

Law on Borrowing a Loan by the Republic of Macedonia from the International Bank for Reconstruction and Development - World Bank under the Loan Agreement for the Second Programmatic Development Policy Loan – PDPL 2

Article 1

The Republic of Macedonia shall borrow a loan from the International Bank for Reconstruction and Development - World Bank in the amount of EUR 23,300,000, intended for implementation of the Second Programmatic Development Policy Loan – PDPL 2.

Article 2

The conditions and the manner of using the loan referred to in Article 1 of this Law shall be determined in an agreement on the Second Programmatic Development Policy Loan – PDPL 2, to be concluded between the Government of the Republic of Macedonia and the International Bank for Reconstruction and Development - World Bank.

On behalf of the Republic of Macedonia, the Loan Agreement referred to in paragraph 1 of this Article shall be signed by the Minister of Finance or a person authorized by him/her.

Article 3

The repayment period of the loan referred to in Article 1 of this Law shall be 17 years including 5-year grace period. Interest rate of the loan shall be LIBOR (for euro currency) plus variable spread. Interest rate may be reduced in relation to the valid decisions of the International Bank for Reconstruction and Development – World Bank.

The loan shall be repaid in 24 semi-annual installments, of each 15th April 2011 until 15th July in the year. Starting from 15th July 2012 until 15th July 2023, 23 equal semi-annual installments shall be repaid in the amount of 4.17% of the loan i.e. EUR 971,610.000, while on 15th January 2024, the last installment shall be repaid in the amount of 4.09% of the loan i.e. EUR 952,970.

During the 5-year grace period, which is also project implementation period, only the interest under the loan shall be paid.

On the disbursement date, the Republic of Macedonia shall pay the World Bank one-off fee in the amount of 1% of the loan amount that may also be lower in relation to the valid decisions of the International Bank for Reconstruction and Development – World Bank.

Commitment fee shall be paid of 0,75% annually. The commitment fee shall be set by the International Bank for Reconstruction and Development - the World Bank that may also be lower in relation to the valid decisions of the International Bank for Reconstruction and Development – World Bank.

The fee referred to in paragraph 5 of this Article shall be paid semi-annually, on 15th January and 15th July each year.

Article 4

The Ministry of Finance, on behalf of the Government of the Republic of Macedonia shall be the beneficiary of the loan referred to in Article 1 of this Law.

Article 5

The Republic of Macedonia shall service the loan referred to in Article 1 of this Law from the Budget of the Republic of Macedonia.

Article 6

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