Grant Agreement No.2060600

# GRANT AGREEMENT

For

# THE PROJECT FOR THE IMPROVEMENT OF FIRE FIGHTING EQUIPMENT

Between

JAPAN INTERNATIONAL COOPERATION AGENCY

And

THE GOVERNMENT OF THE REPUBLIC OF MOLDOVA

Dated June 24, 2022

Subject to the Exchange of Notes between the Government of Japan and the Government of the Republic of Moldova dated November 26, 2021 concerning Japanese economic cooperation to be extended with a view to promoting the economic and social development of the Republic of Moldova (hereinafter referred to as "the E/N") and the relevant laws and regulations and budgetary appropriations of Japan, the Japan International Cooperation Agency (hereinafter referred to as "JICA") and the Government of the Republic of Moldova (hereinafter referred to as "the Recipient") have agreed to conclude the following grant agreement (hereinafter referred to as "the G/A").

**Article 1 Amount and Purpose of the Grant**

JICA shall extend a grant up to one billion five hundred and forty-nine million Japanese Yen (JPY1,549,000,000) (hereinafter referred to as "the Grant") to the Recipient for the purpose of contributing to the implementation of the Project for the Improvement of Fire Fighting Equipment mentioned in sub-paragraph (1) of paragraph 1 of the E/N (hereinafter referred to as "the Project") whose details are described in Schedule 1 attached hereto.

**Article 2 Availability of the Grant**

The Grant shall be available in the form of a disbursement by JICA during the period between the date of entry into force of the G/A and April 30, 2026.

**Article 3 Use of the Grant**

The Recipient shall use the Grant properly and exclusively to cover payments to suppliers, contractors and/or consultants (hereinafter collectively referred to as "the Supplier(s)") of eligible nationality described in Section 2 of Schedule 2 attached hereto for purchases of products and/or services of eligible source countries described in Section 3 of Schedule 2 attached hereto necessary for the implementation of the Project.

**Article 4 Administration of Grant**

(1) The Recipient shall designate the General Inspectorate for Emergency Situations as the executing agency (hereinafter referred to as "the Executing Agency") to implement the Project on behalf of the Recipient. The Recipient shall cause the Executing Agency to perform any of the obligations owed by the Recipient, and shall assume responsibility for all actions of the Executing Agency concerning the Project.

(2) The Recipient shall retain a consultant for the implementation of the Project. The

consultant shall be recommended to the Recipient by JICA. Such recommendation of the consultant by JICA does not mean that JICA shall assume the responsibilities which the consultant shall bear to the Recipient.

(3) Should the funds available from the Grant be insufficient for the implementation of the Project, the Recipient shall make arrangements promptly to provide such funds as shall be needed.

**Article 5 General Terms and Conditions**

(1) JICA and the Recipient shall abide by the provisions of JICA's General Terms and Conditions for Japanese Grant, dated January 2016 (hereinafter referred to as "the GTC").

(2) The details for procurement stipulated in Section 2.01 of the GTC are described in Schedule 2 attached hereto.

(3) The disbursement procedure stipulated in Section 3.01 of the GTC is described in Schedule 3 attached hereto.

(4) The addresses stipulated in Section 7.03 of the GTC are as follows:

For JICA

Postal address:
JAPAN INTERNATIONAL COOPERATION AGENCY
Middle East and Europe Department
5-25, Niban-cho, Chiyoda-ku, Tokyo 102-8012, JAPAN
Attention: Director General

with a copy to:
JAPAN INTERNATIONAL COOPERATION AGENCY
Financial Cooperation Implementation Department
5-25, Niban-cho, Chiyoda-ku, Tokyo 102-8012, JAPAN
Attention: Director General

For the Recipient

Postal address:
MINISTRY OF INTERNAL AFFAIRS
MD-2012, mun. Chisinau, 75, Stefan cel Mare str.
Attention: Minister of Internal Affairs

For the Executing Agency

Postal address:
GENERAL INSPECTORATE FOR EMERGENCY SITUATIONS
MD – 2028, mun. Chisinau, 69, Gheorghe Asachi str.
Attention: Head of General Inspectorate

**Article 6 Other Obligations of the Recipient**

(1) The Recipient shall perform obligations described in Section 4 of Schedule 2 and Schedule 4 attached hereto.

(2) The Recipient shall ensure that no official of the Recipient undertakes any part of the work under the contract on the purchase of the products and/or services necessary for the implementation of the Project.

(3) The Recipient shall furnish JICA with reports on the progress of the Project according to an agreed schedule until the Project is completed, in such form and in such detail as JICA may reasonably request. Promptly, but in any event not later than six (6) months after completion of the Project, the Recipient shall furnish JICA with a report concerning completion of the Project in such form and in such detail as JICA may reasonably request.

**Article 7 Headings**

The headings of Articles herein are inserted for convenient reference only and shall not be interpreted to limit or otherwise affect the provisions of the G/A.

IN WITNESS WHEREOF, JICA and the Recipient, acting through their duly authorized representatives, have caused the G/A to be duly executed in their respective names and delivered at Chisinau, as of the day and year first above written.

For

JAPAN INTERNATIONAL
COOPERATION AGENCY

MATSUNAGA Hideki
Director General
Middle East and Europe Department

For

THE GOVERNMENT OF THE
REPUBLIC OF MOLDOVA

REVENCO Ana
Minister of Internal Affairs

## Schedule 1

## Details of the Project

(1) Objective:

The objective of the Project is to improve the rescue performances for the scenes of emergency by procurement of the fire-rescue equipment, thereby contributing to improvement of the people`s security and public services in Chisinau, Balti, Cahul, Ungheni and Orhei.

(2) Location:

Chisinau, Balti, Cahul, Ungheni and Orhei

(3) Scope of the Work:

(a) procurement and installation of fire-rescue equipment

(b) consulting services

[To be left blank]

## Schedule 2

## Details for Procurement

**Section 1. Guidelines to be used for procurement under the Grant**

In order to ensure the proper and exclusive use of the Grant, the products and/or services necessary for the implementation of the Project shall be procured in accordance with JICA's Procurement Guidelines for the Japanese Grants (Type I), dated January 2016 (hereinafter referred to as "the **Procurement Guidelines**").

**Section 2. Eligible Nationality**

(1) The eligible nationality of the Supplier(s) shall be Japanese nationals in the case of the Supplier(s) that will execute a contract directly with the Recipient for the implementation of the Project.

(2) With regard to sub-section (1) above, the term "Japanese nationals" means Japanese physical persons or Japanese juridical persons controlled by Japanese physical persons as described in paragraph 4 of the E/N.

(3) Such contracts as stipulated in sub-section (1) above shall be denominated in Japanese Yen.

**Section 3. Eligible Source Countries**

(1) The eligible source countries shall be Japan and the country of the Recipient for the purchase of products and/or services for the implementation of the Project.

(2) Notwithstanding sub-section (1) above, when JICA and the Recipient deem it necessary, the Grant may be used for the purchase of products and/or services of countries other than Japan or the country of the Recipient for the implementation of the Project.

**Section 4. JICA's Review**

With regard to the Recipient's procurement procedures and decisions, the Recipient shall submit to JICA, for JICA's review and concurrence, the following documents at the following occasions. The Recipient shall also submit to JICA, for JICA's reference, any related documents and information as JICA may reasonably request. When JICA has no objection to such documents, JICA shall inform the Recipient its concurrence accordingly. JICA's right to perform such review and concurrence shall not be deemed to be an obligation of JICA. The Recipient shall not be exempted from any of its obligations under

the G/A due to JICA's election to perform any such review.

(1) Execution of the contract for consultants

The original contract for the consultant shall be submitted promptly after its signing in order for the contract to be verified as eligible for the Grant.

(2) Procurement procedures other than competitive bidding

Descriptions of proposed procurement procedures other than competitive bidding shall be submitted before commencing such procedures when particular circumstances render competitive bidding inappropriate.

(3) Public announcement for pre-qualification

The contents of the public announcement for pre-qualification shall be submitted before the public announcement is made. Any important amendments to the documents by which such public announcement is to be made shall also be submitted before the documents are sent to prospective bidders.

(4) Selection of pre-qualification

(i) The list of pre-qualified firms that applied to be selected as the Supplier(s), (ii) the report on the selection process, including the decisions made by the Recipient during the selection, and (iii) other relevant documents shall be submitted promptly after the selection before notification of the result of the pre-qualification to the applicants.

(5) Bidding procedures

Bidding documents, such as notices and instructions to bidders, the bid form, bid evaluation criteria, and the proposed draft contract, shall be submitted before inviting the submission of bids. Any important amendments to the said documents shall also be submitted before the documents are sent to prospective bidders.

(6) Analysis of technical proposals

Analysis of technical proposals shall be submitted promptly after the analysis and before inviting the opening of bid prices.

(7) Analysis of bid prices

Analysis of bid prices shall be submitted promptly after the analysis and before

notification of an award to the successful bidder.

(8) Execution of the contracts for the Supplier(s)

The original contract for the Supplier(s) shall be submitted promptly after its signing in order for the contract to be verified as eligible for the Grant.

(9) Allocation of the remaining balance of the Grant

A request for review and concurrence on the allocation of the remaining balance of the Grant with the reason therefor shall be submitted to JICA before any action is taken in relation to the use of the remaining balance of the Grant.

(10) Amendment or termination of contract

(a) The extension of the contract period and the reason which justifies the proposal shall be submitted before the contract is amended; in the situation where the extended period is more than three (3) months or the period between the end of the extended contract period and the deadline of availability of the Grant become less than six (6) months.

(b) Any major amendment or termination of the contract shall be notified to JICA immediately and the original of the contract and other necessary documentation thereon shall also be submitted after signing in order for the amendment of the contract to be verified as eligible for the Grant.

(11) Modification from the original design

A description of any major modification from the original design of the Project shall be submitted before the implementation of any work related to the modified design.

For the avoidance of doubt, any change which does not constitute a major modification of the design or a major amendment of the contract, as specified by JICA, shall not require such concurrence of JICA.

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## Schedule 3

## Disbursement Procedure

### Section 1. Banking Arrangement and Authorization to Pay

The Recipient shall conclude the banking arrangement (hereinafter referred to as "the Banking Arrangement") with a bank in Japan (hereinafter referred to as "the Agent Bank") and open an account (hereinafter referred to as "the Grant Account") at the Agent Bank immediately after the signing of the G/A. The Banking Arrangement stipulates the roles of the Agent Bank and the Recipient with regard to the receipt of the Grant from JICA and payment to the Supplier(s) under the Grant by using an authorization to pay (hereinafter referred to as "the Authorization to Pay"). In order to execute the procedures in the Banking Arrangement, the Recipient shall issue the Authorization to Pay to the Agent Bank in connection with each contract verified by JICA.

### Section 2. Procedure

The payment shall be made upon request from the Supplier(s). The request for payment and other required documents shall be submitted from the Supplier(s) to the Agent Bank authorized by the Recipient in the Authorization to Pay, and accordingly those documents shall be submitted to JICA. JICA shall disburse the requested amount of the Grant into the Grant Account in Japanese Yen after confirmation of the submitted request for payment and other required documents. The Agent Bank shall make the payment to the Supplier(s) from the Grant Account on behalf of the Recipient after the receipt of the Grant.

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## Schedule 4

## Obligations of the Recipient

In accordance with the obligations of the Recipient stipulated in the E/N, the Recipient shall undertake the obligations listed in the tables below. JICA and the Recipient may agree from time to time separately in writing on the items, deadlines and other matters described in the tables below within the scope of the obligations stipulated in the E/N.

(1) Specific obligations of the Recipient which will not be funded with the Grant

1) Before the Bidding

| NO | Items | Deadline | In charge | Estimated cost | Ref. |
|---|---|---|---|---|---|
| 1 | To open bank account (B/A) | Within 1 month after the signing of the G/A | GIES | JPY25,000 | |
| 2 | To issue A/P to a bank in Japan (the Agent Bank) for the payment to the consultant | Within 1 month after the signing of the contract with the consultant | GIES | JPY25,000 | |
| 3 | To submit Project Monitoring Report No.1 (with the result of Detailed Design) | Before preparation of bidding documents | GIES | - | |

(B/A: Banking Arrangement, A/P: Authorization to pay, GIES: the General Inspectorate for Emergency Situations)

2) During the Project Implementation

| NO | Items | Deadline | In charge | Estimated cost | Ref. |
|---|---|---|---|---|---|
| 1 | To issue A/P to a bank in Japan (the Agent Bank) for the payment to the supplier(s) | Within 1 month after the signing of the contract with the supplier(s) | GIES | JPY25,000 | |
| 2 | To bear the following commissions to a bank in Japan for the banking services based upon the B/A<br>1) Advising commission of A/P<br>2) Payment commission for A/P | 1) Within 1 month after the signing of the contract with the supplier(s)<br>2) Every payment | GIES | JPY25,000 | |

| NO | Items | Deadline | In charge | Estimated cost | Ref. |
|---|---|---|---|---|---|
| 3 | To accord Japanese nationals and/or physical persons of third countries whose services may be required in connection with the supply of the Products and/or the services such facilities as may be necessary for their entry into the country of the Recipient and stay therein for the performance of their work | Immediately after the signing of the contract with the supplier(s) | GIES | - | |
| 4 | To submit Project Monitoring Report No. 2 after the signing of contract | Immediately after the signing of the contract with the supplier(s) | GIES | - | |
| 5 | To ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the country of the Recipient with respect to the purchase of the Products and/or the Services are exempted | Before import of the Equipment | GIES | - | |
| 6 | To ensure prompt customs clearance and to assist the supplier(s) with inland transportation in the recipient country | Immediately after the shipment of the Equipment | GIES | - | |
| 7 | To secure and clear the garages for each fire-fighting & rescue brigade, in particular, at three fire stations that are currently under construction or scheduled for construction, and at four fire stations that have been identified as needing renovation.*1, 2 | By the beginning of April 2022 | GIES | USD18,000 *3 | |
| 8 | To ensure that the initial and ordinary operation training costs (daily allowance, transportation, lodging, fuel, water etc.) for fire service staffs will be covered | Before receiving the Equipment | GIES | USD12,000 | |
| 9 | To ensure necessary number of personnel to collaborate with Japanese experts for provision of the Soft Component (including revision of manuals and operation training) | Before receiving the Equipment | GIES | - | |
| 10 | To ensure the cost for the Soft Component (daily allowance, transportation, lodging, fuel, water etc.) | Before receiving the Equipment | GIES | USD2,200 | |
| 11 | To submit Project Monitoring Report No. 3 (after receiving the Equipment) | Within 2 weeks after receiving the Equipment | GIES | - | |
| 12 | To submit Project Monitoring Report No. 4 (final: with the result of the Soft Component) | Within 2 weeks after the completion of Soft Component | GIES | - | |
| 13 | To ensure the safety of persons engaged in the implementation of the Project in the country of the Recipient | During the Project | GIES | | |
| 14 | To bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project | During the Project | GIES | | |

*1: Under Construction: Ungheni (Ungheni)
Scheduled for construction: Botanica (Chisinau), 2nd Regional Directorate (Balti)

Needing renovation: Buiucani (Chisinau), Republican Center (Chisinau), 2nd Regional Directorate (Balti), Orhei (Orhei)

*2: Regarding fire stations that have been identified as needing renovation and that are currently scheduled for construction, the beginning and end of the engineering work must be informed from the Moldova side to JICA. In addition, regarding fire stations that are currently under construction, the end of the engineering work must be informed from the Moldova side to JICA.

*3: This amount is only for the renovation of the four fire stations deemed necessary.

3) After the Project

| NO | Items | Deadline | In charge | Estimated cost | Ref. |
|---|---|---|---|---|---|
| 1 | To register the Equipment provided under the Project | Immediately after receiving the Equipment | GIES | USD4,300 | |
| 2 | To maintain and use properly and effectively the Equipment provided under the Japanese Grant<br>1) Allocation of operation and maintenance cost | After the completion of the Project: for expenses required from 1 year to 2 years. | GIES | USD23,500 | |
| | 2) Organization of operation and maintenance<br>3) Routine check/Periodic inspection | After the completion of the Project: for expenses required from 3 years to 10 years. | GIES | USD192,500 | |
| 3 | To execute trainings on maintenance and safe operation | Every year | GIES | - | |

(2) Other obligations of the Recipient funded with the Grant

| NO | Items | Deadline | Amount (Million Japanese Yen) |
|---|---|---|---|
| 1 | To procure the Equipment and to arrange the following transportation<br>1) Marine transportation of the Equipment from Japan<br>2) Inland transportation from the port of Odessa(Ukraine) to Chicinau | | |
| 2 | To implement detailed design, bidding support and procurement supervision (Consulting Service) | | |
| | Total | | 1,549 |

(Note) Progress of the obligations of the Recipient may be confirmed and updated from time to time in a written form between JICA and the Recipient.

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