LOAN NUMBER 9978-MD

# Loan Agreement

(Moldova Growth and Resilience Development Policy Loan)

between

REPUBLIC OF MOLDOVA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

## LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF MOLDOVA ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") for the purpose of providing financing in support of the Program (as defined in the Appendix to this Agreement). The Bank has decided to provide this financing on the basis, *inter alia*, of: (i) the actions which the Borrower has already taken under the Program and which are described in Section I of Schedule 1 to this Agreement; and (ii) the Borrower's maintenance of an adequate macroeconomic policy framework. The Borrower and the Bank therefore hereby agree as follows:

### ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

### ARTICLE II — LOAN

2.01. The Bank agrees to lend to the Borrower the amount of two hundred and eighteen million two hundred thousand Euro (€218,200,000), as such amount may be converted from time to time through a Currency Conversion ("Loan").

2.02. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.

2.03. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.04. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

2.05. The Payment Dates are February 1 and August 1 in each year.

2.06. The principal amount of the Loan shall be repaid in accordance with Section 3.03 of the General Conditions and Schedule 2 to this Agreement.

2.07. Without limitation upon the provisions of Section 5.05 of the General Conditions, the Borrower shall promptly furnish to the Bank such information relating to the provisions of this Article II as the Bank may, from time to time, reasonably request.

## ARTICLE III — PROGRAM

3.01. The Borrower declares its commitment to the Program and its implementation. To this end, and further to Section 5.05 of the General Conditions:

(a) the Borrower and the Bank shall from time to time, at the request of either party, exchange views on the Borrower's macroeconomic policy framework and the progress achieved in carrying out the Program;

(b) prior to each such exchange of views, the Borrower shall furnish to the Bank for its review and comment a report on the progress achieved in carrying out the Program, in such detail as the Bank shall reasonably request; and

(c) without limitation upon paragraphs (a) and (b) of this Section, the Borrower shall promptly inform the Bank of any situation that would have the effect of materially reversing the objectives of the Program or any action taken under the Program including any action specified in Section I of Schedule 1 to this Agreement.

## ARTICLE IV — REMEDIES OF THE BANK

4.01. The Additional Event of Suspension consists of the following, namely, a situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.

4.02. The Additional Event of Acceleration consists of the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Bank to the Borrower.

## ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Condition of Effectiveness consists of the following, namely the Bank is satisfied with the progress achieved by the Borrower in carrying out the Program and with the adequacy of the Borrower's macroeconomic policy framework.

5.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.

## ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Borrower's Representative is its Minister of Finance.

6.02. For purposes of Section 10.01 of the General Conditions:

(a) the Borrower's address is:

Ministry of Finance
Constantin Tanase Street, 7
MD-2005 Chisinau
Republic of Moldova; and

(b) the Borrower's Electronic Address is:

| Facsimile: | E-mail: |
|---|---|
| (373 22) 262661 | cancelaria@mf.gov.md |

6.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank's address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank's Electronic Address is:

| Telex: | Facsimile: | E-mail: |
|---|---|---|
| 248423(MCI) or 64145(MCI) | 1-202-477-6391 | moldova_contact@worldbank.org |

AGREED as of the Signature Date.

**REPUBLIC OF MOLDOVA**

**By** Andrian Gavrilita

**Authorized Representative**

**Name:** Andrian Gavrilita

**Title:** Minister of Finance

**Date:** 05-Jun-2026

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

**By** Ulrich Schmitt

**Authorized Representative**

**Name:** Ulrich Schmitt

**Title:** World Bank Group Country Manager Moldova

**Date:** 05-Jun-2026

## SCHEDULE 1

### Program Actions; Availability of Loan Proceeds

**Section I.** **Actions under the Program**

The actions taken by the Borrower under the Program include the following:

**Pillar 1: Strengthening Competitiveness, Efficiency, and Transparency of Markets**

1. To strengthen market competition and sustainable procurement, the Borrower has introduced measures aimed at fostering competition in tenders and enhancing green public procurement practices, as evidenced through the Procurement Law.

2. To reduce compliance costs for entrepreneurs and promote market entry, the Borrower has simplified registration requirements for legal entities by requiring that registration information be published only in the Electronic Bulletin, as evidenced through the Law on Elimination of Excessive Regulations in the Private Sector.

3. To enhance transparency and security of financial transactions, and mobilize private financing for green transition, the Borrower has:

   (i) improved the regulatory framework for the protection of financial consumers as evidenced through the Amended Law on Protection of the Rights of Financial Services Consumers;

   (ii) operationalized secure data sharing and payment initiation, consistent with the EU Second Payment Services Directive as evidenced through the National Bank of Moldova's Decision on Functional and Technical Requirements for Interfaces of Payment Service Providers Offering Account Management Services; and

   (iii) established a framework for classifying sustainable activities, as evidenced through the Governmental Decision on the Taxonomy for Sustainable Finance.

4. To support more and better jobs, the Borrower has:

   (i) improved the financing of high-quality preschool education and care services as evidenced through the Governmental Decision introducing a Funding Formula for Early Childhood Education, thereby increasing early child education enrollment rate and women's labor force participation; and

(ii) enabled the intermediation of formal seasonal and temporary jobs through temporary employment agents, as evidenced by the Amendments to the Labor Code, contributing to the formalization of low-skilled employment.

**Pillar 2: Strengthening Resilience and Economic Integration**

5. To advance cross-border energy trade and improve renewable energy integration, the Borrower has aligned national frameworks with European Union (EU) electricity trading and market coupling rules and introduced licensed market activities to facilitate renewable uptake, as evidenced through the Law on Electricity and the Decision on Electricity Market Rules, and Network Codes.

6. To modernize district heating, reduce emissions, and improve efficiency, the Borrower has strengthened the co-generation and thermal energy regulatory framework, as evidenced through the Amendments to the Law on Thermal Energy and the Promotion of Cogeneration, the Decision on the Approval of the Regulation on the Development of the Thermal Energy Sector; and the Decision on the Approval of the Regulation on the Planning, Approval and Implementation of Investments in the Thermal Energy Sector.

7. To introduce resilience requirements in transport corridors, the Borrower has approved comprehensive guidelines and technical criteria for the planning, development and interoperability of transport and transport-related infrastructure across all transport modes, as evidenced through the Governmental Decision on the Guidelines for Developing Moldova's National Transport Network within Trans-European Transport Network (TEN-T).

**Section II. <u>Availability of Loan Proceeds</u>**

A. **General.** The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of this Section and such additional instructions as the Bank may specify by notice to the Borrower.

B. **Allocation of Loan Amounts.** The Loan is allocated in a single withdrawal tranche, from which the Borrower may make withdrawals of the Loan proceeds. The allocation of the amounts of the Loan to this end is set out in the table below:

| Allocations | Amount of the Loan Allocated (expressed in EUR) |
|---|---|
| (1) Single Withdrawal Tranche | 218,200,000 |
| **TOTAL AMOUNT** | 218,200,000 |

C. **Withdrawal Tranche Release Conditions.**

1. No withdrawal shall be made of the Single Withdrawal Tranche unless the Bank is satisfied: (a) with the Program being carried out by the Borrower; and (b) with the adequacy of the Borrower's macroeconomic policy framework.

D. **Deposit of Loan Amounts.**

1. The Borrower, within seven (7) days after the withdrawal of the Loan from the Loan Account, shall report to the Bank: (a) the exact sum received into the account referred to in Section 2.03 (a) of the General Conditions; (b) the details of the account to which the Moldovan Leu equivalent of the Loan proceeds will be credited; (c) the record that an equivalent amount has been accounted for in the Borrower's budget management systems; and (d) the statement of receipts and disbursement of the account referred to in Section 2.03(a) of the General Conditions.

E. **Closing Date.** The Closing Date is December 29, 2028.

## SCHEDULE 2

### Commitment-Linked Amortization Repayment Schedule

The Borrower shall repay the principal amount of the Loan in accordance with the following table, which sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share").

### Level Principal Repayments

| Principal Payment Date | Installment Share |
|---|---|
| On each February 1 and August 1<br>Beginning August 1, 2035<br>through August 1, 2055 | 2.38% |
| On February 1, 2056 | 2.42% |

## APPENDIX

### Definitions

1. "Amendments to the Labor Code" means the Borrower's Law No. 193, dated July 10, 2025, for the provision of work through a temporary employment agent, occupational safety and health of certain categories of workers, published in the Official Gazette on August 21, 2025.

2. "Amended Law on Protection of the Rights of Financial Services Consumers" means the Borrower's Law No. 189 of July 10, 2025, on strengthening the framework for the protection of financial services consumers' rights, published in the Official Gazette on September 25, 2025.

3. "Law on Electricity" means the Borrower's Law No. 164 of June 26, 2025, on electric power, published in the Official Gazette on August 19, 2025.

4. "Amendments to Law on Protection of the Rights of Financial Services Consumers" means the Borrower's Law No. 189 of July 10, 2025 strengthening the framework for the protection of the rights of consumers of financial services, published in the Official Gazette on September 25, 2025.

5. "Amendments to the Law on Thermal Energy and the Promotion of Cogeneration" means the Borrower's Law No. 63 of March 27, 2025, on promoting cogeneration and centralized thermal energy supply systems, amending Law No. 92 of May 29, 2014, published in the Official Gazette on April 22, 2025.

6. "Decision on Electricity Market Rules, and Network Codes" means the Decision No. 528 of the Board of Directors of the National Agency for Energy Regulation of the Borrower dated September 03, 2025, amending the Energy Market Rules and Network Codes, published in the Official Gazette on September 6, 2025.

7. "Decision on the Approval of the Regulation on the Development of the Thermal Energy Sector" means the Decision No. 493 of the Board of Directors of the National Agency for Energy Regulation of the Borrower dated August 19, 2025, published in the Official Gazette on August 22, 2025.

8. "Decision on the Approval of the Regulation on the Planning, Approval and Implementation of Investments in the Thermal Energy Sector" means the Decision No. 494 of Board of Directors of the National Agency for Energy Regulation of the Borrower dated August 19, 2025, published in the Official Gazette on August 22, 2025.

9. "EU Second Payment Services Directive" means Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market

10 "Electronic Bulletin" means the official electronic bulletin of the Borrower's State Registration Authority consisting of official data and information published on the official website of the State Registration Authority.

11. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for IBRD Financing, Development Policy Financing", dated December 14, 2018 (last revised on July 1, 2025).

12. "Governmental Decision on the Taxonomy for Sustainable Finance" means the Borrower's Governmental Decision No. 168/2026, dated April 8, 2026 on the sustainable finance taxonomy, publish on Official Gazette on April 9, 2026.

13. "Governmental Decision introducing Funding Formula for Early Childhood Education" means the Borrower's Governmental Decision No. 637, dated October 1, 2025, on the methodology for financing pre-school education, published in the Official Gazette on October 21, 2025.

14. "Governmental Decision on the Guidelines for Developing Moldova's National Transport Network within Trans-European Transport Network (TEN-T)" means the Borrower's Governmental Decision No. 158, dated April 8, 2026 on the approval of the regulation on the guidelines of the Republic of Moldova for the development of the national transport network as part of the Trans-European Transport Network, publish on Official Gazette on April 9, 2026.

15. "Law on Elimination of Excessive Regulations in the Private Sector" means the Borrower's Law No. 229 of July 10, 2025, published in the Official Gazette on July 23, 2025

16. "Moldovan Leu" means the Borrower's local currency.

17. "National Bank of Moldova's Decision on Functional and Technical Requirements for Interfaces of Payment Service Providers Offering Account Management Services" means Decision No. 33 of the Executive Board of the National Bank of Moldova dated February 16, 2026 on the approval of functional and technical requirements for interfaces of payment service providers offering account management services, published in the Official Gazette on February 20, 2026.

18. "Official Gazette" means the Borrower's official gazette: "*Monitorul Oficial al Republicii Moldova*".

19. "Procurement Law" means the Borrower's Law No. 325 of December 29, 2025, published in the Official Gazette on February 12, 2026.

20. "Program" means the program of objectives, policies, and actions set forth or referred to in the letter dated April 21, 2026 from the Borrower to the Bank declaring the Borrower's commitment to the execution of the Program, and requesting assistance from the Bank in support of the Program during its execution and comprising actions taken, including those set forth in Section I of Schedule 1 to this Agreement, and actions to be taken consistent with the program's objectives.

21. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.

22. "Single Withdrawal Tranche" means the amount of the Loan allocated to the category entitled "Single Withdrawal Tranche" in the table set forth in Part B of Section II of Schedule 1 to this Agreement.