GRANT NUMBER TF0C8040

Moldova Growth, Resilience and Opportunities for Well-Being (M-Grow) Program Multi Donor Trust Fund Grant Agreement

(Moldova Supporting Economic Opportunities and Climate Transition Development Policy Financing)

between

REPUBLIC OF MOLDOVA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION

(acting as Administrator of the Moldova Growth, Resilience and Opportunities for Well-Being (M-Grow) Program Multi Donor Trust Fund)

GRANT NUMBER TF0C8040

MOLDOVA GROWTH, RESILIENCE AND OPPORTUNITIES FOR WELL-BEING (M-GROW) PROGRAM MULTI DONOR TRUST FUND GRANT AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF MOLDOVA ("Recipient") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION ("Bank"), acting as administrator of Moldova Growth, Resilience and Opportunities for Well-Being (M-Grow) Program Multi Donor Trust Fund. The Bank has decided to provide this financing on the basis, *inter alia*, of:

(i) the actions which the Recipient has already taken under the Program and which are described in Section I of Schedule 1 to the Loan Agreement (as defined in the Appendix to this Agreement);

(ii) the Recipient's maintenance of an adequate macroeconomic policy framework;

(iii) the International Bank for Reconstruction and Development, acting in its own capacity and as an Implementation Support Agency of the Global Concessional Financing Facility, has decided to provide financing in support of the Program in accordance with the Loan Agreement; and

(iv) the International Development Association has decided to provide financing in support of the Program in accordance with the Financing Agreement (as defined in the Appendix to this Agreement).

NOW THEREFORE, the Recipient and the Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

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

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

Article II
The Grant

2.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed seven million seven hundred thousand Dollars (USD7,700,000) ("Grant") to assist in financing the Program.

2.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section I.C of the Schedule to this Agreement.

2.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

Article III
The Program

3.01. The Recipient declares its commitment to the Program and its implementation. To this end, and further to Section 2.08 of the Standard Conditions:

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

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

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

Article IV
Additional Remedies

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

Article V
Effectiveness; Termination

5.01 This Agreement shall not become effective until:

(a) the Bank is satisfied with the progress achieved by the Recipient in carrying out the Program and with the adequacy of the Recipient's macroeconomic policy framework;

(b) evidence satisfactory to the Bank has been furnished to the Bank that the execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action;

(c) the Loan Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled; and

(d) the Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

5.02. As part of the evidence to be furnished pursuant to Section 5.01(b), there shall be furnished to the Bank an opinion satisfactory to the Bank, confirming on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.

5.03. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient's Representative; Addresses

6.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Finance.

6.02. For purposes of Section 7.01 of the Standard Conditions:

(a) the Recipient's address is:

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

(b) the Recipient's Electronic Address is:

Facsimile:	Email:
(373 22) 262661	cancelaria@mf.gov.md

6.03. For purposes of Section 7.01 of the Standard Conditions:

(a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

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

AGREED as of the Signature Date.

REPUBLIC OF MOLDOVA

By H.E. Ms. Victoria Belous

Authorized Representative

Name: H.E. Ms. Victoria Belous

Title: Minister

Date: 28-May-2025

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVLOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the Moldova Growth, Resilience and Opportunities for Well Being (M-Grow) Program Multi Donor Trust Fund

By Dobraja

Authorized Representative

Name: Inguna Dobraja

Title: WBG Country Manager

Date: 28-May-2025

SCHEDULE

Availability of Grant Proceeds

Section I. **Availability of Grant Proceeds**

A. **General.** The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (1) Article III of the Standard Conditions; (2) this Section; and (3) such additional instructions as the Bank may specify by notice to the Recipient.

B. **Allocation of Grant Amounts.** The Grant shall be withdrawn in a Single Withdrawal Tranche.

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

D. **Deposit of Grant Amounts.**

Except as the Bank may otherwise agree:

1. All withdrawals from the Grant Account shall be deposited by the Bank into an account designated by the Recipient ("Deposit Account") and acceptable to the Bank.

2. The Recipient shall ensure that upon each deposit of an amount of the Grant into the Deposit Account, an equivalent amount is accounted for in the Recipient's budget management system, in a manner acceptable to the Bank.

3. The Recipient, within seven (7) days after the withdrawal of the Grant from the Grant Account, shall report to the Bank: (a) the exact sum received into the Deposit Account; (b) the details of the account to which the Moldovan Lei equivalent of the Grant proceeds will be credited; and (c) the record that an equivalent amount has been accounted for in the Recipient's budget management systems.

E. **Excluded Expenditures**

The Recipient undertakes that the proceeds of the Grant shall not be used to finance Excluded Expenditures. If the Bank determines at any time that an amount of the Grant was used to make a payment for an Excluded Expenditure, the Recipient shall, promptly upon notice from the Bank, refund an amount equal to the amount of such payment to the Bank. Amounts refunded to the Bank upon such request shall be cancelled.

F. Closing Date

The Closing Date is June 30, 2026.

APPENDIX

Section I. Definitions

1. "Deposit Account" means the account referred to in Section I.D.1 of the Schedule to this Agreement.

2. "Excluded Expenditure" means any expenditure:

   (a) for goods or services supplied under a contract which any national or international financing institution or agency other than the Bank has financed or agreed to finance, or which the IBRD, the IDA or the Bank has financed or agreed to finance under another loan, credit, grant or any other trust fund credit, or trust fund grant;

   (b) for goods included in the following groups or sub-groups of the Standard International Trade Classification, Revision 3 (SITC, Rev.3), published by the United Nations in Statistical Papers, Series M, No. 34/Rev.3 (1986) (the SITC), or any successor groups or subgroups under future revisions to the SITC, as designated by the Bank by notice to the Recipient:

Group	Sub-group	Description of Item
112		Alcoholic beverages
121		Tobacco, un-manufactured, tobacco refuse
122		Tobacco, manufactured (whether or not containing tobacco substitutes)
525		Radioactive and associated materials
667		Pearls, precious and semiprecious stones, unworked or worked
718	718.7	Nuclear reactors, and parts thereof; fuel elements (cartridges), non-irradiated, for nuclear reactors

Group	Sub-group	Description of Item
728	728.43	Tobacco processing machinery
897	897.3	Jewelry of gold, silver or platinum group metals (except watches and watch cases) and goldsmiths' or silversmiths' wares (including set gems)
971		Gold, non-monetary (excluding gold ores and concentrates)

(c) for goods intended for a military or paramilitary purpose or for luxury consumption;

(d) for environmentally hazardous goods, the manufacture, use or import of which is prohibited under the laws of the Recipient or international agreements to which the Recipient, and any other goods designated as environmentally hazardous by agreement between the Recipient and the Bank;

(e) on account of any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and

(f) with respect to which the Bank determines that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Recipient, without the Recipient having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.

3. "Financing Agreement" means the agreement between the Recipient and the Association in support of the Program, of the same date as this Agreement, as such agreement may be amended from time to time. "Financing Agreement" includes all appendices, schedules and agreements supplemental to the Financing Agreement.

4. "Loan Agreement" means the loan agreement between the Recipient and the International Bank for Reconstruction and Development in support of the Program, dated the same date as this Agreement, as such loan agreement may be amended

from time to time. "Loan Agreement" includes all appendices, schedules and agreements supplemental to the Loan Agreement.

5. "Moldovan Leu" means the Recipient's local currency.

6. "Program" means the program of objectives, policies, and actions set forth or referred to in the letter dated April 4, 2025, from the Recipient to the Bank declaring the Recipient's commitment to the execution of the Program, and requesting assistance from the Bank in support of the Program during its execution and comprising actions taken, including those set forth in Section I.A of Schedule 1 to the Financing Agreement, and actions to be taken consistent with the Program's objectives.

7. "Signature Date" means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to "the date of the Grant Agreement" in the Standard Conditions.

8. "Single Withdrawal Tranche" means the amount of the Grant referred to in Section 2.01 of this Agreement.

9. "Standard Conditions" means the "International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds", dated February 25, 2019, with the modifications set forth in Section II of this Appendix.

Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. Sections 2.01 (*Project Execution Generally*) and 2.07 (*Financial Management; Financial Statements; Audits*) are deleted in their entirety, and the remaining Sections in Article II are renumbered accordingly.

2. Paragraph (a) of Section 2.03 (renumbered as such pursuant to paragraph 1 above and relating to *Use of Goods, Works and Services*) is deleted in its entirety.

3. Paragraph (c) of Section 2.04 (renumbered as such pursuant to paragraph 1 above) is modified to read as follows:

"Section 2.04. (*Documents; Records*). The Recipient shall ensure that:

... (c) all records evidencing expenditures under the Grant are retained until two years after the Closing Date;"

4. Paragraph (b)(iii) of Section 2.07. (*Visits*) (renumbered as such pursuant to paragraph 1 above) is modified to read as follows:

(iii) enable the Bank's representatives, and, if requested by the Bank, the representatives of the donor(s): (A) to visit any facilities and sites included in the Project; and (B) to examine any documents relevant to the performance of its obligations under the Grant Agreement."

5. Sections 3.03 (*Special Commitment by the Bank*), 3.05 (*Designated Accounts*) and 3.06 (*Eligible Expenditures*) are deleted in their entirety, and the remaining Sections in Article III are renumbered accordingly.

6. The following terms and definitions set forth in the Appendix to the Standard Conditions are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix to the Standard Conditions as follows, with the terms being renumbered accordingly:

(a) The definition of the term "Eligible Expenditure" is modified to read as follows:

"Eligible Expenditures" means any use to which the Grant is put in support of the Program other than to finance expenditures excluded pursuant to the Grant Agreement.

(b) The term "Financial Statements" and its definition as set forth in the Appendix to the Standard Conditions are deleted in their entirety.

(c) The term "Project" is modified to read "Program" and its definition is modified to read as follows:

"Program" means the program referred to in the Grant Agreement in support of which the Grant is made." All references to "Project" throughout these Standard Conditions are deemed to be references to "Program".