

PRESS RELEASE

**Signing the agreements
concerning Japan's Official Development Assistance (ODA) to be extended by the
Government of Japan to the Government of the Republic of Moldova for the
implementation of two development projects in the Republic of Moldova**

Date & Venue: 26 June 2013, 17:00, Ministry of Agriculture and Food Industry of the
Republic of Moldova

27 June 2013, 10:00, Ministry of Finance of the Republic of Moldova

Signers: Japanese side: H.E. Mr. Toichi SAKATA, Ambassador Extraordinary
and Plenipotentiary of Japan to the Republic of
Moldova

Mr. Masakazu ICHIKAWA, Vice-President, Japan
International Cooperation Agency (JICA)

Moldovan side: H.E. Mr. Vasile BUMACOV, Minister of Agriculture
and Food Industry of the Republic of Moldova

H.E. Mr. Veaceslav NEGRUTA, Minister of Finance of
the Republic of Moldova

H.E. Mr. Andrei USATII, Minister of Health of the
Republic of Moldova

On 26 June 2013, H.E. Mr. Toichi SAKATA, Ambassador Extraordinary and Plenipotentiary of Japan to the Republic of Moldova will visit Chisinau to sign the Exchange of Notes between the Government of Japan and the Government of the Republic of Moldova concerning the extension of the Grant Assistance for the implementation of the Project for Effective Use of Biomass Fuel. On behalf of the Government of the Republic of Moldova the document will be signed by H.E. Mr. Vasile BUMACOV, Minister of Agriculture and Food Industry. After the Exchange of Notes, Minister BUMACOV and Mr. Masakazu ICHIKAWA, Vice-President of JICA, will sign the Grant Agreement.

On the next day, 27 June 2013, Ambassador SAKATA, and H.E. Mr. Veaceslav NEGRUTA, Minister of Finance of the Republic of Moldova, will sign the Exchange of Notes for the ODA Loan for the implementation of the Project for Improvement of Medical Care Service. The Loan Agreement will be signed by Mr. ICHIKAWA and H.E. Mr. Andrei USATII, Minister of Health of the Republic of Moldova.

The Grant amounting up to 1,154 million yen (approximately 14 million US dollars) will be spent for the procurement and installation of biomass boilers fuelled with the pellets made from agricultural residue at public facilities (mainly schools and kindergartens) in 25 rural settlements in the Central Region of Moldova and one set of Pellet Production Plant in Chisinau. The implementation of the Project will contribute to saving financial resources allocated by local communities for heating purposes, improving living conditions in rural areas and increasing the efficiency of agricultural farms. In addition, the Project intends to secure educational opportunities for children living in rural areas and promote energy

transformation from fossil fuel to renewable energy as well as improve self-sufficiency in energy and reduce greenhouse gas emissions as an overall goal. The Project will use cutting-edge Japanese technology that will ensure sustainable and efficient operation of heating systems. Being formulated and conducted in accordance with the “Green Growth” policy of the Government of Japan, the Grant will be implemented under the sub-scheme of Grant Aid for Environment for Climate Change.

The ODA Loan in the amount of 5,926 million yen (approximately 61.5 million US dollars) for the implementation of the Project for Improvement of Medical Care Service is a low-interest and long-term loan which will be extended on the preferential terms and conditions which include repayment period of 20 years after the grace period of 10 years and the rate of interest of 0.1% per annum.

The Moldova’s health care system has improved immensely thanks to reforms conducted over the last years, however, it still has serious problems of delivering services, especially to lower income groups and there is less availability of modern equipments in the hospitals. For further economic development and improvement of the country's health care system, it is essential to update medical equipments in the hospitals and other medical institutions. Using the ODA Loan, the Government of the Republic of Moldova will purchase modern Japanese diagnostic and treatment equipments. In general, the project will contribute to updating and modernizing medical equipments and thus significantly enhancing the quality of medical services in central and regional medical institutions such as:

- Republican Clinical Hospital;
- Oncology Institute;
- Mother and Child Institute;
- National Scientific and Practical Centre for Emergency Medicine;
- Municipal Clinical Hospital "Sf. Treime";
- National Public Health Centre; and
- Regional public health centres.

Both, the Grant and ODA Loan, will be executed by Japan International Cooperation Agency (JICA) which is the agency in charge of providing bilateral aid in the framework of Japan’s ODA.

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