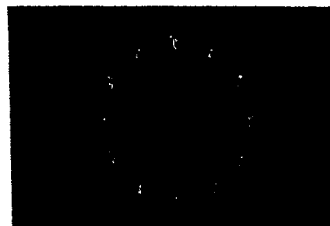
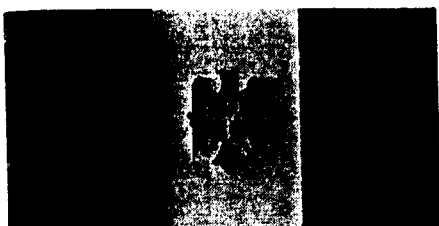


**ACORDUL**  
**între Republica Moldova și Uniunea Europeană**  
**privind participarea Republicii Moldova la**  
**Programul pentru Competitivitatea Întreprinderilor**  
**Mici și Mijlocii (COSME)(2014-2020)**

**Bruxelles, 26 septembrie 2014**

**COPIE CERTIFICATĂ**  
**TEXT ÎN LIMBA ENGLEZĂ**



# **AGREEMENT**

**between**

**the Republic of Moldova**

**and**

**the European Union**

**on the participation of the Republic of Moldova in the  
Union Programme "Competitiveness of Enterprises and  
Small and Medium-sized Enterprises (COSME)  
(2014-2020)"**

## **AGREEMENT**

**between the Republic of Moldova and the European Union on the participation of the Republic of Moldova in the Union Programme "Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) (2014-2020)"**

**THE REPUBLIC OF MOLDOVA,**  
of the one part, and

**THE EUROPEAN COMMISSION, hereinafter referred to as "the Commission", on behalf of the European Union,**  
of the other part,


Whereas:

- (1) The Protocol to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, on a Framework Agreement between the European Union and the Republic of Moldova on the general principles for the participation of the Republic of Moldova in Union Programmes<sup>1</sup>, hereinafter referred to as the "Protocol", establishes the general principles for the participation of the Republic of Moldova in Union programmes, leaving the Commission and the competent authorities of the Republic of Moldova to determine the specific terms and conditions, including financial contributions, with regard to such participation in each particular programme.
- (2) The Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) was established by Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) (2014 - 2020)<sup>2</sup>.
- (3) Pursuant to article 6.1 (c) of Regulation (EU) No 1287/2013 countries falling under the scope of the European Neighbourhood Policy may participate in the Programme, when agreements and procedures so allow and in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective Framework Agreements, Protocols to Association Agreements and Association Council Decisions.
- (4) Entities established in the Republic of Moldova should be entitled to participate in recurrent activities which need to start before the entry into force of this Agreement. As a consequence, costs incurred for such activities, the implementation of which starts in 2014, may be considered eligible under the same conditions as those applicable to costs incurred by entities established in Member States provided that this Agreement enters into force before the end of the action concerned;

**HAVE AGREED AS FOLLOWS:**

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<sup>1</sup> OJ L 260, 30.08.2014, p.4  
<sup>2</sup> OJ L 347, 20.12.2013, p.33

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## *Article 1*

### **Programme**

The Republic of Moldova shall participate in the Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (hereinafter called "the Programme"), in accordance with the conditions laid down in the Protocol, and under the terms and conditions referred to in this Agreement.

## *Article 2*

### **Terms and conditions with respect to participation in the Programme**

1. The Republic of Moldova shall participate in the activities of the Programme in conformity with the objectives, criteria, procedures and deadlines as defined in the Regulation (EU) No 1287/2013, and according to the following:

At the date of the entry into force of the Agreement, the Republic of Moldova will participate in the Programme with the exception of financial instruments as described in article 17 of Regulation (EU) No 1287/2013.

If, in the course of the Programme, the European Investment Fund (EIF) mandate is extended to cover the Republic of Moldova allowing the country to participate in the financial instruments, the Agreement will be amended accordingly in order to adapt the financial contribution provided that the Republic of Moldova wishes to take part in the financial instruments.

2. The terms and conditions applicable to the submission, assessment and selection of applications and for implementation of the actions by eligible institutions, organisations and individuals of the Republic of Moldova shall be the same as those applicable to eligible institutions, organisations and individuals of the Member States.
3. To participate in the Programme, the Republic of Moldova shall pay every year a financial contribution to the General Budget of the European Union in accordance with Article 3 below. The financial contribution of the Republic of Moldova in respect of its participation and implementation of the Programme shall be added to the amount earmarked each year in the General Budget of the European Union for commitment appropriations to meet the financial obligations arising out of different forms of measures necessary for the execution, management and operation of the Programme.
4. One of the official languages of the EU, in this case English, shall be used for the procedures related to requests, contracts and reports, as well as for other administrative aspects of the Programme.

## *Article 3*

### **Financial contribution**

The rules governing the financial contribution of the Republic of Moldova are set out in Annex I.

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#### *Article 4*

##### **Reporting and evaluation**

Without prejudice to the responsibilities of the Commission and the European Court of Auditors in relation to the monitoring and evaluation of the Programme, the participation of the Republic of Moldova in the Programme shall be continuously monitored on a partnership basis involving the Republic of Moldova and the Commission. The Republic of Moldova shall submit to the Commission relevant reports and take part in other specific activities provided for by the EU in that context.

Rules governing the financial control, recovery and other antifraud measures are set out in Annex II.

#### *Article 5*

##### **Final provisions**

1. This Agreement shall apply for the duration of the Programme starting on 1 January 2014. Nevertheless, should the European Union decide to extend the duration without any substantial change within the Programme, this Agreement would also be extended correspondingly and automatically if no party denounces it within one month following the extension decision.
2. This Agreement can be terminated by the Parties at any time during the duration of the Programme by a written notice informing of the intent to terminate participation in the Programme. Subject to the provisions hereunder, termination shall take effect three calendar months after the date at which the written notice reaches its addressee.
3. Projects and activities in progress at the time of termination shall continue until their completion under the conditions laid down in this Agreement, as well as the contractual arrangements applying to these projects and activities and the provisions of Annex II.
4. The Annexes form an integral part of this Agreement.
5. This Agreement may only be amended in writing by common consent of the Parties.

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*Article 6*

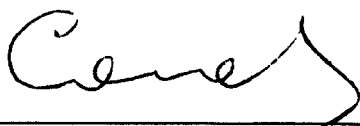
**Entry into force**

This Agreement shall enter into force on the date on which the Republic of Moldova notifies the Commission through diplomatic channels that its internal ratification has been completed.

Done at Brussels on 29 September 2014 in two originals in the English language.

**FOR THE REPUBLIC OF MOLDOVA**

**FOR THE EUROPEAN COMMISSION**



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**Eugen CARAS**  
Head of the Mission of the Republic of  
Moldova to the European Union



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**Ferdinando NELLI FEROCI**  
Commissioner for Industry and  
Entrepreneurship

## **Annex I**

### **Rules governing the financial contribution of the Republic of Moldova to the Union Programme "Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) (2014 to 2020)"**

#### **I. CALCULATION OF THE REPUBLIC OF MOLDOVA'S FINANCIAL CONTRIBUTION**

1. The financial contribution to be paid by the Republic of Moldova to the General Budget of the European Union to participate in the Programme shall be established in proportion to, and in addition to, the annual allocation in the General Budget of the European Union for commitment appropriations needed for the implementation, management and operation of the Programme (excluding the commitment appropriations for the financial instruments).
2. This financial contribution will be calculated by applying a proportionality factor to the average annual budget of the Programme (excluding the budget for the financial instruments).
3. The proportionality factor governing the contribution of the Republic of Moldova has been obtained by establishing the ratio between the gross domestic product of the Republic of Moldova at market prices, and the sum of gross domestic products, at market prices, of the European Union and the Republic of Moldova:

$(\text{GDP at market prices for the Republic of Moldova}) / (\text{GDP at market prices for EU 28} + \text{the Republic of Moldova}) = \text{proportionality factor}$

Annual average budget = multiannual budget adopted by Regulation (EU) No 1287/2013 (2298.243 Mio€)/7 = 328.32 Mio€

Annual average budget without financial instruments = 328.32 Mio€ x 0.4 = 131.33Mio€

(Proportionality factor) x (the annual average budget of the Programme without the financial instruments) = Republic of Moldova's annual contribution to COSME.

4. This ratio has been calculated on the basis of the latest statistical data pertaining to the same year from the Statistical Office of the European Union (Eurostat), available at the time of the negotiation of this Agreement.
5. The present annex includes the fixed amounts for the first four years of implementation of the Programme (2014-2017).
6. For the remainder of the Programme (2018-2020) the annual financial contribution shall be calculated in the course of 2017, using the same formula, taking into account the latest statistical data and any changes in the total budget and/or the split in budget between the financial instruments and the other components of the Programme.
7. The annual financial contribution to be paid by the Republic of Moldova to the budget of the European Union to participate in all activities of the Programme (excluding the financial instruments) for the period 2014-2017 will be as follows: €52,047 (fifty-two thousand forty-seven euro).

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8. Should the mandate of EIF be extended to cover the Republic of Moldova, allowing the country to participate in the financial instruments, this Agreement will be amended in order to adjust the financial contribution.
9. The contribution of the Republic of Moldova shall cover costs related to the development and execution of the actions foreseen in the Programme.
10. Travel costs and subsistence costs incurred by representatives and experts of the Republic of Moldova for the purposes of taking part as observers in the work of the committee referred to in Article 21 of the Regulation (EU) No 1287/2013 (the COSME Management Committee) or other meetings related to the implementation of the Programme shall be reimbursed by the Commission on the same basis as and in accordance with the procedures currently in force for representatives of the Member States of the European Union.
11. The Financial Regulation applicable to the General Budget of the European Union shall apply to the management of the contribution of the Republic of Moldova.

## **II. PAYMENT OF THE REPUBLIC OF MOLDOVA'S FINANCIAL CONTRIBUTION**

1. After this Agreement is ratified and at the beginning of each subsequent budgetary year, the Commission shall send to the Republic of Moldova a call for funds corresponding to its contribution of the costs covered by this Agreement.
2. That contribution shall be paid in Euro to a Euro denominated bank account of the Commission.
3. The Republic of Moldova shall pay its contribution to the annual costs in accordance with the call for funds no later than three months after the date of the call. Any delay in the payment of the contribution shall give rise to the payment of default interest by the Republic of Moldova on the outstanding amount from the due date. The interest rate shall be the rate applied by the European Central Bank to its main refinancing operations, as published in the C series of the Official Journal of the European Union, in force on the first calendar day of the month in which the deadline falls, increased by 3.5 percentage points.
4. In case the delay in the payment of the contribution is such that it may significantly jeopardise the implementation and management of the Programme, and in the absence of payment 20 working days after a formal letter of reminder has been sent by the Commission to the Republic of Moldova, participation of the Republic of Moldova in the Programme for the concerned year will be suspended.

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## **Annex II**

### **Financial control, recovery and other anti-fraud measures**

#### **I. CONTROLS AND ANTI-FRAUD MEASURES BY THE UNION**

1. In accordance with the financial regulation applicable to the General Budget of the European Union and with the other rules referred to in this Agreement, the contracts and grant agreements concluded with contractors and beneficiaries of the Programmes established in the Republic of Moldova shall provide for financial or other audits to be conducted at any time by Commission agents or by other persons mandated by the Commission during the implementation of the contract or the grant agreement and for a period of 5 years starting from the date of payment of the balance. These financial or other audits shall be conducted on the premises of the contractors and their subcontractors and on the premises of the beneficiaries and their contractors and subcontractors.
2. Commission agents and other persons mandated by the Commission shall have appropriate access to sites, works and documents and to all the information required in order to carry out such audits, including in electronic form. This right of access shall be stated explicitly in the contracts and grant agreements concluded to implement the instruments referred to in this Agreement. The European Court of Auditors shall have the same rights as the Commission.
3. Within the framework of this Agreement, the Commission (OLAF) may carry out investigations, including on-the-spot checks and inspections, on the territory of the Republic of Moldova, in accordance with the terms and conditions laid down in Council Regulation (Euratom, EC) No 2185/96<sup>3</sup> and Regulation (EU, Euratom) No 883/2013<sup>4</sup> of the European Parliament and the Council with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union and/or Euratom.
4. These checks and inspections shall be prepared and conducted in close collaboration with the competent authorities of the Republic of Moldova, which shall be notified in good time of the object, purpose and legal basis of the checks and inspections, so that they can provide all the requisite help.
5. If the authorities of the Republic of Moldova so wish, the on-the-spot checks and inspections may be carried out jointly with them.
6. Where the participants in the Programme resist an on-the-spot check or inspection, the authorities of the Republic of Moldova, acting in accordance with national rules, shall give Commission/OLAF inspectors such assistance as they need to allow them to discharge their duty in carrying out an on-the-spot check or inspection.
7. The Commission/OLAF shall report as soon as possible to the authorities of the Republic of Moldova any fact or suspicion relating to an irregularity which has come to its notice in the course of the on-the-spot check or inspection. In any event the Commission/OLAF shall be required to inform the above-mentioned authority of the result of such checks and inspections.

<sup>3</sup> OJ L 292, 15.01.1996, p. 2

<sup>4</sup> OJ L 248, 18.09.2013, p. 1

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## **II. INFORMATION AND CONSULTATION**

1. For the purposes of proper implementation of this Annex, the competent authorities of the Republic of Moldova and of the EU shall regularly exchange information and, at the request of one of the Parties, shall conduct consultations.
2. The competent authorities of the Republic of Moldova shall inform the Commission without delay of any fact or suspicion which has come to their notice relating to an irregularity in connection with the conclusion and implementation of the contracts and grant agreements concluded in application of the instruments referred to in this Agreement.

## **III. ADMINISTRATIVE MEASURES AND PENALTIES**

Without prejudice to the application of criminal law of the Republic of Moldova, administrative measures and penalties may be imposed by the Commission in accordance with the financial regulation applicable to the General Budget of the European Union.

## **IV. RECOVERY**

Decisions taken by the Commission within the scope of this Agreement which impose a pecuniary obligation on persons other than States shall be enforceable in the Republic of Moldova.


The enforcement shall be governed by the rules of civil procedure in force in the State in the territory of which it is carried out. The order for its enforcement shall be appended to the decision, without any other formality than verification of the authenticity of the decision, by the national authority which the Republic of Moldova shall designate for this purpose and shall make known to the Commission.

When these formalities have been completed on application by the Commission, the latter may proceed to enforcement in accordance with the national law, by bringing the matter directly before the competent authority. The legality of the Commission decision shall be subject to control by the Court of Justice of the European Union.

Judgments given by the Court of Justice of the European Union pursuant to an arbitration clause in a contract and a grant agreement within the scope of this Agreement shall be enforceable on the same terms.

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Eu prezenta confirm că textul alăturat este o copie certificată de pe Acordul între Republica Moldova și Uniunea Europeană privind participarea Republicii Moldova la Programul pentru Competitivitatea Întreprinderilor Mici și Mijlocii (PISME)(2014-2020) (Bruxelles, 26 septembrie 2014), copia certificată a căreia este depozitată la Arhiva Tratatelor a Ministerului Afacerilor Externe și Integrării Europene.

  
Dumitru SOCOLAN,  
Şef al Direcţiei Generale Drept  
Internaţional a Ministerului Afacerilor  
Externe şi Integrării Europene al  
Republicii Moldova