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AFD AGREEMENT N°. CMD 1011 04 E

SPECIAL CONDITIONS

of the

GRANT

dated as of 14 May 2026

between

AGENCE FRANCAISE DE DEVELOPPEMENT

AFD

and

THE REPUBLIC OF MOLDOVA

The Beneficiary

INTEGRATED DEVELOPMENT OF AGRICULTURE AND IRRIGATION PROGRAMME - iDRIP

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SPECIAL CONDITIONS OF THE GRANT

BETWEEN:

THE REPUBLIC OF MOLDOVA,

represented by Mrs Ludmila Catlabuga, in her capacity as Minister of Agriculture and Food Industry of the Republic of Moldova, duly authorized to sign this Agreement;

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

ON THE ONE HAND

AND

AGENCE FRANCAISE DE DEVELOPPEMENT, a French public entity (*établissement public*) governed by French law, with registered office at 5, Rue Roland Barthes, 75598 Paris Cedex 12, France, registered with the Trade and Companies Register of Paris under number 775 665 599, represented by Mr. Mathieu Vasseur, in his capacity as Regional Director European Neighbourhood and Enlargement, duly authorized to sign these Conditions,

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

ON THE OTHER HAND

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

WHEREAS:

(A) The Beneficiary intends to rehabilitate two centralized irrigation systems, establish a hire-purchase scheme for private investment in small-scale irrigation based on water harvesting and build the capacity of stakeholders at all levels in the irrigated agriculture value chains, under the Integrated Development of Agriculture and Irrigation Programme (the "**Project**" or "iDRIP"), as described further in Schedule 1 (*Project Description*).

(B) The Beneficiary has requested that the Agency makes available a Grant for the purposes of partially financing the Project.

(C) The Agency, a public entity contributing to the implementation of the French State's development aid policy (in accordance with Article L515-13 of French Monetary and Financial Code), has expressed its interest to participate in the financing of the Project.

(D) The Agency has applied to the European Commission (hereinafter the "Commission") to secure financing for the Project under the Neighbourhood Investment Platform (NIP). With the approval of the NIP Board, the Commission has delegated its financial contribution for the Project to the Agency to this effect. Therefore, the Commission and the Agency have entered into a contribution agreement with reference number 700004296 on 18 December 2025 (the "Contribution Agreement") in connection with the Project.

(E) Pursuant to resolution no. C20251102 of the *Comité des Etats Etrangers* dated 10 December 2025, the Agency has agreed to make part of the Grant available to the Beneficiary pursuant to these Special Conditions and the General Conditions appended hereto.

(F) In order to carry out the Project, the Beneficiary will conclude a Project Management Agreement with the Implementing Agency.

NOW THEREFORE IT IS AGREED as follows:

1. INTRODUCTORY PROVISIONS

1.1 This Grant is made and governed in accordance with the Special Conditions and the General Conditions.

1.2 The General Conditions attached hereto are an integral part of the Special Conditions. They have the same contractual binding effect as the Special Conditions.

1.3 The provisions of the General Conditions shall apply save as otherwise expressly stated in these Special Conditions.

1.4 Any deviation from the General Conditions shall be provided for in these Special Conditions.

1.5 The provisions of the General Conditions pertaining to the Final Beneficiary in the General Conditions are inapplicable.

1.6 The provisions of the General Conditions pertaining to the Implementing Agency in the General Conditions are applicable in keeping with the special conditions hereof.

1.7 The provisions of the General Conditions regarding any Co-Financing or Co-Financier are inapplicable.

1.8 The Special Conditions and the General Conditions taken together make up the Grant Agreement. The Beneficiary hereby declares that the General Conditions were disclosed to it prior to signing the Special Conditions. The Parties hereby acknowledge that discussions with the Agency resulted in the signature of the Grant Agreement.

2. DEFINITIONS

2.1 Terms used in these Special Conditions hereof beginning with a capital letter shall have the meaning given to them in the General Conditions.

3. GRANT AMOUNT, PURPOSE AND PROJECT DATES

3.1 Grant amount

The Agency shall make a Grant for a maximum aggregate amount of eleven million two hundred thousand Euros (EUR 11,200,000) available to the Beneficiary, at the latter's request and subject to the terms of these Special Conditions and the General Conditions.

The total amount disbursed to the Beneficiary by the Agency cannot under any circumstances exceed the maximum aggregate amount of the Grant stated above.

3.2 Purpose

All Grant funds must be used exclusively to finance the Eligible Expenses of Integrated Development of Agriculture and Irrigation Project in accordance with the Project description provided in Schedule 1 (*Project Description*) and the Financing Plan provided in Schedule 2 (*Financing Plan*).

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The Beneficiary undertakes not to unilaterally modify the main purpose of the Project as set out in Schedule1 (*Project Description*) of this Agreement, its objectives, strategies and priority areas and any other essential element stated in the above-mentioned Schedule.

The Beneficiary has designated the National Agency for Land Improvement (ANIF) as Implementing Agency.

3.3 Project dates

— Deadline for Drawdowns: 15/05/2031;

— Deadline for Use of Funds: 15/05/2032;

— Deadline for Implementation of the Project, which refers to the Technical Completion Date: 15/05/2032.

3.4 Project documents

The Project Documents include the following:

— the Project Management Agreement between the Beneficiary and the Implementing Agency.

— The Manual of Procedures for the Project, which means the document setting out the operational, financial, and administrative procedures applicable to the implementation of the Project, as approved by the Agency and as may be amended from time to time with its prior consent.

3.5 Co-financing – *Not applicable*

4. DRAWDOWN OF FUNDS

4.1 Drawdown request

Each Drawdown Request shall be delivered by the Beneficiary, acting through the Implementing Agency (represented by a duly authorised person), to the Head of the AFD office at the address specified in Clause 9 (*Notices*).

4.2 Drawdown methods

Grant funds shall be disbursed in accordance with the following method as set out in the General Conditions:

— 3.2.3 - Advances.

For Drawdowns to be made in the form of Advance and in accordance with Clause 3.2.3 (b) of the General Conditions, the amount of the first Advance shall be EUR 5,855,000.

4.3 Project account

Pursuant to Clause 3.2.3(a) (*Project Account(s)*) of the General Conditions, the Beneficiary shall procure that the Implementing Agency opens, maintains and uses the Project Account at any bank servicing the Republic of Moldova's treasury system ("ANIF Grant Project Account").

4.4 Control – audit

Pursuant to Clause 3.2.3(f) (*Control-Audit*) of the General Conditions the audits of the Project Account will be carried out by an independent and reputable audit firm selected by the Beneficiary, subject to the Agency's no-objection to the terms of reference of the audit mission and the selected audit firm.

The costs of the audits will be charged to the Beneficiary own budget.

Audit reports must be available no later than three (3) months after the end of each fiscal year.

5. REPRESENTATIONS AND WARRANTIES

The Beneficiary makes the representations set out in Clause 5 (*Representations and Warranties*) of the General Conditions.

6. UNDERTAKINGS

6.1 The Beneficiary shall comply with the undertakings set out in Clause 6 (*Undertakings*) of the General Conditions.

6.2 In accordance with Clause 6.23 of the General Conditions, the Project is subject to communication and visibility obligations of Level 1 according to the Visibility and Communication Guide.

7. INFORMATION UNDERTAKINGS

The Beneficiary undertakes to comply with the information undertakings set out in Clause 7 (*Oversight and Information Undertakings*) of the General Conditions.

Pursuant to Clause 7.1 (b) (*Implementation Reports*) of the General Conditions, technical and financial progress reports shall be submitted within (30) calendar days according to the following schedule:

- First intermediary report: from the beginning of the implementation to 31/12/2026;
- For every subsequent year:
    - One Semestrial technical and financial report covering 6 months from 01/01 to 30/06;
    - One Annual technical and financial report covering 12 months from 01/01 to 31/12. This report will also provide the annual results of Project indicators monitoring.

8. CONDITIONS PRECEDENT TO SIGNATURE AND DRAWDOWNS

The signature of the Grant Agreement and Drawdowns of the Grant funds are subject to the delivery by the Beneficiary of all documents set out in Schedule 3 (*Conditions Precedent*), in a form that is satisfactory to the AFD.

9. NOTICES

Any notice, request or other communication under or in connection with the Grant Agreement shall be made or given as set out in the General Conditions and sent to the address and number of the relevant Party set out below:

For the Beneficiary:

REPUBLIC OF MOLDOVA

MINISTRY OF FINANCE

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

Email: cancelaria@mf.gov.md

Attention: Minister of Finance

MINISTRY OF AGRICULTURE AND FOOD INDUSTRY

Address: 162, Bd. Stefan Cel Mare Si Sfant, MD-2005 Chisinau

Email: cancelaria@maia.gov.md

Attention: Minister of Agriculture and Food Industry

For the AFD:

AFD – MOLDOVA OFFICE

Address: Office 805, 115/1, Bd. Stefan Cel Mare Si Sfant, MD-2004 Chisinau

Email: afdchisinau@afd.fr

Attention: Director

With a copy to:

AFD – PARIS HEAD OFFICE

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

Telephone: + 33 1 53 44 31 31

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

or any other address as a Party may indicate to the other with at least five (5) Business Days' prior notice.

10. MISCELLANEOUS

10.1 Amendments

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

(b) By way of derogation from Clause 10.1 (a), and subject in each case to the AFD's prior written approval, the Beneficiary, acting through the Ministry of Agriculture and Food Industry, may propose:

i. adjustments to Schedule 2 (*Financing Plan*) consisting of transfers within or between budget headings, including the cancellation or introduction of items, provided that:

- such adjustments do not affect the main purpose of the Grant;
- qualify as Eligible Expenses under this Agreement; and
- their financial impact is limited to: (i) a transfer within a single budget heading, including cancellation or introduction of an item, or (ii) a transfer between budget headings involving a variation (on a cumulative basis) of twenty-five percent (25 %) or less of the amount originally allocated (or as amended by an amendment concluded by the Parties) in relation to each concerned heading.

ii. modifications to the scope of the Project to include the rehabilitation of additional area connected to the two centralized irrigation systems described in Schedule 1, provided that such Project scope modifications:

- remain consistent with the original objectives and nature of the Project; and
- qualify as Eligible Expenses under this Agreement.

iii. adjustments to the outputs, indicators and their related targets, baselines and sources of verification described in Schedule 5 and the logical framework provided that

- such adjustments do not affect the main outcome of the Project ; and
- do not materially reduce the level of ambition or measurability of the Project.

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11. SCHEDULES

The Schedules to the Special Conditions are:

Schedule1: *Project Description*

Schedule 2: *Financing Plan*

Schedule 3: *Conditions Precedent*

Schedule 4: *Environmental and Social Commitment Plan / Environmental and Social Action Plan*

Schedule 5: *Model Follow-up Report on Project Key Indicators*

Schedule 6: *Public Transaction Information Notice*

Schedule 7: *Form of Drawdown Request*

Schedule 8: *General Conditions*

The Schedules are an integral part of the Special Conditions and have the same binding legal effect as these Conditions.

12. ENTRY INTO FORCE – TERM

The Beneficiary, acting through the Ministry of Agriculture and Food Industry, shall conduct all applicable procedures required under Moldovan laws for the entry into force of this Agreement, and in particular the adoption of a law ratifying this Agreement by the Moldovan Parliament, which shall occur in best delays after the Signing Date. The Agreement will remain in effect until the end of a two-year period commencing with the Technical Completion Date, without prejudice to the provisions of Clauses 11.2 and 11.3 of the General Conditions.

13. GOVERNING LAW, ENFORCEMENT AND SERVICE OF PROCESS

13.1 Applicable law

The Grant Agreement shall be governed by French law.

13.2 Jurisdiction

Any dispute arising out of or in connection with the Grant Agreement shall be submitted to the competent courts of Paris.

13.3 Immunities

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

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13.4 Address for Service

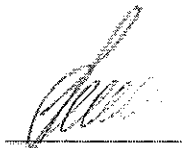
Without prejudice to applicable law, the Beneficiary hereby irrevocably chooses the address set out in Clause 9 (*Notices*) hereof, as its address for service for the purposes of serving judicial and extrajudicial documents in connection with any action or proceedings referred to above.

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Executed in two (2) originals, in Chisinau (Republic of Moldova), on May 14, 2026.

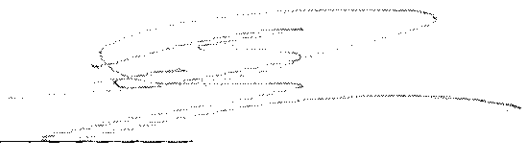
BENEFICIARY

THE REPUBLIC OF MOLDOVA

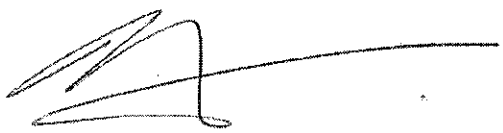


Represented by: Mrs. Ludmila Catlabuga
Capacity: Minister of Agriculture and Food Industry

AGENCE FRANCAISE DE DEVELOPPEMENT



Represented by: Mr. Mathieu VASSEUR
Capacity: Regional Director European Neighbourhood and Enlargement



Co-signatory, Mr. Benjamin Haddad, Minister Delegate for European Affairs of the French Republic

Schedule 1 - Project Description

LIST OF ABBREVIATIONS AND ACRONYMS

ADMA	Agency for the Development and Modernization of Agriculture
AFD	Agence Française de Développement
AIPA	Agency for Intervention and Payment in Agriculture
AM	Public Institution National Administration "Apele Moldovei"
ANIF	Agency for Land Improvement
ARAC	Agricultural and Rural Advisory Center
CIS	Centralized Irrigation System
DCFTA	Deep and Comprehensive Free Trade Agreement
E&S	Environmental and Social
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
EU	European Union
FAO	Food and Agriculture Organization
FFS	Farmer Field Schools
GAP	Gender Action Plan
GBV	Gender-based violence
GhG	Greenhouse Gas
GIS	Geographic Information System
GoM	Government of Moldova
GRM	Grievance Redress Mechanism
IFAD	International Fund for Agricultural Development
ISF	Irrigation Service Fee
MAFI	Ministry of Agriculture and Food Industry
MoE/MoEnv	Ministry of Environment
MoF	Ministry of Finance
M&E	Monitoring and Evaluation
NDC	Nationally Determined Contributions
O&M	Operation and Maintenance
PSC	Project Steering Committee
PT	Project Team
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
SEP	Stakeholder Engagement Plan
SMEs	Small and Medium Enterprises
SOP	Standard Operating Procedure
TA	Technical Assistance
THVA	Transition to High Value Agriculture Project
ToR	Terms of Reference

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ToT	Training of Trainers
UNDP	United Nations Development Program
WB	World Bank
WUA	Water User Association

Rationale (background & context)

Agricultural production in the Republic of Moldova is characterized by a large number of small and medium farm holdings, constrained by low level of technology and limited innovation, limited availability of public and private professional technical advisory services, limited access to finance, low level of farmer organization, limited market integration and value addition (e.g. certification, grading and processing) and increasing vulnerability to climate change. Since 2020, four out of five growing seasons and their agriculture harvests were affected by droughts and other extreme weather events as late frosts or extreme heat. Out of the 88 centralized irrigation systems once operational during the Soviet period, only about 22-24 are currently functional, reducing the area under irrigation to about 1% of the agriculture land in Moldova. This has resulted in unpredictable crop yields, especially for maize and sunflower, which dominate the national acreage, making farming a precarious venture.

Therefore, AFD and the Government of Moldova have agreed on a holistic and integrated approach to simultaneously rehabilitate irrigation systems and develop capacity at all levels: farmers, Water Users' Associations (WUAs), and national institutions.

The proposed action is thus articulated into four essential and interrelated technical components:

1. Rehabilitation of two Centralized Irrigation systems (CIS): Calinesti (along the Prut River) and Criulenii de Sus (along the Nistru river);
2. Rehabilitation of decentralized rain-fed water harvesting irrigation infrastructure and construction of small-scale rain-fed irrigation systems (in areas without access to perennial waterways);
3. Provision of multi-disciplinary technical assistance and advisory services to farmers, WUAs, and other stakeholders in key value chains (taking into account the specific needs and expectations of youth and women);
4. Capacity development for national institutions tasked with, among other things, water resources management; oversight of public irrigation infrastructure, and advisory and extension services.

The intervention is fully aligned with Moldova's National Strategy for Agriculture and Rural Development 2023-2030, with a strong contribution to Special objective number 1 'Enhancing the potential of the agricultural sector and promoting smart, sustainable and climate-resilient farming practices'.

In addition, this intervention participates in the implementation of National Climate Change Adaptation Program until 2030 approved through Government Decision 624/2023. For instance, by developing

climate smart agricultural practices with farmers and building the capacities of ARAC, ANIF and MAFI on that matter, along with bringing together the MoE and the MAFI around developing windbreaks and hedgerows, the project participates in the Specific Objective 1:" *Development of climate change adaptation capacities and cross-sectoral cooperation* ". The project is as well particularly responding to Specific Objective 5 for the agricultural sector ("*reducing vulnerability to climate aridisation, modernizing centralized irrigation and rainwater collection systems* [...]). In this way, adaptation to climate change is embedded in every aspect of iDRIP project.

Intervention logic: objectives and outputs

The iDRIP project addresses key market failures in Moldova's agricultural sector, particularly in Călinești and Criulenii de Sus, where farmers face climate risks, obsolete or underperforming irrigation infrastructure, limited financial access, and poor market integration. The intervention follows a sequential approach, ensuring that short-term outputs lead to long-term structural improvements.

At the output level, the project, through its four aforementioned components, focuses on strengthening agricultural practices, rehabilitating irrigation infrastructure, developing value chains, expanding financial access (Component 2), and building institutional capacity. Farmers will be trained in climate-smart agriculture, WUAs will gain technical and financial sustainability, and irrigation systems will be modernized. A hire-purchase revolving fund managed by ADMA will support sustainable investments, with preferential conditions for women, young farmers, and organic producers. Advisory services for farmers, led by ARAC, will be reinforced to ensure long-term technical support and knowledge dissemination. Institutional actors such as ANIF, AM, MAFI, and ADMA will receive targeted training and technical assistance to improve governance, monitoring, and sector coordination. These outputs provide the foundation for systemic change in the agricultural sector.

These outputs will lead to medium-term outcomes, including increased agricultural productivity, enhanced access to irrigation services, new employment opportunities, and better natural resource management. Drought-related losses will be significantly reduced, making farming more predictable and sustainable. As irrigation becomes more reliable and financial barriers decrease, farmers will invest more in higher-value crops, reducing economic vulnerability and increasing incomes. Access to financial services and strengthened value chains will enable small farmers to professionalize and improve market access. Stronger value chains and advisory services will improve market access and farm profitability, making agriculture more attractive to youth and women. The number of farmers benefiting from irrigation services will grow, ensuring more climate-resilient agricultural production, while WUAs will become financially sustainable and capable of independently managing irrigation systems without requiring major external support. The project will also contribute to rural economic growth by creating new jobs along the agricultural value chain.

Over the long term, these outcomes will contribute to systemic transformation, reinforcing the resilience of rural communities to climate shocks and market fluctuations. By improving water resource management and promoting sustainable land use, the project will help ensure the long-term sustainability of Moldova's agricultural sector.

The success of this intervention depends on the coordinated involvement of multiple stakeholders. Farmers in Călinești and Criulenii de Sus, including smallholders, organic producers, and young farmers, are the primary beneficiaries. Women entrepreneurs will also gain access to tailored financial and technical support. Institutional stakeholders, including the MAFI, ANIF, AM, ADMA, and ARAC, will play key roles in implementing and sustaining the project's interventions. WUAs, as the primary managers of irrigation infrastructure, will receive training and capacity-building support to ensure the

long-term viability of the rehabilitated irrigation schemes. The private sector, including input suppliers, processors, and financial institutions, will benefit from a more structured, resilient, and market-oriented agricultural sector.

Indicative activities

Component 1 Rehabilitation of Centralized Irrigation Systems (CIS)

The MAFI will delegate the implementation of Component 1 to the ANIF, which will benefit from the international technical assistance (TA) budgeted in Component 4 and 5. ANIF will be responsible to manage tenders for works and works supervision and liaise with the WUAs that will take over management of the infrastructure. The detailed design will be prepared by BRLi and its partner Protoby under a separate contract with AFD. Detailed ESIAs and ESMPs are already prepared for Calinesti and Criulenii de Sus. These analyses did not flag specific risks that cannot be addressed through recommended mitigation measures, including for the protection of fish and aquatic life. All mitigation measures are budgeted within the project budget (including under Component 5.1), as detailed in each ESMP; most of them to be incorporated into the contractors' scope of work. Mitigation measures include complimentary biophysical surveys, ecological inventory, financial compensations for crops losses during works.

Rehabilitation works Calinesti CIS

The Calinesti CIS rehabilitation will allow the secure on-demand access to irrigation water from the Prut river to serve up to 1,262 ha of land with water and energy-efficient technical options. Removing the barriers to reliable access to water will increase the resilience of the area to the impacts of climate change and support the diversification of farming systems. The system will serve about 100 farms[1], providing benefits for approximately 2,500 to 3,000 people. Activities in Calinesti CIS might include the revision of the management plan of the Padurea Domneasca Reserve near Calinesti or investments in the Reserve, with a potential to generate co-benefits for the environment.

Rehabilitation works Criulenii de Sus CIS

Rehabilitation of the Criulenii de Sus CIS will serve around 75 farms, totaling between 1,600 and 1,800 ha of land irrigated from the Nistru river. The number of indirect beneficiaries is expected to reach several thousands, considering the size of the town of Criuleni with 8,000 inhabitants, located in the immediate proximity of the CIS.

Schedule 11 is providing maps and main projected infrastructure features for each CIS.

Component 2 Rehabilitation/Construction of Small-Scale Rain-Fed Irrigation Systems

Hire-purchase programme for small-scale irrigation based on water harvesting investments

[1] The share of owner farmers vs tenant farmers will be provided through Detailed Design and confirmed with the Baseline Survey.

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Component 2 features the development of a hire-purchase programme for farmers (individually or collectively) to facilitate investment in in small-scale irrigation based on water harvesting infrastructure (small basins for collecting water and associated facilities) and to clean/rehabilitate small reservoirs, in areas without functional CIS or where CIS are under rehabilitation. The hire-purchase programme will be administered by the Agency for the Development and Modernization of Agriculture (ADMA) through a retrocession agreement.

This initiative will pay special attention to measures that generate co-benefits for the environment. This component aims to enable the development of at least 750 ha of small-scale irrigation in areas where the surface water resources are not as reliable as those of the Nistru and Prut rivers.

The iDRIP Steering Committee will ensure oversight of Component 2; while the Project Team at ANIF will liaise with ADMA to prepare progress reports on this component.

The process of selection, evaluation and approval for financing will be undertaken by ADMA with the support of the Project's Environmental and Social Experts, based on an Operational Manual approved by the iDRIP Steering Committee. While detailed mechanisms will be developed through project inception, it is planned that eligible entities would be individual farmers (including Individual Enterprises or Household Farms, duly registered in accordance with the legislation of the Republic of Moldova) and legally-established groups of farmers. Eligible activities would include creation of small ponds and related on-farm irrigation equipment; cleaning of accumulation lakes; soil conservation measures (windbreaks for example). Priority and/or preferential conditions would be given to areas vulnerable to climate changes, organic farming, projects of women and young farmers.

ADMA will be in charge of the implementation of the dedicated ESMF. ADMA's staff will be trained on the ESMF process by the Project's Environmental and Social Experts. Monitoring and evaluation of activities will be carried out by ADMA, supported by the M&E specialists of the project. Training of beneficiaries will be organized in coordination with the National Agricultural and Rural Advisory Center (ARAC). A joint data management by ADMA and AIPA will be explored so as to facilitate the procedures for the applicants who would like to apply for subsidies from AIPA.

Component 3 Capacity building and Extension Services for Farmers and Water Users' Associations (WUA)

As for Component 1, MAFI will delegate the implementation of Component 3 to the ANIF.

Dissemination of Climate-Smart Agricultural Practices

The objective of this activity is to support the adoption of climate smart practices by component 1 beneficiaries and farmers from neighbouring areas, such as crop rotation; mulching; tillage practices; weed control; cover crops; improved pastures; anti hail nets; and anti-frosts systems. This will be achieved through, *inter alia*:

- The establishment of Farmer Field Schools (FFS) in Calinesti and Criulenii de Sus, peer-to-peer exchanges and counselling by climate-smart agriculture experts on the Project Team;
- Financing the rehabilitation or establishment of multi-purpose windbreaks, following baseline inventory and mapping.

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- Promote nature-based solution (including soil fertility management, agro-ecology, integrated management), sustainable use of pesticides, waste reduction and water efficiency measures, precision agriculture; to the extent possible and considering the level of farmers buy-in yet to be evaluated on this topic.

Strengthening of Extension Services

This activity aims to build relevant, accessible and sustainable extension services in the CIS project areas. This will be implemented in close collaboration with the Agricultural and Rural Advisory Center (ARAC) through, *inter alia*:

- Designing and roll-outing of e-extension services to mitigate the lack of human resources and increase accessibility to services;
- Training of extension services providers (training of trainers) and exchanges with European extension services providers, including study tours and internships;
- Organization of workshops, training sessions and establishment of demonstration plots;
- Supporting the Technical University of Moldova in development of its Agricultural Research and Extension Station in Criuleni to enhance the capacity building of the targeted farmers and retain young people in rural areas.

Professionalization of Key Value Chains

This activity aims to provide project beneficiaries with access to a more stable market, facilitated by buyer commitments and price stability, to motivate smallholder producers and SMEs to invest in improving production capacity and quality. This will be achieved through, *inter alia*:

- Establishing networks and developing partnerships among value chains actors active in Calinesti and Criulenii de Sus CIS;
- Connecting Criulenii de Sus and Calinesti farmers to the national Market Information System under development;
- Providing training and support to farmer certification (e.g. GLOBALG.A.P., organic production);
- Developing financial and non-financial services for the production of quality and certified seeds and the local development of post-harvest activities (e.g. storage, refrigeration, processing, packaging).

Capacity-Development of WUAs

The objective of this activity is to enable WUAs to become autonomous and financially self-sufficient, meaning that they have the technical know-how and can collect fees to operate and maintain the infrastructure received from ANIF under their responsibility. This will be achieved through, *inter alia*:

- Establishing a WUA support team in ANIF;
- Developing training materials for outreach to WUAs;
- Providing Training of Trainers (ToT) to the ANIF WUA support team;
- Assessing the specific needs of WUAs (in priority those of Calinesti and Criulenii de Sus) and deliver training as well as continuous supervision, mentoring and coaching.

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Component 4 Capacity Development of ANIF, MAFI and AM for Sustainable Land and Water Management

Training, Equipment and Development of Tools & SOPs for ANIF & MAFI

In the Republic of Moldova, CIS are state-owned and managed by ANIF, which plays a crucial role in the irrigation sector, particularly in supervising hydraulic infrastructure and supporting WUAs. Before the 2023 reform, they were managed by the Public Institution National Administration "Apele Moldovei", the public entity responsible for water resource management.

This activity is therefore designed to ensure that ANIF, a structure created in 2023 within MAFI, develops adequate capacity to fulfil its mandate, which includes oversight of Government owned irrigation infrastructure (i.e. all CIS in Moldova). Through international technical assistance, and with ANIF ensuring adequate operational capacity for the effective implementation of iDRIP in accordance with applicable national regulations and institutional procedures, this activity will build the ANIF and MAFI capacity to sustainably oversee the management and development of the network of CIS in Moldova. It includes the provision of materials, training and regional study tours to share experiences and learn from best practices. The objective is to ensure that ANIF can fully play its full role in the development and supervision of the irrigation sector. Training activities will also include the hydro-amelioration department at the MAFI.

Development of water resources studies to support the preparation of an irrigation development strategic plan and investment framework

Moldovan public and private sector stakeholders recognize that there is a need for an irrigation development strategic plan and investment framework, informed by river basin management plans, regional and rural development plans, while further climate-proofing a proposed priority program of investments. The strategy would encompass both irrigation development in larger centralised irrigation systems, as well as small-scale private sector development and would address critical bottlenecks affecting the irrigation sector.

Currently UNDP provides support to the Public Institution National Administration "Apele Moldovei" for the design and roll-out of a watershed modelling tool, allowing for the assessment of the impacts of development scenarios on water resources. This should enhance understanding of the cumulative effects of irrigation projects on water resources and contribute to a better understanding of the sector in the context of climate change.

The project will facilitate a meeting of sector stakeholders to review the progress with the watershed modelling and will finance additional activities and studies leading toward the development of an irrigation development strategic plan and investment framework. In consultation with AFD and EU Delegation, the Government of Moldova may seek co-financing from other development partners and/or sources.

Component 5 – Project Management

In addition to the capacity development of key Government partners, national agencies and Water Users' Associations described above (through Component 3 and 4), the iDRIP Project Team will be supported throughout implementation with international assistance to ensure compliance with all due diligence and reporting responsibilities as required by AFD, which includes:

- Project administrative and financial management, procurement, vetting of staff and suppliers, etc;
- Implementation of the M&E system;
- Implementation of environmental and social management plans;
- Implementation of the Gender Action Plan;
- Implementation of the Communication and Visibility Plan;
- Project technical and financial reporting, preparation of the Steering and Technical Committees meetings.

Implementation arrangements

The various components of the project have distinct geographical scope:

- Component 1 will be entirely executed in the Centralized Irrigation Systems of Calinesti and Criulenii de Sus;
- Component 2 will be nation-wide but exclude areas served by existing functional or under rehabilitation Centralized Irrigation Systems;
- Component 3 will be focused (but not exclusively) on the Centralized Irrigation Systems of Calinesti and Criulenii de Sus;
- Component 4 is a capacity development component without a specific geographical scope.

Description of entities involved

The main entities involved in project implementation are the following:

- The Ministry of Finance (MoF)

The Ministry of Finance is the specialised central public administration body to develop and promote the state's public finance policy. As the main public finance supervisor, the Ministry of Finance ensures the regulation and implementation of Public Finance Management policies.

- Ministry of Agriculture and Food Industry (MAFI)

The Ministry of Agriculture and Food Industry (MAFI) is the central government authority responsible for the development and promotion of policies for sustainable development of the agri-food sector and rural areas.

- National Agency for Land Improvement (ANIF)

ANIF is a public agency established by Government Decision 390/2023. It is placed under the authority of the MAFI and financed on state budget. Its mission is to ensure the implementation of state policy in the field of land improvement, hydroamelioration (irrigation and drainage), land relations, land use cadastre and land monitoring (conservation, improvement and enhancement of soil fertility, hydro-amelioration). Centralized irrigation systems fall under the responsibility of ANIF.

- Agency for the Development and Modernization of Agriculture (ADMA)

ADMA is a self-financing public institution under the Ministry of Agriculture and Food Industry. Its objectives are to facilitate farmers' access to modern agricultural machinery and equipment through

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purchase and sale contracts, including via instalment trade, to ensure the growth of competitive agri-food production and development of an alternative offer/solutions for the agriculture modernization by consultancy and expertise, training, assistance in business planning in the agri-food sector.

- Agricultural and Rural Advisory Center (ARAC)

ARAC is public institution under the Authority of the Ministry of Agriculture and Food Industry which aims to consolidate and improve the provision of agricultural advisory services.

- Ministry of Environment (MoE)

The MoE is responsible for the development and promotion of the State policy in the field of environment. MoE initiates draft environmental laws and regulations and issues relevant instructions and decisions, ensures coordination and control over the implementation of environmental laws and policies, elaborates environmental standards and normative documents. MoE is also responsible for environmental monitoring and oversees national environmental institutions.

- Public Institution National Administration "Apele Moldovei" (AM)

The Public Institution National Administration "Apele Moldovei" is an entity directly subordinated to the Ministry of Environment. According to its recently approved new regulations (Government Decision 849/2024), AM is the central technical and administrative organization dealing with surface and underground water resources, including development of long-term programs concerning river basins and water administration works throughout the country, protection against floods or other damage, coordinating of construction, design, and operation activities in the field of water.

- Water Users Associations – General description

The COMPACT program (2010-2015) initiated a process of irrigation management transfer to WUAs and created the appropriate legal and regulatory framework (Law on Water Users Associations of 2010 no.171/2010 and three years later, by Decision no.198/2013, the Government approved the Regulation on irrigation system transferring in gratuitous use to the WUAs). 10 associations were established by Compact and, with the support of the Sustainable Development Fund (SDA), 25 additional associations were created during the post-Compact period (2015-2022). In the meantime, the WUA Law 171/2010 was modified several times to resolve issues arising from the implementation of the initial text and adapt the framework to institutional developments. There are currently 88 CIS, including 38 managed by ANIF (all transferred to WUAs) and 50 – by the Public Property Agency (to be progressively transferred to ANIF) and 50 WUAs. These non-commercial associations are in charge of the management of the infrastructures and have costs covered on the basis of irrigation fees and annual membership fees.

- Water Users Associations of Calinesti[2]

In 2021, the WUA *Asociația Utilizatorilor de Apă pentru Irigații, Pădurea Domnească"* was formally established by 5 farmers to take on the management, operation and maintenance of the Calinesti CIS. To ensure that the system was kept as one piece and to have a responsible entity (legal person) for it, a commodate contract was made with the system owner at that time (AM), that was later transferred to

[2] For more details, please refer to Feasibility Study, Deliverable #3.

the newly established ANIF. The WUA has currently 7 members, covering about 600-700 ha (mainly field crops), but there is no irrigation due to the condition of the irrigation infrastructure.

- Water Users Associations of Criulenii de Sus

In 2019, the WUA *Asociația utilizatorilor de apă pentru irigații "Criulenii de Sus"* was established to take over the management, operation and maintenance of the Criulenii de Sus CIS. The Criulenii de Sus WUA has 8 members covering approximately 255 ha but indicated a potential membership of around 75.

Organisational set-up

Project owner: Ministry of Agriculture and Food Industry (MAFI). The MAFI will be responsible, through ANIF and ADMA, for the overall project implementation and coordination of the different stakeholders involved in the four main components of the Project.

Implementing Agency ANIF: MAFI will delegate Project implementation activities related to Components 1, 3, 4 and 5 (including all procurements) to ANIF. ANIF will also be the owner of the two rehabilitated CIS at the end of the Project. Therefore, ANIF will be in charge of initiating the calls for tenders and select the construction contractors and works supervisors for the two CIS. ANIF will actively involve and consult with the Water User Associations of the two CIS.

Project operator for the small-scale irrigation development support with water harvesting infrastructures (Component 2): ADMA. The Ministry of Finance will on-lend part of AFD loan to ADMA, which will manage the hire-purchase programme, adapting its existing business model to the requirements of AFD, under the overall guidance of the Project Steering Committee.

Technical Assistance: The project will encompass two major Technical Assistance contracts. The first contract (TA contract #1), to be directly managed by AFD, includes the tasks mentioned in Component 5 above and will be key for a successful inception phase of the Project. This TA will also provide specific assistance to ANIF for its institutional strengthening and for implementing activities related to the rehabilitation of the irrigation system (budget line 4.1). The second major TA contract (TA contract#2) will focus on implementing Dissemination of Climate-Smart Agricultural Practices, Strengthening of Extension Services, Implementation of specific support for small farms, and Capacity building for the efficient use of water at plot's level sub-activities of Component 3, and will be tendered and awarded by ANIF potentially to ARAC, if compliance with AFD Procurement Guidelines, Section 2.4 — Direct Contracting is confirmed.

Ministry of Environment and Public Institution National Administration "Apele Moldovei": As part of their regular activities, they will oversee environmental and water control and monitoring.

Project Steering Committee (PSC) will comprise (i) The State Chancellery, (ii) the Ministry of Finance, (iii) the MAFI, (iv) the ANIF, (v) the Ministry of Environment. Representatives from AFD and EU Delegation will be invited. The PSC embodies the holistic approach of the iDRIP project by gathering all Moldovan stakeholders involved in ensuring a sustainable development of the agricultural sector of the country. The committee will be responsible for strategic monitoring and decision making and will meet annually. As the Project Owner, the MAFI will act as head of the PSC. The PSC may call on the WUAs, Public Institution National Administration "Apele Moldovei" and ADMA to brief the Committee as non-voting resource persons.

Project Technical Committee (PTC): Comprising: (i) ANIF, (ii) the Ministry of Environment, (iii) Public Institution National Administration "Apele Moldovei", (iv) ADMA, (v) WUAs, (vi) ARAC. Led by

ANIF, the PTC gathers all stakeholders directly or indirectly involved in project activities as partners in the design and/or monitoring of one or several procurements. To this end, all members of the PTC will designate one dedicated Focal Point to iDRIP project. In addition to bilateral relations between ANIF and every other member of the PTC, the PTC will meet at least once every two months, which will help ANIF to coordinate all project activities and prepare the technical and financial progress reports. The iDRIP Project Operations Manual will detail the organization of the PSC and the PTC and will therefore be the cornerstone document of the project implementation phase.

The project implementation is led by the iDRIP Project Team (PT), composed of regular staff from ANIF. This team will be formally given allocated time by ANIF Management to ensure their involvement in project implementation. This Project Team will be supported by a TA (Technical Assistance) Team specialized in similar projects management, based on the needs for support of each of the PT positions. This TA team will also include additional experts to be hired through short term contracts, depending on the needs of the Project.

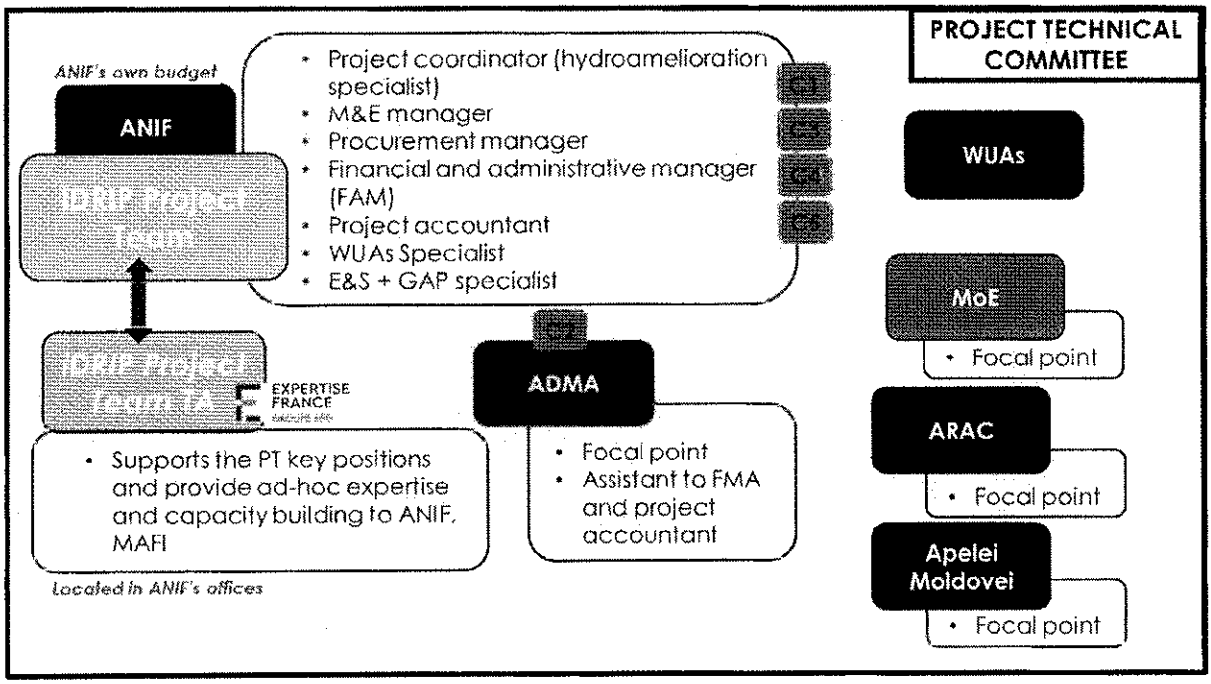
The TA Team will be contractually managed by Expertise France. The roles and responsibilities between ANIF, Expertise France and AFD will be described in a tripartite agreement. It should include the following principles:

- *In the course of Project implementation, ANIF and Expertise France will re-evaluate the Project's needs when it comes to the numbers and profiles of long-term specialists, to the extent possible given the budget constraints under Expertise France contract with AFD.*
- *Announcements for vacant positions in the Technical Assistance Team and for short-term consultancies will be published on Expertise France's Website and the relevant information resources of the Republic of Moldova;*
- *ANIF Director or a person delegated by ANIF Director will participate in the final stage of interviews with the first candidates selected by Expertise France for the Technical Assistance Team and short-term consultants, and if not successful, with the candidate arrived in 2nd position. A representative of the Ministry of Agriculture and Food Industry will participate in the interviews with the first candidate selected by Expertise France for the Project Manager, and if not successful, with the candidate arrived in 2nd position;*
- *The Technical Assistance Team tasks and workplan will be discussed with and validated by the ANIF Director;*
- *Expertise France will ensure the most efficient use of resources, including by initially exploring the local market for the goods, services and consultancy necessary to carry out the technical assistance contract;*
- *Expertise France will submit to ANIF semi-annual and annual technical and financial reports.*

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Description of the Project Team and the Project Technical Committee:



Sustainability/exit strategy

The project includes hard components (investment in infrastructure) and soft components (capacity building of farmers and WUAs, policy advice, development of capacities of public bodies). This combination is a key ingredient for the sustainability of the project.

Sustainability will be built at three levels:

- Institutional level: The project emphasizes policy support and capacity-building for Moldovan institutions involved in water systems management and integrated rural development. Strengthening the capacities of local and national entities, such as WUAs, ANIF, ARAC and AM, will support efficient water governance and long-term sustainability in the irrigation sector.
- Infrastructural level: A major focus is on rehabilitating and modernizing the two-irrigation systems in Calinesti and Criulenii de Sus and the small-scale irrigation. By putting these systems back on track, the project will enable better water efficiency and reliability, ensuring that scarce water resources are utilized optimally. Modern infrastructure will also serve as a foundation for more resilient agricultural production, adapting to climate variability.
- Farmers' level: The project aims to strengthen value chains from the plot to the markets, enabling farmers to produce more efficiently and sell at better prices while using fewer resources. Enhanced profitability will empower farmers to gradually contribute a greater share of the costs for water usage, fostering financial sustainability for the WUAs. Improved productivity and access to markets will reverse the cycle of underinvestment and unattractiveness. Strengthening extension services at national and local levels will pave the way for the exit of the project.

The components financed by the European Union, focusing on capacity building for farmers, associations, and institutions, play a crucial role in ensuring the sustainability of the project and infrastructure-related investments. This capacity building strengthens local expertise, guarantees effective resource management, and ensures the continuity of activities after the EU grant is fully utilized.

Monitoring & evaluation

The project will be monitored through:

- Annual supervision missions (including field visits) by the AFD HQ-based Task Team Leader, of which the EU Delegation will be informed. AFD shall also invite the EU Delegation to participate in field visits and attend briefing and debriefing meetings, providing an opportunity to discuss the project implementation and challenges faced. A copy of supervision mission aide-memoires will be shared with EU Delegation for information.
- Continuous progress monitoring by the AFD office in Moldova, which includes regular meetings with project stakeholders as well as field visits.
- Technical and financial progress reports, prepared by ANIF with support of TA.
- Annual progress reports from AFD to the EU Delegation.
- AFD and EU Delegation's participation in the meetings of the Project Steering Committee (PSC).
- Regular meetings between the EU Delegation and AFD.
- Annual audits of project accounts (covering AFD and EU contributions), to be conducted by an external auditor.

The project's internal M&E system will be based on results-based management principles and is designed to ensure accountability in the use of project funds. It shall provide for the collection of data required to assess project implementation against expected results. Therefore, baseline and endline surveys will be implemented. An M&E framework, to be integrated in the Project's Operations Manual will outline the flow of data and information between project stakeholders. The Project Team's M&E framework operates at three levels:

1. General project monitoring (procurements, requests for disbursements, activities implementation, stakeholder engagement, ESMPs and GAP implementation...) is overseen by ANIF with support from MAFI and an M&E specialists from the TA.
2. Component-specific monitoring:
    - ANIF – with an appointed M&E officer for the project, supported by the Technical Assistance team – will be responsible for monitoring the rehabilitation and operation of Calinesti and Criulenii de Sus CIS (Component 1); and the rest of the activities except the ones related to Component 2;
    - ADMA – with an appointed M&E officer for the project – will be responsible for monitoring the hire-purchase programme for the development of small-scale irrigation based on water harvesting (Component 2).
3. Day-to-day monitoring of water consumption and crop production will be conducted by the WUAs of Calinesti and Criulenii de Sus.
   The opportunity of undertaking a mid-term review and/or a final evaluation will be discussed in the course of the implementation.

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Schedule 2 – Financing Plan

PART I –

	TOTAL	EU Grant**	AFD Loan
Component 1 *: Rehabilitation of Centralized Irrigation Systems (CIS)	**44,100,000**	**5,000,000**	**39,100,000**
1.1 Rehabilitation works Calinesti	*24,900,000*	*2,800,000*	*22,100,000*
1.2 Rehabilitation works Criulenii de Sus	*19,200,000*	*2,200,000*	*17,000,000*
Component 2 *: Rehabilitation/construction of Small-Scale Rain-Fed Irrigation Systems	**5,500,000**	**0**	**5,500,000**
2.1 Hire-Purchase programme (ADMA)	*5,500,000*	*0*	*5,500,000*
Component 3 *: Capacity building and Extension Services for Farmers and Water User's Associations (WUA)	**5,700,000**	**5,700,000**	**0**
3.1 Dissemination of Climate-Smart Agricultural Practices	*1,400,000*	*1,400,000*	*0*
3.2 Strengthening of Extension Services	*1,200,000*	*1,200,000*	*0*
3.3 Professionalisation of Key Value Chains	*1,800,000*	*1,800,000*	*0*
3.4 Capacity-Development of WUAs	*1,300,000*	*1,300,000*	*0*
Component 4 *: Capacity Development of ANIF, MAFI and AM for Sustainable Water Management	**2,000,000**	**2,000,000**	**0**
4.1 Training, Equipment and Development of Tools and SOPs for ANIF & MAFI	*1,700,000*	*1,700,000*	*0*
4.2 Development of Water resources studies	*300,000*	*300,000*	*0*
Component 5 *: Project Management	**2,700,000**	**2,300,000**	**400,000**
5.1 Specific ESMP measures (related to CIS rehabilitation)	*125,000*	*0*	*125,000*
5.2 Mid term and final evaluation	*150,000*	*0*	*150,000*
5.3 Project coordination support (technical oversight, M&E, reporting etc.)	*2,425,000*	*2,300,000*	*125,000*
TOTAL	***60,000,000***	***15,000,000***	***45,000,000***

**Budget heading.*

*** The EU Grant total amount for iDRIP project is 15,000,000 Euros. Pursuant to resolution no. C20251102 of the Comité des Etats Etrangers of AFD dated 10 December 2025, part of this amount is made available to the Beneficiary to a maximum aggregate of 11,200,000 Euros. The remainder, corresponding to 3,800,000 Euros under components 4.1 and 5.3, will be directly disbursed by AFD through a technical assistance contract with Expertise France.*

The Government of the Republic of Moldova will contribute to the financing of the iDRIP Project by covering the cost of any taxes and duties, including value-added tax, associated with grant-funded activities (EUR 3.0 million).

Any amendment to this Financing Plan requires the Agency's prior no objection notice.

PART II – ELIGIBLE EXPENSES

Eligible Expenses for European Union financing shall be the direct costs which fulfil all the following criteria:

a) they are necessary for the carrying out of the action, directly attributable to the latter, result directly from its implementation and are levied in proportion to their actual use;
b) they are committed in accordance with the provisions of this Grant Agreement;
c) they are actually borne by the Beneficiary or the Implementing Agency, that is, they represent actual and actual expenditure borne by the Beneficiary;
d) they are reasonable, justified and consistent with the principle of sound financial management;
e) they are borne during the implementation period, with the exception of Closing Expenses;
f) they are identifiable and supported by supporting documents, more specifically defined and recorded in accordance with the Beneficiary's and/or the Implementing Agency's accounting practices;
g) they are covered by one of the sub-headings attributed to "EU" as indicated in the provisional budget set out in this Schedule 2 (*Financing Plan*) and by the activities described in Schedule 1 (*Project Description*); and
h) they comply with the provisions of the applicable tax and social legislation.

PART III – NON-ELIGIBLE EXPENSES

The following expenses are ineligible for European Union financing:

a) any premiums, provisions, reserves or costs not related to remuneration. Employer contributions to pensions or any other employee insurance fund managed by the Beneficiary or the Implementing Agency are eligible only to the extent that they do not exceed the costs incurred during the reference period, calculated in accordance with applicable international accounting standards
b) all costs of purchasing goods or equipment, unless the goods or equipment are specifically purchased for the purpose of the Project and the ownership is transferred in accordance with the provisions of Clause 6.13 of Schedule 8 – General Conditions;
c) duties, taxes and charges, including VAT;
d) the return on capital;
e) the negative remuneration charged by banks or other financial institutions;
f) debts and charges of debt;
g) provisions for future losses, debts or contingent liabilities;
h) bank charges for transfers from and to the AFD;
i) the costs incurred during the suspension of the implementation of the Contribution Convention, other than the minimum costs agreed with the European Commission;
j) costs declared by the Beneficiary or the Implementing Agency under another agreement financed from the European Union budget (including the European Development Fund);
k) contributions in kind by the personnel allocated to the project and actually incurred by the Beneficiary or the Implementing Agency.
l) the costs of acquiring land or buildings, unless otherwise provided for in the Special Conditions of this Grant Agreement.

Schedule 3 – Condition Precedent

For all documents remitted by the Beneficiary or the Implementing Agency pursuant to the conditions precedent listed above:

(i) if the document delivered is a photocopy rather than an original, it must be a certified photocopy of the original;

(ii) supporting documentation, such as paid bills or invoices, may be delivered in the form of copies or duplicates certified as true to the original by the Implementing Agency, as the case may be, and must contain the references and dates of the relevant payment orders;

(iii) the final version of a document for which a draft was previously sent and agreed to by the Agency shall not materially differ from the agreed draft;

(iv) documents not previously sent and agreed to by the Agency shall be satisfactory to the Agency in form and substance.

SCHEDULE 3A - CONDITIONS PRECEDENT TO THE SIGNING AND DRAWDOWNS

PART I – Conditions precedent to the Signing

(i) The Beneficiary, acting through the Ministry of Agriculture and Food industry, shall deliver to the Agency a copy of the requisite decisions or acts pursuant to the legislation of the Beneficiary's jurisdiction, approving the terms of the Grant Agreement and its execution, and authorizing the designated person or persons to execute the Grant Agreement on its behalf.

Part II - Conditions Precedent to the first Drawdown

(A) Signature and entry into force of the Contribution Agreement.

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

(C) Receipt of the first instalment of European funds by the Agency in accordance with the Contribution Agreement.

(D) Delivery by the Beneficiary to the Agency of the following documents:

(i) If applicable, evidence of the completion of any registration or publication requirements in respect of the Grant Agreement and payment of any registration fees or similar duties in such connection;

(ii) The following Project Document, in a version having received the Agency's no-objection:

– The Manual of Procedures for the Project

(iii) A Procurement Plan covering all Project Components except Component 2, as defined in the Procurement Guidelines, having received the Agency's no-objection.

(iv) A certificate issued by a duly authorised representative of the Beneficiary, acting through the Ministry of Agriculture and Food industry, listing the person(s) authorised to sign, on

behalf of the Beneficiary, any Drawdown Requests and any certificate under the Grant Agreement, and to take all other measures or sign all other necessary documents on behalf of the Beneficiary under the Grant Agreement, together with a sample authenticated signature of each such person.

(v) a copy of the Project Management Agreement between the Beneficiary and the Implementing Agency having received a no-objection notice from the Agency, duly executed by the Beneficiary and the Implementing Agency.

(E) **In case of a Drawdown in the form of an Advance**, delivery by the Beneficiary to the Agency of the following **additional** documents:

(i) A certificate from the bank certifying that the Project Account has been opened and providing account details for such Project Account;

(ii) A provisional forecast of expenditures for the duration of the Project.

PART III - CONDITIONS PRECEDENT TO THE SECOND DRAWDOWN

(a) Evidence satisfactory and conclusive to the AFD, that the Implementing Agency has or will have adequate and functional office premises and sufficient qualified human resources to implement the Project and host the Technical Assistance team managed by Expertise France.

SCHEDULE 3B – ADDITIONAL CONDITIONS PRECEDENT TO EACH DRAWDOWN

(A) **In the event of Advance other than the first Advance:** delivery by the Beneficiary to the AFD of the following documents:

- a certificate signed by a duly authorised representative of the Beneficiary certifying that at least eighty per cent (80%) of the Advance immediately preceding the Advance requested in the Drawdown Request and one hundred per cent (100%) of the penultimate Advance have been utilized, including a detailed breakdown of the payment (including in electronic Excel format) with respect to Eligible Expenses during the relevant period;
- bank statements of the Project Account and other documents (such as contracts and orders) related to utilization of the amounts of the Advance immediately preceding the Advance requested in the Drawdown Request;
- invoices satisfactory to the Agency evidencing that all relevant Eligible Expenses have been paid;
- the provisional forecast of expenses for the duration of the Project, updated as at the relevant Drawdown Request date;
- a revised estimate of the Project costs as well as the Eligible Expenses;
- the latest annual audit report provided in accordance with Clause 3.2.3 (Advances) of the General Conditions and the article 4.4. (*Control – Audit*) the present Special Conditions.

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Schedule 4 – Environmental and Social Commitment Plan / Environmental and Social Action Plan.

1. The Beneficiary plans to implement the Project according to this Grant Agreement and its Schedule 1.
2. AFD has agreed to provide funding for the Project. This Environmental and Social Commitment Plan (ESCP) is a summary document that sets out the commitments made by the Beneficiary to avoid, minimize, reduce or compensate for the risks and negative impacts of the Project on the human and natural environment. It serves as a support for monitoring the E&S performance of the Project.
3. The Beneficiary will implement the concrete measures and actions that are necessary to ensure that the Project is carried out in compliance with the applicable regulations and AFD requirements listed below:
    - AFD's policy of controlling environmental and social risks https://www.afd.fr/fr/politique-de-maitrise-des-risques-environnementaux-et-sociaux-lies-aux-operations-financees-par-lafd
    - World Bank Environmental and Social Standards (ESSS) http://pubdocs.worldbank.org/en/936531525368193913/Environmental-Social-Framework-French2.pdf
4. The ESCP requires compliance with all provisions of documents already in place or to be completed. In particular, the ESCP requires compliance with the provisions set out in the ESIA-ESMP, RPF, RAP, CESMP, etc. referred to in the table below.
5. The following table summarizes the concrete actions and actions required, with the corresponding timeline. The Beneficiary is required to enforce all requirements of the ESCP.
6. The implementation of the concrete measures and actions defined in this ESCP will be monitored by the Beneficiary and reported to AFD in accordance with the commitments of the ESCP and the conditions of the agreement.
7. This ESCP may be revised during the implementation of the Project in a manner that reflects adaptive management of changes or unforeseen situations that may occur as part of the Project, or in response to a Project performance assessment conducted under the ESCP itself. In such situations, the Beneficiary will agree to these changes with AFD and revise the ESCP accordingly. The agreement on the amendments to the ESCP will be attested either by the exchange of letters signed between AFD and the Beneficiary or by means of the supervisory mission's written aids.
8. Where the performance of the Project itself or unforeseen situations or changes in the context of the Project result in a change in E&S risks and effects during the implementation of the Project, the Beneficiary shall make available additional funds, where appropriate, for the implementation of actions and measures to address these risks and effects.

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N° (ESS Standards)	Theme	Action	Responsibilities	Funding	Chronogram and deadlines	Achievement Indicator
1. Assessment and Management of E&S risks and Impacts						
1.1	ESCP Follow-up	Regular reporting: prepare and communicate regular monitoring reports on the implementation of ESCP (including follow-up of commitments made in E&S documents ESIA-ESMP, RPF, RAP, SEP, GRM, etc.). This report will describe in particular the implementation of the ESCP on each of the irrigation areas according to the progress of the project, including the Technical Assistance implementation.	ANIF	Project	Bi-annual reports during construction, and annual report during operationalization of the irrigation schemes. Up to the Technical Achievement Date of the CFA.	Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
1.2	Reporting of incidents and accidents	Notify immediately any incident or accident related to or affecting the Project that has or is likely to have a serious impact on the environment, affected communities, the public or staff. Provide sufficient details of the incident or accident, indicating the immediate actions taken to address it and including information made available by any supplier or service provider and the supervisory entity, as appropriate.	ANIF	Project	Must inform of the incident or accident within 7 days maximum.	Written notification to AFD
1.3	Request for Proposals and contracts work	The measures of the two ESMPs for which responsibility lies with the construction contractors will be transcribed in the tender documents and in the works contracts, so as to have contractual force. For this, the ANIF will ensure that the specifications of the RFP Type works of the AFD – section 7, adjusted according to the instructions in the RFP manual, are applied to take into account the specific commitments of the ESMPs (including appointing one Environmental and social manager (ESM) and a Health and Safety specialist (HSS) for each Construction contract).	ANIF	Project	Before launch of construction request for tender.	Works Contracts in line with Project ESMPs Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)

N° (ESS Standards)	Theme	Action	Responsibilities	Funding	Chronogram and deadlines	Achievement Indicator
1.4	Organizational capacity and engagement	Signing of the Tripartite Agreement regarding the Technical Assistance to Project Management, which includes the E&S specialist position	ANIF	Project	First trimester after signing the CFA	Signed Tripartite Agreement
2. Labor and Working conditions						
2.1	Construction environmental and social management plan (CESMP)	Develop and implement Construction environmental and social management plan (CESMP), focusing on Site specific Environmental Management Plan, Social Management Plan, Occupation Safety and Health, and a Circulation Management Plan. CESMP must be site specific.	Construction contractor, ANIF	Project	Before start of associated construction work, and implementation during construction.	AFD No Objection on CESMP. Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
3. Resources Efficiency and Pollution Prevention and Management						
3.1	Prevention of pollution: asbestos soil & water	Complementary survey, to be included in contractors' bid: Asbestos, soil & water. Develop, implement and monitor adapted measures according to the survey's results.	Construction contractor, ANIF	Project	Before works of the related sites start.	AFD No Objection on complementary survey and associated measures report. Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
3.2	Prevention of pollution: contaminated land	For Calinesti, conduct a survey to delimitate the contaminated land, and qualify pollution. Set up a protective perimeter around the area.	ANIF Construction contractor	Project	Prior to construction for Calinesti.	Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)

N° (ESS Standards)	Theme	Action	Responsibilities	Funding	Chronogram and deadlines	Achievement Indicator
3.3	Sustainable water management	Monitoring of water quantity (WUA) and quality by WUA	ANIF with WUA	Project	During the first irrigation seasons under project implementation	Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
4. Community Health and Safety						
4.1	Community Health and Safety	Develop, implement and monitor (i) a circulation action plan, (ii) security measures; according to ESIA-ESMP.	Construction contractors, including sub-contractors, Works supervision contractors, ANIF	Project	During construction.	Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
5. Land Acquisition and Involuntary Resettlement						

N° (ESS Standards)	Theme	Action	Responsibilities	Funding	Chronogram and deadlines	Achievement Indicator
5.1	Resettlement Action Plan	Implement and monitor the Resettlement Action Plans (RAP) for each site (Criulenii de Sus and Calinesti).	ANIF with TA	Project	Before works of the related sites start.	AFD No Objection on the RAPs. RAPs are satisfactory implemented before related construction start: AFD No Objection on RAP's completion report before construction start.
6. Biodiversity conservation and sustainable management of living resources						

N° (ESS Standards)	Theme	Action	Responsibilities	Funding	Chronogram and deadlines	Achievement Indicator
6.1	Ecological inventory (terrestrial and aquatic) Calinesti	Conduct an ecological inventory (terrestrial and aquatic) around the water intake in the PDRN.	ANIF with TA	Project	Prior to construction start for Calinesti.	AFD no objection on the ToR of the inventory Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
6.2	Ecological inventory (terrestrial) Criulenii de Sus	Conduct an ecological inventory (terrestrial)	ANIF with TA	Project	Prior to construction start for Criulenii de Sus	AFD no objection on the ToR of the inventory Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
6.3	Padurea Domneasca Natural Reserve Management Plan	Preparation of the Padurea Domneasca Natural Reserve Management Plan	ANIF with TA, or the Ministry of Environment	Project or the Ministry of Environment	To the extent possible, during 2027	PDRN Management Plan approved according to Moldovan legal norms Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
8. Cultural Heritage						

N° (ESS Standards)	Theme	Action	Responsibilities	Funding	Chronogram and deadlines	Achievement Indicator
8.1	Cultural heritage	Integrate Heritage issues in the Request for Proposals and contracts work Develop and implement a Chance find procedure (with an archaeological expert to train the works enterprise staff before works starting)	ANIF with TA ANIF and Construction contractor.	Project	During preparation of RPF and contracts for works During C-ESCMP elaboration and construction/excavation works.	Chance find procedures developed and expert recruited. Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
10. Information dissemination and Stakeholders involvement						
10.1	Stakeholder Engagement and Information Disclosure Plan	Develop, implement, update and monitor a Stakeholder Engagement and Information Disclosure Plan according to the related ESMP (validated by AFD & MAFI (December 2024)).	ANIF	Project	Before 1st disbursement	AFD No objection on SEP. Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)
10.2	Grievance Redress Mechanism	Develop, implement and monitor a Grievance Redress Mechanism (GRM) dedicated to the Project.	ANIF	Project	Before works of the related construction site start.	AFD No Objection on GRM. Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)

N° (ESS Standards)	Theme	Action	Responsibilities	Funding	Chronogram and deadlines	Achievement Indicator
10.3	Gender Action Plan	Implement and monitor the Project Gender Action Plan, with a special focus on Gender Based Violence (GBV) & Sexual Exploitation Abuse and Harassment (SEAH) activities mentioned therein.	ANIF	Project	During project implementation	Receipt of the E&S progress report by AFD (included in the overall semestrial tech&fi progress reports)

N.B: In addition, the semestrial review of this ESCP will be the occasion to discuss any matter related to transboundary water issues related to the Prut and Nistru.

Schedule 5 – Form of Follow-up Report on Project Key Indicators

Objectives & outputs	Results chain	Indicator	Unit of measure	Baseline (value & year)	Target (value & year)[3]	Comment and/or methodology	Source of data
Impact **(Overall objective)** Rural households, with a focus on Calinesti and Criulenii de Sus, are more resilient to climate change impacts and market fluctuations. The agricultural sector is more attractive to youth and women, while promoting sustainable natural resource management.	*Impact 1* Smart (digital), sustainable and inclusive economic and social development and growth	*SDG 2 – Indicator 2.3.2 – Average income of small scale food producers by sex*		NOT for impact	NOT for impact		
	Impact 2 Effective climate resilient low-carbon economy and society	*SDG 2 – Indicator 2.4.1 – Proportion of agricultural area under productive and sustainable agriculture*		NOT for impact	NOT for impact		
		SDG 6 – Indicator 6.4.1 Change in water use efficiency over time		NOT for impact	NOT for impact		
Outcome(s)	*Outcome 1*	1.1 – Agricultural production added value	EUR (constant	*Calinesti:*	*Calinesti:*		Establishment of a sample of

[3] Baseline and target values are subject to change (i) through the consultations that will take place with the EU and other stakeholders during the final stages of the project's design and approval, (ii) after project inception phase, thanks to the results of the baseline survey.

Objectives & outputs	Results chain	Indicator	Unit of measure	Baseline (value & year)	Target (value & year)[3]	Comment and/or methodology	Source of data
(Specific objectives) Increased resilience of rural communities, including vulnerable populations (youth and women), to climate change impacts and markets fluctuations	Improved performance of supported farmers	going to farmers instead of other value chain actors, by sex	value per year)	*To be determined (2025)* *Criulenii de Sus: To be determined (2025)*	*To be determined (2031)* *Criulenii de Sus: To be determined (2031)*		farmers in the project areas and in another similar area Annual survey with the samples
Fixation of rural communities & young generation for renewing generations and practices in agriculture Sustainable use and management of natural resources	*Outcome 2* Increased access to irrigation services	*2.1* – Number of farmers with access to irrigation through project support, by sex	Number	*Calinesti:* *0 (2025)* *Criulenii de Sus: 0 (2025)*	*Calinesti:* *100 (2031)* *Criulenii de Sus:* *50 (2031)* *Small scale irrigation : 50 (2031), including 20% of women*		Annual WUAs and ADMA activity reports
		2.2 – There is at least one woman and one young person in the management committee of each WUA supported by the project	Yes/No	*Calinesti:* *No (2025)*	*Calinesti:* *Yes (2031)* *Criulenii de Sus: Yes (2031)*		

Objectives & outputs	Results chain	Indicator	Unit of measure	Baseline (value & year)	Target (value & year)[3]	Comment and/or methodology	Source of data
				Criulenii de Sus: No (2025)			
		2.3 Both CIS's WUA are functional and autonomous by the end of the project	Yes/No	*0*	*2 (2031)*	*This indicator Will be achieved if the related indicators under output 3 are satisfactorily achieved*	*Endline survey, Final Project report*
	Outcome 3 Employment indirectly supported	*3.1* – Number of indirect FTE jobs supported by the project	Number	*0 (2025)*	*560 (2031)*	Coefficient based on the literature review: 1,4*400	*Final project activity report*
	Outcome 4 More efficient and rational use of resources	4.1 Water use efficiency	m3/ha or m3/ton of agricultural product	*To be determined: need to take from a similar irrigated area, since baseline in both CIS is 0 (no or minor irrigation)*	*To be determined (2031)*		Annual WUAs and ANIF activity reports

Objectives & outputs	Results chain	Indicator	Unit of measure	Baseline (value & year)	Target (value & year)[3]	Comment and/or methodology	Source of data
	Outcome 5 Reduced local pollution and greenhouse gas emissions	5.1 Amount of greenhouse gas emissions avoided per year	CO2eq tons/year	*0 (2024)*	*165 tons CO2e (2031)*		Annual GhG emission estimates by the project team (MAFI)
Outputs *(Delivered by the intervention. They will influence the achievement of the stated Specific Objective(s)/Outcome(s))*	*Output 1* Increased sustainable agricultural capacity	*New area of land under irrigation*	Ha	*Calinesti:* *0 (2025)* *Criulenii de Sus:* *0 (2025)*	*Calinesti:* *900 ha (2031)* *Criulenii de Sus:* *1300 ha (2031)*	*Assumption: 70% of the irrigable areas will be effectively irrigated.*	Annual WUAs and ANIF activity reports
Dissemination and adoption of climate-smart practices Capacity-building activities for farmers to increase their productivity		*Average agricultural yield in the project areas*	Ton/ha	*Calinesti:* *To be determined* *Criulenii de Sus:* *To be determined*	*Calinesti:* *20% more than control area* *Criulenii de Sus:* *20% more than control area*		Compared with another similar area Annual farmers survey made by MAFI or ARAC
Increased participation and equitable involvement of		*Percentage reduction in crop yield losses during*	%	*Calinesti:*	*Calinesti:* *< 10% (2031)*		Annual farmers survey conducted by

Objectives & outputs	Results chain	Indicator	Unit of measure	Baseline (value & year)	Target (value & year)[3]	Comment and/or methodology	Source of data
women in local economic development, particularly in the agricultural sector Develop cooperation and professionalization along the value chains		*drought events in the project areas*		*To be determined* *Criulenii de Sus:* *To be determined*	*Criulenii de Sus:* *< 10 (2031)*		ANIF through its TA
Secure farmers with water, weather, and soil data to enable diversification & adaptation to climate change	*Output 2* Improved deforestation-free and climate-smart ecosystem-based agricultural practices	*Ha of agricultural ecosystems where sustainable land & water management practices are introduced with investment support*	Ha	*0 (2024)*	*2,500 ha (2031)*		Annual farmers survey conducted by MAFI
	Output 3 Strengthened capacities of agricultural and irrigation sector institutions and public/private operators to enable / undertake	*Number of actors supported by the project, disaggregated as possible and relevant by type of organisation*	Number	*0 (2024)*	*All 7 stakeholders by 2031:* • *MAFI* • *2 WUAs* • *ANIF* • *ARAC* • *AM* • *ADMA*		Annual project activity reports

Objectives & outputs	Results chain	Indicator	Unit of measure	Baseline (value & year)	Target (value & year)[3]	Comment and/or methodology	Source of data
	/ manage sustainable agriculture and irrigation projects	*Irrigation fee collection rate in Calinesti and Criulenii de Sus*	%	*0(2024)*	*90% (2031) in each CIS*	*This indicator captures the fact that WUA must have by-laws and contracts with farmers defining fee payment rules etc.*	*Endline survey, Final Project report*
		Satisfaction of water users in Calinesti and Criulenii de Sus CIS	%	*0(2024)*	85%*(2031) in each CIS*		*Endline survey, Final Project report*
		Number of smallholders reached (with EU supported interventions) aimed to increase their sustainable production, access to markets and/or security of land, disaggregated by sex and age	Number		*550*		Annual project activity reports
		Number of people receiving rural advisory services through the investment,	Number		*70 in farmers field schools*		Annual project activity reports

Objectives & outputs	Results chain	Indicator	Unit of measure	Baseline (value & year)	Target (value & year)[3]	Comment and/or methodology	Source of data
		disaggregated by sex, age, service type			*350 through exchange workshops* *30 farmers trained in the EU (3 months training)* *25 junior extensionists trained in the EU (3 months training)* *100 benefited from activities from the demonstration farm*		
	Output 4 *Increased access to financial services and products for innovative and*	*Percentage of women and youth directly benefiting from technical/financial services provided by the project*	%	*0*	*30%*		*WUAs and ADMA activity reports*

Objectives & outputs	Results chain	Indicator	Unit of measure	Baseline (value & year)	Target (value & year)[3]	Comment and/or methodology	Source of data
	sustainable investments by public actors and private actors	*Number and value of hire-purchase contracts served by the project among relevant target groups, disaggregated by target groups (organic farmers, small farms, women, youth) and by served area (vulnerable to climate change)*	Number EUR	*0 (2024)* *0 (2024)*	*50 (2031)* *4.6 M (2031)*		ADMA activity reports
	Output 5 *Employment directly supported*	*Number of direct FTE jobs supported and/or sustained by the project, disaggregated by sex, age.*	Number	*0 (2024)*	*400 (2031), including 30% of women and young people*	*The target includes 200 farmers and 200 agricultural workers.*	*Final project activity report*

Schedule 6 – Public Transaction Information Notice

The iDRIP project aims to increase the resilience of the Moldovan agricultural sector to climate change and to revitalize targeted rural areas (Criulenii de Sus and Calinesti), through the rehabilitation of two centralized irrigation systems managed by user associations and the development of small stormwater storage structures for irrigation. Capacity-building actions for irrigators and institutions in the agricultural sector will support infrastructure works to ultimately enable better use of water and soil, and more diversified and resilient agricultural systems. The number of direct beneficiaries is estimated at 2200. However, the project will have a substantial indirect impact on the entire population of the targeted rural areas - at least 10,500 people. The AFD loan of 45 million euros is complemented by a grant from the European Union (15 million euros) intended for investment and training activities for farmers and user associations, institutional strengthening and support for project coordination.

Context and strategic issues of the project

Agricultural production in the Republic of Moldova is characterized by a large number of small and medium farm holdings, constrained by low level of technology and limited innovation, limited availability of public and private professional technical advisory services, limited access to finance, low level of farmer organization, limited market integration and value addition (e.g. certification, grading and processing) and increasing vulnerability to climate change. Since 2020, four out of five growing seasons and their agriculture harvests were affected by droughts and other extreme weather events as late frosts or extreme heat. Out of the 88 centralized irrigation systems once operational during the Soviet period, only about 22-24 are currently functional, reducing the area under irrigation to about 1% of the agriculture land in Moldova. This has resulted in unpredictable crop yields, especially for maize and sunflower, which dominate the national acreage, making farming a precarious venture.

Therefore, AFD and the Government of Moldova have agreed on a holistic and integrated approach to simultaneously rehabilitate irrigation systems and develop capacity at all levels: farmers, Water Users' Associations (WUAs), and national institutions.

Project objectives and content

The project aims to increase the resilience of the Moldovan agricultural sector to climate change and revitalize rural areas targeted by better use of water and soil and more diverse and resilient agricultural systems.

The project is organized into 4 components:

1. Rehabilitation of the infrastructure of two public irrigation systems, Calinesti and Criulenii de Sus, fed by the Prut river and the Nistru river respectively.

2. Establishment of a hire-pruchase programme to private farmers for the development and rehabilitation of small-scale rainwater storage and irrigation facilities.

3. Development of farmers' capacities to adopt climate-smart practices (including the rehabilitation or creation of windbreaks), diversification of production systems towards higher value-added crops, the packaging and marketing of products. Support is also planned to assist the water user associations of Calinesti and Criulenii de Sus in setting up a reliable water service adapted to the needs of irrigators.

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4. Institutional strengthening and project management assistance aimed at: the Ministry of Agriculture and Agro-Industry (MAFI) and the National Agency for Land Improvement (ANIF)

Stakeholders and operating procedure

The project will be led by ANIF, with support and under the auspices of the MAFI. The various technical components will be implemented by ANIF (components 1, 3, 4, and 5). Component 2 will be implemented by the Agency for the Development and Modernization of Agriculture (ADMA). Farmers, water user associations, and project partners will be supported by international technical assistance providers recruited and supervised by the ANIF through components 3 and 4. The ANIF will benefit from a technical assistance team to support it in the project management. This team will be recruited by Expertise France as part of a service provision contract between the AFD and Expertise France, under EU funds.

Cost and financing

The total budget of the project is 60 million euros, financed by a sovereign loan from AFD of 45 million euros and a delegated grant of 15 million euros from the EU.

Main expected effects

The project will strengthen farmers' resilience to climate change impacts and market fluctuations, as well as more sustainable use and management of natural resources and revitalization of targeted rural areas. It will thus enable producers to maintain and develop more diversified, more profitable and market-integrated production systems, boost several agricultural sectors and help create the conditions for generational renewal in agriculture.

Schedule 7 – Form of Drawdown Request

From: [•]

To: AGENCE FRANÇAISE DE DEVELOPPEMENT
[•]
For the attention of [•]

[Cc: [•]]

Date: [•]

Subject: Drawdown Request – Agreement no.[•]

(A) We refer herein to the Grant Agreement entered into between [•] and the AFD on [•] (the "**Grant Agreement**").

(B) The terms defined in the Grant Agreement shall have that same meaning in the present Drawdown Request save as expressly provided otherwise.

(C) We hereby irrevocably request a Drawdown from the AFD of EUR [•] to be provided as follows:

[Advance

/ Refinancing of Eligible Expenses to be deposited

/ Direct payment to [•].

(D) The proceeds of this Drawdown should be credited to the following bank account:

Name [of the Beneficiary/company] : [•]

Address [of the Beneficiary/company]: [•]

IBAN Account Number: [•]

SWIFT Number: [•]

Bank and bank's address [Beneficiary's/company's]: [•]

(E) We append the following documents listed in Schedule 3 to the Special Conditions.

(F) We hereby confirm that the representations and warranties given in Clause 5 (*Representations*) of the General Conditions and in Clause 5 (*Representations*) of the Special Conditions are true and accurate as at the date hereof.

(G) We hereby confirm that none of the cases referred to in Clause 4.1 (*Deferral or Rejection of Drawdown Requests*) of the General Conditions is outstanding or likely to occur.

Sincerely,

.....

[●] in the capacity of [*Beneficiary / Implementing Agency*]

Represented by: [●]

AGENCE FRANÇAISE DE DÉVELOPPEMENT

SCHEDULE 8 – GENERAL CONDITIONS APPLICABLE TO AFD GRANTS FROM EUROPEAN UNION FUNDS

***March* 2024**

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1. INTRODUCTORY PROVISIONS

1.1 General Conditions and Special Conditions

The purpose of these General Conditions is to define the provisions that generally apply to a Grant from European Union funds made to one or more Beneficiaries by the AFD.

Exceptions from the General Conditions will be set out in the Special Conditions.

Together the General Conditions (including Procurement Guidelines) and Special Conditions make up the Financing Agreement.

If there should be any contradiction between the General Conditions and the Special Conditions, the provisions of the latter shall prevail.

1.2 Definitions

Capitalised words and expressions used in the General Conditions (including those appearing in the Schedules) shall have the meaning given to them in Schedule 1A hereto (*Definitions*).

1.3 Interpretations

Save as otherwise provided, the words and expressions used in the General Conditions shall be construed pursuant to Schedule A2 hereto (*Interpretations*).

1.4 State Beneficiary or Local authority Beneficiary

Where the Beneficiary is a State or a local authority, Clauses 4.1(k) (*Change of Beneficiary and/or Final Beneficiary situation*), 5.8 (*Security*), 6.1 (*Corporate existence*), 6.17 (*Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT)*), 6.22 (*Security*) in particular of these General Conditions do not apply.

1.5 Final Beneficiary or Implementing Agency

Provisions pertaining to the Final Beneficiary or Implementing Agency do not apply where there is no Final Beneficiary or Implementing Agency.

If any Final Beneficiaries or Implementing Agencies are involved, this will be stated in the Special Conditions.

1.6 Co-Financing

Provisions on any Co-Financing or Co-Financier do not apply where no Co-Financing is involved.

If any Co-Financing is involved, this will be stated in the Special Conditions.

2. GRANT AMOUNT, PURPOSE AND CONDITIONS OF UTILISATION

2.1 Amount

The Grant amount is defined in the Special Conditions.

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2.2 Purpose

The Beneficiary shall apply all amounts made available to it under the Grant towards financing Eligible Expenses in accordance with the Project description and the Financing Plan as provided for in the Special Conditions.

If the Special Conditions provide for on-granting, the funds will be on-granted by the Beneficiary to the Final Beneficiary in accordance with the terms of the On-Granting Agreement which shall be subject to the AFD's no objection.

2.3 Liability

The AFD shall not be liable on any basis whatsoever for the provision of the Grant or for the use of any amount made available to the Beneficiary that is not compliant with the terms of the Financing Agreement.

The Beneficiary is sole liable to the AFD and to third parties for any damage caused by the implementation of the Project or performance of the Financing Agreement.

The Beneficiary discharges, and shall procure that the Final Beneficiary discharges as the case may be, the AFD all liability in connection with any claim or action brought by any third party as a result of an infringement of regulations and rules applicable to the Beneficiary, and to the Final Beneficiary, where applicable, by the Beneficiary and/or the Final Beneficiary, one of their employees or individuals for whom they are responsible, or as a result of a violation of a third party's rights, in the context of the implementation of the Project.

2.4 Exclusion of tax

The Beneficiary shall apply all Grant funds toward financing the Eligible Expenses, excluding all taxes, duties and fees, with the exception of duties, taxes and charges, including VAT, which are neither recoverable nor deductible by the Beneficiary.

2.5 Conditions Precedent to Signature and Drawdowns

The Beneficiary shall provide the AFD:

- by no later than the Signing Date, with all of the documents listed in Schedule 3A (*Conditions Precedent*), Part I of the Special Conditions; and
- by the date of each Drawdown Request, with all relevant documents listed in Schedule 3A and 3B (*Conditions Precedent*) of the Special Conditions in accordance with the conditions of the relevant Drawdown mechanism.

The terms set out in the Financing Agreement must be satisfied for each Drawdown, including in particular:

(a) the Drawdown Request has been made in accordance with the terms of Clause 3.1 (*Drawdown Request)*

(b) no event referred to in Clause 4.1(*Cancellation and suspension of Drawdowns*) is outstanding or likely to occur;

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(c) each representation given by the Beneficiary in relation to Clause 5 (*Representations and warranties*) is true and accurate; and

(d) if Co-Financing is involved, no Co-Financier has suspended Drawdowns for the Project.

3. DRAWDOWN OF FUNDS

3.1 Drawdown Request

Provided that the conditions set out in Clause 2.5(*Conditions Precedent to Signature and Drawdowns*) are satisfied, the Grant funds shall be made available through one or several Drawdown(s) upon delivery of a duly completed Drawdown Request compliant with the model form appended to the Special Conditions.

Each Drawdown Request shall be delivered to the AFD office at the address specified in Clause 10 (*Notices*) of the Special Conditions by:

— the Beneficiary duly represented , or

— as the case may be, the Final Beneficiary or the Implementing Agency duly represented, if so instructed by the Beneficiary. In such cases, a copy of the Drawdown Requests shall be delivered to the Beneficiary by the Final Beneficiary or Implementing Agency, as the case may be. If so provided under the Special Conditions, these requests must have been countersigned beforehand by the Beneficiary.

No Drawdown Request will be regarded as duly completed unless all required documents are attached thereto and comply with the provisions of Clause 3.2 (*Drawdown Mechanics*).

3.2 Drawdown Mechanics

Provided that the conditions set out in Clause 2.5 (*Conditions Precedent to Signature and Drawdowns*) are satisfied, the funds will be made available in accordance with one or more of the following methods as specified in Clause 3 (*Drawdown of Funds*) in the Special Conditions:

3.2.1 Refinancing of Eligible Expenses

(a) The funds may be drawn down by the Beneficiary or the Final Beneficiary or the Implementing Agency, as the case may be, upon presentation by the Beneficiary or the Final Beneficiary or the Implementing Agency of satisfactory proof of payment of the Eligible Expenses.

The AFD may also request any other supporting documentation evidencing effective payment of the relevant Eligible Expenses from the Beneficiary or the Final Beneficiary or the Implementing Agency, as the case may be.

(b) Place of Drawdown payment

Subject to the AFD's prior consent, the Grant funds will be wired into the bank account designated for that purpose by the Beneficiary or the Final Beneficiary or the Implementing Agency, as the case may be.

(c) Deadline for Refinancing Eligible Expenses

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The Beneficiary shall ensure and assure that the Final Beneficiary or the Implementing Agency ensures, as the case may be, that the funds paid under the Grant for the refinancing of expenditures have been used to finance the Project's expenses relating to work performed or services provided before the Deadline for Implementation of the Project. However, it is specified that the refinancing of the Closing Expenses may take place after the Deadline for Implementation of the Project but before the submission of the General Implementation Report referred to in Clause 7.1 (b) of the General Conditions.

The Beneficiary undertakes and will ensure that the Final Beneficiary undertakes, as the case may be, to reimburse within 20 calendar days at the request of the AFD, the Grant funds used to finance expenses for work performed and/or services provided after the Deadline for Implementation of the Project, with the exception of Closing Expenses.

3.2.2 Direct Drawdown by the AFD to Providers

(a) The Beneficiary may request – or acknowledges and agrees that the Final Beneficiary or the Implementing Agency (as the case may be) may request – that the proceeds of a Drawdown are made available directly to a Provider for the payment, due under a contract entered into for the supply of works, equipment, supplies, intellectual services or other services concluded for the realisation of all or part of the Eligible Expenses of the Project.

To that effect, the Beneficiary shall deliver or procure that the Final Beneficiary or Implementing Agency, as the case may be, delivers to the AFD any instructions necessary to enable the latter to pay the Drawdown directly as requested as well as the documents required under Schedule 3 – (*Conditions Precedent)* of the Special Conditions.

(b) The Beneficiary hereby expressly authorises the AFD, at its request or at the request of the Final Beneficiary or the Implementing Agency, as the case may be, to make direct payments in accordance with paragraph (a) above from the funds of a Drawdown. The AFD is not required, at any time, to verify whether there is a restriction of any nature on the payment of a requested Drawdown. However the AFD reserves the right to reject such a request if it has legitimate grounds to do so.

The AFD shall not be liable to the Beneficiary in any way whatsoever in relation to such Drawdowns and the Beneficiary waives any recourse it may have against the AFD in this respect. The Beneficiary shall indemnify the AFD against any third party actions brought against the AFD in respect of direct Drawdown payments.

(c) Place of Drawdown payment

Subject to the AFD's prior agreement, the Grant funds will be wired into the bank account designated for that purpose by the Beneficiary or the Final Beneficiary or the Implementing Agency, whichever applies.

(d) Deadline for direct Drawdown to the Providers

The Beneficiary shall ensure and assure that the Final Beneficiary or the Implementing Agency, as the case may be, ensures that the Grant funds paid directly to the Providers have been used to finance the Project's expenses relating to work carried out or services provided before the Deadline for Implementation of the Project. It is specified however that the direct payment of the Closing Expenses, may take place after the Deadline for Implementation of the Project but before the submission of the General Implementation Report referred to in Article 7.1(b) of the General Conditions

The Beneficiary undertakes and will ensure that the Final Beneficiary undertakes, as appropriate, to reimburse within 20 calendar days at the request of the Agency, the Grant funds used to finance expenses for work performed and/or services provided after the Deadline for Implementation of the Project, with the exception of Closing Expenses.

3.2.3 Advances

(a) Project Account(s)

The Beneficiary shall open and maintain – or procure that the Final Beneficiary or the Implementing Agency (as the case may be) opens and maintains – the Project Account(s) with the Account Bank in the name of the Project, for the sole purpose of (i) receiving Advances, and (ii) paying Eligible Expenses.

Any sum standing with the Project Account(s) may not be set-off against any sums standing with any other account held by the Beneficiary, the Final Beneficiary, or the Implementing Agency, as the case may be.

(b) Payment of the First Advance

The amount of the first Advance shall be defined in the Special Conditions.

(c) Payment of subsequent Advances

The Drawdown of subsequent Advances will be made at the request of the Beneficiary or the Final Beneficiary or the Implementing Agency, as the case may be, provided the conditions set out in Clause 2.5 (*Conditions Precedent to Signature and Drawdowns*) are satisfied and the previous Advance has been used in accordance with the Financing Agreement. The Advance amount shall take into account any change in the financing plan of the Project, as agreed between the Parties.

(d) Deadline for Use of Funds

All Advances shall be used in full to finance Eligible Expenses by no later than the Deadline for Implementation of the Project with the understanding that the funds intended to cover Closing Expenses, may be used before the submission of the General Report of Implementation referred to in Article 7.1(b) of the General Conditions.

Any amount not used by the Deadline for Implementation of the Project shall be promptly repaid upon receiving notice from the AFD.As an exception to the previous paragraph, after the AFD's notice of no-objection, the Grant funds

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may be used after the Deadline for Implementation of the Project to finance the Closing Expenses costs related to the General Implementation Report, the final evaluation, audit, and other costs related to the closure of the Project.

(e) Justification of use of Advances

The Beneficiary agrees to deliver – or procure that the Final Beneficiary or the Implementing Agency delivers – to the AFD, by no later than the Deadline for Implementation of the Project:

(i) a certificate signed by an authorised signatory of the Beneficiary or the Final Beneficiary or the Implementing Agency, as the case may be, certifying that one hundred per cent (100%) of both the penultimate, with the exception, where applicable of the Closing Expenses and the last Advance, and the final Advance, have been used, and providing a detailed breakdown of sums made available under the relevant Advance and paid toward the Eligible Expenses; and

(ii) any document pertaining to the use of the last two Advances:

— invoices or any other documents satisfactory to the AFD evidencing the relevant Eligible Expenses have effectively been paid;

— an up-to-date estimate of the Project Closing Expenses; and

— the most recent annual audit report drawn up in accordance with Clause 3.2.3(f) (*Control – Audit*).

(f) Control – Audit

The Project Account(s) will be (i) audited on an annual basis throughout the use of the Project Account (ii) subject to a final audit after the Deadline for Implementation of the Project. These audits must verify that the Grant funds paid into the Project Account(s) have been used in accordance with the provisions of the Financing Agreement. The modalities of these audits will be specified in the Special Conditions.

The final audit report must be available no more than three months after the delivery of the certificate referred to above in (e) (*Justification of use of Advances*).

Spot checks of the Project Account may also be conducted at any time.

3.3 Applicable exchange rate

If any Eligible Expenses are denominated in a currency other than Euro, the Beneficiary shall convert or procure that the Final Beneficiary or the Implementing Agency converts the amount of each invoice into the equivalent in Euros for the purpose of justifying Eligible Expenses to the AFD. The conversion shall use the exchange rate for that currency from the Reuters screen or the central bank of the country of the relevant currency or the Chancellerie of Ministry of Finance on the payment date of the relevant invoice.

3.4 Deadline for Drawdown

The last Drawdown Request shall be received by the AFD no later than fifteen (15) calendar days before the Deadline for Drawdown.

By way of derogation from the above paragraph, a Drawdown Request may be submitted after the Deadline for Payment for Closing Expenses.

Any part of the Grant that remains unused on that date, except for Closing Expenses, shall be cancelled starting from notice given by the AFD.

3.5 Closing Expenses

The Beneficiary undertakes to request a non-objection opinion from the AFD for all Closing Expenses which are financed according to Clause 3.2.3 d) of the General Conditions.

3.6 Contingency Reserve

The Contingency Reserve shall be used to finance Eligible Expenses provided that prior written consent of the European Commission has been obtained upon request by the AFD pursuant to the Contribution Agreement.

3.7 Failure to justify the use of Advances

The AFD shall be entitled to ask the Beneficiary to reimburse any amount:

(a) that is unused as at the Deadline for Implementation of the Project (excluding Closing Expenses, where applicable);

(b) the use of which for Eligible Expenses has not been properly or adequately or sufficiently documented or justified as Eligible Expenses in accordance with this Financing Agreement, specifically:

— by the Deadline for Implementation of the Project,

— after analysing the audit reports provided to the AFD by the Beneficiary pursuant to Clause 3.2.3(f) *(Control – Audit)*.

The Beneficiary shall promptly repay said amounts upon receiving notice from the AFD.

3.8 Use of Advance after the Project Implementation Deadline Reserve

The Beneficiary undertakes or will ensure that the Final Beneficiary undertakes, as the case may be, to reimburse within twenty (20) calendar days at the request of the AFD the Grant funds paid in Advance and used to finance expenses relating to work or services performed after the Deadline for Implementation of the Project.

Notwithstanding the preceding paragraph, the Beneficiary is not required to repay the Grant funds paid in Advance and used during the period between the Deadline for Implementation of the Project and the submission of the General Implementation Report, to cover Closing Expense

4. CANCELLATION AND SUSPENSION OF DRAWDOWNS

4.1 Cancellation and suspension of Drawdowns

The AFD may suspend all or part of the Drawdowns and/or cancel all or part of the Grant upon the occurrence of any of the following events:

(a) Project Documents

Any Project Document ceases to be in full force and effect, is subject to a notice of termination, or its validity, legality or enforceability is challenged.

(b) Misrepresentation

A representation made by the Beneficiary in the Financing Agreement (or the Financing Documents if applicable), or in any document delivered by or on behalf of the Beneficiary under or in relation to the Financing Agreement (or the Financing Documents if applicable), is incorrect or misleading when made.

(c) Undertakings and obligations

The Beneficiary does not comply with any term of the Financing Agreement and specifically with Clause 6 (*UNDERTAKINGS*), Clause 6.14 (*Undertakings with respect to the Financing of the Project by the European Union*) and Clause 7 (*oversight and Information Undertakings*) (or the Financing Documents if applicable).

(d) Unlawfulness

It is or becomes unlawful for the Beneficiary to perform any of its obligations under the Financing Agreement (or the Financing Documents if applicable).

It becomes impossible or unlawful under applicable law for the AFD to perform any obligation contemplated by the Financing Agreement, or to fund or maintain the Grant.

(e) Material adverse change

Any event (including a change in the political situation of the Beneficiary's country or the place where the Project is carried out) or any measure arises or is likely to arise that may, in the AFD's opinion, have a Material Adverse Effect.

(f) Decisions and instructions of the French State

The French Government has announced its intention or has decided to sever, suspend or interrupt all or part of its diplomatic ties and/or cooperation with the Beneficiary or the Government of the Beneficiary's country or the State of the Project implementation; or the Beneficiary or the Government of the Beneficiary's country or the State of the Project implementation has severed or announced that it will sever all or part of its diplomatic ties and/or cooperation with France.

(g) Withdrawal from or suspension of the Project

Any of the following occurs:

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- implementation of the Project is suspended or postponed for a period exceeding six (6) months; or
- the Project is not completed in full by the Deadline for Implementation of the Project; or
- the Beneficiary or the Final Beneficiary, if any, withdraws from or ceases to participate in the Project.

(h) Authorisations

Any Authorisation required for the Beneficiary or the Final Beneficiary to perform or comply with its obligations under the Financing Agreement (or the Financing Documents if applicable) or the Project Documents, or any other authorisation required to complete the Project is not obtained within the required timeframe or is cancelled or becomes invalid or otherwise ceases to be in full force and effect.

(i) Co-Financier(s)

If Co-Financing is involved, where the Co-Financier or Co-Financiers of the Project have suspended payments in relation to the Project.

(j) Suspension of free convertibility and free transfer

Free convertibility and/or free transfer of the amount received in relation to the by the Beneficiary, or any other funds provided by the AFD to the Beneficiary or any beneficiary of the jurisdiction of the Project, is challenged.

(k) Change of Beneficiary and/or Final Beneficiary situation

One of the following events impacts the situation of the Beneficiary and/or the Final Beneficiary:

- full or partial transfer or partial contribution of its assets which is likely to adversely affect the Beneficiary's solvency or ability to implement the Project;
- merger, demerger, winding-up or dissolution,
- substantial change in or termination of business activities; and
- resolution of a corporate body, judicial proceedings commenced or any other analogous step or procedure taken in connection with technical insolvency, a moratorium with any creditors or the liquidation, dissolution, court-ordered administration or the restructuring of the Beneficiary and/or the Final Beneficiary, or any similar procedure or arrangement.

The provisions of paragraph (k) above do not apply if the Beneficiary or the Final Beneficiary is a State or local authority.

(l) Default by the Beneficiary under a loan or a financing agreement

The Beneficiary is in default under a loan or a financing agreement signed with the AFD.

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(m) Default of the Final Beneficiary

The Final Beneficiary (i) does not comply with any undertaking in the On-granting Agreement; (ii) does not comply with any undertaking in a Project Document or any other agreement or instrument entered into in relation to the Project; or (iii) does not pay any amounts due in relation to the Project, or (iv) has given any representation in the On-granting Agreement that is no longer accurate.

(n) Suspension of Payments under the Contribution Agreement

Any disbursement of the funds delegated by the European Union to the AFD under the Contribution Agreement is suspended for any reason whatsoever.

(o) Force Majeure

A Force Majeure event has occurred and has an adverse effect on the implementation of all or part of the Project

(p) Utilisation of the Funds of the Grant in contradiction with the Terms and Conditions of this Agreement and the Project

The Beneficiary or the Final Beneficiary uses the funds of the Grant for a purpose other than the one agreed under the Agreement, or the funds of the Grant are unduly paid by the Beneficiary *or* the Final Beneficiary, or are not properly used by its contractors.

(q) Termination or Suspension of the Contribution Agreement

The Contribution Agreement is cancelled, terminated or suspended for any reason whatsoever.

(r) Intervention by an Authority

An Authority:

- decides to close, seize or expropriate all or part of the Project facilities or one or several of the Beneficiary's or Final Beneficiary's assets necessary to pursue its business; or
- takes possession or control of all or part of the Project facilities or any of the Beneficiary's or Final Beneficiary's assets necessary to pursue its business; or
- takes any measure with a view to the liquidation, winding-up, administration, reorganisation or restructuring of the Beneficiary or Final Beneficiary; or
- takes any other action that would prevent the Beneficiary or Final Beneficiary from continuing all or part of its activities or operations.

4.2 Termination Events

(a) The AFD reserves the right to terminate the Financing Agreement without any particular formality being necessary if the first Drawdown has not occurred within eighteen (18) months from the date of approval of the Grant referred to in the recitals to the Special Conditions.

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(b) The AFD also reserves the right to terminate the Financing Agreement if any of the events referred to in Clause 4.1 (*Cancellation and suspension of Drawdowns*) occurs.

(c) The Beneficiary will be informed of any termination event by way of a registered letter from the AFD, and shall immediately repay the Grant funds already received in whole or in part.

5. REPRESENTATIONS AND WARRANTIES

On the Signing Date, the Beneficiary shall make (i) all the representations set out in this Clause 5 (*Representations and warranties*) and (ii) where relevant, the additional representations set out in the Special Conditions. All the representations and warranties in this Clause 5 (*Representations and warranties)* are deemed to be repeated by the Beneficiary on the date of each Drawdown Request.

5.1 Status

The Beneficiary (unless it is a State or a local authority) is a duly established entity validly existing under the laws of its jurisdiction.

The Beneficiary has the power to own its assets and carry on its business as it is being conducted. The constitutional documents of the Beneficiary are in compliance with all applicable laws and regulations.

5.2 Power and authority

The Beneficiary has the power to enter into and perform the Financing Agreement (or the Financing Documents if applicable) and the Project Documents to which it is party, and to perform all obligations deriving therefrom and to carry out the Project activities funded by the Grant. The Beneficiary has completed all necessary formalities to this effect.

5.3 Binding Obligations

The obligations expressed to be assumed by the Beneficiary under the Financing Agreement (or the Financing Documents if applicable) comply with all laws and regulations applicable to the Beneficiary and are legal, valid, binding and enforceable obligations that are effective in accordance with their written terms.

5.4 No conflict with other obligations of the Beneficiary

The signature of the Financing Agreement (or Financing Documents if applicable) and performance by the Beneficiary of the resulting obligations do not conflict with any domestic or foreign law or regulation applicable to the Beneficiary, with any of its constitutional (or similar) documents – where the Beneficiary is not a State or a local authority – or with any agreement or instrument binding upon the Beneficiary or affecting any of its assets.

5.5 Authorisations

All Authorisations required to:

(a) enable the Beneficiary to lawfully enter into the Financing Agreement (or the Financing Documents if applicable) and the Project Documents, and to exercise its rights and comply with its obligations thereunder;

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(b) make the Financing Agreement (or the Financing Documents if applicable) and the Project Documents admissible in evidence in the courts of the jurisdiction of the Beneficiary; and

(c) ensure the Beneficiary and/or the Final Beneficiary may complete the Project,

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

5.6 Procurement

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

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

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

5.7 Licit Origin of the funds, Prohibited Practices, Tax Avoidance and Tax Fraud

The Beneficiary hereby represents and warrants:

(a) where it is a State or a local authority, that all the funds which are or will be invested in the Project, if any, other than those of the Grant are entirely from the State's budget;

(b) where it is an entity other than a State or a local authority, that (i) its equity and (ii) the funds which are or will be invested in the Project if any, other than those provided by the State, are not of Illicit Origin;

(c) that the Project (in particular, the negotiation, award and performance of any contracts funded by the Grant) has not given rise to any Prohibited Practices;

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

(e) that the Project is not structured in a way to contribute to Tax Avoidance Practices or Tax Fraud and does not involve any activities that contribute to Tax Avoidance Practices, or Tax Fraud.

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5.8 Security

Where the Beneficiary is a French or foreign NGO, or a French public entity other than a local authority or a French or foreign foundation, it represents that:

— its security and risk management procedures applicable to the activities carried out under the Project are sufficient;

— it has read the security advice issued by the French Embassy(ies) or by the competent consular or local authorities according to its nationality in the country(ies) in which the Project is carried out. The Beneficiary represents that it has communicated this advice to its staff and to any natural or legal persons acting on its behalf in connection with the implementation of the Project.

6. UNDERTAKINGS

The undertakings set out (i) in this Clause 6 (*UNDERTAKINGS*) and (ii) any additional undertakings set out in the Special Conditions shall take effect on the Signing Date and remain in full force and effect for the duration of the Financing Agreement.

6.1 Corporate existence

The Beneficiary shall maintain its corporate existence. It shall not amend or alter its corporate object or the nature of its business without the prior consent of the AFD. It shall also refrain from amending its legal form and its registered office without informing the AFD beforehand within a reasonable interval.

The above paragraph does not apply to a Beneficiary that is a State or a local authority.

6.2 Authorisations

The Beneficiary shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect – or procure that the Final Beneficiary or the Implementing Agency, as the case may be, complies with and does all that is necessary to maintain in full force and effect – any Authorisation required under any applicable law or regulation to enable it to perform its obligations under the Financing Agreement (or the Financing Documents if applicable) and to ensure their legality, validity, enforceability and admissibility in evidence.

6.3 Project Documents

(a) The Beneficiary shall comply with – or procure that the Final Beneficiary or the Implementing Agency, whichever applies, complies with – all its obligations under the Project Documents to which it is a party.

(b) The Beneficiary shall request – or procure that the Final Beneficiary or the Implementing Agency, as the case may be, requests – the prior consent of the AFD before making any material amendment to any Project Documents.

6.4 Compliance with laws and regulations

The Beneficiary shall comply – and procure that the Final Beneficiary or the Implementing Agency (as the case may be) complies – with all applicable laws and regulations in the relevant country, particularly in relation to publication of information encouraging tax transparency, as well as all applicable environmental protection, safety, prevention and fight

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against Prohibited Practices; and human rights and labour laws including conventions of the International Labour Organization ("**ILO**") and international environmental conventions that do not conflict with the applicable laws and regulations in the relevant country.

6.5 Subscription to the republican commitment contract *(contrat d'engagement républicain)*/ Respect of human rights

The Beneficiary certifies, when it is a French NGO, certifies that it subscribes to the republican commitment contract as annexed to the decree no. 2021-1947 dated 31 December 2021 adopted for the implementation of article 10-1 of the law no. 2000-321 dated 12 April 2000 relating to the rights of citizens in their relations with administrations, and hereby undertakes to respect all the commitments and principles resulting therefrom.

The Beneficiary, when it is a non-French NGO, undertakes to respect human rights and, in particular, the Universal Principles of respect for human dignity, equality and non-discrimination, and the fight against all forms of sexual or gender-based violence.

6.6 Procurement

In relation to the procurement, award and performance of contracts entered into for the purposes of implementing the Project or any part thereof, and financed by the Grant, the Beneficiary shall comply with and implement the provisions of the Procurement Guidelines. The Beneficiary guarantees that the Final Beneficiary and/or Implementing Agency, as the case may be, will comply with and implement the Procurement Guidelines.

The Beneficiary shall also take all actions and steps deemed necessary for the effective implementation of the provisions of the Procurement Guidelines.

In the event of non-compliance by the Beneficiary and/or the Final Beneficiary and/or the Implementing Agency as the case may be, of the Procurement Guidelines, the AFD may declare the related costs ineligible under this Agreement and request the return of the funds of the Grant used to pay such ineligible costs.

6.7 Additional Financing

The Beneficiary shall seek AFD's prior written consent before making any changes to the Financing Plan and shall finance any additional costs not anticipated in the Financing Plan on terms satisfactory to the AFD.

6.8 Insurance delegation

If the AFD so requests, the Beneficiary shall, or shall procure that the Final Beneficiary will:

(a) list the AFD as sole beneficiary of any insurance proceeds in the Insurance Policies; and

(b) delegate the benefit of the Provider's Guarantees to the AFD.

6.9 Financial Sanctions and Embargo List

The Beneficiary shall and shall procure that the Final Beneficiary, if any, undertakes:

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

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

6.10 Licit Origin, no Prohibited Practice, Aggressive Tax Optimisation Practices, or Tax Avoidance Practices or Tax Fraud

The Beneficiary undertakes - and shall ensure that the Final Beneficiary and/or the Implementing Agency undertakes as the case may be:

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

(b) if it is a State or a local authority, to ensure that the funds (other than those of public origin) invested in the Project do not have an Illicit Origin;

(c) if it is not a State or a local authority, ensure that its equity and own funds invested in the Project do not have an Illicit Origin;

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

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

(f) in the event referred to above;, or at the AFD's request if the AFD suspects that acts of Prohibited Practices have occurred, to take all necessary measures to remedy the situation in a manner satisfactory to the AFD and within the time period determined by the AFD;

(g) to notify the AFD without delay if it is aware of any information prompting a suspicion that funds of an Illicit Origin may be invested in the Project; and

(h) that the Project is not structured to contribute to Tax Optimization or Tax Avoidance Practices or Tax Fraud, and more generally that no activity related to the Project contributes to Tax Optimization or Tax Avoidance or Tax Fraud Practices.

6.11 Investigations

The Beneficiary undertakes and shall procure that the Final Beneficiary **and/or** the Implementing Agency undertakes, as the case may be, to allow the AFD or any third party mandated by the AFD, to carry out an investigation in the event of an allegation of Prohibited Practice. To this end, the AFD or any third party mandated by it is authorized to:

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

(b) conduct audits and controls, both documentary and on-site, as the AFD may deem appropriate, including access to the accounting books and records or any other

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documentation relating to the Project held by the Beneficiary or any person or entity connected with the Project;

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

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

The Beneficiary undertakes- and shall procure that the Final Beneficiary ***and/or*** the Implementing Agency undertakes, as the case may be, to ensure that the tender documents, contracts and sub-contracts financed through the Grant allow the implementation of this Clause.

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

6.12 Environmental and social responsibility

6.12.1 Implementation of environmental and social measures

In order to promote sustainable development, the Parties agree that it is necessary to promote the compliance with internationally recognised environmental and labour standards, including the fundamental conventions of the International Labour Organization (**"ILO"**) and the relevant international treaties on environmental protection.

For such purpose, the Beneficiary shall within the context of the Project:

(a) include in the competitive bid documentation and procurement contracts a clause whereby each contractor undertakes, and procures that its sub-contractors (if any) undertake, to comply with these international standards in consistence with the applicable laws and regulations of the country in which the Project is being implemented. The AFD reserves the right to request that the Beneficiary provide a report on environmental and social conditions in which the Project will be implemented;

(b) put in place appropriate mitigation measures specific to the Project as defined within the environmental and social risk management policy of the Project, set out in the Environmental and Social Commitment Plan (ESCP) appended to the Special Conditions;

(c) require that the contractors selected to carry out the Project apply these mitigation measures and procure that their subcontractors (if any) also comply with all such measures, and that contractors take all appropriate steps in the event of a failure to do so; and

(d) provide the AFD with annual follow-up reports on ESCP implementation.

The above provisions with regard to the ESCP shall not apply where there is no ESCP connected with the Project, as provided in the Special Conditions.

6.12.2 Environmental and Social Grievance Management ***("ES")***

(a) The Beneficiary (i) confirms that it has received a copy of the ES Grievance Management Procedures and has reviewed its terms, in particular with respect

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to actions that may be taken by the AFD in the event that a third party lodges a grievance, and (ii) acknowledges that the ES Grievance Management Procedures have, as between the Beneficiary and the AFD, the same contractually binding effect as the Financing Agreement.

(b) The Beneficiary expressly authorizes the AFD to disclose to the Experts (as defined in the ES Grievance Management Procedures), and to parties involved in the compliance audit and/or dispute resolution procedure, the Project documents concerning environmental and social matters necessary for processing the environmental and social Grievance (as defined in the ES Grievance Management Procedures), including, without limitation, those listed in a schedule to the Special Conditions.

6.12.3 Biodiversity Data Sharing

In order to promote biodiversity data sharing and in accordance with international targets related to biodiversity data knowledge and sharing, the Beneficiary undertakes to share, or procure that its third party contractors share, the biodiversity data (raw or processed) generated in relation with the Project with the Global Biodiversity Information Facility (GBIF) worldwide database, in order to enable its publication.

For this purpose, the Beneficiary undertakes to take all appropriate measures towards its third party contractors so that they allow the sharing on the GBIF worldwide database of the processed biodiversity data on which they may have intellectual property rights, regardless of the medium.

The data sharing on the GBIF database shall be carried out in accordance with the terms and conditions set out in Schedule D - *(Biodiversity data sharing)*

The AFD shall be mentioned as "project funder" in the metadata section.

6.13 Project Account(s)

If Drawdowns are made in the form of Advances in accordance with Clause 3.2.3 *(Advances)*, the Beneficiary shall open, maintain and use – or procure that the Final Beneficiary or the Implementing Agency, as the case may be, opens, maintains and uses – the Project Account in accordance with the terms of the Financing Agreement.

6.14 Undertakings with respect to the Financing of the Project by the European Union

a) The Beneficiary shall ensure that the Project is implemented with respect for human dignity, freedom, democracy, equality, the rule of law and human rights, including the rights of persons belonging to minorities, in accordance with all applicable laws and regulations in the relevant country.

b) The Beneficiary shall take all reasonable steps to prevent sexual exploitation and abuse and/or sexual harassment (hereinafter referred to 'SEA-H') and will respond appropriately when reports of SEA-H arise, in accordance with the legal framework applicable to it, including its Regulations and Rules.

When the Beneficiary becomes aware of reasonable suspicions, complaints or reports of SEA-H in relation to the implementation of the Project, it will, as appropriate under the legal

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framework applicable to it, including its Regulations and Rules, take reasonable, swift and appropriate action to stop harm occurring, investigate and report to relevant authorities, as appropriate and when safe to do so, after considering the wishes of the victim/survivor.

The Beneficiary undertakes to report all allegations of SEA-H, credible enough to warrant an investigation, that are directly related to the Project funded under this Financing Agreement and to provide to AFD all available information.

c) The Beneficiary undertakes to refrain, in accordance with its laws and obligations, from any action that may give rise to a conflict of interest. There is a conflict of interest when the impartial and objective exercise of the functions of any person implementing the Financing Agreement is compromised.

d) The Beneficiary undertakes to ensure appropriate protection of personal data in accordance with its own regulations and rules. Personal data shall be: (i) processed lawfully, fairly and transparently with regard to the person concerned; (ii) collected for specific, explicit and legitimate purposes, and not processed in a manner incompatible with those purposes; (iii) adequate, relevant and limited to what is necessary with respect to the purposes for which they are processed; (iv) accurate and, if necessary, updated; (v) kept in a form that allows the identification of the persons concerned for a period not exceeding that necessary for the purposes for which they are processed; and (vi) processed to ensure appropriate security of personal data.

e) Ownership of the results of the Project is not vested in the European Commission or the AFD. Subject to Clause 9.8 (*Confidentiality - Disclosures)* of the Financing Agreement, the Beneficiary undertakes to grant, and to ensure that the third parties concerned (contractors, such as the Final Beneficiary) grant the AFD and/or the European Commission the right to make free use of the results of the project, including reports and any other related documents, which are subject to industrial or intellectual property rights.

When the results mentioned in the above point include pre-existing rights and the Beneficiary cannot guarantee the AFD and/or the European Commission the right to use these results, the Beneficiary undertakes to inform the AFD and the European Commission in writing.

f) The remaining equipment, vehicles and significant supplies purchased through the EU contribution paid by the AFD under the Project shall be transferred to local authorities, local beneficiaries or final beneficiaries, at the latest at the time of submission of the General Implementation Report. They shall be used, including after the End of the Financing Agreement, with respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities.

The documentary evidence of these transfers shall not be presented with the final reports, but shall be kept for verification for the duration and with the documents mentioned in Clause 6.19 paragraph 3 of these General Conditions.

By way of derogation from the above paragraph, the remaining equipment, vehicles and major supplies purchased through the European Union contribution paid by the AFD under actions that continue at the end of the implementation period, may be

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transferred at the end of the action. The Beneficiary undertakes to inform the AFD of the final use of the remaining equipment, vehicles and major supplies in the General Implementation Report. These are used in compliance with the principles referred to in the first paragraph of this article 6.14 f).

g) The Beneficiary undertakes to keep accurate and systematic statements and accounts relating to the implementation of the Project. The Beneficiary's accounting regulations and rules are applicable, provided they comply with internationally recognised standards. Transactions and financial statements are subject to the internal and external audit procedures provided for by the Beneficiary's regulations and rules.

h) The Beneficiary undertakes to inform the AFD when it finds a situation of exclusion regarding procurement within the meaning of Clause 6.14 i) under this Agreement or any Fraud and/or irregularity in connection with the implementation of the Project. The AFD will forward this information to the Commission for use in the early detection system and exclusion system. The Beneficiary shall inform the AFD if it becomes aware that the information transmitted must be rectified, updated or deleted. The Beneficiary shall ensure that the entity concerned is informed of the transmission of its data to the AFD and the Commission and of its possible inclusion in the rapid detection and exclusion system as well as their publication on the Commission's website. These requirements shall end when the Project implementation period ends.

i) With respect to procurement under the Project, the Beneficiary shall adopt reasonable measures in accordance with its own regulations and rules, to ensure that potential candidates or tenderers are excluded from participation in a procurement or grant award procedure and from the award of a public contract or grant financed by the European Union contribution; and the applicants, if the organization becomes aware that these entities (said potential candidates or tenderers):

   (i) or persons having powers of representation, decision making or control over them, have been the subject of a final judgement or of a final administrative decision for fraud, corruption, involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or trafficking in human beings;

   (ii) or persons having powers of representation, decision making or control over them have been the subject of a final judgement or of a final administrative decision for an irregularity affecting the European Union's financial interest;

   (iii) are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or if they fail to supply this information;

   (iv) have been the subject of a final judgment or of a final administrative decision establishing that the entities have created an entity under a different jurisdiction with the intention to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business;

   (v) have been created with the intention described in point (iv) above as established by a final judgment or a final administrative decision.

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j) The Beneficiary also undertakes to ensure that the obligations under Clauses 6.14 a), 6.14 d), 6.14 e); 6.14 f), 6.14 g), 6.14 f), 6.14 g), 6.19 (*Monitoring)* and 6.23 (*Visibility and Communication)* of the General Conditions apply, where applicable, to its contractors.

k) With respect to the procurement under the Project, the Beneficiary shall adopt reasonable measures, in accordance with its own regulations and rules, to ensure that potential candidates or tenderers and applicants shall be excluded from the participation in a procurement or grant award procedure and from the award of a procurement contract financed with EU funds, if the Beneficiary becomes aware that any such entities (i.e. potential candidates or tenderers and applicants):

(i) or persons having powers of representation decision making or control over them, have been the subject of a final judgement or of a final administrative decision for fraud, corruption, involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or trafficking in human beings;

(ii) or persons having powers of representation, decision making or control over them have been the subject of a final judgement or final administrative decision for an irregularity affecting the EU's financial interest;

(iii) are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or if they fail to supply this information;

(iv) have been the subject of a final judgment or final administrative decision establishing that the entities have established an entity under a different jurisdiction with the intention of circumventing fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business;

(v) have been established with the intention described in point (iv) above as determined by a final judgment or final administrative decision.

6.15 <u>On-granting – Monitoring of the Final Beneficiary</u>

The Beneficiary shall:

(a) conclude an On-granting Agreement with the Final Beneficiary if the Special Conditions provide for on-granting;

(b) ensure the On-granting Agreement contains all undertakings the Beneficiary has given on behalf of the Final Beneficiary under the Financing Agreement, including those set out in the Special Conditions and in Clause 6 (*UNDERTAKINGS*) and Clause 7 (*oversight and Information Undertakings*) of the General Conditions;

(c) if applicable, send the proxy granted to the Final Beneficiary to act in the name and on behalf of the Beneficiary, especially in regard to Drawdown Requests;

(d) systematically collect identifying information for any person (identity, citizenship, domicile) and/or any legal entity (corporate name, place of incorporation, registered

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office, identity of shareholders) benefiting from the on-granted funds and make it available to the AFD;

(e) provide the AFD with any information in relation to the On-granting Agreement which must be recorded in the accounting books of the Final Beneficiary; and

(f) ensure that the Final Beneficiary fulfils its obligations under the On-granting Agreement and that the on-granted funds are used only for the financing of the Project in accordance with the terms of the Financing Agreement.

6.16 Status of Expertise France

If Expertise France is involved in Project implementation, the Beneficiary shall treat the technical experts of Expertise France appointed for assignments lasting more than six months as having the same status as a French cooperation officer (*agents de la cooperation*), in particular for taxation and customs purposes. To that effect, the Beneficiary undertakes to apply the procedure set out in the cooperation agreements entered into with France and/or the requisite local procedures, before the technical experts of Expertise France begin providing their Services, to ensure they may validly enjoy the rights available for that status.

6.17 Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT)

If the Beneficiary is a bank or financial institution, it shall, throughout the term of the Financing Agreement:

— apply procedures that are in keeping with the standards of the Financial Action Task Force (**FATF**) to implement the duty of vigilance with regard to its customers; and

— authorise the AFD to carry out or have a third party to carry out verification of the implementation by Beneficiary of its duty of vigilance in the arena of anti-money laundering and countering terrorist financing.

6.18 Preservation of the Project and Insurance

The Beneficiary undertakes, and will procure that Final Beneficiary or the Implementing Agency, as the case may be, undertakes:

(a) to implement the Project in accordance with generally accepted principles of due care and with applicable norms and technical standards;

(b) to maintain all Project assets in good working order and condition in accordance with all applicable laws and regulations and to use such assets for their proper purpose and in accordance with all applicable laws and regulations; and

(c) to take out insurance policies covering the assets financed as part of the Project for the main risks potentially incurred.

6.19 Monitoring

The Beneficiary shall allow the AFD and the Commission (i) to participate in the monitoring and evaluation of the Project and (ii) to carry out inspections to evaluate Project implementation and operations, financial aspects included, and to assess its impact and the achievement of Project objectives.

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The Beneficiary shall co-operate with the AFD and its representatives carrying out such inspections, the timing and format of which shall be determined by the AFD and the Commission following consultation with the Beneficiary. The Beneficiary undertakes to make available to the mission all the necessary information and the original supporting documents relating to the Project's expenses.

The Beneficiary undertakes to retain, and maintain – and shall ensure that the Final Beneficiary and/or Delegated Implementing Agency retain and maintain – at the disposal of the AFD and/or the European Union or any audit firm designated by the AFD and/or the European Union, for a period of ten (10) years following the Deadline for Drawdown and in any case until audits, appeals, disputes, complaints or ongoing investigations of the European Anti-Fraud Office (hereinafter referred to as "**OLAF**") or the European Public Prosecutor's Office (hereinafter referred to as "EPPO") that have been notified to the Beneficiary have been decided, all documents relating to the Project including documents relating to the Project Account(s) and to proving the use of any Drawdown, regardless of drawdown mechanism and all relevant financial information in its original form or in the form of a copy relating to the Agreement, the Project and any procurement under the Agreement.

6.20 Access and financial Checks

The Beneficiary allows the AFD, the Commission, the European Court of Auditors, and the EPPO or any authorised representatives to conduct desk reviews and on-the-spot checks on the use made of European Union contribution (including procedures for the award of procurement contracts and grants) on the basis of supporting accounting documents and any other documents related to the financing of the Project.

The Beneficiary agrees that OLAF and the EPPO may carry out investigations, including on-the-spot checks, in accordance with the provisions laid down by European Union law for the protection of the financial interests of the European Union against fraud, corruption and any other illegal activity and, where applicable, any administrative cooperation arrangements concluded between OLAF and the Beneficiary anti-fraud bodies.

The Beneficiary agrees that the execution of this Agreement may be subject to review by the European Court of Auditors when the latter carries out an audit of the implementation of the European Union's expenditure by the European Commission. In this case, the Beneficiary provides the European Court of Auditors with access to the information it needs to fulfil its mission.

To that end, the Beneficiary shall provide the Agency, officials of the Commission, OLAF, EPPO and the European Courts of Auditors and their authorised agents, upon request, information and access to any documents and computerised data concerning the technical and financial management of operations financed under the Agreement, as well as grant them access to sites and premises at which such operations are carried out. The Parties shall take all necessary measures to facilitate these checks in accordance with its regulations and rules. The documents and computerised data may include information which the Beneficiary considers confidential in accordance with its own established regulations and rules or as governed by contractual agreement. Such information once provided to the AFD, the Commission, OLAF, the EPPO the European Courts of Auditors, or any other authorised representatives, shall be treated in accordance with European Union confidentiality rules. Documents must be accessible and filed in a manner permitting checks, the Beneficiary being bound to inform the AFD, the Commission, OLAF, the EPPO or the European Court of

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Auditors of the exact location at which they are kept. Where applicable, the Parties may agree to send copies of such documents for a desk review.

The AFD and/or the Commission shall inform the Beneficiary of the planned on-the-spot missions by agents appointed by the Commission in due time in order to ensure adequate procedural matters are agreed upon in advance

6.21 Project evaluation

The Beneficiary hereby authorises the AFD to carry out or procure that a third party carries out an evaluation of the Project. Feedback from this evaluation will be used to produce a report containing information on the Project, such as amount, duration of funding, Project objectives, and an evaluation of the relevance, efficiency, impact and viability/sustainability of the Project, and major conclusions and recommendations.

The main objective of the evaluation is to form a credible, independent opinion on the key issues raised with regard to the relevance, implementation (efficiency) and effects of the Project (effectiveness, impact, sustainability).

Auditors must conduct an impartial evaluation that is balanced in taking into account the various legitimate points of view that may be expressed.

The Beneficiary will be associated with the Project evaluation as closely as possible (from drafting terms of reference until submission of the final report).

The Beneficiary agrees that the evaluation report may be publicly distributed, including through the AFD Website.

6.22 Security

The provisions of the present Clause shall apply only where the Beneficiary is a French or foreign NGO, or a French public entity other than a local authority or a French or foreign foundation.

The Beneficiary undertakes to comply with all applicable security rules, laws and regulations and to take all measures incumbent upon it to ensure the security of its staff, for whom it is solely responsible.

The AFD is not responsible for the security of individuals or employees of legal entities to whom the Beneficiary entrusts or delegates, in any manner whatsoever, all or part of the implementation of the Project.

The AFD will not issue a non-objection opinion regarding the obligations that the Beneficiary intends to enforce in terms of security for persons to whom it entrusts or delegates all or part of the implementation of the Project.

Throughout the implementation of the Project, and before any travel by its staff, the Beneficiary undertakes to inquire about the security risks incurred with the French Embassy(ies) of the country(ies) concerned or the competent consular or local authorities according to its nationality and to make good use of the advice provided. It undertakes to ensure that the natural or legal persons acting on its behalf within the implementation of the Project comply with these obligations.

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The Beneficiary is solely responsible for the decision to cancel or maintain the planned travel.

6.23 Visibility and Communication

In order to ensure the visibility of the AFD, the Beneficiary shall implement visibility and communication actions related to the implementation of the Project in accordance with the terms of AFD's Visibility and Communication Guide, and acknowledges having fully read and understood the aforementioned guide.

In addition to the visibility obligations defined below, the Beneficiary undertakes to implement the communication activities described in Schedule I, where applicable.

Unless otherwise requested or agreed by the AFD, the Beneficiary undertakes to take all appropriate measures to ensure the visibility of Project funding by the European Union. The information disseminated to the press and contractors, as well as all advertising materials, official notices, reports and related publications, shall mention that the Project was carried out «with the financial participation of the European Union» and shall display the emblem of the European Union (twelve yellow stars on a blue background) appropriately. The Beneficiary's publications relating to the Project, in any form and in any medium, including the Internet, shall contain the following disclaimer: "*This document has been prepared with the financial assistance of the European Union. The opinions expressed in it should in no way be considered as reflecting the official position of the European Union.*" Such measures shall be applied in accordance with the Communication and Visibility Guide, published by the Commission, or any other guidelines agreed between the Commission and the AFD and communicated to the Beneficiary.

If the remaining equipment, vehicles or significant supplies purchased with European Union funds have not been transferred to local authorities, local beneficiaries or final beneficiaries at the time of submitting the General Implementation Report, the visibility requirements applicable to such important equipment, vehicles or supplies (in particular the display of the European Union emblem) will remain applicable between the submission of the final report and the completion of the Project, if the latter requires more time.

Unless otherwise provided, if a disclosure compromises the security of the Beneficiary or harms its interests, the Beneficiary accepts that the Commission publishes, in any form and any medium, including on its websites, the name and address of the Beneficiary, and the purpose and amount of the European Union contribution to the Project.

The AFD and the Beneficiary shall consult immediately and shall endeavour to remedy any deficiencies found in the implementation of the visibility obligations set out in this Article, without prejudice to measures that the AFD or the European Union may take in the event of a flagrant breach of an obligation.

7. OVERSIGHT AND INFORMATION UNDERTAKINGS

The undertakings set out (i) in this Clause 7 (*oversight and Information Undertakings*) and (ii) the additional information undertakings, if any, set out in the Special Conditions, shall take effect on the Signing Date and shall remain in full force and effect for the duration of the Financing Agreement.

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7.1 Implementation reports

The Beneficiary shall provide the AFD:

(a) the Beneficiary undertakes to provide the AFD with complete information on the implementation of the Project, through the interim report and the General Implementation Report. These reports include a descriptive part and a financial part.

(b) until the Deadline for Implementation of the Project, the Beneficiary undertakes to provide technical and financial implementation reports pursuant to the timetable specified in Clause 7 of the Special Conditions, (i) a technical and financial implementation report on Project implementation (in the format described in paragraph (c) of this Article, as well as (ii) an annual report monitoring Project indicators, in accordance with the form appended to the Special Condition.

(c) within six (6) months after the Deadline for Implementation of the Project, a the general implementation report

(d) Each report, whether interim or final, shall provide a complete account of all relevant aspects of the form envisaged by the implementation of the Project during the period covered. The report describes the implementation of the Project according to the activities set out in Schedule 1 (*Project Description*) of the Special Conditions and the degree of achievement of its results, as measured by the indicators correspondents. The report shall be structured in such a way as to enable the objectives and means envisaged and implemented to be monitored. The level of detail of each report corresponds to that of Schedules 1 and 5 of the Special Conditions.

(e) The progress report(s) shall directly relate to this Agreement and shall at least include:

a) summary and context of the Project;
b) actual results: follow up of Project's indicators;
c) activities carried out during the reporting period;
d) information on the difficulties encountered and the measures taken to overcome them, as well as any changes made;
e) as the case may be, [an update of this leverage effect for the entire financings, with respect to the applicable methodology] ;
f) information on measures taken to identify the European Union as source of financing, in accordance with Clause 6.23 (*Visibility and Communication)*;
g) information on the implementation costs incurred and the legal commitments made by the Beneficiary during the reference period, including a detailed statement (including in electronic Excel format) of the amounts declared (costs incurred and legal commitments);
h) a summary of controls carried out, and available final audit reports. Where errors and deficiencies are found in the in systems, an analysis of their nature and scope as well as information on corrective measures taken or planned shall also be provided;
i) work plan and provisional budget for the following period.

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(f) The General Implementation Report shall include the following points covering the entire period of implementation:

a) all the information requested in the progress reports except the work plan and provisional budget ;
b) a summary of the Project's receipts, payment received and the eligible costs incurred (including in Excel electronic format) ;
c) as the case may be, an update of this leverage effect for the entire financings, with respect to the applicable methodology ;
d) if relevant, details of transfers of equipment, vehicles, and remaining major supplies mentioned in Clause 6.23 (*Visibility and Communication*) and Clause 6.14 (*Undertakings with respect to the Financing of the Project by the European Union*) above.

(g) Should the Beneficiary be unable to present an implementation report, whether a progress report or the final report, at the latest by the deadline set in Clause 7 of the Special Conditions, he undertakes to inform the AFD in writing of the delay as well as its justification He undertakes to provide the AFD with a summary of the state of the Project's progress together with, as the case may be, a provisional work plan for the next period. Should the Beneficiary not comply with such information undertaking within one (1) month after the deadline set out in Clause 7 of the Special Conditions, the AFD may terminate the Financing Agreement pursuant to Clause 4.2 of this Agreement, or refuse to transfer any outstanding amount and recover any unduly transferred amount.

7.2 Co-Financing

If any Co-Financing is involved, the Beneficiary shall promptly inform the AFD of any cancellation or any prepayment, in whole or in part, in respect of any Co-Financing.

7.3 Information - Miscellaneous

The Beneficiary shall provide to the AFD:

(a) immediately upon becoming aware of them, details of any event or circumstance which is or may be an event of suspension or cancellation of a Drawdown referred to in Clause 3.1 (Drawdown Request) or which has or may have a Material Adverse Effect, the nature of such an event and all the actions taken or to be taken to remedy it (if any);

(b) immediately any information relating to an event or circumstance which is or may be considered as an utilization of the funds of the Grant in contradiction with the terms and conditions of the Financing Agreement, a payment which is undue or any other irregularity in the utilization of the funds of the Grant ;

(c) promptly upon becoming aware of it and no more than two (2) business days following its occurrence, details of any incident or accident directly related to Project implementation which may have a significant impact on the environment, safety, or working conditions of its employees or any contractors, the nature of such incident or accident, and any steps taken or proposed to be taken by the Beneficiary to remedy the situation. The AFD reserves the right to request from the Beneficiary to adopt additional measures in order to deal with such incident or accident. If no agreement is reached with the Beneficiary for the implementation of such measures or remedies,

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the AFD may terminate the Financing Agreement in accordance with Clause 4.2 of these General Conditions;

(d) as soon as possible, details of any decision or event that may appreciably affect the organisation, completion or operation of the Project;

(e) throughout Project implementation, the interim and final reports prepared by any Operator or service provider;

(f) as soon as possible, any further information or documentation that the AFD may reasonably request with respect to the use of funds and to the conditions in which the Project Documents and contracts entered into for their implementation are being performed;

(g) where the Beneficiary is a company, a bank, or a financial institution, details on any transaction which would result in a change of ownership by a single person or entity of five per cent (5%) or more of the Beneficiary's share capital, or in a direct or indirect change of Control of the Beneficiary; and

(h) as soon as possible, throughout the duration of the business relationship, any document or information about the Beneficiary that the AFD may request to enable the AFD to fulfil its know-your-customer ("KYC") obligations under AML/CFT rules, in particular for the purpose of updating its KYC information on the client (the Beneficiary).

7.4 Financial and corporate information

(a) The Beneficiary shall provide the AFD with its annual financial or budgetary documents once they have been approved and any details that the AFD may reasonably require in relation to its financial situation.

(b) The Beneficiary (unless it is a State) shall:

(i) inform the AFD of any change to its legal status or form, and

(ii) deliver to the AFD, at its request, the Beneficiary's minutes of meetings, resolutions and reports of its corporate body together with its annual audited financial statements and auditors' reports, or any report in relation to the audit of its budget and financial statements.

7.5 Information about the Final Beneficiary

During Project implementation and operation, the Beneficiary shall ensure:

(a) that the Final Beneficiary provides the AFD with its annual financial or budgetary documents once they have been approved and any details that the AFD may reasonably require in relation to its financial situation, unless the Final Beneficiary is a State, and sends the AFD, at its request, the minutes of meetings, resolutions and reports of its corporate organs together with its annual audited financial statements and auditors' reports, or any report in relation to the audit of its budget and financial statements; and

(b) where the Final Beneficiary is a company, bank, or financial institution, that it informs the AFD of any transaction which would result in a change of ownership by a single

person or entity of five per cent (5%) or more of its share capital or of a direct or indirect change of Control.

8. COSTS AND EXPENSES - REGISTRATION

8.1 Costs and Expenses

The Beneficiary shall cover, if applicable:

(a) Any registration fees applying to the Financing Agreement; and

(b) Any expenses and commissions incurred from the transfer of funds from the Paris financial centre to any other financial centre as agreed with the AFD.

8.2 Recovery Costs

The Beneficiary shall pay directly or reimburse the AFD for all reasonable costs and expenses, if applicable, that the AFD would incur or has paid for any step to be taken including without limitation in case of judicial recourses for the recovery of all amount of the Grant irregularly or unduly used or paid under this Agreement.

9. MISCELLANEOUS

9.1 Language

The language of the Financing Agreement is English. If this Agreement is translated, the English version alone shall prevail.

All communications or documents provided under the Financing Agreement shall be drafted in English. If not, the AFD may request a certified English translation which will prevail.

9.2 Severability

If any term of the Financing Agreement is or becomes invalid, the validity of the other provisions of the Financing Agreement will not be affected.

9.3 No waiver

The AFD's failure to exercise, or delay in exercising, any right under the Financing Agreement shall not operate as a waiver of that right.

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

The rights and remedies under the Financing Agreement are cumulative and not exclusive of any rights and remedies provided for law.

9.4 Assignments

The Beneficiary may not assign or transfer its rights and/or obligations under the Financing Agreement in any manner whatsoever, either in whole or in part, without the prior written consent of the AFD.

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The AFD may assign or transfer to a third party its rights and obligations under this Agreement.

9.5 Legal effect

The Schedules to the Special Conditions (including these General Conditions), the Procurement Guidelines and the ES Grievance Management Procedures form an integral part of the Special Conditions and have the same binding legal effect as said Conditions.

9.6 Entire agreement

As of the Signing Date, the Special Conditions and the Schedules thereto (including the General Conditions) constitute the entire agreement between the Parties in relation to the Financing Agreement and therefore supersede all previous documents which may have been exchanged or communicated as part of negotiations in connection with the Financing Agreement.

9.7 Amendments to the Financing Agreement

No provision of the Financing Agreement may be amended unless expressly agreed in writing between the Parties.

9.8 Confidentiality - Disclosures

(a) Each Party shall not disclose the content of the Financing Agreement (or any Financing Document if applicable), to any third party without the prior consent of the other Party, except to:

(i) any person to whom the Party has a disclosure obligation under any applicable law, regulation or judicial ruling;

(ii) the Final Beneficiary or Implementing Agency for the purposes of the Project;

(b) Furthermore, the AFD may disclose any information or document in relation to the Project to: (i) its auditors, experts, rating agencies, legal advisers or supervisory bodies, such as the European Anti-Fraud Office (the "**OLAF**"); (ii) any person or entity to whom the AFD may assign or transfer all or part of its rights or obligations under the Financing Agreement ; (iii) the French State, and in particular the ministries to which the AFD reports, for the purposes of the AFD's activityy; (iv) any person or entity for the purpose of taking any protective measures or preserving the rights of the AFD under the Financing Agreement and (iv) any Co-Financier(s) if applicable.

(c) Furthermore, the Beneficiary hereby expressly authorizes the AFD to communicate and to disclose on the AFD's website (including on its open data platform) the information relating to the Project and its financing listed in the relevant schedule to the Special Conditions.

9.9 Statute of Limitations

The limitations period in relation to the Financing Agreement is ten (10) years.

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9.10 Hardship

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

10. NOTICES

10.1 Any notices or communications under the Financing Agreement shall be made in writing and sent to the addresses stated in the Special Conditions.

10.2 Any communications from one Party to another under or in connection with the Financing Agreement may be made electronically unless otherwise stated by one of the Parties.

10.3 Electronic communications between the Parties shall only take effect when actually received in readable form.

11. ENTRY INTO FORCE – TERM

11.1 The Financing Agreement enters into force on the Signing Date and shall remain in full force and effect until the expiry of a two (2) year period beginning on the Deadline for Implementation of the Project.

11.2 As an exception to the paragraph above, the provisions of Clauses 6.19 (*Monitoring*) and 9.8 (*Confidentiality - Disclosures*) of the General Conditions will remain in full force and effect for a period of ten (10) years following the date mentioned in the paragraph above.

11.3 In any event, the provisions of Clause 6.12.2 (*Environmental and Social Grievance Management ("**ES**")*) herein shall remain in full force and effect as long as any grievance lodged under the ES Grievance Management Procedures continues to be processed or followed up.

12. GOVERNING LAW, ENFORCEMENT AND SERVICE OF PROCESS

12.1 Governing Law

The Financing Agreement shall be governed by and construed in accordance with French law.

12.2 Jurisdiction

Any dispute arising out of or in connection with the Financing Agreement shall be submitted to the competent courts of Paris.

12.3 Immunities

By express agreement of the Parties, the Beneficiary's signature of the Financing Agreement constitutes a waiver of any and all immunities from legal proceedings or seizures of property.

12.4 Choice of domicile

Without prejudice to applicable law, the Beneficiary hereby irrevocably chooses the address stated in the Special Conditions, and the AFD chooses the address "AFD Siege" also

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indicated in the Special Conditions, for the purposes of serving judicial and extrajudicial documents in connection with any action or proceedings referred to above.

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SCHEDULE A1 - DEFINITIONS

Account Bank	means any bank acceptable to the AFD in the books of which the Project Account(s) is/are opened, as defined in Clause 3.2.3 (*Advances*).
Act(s) of Terrorism	means: (a) any act prohibited by the United Nations Conventions and Protocols related to the fight against terrorism (which may be consulted on the following website: https://legal.un.org/ola/Default.aspx); (b) any of the offences referred to in articles 3 to 10 of Directive (EU) 2017/541 of the European Parliament of 15 March 2017 on combating terrorism; or (c) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organisation to do or abstain from doing any act.
Advance(s)	means a drawdown of funds taken as advances as defined in Clause 3.2.3 (*Advances*).
AFD	means the Agence Française de Développement
Act of Corruption	means any of the following: (i) the act of promising, offering or giving, directly or indirectly, to a Public Official or to any person who directs or works, in any capacity, for a private sector entity, an undue advantage of any nature, for the relevant person himself or herself or for another person or entity, in order that this person acts or refrains from acting in breach of his or her legal, contractual or professional obligations and, having for effect to influence his or her own actions or those of another person or entity; or (ii) the act of a Public Official or any person who directs or works, in any capacity, for a private sector entity, soliciting or accepting, directly or indirectly, an undue advantage of any nature, for the relevant person himself or herself or for another person or entity, in order that this person acts or refrains from acting in breach of his or her legal, contractual or professional obligations and, having for effect to influence his or her own actions or those of another person or entity.
Act(s) of Terrorism	means: (i) any act prohibited by the United Nations Conventions and Protocols related to the fight against terrorism (which may be consulted on the following website: https://legal.un.org/ola/Default.aspx);

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	(ii) any of the offences referred to in articles 3 to 10 of Directive (EU) 2017/541 of the European Parliament of 15 March 2017 on combating terrorism; or (iii) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organisation to do or abstain from doing any act.
Anti-Competitive Practices	means: (i) any concerted or implicit action having as its object and/or as its effects to impede, restrict or distort fair competition in a market, including when it tends to: (1) limit market access or the free exercise of competition by other companies; (2) prevent prices from being set through the free play of markets by artificially pushing such prices higher or lower; (3) limit or control any production, markets, investment or technical progress; or (iv) share out markets or sources of supply; (ii) any abuse by a company or group of companies of a dominant position within a domestic market or in a substantial part thereof; or (iii) any bid or predatory pricing having as its object and/or its effect to eliminate a company or one of its products from a market, or to prevent it from accessing the market.
Authority/Authorities	means any government or any body, department or commission exercising a public prerogative, or any administration, court, agency, or any state, governmental, administrative, tax or judicial entity.
Authorisation(s)	means any consent, registration, filing, agreement, certification, attestation, authorisation, approval, permit and/or instructions, or any exemptions in respect thereof, obtained from or issued by an Authority, whether expressly granted or deemed to be granted due to the Authority's non-response within a defined time frame.
Beneficiary	means the beneficiary as identified in the Special Conditions.
Business Day or Days	means a day (other than Saturday or Sunday) on which banks are open for a full day in Paris.
Closing Expenses	Means, if applicable, costs relating to the Financing Plan relating to the General Implementation Report, the final assessment, the final audit and other costs in connection with the closing of the Project.
Co-Financier(s)	means the co-financier(s), if any, identified in the Special Conditions.
Co-Financing	means the co-financing, if any, identified in the Special Conditions.
Contingency Reserve	Means, if applicable, the budget line entitled "Contingency reserve" as set out in Schedule 2 (*Financing Plan*).

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Contribution Agreement	has the meaning given to this term in paragraph (C) of the preamble of the Special Conditions
Control	refers to the fact of directly or indirectly controlling a company within the meaning of French law.
Deadline for Drawdown	means the deadline for the drawdown of funds as set out in the Special Conditions.
Deadline for Implementation of the Project	means the end date of the Project implementation period.
Drawdown	means the drawdown of all or part of the funds made available by the AFD as a Grant to the Beneficiary pursuant to the conditions set out in Clause 3.2 (*Drawdown Mechanics*)
Drawdown Request	means a Drawdown request that is substantially consistent with the model provided in Schedule 6(*Form of Drawdown Request*) to the Special Conditions.
Eligible Expense(s)	means Project expenses as described in Schedule 2 (*Financing Plan*) to the Special Conditions, which are incurred for work and services carried out before the Deadline for Implementation of the Project.
Embargo	means any sanction of a commercial nature which is intended to prohibit any import or export (supply, sale or transfer) of one or several types of goods, products or services going to and/or coming from any country for a given period and as published and amended by the United Nations, the European Union or France.
ES Grievance Management Procedures	means the contractual terms contained in the Environmental and Social Grievance Management Procedures available on the Website, as they may be amended from time to time.
ESCP	means the environmental and/or social commitment plan appended to the Special Conditions, setting out the Beneficiary's commitment to avoid, mitigate or compensate negative consequences of the Project on human and natural environment and any planned monitoring, as well as the formal steps required in order to carry out such actions.
Euro(s) or EUR	means the single currency of the Member States of the European Economic and Monetary Union, including France, and having legal tender in such Member States.
Expertise France	means the Agence Française d'Expertise Technique Internationale (AFETI).
Final Beneficiary	means the beneficiary of [on-lending][on-granting], as identified in the Special Conditions.
Financial Sanctions List	means the list(s) of persons, groups or entities subject to financial sanctions by the United Nations, the European Union or France. For information purposes only and for the convenience of the Beneficiary, who may not rely on the following references: **For the United Nations,** see the sanctions list of the UN Security Council: https://www.un.org/sc/suborg/fr/sanctions/un-sc-consolidated-list **For the European Union**, see the sanctions list at:

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	https://eeas.europa.eu/headquarters/headquarters-homepage/8442/consolidated-list-sanctions_fr **For France**, see: http://www.tresor.economie.gouv.fr/4248_Dispositif-National-de-Gel-Terroriste
Financing Agreement	means together General Conditions and Special Conditions, including the recitals thereto, their respective schedules, Procurement Guidelines and, if applicable, any amendments to the General or Special Conditions.
Financing Documents	means the Financing Agreement, the On-granting Agreement and any other document directly related thereto.
Financing Plan	means the financing plan for the Project set out in the Special Conditions
Force Majeure	means any unforeseeable exceptional situation or event beyond the Parties control which prevents either of them from fulfilling any of its obligations under the Agreement, which may not be attributed to error or negligence on either part (or the part of Providers, agents or staff), and which could not have been avoided by the exercise of due diligence.
Fraud	means any unfair practice (acts or omissions) deliberately intended to mislead others, to intentionally conceal elements there from, or to betray or vitiate his/her consent, to circumvent any legal or regulatory requirements and/or to violate internal rules and procedures of the Beneficiary or a third party in order to obtain an illegitimate benefit.
Fraud against the Financial Interests of the European Union	means any intentional act or omission intended to damage the European Union budget and involving (i) the use or presentation of false, inaccurate or incomplete statements or documents which has as effect the misappropriation or wrongful retention of funds or any illegal reduction in resources originating from the general budget of the European Union; (ii) the non-disclosure of information with the same effect; and (iii) misappropriation of such funds for purposes other than those for which such funds were originally granted.
Fraud and Tax Evasion	means any use of illegal practices intended to avoid the payment of taxes, for example by not declaring profits or by using different means to avoid paying VAT.
General Conditions	means the general conditions applicable to the Financing Agreement as defined in Clause 1.1 (*General Conditions and Special Conditions*).
General Implementation Report	means the general implementation report on the Project as defined in Clause 7.1 (*Implementation reports*).
Grant	means the financial assistance provided as a grant from the AFD to the Beneficiary in accordance with this Financing Agreement, up to the maximum amount stated in the Special Conditions.
Illicit Origin	means funds obtained through: (i) the commission of any predicate offence to money-laundering as designated in FATF's glossary of 40 recommendations under "designated categories of

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	offences" (fatf-gafi.org/content/dam/fatf-gafi/recommendations/FATF Recommendations 2012.pdf.coredownload.inline.pdf); (ii) any Act of Corruption; or (iii) any Fraud against the Financial Interests of the European Union.
Implementing Agency	where applicable, means the entity identified in the Special Conditions and instructed by the Beneficiary to implement the Project.
Insurance Policies	means the insurance policies that the Beneficiary or the Final Beneficiary, as the case may be, is required to take out and maintain in connection with the Project implementation.
Material Adverse Effect	means a material adverse effect on: – the Project, insofar as it would jeopardise the proper continuation of the Project according to, in particular, sound environmental and social standards and in accordance with the Financing Agreement **or** the Financing Documents and the Project Documents; – the business, assets, financial condition of the Beneficiary or its ability to honour its obligations under the Financing Agreement **or** the Financing Documents and the Project Documents; – the validity or enforceability of the Financing Agreement **or** any Financing Document and any Project Documents.
Misuse of AFD's Funds or Assets	means the non-compliant, inappropriate and/or abusive use of the resources, property or assets belonging to the AFD, made knowingly, recklessly or negligently.
Money Laundering	means: (i) the act of facilitating by any means, the false justification of the origin of the assets or proceeds of the perpetrator of a felony or a misdemeanour which brought him a direct or indirect benefit; or (ii) the act of assisting in investing, concealing or converting the direct or indirect proceeds of a felony or a misdemeanour.
Non-Cooperative Practices	means: (i) the act of destroying, falsifying, altering, concealing or unreasonably withholding evidence or any other information, documents or records sought to be disclosed in connection with an investigation by the AFD of an allegation of Prohibited Practices to materially obstruct the investigation; or the act of making false statements to materially obstruct the investigation of an allegation of Prohibited Practices; or (ii) the act of threatening, harassing or intimidating any party in order to prevent it from disclosing information relating

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	to an investigation conducted by the AFD, or the continuation of the investigation; or (iii) any acts carried out in order to materially obstruct the AFD in exercising its contractual rights to audit, inspect or access to information in the context of an investigation based on an allegation of Prohibited Practices.
On-granting Agreement	means the agreement setting out the terms and conditions under which the Beneficiary on-grants the Grant funds, in whole or in part, to the Final Beneficiary.
Procurement Guidelines	means the contractual provisions in the document entitled "Procurement Guidelines for AFD-Financed Contracts in Foreign Countries" in effect on the Signing Date, which is available on the Website and a copy of which has been delivered to the Beneficiary.
Prohibited Pratice(s)	means Anti-Competitive Practices, Acts of Corruption, Fraud, Fraud against the Financial Interests of the European Union, Non-Cooperative Practices, Misuse of AFD's Funds or Assets, as well as any breach of any applicable anti-Money Laundering and counter-Terrorist Financing laws.
Project	means the project as described in Schedule 1 (*Project Description*) to the Special Conditions.
Project Account(s)	means the Project account(s) as defined in Clause 3.2.3 (*Advances*).
Project Documents	means all documents relevant to Project implementation that are remitted or executed by the Beneficiary or the Final Beneficiary, as the case may be, as identified (where applicable) in the Special Conditions.
Provider(s)	means a natural or legal person that has signed a contract with the Beneficiary or the Final Beneficiary or the Implementing Agency, as the case may be, which may include a supplier, a works company or a contractor, a consultant or a service provider.
Provider's Guarantee(s)	means any guarantee provided to the Beneficiary or the Final Beneficiary, as the case may be, directly or indirectly by any of its Providers in charge of the performance of contracts entered into for the purposes of implementing the Project or any part thereof, such as, for example, a performance security, or an advance payment security.
Public Official	means any holder of legislative, executive, administrative or judicial office whether appointed or elected, permanent or temporary, paid or unpaid and regardless of rank, or any other person defined as a public official under the local law of the Beneficiary's jurisdiction, and any other person exercising a public function, including for a public agency or organisation, or providing a public service.
Schedule(s)	means any schedule or schedules to these General Conditions numbered A1, A2, and B, C, and D, as well as the schedules to the Special Conditions as listed therein.
Service(s)	means the studies and/or technical assistance services to be carried out for the Project in accordance with Schedule 1 (*Project Description*) to the Special Conditions.

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Signing Date	means the date of execution of the Special Conditions by all the Parties.
Special Conditions	means the special conditions applicable to the Financing Agreement as defined in Clause 1.1 (*General Conditions and Special Conditions*).
Tax Avoidance Practices	means using legal instruments in order to pay as little tax as possible. A practice of tax avoidance is characterized when, in light of all the involved entities and relevant financial flows, the structuring of a project is not justified by business reasons reflecting the project's economic reality but for the main purpose, or one of the main purposes, of benefiting from a favourable tax regime that would not have been applicable in the absence of such structuring. Tax avoidance practices include, but are not limited to: (i) the use of harmful tax practices; (ii) the use of offshore structures or arrangements aimed at attracting profits which do not reflect real economic activity in the jurisdiction; and / or (iii) the use of so-called base erosion and profit shifting practices as identified in the OECD BEPS Action Plan (including: abuse of double tax conventions, artificial use of hybrids or artificial avoidance of permanent establishment status).
Technical Completion Date	means the date for the technical completion of the Project set out in the Special Conditions.
Terrorist Financing	means providing or collecting, directly or indirectly, funds or managing funds with the intention that they should be used, or in the knowledge that they are to be used, for the purpose of committing an Act of Terrorism.
Universal Principles	means the principles inherent in respect for human rights, including human dignity, equality and non-discrimination and the fight against all forms of sexual or gender-based violence, to be respected within the framework of the award of a Grant by the AFD within the meaning of the provisions of Chapter III of Title 1 of the law no. 2000-321 dated 12 April 2000 relating to the rights of citizens in their relations with administrations.
Visibility and Communication Guide	means all contractual provisions binding on the Beneficiary relating to the communication and visibility of projects financed by AFD and contained in the document entitled" Visibility guide for projects supported by AFD - Level 1 "or" Communication guide for projects supported by AFD - Level 2 "as the case may be, a copy of which has been given to the Beneficiary before the signing.
Website	means the AFD website (http://www.afd.fr/) or any other such replacement website.

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SCHEDULE A2 - CONSTRUCTION

(a) "**assets**" includes all present and future properties, revenues and rights;

(b) any reference to the "**Beneficiary**", a "**Party**" or the "**AFD**" includes its successors in title, assigns and beneficiaries;

(c) any reference to the Financing Agreement or any other instrument is a reference to said document as amended, restated or supplemented and includes, if applicable, any document which supersedes it, in accordance with the Financing Agreement;

(d) a "**guarantee**" includes any security and any guarantee of any nature whatsoever;

(e) a "**person**" includes any person, company, corporation, partnership, government, State or separated part thereof, or any association, or group of two or more of the foregoing (with or without legal personhood);

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

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

(h) titles, Clauses and Schedules are for ease of reference only and do not affect the interpretation of the Financing Agreement;

(i) unless otherwise provided, terms used in any other document relating to the Financing Agreement or in any notice given in connection with the Financing Agreement have the same meaning in that document or notice as in the Financing Agreement; and

(j) a reference to a Clause or Schedule shall be a reference to a Clause or Schedule of the General Conditions.

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SCHEDULE B - Information that the AFD is expressly authorised to disclose on its Website (in particular on its open data platform)

1. Information relating to the Project

- Number and name in the AFD's book or of the Agency ;
- Detailed description;
- Operating sector;
- Place of implementation;
- Expected project starting date;
- Deadline for Implementation of the Project; and
- Stage of progress updated on a semi-annual basis.

2. Information relating to the financing of the Project

- Type of overall financing (loan, grant, co-financing, delegated funds) ;
- Grant amount ;
- Total annual Drawdowns ;
- Projected Drawdowns over three (3) years ; and
- Aggregate Drawdown amounts (updated with each Drawdown).

3. Other information

- Public transaction information notice appended to the Special Conditions.
- The Project assessment report.

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SCHEDULE C - Non exhaustive list of environmental and social documents which the Beneficiary allows to be disclosed in connection with ES Grievance Management Procedures

The provisions of this Schedule shall not apply where to cases where the environmental and social grievance management system (as set out in Clause 6.12.2 of the General Conditions) applies to the Project

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

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SCHEDULE D - BIODIVERSITY DATA SHARING

Nature of the data

The biodiversity data covered by the Biodiversity Data Sharing clause of this Agreement are the flora and fauna observation data collected as part of naturalist field inventories dedicated to the Project. These data may result from visual sightings, auditory observations, recordings or even specimen collections.

Each published item of data shall, at the least, include information pertaining to: the type of observation, the taxon's scientific name, the date and location of observation.

Unless the data may be deemed sensitive, observations shall be published using the same location accuracy as that collected in the field.

Data that may be deemed sensitive are, in particular, observations of native fauna and flora whose survival within the local population is threatened due to the intentional removal or destruction of specimens. The data provider shall deliberately downgrade the accuracy of location details for so-called sensitive species. The extent of the downgrading of location details shall be adapted to the species' sensitivity so as to prevent any risk of further pressure on the populations of those species concerned.

Procedures for data sharing

The Project's biodiversity data shall be published using the GBIF's framework www.gbif.org

Information about the Project in relation with which the data was collected shall be provided in addition to the mandatory metadata required by the GBIF. A short description of the Project followed by the names of the contractors and funders, including the AFD, shall be included.

As to the conditions regarding data use, the data provider must opt for one of the two least restrictive rights levels, that is: the Public Domain (CC0) Licence or the Creative Commons Attribution (CC-BY) Licence.

In addition to this appendix, the contractor and its co-contractors may rely on the Practical Recommendations Guide for the Publication of Biodiversity Data published by the AFD, which can be downloaded at:

https://www.afd.fr/en/ressources/data4nature-practical-recommendations-guide-publishing-primary-biodiversity-data

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