COUNCIL OF EUROPE DEVELOPMENT BANK
BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE

Ref: 2824-NIP-TA-MD

LD 2144

GRANT AGREEMENT

BETWEEN

COUNCIL OF EUROPE DEVELOPMENT BANK

AND

REPUBLIC OF MOLDOVA

Technical Assistance for Balti Regional Hospital Project Preparation

The parties to this Agreement are the **COUNCIL OF EUROPE DEVELOPMENT BANK**, International Organisation, with its headquarters at 55 avenue Kléber, F-75116 Paris, France (hereinafter, the "**CEB**") and the REPUBLIC OF MOLDOVA, represented by the Ministry of Health (hereinafter, the "**Beneficiary**") (jointly referred to hereinafter as the "**Parties**", each a "**Party**"),

WHEREAS

(A) Having regard to the Neighbourhood Investment Platform (NIP) 35th Board Meeting dated 12 June 2024, on authorising the financing of Technical Assistance for Balti Regional Hospital Project Preparation, from the Regional Multiannual Indicative Programme of the European Union (hereinafter, the "EU") for the years 2021-2024;

(B) Having regard to the CEB's Administrative Council minutes of the meeting CA PV/258/209, pursuant to which the Administrative Council confirmed supporting the CEB's participation in the EU co-financing initiatives and based on which a fiduciary account (the "**CEB Account**") has been established at the CEB to hold financial contributions from the EU in connection with the Neighbourhood Investment Fund, later amended into the Neighbourhood Investment Platform;

(C) Having regard to the contribution agreement, as amended from time to time, entered into on 13 December 2024 between the EU, represented by the Delegation of the European Union to the Republic of Moldova, and the CEB (the **"Contribution Agreement"**), whereby the EU entrusts the CEB with funds for the implementation of the Support to Technical Assistance for Balti Regional Hospital Project Preparation (the "**Action**");

(D) Whereas the Action includes the financial assistance in the form of a grant (the "**Grant**") in an amount of up to three million Euros (EUR 3 000 000) from the CEB to the Beneficiary in order to finance a technical assistance for preliminary and detailed design and associated technical documentation for the construction of Bălți Regional Hospital (the "**Technical Assistance**"), as further described under Article 2 and Appendix A-1 hereunder, to support the implementation of the "Balti Regional Hospital" project, also partially financed by the CEB by way of a framework loan agreement with reference LD 2144 (2023) ("the "**Project**");

(E) Having regard to the Third Protocol to the General Agreement on Privileges and Immunities of the Council of Europe dated 6 March 1959, the CEB's Articles of Agreement, and the CEB's Loan and Project Financing Policy adopted by CEB's Administrative Council Resolution 1646 (2022);

(F) Having regard to the CEB's Environmental and Social Safeguards Policy adopted by the CEB's Administrative Council Resolution 1588 (2016) (the "**Environmental and Social Safeguards Policy**");

(G) Having regard to the CEB's Procurement Guidelines adopted by the CEB's Administrative Council Resolution 1655 (2023) (the "**Procurement Guidelines**");

(H) Having regard to the CEB's Public Information Policy adopted by the CEB's Administrative Council in July 2020 (hereinafter, the "**Public Information Policy**");

(I) Having regard to the CEB's Data Protection Regulation as adopted by the CEB's Administrative Council Resolution 1639 (2022) (hereinafter, the "**Data Protection Regulation**");

(J) Having regard to the CEB's Anti-corruption Charter, as adopted by the CEB's Administrative Council Resolution 1628 (2021) (hereinafter, the "**Anti-corruption Charter**");

(K) Having regard to the CEB's Policy on Non-compliant/Uncooperative Jurisdictions, as adopted by CEB's Administrative Council Resolution 1630 (2021) (hereinafter, the "**Policy on Non-compliant/Uncooperative Jurisdictions**"); and

(L) The purpose of this Agreement between the CEB and the Beneficiary is to set out the terms and conditions concerning (i) the transfer and use of the Grant; (ii) the implementation of the Technical Assistance and (iii) the reporting and auditing on the use of the Grant.

NOW THEREFORE the Parties hereby agree as follows:

Article 1
Interpretation

1.1 Definitions

"Action" has the meaning ascribed to it in Recital (C) hereinabove.

"Agreement" means this grant agreement, including its appendices A through E.

"CEB Account" has the meaning ascribed to it in Recital (B) hereinabove.

"Completion Date" means the date defined in Article 3.2 at which the Implementation Period ends and upon which no further costs can be incurred.

"Completion Report" has the meaning ascribed to it in Article 8.1 hereinafter.

"**Contracting**" means signature of contracts between the Beneficiary and/or the Implementing Entity and a third party for services to be financed with the Grant for the implementation of the Technical Assistance.

"Contractor" refers to any third party with which the Beneficiary enters into a contract for services to be financed with the Grant for the implementation of the Technical Assistance.

"Contribution Agreement" has the meaning ascribed to it in Recital (C) hereinabove.

"Cost(s) Incurred" means the costs for activities implemented (works performed, goods purchased or services rendered, as applicable) under this Agreement before the Completion Date, and which are accepted by the CEB as Eligible Costs according to the provisions of this Agreement.

For the avoidance of doubt advance payments/pre-financing shall not be considered as Costs Incurred.

"Disbursement Request" has the meaning ascribed to it in Article 2.3 hereinafter.

"Early Detection and Exclusion System" has the meaning ascribed to it in Article 6.3 hereinafter.

"End Date" has the meaning ascribed to it in Article 3.3 hereinafter.

"Euro" or its abbreviation **"EUR"** shall hereinafter refer to the lawful currency of the Member States of the European Union (EU) which from time to time adopt it as their currency in accordance with the relevant provisions of the Treaty of the EU and the Treaty on the Functioning of the EU or their succeeding treaties.

"European Convention on Human Rights" means the Convention for the Protection of Human Rights and Fundamental Freedoms dated 4 November 1950, CETS No. 5, as amended from time to time.

"European Social Charter" means the European Social Charter dated 3 May 1996, CETS No. 163, as amended from time to time.
"**Eligible Costs**" has the meaning ascribed to it in Article 3.1 hereinafter.

"Forecasted Costs" means the eligible costs planned to be incurred under the Technical Assistance over the period of one (1) year.

"Final Beneficiaries" refer to groups which will most directly benefit from the Technical Assistance.

"Grant" has the meaning ascribed to it in Recital (D) hereinabove.

"**Implementation Period**" means the period from the date of signature of this Agreement to the Completion Date.

"Implementing Entity" has the meaning ascribed to it in Article 4 hereinafter.

"Implementing Unit" means the team that, by delegation of the Implementing Entity, is in charge of the implementation of the Technical Assistance.

"Progress Report" has the meaning ascribed to it in Article 8.1 hereinafter.

"Prohibited Practices" has the meaning ascribed to it in Article 6 hereinafter.

"Project" has the meaning ascribed to it in Recital (D) hereinabove.

"Sanctioned Person" means any individual or entity listed in and/or otherwise subject to one or more Sanction Lists.

"Sanction List" means (i) any economic, financial and trade restrictive measures and arms embargoes issued by the EU pursuant to Chapter 2 of Title V of the Treaty on European Union as well as Article 215 of the Treaty on the Functioning of the European Union, as amended and supplemented from time to time; or, (ii) any economic, financial and trade restrictive measures and arms embargoes issued by the United Nations Security Council pursuant to Article 41 of the UN Charter as amended and supplemented from time to time.

"Special Account(s)" refers to the Euro [and Moldovan Lei] denominated account[s] to be opened and held by the Beneficiary at a given bank as further described in Article 2.3 hereinafter, for receiving and managing the funds disbursed by the CEB for the purpose of the Technical Assistance.

"Sound Financial Management" refers to the principle overarching the implementation of this Agreement, namely economy, effectiveness and efficiency (including regarding internal control). The principle of economy requires that resources used in the pursuit of the implementation of the Technical Assistance shall be made available in due time, in appropriate quantity and quality and at the best price. The principle of effectiveness concerns the attainment of the specific objectives and the achievement of the intended results. The principle of efficiency concerns the best relationship between resources employed and results achieved.

"Technical Assistance" has the meaning ascribed to it in Recital (D) hereinabove.

"Tranche" means an amount disbursed or to be disbursed by the CEB from the Grant.

1.2 Construction

Unless the context otherwise requires, references to:

(a) this Agreement shall be construed as references to this Agreement as supplemented, amended or restated from time to time;

(b) this Agreement consists of the following parts:

(i) Articles in main body of this Agreement;
(ii) Appendix A-1: Description of the Technical Assistance;
(iii) Appendix A-2: Technical Assistance budget
(iv) Appendix B: Disbursement Request (Template)
(v) Appendix C: Progress Report/Completion Report (Template);
(vi) Appendix D: Dispute Settlement; and
(vii) Appendix E: Form of Legal Opinion

(c) the appendices, as listed herein above, form an integral part of the Agreement. In the event of discrepancies, inconsistencies and/or conflicts between the terms of the provisions of any part forming this Agreement, the parts of the Agreement shall take the following order of precedence:

(i) Articles in main body of this Agreement;
(ii) Appendix D: Dispute Settlement
(iii) Appendix E: Form of Legal Opinion;
(iv) Appendix A-1: Description of the Technical Assistance;
(v) Appendix A-2: Technical Assistance budget
(vi) Appendix B: Disbursement Request
(vii) Appendix C: Progress Report/ Completion Report

(d) in case of contradiction or inconsistency between the provisions of this Agreement and any plan, specification, investment schedule, budget, regulations, or other relevant document of the Technical Assistance approved by the CEB, the provisions of this Agreement shall prevail over those documents.

(e) references herein to Articles, Recitals and Appendices are references respectively to articles, recitals and appendices of this Agreement, unless indicated otherwise; and

(f) words importing the singular shall include the plural and vice-versa.

1.3 Headings

Headings in this Agreement have no legal significance and do not affect its interpretation.

1.4 Rounding

For the purposes of any calculations referred to in this Agreement, all currency amounts used in or resulting from the above calculations will be rounded, unless otherwise specified in the relevant currency definition, to the nearest two decimal places in the relevant currency (with .005 being rounded upwards (*e.g.*, .674 being rounded down to .67 and .675 being rounded up to .68).

Article 2
The Grant

2.1 Amount

(a) Under the terms and conditions set out hereinafter in this Agreement, the CEB is willing to make available to the Beneficiary, and the Beneficiary so accepts, the Grant in an aggregate amount of up to three million Euros (EUR 3 000 000).

(b) The Grant is funded out of the CEB Account into which the CEB receives contributions from the EU in connection with the Action. The CEB payment obligations under the Grant are limited to the amount of funds allocated to the Technical Assistance and made available by the EU for that purpose in the CEB Account. The Beneficiary's right to request disbursements under the Grant is subject to the availability of such funds allocated to the Technical Assistance in the CEB Account. The Beneficiary shall bear the risk of any funding shortfall. The CEB shall not have any liability whatsoever to the Beneficiary or to any third parties in respect of any expenditures or liabilities incurred in connection with this Agreement which exceed the amount made available to the CEB or under the Grant for the purpose of the Technical Assistance.

2.2 Payment Procedures

(a) The CEB shall disburse the Grant in two (2) Tranches. The first disbursement shall take place within twelve (12) months following the signature of this Agreement and the last disbursement no later than 30 June 2027, unless otherwise approved by the CEB. The amount of the first Tranche shall not exceed one million one hundred fifty Euros (EUR 1 150 000).

(b) The amount of each Tranche shall be determined by the CEB according to the Costs Incurred and/or the Forecasted Costs.

2.3 Disbursement Procedure

(a) The Grant shall be disbursed to the Beneficiary upon request and subject to the conditions of Article 2.5 (*Disbursement Conditions*).

(b) Prior to each disbursement, the Beneficiary shall submit to the CEB a disbursement request by letter, substantially in the form set out in Appendix B hereto (hereinafter, a "**Disbursement Request**").

(c) The Beneficiary must provide each Disbursement Request, together with any evidence required under Article 2.5 (*Disbursement Conditions*) to the CEB. The Beneficiary acknowledges that payment made to the Beneficiary following such request shall constitute disbursement hereunder.

(d) Provided all relevant conditions precedent to disbursement as set out in Article 2.5 (*Disbursement Conditions*) have been fulfilled, the CEB shall deposit each Tranche to the dedicated Special Account denominated in Euros held by the Beneficiary and identified with the following account details:

Beneficiary name: Ministry of Health, Republic of Moldova
Beneficiary address: 2 Vasile Alecsandri str., Chisinau, Republic of Moldova, MD-2009
IBAN account number: MD74NBPBAZ132121S16292AC
Swift Code: NBMDMD2X

Bank name/address: National Bank of Moldova, 1 Bulevardul Grigore Vieru str., Chisinau, Republic of Moldova, MD-2005

Any change to the Special Account details hereinabove shall be immediately notified to CEB by letter signed by a duly authorised signatory of the Beneficiary.

2.4 Currency

The Grant shall be disbursed in Euros. Any amount due by the Beneficiary to the CEB under this Agreement shall be paid in Euros. All financial statements related to the Special Account(s) shall be expressed in Euro. When applicable, the exchange rate applied between the Euro (EUR) and Moldovan Lei (MDL) shall be the *official exchange rate* on the date of the payment made by the Beneficiary, as published by *the National Bank of Moldova*.

2.5 Disbursement Conditions

(a) The first disbursement pursuant to Article 2.5 (*Disbursement Procedure*) is conditional upon prior receipt by the CEB in form and substance satisfactory to it, of:

(i) evidence in English of the person(s) authorised to execute the Agreement and the Disbursement Requests on behalf of the Beneficiary together with the authenticated specimen of the signature(s) of such person(s);

(ii) a legal opinion in English issued by the Beneficiary's [Ministry of Justice] confirming to the CEB's satisfaction, substantially in the form set out under Appendix E hereto, that the Agreement has been duly executed by authorised representatives of the Beneficiary and that the Agreement is valid, binding and enforceable in accordance with its terms in the Beneficiary's jurisdiction; and

(iii) the *VAT exemption proof.*

(b) Each subsequent disbursement pursuant to Article 2.3 (*Disbursement Procedure*) is conditional upon receipt by the CEB in form and substance satisfactory to it, of:

(i) a Progress Report confirming that the Costs Incurred under the Technical Assistance represent at least seventy per cent (70%). In exceptional and duly justified cases, upon request of the Beneficiary, the CEB may decide to derogate from this rule; and

(ii) evidence in English of the person(s) authorised to execute the Disbursement Requests on behalf of the Beneficiary together with the authenticated specimen of the signature(s) of such person(s).

Article 3
Conditions for use

3.1 Use of Proceeds

(a) The Grant made available by CEB shall be used exclusively for financing the Technical Assistance (as described in Appendices A-1 and A-2 hereto).

(b) The Grant may only finance the costs that meet all the criteria described below in order to be eligible for financing under the Grant (hereinafter, "**Eligible Costs**"):

(i) they are incurred in accordance with the provisions of this Agreement;

(ii) they are necessary for carrying out the Technical Assistance, directly attributable to the Technical Assistance, arising as a direct consequence of its implementation and charged in proportion to the actual use;

(iii) they are actually incurred by the Beneficiary, *i.e.* they represent real expenditure definitely and genuinely borne by them;

(iv) they are reasonable, justified, comply with the principle of Sound Financial Management and are in line with the usual practices of the CEB regardless of their source of funding;

(v) they are incurred during the Implementation Period;

(vi) they are identifiable and backed by supporting documents, in particular determined and recorded in accordance with the accounting practices of the Beneficiary;

(vii) they are covered by one of the budget items indicated in the budget included under Appendix A-2; and

(viii) they comply with the applicable tax and social legislation.

(c) The following costs are ineligible and cannot be financed with the Grant:

(i) bonuses, provisions, reserves or non-remuneration related costs; Employers' contributions to pension or to any other employee insurance funds run by the Beneficiary shall only be eligible to the extent they do not exceed the costs incurred during the reporting period calculated following applicable international accounting standards;

(ii) full-purchase cost of equipment and assets unless the asset or equipment is specifically purchased for the Technical Assistance and ownership is transferred to the Beneficiary, at the latest when submitting the Completion Report;

(iii) duties, taxes and charges including VAT, that are recoverable;

(iv) return of capital;

(v) debts and debt service charges;

(vi) provision for losses, debts or potential future liabilities;

(vii) banking and financial charges (including for the transfer between accounts);

(viii) costs incurred during the suspension of the implementation of the Agreement;

(ix) costs declared by the Beneficiary under another agreement financed by the European Union budget (including through the European Development Fund);

(x) contributions in kind;
(xi) costs of purchase of land or buildings, unless otherwise agreed with the CEB.

(d) All taxes, duties, levies, and other charges or exemptions on goods, works and/or services to be undertaken in the framework of the Technical Assistance will be governed by the legislation

applicable to the Beneficiary. In this respect, the Beneficiary undertakes to apply to Contractors paid out of the Grant the same rules on taxes, customs duties or other levies having equivalent effect arising for "EC contractors" from the relevant framework agreement between the Republic of Moldova and the EU on the *Neighbourhood, Development and International Cooperation Instrument* and, accordingly, to take all necessary measures to exempt all expenditure to be financed by the Grant from value added taxes.]

(e) The Special Account(s) credit balance cannot accrue negative interest and any positive interest earned shall be used exclusively to fund the Technical Assistance.
(f) The funds made available to the Beneficiary shall be used in a timely manner. In particular, the invoices for the Costs Incurred shall be paid by the Beneficiary no later than one (1) month after the Completion Date.

3.2 Completion Date

The Completion Date shall be 30 June 2027.

3.3 End Date

(a) For the purpose of this Agreement the End Date (the "**End Date**") shall fall on the earlier of (1) a date by which, cumulatively (i) all the payments by the Beneficiary to third parties for Costs Incurred have been completed; (ii) the Completion Report has been accepted, if applicable, as satisfactory by the CEB; and (iii) the CEB has paid any balance of funds or the Beneficiary has returned any balance of funds to the CEB, as applicable or (2) 31 December 2027.

(b) If any of the Parties invokes a dispute settlement procedure in accordance with Article 18 *(Dispute Settlement)*, the End Date shall be postponed until the completion of such procedure and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim has been disposed of.

3.4 Balance

Any balance which has not been used to pay third parties for Costs Incurred in accordance with clause 3.1(f) above and any payment due by the Beneficiary under the Agreement shall be deposited in Euro in the following CEB account :

Holder address: 55 Avenue Kléber, F- 75116 Paris, France
Holder swift code: Council of Europe Development Bank, Paris (SWIFT: CEFP FR PP)
Bank name: DEUTSCHE BANK AG, Frankfurt
Bank address: Taunusanlage 12 D - 60325 Frankfurt am Main
Bank swift code: DEUT DE FF
IBAN: DE44 5007 0010 0928 7384 00
Reference: TA Balti Regional Hospital, Grant Balance

The funds shall be deposited promptly and in any case: before the deadline for payment mentioned in Article 3.1(f) above, or if no such deadline is provided, before the End Date or, if payment requested by the CEB in accordance with Article 10.1 (*Right to suspend, cancel or demand repayment*), within thirty (30) days of the notice from the CEB requesting such repayment, as applicable.

3.5 Visibility

(a) The Beneficiary shall, and shall ensure that its Contractors, take all appropriate measures to always acknowledge and make public that the Technical Assistance received funding from the EU through the CEB.

(b) In particular, information given to the Final Beneficiaries, to the media, as well as any promotional materials, shall acknowledge that the Technical Assistance was implemented "*with funding from the EU received through the Council of Europe Development Bank (CEB)"*. The acknowledgement of the CEB and the EU, including the corresponding logos, shall be given clear visibility in terms of size and prominence. In addition, when the logo of the Beneficiary is displayed in publications, the logos of CEB and the EU shall be displayed at least as prominently.

(c) The Progress Reports and the Completion Report defined in Article 8 (*Reporting and Monitoring*) of the Agreement shall include the measures taken by the Beneficiary to ensure the visibility provisions included herein. In particular, the reports shall include the following disclaimer: "This publication was funded by the European Union. Its contents are the sole responsibility of <name of the author> and do not necessarily reflect the views of the European Union, or of the CEB."

3.6 Deadlines

Any deadline stipulated in this Agreement may be extended only when duly justified by the Beneficiary, and with the written consent of the CEB.

Article 4
Technical Assistance implementation

(a) The Technical Assistance financed by the Grant, as further described under Appendices A-1 and A-2 hereto, shall be implemented by the Beneficiary during the Implementation Period and in accordance with the Agreement.

(b) The Beneficiary designates the Ministry of Health (MoH) as the Implementing Entity. The Implementing Entity further appoints the implementing unit in charge of implementing the Project as the Implementing Unit in charge of implementing the Technical Assistance. For the avoidance of doubt, any obligation of the Beneficiary under this Agreement shall be fulfilled by the Implementing Entity itself or acting through the Implementing Unit, as the case may be. In any event, the responsibility that arises in case the Implementing Entity does not fulfil the Beneficiary's obligations under the Agreement, remains with the Beneficiary.

Article 5
Technical Assistance undertakings

5.1 Care and diligence

(a) The Beneficiary shall apply all care and diligence, and shall exercise all typically used means (including, but not limited to, legal, financial, managerial and technical means) required for the proper implementation of the Technical Assistance.

(b) The Beneficiary shall ensure that, if applicable, all the land, real property rights and permits required for the implementation of the Technical Assistance are timely available.

(c) The Beneficiary shall ensure that, if applicable, all assets and plants under the Technical Assistance are insured, operated and maintained in accordance with international best practices.

5.2 Increased Costs

Without prejudice to Article 2.1 above, should the total Eligible Costs of the Technical Assistance increase or be revised for whatever reason, the Beneficiary shall ensure that the additional financial resources for the completion of the Technical Assistance are available without recourse to the CEB under or in relation to the Agreement. The plans to finance the increased costs shall be communicated to the CEB without delay. In any event, the CEB does not undertake to cover, under or in relation to the Agreement, any expenses in excess of the Grant amount defined under Article 2.1 of the Agreement.

5.3 Budget modification

Before making modifications to the budget included under Appendix A-2 hereunder, the Beneficiary shall obtain CEB's prior written consent.

5.4 Procurement

(a) Procurement of services under the Technical Assistance shall comply with the CEB's Procurement Guidelines and Article 6 *(Integrity)* hereunder. The Beneficiary shall ensure that contractors are made aware of procurement processes conducted in connection with the Technical Assistance in a timely and accessible manner, so as to facilitate their participation in the tendering process.

(b) The Beneficiary shall submit to CEB's approval a Procurement Plan (as such term is defined under the CEB's Procurement Guidelines) indicating (following the template included under Appendix C):

(i) all contracts for services to be procured under the Technical Assistance;
(ii) the estimated cost of each contract;
(iii) the proposed procurement method for each contract;
(iv) the estimated dates for bid launching, bid opening, bid evaluation, contract award and contract signature.

(c) Upon approval, the CEB will inform the Beneficiary of the scope of review that CEB will carry out for each contract.

(d) The Beneficiary shall update the Procurement Plan as needed throughout Technical Assistance implementation. The Procurement Plan shall be implemented in the manner in which it has been approved by CEB. Any revisions proposed to the Procurement Plan shall be provided to CEB for its prior approval.

(e) The Beneficiary shall promptly inform CEB of any delay or other changes in the scheduling of the procurement process which could significantly affect the timely and successful implementation of the Technical Assistance, and agree with CEB on corrective measures.

(f) The CEB will not finance expenditures for services which have not been procured in accordance with the above provisions. In such cases, the CEB reserves the right to declare the corresponding contract ineligible for financing with the Grant.

(g) Even if the contract is awarded after obtaining CEB's "no objection", the CEB may still declare misprocurement if it concludes that the "no objection" was issued on the basis of incomplete, inaccurate, or misleading information provided by the Beneficiary, or the terms and conditions of the contract had been modified without CEB's approval. In such cases, the CEB may require the suspension, cancellation or immediate repayment of the Grant.

(h) In any case the responsibility for the award and administration of contracts under the Technical Assistance remains with the Beneficiary.

5.5 Human Rights

The implementation of the Technical Assistance shall not lead to a violation of the European Convention on Human Rights and of the European Social Charter.

5.6 Environmental and Social Safeguards

The implementation of the Technical Assistance shall comply with the CEB's Environmental and Social Safeguards Policy.

5.7 Right to use

Subject to Article 12 *(Confidentiality and Data Protection)*, the Beneficiary shall grant, and shall act to ensure that any third party concerned grants the CEB and/or the European Commission the right to use free of charge the results of the Technical Assistance, including the reports and other documents relating to it, which are subject to industrial or intellectual property rights.

Article 6
Integrity

6.1 Prohibited Practices

The Beneficiary undertakes that:

(a) it will institute and thereafter comply with internal policies, procedures and controls, in line with applicable legislation and international best practices, for the purpose of preventing the Beneficiary to become, in connection with the implementation of the Technical Assistance or otherwise, an instrument for money laundering, terrorism financing, tax avoidance, tax fraud or tax evasion;

(b) it will not make any Grant proceeds available to or for the benefit of, directly or indirectly, any Sanctioned Person; and

(c) it will not commit, and no person, with its consent or prior knowledge, will commit, in connection with the implementation of the Technical Assistance, the execution of any contract under the Technical Assistance or otherwise, a Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice or Obstructive Practice (hereinafter, together with money laundering, terrorism financing, tax avoidance, tax fraud or tax evasion and making available any Grant proceeds to Sanctioned Persons referred to as the "**Prohibited Practices**").

For the purposes of this Agreement:

(i) a **"Corrupt Practice"** means any act of offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.

(ii) a **"Fraudulent Practice"** means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit, or to avoid an obligation.

(iii) a **"Coercive Practice"** means any act of impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of any party to influence improperly the actions of a party.

(iv) a **"Collusive Practice"** means any arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.

(v) an "**Obstructive Practice**" meaning in relation to an investigation into a Coercive Practice, Collusive Practice, Corrupt Practice or Fraudulent Practice in connection with this Grant or

the Technical Assistance, (a) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation; (b)any act of threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, and/or (c) any act intending to materially impede the exercise of the contractual rights of audit or access to information.

6.2 Investigations and Integrity Reporting

(a) The Head of the Implementing Entity shall be responsible for contacts with the CEB for the purposes of Article 6 (*Integrity*) hereunder.

(b) The Beneficiary undertakes:

(i) to inform CEB should it become aware of any alleged or actual failure to comply with the provisions set forth in Article 6 (*Integrity*);

(ii) to take such action as CEB may reasonably request to investigate and/or terminate any alleged or actual act or failure to comply with the provisions set forth in Article 6 *(Integrity)* hereunder;

(iii) to facilitate any investigation that CEB may conduct in relation to any such act or failure to comply with the provisions set forth in Article 6 *(Integrity*) hereunder;

(iv) to inform CEB of the measures taken to seek damages from the persons responsible for any loss resulting from any such act or failure to comply with the provisions set forth in Article 6 (*Integrity*) hereunder; and

(v) to inform the CEB during the implementation of the Technical Assistance, when it becomes aware that transmitted information needs to be rectified, updated or removed.

6.3 Contracting and Early Detection and Exclusion System

(a) The Beneficiary shall exclude entities from award of contracts under the Technical Assistance, if it becomes aware that such entities or persons having powers of representation, decision making or control over it:

(i) have been the subject of a final judgement or of a final administrative decision for involvement in any Prohibited Practice, child labour, trafficking in human beings, for circumventing fiscal, social or any other applicable legal obligations, including through the creation of an entity for this purpose or more generally for involvement in a criminal organisation;

(ii) have been the subject of a final judgement or of a 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 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 item (iv) above as established by a final judgment or a final administrative decision; or

(vi) are Sanctioned Persons.

(b) The Beneficiary undertakes to (1) document any research, proofs and verifications related to points (i) to (vi) above; and (2) inform any third party found in one of the situations referred to above, that its data shall be transmitted to the CEB and that it may be included in the Early Detection and Exclusion System and published on the website of the European Commission.

For the purposes of this paragraph:

"Early Detection and Exclusion System" means the system set up by Regulation (EU, Euratom) No 2015/1929 of 28 October 2015, as further amended or substituted, on the financial rules applicable to the general budget of the Union (OJ L 286/1, 30.10.2015) which includes information on the early detection of risks threatening the EU financial interests, on the cases of exclusion from EU funding of legal and natural persons and on the cases of imposition of financial penalties, as available in the official EU website:
https://ec.europa.eu/info/strategy/eu-budget/how-it-works/annual-lifecycle/implementation/anti-fraud-measures/edes/database_en , or on any successor page, as amended and supplemented from time to time.

Article 7

Information requirements

7.1 Documents to be retained

The Beneficiary undertakes (i) to retain, at the Implementing Entity's premises, for inspection by the CEB, the EU or any other EU competent body, for a period of six (6) years from the End Date, the original of each contract financed by means of the Grant, as well as all material documents pertaining to the procurement process and to the execution of the contract, including documentation of actions taken under Article 6.3 (*Contracting and Early Detection and Exclusion System)*, and (ii) to ensure that its Contractors retain at their premises, for inspection by the CEB, the EU or any other EU competent body, for a period of six (6) years from the End Date, originals of the contracts that they entered into with any sub-contractor or supplier financed by means of the Grant.

7.2 Accounting records to be retained

The Beneficiary shall keep accounting records concerning the Technical Assistance, which shall be in conformity with international standards, showing, at any point, the Technical Assistance's state of progress, and which shall record all operations made and identify the assets financed with the help of the Grant. Such accounting records and any relevant financial information related to the Technical Assistance shall be kept at the Implementing Entity's premises, for inspection by the CEB, the EU or any other EU competent body, for a period of six (6) years from the End Date.

7.3 Obligation to respond to request for information

The Beneficiary undertakes to respond within a period specified by the CEB to any request for information and to provide it with any documentation that CEB should consider necessary for the proper implementation of the Technical Assistance, including, among others, audit reports, accounting statements as well as information concerning the monitoring of the Technical Assistance and the use of the Grant.

7.4 Obligation to inform

The Beneficiary shall inform the CEB immediately of any legislative or regulatory change in the sectors relevant to the Technical Assistance, and, in a general sense, of any event which may have a material

adverse impact on the execution of its obligations under this Agreement or of any fact or event that might prevent the fulfilment of any of its obligations hereunder.

7.5 Disclosure

The Beneficiary acknowledges that the CEB may be obliged to disclose documents relating to the Beneficiary and the consultants to the the European Union (EU), including the European Commission, the Court of Auditors of the European Union, the EU Anti-Fraud Office (OLAF) and any of EU other competent body, as necessary for the performance of their tasks in accordance with EU law.

Article 8
Reporting and Monitoring

8.1 Reporting

(a) Progress Reports

(i) The Beneficiary shall send to the CEB a narrative and financial report deemed satisfactory by the CEB (hereinafter, a "**Progress Report**"), (1) *once per year* during the Implementation Period, and (2) prior to every Disbursement Request, except for the first one.

(ii) The Progress Report must be deemed satisfactory by the CEB and shall be prepared in the form and substance set out in Appendix C hereto.

(b) Completion Report

(i) Upon completion of the Technical Assistance and no later than three (3) months after the Completion Date, the Beneficiary shall submit to the CEB a Completion Report deemed satisfactory by the CEB including an appraisal of the Technical Assistance's social impact and the utilisation of the Grant (hereinafter, a "**Completion Report**").

(ii) The Completion Report must be deemed satisfactory by the CEB and shall be prepared in the form and substance as set out in Appendix C hereto.

8.2 Visits

The Beneficiary undertakes to favourably receive any on-the-spot checks, evaluation and monitoring missions carried out by any authorised representatives or agents of (i) the CEB, (ii) the EU, including any of its competent bodies, or (iii) outside consultants employed by the CEB or the EU, including any of its competent bodies, and to provide all the necessary co-operation by facilitating site visits, providing documents and information requested.

8.3 Audit and Expenditure Verification

(a) The Beneficiary undertakes to favourably receive any audit carried out by any authorised representative or agent of (i) the CEB and (ii) the EU, including any of its competent bodies, or (iii) external auditors employed by the CEB or the EU, including any of its competent bodies, and to provide all the necessary co-operation for their audit, by facilitating any possible visits. In particular, the CEB, the EU, including its Court of Auditors, the EU Anti-Fraud Office (OLAF), the European Commission and any other competent EU body, may have an on-site audit of the

Technical Assistance carried out by one or more consultants of its choice, including in the case of non-compliance by the Beneficiary of any of its obligations under this Agreement.

(b) The CEB may hire external auditors to perform one or more expenditure verification(s) of the Technical Assistance during the Implementation Period and/or one expenditure verification following the submission of the Completion Report, unless otherwise required due to the specificities of the Technical Assistance.

(c) The Beneficiary is responsible for providing to the external auditors all financial statements from the Special Account(s), the related original invoices, Progress Reports and Completion Report for the Technical Assistance which comply with the terms and conditions of the Agreement and for ensuring that these reports can be reconciled to the Beneficiary's accounting and bookkeeping system and to the underlying accounts and records. The Beneficiary is responsible for providing sufficient and adequate information, both financial and non-financial, in support of the reports. The Beneficiary accepts that the ability of the external auditor to perform the procedures required under the audit or expenditure verification effectively depends upon the Implementing Entity and its Contractors providing full and free access to the Beneficiary's staff and its accounting and bookkeeping system as well as underlying accounts and records.

(d) Should the Beneficiary fail to comply with any of its undertakings under the Agreement, the Beneficiary undertakes to favourably receive any on-site audit, carried out by the CEB's staff members or designated third parties, which shall be at the Beneficiary's expense.

Article 9
Taxes and other Charges

9.1 Taxes

The Beneficiary shall pay, to the extent applicable, all taxes, duties, charges or fees of whatever nature including stamp duty and registration fees, arising out of the execution, implementation, termination or enforcement of this Agreement and related documents thereto, in accordance with the applicable local laws.

9.2 Other Charges

The Beneficiary shall bear their own professional and banking charges and any transfer or exchange charges, incurred for the execution, implementation, termination or enforcement of this Agreement or implementation of the Technical Assistance.

Article 10
Right to suspend, cancel and demand repayment of the Grant

10.1 Right to suspend, cancel or demand repayment

CEB reserves the right to suspend or cancel financially uncommitted portion of the Grant or request immediate repayment of all or a portion of the Grant in any of the following circumstances. Prior to exercising its right, the CEB shall serve a notice to the Beneficiary allowing the Beneficiary to submit observations within a period not shorter than thirty (30) days.

(a) *Breach of obligation under this Agreement*: if the Beneficiary fails to comply with any obligation imposed on it thereunder;

(b) *Breach of other obligations*: where the Beneficiary fails to fulfil an obligation arising out of any loan agreement, guarantee agreement or any other grant agreement with the CEB, and where the CEB determines that its interests and objectives are prejudiced thereby;

(c) *Non-payment*: where the Beneficiary (as borrower or guarantor) fails to pay any amount of principal, interest or other sum payable under any loan agreement or guarantee agreement between the CEB and the Beneficiary on the date upon which the amount is due and payable;

(d) *Material adverse change*: where an exceptional situation arises which in the opinion of CEB makes the fulfilment of the obligations of the Beneficiary (as borrower or guarantor or grant beneficiary) uncertain;

(e) *CEB membership*: where the Beneficiary (as borrower or guarantor or grant beneficiary) ceases to be a member of the CEB or if the country where the Technical Assistance is implemented ceases to be a member of the CEB; or

(f) Suspension or termination of the Contribution Agreement: where the Contribution Agreement is suspended or terminated in accordance with its terms and conditions.

10.2 Recovery and assignment of claims

Without prejudice to any rights stated above, the CEB may assign claims against the Beneficiary to the EU or the European Commission, as donor, and the latter may proceed itself to the recovery of any amounts due by the Beneficiary pursuant to this Agreement.

10.3 Other Rights at Law

Articles 10.1 and 10.2 above shall not restrict any other right of the CEB to demand repayment of the Grant.

Article 11
Obligations of the Parties

The Beneficiary shall indemnify the CEB against all damages, losses, costs and expenses suffered or incurred by the CEB, *inter alia*, as a result of any act or omission committed by it or the Implementing Entity or the Implementing Unit, from its failure or that of the Implementing Entity or the Implementing Unit to comply with any of their respective obligations set out in this Agreement, for their gross negligence, for any act of wilful malfeasance and for any fraudulent act.

Article 12
Confidentiality and Data Protection

(a) The CEB will treat any information provided to it by the Beneficiary pursuant to the latter's obligations hereunder in accordance with its Public Information Policy and its obligations under the Contribution Agreement. The Beneficiary shall preserve the confidentiality of any document, information or other material directly related to the implementation of the Technical Assistance that is communicated by the CEB as "confidential". The confidential nature of a document shall not prevent it from being communicated to a third party when the law binding on the Beneficiary so requires.

(b) The processing of any personal data in connection with the Agreement shall be carried out by the CEB in accordance with the Data Protection Regulation. The Beneficiary shall ensure that personal data shall

be:

(i) processed lawfully, fairly and in a transparent manner in relation to the data subject;

(ii) collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;

(iii) adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed;

(iv) accurate and, where necessary, kept up to date;

(v) kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed; and

(vi) processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures.

Article 13
Representations and warranties

(a) The Beneficiary represents and warrants:

(i) that it is duly authorised to enter into the Agreement and it has given the signatory(ies) the authorisation therefor, in accordance with the laws, decrees, regulations and other texts applicable to it;

(ii) that the drawing up and execution of the Agreement does not contravene the laws, decrees, regulations and other texts applicable to it; in particular, that it complies with the laws on fraud, corruption, money laundering and financing of terrorism, prevention of tax avoidance, tax fraud or tax evasion and does not enter into business relationships with Sanctioned Persons;

(iii) it is not and no member of the Implementing Entity and of the Implementing Unit, none of their officers, directors, agent or employees is a Sanctioned Person or is the subject of a final and irrevocable court ruling in connection with Prohibited Practices perpetrated in the exercise of its professional duties and none of them did or does enter into business relationships with Sanctioned Persons;

(iv) that it has received a copy of and is aware of the Procurement Guidelines, the Environmental and Social Safeguards Policy, Loan and Project Financing Policy, the Public Information Policy, the Data Protection Regulation, the Anti-corruption Charter and the Policy on Non-compliant/Uncooperative Jurisdictions.

(b) If any of the above representations and warranties is or proves to have been incorrect or misleading in any respect during the life of the Grant, the CEB may exercise any of its rights under Article 10 *(Right to suspend, cancel and demand repayment of the Grant)*.

Article 14
Notices

(a) Any notice (including any document or communication) to be given or made under or in connection with this Agreement to the CEB or the Beneficiary shall be in writing and unless otherwise stated, may be made by registered letter, electronic mail or facsimile. Such notice shall be deemed to have been received by the other Party:

(i) on the date of delivery in relation to a hand-delivered or registered letter;
(ii) in the case of electronic mail, only when actually received in readable form and only if it is addressed in such a manner as the other Party shall specify for this purpose; and
(iii) on receipt of transmission in relation to a facsimile.

(b) Any notice provided by the Beneficiary to the CEB by electronic mail shall:

(i) mention the Agreement reference in the subject line; and
(ii) be in the form of a non-editable electronic image (pdf, tif or other common non-editable file format agreed between the Parties) of the notice signed by the person or persons authorised to sign such notice on behalf of the Beneficiary, attached to the electronic mail.

(c) Without affecting the validity of notices by electronic mail or facsimile made in accordance with this Article, the following notices shall also be sent by registered letter to the other Party at the latest on the immediately following Business Day:

(i) Disbursement Requests;
(ii) any communications in respect of the suspension, cancellation or repayment of the Grant; and
(iii) any other communication required by the CEB.

(d) The Parties agree that any above notice (including via electronic mail) is an accepted form of communication, shall constitute admissible evidence in court and shall have the same evidential value as an agreement under hand.

(e) The postal address, fax number and electronic mail address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication to be given or made under or in connection with this Agreement is:

For the Beneficiary:

Ministry of Health
2, Vasile Alecsandri Street
MD 2009, Chisinau
Republic of Moldova
Attention: Minister of Health
E-mail: secretariat@ms.gov.md

For the CEB:

Council of Europe Development Bank
55, avenue Kléber
75784 Paris Cedex 16 – France
Attention: Head of Projects Division
Copy to: Head of Grant Operations and New Instruments Division
Fax: + 33 1 47 55 37 52
E-mail: projects@coebank.org
L&D-GO-DR@coebank.org

(f) The CEB and the Beneficiary shall promptly notify the other Party in writing of any change in their respective communication details.

(g) All notices to be given or made under or in connection with the Agreement shall be in English or French or, if in another language, shall be accompanied by an English or French certified translation thereof, when so required by the CEB.

(h) All notices to be given or made by the Beneficiary under or in connection with this Agreement shall, where required by the CEB, be delivered to the CEB together with satisfactory evidence of the authority of the person or persons authorised to sign such notice on behalf of the Beneficiary and the authenticated specimen signature of such person or persons.

Article 15
Illegality

If it is or becomes unlawful in any jurisdiction for CEB to make, maintain or fund the Grant or perform any of its obligations under this Agreement, the CEB may exercise any of its rights under Article 10 *(Recovery, right to suspend, cancel and demand repayment of the Grant)*.

Article 16
Amendments

This Agreement may be modified by written mutual consent of the Parties at any time. The amendments shall enter into force in accordance with the same modalities as described under Article 20 (*Entry into force*).

Article 17
Interpretation of the Agreement

The headings of the Articles of the Agreement shall not serve for its interpretation. In no case shall it be presumed that the CEB has tacitly waived any right granted to it by the Agreement.

Article 18
Dispute settlement

(a) Any dispute arising out of or in connection with the Agreement, including its existence, validity, interpretation or termination shall be settled amicably between the Parties.

(b) In default of amicable settlement, disputes between the Parties with respect to the Agreement shall be subject to arbitration under the terms and conditions laid down in Appendix D hereto.

(c) The Parties agree not to take advantage of any privilege, immunity or legislation before any jurisdictional or other authority, whether domestic or international, in order to object to the enforcement of an award handed down under the conditions laid down in Appendix D hereto.

Article 19
Relations with third parties

(a) The Beneficiary may not raise any fact relating, within the scope of the use of any Grant to its relations with third parties in order to avoid fulfilling, either totally or partially, the obligations resulting from the Agreement.

(b) The CEB may not be involved in disputes which might arise between the Beneficiary and third parties and the costs, whatever their nature, incurred by the CEB due to any claims, and in particular all legal or court costs, shall be at the expense of the Beneficiary.

Article 20
Entry into force

This Agreement shall enter into force upon its signature by both Parties. and the fulfilment of the Beneficiary's internal procedures. The Beneficiary undertakes to provide the CEB with written notice of the date on which this Agreement enters into force, along with the necessary documentary evidence thereof.

IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed in two (2) originals in the English language, each of which is equally valid.

Signed in Chisinau, Republic of Moldova
On May 8, 2025

For the **Beneficiary**

.....

Name: Ala Nemerenco
Title: Minister of Health

[redacted]

Signed in Paris
On 30 April 2025

For **the Council of Europe Development Bank**

.....

Name:
Title: **Cristian TABACARU**
L&D Director

Jan DE BEL
General Counsel

.....

Name:
Title:

APPENDIX A-1

DESCRIPTION OF THE TECHNICAL ASSISTANCE,
IMPLEMENTATION MODALITIES AND SPECIFIC REQUIREMENTS

The overall objective of the Project and the Technical Assistance is for women and men, in all their diversity in the North region, to enjoy better health outcomes.

The objective shall be reached with the contribution of the Grant and the CEB loan that will finance respectively the Technical Assistance and the Project, resulting in the construction of Balti Regional Hospital.

The Technical Assistance will be carried out in two phases, as described below.

Under the Technical Assistance Phase 1, the Preliminary Design contractor procured by the Implementing Entity will conduct design reviews as necessary and develop architectural drawings and concept designs.
The contractor shall take into consideration the mitigation measures indicated in the Environmental and Social Impact Assessment report. The Preliminary Design will include all environmental measures and standards required under applicable laws and policies, including but not limited to climate resilience measures (related to water efficiency and cooling systems) and energy efficiency measures, ensuring that the primary energy consumed for heating and domestic hot water does not exceed the maximum limit of the "B" energy performance class.

In addition, the contractor will develop Technical Specifications (ST) for the technical/detailed design, including: Technical and quality requirements for the execution, verification, and acceptance of construction works; application of technical regulations and international best practice in the execution of construction works; application of specific legislation currently in force in the Republic of Moldova for the execution of construction works.

Under Technical Assistance Phase 2, the contractor will deliver accrual detailed design and engineering expertise; and technical information and building systems, including detailed drawings, specifications, O&M requirements and operationalisation plan, and building information modelling (BIM) outputs.

MoH, as the Implementing Entity, will have overall responsibility for the Project implementation.

The Implementing Unit established under the MoH for the implementation of the Project, will also act as the Implementing Unit in charge of the Technical Assistance, including a Project Manager, a Financial Officer, a Procurement Officer, an Engineer, and wherever needed – additional temporary expertise.

The MoH undertakes to provide office space, working stations and transport facilities for field visits.

A Steering Committee led by the MoH, including representatives of MoH and MoF would be established, with responsibility for the overall coordination, monitoring and evaluation of project activities.

APPENDIX A-2
TECHNICAL ASSISTANCE BUDGET
(NET OF VAT)

1. Technical Assistance	Total Cost All Years (EUR)	Year 1 (EUR)
1.1 Phase 1 - Conceptual/Preliminary Design and Technical Specifications for Design and Build	1 150 000	1 150 000
1.2 Phase 2 -Technical/Detailed Design	1 850 000	0
TOTAL DIRECT COSTS	3 000 000	1 150 000

I

APPENDIX B

DISBURSEMENT REQUEST
(Template)

<Date, place>
To the attention of:
CEB
Council of Europe Development Bank
55 avenue Kléber
75116 Paris, France

Reference number:

Dear Sir/Madam,

We hereby request disbursement of the <*Enter number of the tranche*> Tranche under the Grant Agreement referred above dated [•] between the Council of Europe Development Bank and [ ].

The amount requested is EUR < *...*>.

Please find attached the following supporting documents:
-
-

The disbursement of the Tranche should be made to the Special Account referred to in Article 2.3 of the Grant Agreement

We hereby certify that the information contained in this Disbursement Request is complete and reliable [and that the costs incurred to date as set out in the Progress Report are eligible in accordance with the terms and conditions set out in the Grant Agreement] [DO NOT INCLUDE FOR FIRST GRANT TRANCHE] and that this Disbursement Request is substantiated by appropriate and verifiable supporting documents.

Yours faithfully,

<Authorised Signatories>

APPENDIX C

REPORTING TEMPLATES
(PROGRESS REPORTS AND COMPLETION REPORT)

Ref: 2824-NIP-TA-MD

TECHNICAL ASSISTANCE FOR BALTI REGIONAL HOSPITAL PROJECT PREPARATION:

PROGRESS REPORT / COMPLETION REPORT

REPORTING PERIOD: dd/mm/yyyy - dd/mm/yyyy

Approved by (name and signature)_____

Date:

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1. Narrative Report

1.1 Summary data

Title of the Technical Assistance	Technical Assistance for Balti Regional Hospital Project Preparation
Agreement effective date	
Contracting deadline	
Completion Date	
End Date	
Final Beneficiaries	

1.2 Management, Coordination and Financing Arrangements (to be provided only in the first progress report)

Provide information on the inter-institutional arrangements related to management/implementation of the Technical Assistance, such as	
- tendering and contracting	
- contract management	
- arrangements for preliminary design, and technical specifications for D&B	
- arrangements for technical/detailed design	
- -financial management	
Please inform about the VAT exemption arrangements.	

1.3 Activities Undertaken

Please describe the progress of activities in relation to the Technical Assistance, including, but not limited to:

Activity	Progress
Procurement related activities	
Preliminary design and technical specifications for D&B	
Technical/detailed design	
If other, please specify	

1.4 Results achieved

Please inform about the results achieved based on the logical framework matrix under 1.10, demonstrated by respective indicators.

1.5 Impact Prospects and potential sustainability (to be presented in the completion report)

Provide information and comments as appropriate on the Technical Assistance's contribution to achieving the overall objective, as defined in the logical framework matrix.

1.6 Communication and Visibility Activities

Please inform about the communication and visibility activities, including links of any media events and articles, in the table below:

Communication and visibility activities	**Description, dates, links, photos**
Visibility / media events and articles related to the Technical Assistance where the EU and/or CEB have been mentioned.	
Signage post/plates acknowledging EU funding	
Sign acknowledging EU funding on all equipment bought under the Technical Assistance.	

1.7 Deviations from the Plan and difficulties encountered, if any, and mitigation measures

Provide information on any major constraints/deviations from the Technical Assistance plan, especially, but not limited to, problems that risk delaying the Technical Assistance. Explain the reasons for such deviations and propose corrective measures in the table below.

Proposed Action Plan to solve issues (if any):			
Constraint/ Deviations	**Corrective Measure**	**Responsible**	**Completion Date**

1.8 Conditions precedent to [the 1st] disbursement[s], if applicable

Please inform on the progress in addressing conditions precedent to disbursements as set forth in Article 2.5 of the Grant Agreement.

1.9 Detailed Technical Assistance implementation plan

Please present a detailed Technical Assistance implementation plan as a Gantt Chart or similar presentation (with planned and actual start, planned and actual end dates, duration of activities, % of completion, dependency relationship between activities) for the overall implementation period.

1.10 Indicative Technical Assistance Logical Framework Matrix

Objectives & outputs	Results chain	Indicator	Unit of measure	Baseline (value & year)	Target (value & year)	Actual Results	Comment and/or methodology	Source of data
Impact (Overall objective)	*Impact* Women and men, in all their diversity in the North region, enjoy better health outcomes	*Indicator 1* Life expectancy at birth, disaggregated by sex.	Year of Age	2023: 71.9 years, with a breakdown of 67.5 years for men and 76.4 years for women	2050: average 80.6 years; men 77.9, and women 83.3		*Conservative assumption based on EU average at 2023*	Eurostat, WHO MoH
Outcomes (Specific Objectives)	*Outcome 1* Balti Regional Hospital provides state-of-art services to women and men in all their diversity in the North region	*Indicator 1* Volume of investment enabled by the Action in support of the Balti Regional Hospital construction	Amount	2023:00:00	2028: EUR 100 million			PIU/ MoH
		Indicator 2 Balti Regional Hospital's tertiary care capacity	Number	2023:00:00	2030: 418 beds			PIU progress reports
		Indicator 3 Number of people serviced by the new hospital, disaggregated by sex, age and disability)	Number	2023:00:00 15 000, disaggregation not available	2029:00:00 40 000*, to be disaggregated as of 2026		*Conservative assumption based on 2023 cases originating from the North region treated in tertiary care institutions in Chisinau*	MoH
Outputs (Delivered by the intervention. They will influence the achievement of the stated Specific Objectives)	*Output 1* The Ministry of Health is enabled to construct and equip the regional Balti hospital	*Indicator 1* Procurement No Objections (NO) for TA Phase 1	Not in existence/ Approved	2023: NO Not in existence	2024: Approved			CEB Procurement No Objection
		Indicator 2 Progress Report prior to TA Phase 2 disbursement	Not in existence/ Approved	2023: Report not in existence	2026: Approved			CEB Progress Report
		Indicator 3 Procurement No Objections (NO) for TA Phase 2	Not in existence/ Approved	2023: NO Not in existence	2026: Approved			CEB Procurement No Objection
		Indicator 4 Completion Report for TA Phase 1 and 2	Not in existence/ Approved	2023: Not in existence	2027: Approved			PIU progress reports

2. Financial Report

Table 1: PROJECT BUDGET: BASELINE AND ACTUAL (NET OF VAT)

TABLE 1: PROJECT BUDGET: BASELINE AND ACTUAL (NET OF VAT)			
Budget items	**Estimated amount (as per GA) in EUR**	**Actual amount in EUR**	**Reasons for deviations**
Phase 1 - Conceptual/Preliminary Design and Technical Specifications for Design and Build	1 150 000		
Phase 2 -Technical/Detailed Design	1 850 000		
TOTAL DIRECT COSTS	3 000 000		

Table 2: OVERVIEW OF THE FUNDS USED TO DATE (IN EUR)

TABLE 2: OVERVIEW OF THE FUNDS USED TO DATE (IN EUR)				
	Income		Payments	
No	Grant tranche disbursement date	Grant tranche amount	Amount paid to Contrcators	% of grant tranches used

Table 3: PROCUREMENT PLAN (NET OF VAT)

TABLE 3 – PROCUREMENT PLAN (NET OF VAT)																	
Ref. No.	Contract Description	Estimated Cost in Local Currency	Estimated Cost in EUR	Contracted Value in Local Currency	Contracted Value in EUR	Financed by	Number of Lots	Procurement Method	Domestic Preference (Yes, No)	Review by the Bank (PRIOR / POST)	Expected Date of Bid Launching	Expected Date of Bid Opening	Expected Date of Bid Evaluation	Date of Contract Signature	Completion Date	Estimated Completion Date	Type (Service, Goods)

Table 4: LIST OF AWARDED CONTRACTS (NET OF VAT)

TABLE 4: LIST OF AWARDED CONTRACTS - NET OF VAT																					
Contract description			Contractor		Contract provision						Procurement procedure followed						prequalification (if applicable)		Period of implementation			
Ref.	Title	Scope of the contract	Name	Country	Amount in national currency	Exchange rate	ctv in EUR (1)	Date of Contract signing	Contract duration (in months)	Category of contracts (2)	Method (3)	Date of Contract notice	Bids received on	Award decision on	Number of tenders received	Complaints / Appeals received Yes/No	Number of candidates applying	Number of candidates pre-qualified/Shortlisted	Start	End	Date of work reception	Modification (Comments)
(1) ctv = Countervalue in EUR at the exchange rate in force at the date of contract signing																						
(2) Acronyms to be used: **W** for Works, **G** for Goods and **S** for Services																						
(3) Acronyms to be used for International Procurement Procedures: OP = Open Procedure; RP = Restricted Procedure; CD = Competitive Dialogue; NPP = Negotiated procedure with publication; NPNP = negotiated procedure without publication																						
Acronyms to be used for National Procurement Procedures: NCT = national Competitive Tendering; DC = Direct Contracting (subject to prior CEB's approval); SH = Shopping; BOR = Borrower's Own Resources																						

Table 5: OVERVIEW OF COSTS INCURRED AND AMOUNTS PAID UNDER EACH CONTRACT (NET OF VAT)

TABLE 5: OVERVIEW OF COSTS INCURRED AND AMOUNTS PAID UNDER EACH CONTRACT - VAT EXCLUDED																		
COSTS INCURRED UNDER CONTRACTS											PAYMENT MODALITIES							SOURCE OF FUNDING
Budget item	Planned budget	Contract signed in LC	Contract signed in EUR	Invoice type (cost or advance)	Description of invoiced costs	Invoice no.	Date of invoice	Cost Invoice amount (if E equals cost) (in LC)	Currency Rate (1)	Cost Invoice Amount (in EUR)	Advance Invoice amount (if E equals advance) (in LC)	Advance set-off against cost invoice (in LC)	Amount of invoice paid (in LC)	Currency rate (2)	Amount of invoice paid (in EUR)	Date of payment	EU grant
A	B	C	D	E	F	G	H	I	J	K	L	M	N (K-L)	O	P	Q	U
1.1 Conceptual/Preliminary Design and Technical Specifications for Design and Build																	
		Subtotal per contract															
		Total budget item 1.1.															
1.2 Technical/Detailed Design																	
		Subtotal per contract															
		Total budget item 1.2															
TOTAL																	
(1) CTV at the date of invoice																	
(2) CTV at the date of payment																	

APPENDIX D

DISPUTE SETTLEMENT

Settlement of disputes in respect of grants from the CEB

ARTICLE 1.1
Arbitration

Any dispute between the Parties to the Grant Agreement in respect of the interpretation or execution of such agreement or in respect of a claim by one of the said parties against another arising out of the Grant Agreement, which has not been settled by agreement between the Parties shall be submitted for arbitration in the manner prescribed below.

ARTICLE 1.2
Commencement of arbitration proceedings

Arbitration proceedings may be instituted by any one of the Parties specified in the preceding section by means of a request notified to all the other Parties; the request shall state the nature and subject of the dispute and set forth the claims to be submitted for arbitration.

ARTICLE 1.3
Appointment of the arbitral tribunal

In any arbitration proceedings instituted in pursuance of this article, each of the Beneficiary and the CEB may be a party.
For any dispute submitted for arbitration in pursuance of this article, an arbitral tribunal shall be set up. It shall consist of three arbitrators appointed as follows:

(a) one arbitrator shall be appointed by the CEB;
(b) a second arbitrator shall be appointed by the Beneficiary;
(c) a third arbitrator, called the umpire, who shall act as President of the arbitral tribunal, shall be appointed by common consent between the Parties or, failing such consent, by the President of the European Court of Human Rights or, should the latter have the nationality of the Beneficiary, by the Vice-President of the Court or, if the latter is in the same situation, by the senior of those Judges of the Court who does not have the nationality of the Beneficiary;
(d) the procedure described in the preceding paragraph shall take place, at the instance of one of the Parties to the dispute, if, within one month after notice has been given of the request for arbitration, no agreement has been reached regarding the appointment of an umpire;
(e) where one of the Parties appoints no arbitrator, the umpire shall appoint the said arbitrator.

ARTICLE 1.4
Place of arbitration

The arbitral tribunal shall hold its first sitting on such date and at such place as shall be appointed by the umpire. Thereafter, the tribunal shall decide itself where and when it shall sit.

ARTICLE 1.5
Law applicable to arbitration proceedings

The arbitral tribunal shall decide all questions relating to its competence. It shall lay down its own rules of procedure and shall choose the law which shall be applicable, unless that law is specified in the contracts or in the arbitration agreement, bearing in mind the provisions of Article 1 (3) of the Third Protocol to the General Agreement on Privileges and Immunities of the Council of Europe. All decisions of the tribunal shall be by majority vote.

Domestic law may apply in a particular case provided that it does not derogate from the Third Protocol to the General Agreement on Privileges and Immunities of the Council of Europe and from the Articles of Agreement.

ARTICLE 1.6
Award of the arbitral tribunal

All awards of the arbitral tribunal shall set out the grounds for the decision. They shall be final and binding upon all the Parties referred to in Article 1.3 of the present Appendix. They may be rendered in default of submissions.

ARTICLE 1.7
Cost of arbitration

The party against whom the award is made shall bear the costs of the arbitration proceedings unless the arbitral tribunal decides otherwise or the Parties have agreed otherwise by a clause in the Grant Agreement. The arbitral tribunal shall give a final ruling on any dispute in respect of costs.

ARTICLE 1.8
Enforcement of arbitral awards

The Grant Agreement shall contain whatever provisions are required to ensure, in respect of the CEB and in respect of the Beneficiary, compliance with any awards made in pursuance of the present Appendix.
If, within one month after the originals of the award have been delivered to the Parties, the award has not been complied with, any of the Parties specified in Article 1.3 may institute proceedings for the enforcement of the award. The court which shall have jurisdiction for such proceedings shall be that designated by the rules of civil procedure of the State concerned.

[APPENDIX E]

[FORM OF LEGAL OPINION]

Council of Europe Development Bank
55, avenue Kléber
F-75116 Paris

Attn: Projects Department
Cc: Office of the General Counsel

[INSERT DATE]

Re: ***Grant Agreement between the Council of Europe Development Bank and*** **[●] (Ref: [●])**

Dear Sir or Madam,

I, [●], in my condition of [INSERT TITLE (*e.g.*, Minister of Justice, Head of Legal Services)], have acted as legal advisor as to matters of [INSERT JURISDICTION] law to [●] (the **"Beneficiary"**) in relation to the grant agreement between the Council of Europe Development Bank (the **"CEB"**) and the Beneficiary dated [●] and effective as of [●] (the **"Agreement"**) and deliver this opinion pursuant to Article [●] of the Agreement.

For the purposes of this opinion, we have examined an original copy of the Agreement and such other documents, acts or treaties as we have considered necessary or desirable to examine in order to give this opinion. Terms defined in the Agreement shall have the same meaning herein, unless otherwise specified.
Based on the foregoing, I am of the opinion that:

1. ***Capacity, power and authority.*** The Beneficiary has the legal capacity, power and authority to enter into the Agreement and perform its obligations thereunder.
2. ***Internal authorisations.*** All action required from the Beneficiary for the execution, delivery and performance of the Agreement, including any required authorisation from its competent bodies, has been duly and effectively taken. In particular, no further action is required from the Beneficiary, apart from execution by a duly empowered representative of the Beneficiary, in order to issue a Disbursement Request under the Agreement.
3. ***Constitutive documents.*** The execution by the Beneficiary of the Agreement does not, and the performance by the Beneficiary of the obligations to be assumed by it thereunder will not, violate or conflict with any provision of its Constitution or other constitutive documents of the Beneficiary.
4. ***Due execution and validity.*** The Agreement was duly executed by [INSERT NAME OF THE SIGNATORY)] as duly empowered representative(s) of the Beneficiary and gives rise to legally valid, binding and enforceable undertakings for the Beneficiary.
5. ***External authorisations, public consents and filings.*** No authorisations, consents, licences, exemptions, filings, notarisations or registrations are required in [INSERT JURISDICTION] in connection with the execution, delivery or performance of the Agreement in order to give rise to legally valid, binding and enforceable undertakings for the Beneficiary and for the Agreement to be admissible in evidence in [INSERT JURISDICTION].
6. ***Tax/Stamp duties.*** The execution of the Agreement is not subject to any tax or stamp duties in [INSERT JURISDICTION].
7. ***Choice of law.*** The submission by the Beneficiary to the rules of the CEB as specified in the provisions of Article 1, paragraph 3, of the Third Protocol (dated 6 March 1959) to the General Agreement on Privileges

and Immunities of the Council of Europe (dated 2 September 1949) and secondarily to the laws of the France is legally valid and binding on the Beneficiary under the laws of [INSERT JURISDICTION].

8. ***Arbitration.*** The submission by the Beneficiary to the Arbitral Tribunal set forth under Appendix [D] of the Agreement with respect to any dispute arising out of the Agreement is legally valid and binding on the Beneficiary. Any award of such Arbitral Tribunal is enforceable in [INSERT JURISDICTION] in accordance with the terms of Article 3 of the Third Protocol (dated 6 March 1959) to the General Agreement on Privileges and Immunities of the Council of Europe (dated 2 September 1949).

urs faithfully,

SERT NAME AND TITLE]