OPS(DSCD)(2026)0241

MEMORANDUM OF UNDERSTANDING BETWEEN NATO INTERNATIONAL STAFF (OPERATIONS DIVISION) AND THE MINISTRY OF DEFENSE OF THE REPUBLIC OF MOLDOVA WITH REGARD TO THE DEFENCE AND RELATED SECURITY CAPACITY BUILDING AND PARTNERSHIP RELATED ACTIVITIES

PURPOSE

Whereas, the North Atlantic Treaty Organization ("NATO"), through the International Staff ("IS") Operations Division ("OPS"), and the United States Defense Security Cooperation Agency ("DSCA") have concluded an Execution Management Administrative Arrangement for the purpose of the execution of Projects developed under the Defence and related Security Capacity Building Initiative (DCB) and Partnership related activities.

The Ministry of Defense of the Republic of Moldova, hereafter referred to as the "Beneficiary", and

The North Atlantic Treaty Organization International Staff Operations Division (NATO IS OPS), hereinafter referred to as "the Participants",

Having in mind the provisions of the Agreement between the Government of the Republic of Moldova and the North Atlantic Treaty Organization on the establishment of a NATO Liaison Office in Chisinau, signed on 29 November 2016 and ratified by Parliament of Republic of Moldova Law No. 262/2016

Have agreed to this Memorandum of Understanding (hereinafter the 'MoU' or the 'Arrangement') with the purpose of outlining and defining the cooperation between NATO IS OPS and the Beneficiary in order to facilitate the implementation of DCB and Partnership related activities.

SCOPE

1. NATO IS OPS has selected the DSCA, a United States governmental entity which is subject to the rules and regulations of Foreign Military Sales (FMS), as an Executing Agent for the execution of DCB and Partnership Projects to support the Beneficiary, as reflected in the Execution Management Administrative Arrangement ("EMA"), signed on 02 February 2025.

2. This MoU determines the relationship between NATO IS OPS and the Beneficiary with respect to the required roles and responsibilities regarding the financial process and reporting mechanism and requirements, in the context of Project implementation by DSCA in support of the Beneficiary nation under the EMA. For this purpose, the Beneficiary will enter into a bilateral agreement with DSCA. NATO IS OPS will provide the funding for the Project implementation, as laid out in "Project Proposals/Descriptions", this MoU and in "Tasking Letters" between NATO IS OPS and DSCA.

3. This MoU also considers the relevant financial processes and reporting mechanisms and requirements outlined in the EMA that the Beneficiary accepts to include in their bilateral agreement with DSCA.

DESCRIPTION

4. NATO IS OPS entered into the EMA with DSCA in order to facilitate the cooperation for Project implementation under the Defence and related Security Capacity Building Initiative (DCB) and Partnership related activities.

5. The EMA with DSCA will be supplemented by Tasking Letters, agreed between DSCA and NATO IS OPS, which include the specific activities to be performed under each DCB or Partnership Project. To ensure alignment of the Tasking Letters with the bilateral agreements for each Project between DSCA and the Beneficiary – namely the Letters of Request (LOR) and Letters of Offer and Acceptance (LOA) – the LOA will reflect the same Project scope as the associated draft Tasking Letters and will be coordinated with NATO IS OPS prior to the Beneficiary signing.

6. DSCA will be the Executing Agent of all Projects conducted under the EMA and will subsequently select an "Implementing Agent" (IA) for Project execution.

ROLES AND RESPONSIBILITIES

Roles and Responsibilities of NATO IS

7. NATO IS OPS is the parent division for the implementation of Projects under the DCB and of Partnership related activities and is therefore responsible for the oversight of the Projects, while the DSCA, as Executing Agent, is responsible for Project execution through the IA.

8. NATO IS OPS will initiate the discussions with the IA of each Project.

Roles and Responsibilities of the Beneficiary

9. The Beneficiary will coordinate and share with NATO IS OPS, and will authorise and instruct DSCA to share with NATO IS OPS, all communication with DSCA under this Arrangement for the implementation of Projects under the EMA.

10. The Beneficiary will be responsible for entering into a bilateral agreement for each Project with DSCA.

CONTRACTING PROCESS

11. The Beneficiary will send a LOR to DSCA stating the requirements for each respective Project, previously coordinated with and agreed by NATO IS OPS. The LOR will reference the EMA and the respective Project, and include the Project Proposal/Description and the draft Tasking Letter that will previously have been coordinated by NATO IS OPS.

12. DSCA will respond with a LOA to confirm the request from the Beneficiary. Upon receipt of the LOA, NATO IS OPS will sign the draft Tasking Letter and send it to DSCA for counter signature, which will trigger the transfer of funds from NATO IS OPS to DSCA.

13. The Beneficiary will share with NATO IS OPS all communication conducted with DSCA relating to all Projects under this Arrangement.

14. Any modification to the scope of a Project requires a new LOR, including a new Tasking Letter, coordinated with and accepted by NATO IS OPS. NATO IS's financial obligations for any Project result from the Tasking Letter, not the LOR/LOA.

COMMITMENTS OF THE BENEFICIARY

15. The Beneficiary will coordinate each LOR with NATO IS OPS.

16. The Beneficiary is required to ensure that each LOR submitted to the DSCA includes, without exception, the following mandatory instructions to govern the bilateral agreement:

    16.1. The Beneficiary authorises and directs DSCA and any Implementing Agents assigned by DSCA to Projects, as well as the Security Cooperation Officer (SCO), Country Portfolio Director (CPD) and Country Finance Director (CFD), to communicate with NATO IS OPS directly on any aspect of Project administration, implementation, reporting, and financial arrangements.
    16.2. DSCA is to send the LOA in response to the LOR to the Beneficiary and also to NATO IS OPS.
    16.3. The delivery of goods and services is to be always coordinated between NATO IS OPS, the IA and the Beneficiary.
    16.4. The financial commitment for project execution is contingent on the signature of the Tasking Letter by NATO IS OPS, the IS Financial Controller, and DSCA.
    16.5. The LOR will include a proposal for a milestone-based payment schedule or a full advance of funds, if applicable. For each advance, the Beneficiary will agree with DSCA for the latter to provide to NATO a call for advance payment and a financial reconciliation report, if applicable. NATO is the entity authorised to accept the delivery of goods and services, after the Beneficiary confirms to NATO IS OPS their delivery and suitability.
    16.6. Every six months or upon request, the DSCA is to share with NATO IS OPS a detailed activity status report of the project. Status reports will document

all activities performed in the projects. The reports will also reconcile any funds advances against the expenditures and commitments of the project and will therefore supplement the final invoice upon project completion (if applicable / periodical invoices).

16.7. Upon request by NATO IS OPS, DSCA is to provide supporting documentation for all expended amounts to NATO IS OPS.

16.8. At project conclusion, DSCA is to share the final project report in accordance with the EMA (Reference G) with NATO IS OPS.

16.9. For any dispute arising out of the LOR and LOA, the Beneficiary will ensure the inclusion of NATO IS OPS in amicable resolution efforts and will agree with DSCA to waive the right to submit any such disputes to any court or tribunal, but instead choose negotiation and amicable settlement.

16.10. DSCA is to respond promptly to any NATO inquiries about the Project. DSCA is to include monitoring and evaluation provisions in the LOA, to support quality assurance and lessons learned.

16.11. DSCA accepts the data privacy provisions provided by NATO.

16.12. The Projects are completed when the Beneficiary has certified, and NATO IS OPS has validated, the delivery of goods and services. DSCA is to send to NATO IS a final invoice to reconcile funds when the financial execution report is completed by DSCA. DSCA accepts to revert any unused funds of the Project to NATO IS Office of Financial Control (OFC) directly.

16.13. Upon request by NATO IS OPS, DSCA is to share all accounts, records and other information relating to a project carried out under this Arrangement and the EMA with NATO IS OPS and provide its representatives or authorized agents with access to that information. The Beneficiary will include a stipulation in the LOR that DSCA will comply with any such requests, monitoring reviews and compliance audits, and will respond fully and accurately to any inquiries of NATO for the purpose of verifying adherence to applicable rules and regulations. The financial records of each project under this Arrangement, including supporting documents such as invoices, timesheets and expense notes must be retained for a period of 5 years and made available to the NATO IS OPS Division upon request.

16.14. NATO IS OPS is the solely authorized participant to instruct case closure. NATO IS OPS will be responsible to initiate case closure, upon the significant completion of services.

FINANCIAL ARRANGEMENTS

17. The activities described in this MoU will be financially managed by NATO in accordance with the NATO Financial Rules and Procedures (Reference A).

18. Upon conclusion of the LOA and signature of the Tasking Letter by DSCA, NATO IS, and NATO IS Financial Controller, NATO IS OPS will arrange payment to DSCA for the amount specified in the LOA and Tasking Letter to facilitate the implementation of activities, and will confirm to Beneficiary that payment has been made.

19. NATO IS OPS will not cover additional unforeseen costs of the project unless explicitly agreed in writing by NATO IS OPS and NATO IS Financial Controller.

20. The Beneficiary will remain responsible for its commitments arising out of self-funded FMS cases. NATO's commitment will be limited to NATO-funded projects only. The beneficiary accepts to compensate DSCA for invoices exceeding the available and agreed amount by NATO IS for each NATO-funded FMS project governed by this MOU.

ENTRY INTO EFFECT AND TERMINATION

21. This MOU will come into effect on the day of the last signature, including concurrence by NATO IS Financial Controller.

22. This Arrangement may be terminated by either Participant provided that written notice is given at least six months prior to the desired termination date. In such event, the Participants will agree modalities for the handling and completion of ongoing activities.

23. This MOU may be modified or amended in writing and upon agreement of the duly authorized representatives of each Participant and concurrence by NATO IS Financial Controller.

DISPUTE SETTLEMENT

24. In the event of a dispute arising out of or in connection with this MOU, the Participants will use their best endeavours to resolve the dispute amicably at the working level.

25. In case there is no resolution to the dispute at the working level, the Participants may refer the issue to the NATO IS OPS ASG and the Minister of Defense of the Republic of Moldova and the appropriate representative of the project's Implementing Agent for resolution. Neither Participant may have recourse to any court, tribunal or other third party or jurisdiction for settlement, unless expressly agreed otherwise between the Participants.

POINTS OF CONTACT

26. The points of contact for the MoU are as follows:

NATO IS OPS Division	Ministry of Defense of the Republic of Moldova
Alexander PARISH Senior Resource Officer, Defence and Security Cooperation Directorate Operations Division NATO Headquarters, Brussels, Belgium Tel. +32 2 707 3515 Email: Parish.alexandre@hq.nato.int mbx.ISOPSTFsMgmt@HQ.NATO.INT	**Alexandru BABAN** Coordination of External Assistance Service Head, Directorate for Transformation and Coordination of External Assistance Ministry of Defense of the Republic of Moldova Tel. +373 22 25 26 72 Email: alexandru.baban@army.md

This MoU is signed in two original copies, one for each Party, in English.

On behalf of NATO IS:

José Luis MARQUEZ
Acting Director
Defence and Security Cooperation Directorate
NATO IS

15/06/2026
Date: 15/05/2026 JLM.

On behalf of the Ministry of Defense of the Republic of Moldova:

Sergiu PLOP
State Secretary of
Ministry of Defense

Date: 21.05.2026

And concurred by:
Rui Miguel Mendes da Silva
Financial Controller
Office of Financial Control

Date: Digitally signed by RUI MIGUEL MENDES DA SILVA 1833
Date: 2026.06.03 18:13:33 +02'00'