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PO Number :

LETTER OF AGREEMENT

Between

the Food and Agriculture Organization of the United Nations ("FAO")

and

Federația Agricultorilor din Moldova "FARM" / Public Association Federation of Agricultural Producers

from Moldova "FARM"

123 V Stefan cel Mare Ave, Chisinau MD 2004, Republic of Moldova

For provision of

"Rural development and promotion of agritourism and traditional products in the Republic of Moldova"

1. Introduction

The Food and Agriculture Organization of the United Nations (hereinafter referred to as "FAO") and Public Association Federation of Agricultural Producers from Moldova "FARM" (hereinafter referred to as the "Service Provider") (together hereinafter referred to as the "Parties") have agreed that the Service Provider will provide certain services defined in detail in the attached Annex (the "Services") which forms an integral part of this Letter of Agreement (hereinafter the "Agreement") in support of the TCP/MOL/3701 Building MARDE administrative capacities for the implementation of agrifood products promotion policy. To enable the Service Provider to provide the Services, FAO will pay the Service Provider a total amount not exceeding *MDL 1 033 600 (one million, thirty-three thousand six hundred lei)*, which represents FAO's maximum financial liability, into the Service Provider's account specified in paragraph 2 below.

In performing the Services, the Service Provider will comply in full and without delay with all rules and regulations that are issued by national and local governments regarding quarantine, public health, and/or the holding of public events and gatherings. In case of failure to comply, FAO may cancel part of the Services, and suspend or terminate the Agreement in accordance with the provisions detailed in the section "Delays and Termination" of this Agreement. In addition, the Service Provider may not, as part of the Services described in this Agreement, arrange any international travel for individuals that are not under their employment, without the prior notification and written clearance from the FAO LoA Responsible Officer who is named below. Such notification should clearly mention the name of the traveller, reason for travel, and the origin and destination of the journey.

2. Detailed Banking Instructions

Bank name: BC Victoriabank SA

Bank country and city: Chisinau, Moldova

Bank branch address: str. 31 August 1989, nr. 141, Chişinău, Moldova

SWIFT CODE: VICBMD2X

Account: 225110000104782MDL

Exact bank account holder's name: Federation of Agricultural Producers from Moldova FARM

Account currency: MDL

Bank branch code or sort code: VICBMD2X416

IBAN number: MD84VI225110000104782MDL

3. Designation of the FAO Responsible Officer.

Mr. Dmitry Zvyagintev, Policy Officer (Budapest, Kalman Imre u. 20. 1054 Hungary), 0036-30-6199273, email (dmitry.zvyagintev@fao.org) is designated the officer responsible for the management of this Agreement (“Responsible Officer”) on behalf of FAO.

4. Entry into force and period of validity.

The Agreement will enter into force upon the date of signature by the Service Provider, by FAO or on 31 July 2021, **whichever of the three dates is the latest** and will terminate on 20 December 2021.

5. Purpose

- a) The purpose for which the funds provided by FAO under this Agreement shall be used are the following:

Objective.

The Ministry of Agriculture, Regional Development and Environment from the Republic of Moldova is giving increased attention to rural development policies aimed at improving the quality of life and work by achieving a synergy between agricultural activities and the rural environment, as rural areas offer real opportunities in terms of: their potential to grow in new sectors and provision of rural facilities and tourism, their attractiveness as a place to live and work and their role in preserving natural and cultural resources. Rural tourism in the Republic of Moldova could play an important role in the economic, social and cultural development of rural areas. European practices show that rural tourism can be closely linked to agricultural production by being organized on small farms. Such an activity could demonstrate the traditional ambiance and way of life, as well as cultural and historical traditions. Therefore, rural tourism could become a profitable economic activity for the rural population, especially for small farmers and family farms. The National Strategy for Agriculture and Rural Development 2021 - 2030 is in the development process and aims to identify actions that will ensure sustainable development of the agro-rural sector and efficient management of natural resources, which is an important milestone in identifying major problems in sector, but also of optimal solutions for solving them. The main objective of this Letter of Agreement is to enhance internal market and export potential of the Republic of Moldova through support to producer groups in agritourism and geographical indications.

The Letter of Agreement contributes to the project “Building MARDE administrative capacities for the implementation of agrifood products promotion policy” (TCP/MOL/3701). The activities on agritourism development are relevant to the project Output 3 “Enhancing of the producer associations’ capacity building in relation to the implementation of promotion policy”. The activities on product names registration are relevant to the project Output 2 “Strengthening MARDE institutional capacities in development of the quality of Moldovan agricultural products and foodstuffs”.

In general these LoA services will contribute to the Organizational Strategic Objective 4: Enable more inclusive and efficient agricultural and food systems.

- (i) **Outputs.** The Service Provider will produce, achieve or deliver the following outputs:

Output 1. Enhanced agricultural tourism in Chetrosu (Drochia district) village through local products promotion and building community capacities with emphasis on organic production.

Output 2. Enhanced agricultural tourism in Cahul through local products promotion and building community capacities with emphasis on honey production and processing.

Output 3. Improved access to product names registration as Protected designation of origin (PDO) for Costesti Association of table grape producers and exporters.

Output 4. Improved access to product names registration as Protected designation of origin (PDO) for Lalova Association of producers of macerated fruits.

(ii) **Activities.** The Service Provider will undertake the following activities:

1. **Under Output 1. Enhanced agricultural tourism in Chetrosu (Drochia district) village through local products promotion and building community capacities with emphasis on organic production:**

1. Organize one training covering the most important aspects of organization and management of agritourist entity in rural area with the specification of local geographical tourist attractions in Chetrosu and neighboring communities;
2. Organize one training covering the most important aspects of promotion of local traditional organic agrifood products specific for Chetrosu and neighboring communities;
3. Develop the geographical map of local agritourist attractions and traditional organic agrifood products from Chetrosu and neighboring communities;
4. Prepare and publish tourists-oriented leaflets (flyers) regarding the local tourist attractions and the local organic production in Chetrosu and neighboring communities;
5. Develop and set up road signs in places of local attraction for tourists in Chetrosu and neighboring communities;
6. Carry out a field examination of local attractions, including honey production and processing sites of Cahul and neighboring communities with help of a local cooperative to bring relevant knowledge and experience to Chetrosu;
7. Organize a field visit and demonstration of Chetrosu local attractions and production sites for Cahul and neighboring communities' representatives with the aim of knowledge exchange. ;
8. Develop recommendations on promotion of local tourism and organic production for Chetrosu and neighboring communities, based on the conducted field examination trips;
9. Organize one workshop with the presentation and discussion of recommendations for the promotion of local tourism and organic production in Chetrosu and neighboring communities;
10. Assist the association to develop communication materials for raising awareness of consumers (articles, success stories, videos and other materials about local tourism attractions and organic production in Chetrosu and neighboring communities);

2. **Under Output 2. Enhanced agricultural tourism in Cahul through local products promotion and building community capacities with emphasis on honey production and processing:**

1. Organize one training covering the most important aspects of organization and management of agritourist entity in rural area with the specification of local geographical tourist attractions in Cahul and neighboring communities;
 2. Organize one training covering the most important aspects of promotion of local traditional agrifood products specific for Cahul and neighboring communities including honey production and processing through local cooperative;
 3. Develop the geographical map of local agritourist attractions and traditional agrifood products from Cahul and neighboring communities including honey production and processing through a local cooperative ;
 4. Prepare and publish tourists-oriented leaflets (flyers) regarding local tourist attractions and production in Cahul and neighboring communities including honey production and processing through a local cooperative;
 5. Develop and set up road signs in places of local attraction for tourists in Cahul and neighboring communities;
 6. Carry out a field examination of local attractions, including organic production sites of Chetrosu and neighboring communities to bring relevant knowledge and experience to Cahul;
 7. Organize a field visit and demonstration of Cahul local attractions and production sites for Chetrosu and neighboring communities' representatives with the aim of knowledge exchange;
 8. Develop recommendations on promotion of local tourism and honey production and processing for Cahul and neighboring communities, based on the conducted field examination trips;
 9. Organize one workshop with the presentation and discussion of recommendations for the promotion of local tourism and local production in Cahul and neighboring communities;
 10. Assist the association to develop communication materials for raising awareness of consumers (articles, success stories, videos and other relevant materials about local tourist attractions and local production in Cahul and neighboring communities);
3. **Under Output 3. Improved access to product names registration as Protected designation of origin (PDO) for Costesti Association of table grape producers and exporters:**
1. Develop technical input regarding Protected Designation of Origin (PDO) specifications for table grapes for the Association of Producers and Exporters of Table Grape from Costesti;
 2. Discuss the elaborated PDO draft with the State Agency on Intellectual Property;
 3. Technical assistance to the association to adapt the PDO application according to the State Agency on Intellectual Property recommendations.
4. **Under Output 4. Improved access to product names registration as Protected designation of origin (PDO) for Lalova Association of producers of macerated fruits:**

1. Develop technical input regarding Protected Designation of Origin (PDO) specifications for macerated fruits for the Association of Producers from Lalova;
 2. Discuss the elaborated PDO draft with the State Agency on Intellectual Property;
 3. Technical assistance to the association to adapt the PDO according to the State Agency on Intellectual Property recommendations.
 4. Organize one round table (national level) in Lalova on promoting GI products.
- b) A detailed description of the Services including technical and operational requirements, budget, work plan and timeframe, performance indicators and means of verification, as well as inputs to be provided free-of-charge by the Service Provider and FAO, if any, are set out in detail in the Annex.

6. General Conditions

- a) Funds provided by FAO under this Agreement are to be used by the Service Provider exclusively for the provision of the Services in accordance with the budget set out in the Annex. Neither the Service Provider nor its personnel nor any other persons providing the Services on its behalf, will incur any additional commitment or expense on behalf of FAO.
- b) The Service Provider will be responsible for all activities related to the provision of the Services and the acts or omissions of all employees, agents or other representatives, and authorized subcontractors providing the Services on its behalf. FAO will not be held responsible for any accident, illness, loss or damage which may occur during the provision of the Services or any claims, demands, suits, judgements, arising there from, including for any injury to the Service Provider's employees, or to third parties, or any loss of, damage to, or destruction of property of third parties, arising out of or connected to the Service Provider's work or performance under this Agreement.
- c) The Service Provider shall not utilize funds received under this Agreement to subcontract services or procure items except as specifically provided for in the Annex or as specifically approved in writing by FAO. Any subcontracting arrangement shall in no way relieve the Service Provider of the responsibility for the provision/delivery of the Services required under this Agreement. Subcontracts or procurement of the items set forth in the Annex shall be procured in conformity with the Service Provider's own procurement rules and procedures. The Service Provider confirms that its procurement rules and procedures, and their implementation, ensure that the procurement process is transparent and consistent with generally-accepted principles governing public sector procurement to obtain best value for money. The Service Provider will ensure that its agreements with any subcontractor include the obligation to maintain appropriate records for a period of five years and FAO's right to review, audit and have access to all documentation and sites related to the activities carried out in connection with this Agreement.
- d) The Service Provider shall make and thereafter maintain, in compliance with national legislation, provision for adequate insurance to cover such risks as damage to property and injuries to persons, as well as third party liability claims.

- e) The personnel assigned by the Service Provider to provide the Services are not considered in any respect as being employees or agents of FAO. Nothing in this Agreement or in any document or arrangement relating thereto shall be construed as conferring any privileges or immunities of FAO on the Service Provider, its personnel or any other persons providing the Services on its behalf.
- f) Nothing in this Agreement or in any document relating thereto, shall be construed as constituting a waiver of privileges or immunities of FAO, or as its acceptance of the jurisdiction of the courts of any country over disputes arising out of this Agreement.
- g) The present Agreement shall be governed by general principles of law, to the exclusion of any single national system of law. General principles of law shall be deemed to include the UNIDROIT Principles of International Commercial Contracts of 2016.
- h) In providing the Services, the Service Provider shall conform to all national laws applicable to its activities and its relations to third parties, including employees. The Service Provider shall promptly correct any violations thereof and shall keep FAO informed of any conflict or problem arising in relation to national authorities. In particular, in performing the Services, the Service Provider will comply in full and without delay with all rules and regulations that are issued by national and local governments regarding quarantine, public health, and/or the holding of public events and gatherings. In case of failure to comply, FAO may cancel part of the Services, and suspend or terminate the Agreement in accordance with the provisions detailed in the section “Delays and Termination” of this Agreement. In addition, the Service Provider may not, as part of the Services described in this Agreement, arrange any international travel for individuals that are not under their employment, without the prior notification and written clearance from the FAO LoA Responsible Officer who is named below. Such notification should clearly mention the name of the traveller, reason for travel, and the origin and destination of the journey
- i) The Service Provider shall observe the highest standard of ethics in providing the Services and agrees to adhere to the UN Supplier Code of Conduct, which can be viewed at <https://www.un.org/Depts/ptd/about-us/un-supplier-code-conduct>
- j) The Service Provider confirms that it has not engaged in, nor will engage in, any corrupt, fraudulent, collusive, coercive, unethical or obstructive practices in entering into or implementing this Agreement. If FAO determines that the Service Provider has engaged in such practices, it may impose sanctions, including termination of the Agreement, as provided by FAO’s Sanctions Procedures (http://www.fao.org/fileadmin/user_upload/procurement/docs/FAO_Vendors_Sanctions_Policy_-_Procedures.pdf). In addition, information on sanctioned Service Providers and other third parties may be shared with other Intergovernmental or UN Organizations. This provision must be included in all subcontracts, sub-agreements or assignments entered into by the Service Provider under this Agreement.
- k) For the purpose of this Agreement, the following terms shall have the following meanings:

- (i) *“Fraudulent practice” is any act or omission, including misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a party to obtain, financial and/or other benefit and/or to avoid an obligation.*
 - (ii) *“Coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.*
 - (iii) *“Collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party.*
 - (iv) *“Corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value whether tangible or intangible to improperly influence the actions of another party.*
 - (v) *“Unethical practice” is an act or omission contrary to the conflict of interest, gifts and hospitality or post-employment FAO policy (<http://www.fao.org/unfao/procurement/codedeconductethique/en/>), as well as any provisions or other published requirements of doing business with FAO, including the UN Supplier Code of Conduct; and*
 - (vi) *“Obstructive practice” is an act or omission by the Service Provider or its affiliates, successors or assigns that may prevent or hinder the work of the Investigation Unit of the FAO Office of the Inspector General.*
- l) The Service Provider shall take all reasonable precautions to avoid any conflict of interest in the implementation of the Services and shall inform FAO without delay of any situation constituting or likely to entail a conflict of interest including any FAO personnel having an interest of any kind in the Service Provider’s activities.
- m) In order to enter into an agreement with FAO, the Service Provider, and any of its agents or authorized subcontractors, should not be suspended, debarred or otherwise identified as ineligible by any Intergovernmental or UN Organization, including any organization within the World Bank Group or any multi-lateral development bank, or by the institutions and bodies of economic integration organizations (e.g., the European Union). The Service Provider is required to disclose to FAO whether it, or any of its agents or authorized subcontractors, is subject to any sanction or temporary suspension imposed by any such organization or National Authority at any time during the three years prior to this Agreement or at any time throughout the execution of this Agreement. The Service Provider recognizes that a breach of this provision will entitle FAO to terminate its Agreement with the Service Provider immediately upon notice to the Service Provider, without any liability for termination charges or any other liability of any kind of FAO.
- n) Unless authorized in writing by FAO, the Service Provider shall not advertise or otherwise make public that it has a contractual relationship with FAO, nor shall the Service Provider, in any manner whatsoever use the name or emblem of FAO, or any abbreviation of the name of FAO.
- o) Any intellectual property rights including copyright, of material such as publications, software and designs, made available by the Parties to be used in implementing activities under this Agreement will remain with the originating Party. All intellectual property rights, including copyright, in the outputs produced under this Agreement are vested in FAO, including, without any limitations, the right to use, publish, translate, sell or distribute, privately or publicly, any

item or part thereof. FAO hereby grants to the Service Provider a non-exclusive royalty-free license to use, publish and distribute the outputs delivered under this Agreement for non-commercial purposes, provided that FAO is acknowledged as the source and copyright owner. Neither the Service Provider nor its personnel will communicate to any other person or entity any confidential information made known to it by FAO nor will they use this information for private or corporate advantage. This provision will survive the expiration or termination of this Agreement.

- p) To comply with disclosure requirements and enhance transparency, FAO may release and/or publish the following information about this Agreement: (i) the name and nationality of the Service Provider; (ii) a brief description and location of the Services provided; and (iii) the amount of this Agreement. The Service Provider specifically consents to the release and/or publication of such information. FAO will not release or publish information that could reasonably be considered confidential or proprietary.
- q) The Service Provider shall return to FAO any unexpended funds budgeted and paid by FAO under this Agreement.
- r) This Agreement is not subject to payment by FAO of any levies, taxes, registration duties or any other duties or charges whatsoever. The Service Provider shall duly pay taxes, duties and other charges in accordance with prevailing laws and regulations applicable to the Service Provider.
- s) The Service Provider agrees to undertake all reasonable efforts to ensure that none of the funds received from FAO under this Agreement are used to provide support to individuals or entities i) associated with terrorism, as included in the list maintained by the Security Council Committee established pursuant to its Resolutions 1267 (1999) and 1989 (2011) or ii) that are the subject of sanctions or other enforcement measures promulgated by the United Nations Security Council. This provision must be included in all subcontracts, sub-agreements or assignments entered into under this Agreement. The Service Provider acknowledges and agrees that this provision constitutes an essential term of this Agreement and any breach of these obligations and warranties shall entitle FAO to terminate this Agreement immediately upon notice to the Service Provider, without any liability for termination charges or any other liability of any kind of FAO.
- t) The Service Provider shall take all appropriate measures to prevent sexual exploitation or abuse of any beneficiary of the services provided under this Agreement, or to any persons related to such beneficiaries, by its employees or any other persons engaged and controlled by the Service Provider to perform any services under this Agreement. For these purposes, sexual activity with any person less than eighteen years of age shall constitute the sexual exploitation and abuse of such person. In addition, the Service Provider shall refrain from, and shall take all reasonable and appropriate measures to prohibit its employees or other persons engaged and controlled by it from exchanging any money, goods, services, or other things of value, for sexual favours or activities, or from engaging in any sexual activities that are exploitive or degrading to any beneficiary of the services provided under this Agreement or to any persons related to such beneficiaries. The Service Provider acknowledges and agrees that the provisions hereof constitute an essential term of this Agreement and that any breach of these provisions shall entitle the Organization to terminate this Agreement immediately upon notice to the Service Provider, without any liability for termination charges or any other liability of any kind.

7. Reporting and Record Maintenance Requirements

- a) The Service Provider shall submit to the Responsible Officer named in paragraph 3, the Reports listed in the Annex on the dates set forth therein, including a final report consisting of a narrative report and financial report ("Final Report") within 30 days following the completion of the Services. The Final Report must be sufficiently detailed to allow certification of deliverables and of expenditures. The financial report shall be signed and certified as to its correctness by a duly designated representative of the Service Provider (e.g. executive officer, chief financial officer, chief accountant or similar).
- b) The Service Provider shall keep accurate financial records and maintain supporting documentation showing the utilization of inputs and funds under this Agreement and any other documentation related to the Services for a period of five years following termination or expiry of the Agreement, during which period FAO, or a person designated by FAO, or the relevant auditing authority (e.g. national audit office) shall have the right, at any time, to conduct reviews and/or audits relating to any aspect of this Agreement. The Service Provider shall provide its full and timely cooperation with any such review or audit. Full and timely cooperation shall include, but not be limited to, making available employees or agents and granting to FAO or other designated person or relevant authority, access at reasonable times and conditions to the Service Provider's premises or other sites where documentation related to this Agreement is kept or activities related to this Agreement are carried out.

8. Delays and Termination

- a) The Agreement shall enter into force upon signature by both Parties and shall remain in force until the Services have been satisfactorily provided or until otherwise terminated in accordance with the provisions herein.
- b) The Service Provider will carry out the Services in accordance with the work plan and within the timeframe set forth in the Annex and shall notify FAO of any delays that will prevent delivery of the Services in accordance with the work plan and within the timeframe set forth in the Annex.
- c) FAO may suspend or cancel all or part of this Agreement, obtain the Services elsewhere and make corresponding adjustments to any payments that may be due to the Service Provider, if the Service Provider fails to make delivery, or perform to a standard considered acceptable to FAO. Subject to consultation with the Service Provider, the determination of FAO, relating to this provision, shall be binding.
- d) If at any time during the course of this Agreement it becomes impossible for the parties to perform any of their obligations for reasons of Force Majeure, that party shall promptly notify the other in writing of the existence of such Force Majeure. The party giving notice is thereby relieved from such obligations as long as Force Majeure persists. For the purpose of this Agreement, the term "Force Majeure" shall mean any unforeseeable exceptional situation or event beyond the Parties' control which prevents either of them from fulfilling any of their obligations under this Agreement, was not attributable to error or negligence on their part (or of their personnel, agents, or other representatives, or authorized subcontractors), and proves insurmountable in spite of all due diligence.

- e) FAO shall have the right to terminate this Agreement, by written notice to this effect, if it considers that continued implementation of the Agreement is impossible or impractical:
 - (i) for unforeseen causes beyond the control of FAO;
 - (ii) in the event of a default or delay on the part of the Service Provider after written notice by FAO which provides a reasonable period to remedy the default or delay.
- f) In the event of termination as per 8e) above, the following shall apply:
 - (i) termination for unforeseen causes beyond its control, FAO shall complete all payments for expenses which have been incurred by the Service Provider up to the effective date of termination.
 - (ii) termination due to the Service Provider's default or delay, the Service Provider shall refund to FAO any payment already received in respect of Services that have not been performed to a standard considered acceptable to FAO.
- g) FAO shall have the right to terminate this Agreement, by written notice to this effect, if FAO establishes in accordance with its administrative procedures:
 - (i) irregularities, including any corrupt, fraudulent, collusive, coercive, unethical or obstructive practices in paragraphs 6i)-p) on the part of the Service Provider in relation to this Agreement; or
 - (ii) a breach of the reporting requirements in paragraph 7 above.
- h) In the event of termination as per g) above, the Service Provider shall refund to FAO all payments that were made on the basis of the irregularity or corrupt, fraudulent, collusive, coercive, unethical or obstructive practices, or as otherwise determined by FAO to be equitable and take other action as deemed appropriate by FAO.

9. Terms of Payment

- a) The payments will be made after certification by the Responsible Officer of the request(s) for payment as follows:
 - (i) 1st payment not to exceed 310 080 MDL (30 percent) upon signature of the present Agreement;
 - (ii) 2nd payment not to exceed 258 400 MDL (25 percent) upon acceptance by FAO of the deliverable from points 1 – 4 indicated in the Work plan/Timeframe in the Annex;
 - (iii) 3rd payment not to exceed 258 400 MDL (25 percent) upon acceptance by FAO of the deliverables from points 5 – 11 indicated in the Work plan/Timeframe in the Annex;
 - (iv) Final payment not to exceed 206 720 MDL (20 percent) upon acceptance by FAO of the Final Report mentioned under paragraph 7a) above.

- b) The payments will be made in the currency stated in paragraph 1, in accordance with the detailed banking instructions provided by the Service Provider and defined in paragraph 2.
- c) The Service Provider shall submit each request for payment to the address indicated below:
Dmitry Zvyagintsev, policy Officer
Budapest, Kalman Imre u. 20. 1054 Hungary
- d) FAO enjoys certain privileges and immunities which include exemption from payment of Value Added Tax (“VAT” or “IVA”), customs duties and importation restrictions.
- e) If the Service Provider fails to submit the Final Report mentioned in 7a) above no later than 30 days following completion, expiry or termination of this Agreement, FAO may, after provision of due notice of the default, terminate this Agreement without making the final payment.


10. Settlement of Disputes

- a) Any dispute between the parties arising out of the interpretation or execution of this Agreement, if not settled by negotiation between the parties or by another agreed mode of settlement, shall be submitted at the request of either party, to one conciliator. Should the parties fail to reach agreement on the name of a sole conciliator, each party shall appoint one conciliator. The conciliation shall be carried out in accordance with the Conciliation Rules of the United Nations Commission on International Trade Law, as at present in force.
- b) Any dispute not resolved by conciliation shall, at the request of either party, be settled by arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law, as at present in force. The arbitral tribunal shall have no authority to award punitive damages. FAO and the Service Provider agree to be bound by any arbitration award rendered in accordance with this article, as the final adjudication of any such dispute.
- c) The parties may request conciliation during the execution of this Agreement and in the period not to exceed twelve months after the completion, expiry or termination of this Agreement. The parties may request arbitration not later than ninety days after the termination of the conciliation proceedings. All dispute resolution proceedings shall be conducted in the language in which the agreement is drafted provided that it is one of the six official languages of FAO (Arabic, Chinese, English, French, Russian and Spanish). In cases where the language of the agreement is not an official language of FAO, the conciliation or the arbitration proceedings shall be conducted in English.

11. Amendments.

Any changes or amendments to this Agreement shall be made in writing and on the basis of mutual consent of the signatories to this Agreement.

Signed on behalf of the Food and Agriculture Organization of the United Nations:

Signature: 

Date: 08/08/2021

*He Babinca, etc.,
FAO Representative in the Republic of Moldova*

Signed on behalf of the Public Association Federation of Agricultural Producers from Moldova "FARM":

Signature: 

Date: 09/03/2021

Director General, Research Division

Et Service Provider: 1 signed copy of this Agreement shall remain one to the Responsible Officer.

ANNOTATED OUTLINE FOR PREPARATION OF STANDARD ANNEX I OF
THE LETTER OF AGREEMENT
ANNEX 1
TERMS OF AGREEMENT

1. Background

Republic of Moldova aims at increasing the competitiveness of its farming sector, to ensure the sustainable management of its natural resources and improve the living standards in rural areas. For this, a National Agriculture and Rural Development Strategy (2014-2020) has been launched. The involvement of the local community is essential in creating incentives for rural residents to contribute to the well-being of their society.

The government of the Republic of Moldova requested FAO support in strengthening the administrative and technical capacities in agrifood products promotion for internal and external market. The TCP/MOL/3701 was prepared and made operational in May 2019 to support MARDE in piloting various activities with producer groups, retailers and tourist market to improve the positioning of Moldovan products.

In this context, one of the objectives of the project is to enhance the producers' associations capacity building in relation to the implementation of promotion policy, mainly through organizing events to develop agricultural and rural tourism and promotion of local agrifood products and traditional recipes. Implementation of the two pilot projects in two localities in the Republic of Moldova will contribute to development of agricultural and rural tourism, as well as promotion of local agrifood products and traditional recipes. At the same time, the necessity to develop the quality of Moldovan agricultural products and foodstuffs is reflected in a series of potential products with GI, PDO and TSG.

In order to identify pilot localities, a consultation process took place with the Administrative Board of the National Network for Rural Development. A list of pilot proposals made up of eight base points was sent to the member of the Administrative Board for their review and analysis. As a result of summing up the scores, Cahul and Chetrosu were identified among the sites with the most significant agritourism potential.

Therefore, FAO will bring technical assistance to two localities from the country (Chetrosu village from Drochia and Cahul) in order to improve the rural development policy and enhance export potential with respect to promotion of local agrifood products and traditional recipes. Federation of Agricultural Producers from Moldova FARM is one of the organizations who could assist FAO Moldova in piloting the activities in two rural areas, as well as providing technical assistance in developing specifications for two producer groups willing to apply for PDO.

2. Terms of Reference

2.1 Definition of Output(s) and/or Outcome(s)

The Outcome of the LoA is enhanced export potential of the Republic of Moldova in a result of support to producer groups in agritourism and geographical indications. The outputs include built capacities for producer associations in promotion of local agricultural tourism and enhanced capacity of the associations to apply for products names registration as PDO.

The Service Provider will provide administrative, consultation as well as organizational services to support the smooth implementation of the above mentioned activities. Specifically, the Service Provider will be responsible for development of agro-tourism promotion activities in Chetrosu (Drochia) village and Cahul and development of technical specifications for PDO application for

two associations of agricultural producers: Association of Producers and Exporters of Table Grape from Costesti and Association of Producers from Lalova to promote local products.

2.2 Description of Services

Provide detailed description of services to be rendered and activities to be performed by the Service Provider for the achievement of output(s) and/or outcomes(s) specified in para 2.1 including as appropriate the expertise required, methodology to be used, technical and operational standards and/or deadlines to be met, etc. (e.g. modalities of survey (define area/data, needed/means to be employed, etc.), organization of training course (define target group/curriculum, outline/training, materials/course duration, etc.), development of product (specification/facilities used, etc.).

Under Output 1. Enhanced agricultural tourism in Chetrosu (Drochia district) village through local products promotion and building community capacities with emphasis on organic production:

1. Organize one training covering the most important aspects of organization and management of agritourist entity in rural area with the specification of local geographical tourist attractions in Chetrosu and neighboring communities;
2. Organize one training covering the most important aspects of promotion of local traditional organic agrifood products specific for Chetrosu and neighboring communities;
3. Develop the geographical map of local agritourist attractions and traditional organic agrifood products from Chetrosu and neighboring communities;
4. Prepare and publish tourists-oriented leaflets (flyers) regarding the local tourist attractions and the local organic production in Chetrosu and neighboring communities;
5. Develop and set up road signs in places of local attractions for tourists in Chetrosu and neighboring communities;
6. Carry out a field examination of local attractions, including honey production and processing sites of Cahul and neighboring communities with help of a local cooperative to bring relevant knowledge and experience to Chetrosu;
7. Organize a field visit and demonstration of Chetrosu local attractions and production sites for Cahul and neighboring communities' representatives with the aim of knowledge exchange. ;
8. Develop recommendations on promotion of local tourism and organic production for Chetrosu and neighboring communities, based on the conducted field examination trips;
9. Organize one workshop with the presentation and discussion of recommendations for the promotion of local tourism and organic production in Chetrosu and neighboring communities;
10. Assist the association to develop communication materials for raising awareness of consumers (articles, success stories, videos and other materials about local tourism attractions and organic production in Chetrosu and neighboring communities);

Under Output 2. Enhanced agricultural tourism in Cahul through local products promotion and building community capacities with emphasis on honey production and processing:

1. Organize one training covering the most important aspects of organization and management of agritourist entity in rural area with the specification of local geographical tourist attractions in Cahul and neighboring communities;
2. Organize one training covering the most important aspects of promotion of local traditional agrifood products specific for Cahul and neighboring communities including honey production and processing through local cooperative;
3. Develop the geographical map of local agritourist attractions and traditional agrifood products from Cahul and neighboring communities including honey production and processing through a local cooperative;
4. Prepare and publish tourists-oriented leaflets (flyers) regarding local tourist attractions and production in Cahul and neighboring communities including honey production and processing through a local cooperative;
5. Develop and set up road signs in places of local attractions for tourists in Cahul and neighboring communities;
6. Carry out a field examination of local attractions, including organic production sites of Chetrosu and neighboring communities to bring relevant knowledge and experience to Cahul;
7. Organize a field visit and demonstration of Cahul local attractions and production sites for Chetrosu and neighboring communities' representatives with the aim of knowledge exchange;
8. Develop recommendations on promotion of local tourism and honey production and processing for Cahul and neighboring communities, based on the conducted field examination trips;
9. Organize one workshop with the presentation and discussion of recommendations for the promotion of local tourism and local production in Cahul and neighboring communities;
10. Assist the association to develop communication materials for raising awareness of consumers (articles, success stories, videos and other relevant materials about local tourist attractions and local production in Cahul and neighboring communities);

Under Output 3. Improved access to product names registration as Protected designation of origin (PDO) for Costesti Association of table grape producers and exporters:

1. Develop technical input regarding Protected Designation of Origin (PDO) specifications for table grapes for the Association of Producers and Exporters of Table Grape from Costesti;
2. Discuss the elaborated PDO draft with the State Agency on Intellectual Property;
3. Adapt the PDO according to the State Agency on Intellectual Property recommendations.

Under Output 4. Improved access to product names registration as Protected designation of origin (PDO) for Lalova Association of producers of macerated fruits:

1. Develop technical input regarding Protected Designation of Origin (PDO) specifications for macerated fruits for the Association of Producers from Lalova;

2. Discuss the elaborated PDO draft with the State Agency on Intellectual Property;
3. Adapt the PDO according to the State Agency on Intellectual Property recommendations.
4. Organize one round table (national level) in Lalova on promoting GI products.

2.3 Workplan and Timeframe (Duration)

<i>No</i>	<i>Activity/Output</i>	<i>Timeframe</i>
1	Organization of 2 trainings on the most important aspects of organization and management of rural tourist entity in Chetrosu and Cahul	July 2021
2	Organization of 2 trainings on the most important aspects of promotion of local traditional organic agrifood products in Chetrosu and Cahul	July 2021
3	Development of two geographical maps on local agritourism attractions in Chetrosu, Cahul and neighboring communities	July – August 2021
4	Preparation and publishing of tourists-oriented leaflets (flyers) and developing and setting up road signs in places of local attraction in two localities.	July - August 2021
5	Two field examination and demonstration trips for respective communities, followed by development of recommendations	August – September 2021
6	Organization of two workshops with the presentation and discussion of recommendations for the promotion of local tourism and production in Chetrosu and Cahul	October 2021
7	Assistance to the association to develop articles, success stories, and two sets of video materials on local tourism attractions and local production in Chetrosu and Cahul.	August – October 2021
8	Development of two drafts of technical specifications for Designation of Origin (PDO) for table grapes for the Association of Producers and Exporters of Table Grape from Costesti and for macerated fruits for the Association of Producers from Lalova	October 2021
9	Organization of one round table (national level) in Lalova on promoting GI products	November 2021
10	Consultations of the elaborated PDO drafts with the State Agency on Intellectual Property	November - December 2021
11	Adjusted PDO technical specifications according to the the State Agency on Intellectual Property	December 2021

recommendations.	
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2.4. Monitoring Mechanisms and Reporting Requirements

The Service Provider shall submit to the Responsible Officer named in paragraph 9 of the Letter of Agreement, the Deliverables listed in the Annex on the dates set forth therein. The Responsible Officer is the FAO officer responsible for insuring that implementation and reporting requirements are met by the Service Provider. The submission of final financial statement specifying actual utilization of funds is due within 20 days after the event.

3. Inputs to be provided free of charge by Service Provider *(to be completed only if significant to the execution of the Agreement).*

The following inputs will be provided throughout the duration of the LOA, not later than the end day of LoA:

- Provision and use of premises and facilities/installations;
- Use of equipment and provision of materials/supplies.

4. Inputs to be provided in kind by FAO *(to be completed only if significant to the execution of the Agreement).*

The following FAO staff will be made available during the timeframe of this Agreement to support the works with country counterparts and other project partners:

- Policy Officer
- National Consultant recruited by the project

5. Detailed budget

cat. No.	Items description	Unit of measurement	Qty (No. of units)	Unit cost	Total Cost
1	HUMAN RESOURCE INPUTS (Staff time and consultants)				
1.1.	Project coordinator (staff)	Person-days	72	2 280	164 160
1.2.	Senior expert in PDO of table grapes (consultant)	Person-days	40	2 104	84 160
1.3.	Senior expert in PDO of macerated fruit (consultant)	Person-days	40	2 104	84 160
1.4.	Senior expert in rural tourism (consultant)	Person-days	30	1 929	57 870
1.5.	Senior expert in geography (consultant)	Person-days	32	1 929	61 728
1.6.	Senior expert in marketing (local agrifood promotion) (consultant)	Person-days	33	1 929	63 657
1.7.	PR specialist (staff)	Person-days	20	1 753	35 060
1.8.	Local consultant in rural development (Chetrosu) (staff)	Person-days	41	1 403	57 523
1.9.	Local consultant in rural development (Cahul) (staff)	Person-days	41	1 403	57 523

1.10.	Driver for the field visits (staff)	Person-days	28	1 050	29 400
	Subtotal				695 241
2	TRAVEL				
2.1.	In-country travel to Costesti – table grapes	km	300	7	2 100
2.2.	In-country travel to Lalova – macerated fruit	km	1000	7	7 000
2.1.	In-country travel for 4 trainings	km	1620	7	11 340
2.2.	In-country travel for 16 banners installation	km	810	7	5 670
2.2.	In-country travel for 2 field tours (experts)	km	810	7	5 670
2.3.	In-country travel for 2 field tours (participants)	km	1660	13	21 580
2.4.	In-country travel for conducting 2 workshops	km	810	7	5 670
2.5.	In-country travel for 6 monitoring visits	km	2430	7	17 010
2.6.	In-country travel to Lalova (national round table)	km	1240	7	8 680
	Subtotal				84 720
3	EVENT LOGISTICS				
3.1.	Training materials for participants (folders, pens, notebooks, other supporting materials)	person	50	175	8 750
3.2.	Meals for participants (6 events X 25 participants)	person	150	150	22 500
3.3.	Meals for participants in the field tours (2 events X 25 participants)	person	50	526	26 300
3.4.	Development and publishing of the promotional leaflets	unit	1000	4,5	4 500
3.5.	Development and printing of the promotional banners	unit	16	2 017	32 272
3.6.	Development of video materials (2 edited clips X15 min)	unit	2	21 561,5	43 123
3.7.	Round table materials (folders, pens, notebooks, other supporting materials)	person	40	133	5 320
3.8.	Meals for participants in round table	person	40	525	21 000
3.9.	Venue renting for 4 trainings and 2 workshops	unit	6	2 920,6	17 524
	Subtotal				181 289
4	OTHER COSTS				
4.1.	Administrative costs (7%)	lumpsum			72 350
	TOTAL COSTS				1 033 600

6. Responsible Officer

The Responsible Officer named in the Agreement, Mr. Dmitry Zvyagintsev, Policy Officer, has been designated by the Budget Holder responsibility to manage and monitor the proper implementation of the Agreement on behalf of FAO and to certify to the Budget Holder that the terms of the Agreement have been satisfactorily met and that appropriate payments can be made.

7. Reimbursements

Provide for reimbursement by the SP of any overpayments that may have been effected or excess funds, which may remain after completion of the services.

8. Any other relevant Information