

LAW
on Borrowing by the Republic of Macedonia from
European Bank for Reconstruction and Development under the Project “Municipal and
Environmental Action Programme”

Article 1

Republic of Macedonia shall borrow from the European Bank for Reconstruction and Development

- upon a credit in the amount of EUR 20.8 million, intended for realization of the Project “Municipal and Environmental Action Programme”.

Article 2

The repayment period for the credit referred to in Article 1 of this Law shall be 15 years, including 4-year grace period and variable interest rate – EURIBOR + 1%.

The credit shall be repaid in equal semi-annual installments falling due on 18th January and 18th July each year, starting from 18th January 2005 until 18th July 2015.

Commitment fee of 0.5% annually shall be paid.

Article 3

The Republic of Macedonia shall participate with EUR 5.1 million in this Project to be provided from the Budget of the Republic of Macedonia.

Article 4

Final beneficiaries of the credit shall be the Public Enterprises for Water Supply of the following municipalities: JP Vodovod Kumanovo, JKP Derven Veles, JP Isar Stip, JPKD Komunalec Strumica, MJP Proakva Ohrid/Struga.

Article 5

The credit shall be repaid from the revenues generated by the Public Enterprises for Water Supply JP Vodovod Kumanovo, JKP Derven Veles, JP Isar Stip, JPKD Komunalec Strumica, MJP Proakva Ohrid/Struga, being final credit beneficiaries.

Article 6

Should the annuities due within the deadlines determined in the Agreements are paid by the Republic of Macedonia, on behalf of the final beneficiaries, the Minister of Finance, after 30 days as of the day the liability was settled, but no later than 60 days, shall issue an order to the Payment Operation Office or to the commercial bank where the final beneficiaries have denar account, to transfer from the account of the final beneficiary to the budget revenue account of the Republic of Macedonia, an amount in denars equal to the paid amount, plus the calculated interest and the costs.

Article 7

This Law shall enter into force on the eighth day from the day it is published in the “Official Gazette of the Republic of Macedonia”.