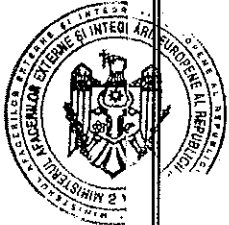


AMENDAMENTUL
nr.1 la Acordul de credit dintre Republica Moldova
și Banca Internațională pentru Reconstrucție și
Dezvoltare, și la Acordul de finanțare dintre
Republica Moldova și Asociația Internațională
pentru Dezvoltare în vederea realizării proiectului de
ameliorare a competitivității II (PAC II)

Chișinău, 30 ianuarie 2020



COPIE CERTIFICATĂ
TEXT ÎN LIMBA ENGLEZĂ

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
REGIONAL OFFICE
UKRAINE, BELARUS AND MOLDOVA

1, Dniprovskiy Uzviz
Kyiv 01010
Ukraine

(380-44) 490-6671
(380-44) 490-6672
(380-44) 490-6673

July 9, 2019

Her Excellency
Ms. Natalia Gavrilița
Minister
Ministry of Finance
7, Constantin Tănase Street
MD-2005 Chisinau
Republic of Moldova

Excellency:

***MOLDOVA: Credit No. 5509-MD and Loan No. 8400-MD
(Second Competitiveness Enhancement Project)
Amendment to the Financing and Loan Agreements***

We refer to 1) the Financing Agreement between the Republic of Moldova (the "Recipient") and the International Development Association (the "Association") Credit No. 5509-MD (the "Financing Agreement") and 2) the Loan Agreement between the Republic of Moldova (the "Borrower") and the International Bank for Reconstruction and Development (the "Bank") Loan No. 8400-MD (the "Loan Agreement"); both dated July 15, 2014, with respect to the above-captioned Project. Capitalized terms used in this amendment letter and not defined herein have the meaning ascribed to them in the Financing and Loan Agreements.

Pursuant to your letter No. 10/1-7/260 dated October 5, 2018, and the Ministry of Economy letter No. 02-12477 dated December 8, 2018, requesting the World Bank certain amendments to the Loan Agreement and the Financing Agreement, we are pleased to inform you that the Bank/Association agrees to amend the Loan and Financing Agreements, as follows:

1) Financing Agreement (Credit No. 5509-MD):

- a) Schedule 4 ("Disbursement-Linked Indicators") is hereby amended in its entirety as set forth in the Annex to this Amendment Letter.
- b) All occurrences of "MIEPO" throughout the Financing Agreement is replaced with "Investment Agency". Consequently, the definition of "MIEPO" is

deleted from the Appendix to the Financing Agreement and replaced, in alphabetical order, by the definition of "Investment Agency" to read as follows:

"Investment Agency" means the Recipient's Agency created pursuant the Recipient's Government Decision No. 322 of April 17, 2018, or any successor thereto.

2) Loan Agreement (Loan No. 8400-MD):

- a) All occurrences of "MIEPO" throughout the Loan Agreement is replaced with "Investment Agency". Consequently, the definition of "MIEPO" is deleted from the Appendix to the Loan Agreement and replaced, in alphabetical order, by the definition of "Investment Agency" to read as follows:
"Investment Agency" means the Borrower's Agency created pursuant the Recipient's Government Decision No. 322 of April 17, 2018, or any successor thereto.

All provisions of the said Agreements which are not expressly modified in accordance with this letter remain unchanged.


Please confirm your agreement with the foregoing amendment by signing this letter in the spaces provided below and returning one fully executed original to us. This amendment letter shall be executed in two counterparts each of which shall be an original.

The provisions set forth in this amendment letter shall become effective upon: (a) receipt by the Bank/Association of: (i) one countersigned original; and (ii) evidence that the execution and delivery of this amendment letter on behalf of the Republic of Moldova has been duly authorized by all necessary governmental actions; and (b) dispatch by the Bank/Association to the Republic of Moldova of the notice of its acceptance of the evidence required herein.

Please also note that the restructuring paper dated April 2, 2019 has been disclosed on the Bank and Association's external website as per the Bank and Association's policy on Access to Information.

Very truly yours,

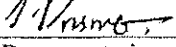
**INTERNATIONAL DEVELOPMENT ASSOCIATION and
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**



Satu Kähkönen
Country Director, Belarus, Moldova, Ukraine
Europe and Central Asia Region

AGREED:

REPUBLIC OF MOLDOVA

By: ✓ 
Authorized Representative

Name: SERGHEI PUSCUTA

Title: DEPUTY PRIME MINISTER, MINISTER OF FINANCE

Date: JANUARY 30, 2020

Annex

SCHEDULE 4

Disbursement-Linked Indicators

DLI	DLR Due on 12/31/2015	Amount allocated (expressed in SDR)	DLR Due on 12/31/2017	Amount allocated (expressed in SDR)	DLR Due on 12/31/2019	Amount allocated (expressed in SDR)	DLR Due on 12/31/2020	Amount allocated (expressed in SDR)
1. Establish and apply performance indicators for government authorities with a business regulatory function.	<p>1.1 Performance indicators and their baselines are established for selected Recipient's public authorities with a business regulatory function; all acceptable to the Association; and</p> <p>A system is in place for monitoring and publicly reporting the above mentioned performance indicators, in accordance with the Performance Monitoring Action Plan</p>	161,500	<p>1.2 Performance indicators and baselines are established for selected Recipient's public authorities with a business regulatory function, different from those selected for the period ending 12/31/2015, all acceptable to the Association.</p> <p>A system is in place for monitoring and publicly reporting the above mentioned performance indicators, in accordance with the Performance Monitoring Action Plan</p> <p>The above mentioned performance indicators are monitored and publicly reported in 2016 and 2017 in accordance with the Performance Monitoring Action Plan.</p> <p>The targets for each performance indicator are revised and validated for 2018 and 2019.</p>	161,500		0	<p>1.3 Performance indicators established for all the Recipient's public authorities with a business regulatory function that are included in the Performance Monitoring Action Plan agreed on with the Association;</p> <p>The performance indicators are monitored and publicly reported per the Performance Monitoring Action Plan agreed on with the Association; and</p> <p>The strategy for carrying out performance indicator monitoring and validation is adopted by the Recipient</p>	161,500

2. Implementation of the Action plan to reduce regulatory barriers and remove anti-competitive elements of legislation and regulation	2.1 Two (2) cumulative actions of the Action Plan implemented	161,500	2.2 Four (4) cumulative actions of the Action Plan implemented	161,500	2.3 Six (6) cumulative actions of the Action Plan implemented	161,500		0
3. Adoption and implementation of a revised strategy of ODIMM that promotes organizational effectiveness and reflects segmentation of delivery assistance mechanisms and enterprise needs	3.1 ODIMM strategy, acceptable to the Association, is adopted by the Recipient, and The Recipient allocated adequate budget to ODIMM based on said strategy.	161,500	3.2 ODIMM revised strategy is implemented, budgeted, and monitored and evaluated effectively in 2016 and 2017.	161,500		0	3.3 ODIMM revised strategy is implemented, budgeted, and monitored and evaluated effectively in 2018,2019,2020. ODIMM revised strategy is updated, in a manner acceptable to the Association and adopted by the MoE, and The Recipient allocated adequate budget to ODIMM based on its strategy.	161,500
4. Adoption and implementation of a revised strategy for Investment Agency that promotes organizational effectiveness and reflects market segmentation and improved export promotion delivery assistance mechanisms.	4.1 Investment Agency's strategy, acceptable to the Association, is adopted by the Recipient; and the Recipient allocated adequate budget to Investment Agency based on said strategy.	161,500	4.2 Investment Agency's revised strategy is implemented, budgeted, and monitored and evaluated effectively in 2016 and 2017	161,500		0	4.2 Investment Agency's revised strategy is implemented, budgeted, and monitored and evaluated effectively in 2018,2019,2020; said strategy is updated, in a manner acceptable to the Association and adopted by the Recipient; and the Recipient allocated adequate budget to Investment Agency based on its strategy.	161,500

Prin prezenta confirm că textul alăturat este o copie autentică a Amendamentului nr.1 la Acordul de credit dintre Republica Moldova și Banca Internațională pentru Reconstrucție și Dezvoltare, și la Acordul de finanțare dintre Republica Moldova și Asociația Internațională pentru Dezvoltare în vederea realizării proiectului de ameliorare a competitivității II (PAC II), (Chișinău, 30 ianuarie 2020); originalul fiind depozitat la Arhiva Tratatelor a Ministerului Afacerilor Externe și Integrării Europene.



[Handwritten signature]

Șeful Statului CEBUC,
Șef al Direcției Drept Internațional a
Ministerului Afacerilor Externe și
Integrării Europene