ACORDUL
de Facilitate dintre Republica Moldova și Uniunea Europeană privind modalitățile specifice de punere în aplicare a sprijinului acordat de Uniunea Europeană în cadrul Mecanismului de Reformă și Creștere pentru Republica Moldova

Chișinău, 9 mai 2025

COPIE CERTIFICATĂ
TEXT ÎN LIMBA ENGLEZĂ

FACILITY AGREEMENT

BETWEEN

THE EUROPEAN UNION

Represented by the Commission

AND

THE REPUBLIC OF MOLDOVA

ON

Specific arrangements for the implementation of Union support under the Reform and Growth Facility for the Republic of Moldova

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The European Union represented by the European Commission, hereinafter referred to as the '**Commission**',

of the one part,

and the Republic of Moldova,

of the other part,

referred to individually as a '**Party**' and collectively as the '**Parties**'

WHEREAS

(1) Regulation (EU) 2025/535 of the European Parliament and of the Council established the 'Reform and Growth Facility for the Republic of Moldova' (the '**Facility**') provide assistance to the Republic of Moldova for the delivery of Union-related reforms, in particular inclusive and sustainable socio-economic reforms and reforms concerning fundamentals of the enlargement process, aligned with Union values, as well as investments to implement the Republic of Moldova's Reform Agenda.

(2) In accordance with Article 9 of Regulation (EU) 2025/535, on 16 April 2025 the Republic of Moldova submitted to the Commission a Reform Agenda for the period 2025-27, which provides an overarching framework to achieve the objectives of the Facility, setting out the reforms to be undertaken by the Republic of Moldova as well as investment areas.

(3) Pursuant to Article 11(1), point (i) of Regulation (EU) 2025/535, the Republic of Moldova is to plan to implement the qualitative and quantitative steps set out in the Reform Agenda by 31 December 2027.

(4) In accordance with Articles 12 of Regulation (EU) 2025/535, the Commission assessed the relevance, comprehensiveness and appropriateness of the Reform Agenda.

(5) The Reform Agenda was approved by Commission Implementing Decision C(2025) 2918 on 07.05.2025.

(6) In accordance with Article 18 of Regulation (EU) 2025/535, to leverage of Union financial support to attract additional investment, and to ensure Union control over the expenditure, infrastructure investments supporting the Reform Agenda are to be implemented through the Neighbourhood Investment Platform ('**NIP**').

(7) Considering that the Facility intends to fund investment projects with a long implementation period, it is justified to provide for an implementation period of 240 months, which is proportionate to the lifespan of the investment projects.

(8) In accordance with Article 8 of Regulation (EU) 2025/535, the Facility Agreement should constitute a framework agreement setting out specific arrangements for the implementation of Union support under the Facility, translating the relevant provisions

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of Regulation (EU) 2025/535 into bilateral rights and obligations for the Commission and the Republic of Moldova. It should also constitute a financing agreement within the meaning of Article 114(2) of Regulation (EU, Euratom) 2024/2509[1] (the 'Financial Regulation') as regards the amount of non-repayable support under the Facility for projects approved under the NIP.

(9) It is necessary to ensure that the rules on cooperation for the protection of the financial interests of the Union set by Article 129 and Article 223(4)(c) and of the Financial Regulation are enforced.

(10) The Facility Agreement is without prejudice to the duty to report to the European Public Prosecutor's Office (EPPO) any criminal conduct in respect of which it could exercise its competence pursuant to Article 24 of Council Regulation (EU) 2017/1939[2], as well as the notification flows between the Commission and the European Anti-Fraud Office (OLAF) and between the former and the EPPO defined in the Administrative Arrangements between the European Commission and OLAF (C(2018)7705 of 21 November 2018) and the working arrangement between OLAF and the EPPO of 5 July 2021, and the Agreement of 18 June 2021 between the European Commission and the EPPO.

(11) In the framework of the Union's restrictive measures, adopted on the basis of Article 29 TEU and Article 215 of the Treaty on the Functioning of the European Union (TFEU), no funds or economic resources may be made available, directly or indirectly, to or for the benefit of designated legal persons, entities or bodies. In addition, sectoral restrictive measures prohibit, among others, certain transactions with third countries subject to sanctions, prohibiting financing and financial assistance in relation to prohibited goods and services, prohibiting public or concession contracts with, and support under Union programmes for the benefit of persons in certain third countries subject to sanctions. The Facility Agreement should therefore set out an obligation for the Republic of Moldova to ensure that funding under the Facility is not provided in breach of any of the Union's restrictive measures.

HAVE AGREED AS FOLLOWS:

TITLE I: GENERAL PROVISIONS

Article 1 Interpretation and definitions

1. The terms used in this Agreement shall bear the same meaning as defined and attributed to them in Regulation (EU) 2025/535.

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[1] Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union, OJ L 239, 26.9.2024.

[2] Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO'), OJ L 283, 31.10.2017, p. 1.

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2. **'Union restrictive measures'** means restrictive measures adopted by the Union pursuant to Article 29 of the Treaty on European Union (TEU) or Article 215 of the Treaty on the Functioning of the European Union (TFEU).
3. The **'National Reform and Growth Facility Coordinator'** (the 'Coordinator') is the Republic of Moldova's interlocutor with the Commission for the overall implementation of the Facility.
4. The **Neighbourhood Investment Platform** ('NIP') is one of the regional investment platform, as referred to in Article 32
5. of Regulation (EU) 2021/947 of the European Parliament and of the Council.
6. **'Partner Financial Organisations'** means international financial institutions and national development banks that implement socio-economic investments in the Republic of Moldova under the NIP.
7. **'Request for the release of funds'** means the Republic of Moldova's request, in the form of Annex A, for release of the instalments.
8. **'Restricted person'** means any entity, individual or group of individuals designated by the Union as subject to the Union restrictive measures[3].
9. In addition, for the purpose of the protection of the financial interests of the Union, the definitions in Annex D apply.
10. References to this Agreement are intended as references to such Agreement as amended, supplemented or replaced.

Article 2 Subject and scope of the Agreement

1. In accordance with Article 8 of Regulation (EU) 2025/535, this Agreement lays down the principles of financial cooperation between the Commission and the Republic of Moldova under Regulation (EU) 2025/535. It sets out, among other elements, detailed provisions concerning:

   - the management, control, supervision, monitoring, evaluation, reporting and audit of the funds under the Facility; as well as
   - the measures to effectively prevent, detect, correct, and report irregularities, fraud, corruption and other illegal activities affecting the Union's financial interests, including conflicts of interests as well as to enable their effective integration and prosecution, by the competent Union and/or national bodies.

2. This Agreement also constitutes a financing agreement within the meaning of Article 114(2) of the Financial Regulation as regards the non-repayable support for projects approved under the NIP referred to in paragraph 3 of this Article.

[3] www.sanctionsmap.eu. The sanctions map is an IT tool for identifying the sanctions regimes. The sanctions stem from legal acts published in the Official Journal of the European Union (OJ). In case of discrepancy between the published legal acts and the updates on the website, the OJ version prevails.

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3. In accordance with Commission Implementing Decision C(2025) 2918 on 07.05.2025, approving the Reform Agenda for the Republic of Moldova, and Commission Implementing Decision C(2025)2950 approving the financing of the multiannual action plan in favour of the Neighbourhood East – Bilateral support to the Republic of Moldova, the Union makes available a maximum financial contribution of a maximum total amount of up to EUR 1500 million as loan support and up to EUR 135 million as non-repayable support and, to be released upon the positive assessment of the satisfactory fulfilment by the Republic of Moldova of the payment conditions set out in the Reform Agenda and in accordance with the rules of this Agreement and the Loan Agreement.

4. The non-repayable support shall be provided by the Union for projects approved under the Neighbourhood Investment Platform as referred to in Article 19 of this Agreement. This amount may be amended in accordance with the conditions set out in Article 17 of this Agreement.

5. Pursuant to Article 11, point (i) and 19(1), the Republic of Moldova shall plan for the implementation of the agreed qualitative and quantitative steps by 31 December 2027 at the latest, and submit a duly justified request for the release of funds in respect of fulfilled payment conditions related to these quantitative and qualitative steps without delay and at the latest by 29 February 2028.

6. Pursuant to Article 19(6) of Regulation (EU) 2025/535, any amount in the form of non-repayable support for projects approved under the NIP corresponding to payment conditions that have not been fulfilled by 31 December 2028 shall not be due to the Republic of Moldova and shall be decommitted.

7. The duration of the implementation period of this Agreement is 240 months from its entry into force.

8. Pursuant to Article 8(2) of Regulation (EU) 2025/535, this Agreement shall be complemented by a loan agreement.

9. Funding in the form of non-repayable support for projects approved under the NIP and loan support shall be granted to the Republic of Moldova only after this Agreement and the applicable loan agreement have entered into force.

10. The non-repayable support for projects approved under the NIP shall be implemented under indirect management by entrusted entities and shall be gradually provided through contributions in accordance with the terms of the contribution agreements concluded between the Commission and the Partner Financial Organisations using the NIP.

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Article 3 General principles for Union support under the Facility

1. Support from the Facility shall be managed by the Commission in a manner consistent with the key principles and objectives of economic reforms set out in the EU-Moldova Association Agreement [4] and the Union enlargement policy.

2. Cooperation under the Facility shall be needs-based and shall promote the development effectiveness principles, namely ownership of development priorities by the Republic of Moldova with a focus on clear conditionality and tangible results, inclusive partnerships with social partners and civil society organisations, as well as transparency and mutual accountability. That cooperation shall be based on an effective and efficient allocation and use of resources.

3. The provision of macro-financial assistance shall not fall within the scope of the Facility.

4. Support from the Facility shall be additional and complementary to the support provided under other Union programmes and instruments. Activities eligible for funding under Regulation (EU) 2025/535 may receive support from other Union programmes and instruments, provided that such support does not cover the same cost and that appropriate oversight and budget control is ensured. The Commission shall ensure complementarities and synergies between the Facility and other Union programmes, with a view to avoiding the duplication of assistance and double funding.

5. In order to promote the complementarity, coherence and efficiency of their actions, the Commission and the Member States shall cooperate and shall strive to avoid the duplication of assistance and ensure synergies between assistance under the Regulation (EU) 2025/535 and other forms of assistance, including integrated financial packages composed of both export and development financing provided by the Union, Member States, third countries, multilateral and regional organisations and entities, such as international organisations and the relevant international financial institutions, agencies and non-Union donors, in line with the established principles for strengthening operational coordination in the field of external assistance, including through enhanced coordination with Member States at local level. Such coordination at local level shall involve regular and timely consultations and frequent exchanges of information throughout the implementation of the Facility.

6. Activities under the Facility shall mainstream and promote democracy, human rights and gender equality, progressively align with the social, climate and environmental standards of the Union, mainstream climate change mitigation and adaptation, where relevant, disaster risk reduction, environmental protection and biodiversity conservation, including through, where appropriate, environmental impact assessments, and shall support progress towards the United Nations Sustainable Development Goals, promoting integrated actions that can create co-benefits and meet

[4] OJ L 260, 30.8.2014, ELI: http://data.europa.eu/eli/agree_internation/2014/492/oj

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multiple objectives in a coherent way. Those activities shall avoid stranded assets, and shall be guided by the principles of 'do no significant harm' and of 'leaving no one behind', as well as by the sustainability mainstreaming approach underpinning the European Green Deal. At least 37 % of the non-repayable financial support, including provisioning, provided to investment projects approved under the Neighbourhood Investment Platform shall be attributed to climate objectives.

7. The Republic of Moldova and the Commission shall ensure that gender equality, gender mainstreaming and the integration of a gender perspective are taken into account and promoted throughout the preparation of the Reform Agenda and the implementation of the Facility. The Republic of Moldova and the Commission shall take appropriate measures to prevent any discrimination based upon gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

8. The Facility shall not support activities or measures which are incompatible with the Republic of Moldova's National Energy and Climate Plan, its Nationally Determined Contribution under the Paris Agreement or its ambition to reach climate-neutrality by 2050, or activities or measures that promote investments in fossil fuels or cause significant adverse effects on the environment, the climate or biodiversity, unless such activities or measures are strictly required to achieve the objectives of the Facility, in particular Article 3(2), point (c), while taking into account possible transitional arrangements and while pursuing a mid- to long-term energy strategy to ensure energy security. Those transitional arrangements shall be accompanied, where relevant, by appropriate measures to avoid, prevent or reduce and, if possible, offset those adverse effects.

9. In line with the principle of inclusive partnership, the Commission shall strive to ensure, as appropriate, democratic scrutiny in the form of consultation by the Republic of Moldova's government of the parliament of the Republic of Moldova, local authorities, in accordance with the Republic of Moldova's national legal framework, and of relevant stakeholders, including social partners and civil society, as well as vulnerable groups, refugees, and all minorities and communities, as relevant, so as to allow them to participate in shaping the design and the implementation of activities eligible for funding under the Facility and in the related monitoring, scrutiny and evaluation processes, as relevant. That consultation shall seek to represent the pluralism of the Republic of Moldova's society. In addition, the Commission shall ensure that civil society in the Republic of Moldova, including non-governmental organisations, is able to directly report any irregularities concerning funding or final recipients to the Commission via appropriate standing channels.

10. The Commission, in close cooperation with the Member States and the Republic of Moldova, shall ensure the implementation of Union commitments to increased transparency and accountability in the delivery of support, including by promoting the implementation and reinforcement of internal control systems and anti-fraud policies. The Commission shall make information on the volume and allocation of support publicly available through the Facility scoreboard referred to in Article 24 of

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Regulation (EU) 2025/535. The Republic of Moldova shall publish up-to-date data on final recipients receiving Union funds for the implementation of reforms and investments under the Facility, as described in Article 21 of this agreement.

Article 4 EU restrictive measures

1. The Republic of Moldova shall ensure that no funds or economic resources are made available directly or indirectly to, or for the benefit of, a restricted person.

2. The Republic of Moldova shall ensure that no transaction subject to a verified 'hit' against the EU sanctions list shall benefit directly or indirectly from EU funding, in particular:

   - by screening for hits against the Union sanctions list, before entering into, and before making payments under, the relevant agreements, each contractor, grant beneficiary and final recipient with whom the Republic of Moldova or partner financial organisations on behalf of the Republic of Moldova, has or is expected to have a direct contractual relationship, so as to assess whether that recipient is a restricted person;

   - by screening or through other appropriate means (that may include an *ex post* verification) taking a risk-based approach, that no natural or legal person, entity or body that would indirectly receive Union funding is a restricted person.

3. In addition, the Republic of Moldova shall ensure that funding under the Facility shall not be provided in breach of any other restrictive measure adopted by the Union.

4. In the event that the Republic of Moldova assesses that any of the recipients (direct or indirect) of the EU funding is or has become a restricted person mentioned in paragraph 1, or that the funding is in breach of a restrictive measures mentioned in paragraph 3, the Republic of Moldova shall promptly inform the Commission.

5. Without prejudice to the obligation in paragraph 3, should the Commission assess that the use of Union financial assistance under the Facility results or has resulted in a breach of Union restrictive measures, it shall inform the Republic of Moldova, and the corresponding amounts shall become ineligible under the Facility. An adversarial procedure may be carried out to that end if the breach has not been remedied by the Republic of Moldova. This is without prejudice to any rights that the Commission may have to suspend or terminate on other grounds the action affected by such a breach, to recover any EU funding contributed by the Commission, or to suspend or terminate this Agreement.

6. This clause is without prejudice to the exemptions or derogations laid down in the Union restrictive measures.

7. The Republic of Moldova shall impose obligations set out in paragraphs 1 and 3 of this Article on all recipients of funds paid for the measures implementing the reforms and investment projects included in the Reform Agenda, or to all other natural persons

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or legal entities involved in their implementation, including Partner Financial Organisations. Those obligations shall expressly authorise - within the limits of their respective competences - the Commission, OLAF, the ECA and the EPPO to exercise their rights as provided for in Article 12 of this Agreement. The Republic of Moldova shall ensure the application of corrective measures, including recoveries, in accordance with its obligations under Article 9 of this Agreement.

Article 5 National Reform and Growth Facility Coordinator

1. The Republic of Moldova shall appoint a coordinator to act as the interlocutor with the Commission for the overall implementation of the Facility.

2. The Coordinator shall be a high-ranking representative of the government or the central administration of the Republic of Moldova with appropriate authority to act on behalf of the government and to coordinate the work of all relevant ministries and institutions involved in the implementation of the Facility.

3. The Coordinator shall have the following responsibilities:
   - Ensure the overall coordination, timely implementation, reporting and monitoring of the assistance to the Republic of Moldova, including the coordination within the administration and with other donors, as relevant, in line with the objectives set out in Regulation (EU) 2025/535.
   - Coordinate a regular high-level policy dialogue with the Commission.
   - Ensure a close link between the use of the Facility funds and the general accession process.
   - Ensure that the assistance received under the Facility is complementary to the assistance received from the European Union and to any other external assistance received by the Republic of Moldova, be responsible for the preparation, and submission of the requests for the release of funds under the Facility, for ensuring their veracity, and for the signature of the declaration of assurance.
   - Sign or co-sign the requests for payment under the loan agreement.
   - Have the (i) administrative capacity in terms of human resources (staff numbers and profiles), institutional experience and expertise, and (ii) the mandate and authority to exercise all relevant tasks, including reporting and monitoring responsibilities.
   - Be responsible for coordinating with the relevant authority on providing assurance about the satisfactory fulfilment of the relevant qualitative and quantitative steps identified for the implementation of the Reform Agenda, and that the funds were managed in accordance with all applicable rules, in particular rules on the avoidance of conflicts of interests, fraud prevention, corruption and double funding.
   - Steer and guide the work the Republic of Moldova's contribution to the Monitoring Committee referred to in Article 25 of this Agreement.

- Signs and ensures that the Commission receives the signed Engagement letters and the related proof of transfer of the Republic of Moldova's co-financing without delay as specified under Article 20 of this Agreement.
- Be responsible for coordinating the interlocutors with the Commission, the European Anti-Fraud Office (OLAF), the European Public Prosecutor's Office (EPPO), each acting within their respective competences, and the Republic of Moldova's authorities for the overall implementation of the Facility. The Coordinator shall ensure that the Commission, OLAF, the European Court of Auditors and the EPPO are able to freely exert their rights and have full access to exert their competences. In the case of OLAF, such rights shall include among others the right to carry out investigations, including on-the-spot checks and inspections, within the limits of its mandate, and, in the case of the EPPO, the rights set out in the applicable agreements on mutual legal assistance in criminal matters.
- Be responsible for coordinating the efforts to ensure that the funds under the Facility are used for their intended purpose in accordance with the principles of sound financial management, transparency, equal treatment, non-discrimination and proportionality for their intended purpose;
- Be responsible for coordinating the Republic of Moldova's entities that must ensure that the funds under the Facility are managed properly, in particular in accordance with the Republic of Moldova's rules complemented by Union and OECD audit standards and rules on the prevention, detection and correction of fraud, corruption and any other illegal activities as well as conflicts of interests and irregularities affecting the Union's financial interests.
- Ensure the collection of, access to, and transfer into an electronic format, of data on natural persons and legal entities receiving funding for the implementation of measures under the Facility, in accordance with Article 20 and 21(2)(d) of Regulation (EU) 2025/535.
- Be responsible for ensuring the monitoring of the setting up and operationalisation of the internal control systems referred to in Article 9 of this Agreement.
- Be responsible for maintaining appropriate procedures for drawing up the declaration of assurance and the summary of the audits and controls carried out at national level. This includes:
    - an effective procedure for drawing up the declaration of assurance in accordance with the model in Annex B, documenting the summary of audits and controls and keeping the underlying information for the audit trail; and
    - effective procedures to ensure that all cases of irregularities, fraud, corruption and conflicts of interests affecting the Union's financial interests are properly reported and corrected through recoveries.
- Maintain an effective system to store all information and documents necessary for the audit trail purposes of the implementation of the qualitative and quantitative steps are held.

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- Ensure that appropriate measures, including procedures to check that the relevant qualitative and quantitative steps identified for the implementation of the Reform Agenda have been fulfilled and that the principles of sound financial management have been complied with. This includes:
    - the appropriate means for the authorities entrusted with the Reform Agenda's implementation to check that the relevant qualitative and quantitative steps have been fulfilled (e.g. desk reviews, on-the-spot checks); and
    - the appropriate means for those authorities to check that there are no irregularities, fraud, corruption, or other illegal activities, including conflicts of interests affecting the Union's financial interests, and double funding (e.g. desk reviews, on-the-spot checks).

TITLE II: RULES FOR IMPLEMENTATION

Article 6 Pre-conditions, general conditions and payment conditions for Union support under the Facility

1. Financing under this Facility is subject to the fulfilment by the Republic of Moldova of pre-conditions, general conditions and payment conditions, which are to be fulfilled for any release of funds, except for pre-financing to which only the pre-conditions and the general conditions shall apply.

2. The pre-conditions for the support under the Facility shall be those set out in Article 5(1) of Regulation (EU) 2025/535.

3. Pursuant to Article 10(3) of Regulation (EU) 2025/535, general conditions for support under the Facility are macro financial stability, sound public financial management, transparency and oversight of the budget. Funds under the Facility shall not support activities or measures which undermine the sovereignty and territorial integrity of the Republic of Moldova.

4. The payment conditions for support under the Facility are laid down in the Reform Agenda as defined in Article 2(6) of Regulation (EU) 2025/535. Where the Reform Agenda, including the relevant payment conditions under it, is no longer achievable by the Republic of Moldova, either partially or totally, because of objective circumstances, the Republic of Moldova may propose an amended Reform Agenda. In that case, the Republic of Moldova may make a reasoned request to the Commission to amend its implementing decision approving the Reform Agenda referred to in Article 13(1) of Regulation (EU) 2025/535.

5. In the event that a request for the release of funds or a request for payment includes a step[5] related to negotiation Chapter 32 referred to in Article 22(2) of Regulation (EU)

[5] Steps related to the Reforms "*Strengthened external audit system and public internal and financial control*" and "*Antifraud measures and protection of EU financial interests*" as outlined in the Reform Agenda

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2025/353, the Commission shall not adopt a decision authorising the release of funds unless it assesses such step positively.

TITLE III: TAXES AND ELIGIBILITY

Article 7 Taxes, duties and charges

1. The Union funding shall not generate or activate the collection of specific taxes, duties or charges. Article 3 of the Framework Agreement between the Republic of Moldova and the Commission[6] shall apply to this Facility.

2. The present Article is without prejudice to the privileges and immunities of the entities implementing Facility funds under indirect management, and of any agreement that these entities have concluded or may conclude with the Republic of Moldova in respect to taxes, duties and charges.

Article 8 Rules on eligibility of persons and entities, on the origin of supply and materials and on restrictions under the Facility

1. Pursuant to Article 7 of Regulation (EU) 2025/535, participation in procurement and in grant award procedures for activities financed under the Facility shall be open to international and regional organisations, and to all natural persons who are nationals of, or legal persons effectively established in:

   a. Member States of the European Union, the Republic of Moldova, candidate countries and contracting parties to the Agreement on the European Economic Area;

   b. countries which provide a level of support to the Republic of Moldova comparable to that provided by the Union, taking into account the size of their economy, and for which reciprocal access to external assistance in the Republic of Moldova is established by the Commission.

2. The reciprocal access referred to in paragraph 1(b) may be granted for a limited period of at least one year where a country grants eligibility on equal terms to entities from the Union and from countries eligible under the Facility. The Commission shall decide on the reciprocal access after consulting the Republic of Moldova.

3. All supplies and materials financed and procured by the Republic of Moldova under this Facility shall originate from any country referred to in paragraph 1(a) and (b), unless those supplies and materials cannot be sourced under reasonable conditions in any of those countries. In addition, the rules on restrictions laid down in paragraph 6 shall apply.

[6] This Framework Agreement sets out the detailed provisions concerning the rules applicable to the performance of actions financed wholly or partially by the community, notably regarding foreign exchange, tax and customs duties. It was signed on 11 May 2006.

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4. The eligibility rules under this Article shall not apply to, and shall not create nationality restrictions for, natural persons employed or otherwise legally contracted by an eligible contractor or, where applicable, subcontractor except where the nationality restrictions are based on the rules provided for in paragraph 6.

5. For activities jointly co-financed by an entity or implemented under direct management or indirect management with entities referred to in Article 62(1), first subparagraph, point (c), of the Financial Regulation, the rules applicable to those entities shall also apply in addition to the rules established under this Article, including, where applicable, the restrictions provided for under paragraph 6 of this Article and duly reflected in the financing agreements and contractual documents signed with those entities..

6. The eligibility rules and rules on the origin of supplies and materials in paragraphs 1 and 3 and the rules on the nationality of the natural persons as set out in paragraph 4 may be restricted with regard to the nationality, geographical location or nature of the legal entities participating in award procedures, as well as with regard to the geographical origin of supplies and materials, where:

   a. such restrictions are required on account of the specific nature or objectives of the activity or specific award procedure or where those restrictions are necessary for the effective implementation of the activity;

   b. the activity or specific award procedures affect security or public order, in particular concerning strategic assets and interests of the Union, of Member States, or of the Republic of Moldova, including the security, resilience and protection of integrity of digital infrastructure, including 5G network infrastructure, communication and information systems, and related supply chains.

7. Tender applicants and candidates from non-eligible countries may be accepted as eligible in cases of urgency or where services are unavailable in the markets of the countries or territories concerned, or in other duly substantiated cases where the application of the eligibility rules would make the realisation of an activity impossible or exceedingly difficult.

TITLE IV: PROTECTION OF THE FINANCIAL INTERESTS OF THE UNION

Article 9 Internal control systems, and obligations to fight mismanagement of funds

1. In accordance with Article 21 of Regulation (EU) 2025/535, the Republic of Moldova shall ensure that an effective and efficient internal control system is in place, applying internationally recognised internal control principles[7] and ensuring the prompt

[7] Reference is made to the COSO Internal Control Principle – Integrated Framework as applied by the Commission: C(2017) 2373 final.

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recovery of amounts wrongly paid or incorrectly used. the Republic of Moldova may rely on its regular national budget management systems to implement the Facility.

2. As a matter of priority, during the first years of the implementation of the Facility the Republic of Moldova's authorities shall take all the appropriate measures to protect the financial interest of the Union and improve further the efficiency and effectiveness of the internal control systems to align with the Union *acquis* (under the criteria for public administration reform, public finance management and accession negotiation in Chapter 8: competition policy, Chapter 23: judiciary and fundamental rights, Chapter 24: justice, freedom and security, and Chapter 32: financial control). This includes adequate mechanisms to protect whistleblowers as well as appropriate mechanisms and measures to effectively prevent, detect and correct irregularities, fraud, corruption and other illegal activities affecting the Union's financial interests including conflicts of interests as well as to strengthen the fight against money laundering, organised crime, misuse of public funds, terrorism financing, tax avoidance, tax fraud or tax evasion, and other illegal activities affecting the funds provided under the Facility, to ensure that there is no double funding from the Facility and other Union programmes and that amounts wrongly paid or incorrectly used can be recovered.

3. The Republic of Moldova shall ensure access for the Commission or its representatives to all institutions and documents needed to carry out any audit, verification and on-the-spot checks.

4. As part of this responsibility, the Republic of Moldova shall:

   a. Make decisive progress towards putting in place a robust legal framework to fight fraud and corruption, including high-level cases of corruption.
   b. Improve further the efficiency and effectiveness of the control systems while applying internationally recognised internal control principles.
   c. Put in place adequate mechanisms to protect whistleblowers in line with the protection regime of Directive (EU) 2019/1937[8], where applicable, or with an equivalent protection regime under the Republic of Moldova's legislation.
   d. Maintain appropriate mechanisms and take appropriate measures to effectively prevent, detect and correct irregularities, fraud, corruption or any other illegal activities affecting the financial interests of the Union, including conflicts of interests as well as to strengthen the fight against money laundering, organised crime, misuse of public funds, terrorism financing, tax avoidance, tax fraud or tax evasion, and other illegal activities affecting the funds provided under the Facility.
   e. Take appropriate measures to allow the competent authorities of the Republic of Moldova to investigate and prosecute criminal offences affecting the financial interests of the Union.

[8] Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law, OJ L 305, 26.11.2019, p. 17.

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f. Detect and avoid double funding.

g. Regularly check that the financing provided has been used properly and in accordance with all applicable rules, in particular on the satisfactory fulfilment of the relevant qualitative and quantitative steps identified for the implementation of the Reform Agenda and on the prevention, detection and correction of fraud, corruption or any other illegal activity, as well as conflicts of interests and irregularities affecting the Union's financial interests.

h. Ensure the prompt recovery of amounts wrongly paid or incorrectly used.

i. Ensure that the Commission, OLAF, the ECA and the EPPO represented by their respective own agents or mandated experts, are granted access to the data referred to in Article 21, in compliance with Union data protection principles and with applicable data protection rules.

j. Provide adequate supporting documents proving, in particular, that the Reform Agenda's implementation complies with the obligations under this Agreement and that the qualitative and quantitative steps of the Reform Agenda as approved by the Commission Implementing Decision have been implemented, if requested to do so in the context of the controls or audits described in Article 12 of this Agreement. These documents should be kept until the end of 2033 for audit purposes.

   In line with Article 133 of the Financial Regulation, the Republic of Moldova shall keep records and documents pertaining to audits, appeals, litigation and the pursuit of claims relating to their legal commitments or pertaining to OLAF investigations and shall retain such records and documents until such audits, appeals, litigation and pursuits of claims or investigations have been closed. For records and documents pertaining to OLAF investigations, the obligation to retain shall apply once those investigations have been notified to the recipient.

   In line with Article 133 of the Financial Regulation, the Republic of Moldova shall keep records and documents either in the form of the originals, or certified true copies of the originals, or on commonly accepted data carriers including electronic versions of original documents or documents existing in electronic version only. Where electronic versions exist, no originals shall be required where such documents meet the applicable legal requirements in order to be considered as equivalent to originals and to be relied on for audit purposes.

5. Any changes to the Republic of Moldova's internal control systems as described in the Reform Agenda shall be communicated to the Commission without delay.

6. The Commission shall be sufficiently assured that the payment conditions set out in the Reform Agenda have been satisfactorily fulfilled as indicated in the corresponding request for the release of funds. The Commission may request supplementary information and perform audits (verifications) or on-the-spot checks, which may be carried out on a risk basis.

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7. The Republic of Moldova shall strengthen the fight against fraud, corruption and other illegal activities affecting the financial interests of the Union throughout the implementation of the Facility. The timely implementation of the relevant reforms under the Reform Agenda is crucial for achieving this goal. In addition, the Republic of Moldova shall ensure that its authorities commit to improve further internal procedures to prevent and/or investigate cases of fraud, corruption, money laundering, terrorism financing, tax avoidance, tax fraud or tax evasion, and other illegal activities affecting the financial interests of the Union.

8. Upon request, the Republic of Moldova will make available to the Commission all requested information, to monitor compliance with the Republic of Moldova's obligations under this Article.

Article 10 Anti-fraud Coordination Service

1. The Republic of Moldova shall use the independent anti-fraud coordination service to facilitate effective cooperation and exchange of information, including information of an operational nature, with OLAF. This service shall notably:

   a. support cooperation between the Republic of Moldova's administration and prosecution authorities and OLAF;
   b. lead the creation/implementation of a national strategic framework to protect the financial interests of the Union, preceded by a risk assessment;
   c. contribute to identifying possible weaknesses in the Republic of Moldova's systems for managing Union funds, including the financial assistance under this Facility;
   d. provide advice on anti-fraud matters as well as staff training, including on fraud prevention and detection;
   e. share information on irregularities, fraud, corruption and any other illegal activities affecting the Union's financial interests, including conflicts of interest, with OLAF.
   f. ensure the fulfilment of all the obligations under Regulation (EC, Euratom) No 883/2013 of the European Parliament and of the Council, Council Regulation (Euratom, EC) No 2988/1995 and Council Regulation (EC, Euratom) No 2185/1996.

2. The anti-fraud coordination service of the Republic of Moldova responsible for the effective prevention and detection of irregularities, fraud, corruption and other illegal activities affecting the financial interests of the Union, including conflicts of interest, shall prepare and approve a methodology, in accordance with Article 9 of this Agreement, on how suspected cases will be treated internally, how the Republic of Moldova will report them to the Commission, in accordance with the model provided in Annex B and how it will follow up to remedy them.

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3. The Coordinator must ensure coordination with the anti-fraud coordination service while respecting its independence.

Article 11 The EU's anti-fraud structure and the Republic of Moldova's cooperation with it

1. The Republic of Moldova's competent authorities shall cooperate closely with the Commission, OLAF, the European Court of Auditors and the EPPO - within the limits of each body's respective competences - on the prevention, detection and correction of irregularities, fraud, corruption and any other illegal activities affecting the financial interests of the Union, including conflicts of interests, as well as the investigation and prosecution of offences affecting the funds provided under the Facility. Where appropriate, the Republic of Moldova shall make use of the support mechanisms provided by Eurojust.

2. Any person or entity, including national authorities, implementing Union funds under the Facility shall have the obligation to notify, without delay, the Commission and OLAF of any information relating to possible cases of irregularity, fraud, corruption and other illegal activities affecting the financial interests of the Union, including conflicts of interest, and the EPPO of any criminal conduct affecting the funds under the Facility that may fall within its competence. For that purpose, they shall preferably use a single-entry point provided by the Commission. Any person who notifies the Commission, OLAF or the EPPO of such information is to be protected against any form of retaliation, in line with the protection regime of Directive (EU) 2019/1937, where applicable, or with an equivalent protection regime under the Republic of Moldova's legislation. The national anti-fraud coordination service will report to the Commission and OLAF on the implementation of this obligation in the cases where it notified itself information that is relevant under this paragraph, or where it has coordinated, supported or assisted other persons or entities in such notification.

3. The Republic of Moldova's national authorities shall, in line with the requirements set out in Annex C, report to the Commission without delay on irregularities, fraud, corruption and other illegal activity, which have been the subject of a primary administrative or judicial finding, regardless of whether OLAF or the EPPO were notified under paragraph 2 of this Article. They shall also keep the Commission informed on the progress of administrative and legal proceedings. For that purpose, the Republic of Moldova's authorities shall use the Irregularity Management System (IMS) set up by the Commission.

4. The Republic of Moldova shall ensure the effective investigation and treatment of suspected cases of irregularities, fraud, corruption and any other illegal activities affecting the financial interests of the Union, including conflicts of interest, and make use, where appropriate, of the support by Eurojust.

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5. The Republic of Moldova, including the decision-makers and staff responsible for the implementation of actions under the Facility, shall put in place procedures and take all precautions necessary to prevent and eliminate any conflicts of interest, notably by ensuring that the decision-makers and staff concerned refrain from dealing with the subject matter concerned.

6. In addition to controls under Article 12 of this Agreement, the Commission may exert its rights as provided for in Article 129(1) of the Financial Regulation and may carry out verifications, reviews, checks and audits for the implementation of the Reform Agenda regarding:

   a) the measures in place and their effective implementation to prevent, detect, investigate, and correct and report fraud, corruption, and any other illegal activity affecting the Union's financial interests, conflicts of interests and irregularities, including the effective investigation and prosecution of offences affecting the funds provided under the Facility.

   b) the information and justification regarding the satisfactory fulfilment of the qualitative and quantitative steps in a request for the release of funds.

   Such verifications, reviews, checks and audits may be carried out during the implementation of the Reform Agenda and, with the exception of OLAF investigations and EPPO investigations and prosecutions, until five years starting from the date of the final release of funds and may cover the information system used by the Republic of Moldova to collect and provide data that is used to justify the completion of qualitative and quantitative steps identified in relation to the implementation of the Reform Agenda. These procedures shall be formally notified to the Republic of Moldova. If needed, the Commission may be assisted by independent experts or external audit firms.

7. Failure to comply with the obligations set forth in this Article and in Article 12, including non-reporting of irregularities or non-cooperation on anti-fraud matters with the Commission, OLAF, ECA and the EPPO, shall constitute a case of serious breach of obligations under this Agreement and may therefore lead to a reduction of the financial contribution or the recovery of all or part of the disbursements made by it as provided for in Article 18(1) of this Agreement.

Article 12 Rights of the Union institutions, bodies, offices and agencies to monitor the implementation of the Facility, investigate and obtain access

1. The agents of the Commission, OLAF, the European Court of Auditors, and the EPPO shall, within the limits of their respective mandates, have the right to carry out any investigative or audit acts, including technical, financial and system verifications or audits, that they may consider necessary to follow the implementation of the Reform Agenda. This includes visits of sites and premises where the Facility-funded activities are, will or have been implemented or managed.

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2. Under the same conditions referred to in paragraph 1 this Article and Article 9(4) of this Agreement, the Republic of Moldova shall ensure that the agents or representatives of the Commission, OLAF, the ECA and the EPPO can, each acting within their respective competences, inspect and collect all relevant documentation, digital data, assets and accounts pertaining to items financed under this Agreement, and assist them to carry out their tasks relating to the Facility.

3. Where privately-owned devices, which are not owned by the inspected authority, are used for work purposes, those devices may be subject to inspection by OLAF. OLAF shall subject such devices to inspection only under the same conditions and to the same extent that national control authorities are allowed to investigate privately-owned devices and where OLAF has reasonable grounds for suspecting that their content may be relevant for the investigation.

4. To ensure the effective protection of the financial interests of the Union, the Commission, OLAF and the EPPO, shall be able to conduct all relevant investigative acts within their respective competences, and in particular, in the case of OLAF, on-the-spot checks and inspections. These checks and inspections shall be prepared and conducted in close collaboration with the Republic of Moldova, which shall be notified in good time of the object, purpose and legal basis of the checks and inspections, so that it can provide all the required assistance. The Republic of Moldova shall identify a service with law-enforcement powers, which will assist OLAF in conducting investigations in accordance with Regulation (EU, Euratom) No 883/2013 and Regulation (EC, Euratom) No 2185/1996 upon OLAF's request and cooperate with the EPPO in the exercise of its competences.

5. Where the inspected person or entity resists an on-the-spot check, investigation or inspection, the Republic of Moldova acting in accordance with its own national laws and rules, shall provide to the Commission, OLAF and the EPPO the necessary assistance to allow them to carry out their duty in conducting an on-the-spot check or inspection.

6. The following bodies may exert their rights provided for in Article 129(1) of the Financial Regulation to carry out reviews, checks, audits and investigations, within the limits of their respective mandates:

   - OLAF under Regulations No 883/2013 and No 2185/1996;
   - the EPPO under Regulation 2017/1939; and
   - the European Court of Auditors (ECA) under Article 287 of the Treaty on the Functioning of the European Union (TFEU) and Article 263 of the Financial Regulation.

7. The Commission may take the measures it considers necessary, including, in cases of fraud, corruption, conflicts of interests or a serious breach of obligations in this Agreement, to reduce the financial contribution, and to recover all or part of the disbursements made by it, as provided for in Article 17 and 18 of this Agreement.

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8. In addition, the Commission or its representatives shall have the right to perform at any time verifications, audits or on-the-spot-checks of the Republic of Moldova's internal control systems at any time in accordance with internationally recognised standards. The Commission or its representatives shall perform a systems review of the Republic of Moldova's internal control systems no later than 2026. The resulting audit report shall contain recommendations to the Republic of Moldova to improve its Internal Control Systems. When the verification, audits or on-the-spot-checks result in findings, the Commission or its appointed representatives shall draw up a draft report containing the provisional findings. The Commission or its appointed representatives shall formally notify the draft report and invite the Republic of Moldova to provide observations. Considering these observations, the Commission or its representatives will issue a final report setting out final recommendations. The Republic of Moldova shall draw up an action plan to implement each recommendation or provide justification on why it has not done so. The Republic of Moldova shall submit the action plan and, if relevant, any justification, to the Commission for approval within 2 months of the receipt of the final report.

9. The Republic of Moldova shall grant agents or representatives of the Commission, OLAF, the ECA and the EPPO, and their authorised representatives, within their respective competences and in accordance with their applicable legal framework, access to sites and premises at which investments and reforms financed under this Agreement are carried out, and to data as set out in Article 9(4) of this Agreement.

   The Republic of Moldova shall also grant the Commission, OLAF, the ECA and the EPPO full and direct access to the database set up under Article 21(5) of this Agreement and to any other national databases, where relevant, for the exercise of their mandate. Upon reasoned request, the Republic of Moldova shall also provide OLAF and the EPPO with information on bank accounts relevant for their investigations and, where strictly necessary for an investigation, information on bank transactions. Access, within the limits of their respective competence, by authorised representatives of the Commission, OLAF, the ECA and the EPPO shall be granted on conditions of strict confidentiality with regard to third parties, without prejudice to public law obligations to which they are subject.

10. The Republic of Moldova's competent authorities shall treat, without delay, mutual legal assistance requests and extradition requests issued by the EPPO and Member States' competent authorities regarding criminal offences affecting the funds issued under Regulation (EU) 2025/535. They shall do so in accordance with the relevant instruments on international cooperation in criminal matters, in particular the European Convention on Mutual Assistance in Criminal Matters and its additional Protocols.

11. The controls and audits described above apply to all recipients and sub-contractors who have received assistance under the Facility, whether or not they are named in the contract or grant agreement. Such controls and audits also apply to documents and data on the national contribution, if any, by the Republic of Moldova.

TITLE V: RELEASE OF FUNDING, RECOVERY AND ENFORCEMENT

Article 13 Pre-financing

1. Following the submission of the Reform Agenda to the Commission, the Republic of Moldova has requested the release of a pre-financing of up to 18% of the maximum amount foreseen as set out in Article 2(3) of this Agreement.

2. The Commission may release the requested pre-financing after the entry into force of this Agreement and of the loan agreement referred to in Article 2(8) of this Agreement, upon completion of the appropriate procedures. The funds shall be released subject to the fulfilment of the pre-conditions and the general conditions set out in Article 6 of this Agreement.

3. For non-repayable support for projects approved under the NIP, pre-financing released according to paragraph 1 will be cleared by deducting a percentage from each instalment. This percentage is calculated as the ratio of the remaining uncleared pre-financing to the remaining amount allocated for non-repayable support for projects approved under the NIP. The deduction will continue until the pre-financing has been fully cleared. Amounts of pre-financing that have not been cleared by 30 June 2029 shall be immediately due and payable. The Commission shall be entitled to offset such amounts against any claim that the Republic of Moldova has vis-à-vis the Union.

4. Upon request of the Republic of Moldova in its request for release of funds, additional amounts may be deducted from each instalment in order to clear the pre-financing earlier.

5. Any uncleared pre-financing shall be recovered or offset in full following the termination of this Agreement.

6. The loan agreement referred to in Article 2(8) of this Agreement shall set out the specific rules related to the payment and the clearing of the pre-financing of the loan support.

Article 14 Rules on the release of funds

1. Payments of the non-repayable financial support and of the loan to the Republic of Moldova under this Article shall be made in accordance with the budget appropriations and subject to the available funding. Payments shall be made in instalments. An instalment may be disbursed in one or more tranches.

2. With the exception of the pre-financing, the Republic of Moldova shall submit twice per year a duly justified request for the release of funds using the template provided in Annex A to this Agreement.

3. Each request for the release of funds shall report on the payment conditions related to the quantitative and qualitative steps set out in the Reform Agenda that were planned

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to be implemented by the end of the preceding six-months period as per the indicative timetable included in the Reform Agenda. These six-months periods will end on 30 June and 31 December of each year, starting on 30 June 2025, and ending on 31 December 2027.

4. With each request for the release of funds submitted to the Commission, the Republic of Moldova shall submit the required evidence showing the satisfactory fulfilment of the qualitative and quantitative steps set out in the relevant Annex to the Commission implementing decision.

5. Failure to report within 2 months following the end of the six-months periods referred to in paragraph 3 of this Article on the implementation of the quantitative and qualitative steps as per indicative timetable included in the Reform Agenda will result in the automatic commencement of the applicable grace period, as explained in Article 18(2). The Commission will release the corresponding support, if warranted, when it releases the support corresponding to the following six-month periods.

6. The Commission will carry out, within 90 calendar days following the receipt from the Republic of Moldova of a request for release of funds, the assessment under Article 19(2) of Regulation (EU) 2025/535 on the basis of the information provided by the Republic of Moldova in accordance with paragraph 4 of this Article. The satisfactory fulfilment of qualitative and quantitative steps shall presuppose that measures related to the steps for which the Republic of Moldova had achieved satisfactory fulfilment have not been reversed by the Republic of Moldova. The Commission may be assisted by experts.

7. As part of the assessment, the Commission will monitor the timely implementation by the Republic of Moldova of any recommendation issued following the audit referred to in Article 12(8) of this Agreement. In addition, the Commission may ask for supplementary information and/or carry out checks and on-the-spot controls to verify the completion of qualitative and quantitative steps, including on the non-reversal of qualitative and quantitative steps that were previously fulfilled. The period of 90 calendar days referred to in paragraph 6 for assessing the request for the release of funds shall be interrupted when the Commission asks for supplementary information or carries out checks or on-the-spot controls.

8. Subject to a positive assessment that the Republic of Moldova fulfils the payment conditions, the pre-conditions and general conditions, as set out in Article 6 of this Agreement, the Commission shall adopt a decision authorising the release of funds for an amount corresponding to those conditions. Release decisions for the release of loan support shall be adopted by 30 June 2029 at the latest.

9. The Commission decision authorising this release of funds shall constitute the condition for the amount of funds to be made available as Union support.

   a) The non-repayable support will be disbursed for investments projects to be approved under the NIP, in line with Article 19 of this Agreement.

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b) The loan support, including the loan amount to be made available by the Republic of Moldova as co-financing for investments approved under the NIP, in line with Article 20 of this Agreement, will be disbursed the Republic of Moldova.

10. For each request for a release of funds under this Agreement, except for the request of pre-financing, the Republic of Moldova shall submit the following documents:

- A signed request for the release of funds using the template provided in Annex A to this Agreement (including the requests for payment under the loan agreement), including a statement that the measures implemented to fulfil the steps previously successfully assessed by the Commission and fulfilled in prior release decisions have not been reversed.

- A sheet for each step fulfilled in the respective request for the release of funds showing that the step has been fulfilled, supported by official evidence in that regard.

- A signed Declaration of Assurance using the template provided in Annex B to this Agreement confirming that: (i) the information submitted with the request for the release of funds is complete, accurate and reliable; (ii) the management and control systems give the necessary assurance that the financing provided has been used in accordance with the applicable rules, in particular on the prevention, detection and correction of fraud, corruption, conflicts of interests and irregularities; and (iii) appropriate arrangements have been made to avoid double funding from the Facility and other Union programmes and instruments, as well as other donors.

- A summary of audits provided by the relevant authorities, including weaknesses identified and any corrective actions taken.

- For the steps related to the request for the release of funds, a summary of the results of the checks ensuring that any measure to implement steps under the Facility has been properly implemented.

11. The Republic of Moldova shall provide adequate documentation to justify the request for the release of funds for each single step and according to the sources of verification stipulated in Annex I to the Reform Agenda. This should include as a minimum:

- a summary document duly justifying how the quantitative or qualitative steps (including all the constitutive elements) were satisfactorily fulfilled;

- *for steps requiring the entry into force of a legislative act*: a copy of the publication in the Republic of Moldova's official journal of the respective legislative act;

- *for steps requiring the adoption of a strategy/ action plan/ roadmap/ any other public act that is not considered a legal act*: a copy of the adopted act and a link to the website where the strategy can be accessed;

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- *for steps requiring the issuance of a report that is not published*: a copy of the internal or external report;
- *for steps that require a certain system to become operational*: certificates of completion signed by the contractor and the competent authority in accordance with national legislation demonstrating the system has been set up and is operational;
- *any other relevant document deemed to be relevant to justify the satisfactory fulfilment of the quantitative or qualitative step as set out in the Reform Agenda.*

The Commission may request additional evidence where it deems necessary.

12. If relevant, the Republic of Moldova shall indicate in the request for the release of funds if any qualitative and quantitative steps have received support and funding, including corresponding amount, from other Union programmes and instruments or other donor programmes, and explain the arrangements that have been put in place to avoid double funding.

Article 15 Payment allocation

1. Subject to the rules laid down in Article 14, the Republic of Moldova, when sending to the Commission its requests for release of funds under this Agreement and the requests for payment under the loan agreement, shall respect the following allocation with reference to the maximum financial contributions set out in Article 2(3) of this Agreement:

   a. At least 25% of the loan released to the Republic of Moldova is to be made available by the Republic of Moldova to investment projects approved under the NIP,

   b. 100% of the non-repayable support is to be made available to Partner Financial Organisations for investment projects approved under the NIP.

Article 16 Payment of loan support

1. Without prejudice to Articles 13, 14 and 15 of this Agreement, disbursement of the loan support shall follow the rules set out in the loan agreement.

Article 17 Rules on the withholding and reduction of funds prior to the release of funds

1. Where, following a request for the release of funds, and subject to the rules in Article 14 of this Agreement, the Commission makes a negative assessment of the entire or partial fulfilment of any conditions as per the indicative timetable, the release of funds

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corresponding to such conditions shall be entirely or partially withheld. The withheld amounts shall only be released when the Republic of Moldova has duly justified, as part of the subsequent request for the release of funds, that it has taken the necessary measures to ensure satisfactory fulfilment of the corresponding conditions.

2. Provided that the payment conditions have been fulfilled, the disbursement of the corresponding withheld funds could take place during the next window for the release of funds and up to 24 months for payment conditions due in the first year and 12 months for payment conditions due in subsequent years as specified in the timeline set out in the Reform Agenda.

3. Where the Commission concludes that the Republic of Moldova has not taken the necessary measures within a period of 12 months from the initial negative assessment referred to in paragraph 2 of this Article, the Commission shall reduce the amount of the non-repayable financial support and of the loan proportionately to the part corresponding to the relevant payment conditions. During the first year of implementation, a deadline of 24 months shall apply, calculated from the initial negative assessment referred to in paragraph 2 of this Article.

4. Where the Commission finds that a payment condition that was previously assessed as satisfactorily fulfilled, for which the Commission had previously paid, is no longer fulfilled or later found not to have been implemented, the Commission shall reduce the amount of a subsequent payment by a corresponding amount, in line with Article 19(2) and (5) of Regulation (EU) 2025/535. Paragraph 5 of this Article shall apply accordingly.

5. The Commission may invite the Republic of Moldova to present its observations within 2 months in cases where the Commission has decided to reduce the amount of disbursements of funds in accordance with paragraphs 3 or 4 of this Article.

6. Without prejudice to paragraph 2 and 3 of this Article, and the provisions of the loan agreement, any amounts corresponding to payment conditions that have not been fulfilled by 31 December 2028 shall not be due to the Republic of Moldova.

Article 18 Rules on reduction, recovery and enforcement following the release of funds

1. In the following cases, the Commission may reduce the amount of financial support available under the Facility, and recover from the Republic of Moldova, including by offsetting, any amount spent to achieve the objectives of the Facility, by requesting early repayment of the loan in line with the loan agreement, or by requiring the Republic of Moldova to repay to the Commission an amount equivalent to the amount of non-repayable financial support already committed by the Commission to the Partner Financial Organisation.

   a. if funds are unduly paid;

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b. in identified cases of, or serious concerns about irregularities, fraud, corruption and conflicts of interests affecting the financial interests of the Union that have not been corrected by the Republic of Moldova, pursuant to Article 21(3) of Regulation (EU) 2025/535;

c. in case of a serious breach of any obligation resulting from this agreement, or the loan agreement, including on the basis of the reports of the Republic of Moldova's audit authorities or information provided by OLAF or of the Court of Auditors' reports;

d. in case of reversal of qualitative and/or quantitative steps under the Reform Agenda or in cases it is found, after the payment has taken place, that steps were not satisfactorily fulfilled.

2. The reversal of qualitative and/or quantitative steps under reforms designed to address deficiencies in the Republic of Moldova's system to effectively prevent, detect and correct irregularities, fraud, corruption, including high-level corruption, and conflicts of interest pursuant to Article 11(1) of Regulation (EU) 2025/535, including those assessed by the Commission as complementary for that system under negotiation chapters referred to in the second subparagraph of Article 22(1) of that Regulation may result in a serious breach of an obligation in the meaning of point (c) of paragraph 2.

3. When deciding on the amount subject to reduction, or the amount to be repaid early, the Commission shall respect the principle of proportionality and shall take into account the seriousness of the irregularity, fraud, corruption or conflict of interest affecting the financial interests of the Union, or of a breach of an obligation. Before the reduction is made or early repayment is requested, the Republic of Moldova will be invited to present its observations within 2 months.

4. The Court of Justice of the European Union shall have exclusive jurisdiction to review the legality of the decision of the Commission referred to in paragraph 1 and to suspend its enforcement. However, the Courts of the Republic of Moldova shall have jurisdiction over complaints that enforcement is being carried out in an irregular manner. In this context, the Courts of the Republic of Moldova shall refer questions on the interpretation of this Agreement and Union law for decision by the Court of Justice.

5. The European Union institutions and bodies involved in the implementation of the Facility, or in controls over that programme, shall be entitled to communicate directly, including through electronic exchange systems, with any natural person residing in or any legal entity established in the Republic of Moldova and receiving funding linked to the Facility, as well as any third party involved in the implementation of the Facility residing or established in the Republic of Moldova. Such persons, entities and parties may submit directly to the European Union institutions and bodies all relevant information and documentation which they are required to submit on the basis of the contracts or agreements concluded to implement the Facility.

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Article 19 Non-repayable support for projects approved under the Neighbourhood Investment Platform

1. Part of the non-repayable support, as defined in Article 6(2) of Regulation 2025/535 will cover financing provided by the Union through the Neighbourhood Investment Platform (NIP) for investment projects. The NIP supplies EU financing capacity in the form of grants, technical assistance and financial instruments.

2. Following a positive opinion of the NIP Board on relevant investment project proposals, the Commission shall allocate the released funds to the investment projects by entering into contribution agreements with the selected Partner Financial Organisation.

Article 20 Support from the Republic of Moldova for projects approved under the Neighbourhood Investment Platform

1. Without prejudice to other provisions set out in this Agreement, the Facility funds in the form of loan support that will be allocated as co-financing from the Republic of Moldova to investments projects approved under the NIP are subject to the provisions set out in this Article.

2. Following the discussion of an investment project at the NIP Technical Assessment Meeting (TAM) for which co-financing from the Republic of Moldova is required, and at the request of the Commission, the Republic of Moldova shall provide the Commission with a "Letter of Engagement" specifying the corresponding NIP investment project and the amount of co-financing committed to this project. This "Letter of Engagement" must be received before the investment project can be submitted by the Partner Financial Organisation to the NIP Board for approval and within 5 working days following the request by the Commission mentioned above. The first "Letter of Engagement" should be received no later than 31.12.2025 and, in any case, before the disbursement to the Republic of Moldova, upon submission of the first request for payment, of loan support to be made available by the Republic of Moldova to investment projects approved under the NIP. Conditions for the disbursement of subsequent instalments shall be established in the Loan Agreement. In the event that the Republic of Moldova fails to provide a Letter of Engagement as referred to in this paragraph within the mentioned timeframes, the Commission may suspend further operations under the Facility, recover said amounts from the Republic of Moldova, suspend or cancel disbursement of loan amounts and request early reimbursement in accordance with the loan agreement.

3. Once the co-financing committed to by the Republic of Moldova in the Letter of Engagement is required during project implementation, the Republic of Moldova shall transfer the co-financing to the respective projects following a "Trigger Letter" sent by the Commission to the Republic of Moldova. If by 30 April 2045, the Republic of

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Moldova has transferred an amount less than 25% of the total loan disbursement, the Commission may take the necessary actions to recover the shortfall from the Republic of Moldova, for example through reducing, suspending or cancelling disbursement of loan amounts or requesting early reimbursement in accordance with the loan agreement.

4. In the event that a selected investment project is cancelled, or the Republic of Moldova fails to provide the proof of transfer of its co-financing within 3 months of the reception of the Trigger Letter as referred to in paragraph 3 of this Article, the Commission may suspend further operations under the Facility, recover said amounts from the Republic of Moldova, suspend or cancel disbursement of loan amounts and request early reimbursement in accordance with the loan agreement.

5. The Republic of Moldova will report to the Commission on a six-month basis on the details of effective disbursements of its co-financing, specifying the investment projects, the date and value of disbursements and the recipient implementing the investment project.

TITLE VI: TRANSPARENCY, DATA PROTECTION AND VISIBILITY

Article 21 Data collection and transparency

1. The Republic of Moldova commits to transparency and accountability in the implementation of the Facility.

2. The Republic of Moldova shall ensure the collection of, and access to the Commission represented by its own agents or mandated experts, adequate data on persons and entities receiving funding in line with paragraph 3 of this Article, including beneficial ownership information in the meaning of Article 3(6) of Directive (EU) 2015/849.

3. The Republic of Moldova shall publish up-to-date data on final recipients receiving amounts of funding exceeding the equivalent of EUR 50 000 cumulatively over the period of 3 years, for the implementation of reforms and investments specified in the Facility.

4. The Republic of Moldova shall update the data referred to in paragraph 3 at least once a year.

5. For final recipients referred to in paragraph 3 of this Article, the following information shall be published in a machine-readable format on a webpage, in order of total funds received:

   - In the case of a legal person, the recipient's full legal name and VAT identification number or tax identification number, where available, or another unique identifier established by the legislation applicable to the legal person.
   - In the case of a natural person, the first and last name(s) of the recipient.

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- The amount received by the recipient and the reforms and investments under the Reform Agenda that this amount contributes to implementing.

6. The information referred to in paragraph 3 of this Article shall not be published where disclosure risks threatening the rights and freedoms of the final recipients concerned or seriously harming their commercial interests. However, such information shall be made available to the Commission and to the relevant Audit authority.

7. The Republic of Moldova shall transmit electronically to the Commission at least once a year the data on the final recipients referred to in paragraph 3, by using the XML format following a template provided by the Commission.

8. The Republic of Moldova shall provide the Commission with all necessary information and data required for setting up the Facility Scoreboard and updating it twice a year, as stipulated in Article 24 of Regulation (EU) 2025/535. This information shall include timely and accurate reports on the progress of the implementation of the Reform Agenda. The Republic of Moldova shall cooperate fully with the Commission to ensure the Scoreboard is operational and publicly accessible online.

9. The Republic of Moldova agrees that the Reform Agenda and the request for release of funds shall be made publicly available no later than the first request for the release of funds.

Article 22 Data protection

1. The Republic of Moldova shall ensure an adequate protection of personal data equivalent to that required by Regulation (EU) 2018/1725 and Regulation (EU) 2016/679. Personal data means any information related to an identified or identifiable natural person. Any operation involving the processing of personal data, such as collection, recording, organisation, storage, adaptation or alteration, retrieval, consultation, use, disclosure, erasure or destruction, shall be based on rules and procedures of the Republic of Moldova and shall only be done as far as is necessary for the implementation of the Facility.

2. In particular, the Republic of Moldova shall take adequate technical and organisational security measures to protect against the risks inherent to any such operation and the nature of the information about the natural person concerned, in order to:

   - prevent any unauthorised person from gaining access to computer systems performing such operations, and especially unauthorised reading, copying, alteration or removal of storage media, unauthorised data input as well as any unauthorised disclosure, alteration or erasure of stored information;
   - ensure that authorised users of an IT system performing such operations can access only the information corresponding to their access rights;
   - design its organisational structure in such a way that it meets the above requirements.

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Article 23 Visibility

1. The Republic of Moldova shall take the necessary measures to actively acknowledge the origin and ensure the visibility of Union funding, including, where applicable, by displaying the emblem of the Union and an appropriate funding statement that reads 'funded by the European Union' or 'co-funded by the European Union', in particular when promoting the actions and their results, by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.

2. These visibility, communication, publicity and information measures shall be provided in an accessible format and shall comply with the guidance for EU external actions 'Communicating and raising EU visibility', laid down and published by the Commission, in force at the time of the measures.

3. The Republic of Moldova shall provide a fully-fledged communication and visibility plan no later than the first request for the release of funds, for agreement with the Commission. The Republic of Moldova should ensure that sufficient resources are dedicated to the communication and visibility plan and that it is duly implemented. The Republic of Moldova shall include the following information in the communication and visibility plan: objectives; target audiences (including local audiences); communication activities/channels; planned budget; selected key projects; coordination arrangements with the Commission; and monitoring and evaluation.

Article 24 Retention of documents

1. According to Article 11 of this Agreement, the Republic of Moldova shall retain the following for five years from the date of completion of an action:

   a. all documents relevant for the procurement and grant award procedures, contracts, addenda, relevant correspondence and all relevant documents relating to payments and recoveries for investment projects funded using the NIP;

   b. all documents relevant to the implementation of the support in the form of loans, whether channelled directly to the treasuries of the Republic of Moldova or through the NIP.

2. The period referred to in paragraph 1 shall be interrupted either in case of legal proceedings, including investigations by OLAF or investigations and prosecutions by the EPPO and audits by ECA or by a duly justified request of the Commission.

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TITLE VII MONITORING, REPORTING AND EVALUATION

Article 25 General reporting requirements for the Republic of Moldova

1. The Commission and the Republic of Moldova shall set up a Reform and Growth Facility monitoring committee no later than 6 months after the entry into force of this Agreement.

2. The Reform and Growth Facility monitoring committee shall assess the degree and quality of implementation of all reforms and investments towards meeting the objectives set out in the Reform Agenda and in Regulation (EU) 2025/535.

   To this end, the Republic of Moldova will put in place regular and systemic monitoring, at both political and technical levels, and reporting arrangements to inform on progress towards the achievement of the planned results, ensuring thereby that the reporting to the Commission is sound and comprehensive.

   The monitoring and reporting arrangements will include all of the following elements:

   i. the institutional set-up (including the required coordination arrangements and the approval chain of actors that will ensure the accuracy of the reporting);
   ii. the information to be used and provided and the internal schedule of the availability of this information;
   iii. the quality control processes that govern the collection and analysis of the relevant data (including, where relevant, arrangements for quality assurance on data collection from downstream partners - including data disaggregation (i.e. by sex, age, rural/urban, etc.); and
   iv. provisions for third party assessment, when relevant. If there are serious weaknesses affecting quality of the information used, the Republic of Moldova will specify the implications and the mitigating measures envisaged accordingly.

   Monitoring and reporting will also need to consider the extent to which relevant reforms and investments take account of the 'leave no one behind' principle and contribute to gender equality and women's empowerment.

   In addition, the Republic of Moldova shall commit to ensuring that such a system is independent and can provide effective accountability and transparency in implementing the Union budget.

3. The monitoring committee shall be composed of representatives of the Commission, the Coordinator and other relevant authorities and bodies of the Republic of Moldova and, where relevant, bilateral donors, international organisations, international financial institutions and other stakeholders, such as civil society and private sector organisations.

4. A representative of the Commission and the Coordinator shall co-chair the Reform and Growth Facility monitoring committee meetings.

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5. The monitoring committee shall meet at least once a year. *Ad hoc* meetings may also be convened at the initiative of the Commission or of the Republic of Moldova, in particular to discuss specific themes.

6. To ensure effective coordination during the implementation of the Facility, representatives from the Commission, the Coordinator office and from other the Republic of Moldova institutions, shall hold regular meeting at technical level to discuss investments and reforms in the Reform Agenda that may raise specific implementation challenges, and/or any significant risks to the timeline for the completion of any step, notably where that may have implications for the timeline of the associated request for the release of funds.

7. The monitoring data gathered and treated by the Republic of Moldova will:
   a. Feed into a semi-annual report on the fulfilment of its Reform Agenda's payment conditions which will accompany all requests for the release of funds. Every report will provide an accurate account of the implementation of the underlying reforms as measured by corresponding indicators (and related baselines and qualitative and quantitative steps).
   b. Feed into an annual report on the overall progress of the Reform Agenda in terms of achieving the overall and specific objectives of the Facility, in line also with the indicators included in the Reform Agenda, using the template to be provided by the Commission. This will contribute to the Commission's annual monitoring of the Facility, in line with Article 23 of Regulation (EU) 2025/535. The final annual report will cover the entire implementation period of the Reform Agenda. The annual report shall be submitted together with the Republic of Moldova's Economic and Reform Programme, if possible, no later than 1 March of each year. The annual report will also fulfil the reporting requirements laid down in Article 26 of Regulation (EU) 2025/535.

8. To enable the Commission to monitor the Facility, the Republic of Moldova will make the necessary arrangements to provide the Commission with full access to the underlying monitoring data.

9. The Commission may undertake additional assessments both through its own staff and/or through independent consultants recruited directly by the Commission for independent monitoring reviews.

Article 26 Language

1. All reports, statements, declarations and accounts related to the preparation or implementation of assistance under the Facility shall be provided to the Commission in the English language.

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Article 27 Information in the context of ex-post evaluations of the Reform and Growth Facility by the Commission

1. The Republic of Moldova shall facilitate the Commission's access to stakeholders and to all relevant information, including the underlying monitoring data, evaluations and/or other studies that the Republic of Moldova may conduct under the Facility, which are necessary for the Commission to carry out the *ex-post* evaluation referred to in Article 25 of Regulation (EU) 2025/535 after December 2027 and by December 2031.

TITLE VIII: FINAL PROVISIONS

Article 28 Entry into force

1. Following its signature by the Parties, this Agreement shall enter into force on the date on which the Republic of Moldova notifies the Commission in writing on the completion of all its internal procedures necessary for the entry into force of this Agreement.
2. The Agreement shall remain in force until all measures financed under the Facility, all actions necessary to protect the financial interests of the Union, and all financial obligations stemming from the implementation of this Agreement between the Parties, have been completed.

Article 29 Amendments

1. Any amendment to this Agreement between the Parties shall be made in writing and may take the form of an exchange of letters. Any such amendment will form part of this Agreement.
2. Any amendment to this Agreement between the Parties shall come into force on the date on which the Republic of Moldova notifies the Commission in writing on the completion of all its internal procedures necessary for the entry into force of the amendment.
3. Without prejudice to paragraphs 1 and 2 of this Article, the Commission may unilaterally amend any Annex. The Commission shall notify the Republic of Moldova of any such amendment.

Article 30 Suspension of the Agreement

1. The Agreement may be suspended in the following cases:
   - The Commission may suspend the implementation of this Agreement if the EU or the Republic of Moldova decides to suspend or cease the EU membership accession process;

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- The Commission may suspend the implementation of this Agreement if the Republic of Moldova breaches the precondition set out in Article 5(1) of Regulation (EU) 2025/535, or an obligation under this Agreement and/or under the loan agreement;
- The Commission may suspend this Agreement if the Republic of Moldova breaches an obligation relating to respect for human dignity, freedom, democracy, equality, the rule of law and human rights, including the rights of persons belonging to minorities, or in serious cases of corruption;
- This Agreement may be suspended in cases of force majeure. "Force majeure" shall mean any unforeseeable and exceptional situation or event beyond the Parties' control which prevents either of them from fulfilling any of their obligations, not attributable to error or negligence on their part (or the part of their contractors, agents or employees) and proves insurmountable in spite of all due diligence. Defects in equipment or material or delays in making them available, labour disputes, strikes or financial difficulties cannot be invoked as force majeure. A Party shall not be held in breach of its obligations if it is prevented from fulfilling them by a case of force majeure of which the other Party is duly informed. A Party faced with force majeure shall inform the other Party without delay, stating the nature, probable duration and foreseeable effects of the problem, and take any measure to minimise possible damage. Neither of the Parties shall be held liable for breach of its obligations under this Agreement if it is prevented from fulfilling them by force majeure, provided it takes the measures to minimise any possible damage.

2. The Commission may suspend this Agreement without prior notice.

3. The Commission may take any appropriate precautionary measure before suspension takes place.

4. When the suspension is notified, the consequences for the implementation of the Facility shall be indicated.

5. The Parties shall resume the implementation of this Agreement once the conditions allow with the prior written approval of the Commission. This is without prejudice to any amendments of this Agreement which may be necessary to adapt to the new implementing conditions, or the termination of this Agreement in accordance with Article 31.

Article 31 Termination of the Agreement

1. If the issues which led to the suspension of this Agreement have not been resolved within a maximum period of 180 days, either Party may terminate this Agreement by written notice. The termination shall take effect 30 days after the receipt by the other Party of such written notice.

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2. Without prejudice to paragraph 1, if at any time, the Commission believes that the purpose of this Agreement can no longer effectively or appropriately be achieved, it may terminate this Agreement by sending a written motivated notice to the Republic of Moldova. The termination shall take effect 30 days after the receipt by the Republic of Moldova of such written notice.

3. Without prejudice to Article 28(2), the consequences of such termination on the implementation of the Facility may be analysed, where relevant, and determined on a case-by-case basis.

Article 32 Communication and exchange of information

1. The Commission designates the Directorate-General for Enlargement and the Eastern Neighbourhood, or any future successor Directorate-General, as the interlocutor for the monitoring of the implementation of the Facility and of this Agreement on behalf of the Commission.

2. Any communication in connection with this Agreement shall be made in writing and in the English language. Every communication shall be signed and be supplied as an original document or a scanned original document.

3. For the purpose of this Agreement, mail or email communications must be sent to the following addresses:

For the Commission:

European Commission

Directorate-General for Enlargement and the Eastern Neighbourhood

For the attention of the <insert position>

Rue de la Loi 200 / Wetstraat 200, 1049 Bruxelles/Brussel, Belgium

Email ENEST-C@ec.europa.eu

For the Republic of Moldova:

Postal address

Email

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Article 33 Governing law and jurisdiction

1. This Agreement and any non-contractual obligations arising from or in connection with it shall be governed by and shall be construed in accordance with European Union law, supplemented where necessary by Luxembourgish law.

2. The Parties undertake to submit any dispute which may arise on the legality, validity, interpretation or performance of this Agreement to the exclusive jurisdiction of the Court of Justice of the European Union in accordance with Article 272 of the Treaty on the Functioning of the European Union (TFEU).

3. Judgements of the Court of Justice of the European Union shall be fully binding on and enforceable by the Parties.

4. The Commission may enforce any judgement in relation with paragraph 3 of this Article obtained from the Court of Justice of the European Union, the Republic of Moldova, in the courts of the Republic of Moldova in accordance with the procedures of recognition and enforcement of foreign court decisions set out in the Republic of Moldova's legislation.

5. The Republic of Moldova hereby irrevocably and unconditionally waives all immunity to which it is or may become entitled, in respect of itself or its assets, from legal proceedings related to this Agreement, including, without limitation, immunity from suit, judgement or other order, from attachment, arrest or injunction prior to judgement, and from execution and enforcement against its assets, to the extent not prohibited by mandatory law.

Article 34 Arrangements for providing supplementary information

1. The Commission shall have the possibility to request supplementary information from the Republic of Moldova prior to the next request for the release of funds. Should the Republic of Moldova fail to meet this deadline, the Commission shall be allowed not to process requests for the release of funds until the information is provided.

Article 35 European Parliament and Council

1. According to Article 9(7) of Regulation (EU) 2025/535, the Republic of Moldova agrees that the Commission shall transmit the Reform Agenda to the European Parliament and to the Council.
2. According to Articles 8(2) and 15(3) of Regulation (EU) 2025/535, the Republic of Moldova agrees that the Commission may make a copy of this Agreement and a copy of the loan agreement available to the European Parliament and the Council.

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Article 36 Annexes

The following Annexes form an integral part of this Agreement:

Annex A: Model for the request for release of funds

Annex B: Model for the declaration of assurance

Annex C: Reporting on irregularities

Annex D: Further definitions for the purpose of protecting the EU's financial interests.

Signatures

This Agreement is drawn up in two original copies in the English language.

Signed, for and on behalf of the Republic of Moldova, in *[place]* on *[date]*

by Dorin RECEAN, PM

[Name and title]

Signed, for and on behalf of the European Union, in *[place]* on *[date]*

by Adrian Kiraly Director

[Name and title]

Chisinau, 9 May 2025

ANNEX A: MODEL FOR THE REQUEST FOR THE RELEASE OF FUNDS

Place, date

Ambassador x

EU Delegation/Office to xxx

Xxxxxxxxxxx

I declare that, for the implementation of the EU financial assistance to the Republic of Moldova under the Facility for the period (QX/YY), based on my own judgement and on the information at my disposal, as well as on the evidence enclosed, the payment conditions set out in the Republic of Moldova's Reform Agenda for the following steps have been fulfilled:

Reform	Step	Financial Value
1	1.1	EUR (X)
1	1.2	EUR (X)
		Total

On the basis of the above I request that the amount of EUR (X) is made available as follows:

- EUR (Y) amount in the form of loan support disbursed directly to the treasury of the Republic of Moldova, of which:
  - EUR (A) amount of at least 25% to be made available for projects approved under the NIP
- EUR (Z) amount in the form of non-repayable support to be made available for projects approved under the NIP [9].

I hereby attach an assessment of each step, the required evidence showing the satisfactory fulfilment of the qualitative and quantitative steps set out in the relevant Annex to the Commission implementing decision[10] and other information requested as per Article 14 of the Facility Agreement.

I hereby also declare that measures related to the reforms for which satisfactory fulfilment has been declared previously in prior Commission decisions have not been reversed by the Republic of Moldova.

(Place and date of issue)

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9 Subject to rules laid down in Articles 16 and 17, each instalment shall draw from the indicative financial contributions set out in Article 2 paragraph 3

10 [reference of CID number, date]

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Signature by the Coordinator

(Name, first name, title or function)

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Annexes:

1. Summary of audits performed by relevant authorities, including weaknesses identified and any corrective actions taken.

2. Fiche to be used for each step:

The step under review	*[Please copy from the Reform Agenda]*
Baseline	*[Please copy from the Reform Agenda]*
Deadline of the step	[*Month/year*]
Actual results	[*Provide a detailed analysis of the fulfilment of the step or justification for lack of fulfilment of the step*]
Evidence provided	[*Provide the specific source of verification certifying the results*]
Checks performed in the verification of the step and related findings	*[Provide a description of the measures undertaken to check that the step is fulfilled in accordance with the applicable rules and related findings]*
Clear conclusion on the achievement of the step	[*fully achieved or not achieved/partially achieved (only relevant at end of grace period)*]

Guidance on partially achieved quantitative steps

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For quantitative steps (i.e. objectively measurable steps) a partial fulfilment rate defined as a level of achievement of less than 100% would warrant a partial release of funds at the end of the applicable grace period following the below parameters:

⇨ *0% disbursement for a level of achievement between 0% and 49%;*

⇨ *50% disbursement for a level of achievement between 50% and 89%;*

⇨ *100% disbursement for an achievement rate of 90%-100% or above.*

Provided that the step is not fulfilled by the deadline, the authorities will resubmit the step for the relevant Commission departments to assess it at the end of the grace period. Partial disbursements will only take place after assessment at the end of the grace period. If the step is partially fulfilled, then the parameters above shall apply in calculating the amount due. If the step has been fulfilled at a level inferior to 50%, then the funds will be withheld in line with the applicable provisions (Article 19 of Regulation (EU) 2025/535).

For qualitative steps or sub-steps, partial achievement is not possible.

Guidance on evidence to be provided

The ***evidence*** *accompanying the request for release of funds should:*

- *demonstrate satisfactory fulfilment of the step (no need to upload evidence beyond what is required);*
- *have brief but clear and unique file names, clearly referring to the step concerned, and being numbered allowing a unique reference and show a clear indication of its content;*
- *include the relevant identifiers, such as the reference to the Official Journal, the date of publication and articles indicating entry into force (the same format for the reference to legal texts should be used in all cases);*
- *include the identification of the signatory/ies (function, not names) and the authority they represent, any identifying string of numbers and/or characters and the protocol number, if given (for non-legal documents), and bear the registration number (for instance cadastre documents, companies' registry, boat registry etc.) if they figure in any kind of official registry;*
- *be accompanied by a link to the website where the evidence is published (or, in case the document is uploaded to an electronic platform, mention the platform and any reference number that permits access to it);*
- *be presented in a clear and organised way, containing clear cross-references to the requirement the evidence is supposed to prove;*
- *provide reasonable assurance that the constitutive elements of the step have been met - for this purpose, the evidence provided should be primary and direct evidence demonstrating the fulfilment of the relevant requirement; self-declarations are not acceptable.*

Satisfactory fulfilment of each step should be justified by providing official evidence and documentation. This should include as a minimum:

- *a summary document providing a clear assessment on how the quantitative or qualitative steps (including all the constitutive elements) were satisfactorily fulfilled in line with the*

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provisions set out in the description of the step as provided in the Reform Agenda and accompanying Annex I;

- *for steps requiring the entry into force of a legislative act*: a copy of the publication in the Official Journal of the respective legislative act;
- *for steps requiring the adoption of a strategy/ action plan/ roadmap/ any other public act that is not considered a legal act*: a copy of the act formally adopting the strategy and a link to the website where the strategy can be accessed;
- *for steps requiring the issuance of a report that is not published*: a copy of the internal or external report, as endorsed by the instance responsible (e.g. Minister, Head of Office, management body ...);
- *for steps that require a certain infrastructure/system/service to become operational*: certificates of completion signed by the contractor and the competent authority in accordance with national legislation demonstrating the system has been set up and is operational, accompanied by the proof that it will be put in use (e.g. access of the Republic of Moldova to new agencies);
- *if measuring the level of achievement of a step requires referring to official statistical data*: clear mention of the official statistical sources;
- *any other relevant document deemed to be relevant for the legally formal justification of the satisfactory fulfilment of the quantitative or qualitative step in line with the provisions of the Reform Agenda and Reform Agenda annex.*

Prospects of achieving the steps required for the next release of funds

- *This section will provide an assessment of the prospects of fulfilling the steps for the next release of funds, based on the progress recorded above.*

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ANNEX B: MODEL FOR THE DECLARATION OF ASSURANCE

I, the undersigned, [First name, Surname], in my capacity as Coordinator

Declare that, for the implementation of the Union financial assistance to the Republic of Moldova under the Facility for the period XX/YY, based on my own judgement and on the information at my disposal, in particular the results from the national control and audit systems described in the Reform Agenda:

1. The information submitted with the request for the release of funds is complete, accurate and reliable; duly justifying that the qualitative and quantitative steps have been satisfactorily fulfilled and that the audit trail demonstrating the achievement of these steps is in place.
2. The control systems in place give the necessary assurances that the financing provided has been used in accordance with all applicable rules, in particular on the prevention, detection and correction of fraud, corruption, conflicts of interests and irregularities.
3. The arrangements in place give the necessary assurance that the financing provided has not resulted in double funding from the Facility and other Union programmes or instruments, as well as other donors.

A summary of the national audits carried out in relation to paragraph 1 to 3 above, with an analysis of the related weaknesses found and the corrective actions taken or planned, complements this declaration of assurance. [In the accompanying summary of the audits, no breaches in terms of fraud, corruption or conflicts of interests have been detected.] [In the accompanying summary of the audits, the following breaches in terms of fraud, corruption or conflicts of interests have been detected: (*identify and specify remedial action taken*)]

I confirm that the irregularities identified during final audit or control reports for the implementation of the Reform Agenda have been appropriately corrected and recovered from final recipients or are in the course of being corrected and recovered. Where necessary, deficiencies in the control system highlighted in those reports were adequately followed up or are in the process of being followed up, notably for the following required remedial actions: (if appropriate indicate which remedial actions are still ongoing, at the date of signing the declaration).

Finally, I confirm that I am not aware of any undisclosed reputational matter related to the implementation of the programme.

(Place and date of issue)

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Signature

(Surname, first name, title or function)

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ANNEX C: REPORTING ON IRREGULARITIES

Clause 1 **Definition**

For the purposes of the reporting on irregularities, including fraud, the definitions laid down in Annex D, on the protection of the financial interest of the Union, shall apply.

Clause 2 **Reporting on irregularities**

(1) The Republic of Moldova shall report any irregularities, including suspected fraud, fraud, corruption and other illegal activities, which have been the subject of a primary administrative or judicial finding without delay to the Commission and keep the latter informed of the progress of administrative and legal proceedings.

Irregularities for an amount lower than EUR 300 in EU contribution shall not be reported. This provision shall not apply to irregularities that give rise to the initiation of administrative or judicial proceedings at national level in order to establish the presence of fraud or other criminal offences.

In that report the Republic of Moldova shall in all cases provide the following details:

a) The name and the number of the programme/action concerned;

b) the identity of the natural and legal persons involved or of any other participating entities and their role;

c) the identification of the region or area where the operation has been carried out, using the appropriate information;

d) the provision(s) which have been infringed;

e) the date and source of the first piece of information leading to suspicion that an irregularity has been committed;

f) the nature of, aims of, and material conducts and practices used in committing the irregularity;

g) where appropriate, whether the practice gives rise to a suspicion of fraud;

h) the manner in which the irregularity was discovered;

i) where appropriate, the Member States and/or third countries involved;

j) the period during which, or the moment at which, the irregularity was committed;

k) the date on which the primary administrative or judicial finding on the irregularity was established;

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l) the total amount of eligible expenditure specified by Union contribution, the Republic of Moldova's contribution and private contribution;

m) the expenditure affected by the irregularity specified by Union contribution and the Republic of Moldova's contribution;

n) the amount which would have been unduly paid had the irregularity not been identified according to Union contribution and the Republic of Moldova's contribution;

o) the nature of the irregular expenditure;

p) the suspension of payments, where applicable, and the possibility of recovery;

q) where applicable, the reasons for any abandonment of recovery procedures;

r) where applicable, the complete OLAF/EPPO case number.

(2) Where some of the information referred to in paragraph 1, and in particular information on the practices used in committing the irregularity and the manner in which it was discovered, is not available or needs to be rectified, the Republic of Moldova shall supply the missing or correct information to the Commission without delay.

(3) If the relevant national legal provisions provide for the confidentiality of investigations, communication of the information shall be subject to the authorisation of the competent tribunal or court.

Clause 3 Information on penalties

(1) The Republic of Moldova shall provide the Commission without delay, with reference to any previous report made according to Clause 2, with details concerning the initiation, conclusion or abandonment of any procedures for imposing administrative or criminal penalties related to the reported irregularities as well as of the outcome of such procedures.

a. With regard to irregularities for which penalties have been imposed, the Republic of Moldova shall also indicate:

b. whether the penalties are of an administrative or a criminal nature;

c. whether the penalties result from a breach of Union or the Republic of Moldova's legislation;

d. the provisions in which the penalties are laid down;

e. whether fraud was established.

(2) At the written request of the Commission, the Republic of Moldova shall provide additional information on a specific irregularity or a group of irregularities.

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Clause 4 Electronic reporting via the Irregularity Management System (IMS)

The information referred to in Clauses 2 and 3 shall be sent in the English language, by electronic means, using the Irregularity Management System (IMS) set up by the Commission for this purpose.

Clause 5 Use of information

The Commission may use any information of a general or operational nature communicated by the Republic of Moldova under these provisions to perform risk analyses, also using information technology support, and may, on the basis of the information obtained, produce reports and develop systems serving to identify risks more effectively. OLAF, ECA and the EPPO may use the information as per their mandates.

Clause 6 Use of the euro

The euro shall be used as the currency for the reporting of irregularities. [If applicable: the Republic of Moldova shall convert the amounts of expenditure incurred in its own currency into euro. Those amounts shall be converted into euro using the monthly accounting exchange rate of the Commission in the month during which the expenditure was registered. The exchange rate shall be published electronically by the Commission each month.

Where the amounts relate to expenditure registered in the accounts of the Republic of Moldova's authorities during a period of more than 1 month, the exchange rate in the month during which expenditure was last registered may be used. Where the expenditure has not been registered in the accounts of the Republic of Moldova's authority, the most recent accounting exchange rate published electronically by the Commission shall be used.]

Clause 7 Protection of personal data

(1) The Republic of Moldova and the Commission shall take all necessary measures to prevent any unauthorised disclosure of, or access to, the information referred to in Clauses 2 and 3.

The information referred to in Clauses 2 and 3 may not be sent to persons other than those in the Republic of Moldova or within the Union's institutions, agencies, offices and bodies whose duties require that they have access to it, unless the Republic of Moldova supplying such information has expressly so agreed.

(2) Any personal data included in the information referred to in Clauses 2 and 3 shall be processed only for the purpose specified in those provisions.

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ANNEX D: FURTHER DEFINITIONS FOR THE PURPOSE OF PROTECTING THE EU'S FINANCIAL INTERESTS

For the purpose of protecting the financial interests of the Union, the following definitions apply:

'Error' means non-deliberate clerical and technical errors committed by the Republic of Moldova's authorities or a recipient of assistance under the Facility.

'Irregularity' means any infringement of a provision of applicable rules and contracts resulting from an act or an omission by an economic operator or the Republic of Moldova's authorities, which has, or would have, the effect of prejudicing the general budget of the Union by charging an unjustified item of expenditure to the general budget.

'Economic operator' means any natural or legal person, including a public entity or a group of such persons, who offers to supply products, execute works or provide services or supply immovable property.

'Systemic irregularity' means any irregularity that may be of a recurring nature, with a high probability of occurrence in similar types of operations, which result from a serious deficiency in the effective functioning of the management and control systems, including a failure to establish adequate procedures in accordance with applicable rules.

'Fraud in respect of expenditure' means any intentional act or omission relating to:

- the use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of funds from the general budget of the Union or budgets managed by, or on behalf of, the European Union;
- non-disclosure of information in violation of a specific obligation with the same effect;
- the misapplication of such funds for purposes other than those for which they were originally granted.

'Suspected fraud' means an irregularity giving rise to the initiation of administrative or judicial proceedings at national level in order to establish the presence of intentional behaviour, in particular fraud, as referred to above.

'Active corruption' means the intentional action of a person, who promises, offers or gives, directly or through an intermediary, an advantage of any kind whatsoever to a public official for themself or for a third party for them to act or to refrain from acting in

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accordance with their duty or in the exercise of their functions in a way that damages or is likely to damage the financial interests of the Union.

'Passive corruption' means the intentional action of a public official, who, directly or through an intermediary, requests or receives advantages of any kind whatsoever, for themself or a third party, or accepts a promise of such advantage, to act or to refrain from acting in accordance with their duty or in the exercise of their functions in a way that damages or is likely to damage the financial interests of the Union.

'Conflict of interests', in line with Article 61 of the Financial Regulation, means that the impartial and objective exercise of the functions of a person involved in the implementation of financial support under the Facility is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other direct or indirect personal interest. A conflict of interests includes situations that may objectively be perceived as a conflict of interests.

'Primary administrative or judicial finding' means a first written assessment by a competent authority, either administrative or judicial, concluding on the basis of specific facts that an irregularity has been committed. This is without prejudice to the possibility that this conclusion may subsequently have to be revised or withdrawn as a result of developments in the course of the administrative or judicial procedure.

The definitions listed in this Article shall not be construed as introducing new types of crime to the Republic of Moldova's Penal Code or changes thereto.

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Prin prezenta confirm că textul alăturat este o copie autentică a Acordului de Facilitare dintre Republica Moldova și Uniunea Europeană privind modalitățile specifice de punere în aplicare a sprijinului acordat de Uniunea Europeană în cadrul Mecanismului de Reformă și Creștere pentru Republica Moldova (Chișinău, 9 mai 2025), originalul fiind depozitat la Arhiva Tratatelor a Ministerului Afacerilor Externe.

Anatol CLĂDIC
Șef al Direcției Drept Internațional a
Ministerului Afacerilor Externe





