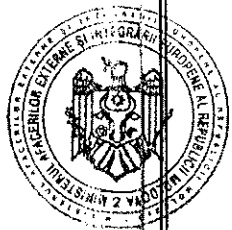


ACORDUL
de Finanțare (a treia finanțare adițională) dintre
Republica Moldova și Asociația Internațională
pentru Dezvoltare în vederea realizării Proiectului
"Agricultura Competitivă" (Credit 6749-MD)

Chișinău, 1 octombrie 2020



COPIE CERTIFICATĂ
TEXT ÎN LIMBA ENGLEZĂ

CREDIT NUMBER 6749-MD

Financing Agreement

(3rd Additional Financing for Agriculture Competitiveness Project)

between

REPUBLIC OF MOLDOVA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF MOLDOVA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General 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 General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in the amount of thirteen million five hundred thousand Euro (EURO 13,500,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.
- 2.05. The Interest Charge is the greater of: (a) the sum of one and a quarter percent (1.25%) per annum plus the Basis Adjustment to the Interest Charge; and (b) zero percent (0%) per annum; on the Withdrawn Credit Balance.

- 2.06. The Payment Dates are May 15 and November 15 in each year.
- 2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is Euro.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project as follows: (a) Parts A, B.1, C.1, C.3 and D through MARDE; and (b) Parts B.2, C.2 and E through MARDE and AIPA in accordance with the provisions of Article V of the General Conditions and, Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consists of the following, namely that the Law on Waste and the Law on Animal By-Products has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the Association, the ability of the Recipient to perform any of its obligations under this Agreement;
- 4.02. The Additional Events of Acceleration consist, namely, of the following: the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Association to the Recipient.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Project Operational Manual (POM) has been updated and adopted by the Recipient in a manner acceptable to the Association.
- 5.02. The Effectiveness Deadline is the date hundred eighty (180) days after the Signature Date.
- 5.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its Minister of Finance.

6.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient's address is:

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

Facsimile:

(37322) 225393.

6.03. For purposes of Section 11.01 of the General Conditions:

(a) the Association's address is:

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

(b) the Association's Electronic Address is:

Telex:

Facsimile:

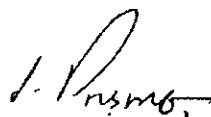
248423(MCI) or
64145(MCI)

1-202-477-6391

AGREED as of the Signature Date.

REPUBLIC OF MOLDOVA

By



Authorized Representative

Name: Serghei Puscuta

Title: Minister of Finance

Date: 01.10.2020

**INTERNATIONAL DEVELOPMENT
ASSOCIATION**

By



Authorized Representative

Name: Anna Akhalkatsi

Title: Country Manager

Date: 01-Oct-2020

SCHEDULE 1

Project Description

The objective of the Project is to enhance the competitiveness of the Recipient's agro-food sector by: supporting the modernization of the food safety management system; facilitating market access for farmers; and mainstreaming agro-environmental and sustainable land management practices.

The Project consists of the Original Project including the new Part A.2 (iii):

Part A. Enhancing food safety management

Provision of goods, works, and consultants' services, including training for:

A.1 Providing regulatory and institutional support to the Recipient for enhancing the food safety management system through:

- (i) supporting the process of legislative harmonization of the national legislation with the relevant EU regulations;
- (ii) strengthening the institutional capacity of MARDE and the Food Safety Agency (FSA) through: (a) staff training; and (b) support for increasing awareness of relevant private entities regarding the application of the new food safety legislation; and
- (iii) developing methodological and analytical work for soil quality and land degradation risk-assessment, land quality certification, and standard setting to ensure that best soil management practices are integrated in the policy and regulatory framework for food safety management.

A.2 Providing technical enhancements support to the Recipient for the food safety management through:

- (i) rehabilitation of the designated building facility for the FSA; procurement of office, communication and computing equipment for the building; and design of an integrated IT system for the interoperability of various FSA divisions;
- (ii) strengthening of animal and plant health and food safety laboratory network and Border Inspection Points (BIPs) through:
 - (a) rehabilitation of two (2) central reference laboratories for: (i) animal health and food safety for products of animal origin; and (ii) food safety for products of vegetable origin; and

- (b) rehabilitation of four (6) BIPs, namely: on the Eastern border (Tudora); on the Southern border (Giurgiulesti); on the Northern border (Criva) and on the Western border (Leuseni); on the Northwestern border (Sculeni); and on the Northeastern border (Otaci-Unguri).
- (iii) Enhancement of the animal by-product (ABP) management system through:
 - (a) Phase I: (A) carry out a feasibility study for the selection of the technical solution and operational/business scenario for an ABP management system, including identification of locations/sites of main ABP management facilities, as further defined in the POM; (B) based on the outcome of the said feasibility study under Section (A) immediately above, carry out a flow and traffic study to determine and optimize, *inter alia*, potential collection rounds, needs for collection sites, vehicle dispatching.
 - (b) Phase II: provision of support for implementing ABP management enabling system and critical infrastructure through: (A) development of regulatory and operating framework required under the Law On Animal-By-Products; (B) development and implementation of an outreach and awareness campaign for the generators of the ABPs; (C) upgrades to the country's animal registration system and establishment of a call center intended for placing pick-up orders from ABP originators and facilitating a timely coordination of pick-ups and dispatching of the ABP collection fleet; (D) the design, construction and equipment for the establishment of the ABP management infrastructure, including incineration and/or rendering facilities (with separate work flows for each ABP category), and collection and storage points (including specialized collection vehicles).

Part B. Enhancing market access potential

Provision of goods, works, and consultants' services, including training to MARDE for:

B.1 Providing for a business development support for productive partnerships for primary horticultural, beekeepers and milk producers through: (i) public information and promotion campaign; (ii) development support for identifying, setting up and providing training for new productive partnerships; and (iii) specialized technical assistance support on an ad-hoc basis for the newly created productive partnerships.

B.2 Set-up of an investment support for post-harvest technologies for Sub-projects on emerging productive partnerships for the modernization of post-harvest and

post-collection technologies in the horticultural, beekeepers and milk sectors, all through competitive scheme and in accordance with the Grant Operational Manual.

Part C. Enhancing land productivity through Sustainable Land Management (SLM)

Provision of goods, works, and consultants' services, including training to MARDE for:

C.1 Strengthening the sustainable land management capacity building of MARDE through, *inter alia*: (i) developing a methodological work on general technical and economic options for farm-based interventions; (ii) strengthening the farmers capacity to monitor economic and environmental benefits; and (iii) organizing awareness raising and training activities to improve farmers' land management skills and public policy response with respect to sustainable land management issues.

C.2 Providing financial support for piloting SLM for Sub-projects for farmers for farm-level investments in soil conservation practices and technologies, all in accordance with the Grant Operational Manual.

C.3 Providing support for rehabilitation of shelterbelts by investments in machinery for the creation of two mobile mechanized squads for the rehabilitation of anti-erosion shelterbelts.

Part D. Project management

Provision of support for: (a) Project management and implementation, including monitoring and evaluation and Project audits; (b) the establishment and implementation of a grievance redress mechanism; and (c) the design and implementation of a public information campaign to inform the potential Affected Farmers about Compensatory Sales Support Grants, including its eligibility criteria and application procedures.

Part E. Compensatory Sales Support Grants

Provision of Compensatory Sales Support Grants to Affected Farmers.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall vest the overall responsibility for the implementing of the Project in MARDE, and to this end, shall, through MARDE:
 - (a) operate and maintain, throughout Project implementation, CAPMU, to manage overall Project implementation, with structure, functions and responsibilities (including Project financial management, and procurement) acceptable to the Association, and set forth in the POM; and
 - (b) operate and maintain, throughout Project implementation, a Steering Committee vested with the responsibility to oversee and coordinate Project implementation, with terms of reference acceptable to the Association (including the State Secretary of the Ministry of Agriculture, Regional Development and Environment (who shall be the chair of said committee), and representatives of MARDE, MOF, the State Chancellery and farmers/producers organizations).
2. The Recipient shall: (a) update the POM in a manner acceptable to the Association; and (b) immediately thereafter, implement the Project in accordance with the provisions of the POM, and shall not amend, suspend, abrogate, repeal or waive any of its provisions without the prior written consent of the Association. In case of any conflict between the terms and conditions of the POM and those of this Agreement, the terms and conditions of this Agreement shall prevail.
3. The Recipient, through MARDE, shall assign component coordinators at the level of the ministry to assist with the technical aspects of implementation of the Project activities.
4. The Recipient, through MARDE, shall maintain and operate, throughout Project implementation, an accessible grievance redress mechanism, acceptable to the Association, to address grievances relating to the selection of the Beneficiaries and Sub-projects.
5. Prior to the commencement of works under Part A.2 (iii) (b) (D), the Recipient shall: (i) carry out the feasibility study described under Part A.2 (iii) (a) (A) in a manner satisfactory to the Association; and (ii) identify locations/sites of main ABP management facilities as described under Part A.2 (iii) (a) (A) satisfactory to the Association.

B. Safeguards

1. The Recipient shall: (a) implement the Project activities in accordance with the Environmental and Social Management Framework (ESMF); and (b) not amend, suspend, abrogate, repeal or waive any provisions of the ESMF without the prior written approval of the Association.
2. The Recipient shall ensure that, prior to approval of Sub-projects to be financed under Parts B.2 and C.2 of the Project, the Beneficiaries develop and adopt specific EIAs and ESMPs for each of the respective Sub-project in accordance with, and as required by the ESMF.
3. The Recipient shall implement measures to raise awareness and educate the Beneficiaries with respect to pesticide handling and to promote integrated pest management technologies, as described in the ESMF.

Section II. Project Monitoring Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of the Proceeds of the Financing

A. General.

1. Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Financing Allocated (expressed in EUR)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consulting services (including Project audits), Training and Operational Costs under Parts A.2 (iii) and D of the Project	13,500,000	100%
TOTAL AMOUNT	13,500,000	

2. For the purposes of this Section:

- (a) the term "Training" means expenditures (other than those for consultants' services) incurred by the Recipient to finance the reasonable travel costs (i.e. accommodation, transportation, travel insurance and *per diem, inter alia*) of trainees and trainers (if applicable), training registration fees, catering, rental of training facilities and equipment, logistics and printing services, as well as training materials, all for the purposes of, and directly related to, the activities described in the Project; and
- (b) the term "Operational Costs" means reasonable expenditures (none of which would have been incurred by the Recipient absent the Project), for the implementation, coordination and supervision of the Project, including, *inter alia*, travel costs (i.e. accommodation, transportation, travel insurance, and *per diem*); operation and maintenance of office equipment (including the purchase of minor office equipment/furniture); rental of offices; office supplies; communication costs; bank charges; utilities; maintenance and operation of vehicles (including fuel); printing and publications (electronic and/or paper); translation services; insurance for goods; and salaries (including qualified social charges, as determined by the Association) of staff working for the Project; but excluding the Recipient's civil servants; and such other expenditures as may be agreed upon by the Association; all based on quarterly budget plans acceptable to the Association.

B. Withdrawal Conditions; Withdrawal Period.

- 1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date.
- 2. The Closing Date is December 31, 2024.

Section IV. Other Undertakings

The Recipient and the Association hereby agree to amend the Original Financing Agreement, the First Additional Financing Agreement and the Second Additional Financing Agreement as set forth in Schedules 4, 5 and 6 to this Agreement, respectively.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each May 15 and Nov 15:	
commencing Nov 15, 2025 to and including May 15, 2045	1.65%
commencing Nov 15, 2045 to and including May 15, 2050	3.40%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.

SCHEDULE 4

Amendments to the Original Financing Agreement

The Recipient and the Association hereby agree to amend the Original Financing Agreement as follows:

1. Throughout the text of the Original Financing Agreement: (i) the term "MAFI" is replaced with the term "MARDE"; (ii) the term "MOE" is replaced with the term "MARDE". Whenever the terms "MAFI" and "MOE" are used in conjunction, the single term "MARDE" shall replace both.
2. Article III is amended and replaced in its entirety to read as follows:

"3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project as follows: (a) Parts A, B.1, C.1, C.3 and D through MARDE; and (b) Parts B.2, C.2 and E through MARDE and AIPA in accordance with the provisions of Article V of the General Conditions and, Schedule 2 to this Agreement."
3. Schedule 1 is hereby amended and replaced in its entirety to read as Schedule 1 to this Agreement.
4. Section I.A.1(c) of Schedule 2 is amended to read as follows (amendments are shown in *italics*):

"(c) operate and maintain, throughout Project implementation, a Steering Committee vested with the responsibility to oversee and coordinate Project implementation, with terms of reference acceptable to the Association (including the *State Secretary of Ministry of Agriculture, Regional Development and Environment* (who shall be the chair of said committee), and representatives of *MARDE*, MOF, the State Chancellery and farmers/producers organizations)."
5. Section I.C.1 of Schedule 2 is amended and replaced in its entirety to read as follows:

"1. For the implementation of the Sub-projects, the Recipient shall establish within MARDE evaluation and selection committee for Sub-projects under Part B.2 and C.2 of the Project - which shall be in charge of announcing selection rounds, reviewing and evaluating the financing applications, and making the award decisions, all with composition and terms of reference acceptable to the Association and set forth in the GOM. The decisions of the committee (both awards and rejections) shall be made public on MARDE and/or AIPA's websites, respectively. The composition of the evaluation and selection committees, and any

subsequent compositional changes, shall be approved by the Steering Committee.”

6. Throughout the text of the Original Financing Agreement: (i) the term “EMP” is replaced with the term “ESMP”; and the term “Environmental and Management Plan” with the term “Environmental and Social Management Plan” accordingly.
7. Throughout the text of the Original Financing Agreement: (i) the term “EMF” is replaced with the term “ESMF”; and the term “Environmental and Management Framework” with the term “Environmental and Social Management Framework” accordingly.
8. The definition “AIPA” in the Appendix is amended and replaced in its entirety to read as follows:

“AIPA” means the Recipient’s Agency for Intervention and Payments in Agriculture established under the subordination of MARDE (hereinafter defined) according to Government Decision No. 521/2017 establishing the Public Institution “Agency for Intervention and Payments in Agriculture”, published in the Official Gazette of the Republic of Moldova, 2017. No. 229-242 art.614 (as said Decision has been amended to the date of this Agreement).”
9. The definition “EMF” in the Appendix is amended and replaced in its entirety to read as follows:

“ESMF” means Environmental and Social Management Framework prepared by the Recipient for the benefit of the Project based, *inter alia*, on the analysis of both the Recipient’s legislation and guidelines; and the Association’s safeguard policies, that outlines environmental and social assessment procedures and mitigation requirements for the Project’s activities and Sub-projects and provides details on procedures, criteria and responsibilities for Sub-projects screening, including EIAs and ESMPs guidelines and checklist, and guidelines for chance findings of physical cultural property.”
10. The definition “EMP” in the Appendix is amended and replaced in its entirety to read as follows:

“ESMP” or “ESMPs” means the Environmental and Social Management Plan(s) developed or to be developed for each investment site under a Sub-project, in accordance with the sample presented in the ESMF, which includes appropriate environmental and social monitoring and mitigation plans and up-dated provisions regarding construction permit requirements.”
11. The definitions “MAFI” and “MOE” in the Appendix are deleted in their entirety.
12. The definition “MARDE” is added to the Appendix as number 15 to read as follows:

"15. "MARDE" means the Recipient's Ministry of Agriculture, Regional Development and Environment or any successor thereto, acceptable to the Association."

All the rest of the definitions are renumbered accordingly.

SCHEDULE 5

Amendments to the First Additional Financing Agreement

The Recipient and the Association hereby agree to amend the First Additional Financing Agreement as follows:

1. Throughout the text of the First Additional Financing Agreement: (i) the term "MAFI" is replaced with the term "MARDE"; (ii) the term "MOE" is replaced with the term "MARDE". Whenever the terms "MAFI" and "MOE" are used in conjunction, the single term "MARDE" shall replace both.
2. Article III is amended and replaced in its entirety to read as follows:

"3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project as follows: (a) Parts A, B.1, C.1, C.3 and D through MARDE; and (b) Parts B.2, C.2 and E through MARDE and AIPA in accordance with the provisions of Article V of the General Conditions and, Schedule 2 to this Agreement."
3. Schedule 1 is hereby amended and replaced in its entirety to read as Schedule 1 to this Agreement.
4. Section I.A.1(c) of Schedule 2 is amended to read as follows (amendments are shown in *italics*):

"(c) operate and maintain, throughout Project implementation, a Steering Committee vested with the responsibility to oversee and coordinate Project implementation, with terms of reference acceptable to the Association (including *the State Secretary of Ministry of Agriculture, Regional Development and Environment* (who shall be the chair of said committee), and representatives of *MARDE*, MOF, the State Chancellery and farmers/producers organizations)."
5. Throughout the text of the First Additional Financing Agreement: (i) the term "EMP" is replaced with the term "ESMP"; and the term "Environmental and Management Plan" with the term "Environmental and Social Management Plan" accordingly.
6. Throughout the text of the First Additional Financing Agreement: (i) the term "EMF" is replaced with the term "ESMF"; and the term "Environmental and Management Framework" with the term "Environmental and Social Management Framework" accordingly.
7. The definition "AIPA" in the Appendix is amended and replaced in its entirety to read as follows:

“AIPA” means the Recipient’s Agency for Intervention and Payments in Agriculture established under the subordination of MARDE (hereinafter defined) according to Government Decision No. 521/2017 establishing the Public Institution “Agency for Intervention and Payments in Agriculture”, published in the Official Gazette of the Republic of Moldova, 2017. No. 229-242 art.614 (as said Decision has been amended to the date of this Agreement).”

8. The definition “Food Safety Agency” in the Appendix is amended and replaced in its entirety to read as follows:

“Food Safety Agency” or “FSA” means the Recipient’s Food Safety Agency established pursuant to Government’s Decision No. 600/2018 on the organization and functioning of the National Food Safety Agency, published in the Official Gazette of the Republic of Moldova, 2018, no. 235-244, art. 656 (as said Decision has been amended to the date of this Agreement).”

9. The definition “EMF” in the Appendix is amended and replaced in its entirety to read as follows:

“ESMF” means Environmental and Social Management Framework prepared by the Recipient for the benefit of the Project based, *inter alia*, on the analysis of both the Recipient’s legislation and guidelines; and the Association’s safeguard policies, that outlines environmental and social assessment procedures and mitigation requirements for the Project’s activities and Sub-projects and provides details on procedures, criteria and responsibilities for Sub-projects screening, including EIAs and ESMPs guidelines and checklist, and guidelines for chance findings of physical cultural property.”

10. The definition “EMP” in the Appendix is amended and replaced in its entirety to read as follows:

“ESMP” or “ESMPs” means the Environmental and Social Management Plan(s) developed or to be developed for each investment site under a Sub-project, in accordance with the sample presented in the ESMF, which includes appropriate environmental and social monitoring and mitigation plans and up-dated provisions regarding construction permit requirements.”

11. The definitions “MAFI” and “MOE” in the Appendix are deleted in their entirety.

12. The definition “MARDE” is added to the Appendix as number 19 to read as follows:

“19. “MARDE” means the Recipient’s Ministry of Agriculture, Regional Development and Environment or any successor thereto, acceptable to the Association.”

All the rest of the definitions are renumbered accordingly.

SCHEDULE 6

Amendments to the Second Additional Financing Agreement

The Recipient and the Association hereby agree to amend the Second Additional Financing Agreement as follows:

1. Throughout the text of the Second Additional Financing Agreement: (i) the term "MAFI" is replaced with the term "MARDE"; (ii) the term "MOE" is replaced with the term "MARDE". Whenever the terms "MAFI" and "MOE" are used in conjunction, the single term "MARDE" shall replace both.
2. Article III is amended and replaced in its entirety to read as follows:

"3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project as follows: (a) Parts A, B.1, C.1, C.3 and D through MARDE; and (b) Parts B.2, C.2 and E through MARDE and AIPA in accordance with the provisions of Article V of the General Conditions and, Schedule 2 to this Agreement."
3. Schedule 1 is hereby amended and replaced in its entirety to read as Schedule 1 to this Agreement.
4. Section I.A.1(c) of Schedule 2 is amended to read as follows (amendments are shown in *italics*):

"(c) operate and maintain, throughout Project implementation, a Steering Committee vested with the responsibility to oversee and coordinate Project implementation, with terms of reference acceptable to the Association (including *the State Secretary of Ministry of Agriculture, Regional Development and Environment* (who shall be the chair of said committee), and representatives of *MARDE, MOF, the State Chancellery and farmers/producers organizations*)."
5. Section I.C.1 of Schedule 2 is amended in its entirety and replaced to read as follows:

"1. For the implementation of the Sub-projects, the Recipient shall establish within MARDE evaluation and selection committee for Sub-projects under Part B.2 and C.2 of the Project - which shall be in charge of announcing selection rounds, reviewing and evaluating the financing applications, and making the award decisions, all with composition and terms of reference acceptable to the Association and set forth in the GOM. The decisions of the committee (both awards and rejections) shall be made public on MARDE and/or AIPA's websites, respectively. The composition of the evaluation and selection committees, and any

subsequent compositional changes, shall be approved by the Steering Committee.”

6. Throughout the text of the Second Additional Financing Agreement: (i) the term “EMP” is replaced with the term “ESMP”; and the term “Environmental and Management Plan” with the term “Environmental and Social Management Plan” accordingly.
7. Throughout the text of the Second Additional Financing Agreement: (i) the term “EMF” is replaced with the term “ESMF”; and the term “Environmental and Management Framework” with the term “Environmental and Social Management Framework” accordingly.
8. The definition “AIPA” in the Appendix is amended and replaced in its entirety to read as follows:

“AIPA” means the Recipient’s Agency for Intervention and Payments in Agriculture established under the subordination of MARDE (hereinafter defined) according to Government Decision No. 521/2017 establishing the Public Institution “Agency for Intervention and Payments in Agriculture”, published in the Official Gazette of the Republic of Moldova, 2017. No. 229-242 art.614 (as said Decision has been amended to the date of this Agreement).”
9. The definition “Food Safety Agency” in the Appendix is amended and replaced in its entirety to read as follows:

“Food Safety Agency” or “FSA” means the Recipient’s Food Safety Agency established pursuant to Government’s Decision No. 600/2018 on the organization and functioning of the National Food Safety Agency, published in the Official Gazette of the Republic of Moldova, 2018, no. 235-244, art. 656 (as said Decision has been amended to the date of this Agreement).”
10. The definition “EMF” in the Appendix is amended and replaced in its entirety to read as follows:

“ESMF” means Environmental and Social Management Framework prepared by the Recipient for the benefit of the Project based, *inter alia*, on the analysis of both the Recipient’s legislation and guidelines; and the Association’s safeguard policies, that outlines environmental and social assessment procedures and mitigation requirements for the Project’s activities and Sub-projects and provides details on procedures, criteria and responsibilities for Sub-projects screening, including EIAs and ESMPs guidelines and checklist, and guidelines for chance findings of physical cultural property.”
11. The definition “EMP” in the Appendix is amended and replaced in its entirety to read as follows:

“ESMP” or “ESMPs” means the Environmental and Social Management Plan(s) developed or to be developed for each investment site under a Sub-project, in accordance with the sample presented in the ESMF, which includes appropriate environmental and social monitoring and mitigation plans and up-dated provisions regarding construction permit requirements.”

12. The definition “MAFI” and “MOE” in the Appendix are deleted in their entirety.
13. The definition “MARDE” is added to the Appendix as number 20 to read as follows:

“20. “MARDE” means the Recipient’s Ministry of Agriculture, Regional Development and Environment or any successor thereto, acceptable to the Association.”

All the rest of the definitions are renumbered accordingly.

APPENDIX

Definitions

1. "ABP" means animal-by-product.
2. "Affected Farmers" means any farmer who meets the eligibility criteria set forth in the POM (hereinafter defined) to benefit from a Compensatory Sales Support Grant, including: (i) legally owning or leasing a horticultural plantation of up to fifteen (15) hectares in the Recipient's territory; and (ii) having sold their production of plums, apples and/or grapes in the fall of 2014; and selected in accordance with the procedures set forth in the POM.
3. "AIPA" means the Recipient's Agency for Intervention and Payments in Agriculture established under the subordination of MARDE (hereinafter defined) according to Government Decision No. 521/2017 establishing the Public Institution "Agency for Intervention and Payments in Agriculture", published in the Official Gazette of the Republic of Moldova, 2017. No. 229-242 art.614 (as said Decision has been amended to the date of this Agreement).
4. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General Conditions, the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
5. "Beneficiary" or "Beneficiaries" means any legally established producer organization eligible for assistance under Parts B.2 and C.2 of the Project, selected pursuant to the criteria and procedures set forth in the GOM.
6. "Border Inspections Points" or "BIPS" means border inspections points within the Recipient's territory selected in accordance with the criteria and procedures set forth in the POM.
7. "CAPMU" means the Consolidated Agricultural Project Management Unit within MARDE established by the Recipient for purposes of Project coordination and management.
8. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
9. "Compensatory Sales Support Grant" means a single cash transfer payment grant made out of the proceeds of the Financing by the Recipient (through the AIPA) to the Affected Farmer under Part E of the Project to compensate for the losses due to the export restrictions, all pursuant to the provisions of the POM.
10. "EIA" or "EIAs" means the Environmental Impact Assessment(s) identifying the potential environmental impacts of the Project activities and Sub-projects which

include evaluation of potential alternatives, as well as appropriate mitigation, management, and monitoring measures, satisfactory to the Association.

11. "ESMF" means Environmental and Social Management Framework prepared by the Recipient for the benefit of the Project based, *inter alia*, on the analysis of both the Recipient's legislation and guidelines; and the Association's safeguard policies, that outlines environmental and social assessment procedures and mitigation requirements for the Project's activities and Sub-projects and provides details on procedures, criteria and responsibilities for Sub-projects screening, including EIAs and ESMPs guidelines and checklist, and guidelines for chance findings of physical cultural property.
12. "ESMP" or "ESMPs" means the Environmental and Social Management Plan(s) developed or to be developed for each investment site under a Sub-project, in accordance with the sample presented in the ESMF, which includes appropriate environmental and social monitoring and mitigation plans and up-dated provisions regarding construction permit requirements.
13. "EU" means European Union.
14. "First Additional Financing Agreement" means the financing agreement between the Recipient and the Association, dated May 21, 2015 as amended to the date of this Agreement (Credit No. 5639).
15. "Food Safety Agency" or "FSA" means the Recipient's Food Safety Agency established pursuant to Government's Decision No. 600/2018 on the organization and functioning of the National Food Safety Agency, published in the Official Gazette of the Republic of Moldova, 2018, no. 235-244, art. 656 (as said Decision has been amended to the date of this Agreement).
16. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018.
17. "Grant Operational Manual" or "GOM" means the manual approved by the Project Steering Committee and adopted by the Recipient as part of the POM (hereinafter defined), setting forth the Beneficiaries' eligibility, competitive selection criteria and operational details of the Matching Investment Grants, as the same may be amended and supplemented from time to time with the Association's prior written approval.
18. "IT" means information and technology.
19. "Law on Animal By-Products" means Law No. 129 on the Management of animal by-products and derivative products unintended for Human Consumption adopted on September 19, 2019.

20. "Law on Waste" means Law No. 209/2016 on Waste, as amended by the Law no.116/2019.
21. "Matching Investment Grant" or "MIG" means a grant to be made to a Beneficiary for works, goods and services under a Sub-project in accordance with the requirements set forth or referred to in the GOM (herein defined).
22. "MARDE" means the Recipient's Ministry of Agriculture, Regional Development and Environment or any successor thereto, acceptable to the Association.
23. "MOF" means the Recipient's Ministry of Finance, or any successor thereto, acceptable to the Association.
24. "Original Financing Agreement" means the financing agreement between the Recipient and the Association, dated May 28, 2012 as amended to the date of this Agreement (Credit No. 5095).
25. "Original Project" means the Project described in Schedule 1 to the Original Financing Agreement, First Additional Financing Agreement, Second Additional Financing Agreement.
26. "Procurement Regulations" means, for purposes of paragraph 87 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.
27. "Project Operational Manual" or "POM" means the Recipient's manual, acceptable to the Association, which shall include, *inter alia*: (a) the operational and administrative responsibilities; (b) procedures and rules for the implementation of the Project (including financial management and procurement procedures); (c) the GOM; (d) the eligibility criteria, requirements and procedures for the selection of the Affected Farmers and provision of the Compensatory Sales Support Grant under Part E of the Project; (e) the mechanisms for verification of compliance with the provision of Compensatory Sales Support Grants; and (f) the ESMF; as the same may be amended and supplemented from time to time with the Association's prior written approval.
28. "Second Additional Financing Agreement" means the financing agreement between the Recipient and the Association, dated July 8, 2016 as amended to the date of this Agreement (Credit No. 58580)
29. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.
30. "SLM" means sustainable land management.

31. "State Chancellery" means the Recipient's State Chancellery or any successor thereto.
32. "Steering Committee" means the steering committee established through Governmental Decision No. 878 dated September 9, 1999, as amended to the date of this Agreement.
33. "Sub-project" or "Sub-projects" means specific investment project to be carried out by a Beneficiary utilizing the proceeds of a Matching Investment Grant in accordance with the requirements set forth or referred to in the GOM.

Prin prezenta confirm că textul alăturat este o copie autentică a Acordului de Finanțare (a treia finanțare adițională) dintre Republica Moldova și Asociația Internațională pentru Dezvoltare în vederea realizării Proiectului "Agricultura Competitivă" (Credit 6749-MD), semnat la Chișinău la 1 octombrie 2020, originalul fiind depozitat la Arhiva Tratatelor a Ministerului Afacerilor Externe și Integrării Europene.



Olga Rotaru
Olga ROTARU,
Șef al Secției Tratatate Multilaterale,
Direcția Drept Internațional a
Ministerului Afacerilor Externe și
Integrării Europene