Swedfund

Grant Agreement

Moldova-Sweden collaboration for improved solid waste management

This grant agreement (the "**Grant Agreement**") is entered into between:

Swedfund International AB (the Development Financial Institution of the Kingdom of Sweden), Reg. No. 556436-2084, a company incorporated and registered under the laws of the Kingdom of Sweden and having its registered office at Box 3286, SE-103 65, Stockholm, Sweden ("**Swedfund**"); and

Ministry of Environment of the Republic of Moldova, an institution incorporated and registered under the laws of the Republic of Moldova and having its registered office in Moldova (the "**Grantee**").

Swedfund and the Grantee are collectively referred to as the "**Parties**" and individually as a "**Party**".

1. **Background and Objective**

   Under the terms of this Grant Agreement, Swedfund agrees to provide a grant of a maximum of 6 million Swedish Krona (SEK) (the "**Swedfund Grant**") to fund the cost of consultancy services to perform studies related to the implementation of a consultancy study on waste management planning in two of Moldovas waste management zones (the "**Project**").

   The Parties agree and acknowledge that the overall purpose and objective of the Swedfund Grant is to improve the sustainability and compliance with EU standards of the solid waste management system in Moldova the "**Objective**".

2. **Swedfund Grant**

   Subject to the terms and conditions set out herein, Swedfund will fund the cost of the Project, which will include analytical studies and technical assistance up to a maximum amount of the Swedfund Grant.

   The Swedfund Grant to be provided under this Grant Agreement shall be used solely to finance the Project.

3. **Consultancy Contract**

   The consultants awarded the assignment relating to the Project (the "**Consultant(s)**") shall be selected in a competitive sourcing process and approved by both Swedfund and the Grantee.

A consultancy agreement shall be entered into between the Grantee and the Consultant and shall be approved by Swedfund (the "**Consultancy Agreement**"). The Consultancy Agreement must be signed by the Grantee and the Consultant before the Consultant commences any work in relation to the Project. A soft copy of the signed version of the Consultancy Agreement shall be sent to Swedfund. No changes shall be made to such Consultancy Agreement without Swedfund's prior written approval.

Payment to the Consultant will be made directly by Swedfund on behalf of the Grantee with the Swedfund Grant pursuant to this Grant Agreement.

4. Terms of Reference

The Parties will, based on the format attached hereto as Annex 1, jointly agree on the final terms of reference for the Project (the "**Terms of Reference**").

The Consultant's performance of the assignment must fully comply with the Terms of Reference, and any modification of or deviation from the Terms of Reference must be approved in writing by Swedfund. The Terms of Reference shall be incorporated in the Consultancy Agreement.

5. Taxes

The Swedfund Grant provided under this Grant Agreement shall, unless otherwise agreed between the Parties, not be used to pay any taxes, tariffs, duties, fees or other levies ("**Tax**") imposed under laws in effect in Moldova, except for taxes of a *de minimis* nature imposed on local lodging, food, transportation or airport arrivals or departures. Should any Tax be imposed in relation to the Project, the Grantee shall procure that such Tax is paid directly by the Grantee or the Consultant (as applicable) to the relevant authority.

For the avoidance of doubt, the Grantee may not seek reimbursement from Swedfund for any Tax. Should any Moldovan Tax claim be made against Swedfund in relation to the Project, by or on behalf of any authority in the Moldova or otherwise because of the Project, the Grantee shall upon Swedfund's request immediately compensate Swedfund for the cost of such Tax and the administration thereof. This shall apply regardless of whether Swedfund is regarded as the final tax subject for such Tax.

6. Time plan

Should the Project not have been initiated, i.e. that the Consultant has not been awarded the assignment, by June 30 2025, this Grant Agreement shall cease to be valid and no provisions hereof shall continue to be in force. Should the Parties still wish to continue the Project after such date, the terms for the Project shall be renegotiated and a new agreement shall be executed.

7. Project Operations and Payment

The Grantee shall provide Swedfund and the Consultant with the necessary support to carry out the Project, e.g. access to key staff, facilities and work space (as applicable).

Swedfund shall have the right (but not the obligation) to have a representative in a reference group (or the equivalent thereof) of the Project if such a group is established.

The Grantee shall, and shall procure and ensure that the Consultant and its sub-consultants will, upon request by Swedfund, co-operate with and assist Swedfund free of charge to perform audits and follow-ups as well as independent evaluations of the Project.

The Grantee shall notify Swedfund of its approval or non-approval (as applicable) of any invoices to be partly or fully paid by Swedfund within seven (7) business days from receipt of such invoice, by e-mail to elsa.ekblom@swedfund.se.

The notification to Swedfund shall include the following information:

(i) reference number on the invoice from the Consultant;
(ii) report of work carried out (e.g. Inception report);
(iii) amount on the invoice to be paid; and
(iv) a statement whether the invoice from the Consultant is approved, or not.

Any payment by Swedfund shall be made directly to the Consultant. Swedfund shall have at least thirty (30) days to approve and pay the invoice or reject and request additional supporting documents or information relating to the report of work carried out and/or the invoiced amount. The Grantee shall have seven (7) days in which to submit such additional information.

Swedfund shall have the right not to pay an invoice, even if the invoice has been approved by the Grantee, should Swedfund consider that the Consultancy Agreement does not cover the items on the invoice or if the Grantee or the Consultant otherwise has not fulfilled any of its respective obligations envisaged by Swedfund when entering into this Grant Agreement.

8. Confidentiality

All information exchanged between the Parties regarding the Project is considered to be strictly confidential and may not be disclosed to any third party without the prior written consent of the other Party, provided that this confidentiality undertaking shall not apply to information which:

(i) is in or comes into the public domain (otherwise than through a breach of this confidentiality undertaking by the receiving Party);

(ii) is already known to the receiving Party at the date of disclosure;

(iii) is developed by the receiving Party entirely independently of any confidential information supplied hereunder;

(iv) is disclosed to the receiving Party by a third party (otherwise than in a breach known to the receiving Party of any obligation owed by such third party to the other Party); and/or

(v) the receiving Party is required to disclose by law, by any court, or by any stock exchange or pursuant to any enquiry or investigation by any governmental, official or regulatory body which is lawfully entitled to require any such disclosure.

This duty of confidentiality shall continue to apply five (5) years after the termination of this Grant Agreement.

Notwithstanding the above, the Parties hereby agree and acknowledge that Swedfund at all times shall be entitled to disclose information which is requested by the Swedish Government and/or any subdivision thereof.

9. Use of Reports and publicity

Swedfund shall have the right to receive one soft copy (on a USB-memory stick or similar) of all of the Consultant's report(s) relating to the Project, as well as any other information and deliverables related to the Project as requested by Swedfund (collectively the "**Reports**").

The Grantee authorises Swedfund to publish the following information in any form and medium, including but not limited to LinkedIn and Twitter:

- the Grantee's name;
- the subject and purpose of the Swedfund Grant; and
- key findings, milestones and outcomes resulting from the Reports financed under this Grant Agreement.

Notwithstanding clause 8 above, to the extent it would facilitate the achievement of the Objective, e.g. facilitate a dialogue between various stakeholders, mobilising necessary financing, obtaining national or international permits etc., Swedfund shall be allowed to edit and/or disclose the Reports, or parts thereof, to any third party, and to publish the same in any form and medium.

Swedfund acknowledges and agrees that any such disclosure and/or use shall be conducted with due care.

The Parties agree and acknowledge that the Consultancy Agreement shall incorporate appropriate provisions to ensure that Swedfund is entitled to use the Reports as set out in this clause 9.

10. Sustainable and Responsible Business Manners

The Grantee shall, and shall procure and ensure that the Consultant and any sub-consultants will, promptly notify Swedfund if any changes or other matters of importance occur which may affect the performance of the Project (regardless whether it would affect the Consultancy Agreement or not).

The Grantee undertakes to, and shall procure and ensure that the Consultant and any sub-consultants will:

(i) conduct its business in a sustainable and responsible manner with a long-term perspective and strive to adhere to international standards and internationally recognised human rights as well as internationally acknowledged standards for business integrity and corporate governance;

(ii) comply with legal and regulatory requirements in the jurisdictions where they operate;

(iii) comply with the Harmonized EDFI Exclusion List;

(iv) comply with applicable IFC Performance Standards; and

(v) comply with Swedfund's Business Integrity Policy[4], including but not limited to prohibiting all kind of corruption, such as bribery, extortion, facilitation payments, nepotism and cronyism, fraud, money laundering, financing of terrorism and political contributions and other unethical behaviour.

11. Term and Termination

This Grant Agreement does not constitute an international treaty, in accordance with the Vienna convention on the law of treaties, 1969.

This Grant Agreement shall become valid on the date when both Parties have duly signed this Grant Agreement, provided that it has been signed by both Parties no later than November 1 2024. Notwithstanding the foregoing, Swedfund's undertaking to provide the Swedfund Grant to finance the Project is subject to Swedfund's final internal approval to the funding of the Project.

Swedfund may terminate its financing commitment under this Grant Agreement with immediate effect should any of the parties involved in the Project have fraudulently misled Swedfund, made misrepresentations or been engaged in corruption. The Grantee undertakes to procure and ensure that Swedfund may request immediate repayment from such party having contributed in the fraud, misrepresentation or corruption together with interest.

Swedfund may terminate its on-going financing commitment with two (2) weeks prior notice should the requisite for financing no longer be fulfilled (as determined

by Swedfund). Reasons to terminate an on-going initiative could include, but is not limited to:

(i) insufficient commitment from the Grantee;

(ii) insufficient transparency towards Swedfund and/or its professional advisors;

(iii) change of conditions that are likely to affect the implementation or benefit of the Project; and/or

(iv) a breach of the Consultancy Agreement and/or the terms and conditions set out herein.

Unless terminated earlier in accordance with this Agreement, this Agreement shall automatically terminate when Swedfund has approved and paid the last invoice issued by the Consultant relating to the Project. For the avoidance of doubt, clauses 8, 9, 12 and 13 shall survive any termination of this Agreement.

12. Miscellaneous

All modifications of or amendments to this Grant Agreement must be in writing and duly signed on behalf of both Parties.

Neither Party may transfer any of its rights or obligations under this Grant Agreement to any third party without the prior written consent from the other Party.

13. Governing Law

These terms and conditions shall be governed by the substantive laws of Sweden.
Any dispute, controversy or claim arising out of or in connection with this contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the "**SCC**").

The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, taking into account the complexity of the case, the amount in dispute and other circumstances, that the Arbitration Rules shall apply. In the latter case, the SCC shall also decide whether the Arbitral Tribunal shall be composed of one or three arbitrators. The seat of arbitration shall be Stockholm. The language to be used in the arbitral proceedings shall be English.

IN WITNESS WHEREOF, by signing below, each of the signatories hereby certifies that it is a duly authorized representative of the applicable Party, and the Parties, each acting through its duly authorized representative, have caused this Grant Agreement to be signed in their names and delivered as of the date written below.

On 25 September 2024

For

MINISTRY OF ENVIRONMENT OF THE REPUBLIC OF MOLDOVA

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Name: Sergiu Lazarencu, Minister

For

SWEDFUND INTERNATIONAL AB

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Name: Stefan Falk, Director

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Name: Elsa Ekblom, Manager