or transfer any of its rights or obligations under this Agreement to any other third party and to enter into any sub-participation agreement relating thereto.

15.6 Legal effect

The Schedules annexed hereto, the Procurement Guidelines and the recitals hereof form part of this Agreement and have the same legal effect.

15.7 Entire agreement

As of the Effective Date, this Agreement represents the entire agreement between the Parties in relation to the matters set out herein, and supersedes and replaces all previous documents, agreements or understandings which may have been exchanged or communicated as part of the negotiations in connection with this Agreement.

15.8 Amendments

No amendment may be made to this Agreement unless expressly agreed in writing between the Parties.

15.9 Confidentiality - Disclosure of information

The Borrower shall not disclose the content of this Agreement to any third party without the prior consent of the Lender except to any person to whom the Borrower has a disclosure obligation under any applicable law, regulation or judicial ruling. Notwithstanding with these provisions, the Borrower may publish this Agreement on the governmental and parliament websites and Monitor Official without any prior consent of the Lender.

The Lender shall not disclose the content of this Agreement to any third party without the prior consent of the Borrower, except to: (i) its auditors, experts, rating agencies, legal advisers or

supervisory bodies; (ii) any person or entity to whom the Lender may assign or transfer all or part of its rights or obligations under the Agreement; (iii) the French State, and in particular the ministries to which the Lender reports, for the purposes of the Lender's activity; (iv) any person or entity for the purpose of taking any protective measures or preserving the rights of the Lender under the Agreement.

Furthermore, the Borrower hereby expressly authorizes the Lender:

(i) to exchange with the French Republic for publication on the French government website pursuant to any request from International Aid Transparency Initiative; and

(ii) to publish on the Lender's Website;

information regarding the Facility.

The Lender expressly authorizes the Borrower to publish on the Borrower's Website and the Borrower's Aid Management Platform basic information regarding the Facility.

15.10 Limitation

The statute of limitations of any claims under this this Agreement shall be ten (10) years, except for any claim of interest due under this Agreement.

15.11 Hardship

Each Party hereby acknowledges that the provisions of article 1195 of the French Code civil shall not apply to it with respect to its obligations under the Agreement and it shall be not entitled to make any claim under article 1195 of the French Code civil.

16. NOTICES

16.1 In writing and addresses

Any notice, request or other communication to be given or made under or in connection with this Agreement shall be given or made in writing and, unless otherwise stated, may be given or made by fax or by letter sent to the address and number of the relevant Party set out below:

For the Borrower:

REPUBLIC OF MOLDOVA

MINISTRY OF FINANCE

Address: 7, Constantin Tanase Street, MD-2005 Chisinau

Email: cancelaria@mf.gov.md

Attention: Minister of Finance

MINISTRY OF ENERGY

Address: 134a, Ştefan cel Mare şi Sfânt Boulevard, MD-2012 Chisinau

Email: secretariat@energie.gov.md

Attention: Minister of Energy

For the Lender:

AFD – MOLDOVA OFFICE

Address: Office n°505, Strada Mihai Eminescu 72

Telephone: +373 60 398 872

Email: afdchisinau@afd.fr

Attention: Director

With a copy to:

AFD – PARIS HEAD OFFICE

Address: 5, rue Roland Barthes – 75598 Paris Cedex 12, France

Telephone: + 33 1 53 44 31 31

Attention: Director for Europe, Middle East and Asia (*Orients*)

or such other address, fax number, department or officer as one Party notifies to the other Party.

16.2 Delivery

Any notice, request or communication made or any document sent by a Party to the other Party in connection with this Agreement will only be effective:

(a) if by fax, when received in a legible form; and

(b) if by letter, when delivered to the correct address,

and, where a particular person or a department is specified as part of the address details provided under Clause 16.1 (*In writing and addresses*), if such notice, request or communication has been addressed to that person or department.

16.3 Electronic communications

(a) Any communication made by one person to another under or in connection with this Agreement may be made by electronic mail or other electronic means if the Parties:

(i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

(ii) (notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

(iii) notify each other of any change to their address or any other such information supplied by them.

(b) Any electronic communication made between the Parties will be effective only when actually received in a readable form.

17. GOVERNING LAW, ENFORCEMENT AND CHOICE OF DOMICILE

17.1 Governing Law

This Agreement is governed by French law.

17.2 Arbitration

Any dispute arising out of or in connection with this Agreement shall be referred to and finally settled by arbitration under the Rules of Conciliation and Arbitration of the International Chamber of Commerce applicable on the date of commencement of arbitration proceedings, by one or more arbitrators to be appointed in accordance with such Rules.

The seat of arbitration shall be Paris and the language of arbitration shall be English.

This arbitration clause shall remain in full force and effect if this Agreement is declared void or is terminated or cancelled and following expiry of this Agreement. The Parties' contractual obligations under this Agreement are not suspended if a Party initiates legal proceedings against the other Party.

The Parties expressly agree that, by signing this Agreement, the Borrower irrevocably waives all rights of immunity in respect of jurisdiction or execution on which it could otherwise rely.

17.3 Service of process

Without prejudice to any applicable law, for the purposes of serving judicial and extrajudicial documents in connection with any action or proceedings referred to above, the Borrower irrevocably chooses its registered office as at the date of this Agreement at the address set out in Clause 16 (*Notices*) for service of process, and the Lender chooses the address "AFD SIEGE" set out in Clause 16 (*Notices*) for service of process.

18. ENTRY INTO FORCE AND DURATION

The Borrower shall conduct all applicable procedures required under Moldovan laws for the entry into force of this Agreement, and in particular the adoption of a law ratifying this Agreement by the Moldovan Parliament, which shall occur in best delays after the Signing Date.

The Borrower will deliver to the Lender a Legal Opinion issued on behalf of the Borrower and signed by the Minister of Justice confirming that all applicable procedures required under Moldovan laws for the entry into force of this Agreement have been accomplished. This Agreement shall enter into force on the date of issuance of the Legal Opinion, which shall be the Effective Date.

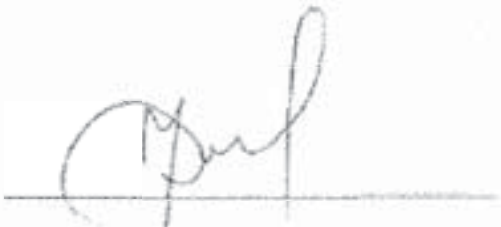
This Agreement will remain in full force and effect for as long as any amount is outstanding under this Agreement.

Notwithstanding the above, the obligations under Clause 15.9 (*Confidentiality - Disclosure of information*) shall survive and remain in full force and effect for a period of five years after the last Payment Date.

Executed in two (2) originals, in Paris (France), on March 10, 2025.

BORROWER

THE REPUBLIC OF MOLDOVA



Represented by:

Name: Mr. Doria Junghietu
Capacity: Minister of Energy

LENDER

AGENCE FRANÇAISE DE DÉVELOPPEMENT



Represented by:

Name: Mr. Rémy Rioux
Capacity: Chief Executive Officer



Co-signatory, Mrs. Dominique Waag, Ambassador of the French Republic to the Republic of Moldova

SCHEDULE 1A - DEFINITIONS

Acceptable Bank	means the National Bank of the Republic of Moldova.
Account Bank	has the meaning given to it in Clause 3.4.1 (*Opening of the Project Account*).
Act of Corruption	means any of the following: (a) the act of promising, offering or giving, directly or indirectly, to a Public Official or to any person who directs or works, in any capacity, for a private sector entity, an undue advantage of any nature, for the relevant person himself or herself or for another person or entity, in order that this person acts or refrains from acting in breach of his or her legal, contractual or professional obligations and, having for effect to influence his or her own actions or those of another person or entity; or (b) the act of a Public Official or any person who directs or works, in any capacity, for a private sector entity, soliciting or accepting, directly or indirectly, an undue advantage of any nature, for the relevant person himself or herself or for another person or entity, in order that this person acts or refrains from acting in breach of his or her legal, contractual or professional obligations and, having for effect to influence his or her own actions or those of another person or entity.
Act(s) of Terrorism	means: (i) any act prohibited by the United Nations Conventions and Protocols related to the fight against terrorism (which may be consulted on the following website: https://legal.un.org/ola/Default.aspx); (ii) any of the offences referred to in articles 3 to 10 of Directive (EU) 2017/541 of the European Parliament of 15 March 2017 on combating terrorism; or (iii) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organisation to do or abstain from doing any act.
Advance(s)	has the meaning given to it in Clause 3.4 (*Payment mechanics*)
Agreement	means this credit facility agreement, including its recitals, Schedules and, if applicable, any amendments made in writing thereto.
Anti-Competitive Practices	means: (a) any concerted or implicit action having as its object and/or as its effects to impede, restrict or distort fair competition in a market, including without limitation when it tends to: (i) limit market access or the free exercise of competition by other companies; (ii) prevent price setting by the free play of markets by artificially favouring the increase or decrease of such prices; (iii) limit or control any production, markets, investment or technical progress; or (iv) share out markets or sources of supply;

	(b) any abuse by a company or group of companies of a dominant position within a domestic market or in a substantial part thereof; or (c) any bid or predatory pricing having as its object and/or its effect to eliminate from a market, or to prevent a company or one of its products from accessing the market.
Authorisation(s)	means any authorisation, consent, approval, resolution, permit, licence, exemption, filing, notarisation or registration, or any exemptions in respect thereof, obtained from or provided by an Authority, whether granted by means of an act, or deemed granted if no answer is received within a defined time limit, as well as any approval and consent given by the Borrower's creditors.
Authority(ies)	means any government or statutory entity, department or commission exercising a public prerogative, or any administration, court, agency or State or any governmental, administrative, tax or judicial entity.
Availability Period	means the period from and including the Signing Date up to the Deadline for Drawdown of Funds.
Available Facility	means, at any given time, the maximum principal amount specified in Clause 2.1 (*Facility*) less: (i) the aggregate amount of any Drawdowns drawn by the Borrower; (ii) the amount of any Drawdown to be made pursuant to any pending Drawdown Request; and (iii) any portion of the Facility which has been cancelled pursuant to Clauses 8.3 (*Cancellation by the Borrower*) and/or 8.4 (*Cancellation by the Lender*).
Business Day	means a day (other than Saturday or Sunday) on which banks are open for the entire day for general business in Paris, and which is a TARGET Day in the event that a Drawdown has to be done on such day.
Certified	means for any copy, photocopy or other duplicate of an original document, the certification by any duly authorised person, as to the conformity of the copy, photocopy or duplicate with the original document.
Co-Financier(s)	means the following co-financier(s) of the Project: - the AFD, for a loan amount of thirty million Euros (30,00,000 EUR); - the Kreditanstalt für Wiederaufbau (KfW), for a grant amount (known or contemplated) of thirty eight million and seven hundred thousand Euros (38,700,000 EUR);
Co-financing	means KfW's financing amount of thirty eight million and seven hundred thousand Euros (38,700,000 EUR).
Co-financing Agreement	means the agreement entered into between AFD and KfW under the JEFIC framework, establishing the terms and conditions for their joint cofinancing of the Project, which shall be signed no later than the Signing Date.
Deadline for Drawdown of Funds	means March 11, 2031, date after which no further Drawdown may occur.
Deadline for the First Drawdown	means January 20, 2026.

Deadline for Use of Funds	means the date of expiration of a six (6) month period starting on the payment date of the last Advance.
Drawdown	means a drawdown of all or part of the Facility made, or to be made, available by the Lender to the Borrower pursuant to the terms and conditions set out in Clause 3 (*Drawdown of Funds*) or the principal amount outstanding of such Drawdown which remains due and payable at a given time including any Advance.
Drawdown Date	means the date on which a Drawdown is made available by the Lender.
Drawdown Period	means the period starting on the first Drawdown Date up to and including the first of the following date: (i) the date on which the Available Facility is equal to zero; (ii) the Deadline for Drawdown of Funds.
Drawdown Request	means a request substantially in the form set out in Schedule 5A (*Form of Drawdown Request*).
Effective Date	means the date of entry into force of this Agreement, as furtlrer described in Clause 18 (*Entry into Force and Duration*).
Eligible Expense(s)	means the expense(s) relating to the component(s) of the Project as set out in Schedule 3 (*Financing Plan*).
Embargo	means any sanction of a commercial nature aiming at prohibiting any import and/or export (supply, sale or transfer) of one or several goods, products or services going to and/or coming from a country for a given period as published and amended from time to time by the United Nations, the European Union or France.
ES Complaints-Management Mechanism's Rules of Procedure	means the contractual terms contained in the Environmental and Social Complaints-Management Mechanism's Rules of Procedure, which is available on the Website, as amended from time to time.
ESCP	means the environmental and social commitment plan attached hereafter as Schedule 6, setting out the Borrower's commitment to avoid, mitigate or compensate negative consequences of the Project, on human and natural environment and any planned monitoring, as well as the formal steps required in order to carry out such actions.
EURIBOR	means the inter-bank rate applicable to Euro for any deposits denominated in Euro for a period comparable to the relevant period, as determined by the European Money Markets Institute (EMMI), or any successor administrator, at 11:00 am Brussels time, two (2) Business Days before the first day of the Interest Period.
Euro(s) or EUR	means the single currency of the member states of the European Economic and Monetary Union, including France, and having legal tender in such Member States.
Event of Default	means any event or circumstance set out in Clause 13.1 (*Events of Default*).
Facility	means the credit facility made available by the Lender to the Borrower in accordance with this Agreement up to the maximum principal amount set out in Clause 2.1 (*Facility*).
Financial Indebtedness	means any financial indebtedness for and in respect of: (a) any monies borrowed on a short, medium or long-term basis; (b) any amounts raised pursuant to the issue of bonds, notes, debentures, loan stock or any similar instruments; (c) any funds raised under any other transaction (including any forward sale or purchase

	agreement) having the commercial effect of a borrowing; (d) any potential payment obligation that results from a guarantee, bond, or any other instrument.
Financial Sanctions List	means the list(s) of persons, groups or entities which are subject to financial sanctions by the United Nations, the European Union and/or France. For information purposes only and for the convenience of the Borrower, who may rely on, the following references or website addresses: **For the list maintained by the United Nations, the European Union and France**, the following website may be consulted: https://gels-avoirs.dgtresor.gouv.fr/List.
Financing Plan	means the financing plan of the Project set out in Schedule 3 (*Financing Plan*).
Fixed Reference Rate	means three point forty-seven per cent (3.47%) per annum.
Fraud	means any unfair practice (acts or omissions) deliberately intended to mislead others, to intentionally conceal elements there from, or to betray or vitiate his/her consent, to circumvent any legal or regulatory requirements and/or to violate internal rules and procedures of the Borrower or a third party in order to obtain an illegitimate benefit.
Fraud against the Financial Interests of the European Union	means any intentional act or omission intended to damage the European Union budget and involving (i) the use or presentation of false, inaccurate or incomplete statements or documents, which has as effect the misappropriation or wrongful retention of funds or any illegal reduction in resources of the general budget of the European Union; (ii) the non-disclosure of information with the same effect; and (iii) misappropriation of such funds for purposes other than those for which such funds were originally granted.
Grace Period	means the period from the Signing Date up to and including the date falling seventy two (72) months after such date, during which no principal repayment under the Facility is due and payable.
Illicit Origin	means funds obtained through: (a) the commission of any predicate offence as designated in the FATF 40 recommendations Glossary under *"Designated categories of offences"* (https://www.fatf-gafi.org/en/pages/fatf-glossary.html#accordion-a13085a728-item-121a8a2b0f); (b) any Act of Corruption; or (c) any Fraud against the Financial Interests of the European Community, if or when applicable.
Implementation Agreement	means the agreement entered into between the Borrower, through the Ministry of Energy, and the Implementing Agency and other relevant stakeholders, which, among other matters, mandates the Implementing Agency to implement the Project on behalf of the Borrower.
Implementing Agency	means the "Moldova Energy Project Implementation Unit" (MEPIU) in charge of implementing the Project on behalf of the Borrower and duly appointed for such purpose.
Index Rate	means the TEC 10 daily index, the ten-year constant maturity rate displayed on a daily basis on the relevant quotation page of the Reference Financial Institution or any other index which may

	replace the TEC 10 daily index. On the Signing Rate Setting Date, the Index Rate is three point thirty-two per cent (3.32%) per annum.
Insurance Policies	means, if applicable, the insurance policies that the Borrower and/or the Providers are required to subscribe and maintain under applicable laws and regulations in connection with the implementation of the Project.
Interest Period(s)	means each period from a Payment Date (exclusive) up to the next Payment Date (inclusive). For each Drawdown under the Facility, the first interest period shall start on the Drawdown Date (exclusive) and end on the next successive Payment Date (inclusive).
Interest Rate	means the interest rate expressed as a percentage and determined in accordance with Clause 4.1 (*Interest Rate*).
Margin	means zero point ninety per cent (0.90%) per annum.
Market Disruption Event	means the occurrence of one of the following events: (i) EURIBOR is not determined by the European Money Markets Institute (EMMI), or any successor administrator, at 11:00am Brussels time, two (2) Business Days before the first day of the relevant Interest Period or on the Rate Setting Date; or (ii) before close of business of the European interbank market, two (2) Business Days prior to the first day of the relevant Interest Period or on the Rate Setting Date, the Borrower receives notification from the Lender that (i) the cost to the Lender of obtaining matching resources in the relevant interbank market would be in excess of EURIBOR for the relevant Interest Period; or (ii) it cannot or will not be able to obtain matching resources on the relevant interbank market in the ordinary course of business to fund the relevant Drawdown for the relevant time period.
Material Adverse Effect	means a material and adverse effect on: (a) the Project, insofar as it would jeopardise the implementation and operation of the Project in accordance with [this Agreement] or [the Financing Documents] and the Project Documents; (b) the business, assets, financial condition of the Borrower or its ability to perform its obligations under this Agreement and the Project Documents; (c) the validity or enforceability of this Agreement and any Project Documents; or (d) any right or remedy of the Lender under this Agreement.
Misuse of AFD's Funds or Assets	means the non-compliant, inappropriate and/or abusive use of the resources, property or assets belonging to the Lender, made knowingly, recklessly or negligently.
Money Laundering	means: (i) the act of facilitating by any means, the false justification of the origin of the assets or proceeds of the perpetrator of a felony or a misdemeanour which brought him a direct or indirect benefit; or (ii) the act of assisting in investing, concealing or converting the direct or indirect proceeds of a felony or a misdemeanour.
Non-Cooperative Practices	means:

	(i) the act of destroying, falsifying, altering, concealing or unreasonably withholding evidence or any other information, documents or records sought to be disclosed in connection with an investigation by the Lender of an allegation of Prohibited Practices to materially obstruct the investigation; or the act of making false statements to materially obstruct the investigation of an allegation of Prohibited Practices; or (ii) the act of threatening, harassing or intimidating any party in order to prevent it from disclosing information relating to an investigation conducted by the Lender, or the continuation of the investigation; or (iii) any acts carried out in order to materially obstruct the Lender in exercising its contractual rights to audit, inspect or access to information in the context of an investigation based on an allegation of Prohibited Practices.
Outstanding Principal	means, in respect of any Drawdown, the outstanding principal amount due in respect of such Drawdown, corresponding to the amount of the Drawdown paid by the Lender to the Borrower less the aggregate of instalments of principal repaid by the Borrower to the Lender in respect of such Drawdown.
Payment Dates	means March 15 and September 15 of each year.
Payment Systems Disruption Event	means either or both of: (a) a material disruption to the payment or communication systems or to the financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facility (or otherwise in order for the transactions contemplated by this Agreement to be carried out), provided that the disruption is not caused by, and is beyond the control of, any of the Parties; or (b) the occurrence of any other event which results in a disruption (of a technical or system-related nature) to the treasury or payment operations of a Party preventing that, or any other Party: (i) from performing its payment obligations under this Agreement; or (ii) from communicating with the other Parties in accordance with the terms of this Agreement, and which (in either case) is not caused by, and is beyond the control of, either Party.
Prepayment Compensatory Indemnity	means the indemnity calculated by applying the following percentage to the amount of the Facility which is repaid in advance: - if the repayment occurs between the Signing Date and the 3th anniversary (exclusive) of the Signing Date: three per cent (3%); - if the repayment occurs between the 3th anniversary (inclusive) and the 6th anniversary (exclusive) of the Signing Date: two point five per cent (2.5%); - if the repayment occurs between the 6th anniversary (inclusive) and the 9th anniversary (exclusive) of the Signing Date: two per cent (2%);

	- if the repayment occurs between the 9th anniversary (inclusive) and the 12th anniversary (exclusive) of the Signing Date: one point five per cent (1.5%); - if the repayment occurs after the 12th anniversary (inclusive) of the Signing Date: one per cent (1%).
Procurement Guidelines	means the contractual provisions contained in the document entitled "Procurement Guidelines for AFD-Financed Contracts in Foreign Countries" in effect on the Effective Date, which is available on the Website and a copy of which has been delivered to the Borrower.
Prohibited Practice(s)	means Anti-Competitive Practices, Acts of Corruption, Fraud, Fraud against the Financial Interests of the European Union, Non-Cooperative Practices, Misuse of AFD's Funds or Assets, as well as any breach of any applicable anti-Money Laundering and counter-Terrorist Financing laws.
Project	means the project as described in Schedule 2 (*Project Description*).
Project Account	has the meaning given to that term in Clause 3.4.1 (*Opening of the Project Account*).
Project Authorisations	means the Authorisations necessary in order for (i) the Borrower to implement the Project and execute all Project Documents to which it is a party, and to exercise its rights and perform its obligations under the Project Documents to which it is a party; and (ii) the Project Documents to which the Borrower is a party, to be admissible as evidence before courts in the jurisdiction of the Borrower or before a competent arbitral tribunal.
Project Documents	means all documents, and in particular agreements, delivered or executed by the Borrower (acting through the Ministry of Energy) in relation to the implementation of the Project, i.e.: • the Implementation Agreement; • The Feasibility Study and its annexes (incl E&S documents)
Provider's Guarantee(s)	means any guarantee provided to the Borrower directly or indirectly by any of its Providers in charge of the performance of contracts entered into for the purposes of implementing the Project or any part thereof, such as, for example, a performance security or an advance payment security.
Provider(s)	means a natural or legal person that has signed a contract with the Borrower or the Implementing Agency, which may include a supplier, a works company or a contractor, a consultant or a service provider.
Public Official	means any holder of legislative, executive, administrative or judicial office whether appointed or elected, serving on permanent basis or otherwise, paid or unpaid, regardless of rank, or any other person defined as a public official under the domestic law of the Borrower's jurisdiction, and any other person exercising a public function, including for a public agency or organisation, or providing a public service.
Rate Conversion	means the conversion of the floating rate applicable to all or part of the Facility into a fixed rate pursuant to Clause 4.1 (*Interest Rate*).
Rate Conversion Request	means a request substantially in the form attached as Schedule 5C (*Form of Rate Conversion Request*).
Rate Setting Date	means, for each fixed rate Drawdown or Rate Conversion, the Tuesday or Thursday (or, if that date is not a Business Day, the

	immediately following Business Day) following the date of receipt by the Lender of the Drawdown Request or Rate Conversion Request, provided that this request is received by the Lender at least two (2) full Business Days prior to said Tuesday or Thursday.
Reference Financial Institution	means a financial institution chosen as a suitable reference financial institution by the Lender and which regularly publishes quotations of financial instruments on one of the international financial information networks according to the practices recognised by the banking industry.
Restructuring	means any debt restructuring, and more generally any debt treatment operation, initiated by and/or organised, adopted within a formal or informal framework such as the Paris Club.
Schedule(s)	means any schedule or schedules to this Agreement.
Signing Date	means the date of execution of this Agreement by all the Parties.
Signing Rate Setting Date	means March 5, 2025.
TARGET Day	means a day on which the Trans European Automated Real Time Gross Settlement Express Transfer 2 (TARGET2) system, or any successor thereto, is open for payment settlement in Euros.
Tax(es)	means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with a failure to pay or any delay in the payment of any such amounts).
Technical Completion Date	means the date for the technical completion of the Project which is expected to be September 11, 2031.
Terrorist Financing	means providing or collecting, directly or indirectly, funds or managing funds with the intention that they should be used, or in the knowledge that they are to be used, for the purpose of committing an Act of Terrorism.
Visibility and Communication Guide	means all contractual provisions binding on the Borrower relating to the communication and visibility of projects financed by AFD and contained in the document entitled "Visibility guide for projects supported by AFD - Level 1" or "Communication guide for projects supported by AFD - Level 2" as the case may be, a copy of which has been given to the Borrower before the signing.
Website	means the website of AFD (http://www.afd.fr/) or any other such replacement website.
Withholding Tax	means any deduction or retention in respect of a Tax on any payment made under or in connection with this Agreement.

SCHEDULE 1B - CONSTRUCTION

(a) "**assets**" includes present and future properties, revenues and rights of every description;

(b) any reference to the "**Borrower**", a "**Party**" or a "**Lender**" includes its successors in title, permitted assigns and permitted transferees;

(c) any reference to a Financing Document or other document is a reference to this Agreement or to such other document as amended, restated or supplemented and includes, if applicable, any document which replaces it through novation, in accordance with the Financing Documents;

(d) a "**guarantee**" includes any *cautionnement, aval* and any *garantie* which is independent from the debt to which it relates;

(e) "**indebtedness**" means any obligation of any person whatsoever (whether incurred as principal or as surety) for the payment or repayment of money, whether present, future, actual or contingent;

(f) a "**person**" includes any person, company, corporation, partnership, trust, government, state or state agency or any association, or group of two or more of the foregoing (whether or not having separate legal personality);

(g) a "**regulation**" includes any legislation, regulation, rule, decree, official directive, instruction, request, advice, recommendation, decision or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, supervisory authority, regulatory authority, independent administrative authority, agency, department or any division of any other authority or organisation (including any regulation issued by an industrial or commercial public entity) having an effect on this Agreement or on the rights and obligations of a Party;

(h) a provision of law is a reference to that provision as amended;

(i) unless otherwise provided, a time of day is a reference to Paris time;

(j) The Section, Clause and Schedule headings are for ease of reference only and do not affect the interpretation of this Agreement;

(k) unless otherwise provided, words and expressions used in any other document relating to this Agreement or in any notice given in connection with this Agreement have the same meaning in that document or notice as in this Agreement;

(l) an Event of Default is "continuing" if it has not been remedied or if the Lender has not waived any of its rights relating thereto;

(m) a reference to a Clause or Schedule shall be a reference to a Clause or Schedule of this Agreement; and

(n) words importing the plural shall include the singular and vice-versa.

SCHEDULE 2 - PROJECT DESCRIPTION

- **General objective**

The Project's overall objective is to improve Moldova's energy security and the quality of public services through energy efficiency renovation of public buildings.

- **Specific objectives include the following:**

  - Improvement of the energy efficiency of selected public buildings in Moldova
  - Reduction of final energy demand and greenhouse gas emissions of the selected public buildings
  - Improvement of the working and living conditions for the users of the selected public buildings
  - Improvement in the accessibility of the selected public buildings
  - Improvement of the resilience of the selected public buildings to extreme weather events

- **Project components**

The Project will be structured into two main components:

- a physical investment component for the renovation of public buildings, and
- a technical assistance component that will provide support to the Implementing Agency for the successful completion of the Project as well as institutional support aimed at maximising and making the Project's impact sustainable in the long run.

The Project is titled INSPIREE (*Initiative to Nurture Sustainable Public Infrastructure through Renivations for Energy Efficiency*). INSPIREE targets an indicative shortlist of 16 higher education buildings (around 58 000 m2) and 14 regional or district hospitals (around 34 000 m2), which shall be renovated under the Project. The hospitals are located throughout the country's raions (districts). The higher education buildings consist of universities and professional training schools and are mainly located in Chisinau. A backup list has also been provided to allow the possibility, if needed, of either adding to or replacing buildings from the shortlist during Project implementation.

A holistic approach shall be applied for the renovation works under the Project. Not only do they target improvements in energy efficiency, but they also aim at making the buildings more resilient to the risks of climate change (floods, water scarcity, and extreme heat). Furthermore, they also aim to improve safety, comfort and accessibility. It is expected to reach the following approximate share of investment between the different types of measures: minimum 50% for EE measures (including solar electric and thermal), 35% for structural measures (including asbestos removal and flood resilience), and 15% for comfort (including extreme heat resilience), GESI and water saving measures. Only energy efficiency measures that are economically feasible and have a payback period below the technical lifetime shall be implemented.

- **Institutional set-up**

The actual implementation of the Project will then be delegated to the MEPIU, an entity under the authority of the MoE, but legally distinct from it.

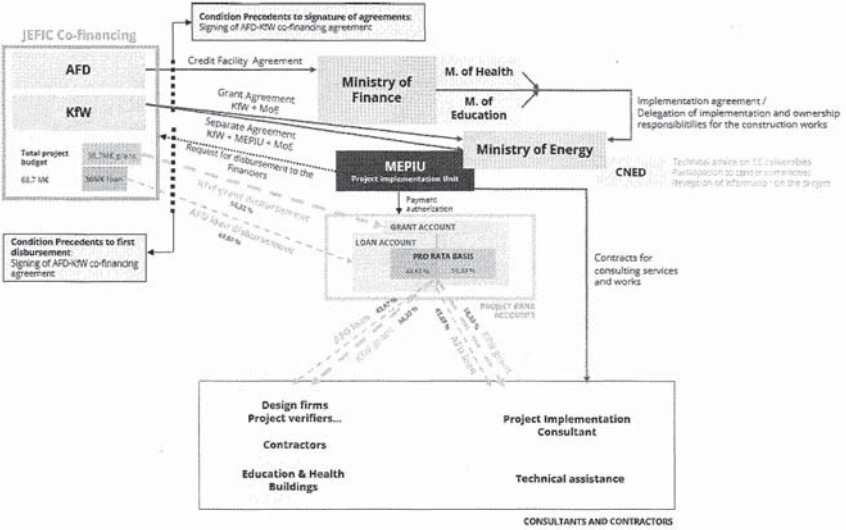
KfW shall sign a Grant Agreement (focused primarily on financial aspects) and a Separate Agreement (focused primarily on implementation aspects) with MoE and MEPIU. MoE (as the Recipient of the FC grant) shall channel the FC grant to the MEPIU as a non-repayable grant under a separate financing agreement (on-granting agreement).

The delegation of the implementation of the Project from the MoE to the MEPIU shall be formalized explicitly in an Implementation Agreement to be signed by the MoE, MEPIU, CNED, MoH and MoEd. This Implementation Agreement shall detail the roles and responsibilities of each party. It shall have received a prior no-objection from the Co-Financiers before it is signed.

The MoH and the MoEd shall be the primary beneficiaries of the Project. They shall be directly involved in the implementation of the Project. Working meetings with the line ministries shall be conducted by the MEPIU to discuss all implementation arrangements (the need for MoUs with building owners / managers, contracts, permits for construction, operation and maintenance, etc.). CNED shall be involved in the review of the detailed building energy audits and as a full member in the tender committee.

A Steering Committee shall be composed of representatives from the MoE, the MoEd, the MoH, the State Chancellery, the MoF, AFD, the German Embassy, KfW and CNED as an observer. MEPIU shall also participate as secretariat of the committee. As such, they shall be responsible for organizing and coordinating the meetings of the Steering Committee. The Steering Committee shall meet once a year, or as frequent as the need might arise. Other participants might be occasionally invited.

The contractual set-up is provided below:



Note: KfW Grant Agreement shall be signed by KfW, MoE and MEPIU.

- **Logical framework**

Objectives	Indicators[2]	Sources and time of data collection	Assumptions
Goal: **Improvement of energy efficiency in public buildings in the Republic of Moldova**			
Project objective: **The energy efficiency of selected public buildings in Moldova is improved.**	Project indicator 1: Savings in final energy demand[3] due to energy efficiency measures (in GWh/year) **1.a) Final energy demand for the renovated buildings:** Baseline value (2025): 19.69 GWh/year Target value (2031): 7.33 GWh/year **1.b) Specific final energy demand for the renovated buildings:** Baseline value (2025): 225 kWh/m²/year Target value (2031): 83 kWh/m²/year	*Energy Performance Certificates* *Energy audits* *Project progress reports, final report*	
	Project indicator 2: Reduction of greenhouse gas emissions (in tons CO_2 equivalent/year) Baseline value (2025): 0 t CO_2-equ./year Target value (2031): 4,231 t CO_2-equ./year	*Energy audits* *Project progress reports, final report*	

[2] Baseline and target values shall be updated after the detailed energy audits have been carried out, as the exact values will then be available. Targets could also be adjusted based on the data on user behaviour to be collected (possible change in user behaviour due to a higher comfort level of renovated buildings, which could trigger a change in energy consumption).

[3] Estimated final energy demand under standardised assumptions/conditions (i.e., all lighting and heating systems operate correctly with the required temperature setpoint).

	Project indicator 3: Increase in user satisfaction[4] after renovation of the buildings **3.a) Increased satisfaction with regards to thermal comfort** Baseline value (2025): tbd Target value (2031): ≥90% of surveyed users are satisfied or very satisfied **3.b) Increased satisfaction with regards to accessibility** Baseline value (2025): tbd Target value (2031): ≥90% of surveyed users are satisfied or very satisfied	*User surveys prior to and after renovations* *Project progress reports, final report*	
	Project indicator 4: Savings in energy expenses through energy efficiency measures (expressed in real terms, as calculated in the energy audits) Baseline value (2025): 0 EUR/year Target value (2031): 1,949,099 EUR/year	*Project progress reports, final report*	
	Project indicator 5: Number of users benefitting from energy efficiency renovations Baseline value (2025): 0 Target value (2031): 200,000 people, of which more than 50% are women and girls	*Project progress reports, final report*	

[4] The baseline values for project indicators 3.a) and 3.b) are to be collected by the project implementation consultant as part of surveys at the beginning of the project.

Outputs	Output 1, Indicator 1.1: Number of buildings that are improved in terms of energy efficiency	*Project progress reports, final report*	*No variability in energy prices that affects projected cost savings from efficiency measures*
Output 1 The health and education buildings have undergone energy efficiency renovations.	Baseline value (2025): 0 Target value (2031): 30 buildings		*Full participation of beneficiary institutions*
	Output 1, Indicator 1.2: Surface area (in m^2) of buildings that are improved in terms of energy efficiency Baseline value (2025): 0 Target value (2031): 93,000 m^2		*Full participation of national, regional, and local authorities* *The renovated buildings remain in use*
Output 2 Additional solar energy generation capacity has been installed and is in operation.	Output 2, Indicator 2.1: Additional solar energy generation capacity installed (MW) Baseline value (2025): 0 MW Target value (2031): 1 MW Output 2, Indicator 2.2: Addi4tional solar energy produced annually (MWh/year) Baseline value (2025): 0 MWh/year Target value (2031): 2,000 MWh/year	*Project progress reports, final report*	*The renovated buildings are properly used, operated and maintained.*
Output 3	Output 3, Indicator 3.1: Number of people who have participated in training and/or awareness-raising	*Project progress reports, final report*	

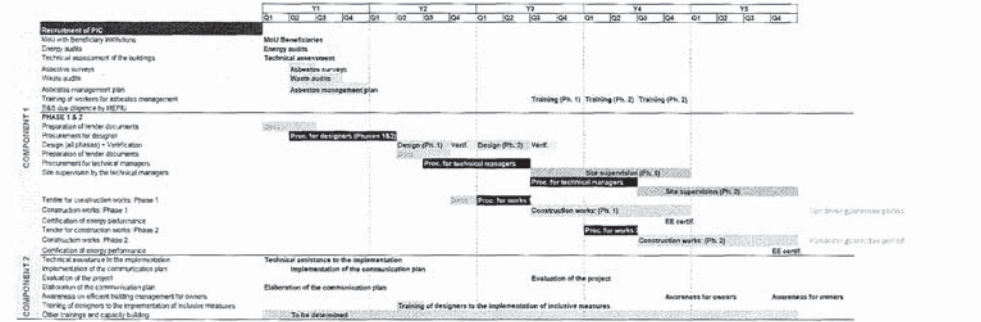
The capacities of the operating managers of the selected buildings are strengthened.	sessions on the appropriate use of energy efficiency adjustments **3.a) Number of trainings and/or awareness raising sessions** Baseline value (2025): 0 trainings Target value (2031): 60 trainings **3.b) Number of people trained** Baseline value (2025): 0 people trained Target value (2031): ≥60 people trained		
Output 4 Measures to promote gender equality and social inclusion (GESI) are developed as part of the design documents and E&S instruments and implemented.	Output 4, Indicator 4.1: Measures to promote gender equality and social inclusion are developed as part of the design documents and E&S instruments and implemented Baseline value (2025): No Target value (2031): Yes	*Project progress reports, final report*	

Output	**Main activities towards outputs**	**Inputs/ planned instruments**	**Assumptions**
Output 1 The health and education buildings have undergone energy efficiency renovations.	The legal, technical and administrative preparation of the sub-projects is completed Renovation of health and education buildings completed Operational delivery of buildings completed	Energy audit reports carried out in accordance with national regulatory requirements Design documents are complete, including energy efficiency measurements and complementary measurements	*Financing Agreements are signed.* *MEPIU is provided with the necessary staff, resources and equipment for the implementation of the project.* *Roles and responsibilities for managing the energy efficiency projects are clearly defined.* *The PIC is successfully recruited.*

Output 2 Additional solar power generation capacity has been installed and is in operational.	The legal, technical and administrative preparation for the installation is completed Installation of the solar power generation capacity of the buildings completed Operational delivery of the solar power generation capacity completed	Energy performance certificates issued by the relevant national authorities A system to monitor and evaluate energy consumption and savings is in place in accordance with national regulations	*National regulations/standards for the implementation of energy efficiency projects are in line with the project as designed.* *The budget and implementation of the national budget includes the necessary own contribution for the project.* *No delays in procurement* *The relevant authorities issue construction and environmental permits for subprojects.* *Successful procurement of construction works*
Output 3 The capacities of the operational managers of the selected buildings are strengthened.	Operational managers of the buildings have enhanced competences in energy efficient building management through trainings	Institutional stakeholders are taking ownership of best practices and lessons learned	
Output 4 Measures to promote gender quality and social inclusion (GESI) are developed as part of the design documents and E&S instruments and implemented.	PIU Workshop on Gender Equality and Inclusion Mainstreaming gender equality and inclusion measures in tender documents and design reviews	Recruitment of a local expert to take account of the GESI strategy in the project	*The gender and inclusion measures developed are supported by all stakeholders.* *2 people per building take part in trainings*

- **Indicative timeline**

The Project is estimated to last 5 years from the moment the Project Implementation Consultant is contracted. A detailed indicative timeline is provided below:



Assumptions

PIC is recruited at the start of the project.
Energy audits and technical assessments can start at the beginning of the project.
Reduction of tender documents for design services can start at the beginning of the project. Feedback from MEEP project will help accelerate.
The same design fixes do the design for all phases
1,5 years for construction works for phase 1 and 2

SCHEDULE 3 - FINANCING PLAN

PART I - FINANCING PLAN

Components	AFD	%	KfW	%	TOTAL JEFIC	Rep of Mold	TOTAL PROJECT
Project preparation : Feasibility Study	0,4	100%			0,40		0,40
Component 1 - Physical Investment	**24,28**	**44%**	**31,31**	**56%**	**55,59**	0	**55,59**
Energy Audits for health and education buildings	0,06	44%	0,07	56%	0,13	0	0,13
Building assessment for health and education buildings	0,06	44%	0,07	56%	0,13	0	0,13
Design and verification for health and education buildings	3,10	44%	4,00	56%	7,10	0	7,10
Construction of health and education buildings	20,64	44%	26,62	56%	47,26	0	47,26
Technical supervision of health and education buildings	0,42	44%	0,55	56%	0,97	0	0,97
Component 2 - Technical Assistance	**2,66**	**44%**	**3,47**	**57%**	**6,13**	0	**6,13**
2a - Project Implementation Consultant (PIC) *(project management, E&S incl. Abestos management, monitoring & reporting support, certificates of energy performance etc.)*	2,22	44%	2,91	56%	5,13	0	5,13
2b - Institutional Support *Capacity building, market stimulation, gender and inclusion, communication etc.*	0,44	44%	0,56	56%	1,00	0	1,00
MEPIU PMU staff and expenses (including annual financial of advance payment account)	0,00	0%	0,00	56%	**0,00**	3	**3,00**
Local taxes and import duties (exemption to be confirmed)	0,00	0%	0,00	0%	0,00	0	**0,00**
Total Contingencies (~10%)	3,06	44%	3,92	56%	**6,98**	1,3	**8,28**
TOTAL	**30,00**	**44%**	**38,70**	**56%**	**68,70**	**4,30**	**73,00**

All Project Eligible Expenses shall be financed on a pro-rata basis with a pro-rata share of 43.67% for AFD (i.e. 30 MEUR) and 56.33% for KfW (i.e. 38.7 MEUR).

The Implementing Agency shall open two bank accounts, one exclusively for the AFD Loan and one for the Grant extended by KfW, to which each Co-financier shall disburse the Advances. The Implementing Agency shall finance all Eligible Expenses as set out in Schedule 3 (Financing Plan) in accordance with each Co-financier's pro-rata share, unless otherwise agreed upon with the Co-financiers in writing. This pro-rata financing of Eligible Expenses by the Implementing Agency shall also be adhered to in the case where the Co-financiers do not disburse into the bank accounts on a pro-rata basis, unless otherwise agreed upon in writing. The Implementing Agency shall ensure that the pro-rata financing is correctly applied.

PART II - ELIGIBLE EXPENSES

All budget lines co-financed by AFD as per the Financing Plan above in accordance with the activities described in the Schedule 2 – Project Description.

PART III - NON-ELIGIBLE EXPENSES

Budget lines that are not financed by AFD in the Financing Plan above namely : (i) MEPIU PMU staff and expenses and (ii) local taxes and import duties.

Any expenses not related to this Project as described in the Schedule 2 – Project Description.

SCHEDULE 4 - CONDITIONS PRECEDENT

The following applies to all documents delivered by the Borrower as a condition precedent:

- if the document which is delivered is not an original but a photocopy, the original Certified photocopy shall be delivered to the Lender;
- the final version of a document which draft was previously sent to, and agreed upon by the Lender, shall not materially differ from the agreed draft;
- documents not previously sent and agreed upon, shall be satisfactory to the Lender.

PART I – CONDITIONS PRECEDENT TO BE SATISFIED ON THE SIGNING DATE

(a) Delivery by the Borrower to the Lender of the following documents:

(i) A copy of the Government decision authorizing the initiation of the negotiation;

(ii) A copy of the relevant decision(s) issued by the Government of the Republic of Moldova in compliance with the legislation of the jurisdiction of the Borrower approving the content of this Agreement, authorising the Borrower to enter into this Agreement, and authorizing one specified person to execute the Agreement on its behalf;

(iii) A certificate issued by a duly authorised representative of the Borrower listing the person(s) authorised to sign, on behalf of the Borrower, the Drawdown Requests and any certificate in connection with this Agreement and to take all other measures and/or sign all other necessary documents on behalf of the Borrower under this Agreement;

(iv) A specimen of the signature of each person listed in the last bullet point of paragraph (i) and in the certificate mentioned in paragraph (iii); and

(v) Evidence that the Facility is included in the Borrower's Budget Law, and that the drawdown of the Facility will not breach any borrowing limit, or any other similar limit binding on the Borrower.

(b) Delivery to the Lender of a legal opinion, in form and substance satisfactory to the Lender, issued by the Minister of Justice of the Borrower;

(c) Delivery to the Lender of a draft legal opinion, in form and substance satisfactory to the Lender of a reputable law firm established in the jurisdiction of the Borrower and appointed by the Lender; and

(d) Related to the cofinancing:

(i) Signature of the AFD-KfW JEFIC joint Co-financing Agreement;

(ii) Evidence from KfW that the Project has received formal approval from their line ministry.

PART II - CONDITIONS PRECEDENT TO THE FIRST DRAWDOWN

(a) Receipt by AFD of a copy of the Law on Ratification of this Agreement by the Parliament of the Republic of Moldova, published in the Official Gazette of the Republic of Moldova and in force as of the date of Drawdown;

(b) Payment by the Borrower to the Lender of all fees and expenses due and payable under this Agreement;

(c) In the event there has been a change regarding the person(s) authorised to execute the Drawdown Request and any certificate in connection with this Agreement on behalf of the Borrower, the Borrower shall provide to the Lender with updated evidence of the person(s) authorised to execute the Drawdown Request on behalf of the Borrower, together with the specimen of the signature(s) of such person(s);

(d) Delivery by the Borrower to the Lender of the following Documents:

(i) A Procurement Plan, as defined in the Procurement Guidelines, having received the Lender's no-objection;

(ii) Documents evidencing that the competent organs of the Co-Financier have agreed to extend their financing in the manner specified in the Financing Plan and that the conditions precedent to the first disbursement in respect of such financing have been fulfilled;

(iii) A signed copy of the Implementation Agreement having previously received a Non-objection from the Co-Financiers, signed by the Ministry of Energy, MEPIU, CNED, the Ministry of Health and the Ministry of Education, defining the roles and responsibilities of each;

(iv) A certificate of the Account Bank certifying that the Project Account has been opened in the name of the Project and providing account details for such Project Account;

(v) A provisional forecast of expenditure for the duration of the Project, with a focus on the next 6 months, having previously received the Lender's no-objection.

and for each of the above-mentioned documents, where relevant:

- a Certified copy of each document duly signed by each party thereto;
- evidence that all formalities required under the documents for the entry into, performance and enforceability against third parties of such documents have been satisfied; and
- evidence that any Authorisation which the Lender considers necessary or desirable for the entry into and performance of, and the transactions contemplated by, any document, has been duly obtained and delivery of a Certified copy of any such Authorisation.

(e) Delivery to the Lender of a duly executed legal opinion as referred to in Clause 18 (*Entry into force and Duration*), in form and substance satisfactory to the Lender, issued by the Minister of Justice of the Borrower;

(f) Delivery to the Lender of a duly executed legal opinion, in form and substance satisfactory to the Lender of a reputable law firm established in the jurisdiction of the Borrower and appointed by the Lender; and

(g) Evidence deemed satisfactory by the Lender justifying that the MEPIU has sufficient office space and human resources to implement the Project.

PART III – CONDITIONS PRECEDENT FOR ALL DRAWDOWNS OTHER THAN THE FIRST DRAWDOWN

Delivery by the Borrower to the Lender of the following documents:

(i) a certificate signed by a duly authorised representative of the Borrower certifying that at least eighty per cent (80%) of the Advance immediately preceding the Advance requested in the Drawdown Request and one hundred per cent (100%) of the penultimate Advance have been utilised, including a detailed breakdown of the payment with respect to Eligible Expenses during the relevant period;

(ii) all contracts and order forms together with any plans and quotes (if applicable) previously provided to the Lender in accordance with, and as defined in, the Procurement Guidelines, in connection with the utilisation of the amounts of the Advance made available prior to the Drawdown Request;

(iii) evidence, in form and substance satisfactory to the Lender, that all relevant Eligible Expenses have been paid;

(iv) the provisional forecast of expenses for the duration of the Project with a focus on the next 6 months, updated on the date of the relevant Drawdown Request;

(v) a revised estimate of the Project costs as well as the Eligible Expenses;

(vi) the latest annual audit report prepared in accordance with Clause 3.4.8 (*Audit*).

SCHEDULE 5A - FORM OF DRAWDOWN REQUEST

[on the Borrower's letterhead]

To: AGENCE FRANÇAISE DE DÉVELOPPEMENT

On: [*date*]

Borrower's Name – Credit Facility Agreement n° [•] dated [•]

Drawdown Request n°[•]

Dear Sirs,

1. We refer to the Credit Facility Agreement n° [•] entered into between the Borrower and the Lender dated [•] (the "**Agreement**"). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

2. This letter is a Drawdown Request.

3. We irrevocably request that the Lender makes a Drawdown available on the following terms:

Amount: EUR [•] or, if less, the Available Facility.

Interest Rate: [*fixed / floating*]

4. The Interest Rate will be determined in accordance with the provisions of Clause 4 (*Interest*) and Clause 5 (*Change to the calculation of interest*) of the Agreement. The Interest Rate applicable to the requested Drawdown will be provided to us in writing and we accept this Interest Rate [(subject to the paragraph below, if applicable)], including when the Interest Rate is determined by reference to a Replacement Benchmark plus any Adjustment Margin as notified by the Lender following the occurrence of a Screen Rate Replacement Event.

[For fixed Interest Rate only:] If the Interest Rate applicable to the requested Drawdown is greater than [•*insérer pourcentage en lettres*] ([•]%), we request that you cancel this Drawdown Request.

5. We confirm that each condition specified in Clause 2.4 (*Conditions precedent*) is satisfied on the date of this Drawdown Request and that no Event of Default is continuing or is likely to occur. We agree to notify the Lender immediately if any of the conditions referred to above is not satisfied on or before the Drawdown Date.

6. The proceeds of this Drawdown should be credited to the following bank account:

(a)	Name of the Borrower:	[•]
(b)	Address of the Borrower:	[•]
(c)	IBAN Account Number:	[•]
(d)	SWIFT Number:	[•]
(e)	Bank and bank's address of the Borrower:	[•]

7. This Drawdown Request is irrevocable.

8. We have attached to this Drawdown Request all relevant supporting documents specified in Clause 2.4 (*Conditions precedent)* of the Agreement:

[List of supporting documents]

Yours sincerely,

.....

Authorised signatory of Borrower

SCHEDULE 5B - FORM OF CONFIRMATION OF DRAWDOWN AND RATE

[on Agence Française de Développement letterhead]

To: [*the Borrower*]

Date: [•]

Ref: Drawdown Request n° [•] dated [•]

Borrower's Name – Credit Facility Agreement n°[•] dated [•]

Drawdown Confirmation n°[•]

Dear Sirs,

1. We refer to the Credit Facility Agreement n°[•] entered into between the Borrower and the Lender dated [•] (the "**Agreement**"). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

2. By a Drawdown Request Letter dated [•], the Borrower has requested that the Lender makes available a Drawdown in the amount of EUR [•], pursuant to the terms and conditions of the Agreement.

3. The Drawdown which has been made available according to your Drawdown Request is as follows:

   - Amount: [•*amount in words*] ([•])

   [***Option: floating Interest Rate Drawdowns :***

   - Applicable interest rate: equal to the aggregate of the six-month EURIBOR and the Margin]

   [***Option: fixed Interest Rate Drawdowns:***

   - Applicable interest rate: [•*percentage in words*] ([•]%)

   For information purposes only

   - Rate Setting Date: [•]
   - Fixed Reference Rate: [•*percentage in words*] ([•]%) per annum
   - Index Rate on the Signing Rate Setting Date: [•*percentage in words*] ([•]%)
   - Index Rate on the Rate Setting Date: [•].
   - Effective global rate (for a 6 month period): [•percentage in words] ([•]%)
   - Effective global rate (per annum): [•*percentage in words*] ([•]%)]

[It being specified that the above Interest Rate may vary in accordance with the provisions of clauses 4.1.1(a) (*Floating Interest Rate)* and 5.2 (*Replacement of a Screen Rate*) of the Agreement.]

Yours sincerely,

.....

Authorised signatory of *Agence Française de Développement*

SCHEDULE 5C - FORM OF RATE CONVERSION REQUEST

[on the Borrower's letterhead]

To: AGENCE FRANÇAISE DE DÉVELOPPEMENT

On: [*date*]

Borrower's Name – Credit Facility Agreement n°[•] dated [•]

Rate Conversion Request n°[•]

Dear Sirs,

1. We refer to the Credit Facility Agreement n°[•] entered into between the Borrower and the Lender dated [•] (the "**Agreement**"). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

2. Pursuant to Clause 4.1.3(a) (*Conversion from a floating Interest Rate to a fixed Interest Rate*) of the Agreement, we hereby request that you convert the floating Interest Rate of the following Drawdowns:

    - [***list the relevant Drawdowns***],

into a fixed Interest Rate in accordance with the terms of the Agreement.

3. This rate conversion request will be deemed null and void if the applicable fixed Interest Rate exceeds [•*percentage in words*] [•%].

Yours sincerely,

.....

Authorised signatory of Borrower

SCHEDULE 5D - FORM OF RATE CONVERSION CONFIRMATION

[on Agence Française de Développement letterhead]

To: [*the Borrower*]

Date: **[•]**

Re: Rate Conversion Request n° [•] dated **[•]**

Borrower's Name – Credit Facility Agreement n°[•] dated [•]

Rate Conversion Confirmation n°[•]

Dear Sirs,

SUBJECT: Conversion from a floating Interest Rate to a fixed Interest Rate

1. We refer to the Credit Facility Agreement n°[•] entered into between the Borrower and the Lender dated [•] (the "**Agreement**"). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

2. We refer also to your Rate Conversion Request dated [•]. We confirm that the fixed Interest Rate applicable to the Drawdown(s) referred to in your Rate Conversion Request delivered in accordance with Clause 4.1.3 (a) (*Conversion from a floating Interest Rate to a fixed Interest Rate*) of the Agreement is:

   - [•]% per annum.

3. This fixed Interest Rate, calculated in accordance with Clause 4.1.1 (*Selection of Interest Rate*) will apply to the Drawdown(s) referred in your Rate Conversion Request from [•] (effective date).

4. Further, we notify you that the effective global rate per annum of the Facility is [•]%.;Yours sincerely,

.....

Authorised representative of *Agence Française de Développement*

SCHEDULE 6 - ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Borrower shall provide for the implementation of the "Initiative to Nurture Sustainable Public Infrastructure through Renovations for Energy Efficiency" (the Project), with the involvement of the Ministry of Energy (MoEn) and through the Moldova Energy Projects Implementation Unit (MEPIU) with technical support of the National Centre for Sustainable Energy (CNED), and with the cooperation of the Ministry of Education and Research (MoER), of the Ministry of Health (MoH), and of the Beneficiary Institutions (owners of the facilities) as set out in this CFA. The Borrower will be assisted in the implementation phase of the Project by a Project Implementation Consultant (PIC). The Agence Française de Développement (AFD) acting in its own name, and the Kreditanstalt für Wiederaufbau (KfW) have agreed to provide financing for the Project, as set out in the agreements mentioned above.

2. AFD has agreed to provide funding for the Project as stated in this CFA. This Environmental and Social Commitment Plan (ESCP) is a summary document that sets out the commitments made by the Borrower to avoid, minimize, reduce or offset the risks and negative impacts of the Project on the human and natural environment. It supports the monitoring of the E&S performance of the Project.

3. The Borrower will implement the concrete measures and actions that are necessary to ensure that the Project is carried out in compliance with the applicable regulations and the following ES requirements:

   - AFD's Environmental and Social Risk Management Policy[5],
   - the World Bank Environmental and Social Standards (ESSs)[6],
   - the IFC's General Environmental, Health and Safety Guidelines[7],
   - the eleven ILO Fundamental Instruments[8],
   - the applicable ES requirements of the Republic of Moldova,
   - the prescriptions of the Environmental authorities of the Republic of Moldova as applicable to the project activities,
   - Directive 2009/148/EC (amended by the Directive 2668/22 Nov-2022), on the Protection of workers against risks related to exposure to asbestos at work.

4. The ESCP requires compliance with all the provisions of the documents already established for the Project.

5. In particular, the ESCP requires compliance with the provisions set out in the ESMF, General ESMP, E&S screenings etc. referred to in the following table. The table below summarizes the concrete measures and actions needed, with the corresponding timetable. The Borrower is required to enforce all requirements of the ESCP, even where the implementation of certain measures and actions is the responsibility of the parties referred to in paragraph 1 above.

6. The implementation of the concrete measures and actions defined in this ESCP will be monitored by the Borrower and reported to AFD in accordance with the ESCP commitments and the conditions of the agreement.

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[5] https://www.afd.fr/fr/politique-de-maitrise-des-risques-environnementaux-et-sociaux-lies-aux-operations-financees-par-lafd

[6] http://pubdocs.worldbank.org/en/935315252368193913/Environmental-Social-Framework-French2.pdf

[7] http://www.ifc.org/wps/wcm/connect/00dbdb8048855b7588f4da6a6515bb18/010_General%2BGuidelines.pdf?MOD=AJPERES&CACHEID=00dbdb8048855b7588f4da6a6515bb18

[8] https://www.ilo.org/international-labour-standards/conventions-protocols-and-recommendations

7. This ESCP may be revised during the implementation of the Project, in a manner that reflects adaptive management of changes or unforeseen situations that may occur as a result of the Project, or in response to a Project performance assessment conducted under the ESCP itself. In such situations, the Borrower will agree to these changes with AFD and revise the ESCP accordingly. The agreement on the amendments to the ESCP will be attested either by the exchange of letters signed between AFD and the Borrower or by means of the supervisory mission's written aids.

Where the performance of the Project itself or unforeseen situations or changes in the Project result in a change in risks and effects during the implementation of the Project, the Borrower shall make available additional funds, where appropriate, for the implementation of actions and measures to address these risks and effects.

Environmental and Social Commitment Plan

Themes	Actions required	Resources and Responsibilities	Timeline: preparation & implementation	Actual achievement indicator
MONITORING AND REPORTING				
REGULAR REPORTING	**Constantly monitor, prepare and submit to the Financiers regular monitoring reports on the environmental, social, health and safety performance of the Project**, including, but not limited to, the implementation of the ESCP, status of preparation and implementation of E&S instruments required under the ESCP, stakeholder engagement activities, and functioning of the grievance mechanism(s), management of contractors.	MEPIU With the support of the PIC	Semestrial and annual progress reports to the Financiers throughout Project implementation, commencing after the Effective Date. Submit each report to the Financiers no later than 30 days after the end of each reporting period.	Reception and validation of reports from the Financiers
INCIDENTS AND ACCIDENTS	a. **Promptly notify the Financiers of any incident or accident related to the Project** which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury. Prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating	MEPIU With the support of the PIC	a. Notify the Financiers no later than 48 hours after learning of the incident or accident. Provide a written report to the Financiers within a timeframe acceptable to the Financiers. b. At the signature of the MoU agreement/Delegation of ownership agreement with each	a. Written notification of reception from the Financiers b. Signed MoU agreement/Delegation of ownership agreement with each Beneficiary Institution

	immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate. b. Establish contractual obligations for the Facility Owners, Technical Managers[9] and the Contractors to promptly notify any incident or accident related to the Project to the MEPIU.		Beneficiary Institution.	
CONTRACTORS MONTHLY REPORTS	**Require contractors and Technical Managers to provide monthly monitoring reports on ESMP** (site-specific C-ESMPs) implementation and on Occupational Health and Safety subjects. Include the information from these reports in the progress reports to the Financiers. At any time during the construction works, Financiers are entitled to request a report on the progress and monitoring of the ESMP.	MEPIU With the support of the PIC	Include the monthly ESMPs implementation and OHS issues reports updates into the semestrial and annual progress reports to the Financiers.	Reception and validation of the reports from the Financiers
PERMITS, APPROVALS AND AUTHORIZATIONS	**Obtain permits, approvals and authorizations applicable to the Project from the appropriate authorities.** Comply with the conditions associated with these permits, approvals and authorizations throughout the implementation of the Project. Although it is not expected that the subprojects will need the development of a full EIA, the MEPIU will notify the Financiers in case a full EIA is required.	The Borrower/The Grantee, MEPIU With the support of the PIC	Before the start of any activity requiring a permit, approval or authorization.	Receipt of permits, approval and authorizations by local public authorities and concerned national authorities

[9] "Technical Manager" as per the role and responsibilities defined in the Law No. 121 of 92-02-1996 of the Republic of Moldova.

	and the Borrower/Grantee will provide the necessary funding.			
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS				
BUDGET REQUIRED FOR ESMF IMPLEMENTATION	Secure the budget for the implementation of the final version of the ESMF approved by the Financiers as well as related E&S instruments (e.g., ESMP etc.), in order to ensure the proper implementation of E&S measures and ensure sufficient resources to increase this budget if necessary to take into account any new or underestimated impacts.	The Borrower/The Grantee MEPIU	After the ESMF approval by the Financiers	Project Progress Reports
PROJECT DESIGN – IMPACT AVOIDANCE	Ensure close collaboration between the parties involved in the management of environmental and social subjects - including the MEPIU, the PIC, the Facility Owners - and the Design Firms so as to avoid and minimize as much as possible the impacts on environmental and social aspects.	MEPIU	Throughout the early stages of the implementation (pre-design) and the technical design studies for each subproject	Project Progress Reports
ORGANIZATIONAL STRUCTURE	a. Maintain and strengthen the MEPIU organizational structure with qualified staff and resources to support management of the ESHS risks and to implement the ESCP and all further contractual obligations with Financiers. To implement the project E&S Safeguards, address OHS requirements and gender topic, MEPIU will hire: **one social specialist with gender expertise (full-time), one**	The Borrower/The Grantee MEPIU	a. Establish and maintain the MEPIUs as set out in the Loan/Grant Agreement including the recruitment of E&S Specialists to monitor all E&S related matters during the project implementation.	Contracts signed

	environmental & OHS specialist (full time). b. Prepare, adopt and apply an Implementation Agreement between the Ministry of Energy and the MEPIU/CNED, stating, among others, the requirements for the E&S team mentioned above.		b. The implementation agreement is a requirement for the effectivity of the Loan/Grant agreement.	
ENVIRONMENTAL AND SOCIAL INSTRUMENTS	a. Adopt and implement the **Environmental and Social Management Framework (ESMF)** prepared for the Project according to the standards mentioned at Paragraph 3 of the ESCP. Ensure that any measures and actions specified in the documents are implemented diligently and completely. b. To the satisfaction of Financiers, update, disclose, adopt and implement a general **Environmental and Social Management Plan (ESMP)** as part of the ESMF, including specific plans as appropriate, for all Project components. The general ESMP will cover the Project' preparation, design construction and operational phases and will outline requirements for decommissioning as well. The general ESMP will include a comprehensive and appropriate **monitoring plan** covering all measures and provisions of the ESMP. c. Prepare, consult, disclose, adopt and implement **Stakeholders Management**	MEPIU with the support of the PIC	a. The final draft ESMF document shall be reviewed and accepted by the Financiers. The ESMF is adopted at the Financial Agreement signature. The ESMF is implemented by means of specific management plans throughout Project implementation. b. The general ESMP is updated following the technical surveys developed during the early stages of the project implementation and after the design stage, in preparation of the tenders for construction.	Project Progress Reports

	Plans (SEPs) for each subproject based on the SEF included in the ESMF. d. Ensure that for each subproject the Contractors develop and validate with the MEPIU, a Site-specific C-ESMP, in compliance with ESMF requirements, and in a manner acceptable to the Financiers, prior to the start of any construction activity.		c. The SEPs are prepared for each subproject in the early stages of the project implementation. d. Prior the start of any construction activity.	
TENDER DOCUMENTATION AND WORKS CONTRACTS	Incorporate the general ESMP into the ESHS specifications of the tender documentation for Contractors and suppliers and into the ESHS specifications of contracts for civil works. Ensure that the contractors are required to comply with the ESHS specifications of their respective contracts. Ensure that Contractors are required to provide trainings to all their workers on: (i) Occupational health and safety including on emergency prevention and preparedness and response arrangements to emergency situations; (ii) Community health and safety including HIV awareness, GBV and SEA/SH and (iii) Workers Grievance Redress Mechanism. Ensure that the bidding process, procurement and contracts with the suppliers, comply with the requirements of the World Bank Guidelines for Forced	MEPIU with the support of the PIC	As part of the preparation of all procurement tender documents and contracts for civil works	Tender documentation Contracts for civil works

	labor Risks in the Supply Chain for Solar Panels[10].			
MANAGEMENT OF CONTRACTORS	Review, validate and monitor the implementation of the site-specific C-ESMPs prepared by the Contractors for each subproject, by ensuring they incorporate the relevant E&S issues and/or plans identified in the General ESMP.	MEPIU with the support of the PIC Technical Managers	Validation by the MEPIU before the start of any construction activity, Monitoring throughout the duration of the construction works.	Construction Monthly Reports
TECHNICAL ASSISTANCE	Ensure that consultancies, studies, capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with Terms of Reference acceptable to the Financiers, that are consistent with the ESSs. Thereafter, before issuing the compensation for such services, ensure that the outputs of those activities comply with the Terms of Reference.	MEPIU with the support of the PIC	Throughout the Project implementation.	Project Progress Reports
CAPACITY SUPPORT (TRAINING/CAPACITY BUILDING)	Develop a training/capacity building activities targeting selected stakeholders as indicated in the ESMF to support the implementation process regarding: – E&S risks management; – Monitoring and reporting on ES performance; – Grievance Redress Mechanism; – Occupational health and safety (including SEA/SH) and gender equality.	MEPIU with the support of the PIC	During Project implementation as indicated in the ESMF	Project Progress Reports
TRAINING FOR PROJECT'S	a. Training for all Project's construction workers on GBV and SEA/SH	MEPIU with the support of the PIC	Prior to commencing the construction works	a. Certificate of participation

[10] https://thedocs.worldbank.org/en/doc/a5d4a4a88227973aecdbab19dd58258e-0290032021/original/Forced-Labor-Solar-Declarations-and-provisions-for-Procurement-Documents-ext.docx

CONSTRUCTION WORKERS	b. Training of contractors and selected workers in Asbestos Management as per European Standards			b. Training Certificate
ESS 2: LABOR AND WORKING CONDITIONS				
LABOUR MANAGEMENT PROCEDURE	a. Labor Management Procedures (LMP), included in the ESMF are to be applied to each subproject in accordance with the applicable requirements of ESS2 and include codes of conduct to prevent and manage incidents of SEA/SH. b. Ensure the Contractors develop a Contractor LMP (C-LMP) for each subproject.	MEPIU with the support of the PIC	a. LMP is part of the prepared ESMF and, as such, is disclosed for public consultations prior to the project commencement, reviewed and accepted by the Financiers, and adopted at the contract signature. b. The C-LMP shall be applied throughout project implementation.	a. Validated LMP and GRM as part of the adopted ESMF b. Construction Monthly reports
GRIEVANCE REDRESS MECHANISM FOR PROJECT WORKERS	a. Establish, operate and maintain a general grievance redress mechanism for Project workers and consistent with ESS2. b. Ensure contractors develop and implements their GRM for their employees. Workers must be informed of the GRM at the time of recruitment. The grievance mechanism must be	MEPIU Contractor	a. Establish grievance mechanism prior to engaging Project workers and thereafter maintain and operate it throughout Project implementation.	a. Validated LMP and GRM as part of the adopted ESMF b. Validated C-LMP for each subproject

	designed to address concerns promptly, using an understandable and transparent process, and to take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances. c. Require Contractor to deliver training of all contracted Workers to raise awareness about their contractual rights and obligations.		b. Submission C-LMP with the C-ESMP and validation by the MEPIU prior engaging Project workers and enforcement – throughout contract life. c. At minimum once during the duration of contract, and prior to start of works.	c. Construction Monthly reports
OHS MEASURES	The ESMP OHS measures for the Project's activities, will be integrated in the bidding documentation and contractual documents of contractors. The contract obligations will ensure that Contractors, subcontractors, and suppliers adhere to the same national and international standards. To ensure their implementation, the subprojects supervision will be done in accordance with the site-specific C-ESMP, developed based on the general ESMP. The applicable OHS measures shall include additionally those resulting from the hazardous material inventory (e.g., asbestos surveys) and shall contain a hazard / risk assessment of the planned works (such as working at heights and working with asbestos) and include an Emergency	MEPIU with the support of the PIC	Throughout implementation of the subprojects.	Project Progress Report

	Preparedness and Response Measures for the workers. The Directive 2009/148/EC (amended by the Directive 2668/22 Nov-2022), on the Protection of workers against risks related to exposure to asbestos at work will be applicable to all project activities.			
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT				
RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT	a. Incorporate resource efficiency and pollution prevention and management measures in the ESMP including, inter alia, measures to address noise and dust emissions and the generation of construction wastes and wastewater, including hazardous and non-hazardous waste. Ensure such measures are included in the contractors C-ESMP. b. The local public authorities (LPAs)shall determine the sites for the final disposal of demolition and construction waste. The designated disposal sites as well as the evacuation method and transportation route to the disposal site shall be authorized by the Environmental Agency.	a. MEPIU with the support of the PIC b. The LPAs, shall provide support to MEPIU and the PIC for identification of site for the construction wastes including asbestos-contraining materials (ACMs) for final disposal at an authorised landfill.	c. As part of the update of the general ESMP during the preparation of the design and construction phases, and as part of the revision of the C-ESMP. d. After the detailed technical surveys for each subproject and before the tender for design services and during the design stage to find out exact quantities of ACMs.	a. Waste and Asbestos Management Plan as included in the ESMF is updated and validated by the Financiers. b. Disposal sites proposed by LPAs are authorized by the Environmental Agency, with a corresponding evacuation method and transportion route for each authorized disposal site.
ESS 4: COMMUNITY HEALTH AND SAFETY				
TRAFFIC AND	a. Ensure the General ESMP includes	MEPIU	a. During preparation	a. Site-specific

ROAD SAFETY	Traffic and Road Safety measures adapted to all sites and all type of works to be conducted. Ensure that the contractor elaborates TMP as necessary in annex to the site-specific C-ESMPs. b. Approve and monitor the efficient implementation of traffic and road safety risks prevention measures for each subproject as relevant.	with the support of the PIC	and design phase. b. Approval of the contractor site-specific C-ESMPs for each subproject, shall be provided before the start of any activity in the construction site. Monitoring throughout the implementation of the subprojects.	C-ESMPs developed during the design stage are validated by MEPIU. b. Contactors' ESMPs developed before starting the construction activity are approved, and construction monthly reports are submitted. c.
COMMUNITY HEALTH AND SAFETY	a. Ensure the General ESMP includes inter alia, measures to prevent community exposure to waste (including hazardous waste) and communicable diseases relating to presence of labor (i.e., COVID-19 virus). b. Ensure the contractor includes such measures as necessary into the site-specific C-ESMPs. Approve and monitor the efficient implementation of Community Health and Safety risks prevention measures for each subproject as relevant.	MEPIU with the support of the PIC	a. During preparation and design phase. b. Approval of the contractor site-specific C-ESMPs for each subproject, shall be provided before the start of any activity in the construction site. Monitoring throughout the	a. Site-specific C-ESMPs are validated by the MEPIU. b. Construction Monthly reports

			implementation of the subprojects.	
GBV AND SEA/SH RISKS	a. Ensure that all project activities are carried out in compliance with the actions to prevent and mitigate risks of sexual exploitation and abuse and sexual harassment included in the ESMF. This includes, but is not limited to, the adherence to the Code of Conduct of the MEPIU for all employees, GBV-sensitized grievance mechanism, awareness raising of all employees on GBV risks and mitigation measures. b. Ensure that for each subproject the contractor includes in the site-specific C-ESMPs actions to prevent and mitigate risks of sexual exploitation and abuse and sexual harassment (SEA/SH) in line with the ESMF and enforce their implementation.	MEPIU with the support of the PIC	a. Throughout Project implementation. b. As part of the revision for approval of the site-specific C-ESMP.	a. Project Progress Report b. Site-specific C-ESMPs validated by the MEPIU.
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT				
LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT	a. Although it is not expected that the Project will cause land acquisition, loss of livelihood or displacement, notify Financiers in case any of the above is required. b. If displacement (physical and/or economical) is required ensure the actions are compliance with ESS5 and prepare a Resettlement Action Plan (or other E&S required instrument, e.g., Livelihood	MEPIU with the support of the PIC the Borrower/the Grantee	a. In the early stage of the project implementation, before the technical audits and any construction works on the affected subproject. b. Enforcement throughout	a. Written notification of reception from the Financiers b. Approved by the Financiers a Resettlement Action Plan or other required E&S instrument

	Restoration Plan) that outlines how resettlement will be managed, including timelines, budget, and responsibilities. Funding related to the elaboration and implementation of the Resettlement Action Plan is to be provided by the Borrower/Grantee. Engage with affected communities to inform them about the project and their rights and provide detailed information on the procurement process, compensation and grievance mechanisms. Provide support to those who need to relocate, including transportation, temporary housing, and help in finding new homes.		Project implementation.	
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES				
BIODIVERSITY CONSERVATION	Ensure that site-specific C-ESMP contain provisions, in accordance with the Project ESMP, on the preservation of the vegetation in the vicinity of the targeted buildings and along the vehicular paths used to reach the building. If tree removal is unavoidable, commit to compensatory planting by planting a greater number of trees elsewhere in the project area or in designated conservation areas.	MEPIU with the support of the PIC	Enforcement throughout Project implementation.	Site specific C-ESMPs and contractor Monthly reports
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES - Not relevant				
ESS 8: CULTURAL HERITAGE				

IDENTIFICATION OF CULTURAL HERITAGE, HISTORICAL STRUCTURES, MATERIAL CULTURAL HERITAGE	a. Ensure that, in the early stages of the implementation, the Project receives written endorsement from the National Archaeological Agency (protection of the buried artefacts) and from the Ministry of Culture (Monument Protection). The Project shall adapt to any of the procedures recommended as part of the expertise notices received from such Agencies. b. Include in the bidding requirements, a "Chance Find Procedure" to be observed by the Contractor during the entire duration of the construction site. Such procedure shall be included in each site specific C-ESMP.	MEPIU with the support of the PIC	a. In the early stage of the project implementation, after the technical audits and before the design tendering b. Enforcement throughout Project implementation.	a. Written notices for each subproject from the National Archaeological Agency and the Ministry of Culture. b. Contractors Monthly report include information on the use of "Chance find Procedure".
ESS 9: FINANCIAL INTERMEDIARIES - Not relevant				
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE				
STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION	Prepare, disclose and adopt and implement a Stakeholder Engagement Plans (SEP) for each subproject in line with the SEF (Stakeholder Engagement Framework) included in the ESMF, consistent with ESS10, which shall include measures to provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.	MEPIU with the support of the PIC	Prepare, disclose, consult and adopt the SEPs as early as possible in the project implementation, but at the latest prior to the start of any Project activity and thereafter implement the SEP throughout Project implementation.	First Project Progress Report: the SEPs for each subproject are validated and adopted

	The SEP may be updated (and redisclosed) as needed during Project implementation.			
PROJECT GRIEVANCE MECHANISM	Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10. The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.	MEPIU	Establish the Grievance Mechanism no later than (30) days after the Project start and at the latest prior to the start of any Project activity and thereafter operate and maintain throughout Project implementation.	First Project Progress Report: GRM is validated and adopted

SCHEDULE 7 - FORM OF FOLLOW-UP REPORT OF THE PROJECT'S INDICATORS

Indicators[11]	Baseline and target values	Calculation and source	Values as of *[date]*	Comments
Project indicator 1: Savings in final energy demand due to energy efficiency measures (in GWh/year) 1.a) Final energy demand for the renovated building	Baseline value (2025): 19.69 GWh/year Target value[12] (2031): 7.33 GWh/year			
1.b) Specific final energy demand for the renovated buildings	Baseline value (2025): 225 kWh/m²/yr Target value[13] (2031): 83 kWh/m²/yr			
Project indicator 2: Reduction of greenhouse gas emissions (in tons CO_2 equivalent/year)	Baseline value (2025): 0 t CO_2 equ./year Target value (2031): 4.231 t CO_2 equ./year			
Project indicator 3: Increase in user satisfaction after renovation of the buildings 3.a) increased satisfaction with regards to indoor climate/temperature	Baseline value (2025): tbd Target value (2031): ≥90% of surveyed users are satisfied or very satisfied			
3.b) increased satisfaction with regards to accessibility	Baseline value (2025): tbd Target value (2031): ≥90% of surveyed users are satisfied or very satisfied			
Project indicator 4: Savings in energy expenses through energy efficiency measures (calculated in the energy audits)	Baseline value (2025): 0 EUR/year Target value (2031): 1,949,099 EUR/year			

[11] Baseline and target values may need to be adjusted upon finalization of the shortlist and may need to be updated following the detailed energy audits.
[12] The target value might be adjusted based on data that will be collected on user behavior (potential change of user behavior expected due to increase in comfort level of renovated buildings, which could trigger a change in demand).
[13] The target value might be adjusted based on data that will be collected on user behavior (potential change of user behavior expected due to increase in comfort level of renovated buildings, which could trigger a change in demand).

Project indicator 5: Number of users benefiting from Energy Efficiency renovations*	Baseline value (2025): 0 Target value (2031): 200,000 ppl including 65% of women and girls.		
Output 1, Indicator 1.1: Number of buildings that are improved in terms of energy efficiency	Baseline value (2025): 0 Target value (2031): 30 buildings		
Output 1, Indicator 1.2: Surface area (in m^2) of buildings that are improved in terms of energy efficiency	Baseline value (2025): 0 Target value (2031): 93,257 m^2		
Output 2, Indicator 2.1: Additional solar energy generation capacity installed (MW)	Baseline value (2025): 0 MW Target value (2031): 1 MW		
Output 2, Indicator 2.2: Additional solar energy produced annually (MWh/year)	Baseline value (2025): 0 MW Target value (2031): 2,000 MWh/year		
Output 3, Indicator 3.1: Number of trainings and/or awareness raising sessions for the appropriate use of the energy efficiency adjustments that have been completed 3.a) Number of trainings and/or awareness raising sessions 3.b) Number of people trained	3.a) Baseline value (2025): 0 trainings Target value (2031): 60 trainings 3.b) Baseline value (2025): 0 people trained Target value (2031): ≥60 people trained		
Output 4, Indicator 4.1: Design documents and E&S instruments (e.g., ESMF, ESMP, SEF, CoC) incorporate gender and inclusion considerations, are developed and implemented	Baseline value (2025): No Target value (2031): Yes		

SCHEDULE 8 - INFORMATION THAT THE LENDER IS AUTHORIZED EXPRESSLY TO DISCLOSE ON THE LENDER'S WEBSITE (IN PARTICULAR ON ITS OPEN DATA PLATFORM)

1. Information relating to the Project

- Number and name in AFD's book;
- Description;
- Operating sector;
- Place of implementation;
- Expected project starting date;
- Expected Technical Completion Date; and
- Status of implementation updated on a semi-annual basis.

2. Information relating to the financing of the Project

- Kind of financing (loan, grant, co-financing, delegated funds);
- Principal amount of the Facility;
- Total amount drawn on annual basis;
- Drawdown amounts planning on a three year basis; and
- Amount of the Facility which has been drawn down (updated as the implementation of the Project goes).

3. Other information

- Transaction information notice attached to this Schedule; and
- The summary of the Project evaluation, the content of which is defined in Article 11.12 "Project Evaluation ".

SCHEDULE 8-1 **Transaction information notice**

MOLDOVA
INSPIREE – Energy efficiency in public buildings



In a context where Moldova is committed to reduce the energy intensity of the country, the INSPIREE project aims at improving energy efficiency of public buildings and access to public services through the renovation of higher education and health buildings.

CONTEXT

The Republic of Moldova is heavily dependent on imports for its energy supply: in 2021, the country's net energy imports accounted for nearly 85% of its total consumption. This situation poses geopolitical as well as socio-economic challenges to the country. In this context, Moldova plans, in its revised Nationally Determined Contribution, to reduce energy intensity by 10% and improve energy efficiency by 2% per year.

The building sector represents the largest share of final energy consumption in the country (55%). Public buildings, mostly built during the Soviet period, require major renovation as they are very energy-intensive, offer a low level of comfort and are exposed to climate risk (heat waves in summer and cold in winter).

DESCRIPTION

The project aims at contributing to the energy security of Moldova and improving public services through the energy rehabilitation of public buildings.

The specific objectives are to:

- Improve the energy efficiency of public buildings;
- Lower public expenditure on energy supply for public buildings;
- Improve the accessibility to public services offered in renovated buildings;
- Improve the resilience of public buildings to extreme weather events.

The project will focus on renovation of social infrastructure both in the higher education (universities and vocational training centers) and health sectors (regional hospitals). It will include a works component for the renovation of public buildings and a technical assistance component to support the project implementation as well as provide institutional capacity building to maximize and ensure impacts sustainability.

Country
MOLDAVIE

Signing date of the financing agreement
11/05/2026

Sector
Energy efficiency

Localisation
Moldova

Financing maturity
15 years

Financing tool
Sovereign loan

Financing amount
30 M € (AFD)

Beneficiary
Republic of Moldova

Implementing agency
Moldova Energy Projects Implementation Unit (MEPIU)

Main targeted Sustainable Development Goals

Project code : CMD 1013

AFD OFFICE IN MOLDOVA
72 strada Mihai Eminescu, MD-2012 | Tel: (+373) 60 39 86 72 | aldchsinau@afd.fr

RESULTS

The main expected results are the following:

- Total energy savings (demand): 123 GWh/year with an average of 60% energy savings on a total of almost 100,000 m2 of renovated buildings;
- GHG emissions reduction of 4.2 kteqCO2/year;
- Improved satisfaction of building users regarding thermal comfort and access to services;
- Decrease in public spending on energy bills : 2MEUR/year;
- 200.000 people benefiting from the renovation, 65% of whom are women;
- Improved resilience of buildings, including reduced water consumption;
- Creation of decent jobs in the construction sector.

STAKEHOLDERS AND INSTITUTIONNAL SET UP

The borrower is the Republic of Moldova, represented by its Ministry of Finance (MoF) with whom AFD will sign the financing agreement.

The project will be implemented by the Moldova Energy Projects Implementation Unit (MEPIU), an entity under the supervision of the Ministry of Energy and responsible for managing public projects in the energy sector. The MEPIU will be supported by an international implementation project assistance team recruited through international tender.

The project is cofinanced by KfW within the framework of the Joint European Financiers for International Cooperation (JEFIC) initiative.

FINANCING PLAN

The total cost of the project amounts 73 million euros and will be financed through (i) a 30M euros sovereign loan from AFD, a , 38,7M euros grant from KfW and (ii) a contribution of the Moldovan government estimated at 4.3 million euros.

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SCHEDULE 9 - NON-EXHAUSTIVE LIST OF ENVIRONMENTAL AND SOCIAL DOCUMENTS WHICH THE BORROWER PERMITS TO BE DISCLOSED IN CONNECTION WITH ES COMPLAINTS-MANAGEMENT MECHANISM'S RULES OF PROCEDURE

- E&S Scoping Report
- Environmental and Social Impact Assessment (ESIA)
- Environmental and Social Management Plan (ESMP)
- Environmental and Social Management Framework (ESMF)
- Resettlement Action Plan (RAP)
- Resettlement Policy Framework (RPF)
- Environmental and Social Engagement Plan (ESEP)
- Limited environmental and social assessment
- Limited environmental and social action plan
- Chapter from the environmental and social feasibility study
- Chapters from the environmental and social monitoring reports
- ESEP implementation monitoring reports

SCHEDULE 10 - STATEMENT OF INTEGRITY

Invitation of Bids/Proposals/Contract No._____

To:_____

I [Name], in my function as [function/position held] in [name of the company] and duly authorised representative for the signature of the contract to be signed for [title of the call for tender or the contract] hereby declare that we observe the highest standards of ethics during the procurement and, if we are successful in our tender, during the performance of the contract. We have not engaged nor will engage in, or have been convicted or sanctioned by any authority of Anti-Competitive Practices, Acts of Corruption, Fraud, Fraud against the Financial Interests of the European Union, Non-Cooperative Practices, Misuse of Co-financier's Funds or Assets, as well as any breach of any applicable anti-Money Laundering and counter-Terrorist Financing laws (hereafter referred to as "Prohibited Practices") including in particular any exclusion criteria as set out in Article 136 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union. Where convictions occurred, details of the conviction and remedial measures are provided. If such events should occur in the future, including if any instance of Prohibited Practices shall come to our attention, we hereby undertake to so inform the Republic of Moldova and AFD immediately.

Moreover, neither our company nor any entity member of the joint venture or of the consortium or any one acting on our behalf, such as sub-contractors, is the subject of a current exclusion /has been the subject of any debarment, exclusion or other sanctioning decision by any of the Co-financiers, EU institutions and/or any major Multi-lateral Development Bank (including World Bank Group, African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development or Inter-American Development Bank) on the grounds of Prohibited Practices and we further undertake to immediately inform the Republic of Moldova and AFD if this situation was to occur at a later stage. Where such a decision of exclusion has occurred, we commit to provide all necessary information and any remedial measures that have already been taken.

I also declare that neither our company nor any entity member of the joint venture, sub-contractor or of the consortium is currently included /has been included on the list of financial sanctions (including in particular the fight against financing of terrorism) adopted by the United Nations, the EU financial or any national sanction list which is binding for any of the Co-financiers and we further undertake to immediately inform the Republic of Moldova and AFD if this situation were to occur at a later stage.

We acknowledge that in the event our company, sub-contractor or any entity member of the joint venture or of the consortium (i) is, after this Statement of Integrity or the contract have been signed, added to any financial sanctions list enumerated above or (ii) is, before the contract has been signed, subject to any debarment, exclusion or otherwise sanctioning decision enumerated above or (iii) made a false statement in this Statement of Integrity, the contract may not be eligible for funding by one or more of the Co-financiers. We commit not to procure goods and services from countries which are under an embargo which is binding upon AFD and KfW.

We also acknowledge that, in any of the afore-mentioned events, the Republic of Moldova is entitled to exclude our company/the consortium from the procurement procedure and, if the contract is awarded to our company/the consortium, we undertake to take all necessary remedial actions in a manner

satisfactory tothe Republic of Moldova. Such events may lead to termination of the contract, in accordance with the terms of the contract.

We declare that we have paid, or will pay, the following commissions, benefits, gratuities, or fees with respect to the tendering process or execution of the contract to the following third party(ies) (such as an intermediary/agent):[14]

Name of Recipient	Address	Reason	Amount
.....	.....	.....	.....
.....	.....	.....	.....

We grant the Co-financiers and auditors appointed by either of them, [*in case of EU funding:* as well as any authority or European Union institution or body having competence under European Union law], the right to inspect and copy our books and records including those related to Prohibited Practices to the environmental, social, health, safety and security aspects of the current contract, as well as those of all our sub-contractors under the contract, as well as joint venture/consortium partners. We accept to preserve these books and records generally in accordance with applicable law but in any case for at least six years from the date of tender submission and, in the event we are awarded the contract, at least six years from the date of substantial performance of the contract.

I declare that our company / consortium and all of our suppliers, contractors, sub-contractors, consultants or sub-consultants undertake to comply with labour laws and national and international standards of environmental protection, health and safety applicable in the jurisdiction / country of implementation of the Project, including those contained in any relevant International Labour Organization (ILO) conventions and international agreements on environmental protection, as well as with mitigation measures of the E&S Management Plan if applicable.

Name: _____ In the capacity of: _____
Duly empowered to sign in the name and on behalf of:[15]

Signature: _____ Date: _____

[14] If none has been paid or is to be paid, indicate "none".

[15] In case of joint venture, the name of the joint venture is to be inserted here, and the covenant is be signed by the person duly authorised to sign the application, bid or proposal on behalf of the applicant, proposer, bidder or consultant.