
PROJECT AGREEMENT

Between

THE MINISTRY OF JUSTICE OF THE REPUBLIC OF MOLDOVA

and the

UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)

concerning

Construction of a New Penitentiary Facility in Chisinau

This Project Agreement dated as of the date it is signed by both parties (the “Effective Date”) is entered into between the United Nations Office for Project Services (hereinafter referred to as

“UNOPS”), and the Ministry of Justice of the Republic of Moldova including through its subordinated entities in line with Government Decision No. 173/2014 (hereinafter referred to as the “Funding Source”), collectively with UNOPS the “Parties”, or individually a “Party”.

WHEREAS, UNOPS is a subsidiary organ established by UN General Assembly decision 48/501 of 19 September 1994 as a central resource for the UN system in procurement, contracts management and other capacity development activities, as well as its value in providing efficient, cost-effective services to partners in its specialized areas;

WHEREAS, UNOPS is committed to providing advisory, implementation and transactional support services in sustainable project management, infrastructure and procurement;

WHEREAS, the Funding Source requests the assistance of UNOPS in carrying out the Activities as listed in Annex III;

AND WHEREAS, UNOPS agrees to provide such assistance;

NOW THEREFORE, the Parties hereto mutually agree to the following terms and conditions.

1. Through the Project, UNOPS is assigned the construction of a new penitentiary facility in Chisinau compliant with European Prison Rules (EPR), intended to enhance the physical conditions of detention for pre-trial detainees in Moldova.
2. The Funding Source will provide the funds necessary to the project’s implementation.
3. The total amount of the Funds shall be **EUR 73,087,432** (Seventy Three Million Eighty Seven Thousand Four Hundred Thirty Two Euros) as set out in Annex IV.
4. The Term of this Agreement shall commence on the Effective Date and shall continue for a period of 56 months (the “End date”) unless terminated earlier in accordance with Article 2.23 of Annex II.
5. Expenditures will be eligible if made by the End Date.
6. The Agreement shall include the following Annexes, which form an integral part hereof and which shall take precedence over one another in case of conflict in the following order:
 - a) Annex I: Special Conditions;
 - b) Annex II: General Conditions;
 - c) Annex III: Description of Activities;
 - d) Annex IV: Budget;
 - e) Annex V: Template Acceptance Document;
 - f) Annex VI: Template Payment Request;
 - g) Annex VII: Host Country Arrangements; and
 - h) Annex VIII: Site Details.

In the event that the terms contained in the Annex(es) are incompatible with those contained in this Agreement, then the latter shall govern and prevail.

7. Any notice to the Funding Source shall be addressed to:

Minister of Justice of the Republic of Moldova
Ministry of Justice of the Republic of Moldova

Telephone: +373 22 20 14 20
E-mail: secretariat@justice.gov.md

and

Project Implementation Unit (PIU) manager

E-mail: xxxx@justice.gov.md

Any notice to UNOPS will be addressed to:

Caroline Spigelski
Senior Project Manager
UNOPS Moldova

Telephone: (+373) 69016183
Email: carolines@unops.org

8. In accordance with Article 4 of Annex I, the Funding Source shall arrange for the transfer of the Funds to be made to the UNOPS Account at:

Bank Name:	Citibank Europe Plc
Address:	Reuterweg 16, 60323 Frankfurt am Main, Germany
Beneficiary name:	UNOPS
Currency:	EUR (euro)
Account no:	221390288
IBAN:	DE62502109000221390288
SWIFT code:	CITIDEFF
Reference:	“24120 - Chisinau Penitentiary Construction Project”

9. This Agreement is entered into in accordance with the following instruments:

- (a) The 1946 Convention on the Privileges and Immunities of the United Nations; and
- (b) Standard Basic Assistance Agreement between the Republic of Moldova and the United Nations Development Programme (UNDP) of 2 October 1992 and amended on 2 July 1997 to apply mutatis mutandis to UNOPS.

IN WITNESS WHEREOF, the duly authorised representatives of both Parties have signed this Agreement.

<p>On behalf of the Funding Source:</p> <p>_____</p> <p>(Signed)</p> <p>Veronica Mihailov-Moraru</p> <p>Minister of Justice Republic of Moldova</p> <p>Date: _____</p>	<p>On behalf of UNOPS:</p> <p>_____</p> <p>(Signed)</p> <p>Tim Lardner</p> <p>Director UNOPS Country Office</p> <p>Date: _____</p>
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ANNEX I – SPECIAL CONDITIONS

Special Conditions (Annex I) complement, and take precedence over General Conditions (Annex II) in case of contradiction, as per art. 6 of the present Agreement.

1 – INTRODUCTION

1. The provisions contained in this Annex I shall amend or otherwise complement the General Conditions in Annex II as indicated herein.

2 – INTEREST

1. Any interest accrued on the cash balances of Funds received by UNOPS under this Agreement shall be credited to the Project account to be used for project activities as per UNOPS rules and regulations.

3 - TIMELINES ARE INDICATIVE ONLY

1. Notwithstanding anything to the contrary in this Agreement, all references to timelines are indicative and UNOPS shall not bear any liability for delays occasioned by factors beyond its control.

4 - TRANSFER OF FUNDS

The Funding Source shall disburse the funds in EUR to UNOPS in accordance with the following schedule:¹

Year	Q1	Q3	Total
2024		500,000 €	500,000 €
2025	6,800,000 €	21,220,000 €	28,020,000 €
2026	25,381,531 €	10,877,799 €	36,259,330 €
2027	5,694,637 €	2,440,559 €	8,135,196 €
2028	172,906 €		172,906 €
			73,087,432 €

1. Disbursements will be made against the submission by UNOPS to the Funding Source of interim financial statements in line with the Reporting Schedule.
2. The Funding Source authorises UNOPS to advance its own funds (Advance Financing) for UNOPS costs only (non-Works related) in order to issue all necessary commitments and make necessary payments to implement the project as per UNOPS internal policies, procedures, rules and regulations. UNOPS is not expected to advance its own funds for works-related commitments or payments.

¹ The schedule will be adjusted in an amendment to the project agreement between the Funding Source and UNOPS upon review of the contractor(s)'s work plans.

3. UNOPS reserves the right to suspend or terminate the works should disbursements from the Funding Source be delayed to the extent that UNOPS's ability to make subsequent payments to the Contractor(s) is impeded. UNOPS will charge any costs related to the suspension or the cancellation to the project budget, and in case the project funds are insufficient to cover such costs. UNOPS further reserves the right to claim any costs resulting from any such suspension from the Funding Source, without prejudice to UNOPS right to termination under clause 2.23 of the General Conditions

5 - REFUND OF UNSPENT BALANCES

1. Upon termination of this Agreement and following the submission and acceptance of the certified final financial report, any unspent balance of the Funds will be returned in EUR to the Funding Source as per the project specific bank account balance.

6 - REPORTING

1. UNOPS shall provide the Funding Source with the following reports/statements prepared in EUR and in accordance with UNOPS' standard requirement and formats unless indicated otherwise below:
 - a. Biannual narrative progress reports and interim financial statements due two months prior to each disbursement, namely 15 December and 15 May of each year;
 - b. An annual certified financial statement as of 31 December every year to be submitted no later than 31 July of the following calendar year;
 - c. A final certified financial statement is to be submitted no later than 31 July of the year following the financial closing of the Project;
 - d. A final narrative report shall be due within three months of the end date of the Activities.

7 - OTHER

Contingency reserves may be released with prior authorisation of the Funding Source, through a legal agreement amendment. For avoidance of doubt, the management fee will be applied to the contingency budget once it is released by the Funding Source.

ANNEX II – GENERAL CONDITIONS

https://content.unops.org/service-Line-Documents/Project_Agreement-General_Conditions.pdf

ANNEX III – DESCRIPTION OF ACTIVITIES

Attached

ANNEX IV – BUDGET

Detailed Budget attached

Budget Summary

	Construction of Chisinau prison	
		Total EUR
1	Human Resources (incl. technical supervision)	2,082,900
2	Operations	169,107
3	Design Review	183,400
4	Construction, furnishing & equipment	68,000,000
5	Author Design Services	200,000
6	Travel	30,261
7	UNOPS Management fee	1,021,764
8	Contingency	1,400,000
	TOTAL	73,087,432

ANNEX V – TEMPLATE ACCEPTANCE DOCUMENT

[DRAFTING NOTE: If this Annex V does not apply, please delete the information below and write “Not applicable”.]

Date: [insert]

Attention: UNOPS

Cc: [insert]

This Notice confirms receipt of the following Supplies:

Bill of Lading No [insert]

Purchase Order Number: [insert]

We find these Supplies to be in apparent good order and in accordance with the conditions of the related procurement request.

Signature

Name

Title

ANNEX VI – TEMPLATE PAYMENT REQUEST

[DRAFTING NOTE: If this Annex VI does not apply, please delete the information below and write “Not applicable”.]

Name of Project:

Items	Amount to be paid in EUR
1. Total amount of funds received from the Funding Source	000
2. Total amount committed by the Funding Source 2.a. Product 2.b. UNOPS costs 2.c. Freight and Insurance 2.d. Contingency 2.e. Total	
3. Balance available in the account	
4. A. Estimated amount to be expended by UNOPS for supplies to be provided to the Funding Source 4.a. Products 4.b. UNOPS costs 4.c. Freight and Insurance 4.d. Any other agreed-upon charges and procurement related services) B. Contingency C. Total	
5. Present requirement of funds from the Funding Source PLEASE PAY	

Signature: _____
 Name: _____
 Title: _____
 Date: _____

By bank wire transfer:

Account name:

Bank name:

Bank account no.:

Swift address:

Bank Address: 1

UNOPS/Reference:

ANNEX VII – HOST COUNTRY ARRANGEMENTS

Attached

ANNEX VIII – SITE DETAILS

The new facility will be built on land under the ownership of the Ministry of Justice in a peripheral zone of Chisinau. The land allocated for the construction is located in the south west outskirts of Chisinau, 8 km from the city centre, on 251 Uzinelor Street, close to the village of Bubuieci. The total surface of the land plot is 62.35 ha. Out of the total surface, 44.6 ha are allocated to construction (cadastral number 01003091153) while the remaining area of 17.75 ha, is designated for agricultural purposes (cadastral number 0100309063).

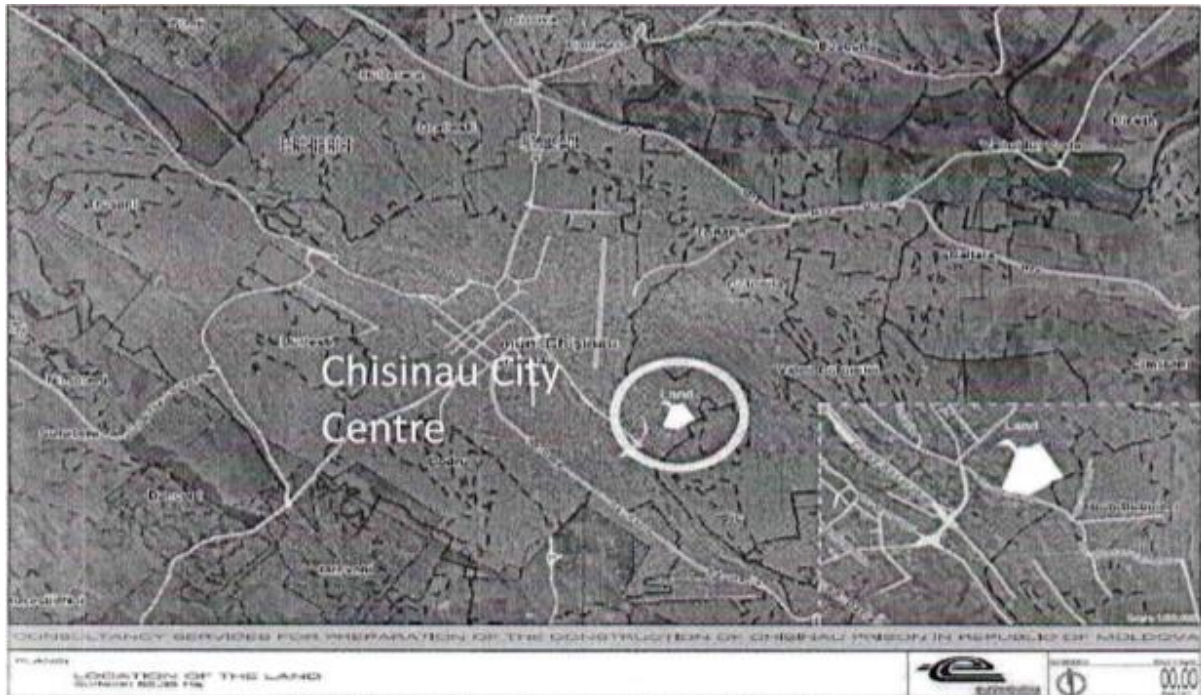


Figure 1: Location of the land plot

According to the General Urban Chisinau Master Plan and also in accordance with the Chisinau Municipal Council Decision no. 915 of 6 April 2004 ", the land plot is accepted as special use.

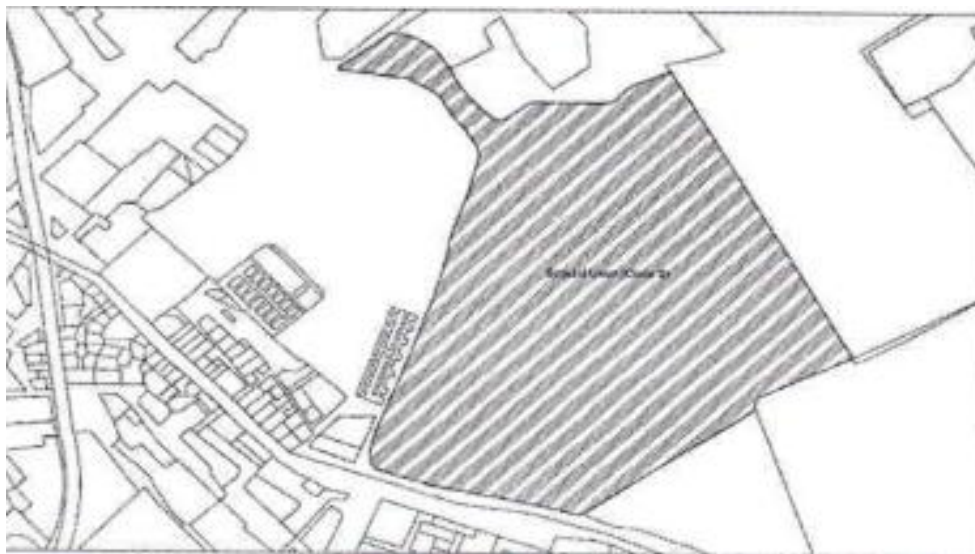


Figure 2 - Land use

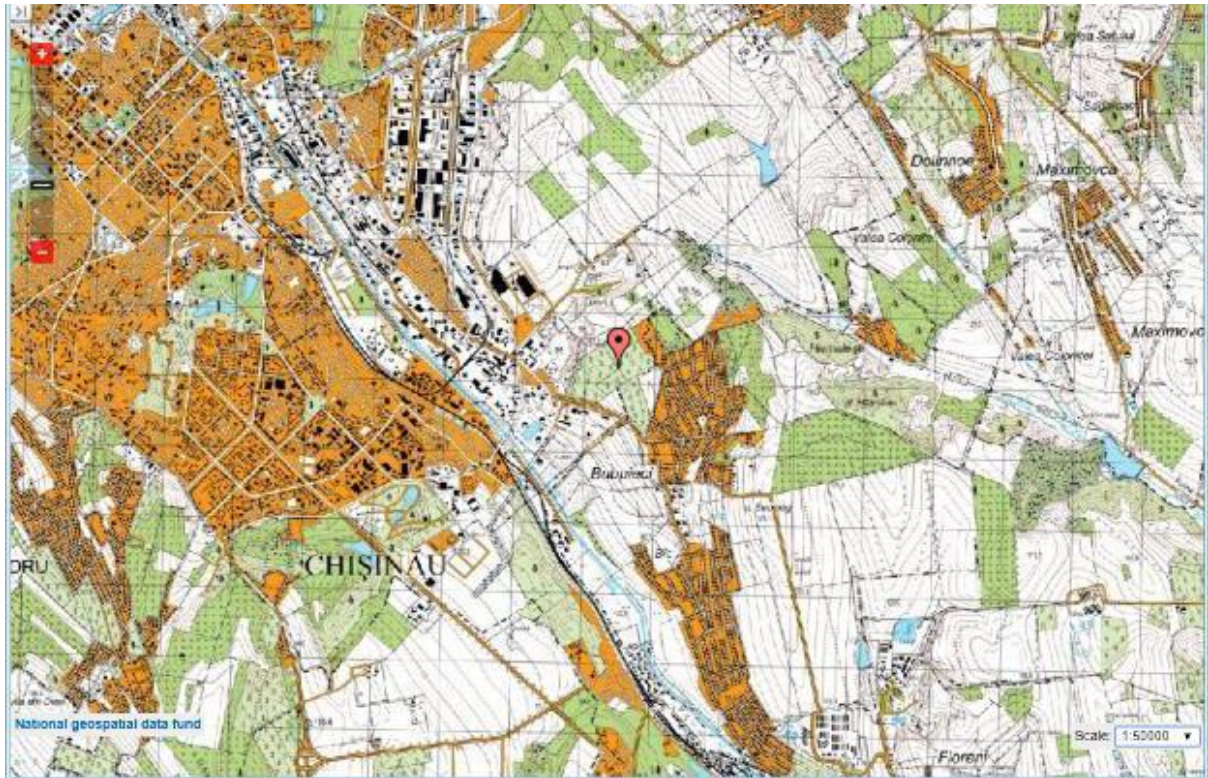


Figure 3 - Site Location. Source: National Geospatial Data Fund, geoportal.md