

**FOURTEENTH AMENDMENT**

TO THE

DEVELOPMENT OBJECTIVE GRANT AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF MOLDOVA

AND

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

FOR

SUSTAINABLE ECONOMIC GROWTH ROOTED IN EUROPEAN INTEGRATION

**USAID Grant Agreement 117-0002-EG-DOAG**

DATE: November, 07, 2022

**FOURTEENTH AMENDMENT  
TO THE DEVELOPMENT OBJECTIVE GRANT AGREEMENT FOR  
SUSTAINABLE ECONOMIC GROWTH ROOTED IN EUROPEAN  
INTEGRATION**

BETWEEN

The Government of the Republic of Moldova, represented by the Prime Minister  
(hereinafter referred to as the “Grantee” or the “GoM”)

AND

The Government of the United States of America, acting through the United States  
Agency for International Development (“USAID”)

1. Purpose of the Amendment

The purpose of this Amendment No. 14 (this “Amendment”) to the Development Objective Agreement #117-0002-EG-DOAG (hereinafter, the “Agreement”) between the Grantee and USAID (collectively the “Parties”) is to (i) modify the Agreement by adding a new Section IX to Annex 1; (ii) provide parameters for USAID’s budget support contribution to the GoM through the World Bank, as discussed in greater detail below; and (iii) add Nineteen Million and Five Hundred Thousand U.S. Dollars (\$19,500,000) in incremental Grant funding, which brings the total funds granted to date under the Agreement to One Hundred and Seventy Two Million, Seven Hundred and Twenty Eight Thousand, and Two Hundred Ninety Seven U.S. Dollars (\$172,728,297).

2. New Section IX to Annex 1

The Parties agree to add the following language as a new Section IX to Annex 1 of the Agreement:

**IX. Funding Provided Outside This Agreement.**

If funding is provided by USAID to the GoM outside of this Agreement, for example from USAID through another vehicle, the Parties agree that such funds will not count against the Total Estimated Contribution set forth in Section 3.1 of the Agreement, but all other provisions of the Agreement, unless otherwise stated herein, will apply to such funds. If funding is provided by USAID/Moldova through direct obligation into this Agreement, the Parties agree that such funds will count against the Total Estimated Contribution set forth in Section 3.1 of the Agreement and all provisions of the Agreement, unless otherwise stated herein, will apply to such funds.

### 3. Terms and Conditions for Contribution via World Bank

Reference is hereby made to that certain agreement by and between the Government of the United States of America, acting through USAID, and the World Bank (“WB”), dated [ ], 2022, pursuant to which USAID is providing the GoM via the WB \$30,000,000.00 (after payment of all WB fees and expenses) (the “Contribution”). For the avoidance of doubt, for the purposes of new Section IX above, the Contribution shall be obligated by USAID to the WB outside of this Agreement and therefore will not count against the Total Estimated Contribution set forth in Section 3.1 of the Agreement, but all other provisions of the Agreement, unless otherwise stated herein, will apply to the Contribution.

In accordance with the last sentence of Annex 1, Section V of the Agreement (“Activities/Activity Selection”), the Parties hereby agree to the following terms and conditions pursuant to which the GoM will receive and use the Contribution.

- a. Purpose: The Contribution will support the GoM’s request to the U.S. Government (“USG”) for energy assistance to respond to the budgetary pressures resulting from Russia’s reinvasion of Ukraine.
- b. Permitted Use of the Contribution: Use of the Contribution (and any local currency generated therefrom) shall be only to reimburse the GoM for \$30,000,000 of payments made by Energocom for purchases of electricity from Energoatom and/or Ukrhydroenergo for the months of May through September 2022 (collectively, the “Purchases”) as set forth in the table below:

|                                  | May          | June         | July         | August       | September    |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Import from Ukrhydroenergo (MwH) | 56,007       | –            | –            | 35,495       | 10,745       |
| Import from Energoatom (MwH)     | –            | 85,212       | 106,460      | 70,680       | 100,800      |
| Price Ukrhydroenergo (USD)       | 4,676,584.00 | –            | –            | 2,733,115.00 | 1,074,500.00 |
| Price Energoatom (USD)           | –            | 6,561,324.00 | 8,197,420.00 | 5,442,360.00 | 7,761,600.00 |
| Total Price, USD                 | 4,676,584.00 | 6,561,324.00 | 8,197,420.00 | 8,175,475.00 | 2,389,197.00 |

- c. **Prohibited Uses of the Contribution:** The GoM represents, warrants and covenants that the Contribution provided hereunder shall be used only in accordance with the terms of the Agreement and this Amendment and shall not be used for the prohibited uses included below.
- (i) Payment of any customs, valued-added or other import taxes, fees or duties in connection with the Purchases.
  - (ii) Purchases, directly or indirectly, from Moldavskaya GRES (MGRES), any affiliate of MGRES, or from any entity that is Russian-controlled.
  - (iii) Both the GoM and USAID are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of USAID and the GoM to seek to ensure none of the funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, the GoM undertakes to take all possible measures to ensure that none of the Contribution is used to provide support to any individual or organization that advocates, plans, sponsors, engages in or has engaged in or is associated with terrorism, armed hostilities or other acts of violence, or any entity effectively controlled by such individual or organization.
  - (iv) The Contribution may not be used for military or paramilitary purposes, including to finance, reimburse or service debts related to the purchase of services, commodities, equipment, or payment of salaries, for the use of any military or paramilitary purpose. In addition, the Contribution may not be used to finance the purchase of surveillance or weather modification equipment, abortion equipment or activities described in Article F.3. of Annex 2 of the Agreement, luxury goods and gambling equipment, nor may the Contribution be used in a manner which would contribute to a violation of internationally recognized rights of workers.
  - (v) The Contribution may not be used to finance any activity that involves investment promotion, assistance for police or prisons, or other law enforcement forces, or the procurement of agricultural commodities, pesticides, or fertilizer, motor vehicles not manufactured in the United States, pharmaceuticals or contraceptives, or used equipment.
- d. **Certification on Use of Contribution Funds:** The GoM hereby certifies that:
- (i) each of the Purchases were arms-length commercial transactions made in accordance with all applicable Moldovan law and regulations and free of any corrupt, fraudulent, collusive, coercive or obstructive practices, including but not limited to bribery or gratuity violations;
  - (ii) neither the GoM nor Energocom have been otherwise reimbursed for the Purchases; and

- (iii) all of the documentation necessary to effect and evidence the validity of the Purchases, including the receipt by Moldova of the purchased electricity, has been provided to USAID (and for verification purposes can be shared by USAID with the implementing partner of its "Moldova Energy Security Activity"- MESA program), is attached hereto as Tab 1, and is true, accurate and complete. The GoM understands that USAID will not disburse the Contribution to the WB until USAID notifies the GoM that it is satisfied with all such documentation and has accepted it.
- e. Refund: In the case of any disbursement or expenditure of any part of the Contribution which is not supported by valid documentation in accordance with this Amendment, or which is not made or used in accordance with this Amendment, USAID may require the Grantee, and the Grantee hereby agrees, to refund the amount of such disbursement in U.S. Dollars as USAID may direct in writing, within sixty (60) days after receipt of a request therefor.
- f. Taxation: This Amendment and the Contribution are governed by the taxation provisions set forth in Section B.4 of Annex 2 of the Agreement.
- g. Fraud and Corruption: The GoM and USAID have a zero tolerance approach toward fraud and corruption. The GoM is firmly committed to take all necessary precautions to avoid and address such prohibited conduct. The GoM must disclose, in a timely manner, in writing to the USAID Office of the Inspector General, with a copy to the USAID representatives specified in point (k) below, all credible allegations of corrupt, fraudulent, collusive, coercive or obstructive practices, including but not limited to bribery or gratuity violations, potentially affecting the Purchases or the Contribution.
- h. Accounting Books and Records: The GoM shall maintain, or cause to be maintained, in accordance with its laws and regulations, and generally accepted international accounting principles and practices, documents in support of deposit of the Contribution, the conversion of the Contribution into local currency, the uses of such local currency to reimburse Energocom for the Payments, and all documentation relating to the Payments themselves. Such documents shall be available for review and audit by USAID or its designees at the end of each fiscal year of the GoM and at other such times as USAID may request, and for up to three (3) years following the last withdrawal from the applicable accounts. Additional review and audit requirements may be established in Implementation Letters.
- i. Financial Management; Financial Statements; Audits: The GoM shall ensure that:
  - (a) a financial management system is maintained, and financial statements ("Financial Statements") are prepared, in accordance with consistently applied accounting standards acceptable to USAID, both in a manner adequate to reflect the operations, resources and expenditures related to the Contribution, as may be further specified in additional instructions as USAID may specify from time to time by

notice to the GoM; (b) if so required in accordance with the provisions of the additional instructions: (i) the Financial Statements are periodically audited by independent auditors acceptable to USAID, in accordance with consistently applied auditing standards acceptable to USAID; (ii) no later than the date specified in the additional instructions, the Financial Statements so audited, and such other information concerning the audited Financial Statements and such auditors, as USAID may from time to time reasonably request, are furnished to USAID or its designees; and (iii) if requested by USAID, the audited Financial Statements be made publicly available in a timely fashion and in a manner acceptable to USAID.

- j. Representatives: For all purposes relevant to this Amendment and the Contribution, the GoM will be represented by the individual holding or acting in the capacity of the Minister of Finance of Moldova and USAID will be represented by the individual holding or acting in the capacity of either the USAID Administrator, the Assistant or Deputy Assistant Administrator for the USAID Bureau for Europe and Eurasia, or the USAID/Moldova Mission Director, each of whom, by written notice, may designate additional representatives for all purposes.
- k. Communications: Any notice, request, document, or other communication submitted by either Party to the other under this Amendment regarding the Contribution will be in writing or by electronic mail (“e-mail”), and will be deemed duly given or sent when delivered to such Party at the following address:

To the GoM:

Ministry of Finance of the Republic of Moldova  
Attention: Minister of Finance  
Constantin Tănase 7 str., Chişinău 2005  
Republic of Moldova  
Tel.: + (373) 22 262-600  
E-mail: [cancelaria@mf.gov.md](mailto:cancelaria@mf.gov.md)

To USAID:

USAID/Moldova Mission Director  
United States Agency for International Development  
57/1, M. Bănulescu Bodoni str.  
Chişinău MD 2005  
Republic of Moldova  
Tel.: + (373) 22 201-800 Fax.: +(373) 22 237-277  
Email: [chisinau\\_reception@usaid.gov](mailto:chisinau_reception@usaid.gov)

With a copy to:

Program Office Director  
Bureau for Europe and Eurasia  
United States Agency for International Development  
301 4th Street SW SA-44 Rm 202D  
Washington, DC 20523  
U.S.A.  
Tel.: +1 (202) 567-4218  
E-mail: mpavlovic@usaid.gov

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

4. Incremental Grant Funding

- a. Article 3, Section 3.1, paragraph (a), "The Grant," is hereby deleted in its entirety and replaced by the following:

a) The Grant. To help achieve the Objective set forth in this Agreement, USAID, pursuant to the Foreign Assistance Act of 1961, as amended, hereby grants to the Grantee under the terms of the Agreement an additional amount of Nineteen Million and Five Hundred Thousand U.S. Dollars (\$19,500,000), which brings the total funds granted to date under the Agreement to One Hundred and Seventy Two Million, Seven Hundred and Twenty Eight Thousand, and Two Hundred Ninety Seven U.S. Dollars (\$172,728,297) (the "Grant").

- b. Financial Plan: The Financial Plan is hereby deleted in its entirety and replaced with a new Financial Plan, attached hereto as Tab 2.

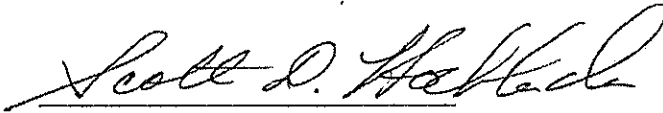
5. General

- a. Effective Date. This Amendment shall become effective on the date of its signing by the authorized representatives of USAID and the GoM. Except as set forth in this Amendment, all remaining provisions of the Agreement shall remain unchanged.
- b. Relation to Bilateral Agreement. This Amendment is concluded within the framework of the 1994 Bilateral Agreement between the Government of the United States of America and the Government of Moldova regarding Cooperation to Facilitate the Provision of Assistance dated March 21, 1994.
- c. Implementation Letters. USAID may from time to time issue Implementation Letters elaborating on terms of this Amendment and the Contribution, further describing applicable procedures, or recording the agreement of the Parties on details of implementation. Implementation Letters will not be used to amend the text of this Amendment, but can be used to record revisions and exceptions which are permitted by this Amendment.

- d. **Non-Waiver of Remedies.** No delay in exercising any right or remedy accruing to a Party in connection with this Amendment will be construed as a waiver of such right or remedy.
- e. **Consultation & Cooperation.** The Parties will cooperate to ensure that the purposes of this Amendment are accomplished. To this end, the Parties at the request of either, will exchange views on the progress of this Amendment and the Contribution, and other matters related thereto. The Parties further commit to supporting USAID's designees and third party partners in ensuring strong oversight over U.S. taxpayer funds, which comprise the Contribution.

IN WITNESS WHEREOF, the Government of the United States of America and the Government of Moldova, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA



Scott Hocklander  
USAID/Moldova Mission Director

FOR THE GOVERNMENT OF THE REPUBLIC OF MOLDOVA



Dumitru Budianschi  
Minister of Finance

## Attachments

### 1. Tab 1: Verification Documents

- a. Electricity supply Framework Contracts between Energocom and Ukrhydroenergo, that set forth the terms of the Purchases by Energocom from Ukrhydroenergo:
  - No. 05/DK/2022/01 dated May 10, 2022 with Annexes 1-4
  - Agreement to terminate Contract No. 05-DK-2022-02M dated May 27, 2022
  - 07-DK/2022/03M, dated July 28, 2022 with Annexes
  - 08-DK/2022/06M, dated August 30, 2022, with Annexes
  
- b. Electricity supply Framework Contract No. 65-150-SD-22-00590, dated June 2, 2022, between Energocom and Energoatom, that sets forth the terms of the Purchases by Energocom from Energoatom.
  - Amendment no. 1 dated June 2, 2022
  - Amendment no. 2 dated June 28, 2022
  - Amendment no. 3 dated June, 30, 2022
  - Amendment no. 4 dated July 28, 2022
  - Amendment no. 5 dated July 29, 2022
  
- c. **May** documents confirming the procurement and receipt of 56,007 MWh for US\$4,676,584.00 from Ukrhydroenergo:
  - Customs Declaration for US\$4,676,584.50
  - Invoice of May 12, 2022 No. 05/DK/2022/01M/01 (US\$1,597,438.50 for 19,131 MWh)
  - Invoice of May 13, 2022 No. 05/DK/2022/01M/02 (US\$1,752,247.50 for 20,985 MWh)
  - Invoice of May 20, 2022 No. 05/DK/2022/01M/03 (US\$1,487,970 for 17820 MWh )
  - Reconciliation invoice of June 03, 2022 No. 05/DK/2022/01M/03 (-US\$161,071,50 for 1,929 MWh )
  - Bank wire transfer from May 16, 2022 (for invoice of May 12, 2022 - US\$1,597,438.50)
  - Bank wire transfer from May 17, 2022 (for invoice of May 13, 2022 - US\$1,752,247.50)
  - Bank wire transfer from May 23, 2022 (for invoice of May 20, 2022 - US\$1,487,970)
  
- d. **June** documents set confirming the procurement and receipt of 85,212 MWh worth of 6,561,324.00 USD from Energoatom:
  - Customs Declaration for US\$6,561,324
  - Invoice no.001 of June 2, 2022 to Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$1,685,684 for 21,892 MWh)
  - Invoice no.002 of June 06, 2022 to Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$2,430,120 for 31,560 MWh)
  - Invoice no.003 of June 14, 2022 to Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$2,445,520 for 31,760 MWh)

- Transfer acceptance act no. 1 for delivery of 85,212 Mwt of electricity under the Contract no.65-150-SD-22-00590 June 2, 2022
  - Bank wire transfer from June 17, 2022 (for invoice no. 003 - US\$2,445,520)
  - Bank wire transfer from June 7, 2022 (for invoice no. 002 - US\$2,430,120)
  - Bank wire transfer from June 2, 2022 (for invoice no. 001 - US\$1,685,684)
- e. **July** documents set confirming the procurement and receipt of 106,460 MWh worth of US\$8,197,420.00 from Energoatom:
- Customs Declaration for US\$8,197,420.00
  - Invoice no.4 of June 29, 2022 for Amendment no 2 of June 29, 2022 to Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$1,675,520 for 21,760MWh)
  - Invoice no.5 of July 04, 2022 for Amendment no. 3 of June 30, 2022 to Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$893,970 for 11,610MWh)
  - Invoice no.6 of 04/07/2022 for Amendment no. 3 of 30/06/2022 to Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$2,679,600 for 34,800MWh)
  - Invoice no.7 of 15/07/2022 to Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$2,948,330 for 38290 MWh)
  - Wire transfer of Jul 17, 2022for Invoice no.7 US\$2,948,330
  - Wire transfer of June 29, 2022 for Invoice no.4 US\$1,675,520
  - Wire transfer of Jul 6, 2022 for invoices 005/006 US\$3,573,570
- f. **August** documents set confirming the procurement and receipt of 35,495 MWh worth of US\$2,733,115 from Ukrhydroenergo:
- Customs declaration for US\$2,733,115
  - Transfer acceptance act no. 1 of August 31 2022 for delivery of 35495 Mwt of electricity under the 07-DK/2022/03M, dated July 28, 2022
  - Invoice of July 29, 2022 for the Contract 07-DK/2022/03M, dated July 28, 2022 (US\$817,740 for 10,620 MWh)
  - Invoice of August 05, 2022 for the Contract 07-DK/2022/03M, dated July 28, 2022 (US\$810,810 for 10,530 MWh)
  - Invoice of August 12, 2022 for the Contract 07-DK/2022/03M, dated July 28, 2022 (US\$767,305 for 9,965MWh)
  - Invoice of August 24, 2022 for the Contract 07-DK/2022/03M, dated July 28, 2022 (US\$337,260 for 4,380 MWh)
  - Final Reconciliation Invoice of September 1, 2022 for the Contract 07-DK/2022/03M, dated July 28, 2022 (US\$2,733,115 for 35,495 MHw)
  - Bank Wire transfer no. 1 from August 2, 2022 for US\$817,740.00
  - Bank Wire transfer no. 1 from August 5, 2022 for US\$810,810.00
  - Bank Wire Transfer no.1 from August 17, 2022 for US\$767,305
  - Bank Wire Transfer no.1 from August 25, 2022 for US\$337,260

- g. **August documents set confirming the procurement and receipt of 70,680 Mwh worth of US\$5,442,360.00 from Energoatom:**
- Customs declaration for US\$5,442,360.00
  - Transfer acceptance act no. 3 of 31 august 2022 for the Contract no. 65-150-SD-22-00590 for 70,680 Mwh
  - Invoice no.008 of July 28, 2022 to the Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$1,744,820.00 for 22,660 MHw)
  - Invoice no.009 of August 5, 2022 to the Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$1,755,600 for 22,800 MWh)
  - Invoice no.010 of August 15, 2022 to the Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$1,941,940 for 25,220 MWh)
  - Bank Wire Transfer no.2 from August 17, 2022 for US\$1,941,940.00
  - Bank Wire Transfer no.2 from August 5, 2022 for US\$1,755,600.00
  - Bank Wire Transfer no.2 from July 29, 2022 for US\$1,744,820.00
- h. **September documents set confirming the procurement and receipt of 100,800 Mwh worth of US\$7,761,600 from Energoatom:**
- Customs declaration for US\$7,761,600
  - Invoice no.011 of August 29, 2022 to the Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$2,569,490.00 for 33,370 MHw)
  - Invoice no.012 of September 5, 2022 to the Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$2,587,200 for 33,600 MWh)
  - Invoice no.013 of September 13, 2022 to the Contract no.65-150-SD-22-00590 of June 2, 2022 (US\$2,604,910 for 33,830 MWh)
  - Bank Wire Transfer no.3 from August 29, 2022 for US\$2,569,490
  - Bank Wire Transfer no.3 from September 7, 2022 for US\$2,587,200
  - Bank Wire Transfer no.6 from September 16, 2022 for US\$2,604,910
- i. **Proof of money transfers to Energocom to be provided upon receiving the funds from the World Bank:**
- APP Request to MoF to allocate/transfer financial means to Energocom
  - Copy of the payment transfer from the MoF (Treasury) to Energocom

Tab 2:

## Financial Plan (U.S.dollars)

|   | <b>Previously Obligated</b> | <b>By this Amendment</b> | <b>Total Obligations to Date</b> |
|---|-----------------------------|--------------------------|----------------------------------|
| <b>Result 1: Access to the EU and other International Markets Increased</b> | <b>\$43,172,756.00</b>      | -                        | <b>\$43,172,756.00</b>           |
| Program Area: Private Sector Competitiveness                                | \$33,845,566.00             | -                        | \$33,845,566.00                  |
| Program Area: Fiscal Policy   | \$9,327,190.00              | -                        | \$9,327,190.00                   |
| <b>Result 2: Competitiveness in Transformative Sectors Enhanced</b>         | <b>\$103,180,371.00</b>     | <b>\$19,500,000.00</b>   | <b>\$122,680,371.00</b>          |
| Program Area: Private Sector Competitiveness                                | \$103,180,371.00            | \$19,500,000.00          | \$122,680,371.00                 |
| <b>Program Support</b>  | <b>\$6,875,170.00</b>       | -                        | <b>\$6,875,170.00</b>            |
| <b>Total Estimated Budget</b>   | <b>\$153,228,297.00</b>     | <b>\$19,500,000.00</b>   | <b>\$172,728,297.00</b>          |