M02085

AMENDAMENTUL
nr. 1 la Acordul de grant dintre Republica Moldova şi Banca Europeană de Investiţii în vederea realizării Proiectului "Eficienţa energetică în Republica Moldova"

Chişinău, 7 iulie 2025

COPIE CERTIFICATĂ
TEXT ÎN LIMBA ENGLEZĂ

Evropska investicijska banka
Evropská investiční banka
Den Europæiske Investeringsbank
Europäische Investitionsbank
Euroopa Investeerimispank
Ευρωπαϊκή Τράπεζα Επενδύσεων
European Investment Bank
Banco Europeo de Inversiones
Banque européenne d'investissement
An Banc Eorpach Infheistíochta
Europska investicijska banka
Banca europea per gli investimenti
Eiropas Investīciju banka
Europos investicijų bankas
Európai Beruházási Bank
Bank Ewropew tal-Investiment
Europese Investeringsbank
Europejski Bank Inwestycyjny
Banco Europeu de Investimento
Banca Europeană de Investiții
Európska investičná banka
Evropska investicijska banka
Euroopan investointipankki
Europeiska investeringsbanken

BY EMAIL and BY COURIER

Ministry of Energy
of the Republic of Moldova
bd. Ștefan cel Mare și Sfînt, 134
MD 2012 Chisinau,
Republic of Moldova

For the attention of: Nicolae OLARI
E-mail: nicolae.olari@energie.gov.md

Luxembourg, ___ July 2025 JU/OPS-POL/OEU-B/AK/jt N°2025-08227

Subject: **MOLDOVA ENERGY EFFICIENCY**
Operation Number (Serapis N°): 2017-0017; Contract Number (FI N°): 94.583

Grant Agreement between the Republic of Moldova (the "**Beneficiary**") and the European Investment Bank (the "**Bank**") dated 16 September 2022 ("**Grant Agreement**")

Amendment Letter N° 1

Dear Sirs,

We refer to the Grant Agreement.

1. DEFINITIONS AND INTERPRETATION

1.1. In this amendment letter (the "**Letter**"):

"**Effective Date**" means the date on which the Bank notifies to the Beneficiary that it has received (i) 2 (two) originals of this Letter duly signed by the Beneficiary and (ii) evidence that this Letter has been duly ratified by the Parliament of the Republic of Moldova.

1.2. Unless the context otherwise requires or unless otherwise defined, terms defined in the Grant Agreement and expressions used in the Grant Agreement have the same meaning when used in this Letter.

1.3. The principles of construction set out in the Grant Agreement shall have effect as if set out in this Letter.

1.4. Any reference to an "Article" or "Annex" is, unless the context otherwise requires or it is indicated otherwise, a reference to an Article of this Letter.

1.5. Headings are for ease of reference only.

1.6. With effect from the Effective Date, any reference in the Grant Agreement to "this Agreement" (or other similar references) shall be read and construed as a reference to the Grant Agreement, as amended by this Letter.

1.7. The Annexes to this Letter form an integral part of this Letter.

2. AMENDMENTS TO THE GRANT AGREEMENT

2.1. With effect from the Effective Date, the Grant Agreement shall be amended as set out below:

(a) Recital A. of the Grant Agreement shall be deleted in its entirety and replaced with the following:

"*A. The Republic of Moldova, represented by its Ministry of Finance (the **"Borrower"**) is undertaking operations (each, a **"Sub-Project"**, and, together, the **"Project"** or the **"Sub-Projects"**) to support sustainable energy efficiency improvements targeting public buildings owned by public entities and public institutions representing local public authorities and central public authorities, as well as residential buildings, in various cities in the Republic of Moldova, as further described in the technical description (the **"Technical Description"**) set out in Annex 1.*

*Pursuant to a finance contract entered into between the Beneficiary and the Bank (the **"Finance Contract"**) on 10 December 2021, the Bank has made available to the Borrower a loan in a maximum principal amount of EUR 30,000,000 (thirty million euros) (the **"Loan"**), in order to partially finance the Project. Moldova Energy Projects Implementation Unit is a public institution created on the basis of Government Decision no. 1276 of 21 December 2000, acting under the aegis of the Ministry of Energy (the **"MEn"**) or its successors (the **"MEPIU"** or a **"Promoter 1"**). MEPIU (or its successors) is responsible for the implementation of Sub-Projects relating to public sector buildings. The National Centre for Sustainable Energy (the **"NCSE"** or a **"Promoter 2"**) is a public institution created on the basis of Government Decision no. 1060 of 21 December 2023 acting under the aegis of MEn and its successors. NCSE or its successors is responsible for implementing Sub-Projects relating to residential buildings. The Bank has executed or will execute a project implementation agreement (the **"Project Implementation Agreement"**) for the purposes of implementing the Project with each MEPIU and NCSE (together, the **"Promoters"**).*

*The Beneficiary carries out the Project through the MEn, which has general supervision of, and responsibility for, the implementation of the Project. The Project is being implemented through the Promoters and the project implementation units created within each Promoter, one for the public sector Sub-Projects, within MEPIU, and one for the residential sector Sub-Projects, within NCSE (with the existing structure) (the **"PIUs"**). A steering committee (the **"Steering Committee"**) will also be established for the supervision of the implementation of the Project, comprising representatives of, inter alia, the Ministry of Finance, MEn, EIB and EBRD, the EU Delegation in Chisinau and/or others.*";

(b) Paragraph (1) of Recital C of the Grant Agreement shall be deleted in its entirety and replaced with the following:

"*(1) an investment grant element up to a maximum amount of EUR 12,400,000 (twelve million four hundred thousand euros) to partially finance refurbishment works and energy efficiency measures, as well the development costs for detailed audits, designs, supervision and certification services relating to the Project (the **"Grant"**). EUR 10,000,000 (ten million euros) of the Grant will be used for the Sub-Project relating to residential buildings and EUR 2,400,000 (two million four hundred thousand euros) of the Grant will be used for Sub-Projects relating to public sector buildings; and* ";

(c) The definition of "Grant Maximum Amount" shall read as follows:



""*Grant Maximum Amount*" *means a maximum amount of EUR 12,400,000 (twelve million four hundred thousand euros) out of which (i) EUR 10,000,000 (ten million euros) for the Sub-Project relating to residential buildings and (ii) EUR 2,400,000 (two million four hundred thousand euros) for Sub-Projects relating to public sector buildings.*";

(d) In paragraph (b), in the definition of "Termination Date" words "*72 months (seventy-two months)*" shall read as "*96 months (ninety-six months)*";

(e) The definition of the "Grant Disbursement Account" shall read as follows:

""*Grant Disbursement Account*" means:

(i) in respect of the public buildings component, means the Euro-denominated account:

(1) Opened in the name of the MEPIU,

(2) at the National Bank of Moldova,

(3) for the purposes of receiving the Grant prior to such funds being used by the Beneficiary (acting through the MEPIU) for the purposes of implementing the Project;

and

(ii) in respect of the residential buildings component, means the Euro-denominated account:

(1) opened in the name of the MoE or the NCSE,

(2) at the National Bank of Moldova,

(3) for the purposes of receiving the Grant prior to such funds being used by the Beneficiary (acting through the MoE or the NCSE) for the purposes of implementing the Project.

Each the Grant Disbursement Account for the residential buildings and the Grant Disbursement Account for the public buildings components shall be separate from any other accounts, audited independently and separately, and not subject to any enforcement, attachment, or any similar proceedings.";

(f) Paragraph (a) of Article 7.6 and paragraph (a) of Article 7.7 shall read as follows:

"(a) *the Bank (i) has received for its approval a request from the Beneficiary, substantially in the form provided in Annex 3 (Model Request for Payment), and (ii) has confirmed its satisfaction with all statements contained therein, as well as with all the supporting documentation attached to the Beneficiary's request for payment;*";

(g) Article 9.2 of the Grant Agreement shall read as follows:

"*The Beneficiary and the Promoters shall provide the Bank with full information on the implementation of this Agreement and the Works and/or Services. To this end, the Beneficiary and the Promoters shall provide annual progress reports and a final implementation report, consisting of a narrative section and a financial section (for public component the responsible authority is MEPIU and for residential component the responsible authority is NCSE). The reports shall be drafted in English and financial information shall be consolidated in euros. Each report shall be in form and substance satisfactory to the Bank.*";

(h) In sub-paragraph (a)(ii) in Article 8.1 (Eligible costs) of the Grant Agreement words "*the expenditure verification certificates to be provided to the Bank pursuant to Article 9.4 (Information and Reporting)*" shall read as "*externally audited financial statement of expenditure to be provided to the Bank pursuant to Article 9.7 (Information and Reporting*";

(i) In Article 8.4 words "*a financial audit certificate*" shall read as "*externally audited financial statements of expenditure*";

(j) Article 9.7 and Article 9.8 of the Grant Agreement shall read as follows:

"9.7 The Beneficiary shall provide annually, through the Promoters, externally audited financial statements of expenditure of the previous calendar year relating to each relevant part of the Grant, for the residential sector component and the public sector component. Such financial statements shall be audited by independent external auditor(s), the selection of which requires the prior written approval of the Bank in accordance with terms of reference provided by the Bank to the Beneficiary and approved by the Bank. It shall be submitted no later than 15 February each year and for the first time by 15 February 2026, at the latest.

9.8 The auditor(s) shall examine whether the costs declared and claimed for payment from the Grant pursuant to Article 7 (Payment of the Grant) are real, accurately recorded and eligible according to this Agreement. The Beneficiary and both Promoters shall fully cooperate with such external auditor(s) and facilitate its/their work.";

(k) Annexes 1, 2 and 5 of the Grant Agreement shall be replaced accordingly with the respective annexes 1, 2 and 5 as stated in Annex I to this Letter;

(l) all references to Ministry of Infrastructure and Regional Development shall be replaced with references to the Ministry of Energy and all references to MoIRD shall be replaced with references to MEn;

(m) any reference to the "Promoter", "Promoter and the MEPIU", "Promoter or the MEPIU", "Promoter and/or the MEPIU" in the Grant Agreement shall be read and construed as a reference to the "Promoter 1 and Promoter 2" or "Promoters", as applicable;

(n) In Annex 3 of the Grant Agreement words "*Invoice No. [of [date] issued by [name of Contractor]* " shall read as follows: "*Procurement plan(s) and forecast of expenditure(s) for the Grant part relating to the [residential sector component / public sector component]* ".

2.2. The Ministry of Energy of Republic Moldova shall have the same obligations of the Ministry of Infrastructure and Regional Development of the Republic of Moldova under the Grant Agreement as it would have had if it had been an original party to the Grant Agreement.

3. MISCELLANEOUS

3.1. Other than in accordance with the provisions of Article 2 (*Amendments to the Grant Agreement*) of this Letter, nothing in this Letter shall affect the rights of the Bank in respect of the occurrence of any breach or non-compliance in connection with the Grant Agreement, including without limitation any breach or non-compliance in connection with the Grant Agreement which has not been disclosed by the Beneficiary in writing prior to the date of this Letter or which arises on or after the date of this Letter.

3.2. The provisions of the Grant Agreement shall, save as amended by this Letter, continue in full force and effect. This Letter is not (and shall not be deemed to be) a consent, agreement, amendment or waiver in respect of any terms, provisions or conditions of the Grant Agreement, except as expressly agreed herein. The Bank reserves any other right or remedy it may have now or subsequently.

3.3. This Letter does not entail a novation of, or have a novative effect on, the Grant Agreement.

3.4. The Bank issues this Letter acting in reliance upon the information supplied to the Bank by the Beneficiary until the date hereof in relation to such matters being true, complete and accurate. It shall be without prejudice to any rights which the Bank may have at any time in relation to any other circumstance or matter other than as specifically referred to in this Letter or in relation to any such information not being true, complete and accurate, which rights shall remain in full force and effect.

3.5. The Beneficiary shall, at the request of the Bank and at its own expense, do all such acts and things necessary or desirable to give effect to the amendments effected or to be effected pursuant to this Letter.

3.6. The provisions of Article 27.2 (Arbitration) of the Grant Agreement shall be incorporated into this Letter as if set out in full in this Letter and as if references in those clauses to "this Agreement" are references to this Letter.

4. GOVERNING LAW

This Letter and any non-contractual obligations arising out of or in connection with it shall be governed by public international law.

For the purposes of keeping records of the execution of this Letter, the Bank will deliver to the Borrower 4 (four) originals in paper form and executed on behalf of the Bank. The Borrower shall ensure that such originals are duly executed and that 2 (two) originals of this Letter, duly signed by all Parties, are returned to the Bank as soon as possible.

Yours faithfully,

EUROPEAN INVESTMENT BANK

Helen Williams
Head of Division

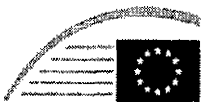
Stella Renita
Senior Loan Officer

Agreed and accepted for and on behalf of

the Republic of Moldova

as the Beneficiary

Name: DORIN JUNGHIETU
Title: MINISTER OF ENERGY
Date: 7/7/2025



Annex 1

Description of Project

The Moldova Energy Efficiency project is financed under EIB framework loan to support sustainable energy efficiency improvements in buildings in various cities in the Republic of Moldova. The Project is the first nation-wide energy efficiency undertaking in Moldova. It is expected to be co-financed by the EIB and the EBRD as well as to benefit from an EU grant from the Neighbourhood Investment Platform.

The main building categories targeted in the Project will be residential and public buildings (schools, kindergartens, hospitals, municipal/governmental buildings frequently used by citizens) owned by the State and/or municipalities (or Local Public Administrations – LPAs)). The Project will modernize them, improving energy efficiency (EE) and also promote related visibility. Appropriate thermal refurbishment and renovation of buildings will be performed to the benefit and well-being of citizens.

Objectives

The overall objective of the Project is to improve energy efficiency in residential and public buildings (both municipal and state owned) across the Republic of Moldova.

The specific objectives of the Project are (i) the implementation of energy efficiency measures, focusing on improvements to the building envelope, heating, ventilation and air-conditioning systems, (ii) the implementation of lighting, heat distribution systems and the integration of renewable energy sources, wherever technically appropriate, (iii) a significant impact on energy efficiency and savings, (iv) the contribution to improved building environments, CO2 emission reduction and thus climate change mitigation, and (v) building consolidation works (walls, basement, etc.) strongly recommended for health and safety considerations.

The general objectives of the Project are listed in Article 3.1 (Description and Objectives of the Action and its Window) of this Contribution Agreement.

The Project aims to improve energy efficiency in residential and public buildings (both municipal and state owned) across the country. The proceeds of the EIB and EBRD loans and the EU investment grant will finance energy efficiency measures, focusing on improvements to the building envelope, heating, ventilation and air-conditioning systems. The programme will also include lighting, heat distribution systems and the integration of renewable energy sources.

Project Description

<u>Component 1 – Investments</u>

Subcomponent 1.1 Approximately 1.1 million m² of usable building surface will be refurbished under this Project. The main building categories targeted in the Project are the residential and **public buildings** (schools, kindergartens, hospitals, municipal/governmental buildings frequently used by citizens, owned by the State and/or municipalities (or Local Public Administrations – LPAs)). The current planning foresees its implementation over a period of 6 years.

Subcomponent 1.2. Improvements to the building envelope (wall, roof, slab insulation, windows and door replacement),

Subcomponent 1.3 Improvements to HVAC systems (heating, ventilation and air-conditioning).

Subcomponent 1.4 Energy efficiency measures targeting lighting systems, heat distribution systems and the integration of renewable energy sources.

Component 2 – Technical Assistance

Subcomponent 2.1 The pre-selection (and exclusion) criteria used in the pre-feasibility study in consultation with the government, EUD, and other relevant stakeholders will be further discussed and refined as a matter of priority during the feasibility study.

Subcomponent 2.2 Provision of energy performance certificates at the end of the refurbishment works. The refurbished buildings will comply with the cost-optimum refurbishment level in line with the EU Directive on the Energy Performance of Buildings, which is in the process of transposition into Moldovan legislation.

The principal criteria and considerations include:

- Priority will be given to buildings with a clear social and visible impact and benefits for citizens; with due consideration to the number of beneficiaries of each building;
- Representativeness of geographical regions will be ensured, with the appropriate balance between municipal state buildings, inside and outside Chisinau;
- Establishing a balance among selected building types and uses: governmental buildings, hospitals as well as municipal buildings covering various activities (e.g. kindergartens, schools, sports complexes etc.);
- Establish an appropriate balance between buildings requiring either deep- or lighter energy efficiency renovation works (see further below). Prioritisation as per energy consumption, usage, size and total useful area (e.g. large hospitals of national importance located in Chisinau) expressed in specific energy consumption kWh/m2;
- Age of buildings and last date of reconstruction;
- Excluded buildings:
  - Historical buildings used by the municipalities or the government or characterized as architectural monuments (as external interventions cannot be implemented);
  - Buildings that have already undergone extended energy efficiency interventions;
  - Buildings with too many structural issues requiring structural renovation;
  - Buildings with insufficient data (e.g. absence of electrical and/or thermal consumption data).

The Project will focus predominantly on the following areas, each building to benefit from a combination of the following according to individual needs:

- deep energy efficiency renovations: thermal refurbishment, and more specifically building envelope refurbishment, including roofs and basements, structural works, replacement of doors and windows, modernisation or new ventilation systems;
- improvements in building management control and operation;
- lighting renovations: new lighting and lighting controls;



- modernisation of heat generation/distribution systems, including boiler replacement, individual heat substation and connection/ re-connection to the District Heating (if located in Chisinau and Balti); solar water heating; solar photovoltaic power generation; heat pumps etc.

Once implemented, over time these measures are expected to generate significant energy and money savings for the final beneficiaries.

Annex 2

Estimated cost for the Project

The total Project cost (excluding VAT and Fees) is estimated at EUR 76 905 000 (seventy six million and nine hundred five thousand euros).

The estimated Project cost breakdown (excluding VAT and Fees) is shown in the table below:

Item	Cost estimate EUR (million)
Technical Assistance	2.80
Investment Costs	73.805
Communication	0.3
Total Project	**76.905**

The NIP Board also approved on 28 May 2025 an additional amount of EUR 10 000 000 (ten million euros) to be dedicated to the financing of the Public Buildings Component under the Investment Grant Window.

The **financing plan** for the Project, excluding the Fees, is as follows:

Source	Amount (EUR m)
EIB Bank Loan	30.00
EBRD Bank Loan	30.00
Borrower own funds (in-kind contribution)	1.405
EU Contribution	15.00
Other (EPTATF)	0.5
TOTAL	76.905

This financing plan does not take into account the additional amount of EUR 10,000,000.00 (ten million euros) to be yet approved by the NIP Board as mentioned above.



Annex 5

Progress Indicators

The main indicators that will be monitored by the Bank at the Project level are the following:

Expected Results

Indicator	Units	Baseline value (X) 2024	Expected value after the project (Y) 2027	Expected result (=Y-X)	Comments and reference to methodology used, where necessary
Standard Outputs					
1. Buildings refurbished					
1a Residential Buildings	#	0	20		A first selection of 139 public buildings has been proposed by the NCSE. The MoE decided not focus on the 139 buildings and instead to prioritize 10 public hospitals of larger size.
1b Public Buildings	#	0	10		Regarding the residential component, the NCSE has pre-selected 25 condominiums / Home Owner Associations and plans to cover at least 20 buildings/HoA with the EU grant
2. Surface of EE refurbished buildings					

2a Surface of EE refurbished residential buildings	m^2	0.00	34,042		Updated indicators based on feasibility study elaborated by the TA consultant in May 2023. For residential component prorated from 25 buildings.
2b Surface of EE refurbished public buildings	m^2	0.00	203,413		
Standard Outcomes					
3. Energy savings					
3a Energy savings – residential buildings	MWh	0.00	2,666		Based on the results of the feasibility study carried out by the TA consultant in May 2023
3b Energy savings – public buildings	MWh	0.00	24,000		
4. Electricity produced from renewable energy sources					
4a Electricity produced from renewable energy sources – residential buildings	GWh/yr	0.00	0.15		The renewable energy generation is building integrated
4b Electricity produced from renewable energy sources – public buildings	GWh/yr	0.00	1.35		
Project specific indicators (introduce other indicators applicable to this project)					
4. CO2 savings					
4a CO2 savings – residential buildings	tCO2/a	0	734		
4b CO2 savings – public buildings	tCO2/a	0	6600		
Cross sector indicators (compulsory if they are main objectives - cf. Box 19)					
5. Total number of beneficiaries					
5a Total number of beneficiaries (residential buildings)	#/year	0	4,000		Assuming 20 HoA will be included in the project

5b Total number of beneficiaries (public buildings)	#/year	0	971,260		~962,000 are patients ~9,260 are medical staff
6. Number of beneficiaries living below the poverty line					
6a Number of beneficiaries living below the poverty line (residential buildings)	#/year	0	1,200		Based on ~31% poverty rate (2023 data) across the country
Number of beneficiaries living below the poverty line (public buildings)	#/year	0	300,000		~31%
5. Greenhouse gas emissions impact					
5a Greenhouse gas emissions impact – residential buildings	CO2 ktons eq/yr	0	0.7		
5b Greenhouse gas emissions impact – residential buildings	CO2 ktons eq/yr	0	6.6		
6. Direct employment: Construction phase					
6a Direct employment: Construction phase- residential buildings	# (persons-years)	0.00	500 person years		
6b Direct employment: Construction phase – public buildings	# (persons-years)	0.00	3 572 person years		
7. Direct employment: Operations and maintenance					
7a Direct employment: Operations and maintenance – residential buildings	# (FTE)	0	0		
7b Direct employment: Operations and maintenance – public buildings	# (FTE)	0	0		



Expected Impact:

It is envisaged that the operation will have the following positive outcomes. Implementation of the project will allow to:

- support the government's intention for energy security by reducing energy imports;
- reduce CO2 and other GHG emissions in compliance with the SEAP of the beneficiary cities;
- lower energy (reduction of energy consumption is estimated at 20 % for power and 55 % for heat);
- solving existing issues of under-heating during the winter-time period;
- extending the lifetime of the refurbished buildings.

Through this project, awareness and knowledge on energy efficiency will be enhanced, shaping the basis for further development of the energy efficiency and renewable energy market in the country.

In addition, implementation of the project will allow to:

- Improve the quality and image of buildings, as well as the quality of public services they deliver;
- Improve comfort and the quality of life for building users;
- Introduce advanced technologies in building sector;
- Support the construction sector (job creation) and thus have an impact on Moldovan economic growth.

Prin prezenta confirm că textul alăturat este o copie autentică a Amendamentului nr. 1 la Acordul de grant dintre Republica Moldova şi Banca Europeană de Investiţii în vederea realizării Proiectului "Eficienţa energetică în Republica Moldova" (Chişinău, 7 iulie 2025), originalul fiind depozitat la Arhiva Tratatelor a Ministerului Afacerilor Externe.

Anatol CEBUC,
Şef al Direcţiei Drept Internaţional a
Ministerului Afacerilor Externe





