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PARLIAMENT OF THE REPUBLIC OF MACEDONIA

Pursuant to Article 75, paragraphs 1 and 2 of the Constitution of the Republic of Macedonia, President of the Republic of Macedonia and President of the Parliament of the Republic of Macedonia shall issue the following

DECREE

ON PROMULGATION OF THE LAW ON BORROWING A LOAN BY THE CITY OF SKOPJE FROM THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT UNDER THE LOAN AGREEMENT FOR THE PROJECT “THROUGH NEW CONCEPTS FOR EFFICIENT TRAFFIC TOWARDS CLEANER SKOPJE” WITHOUT ISSUANCE OF A SOVEREING GUARANTEE

Law on Borrowing a Loan by the City of Skopje from the European Bank for Reconstruction and Development under the Loan Agreement for the Project “Through New Concepts for Efficient Traffic towards Cleaner Skopje” without issuance of a sovereign guarantee, adopted by the Parliament of the Republic of Macedonia at its session held on 29th September 2011 shall be promulgated.

No. 07-4041/1
29th September 2011
Skopje

President
of the Republic of Macedonia,
Gorge Ivanov, in his own hand

President
of the Parliament of the Republic
of Macedonia,
Trajko Veljanoski, in his own hand

LAW ON BORROWING A LOAN BY THE CITY OF SKOPJE FROM THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT UNDER THE LOAN AGREEMENT FOR THE PROJECT “THROUGH NEW CONCEPTS FOR EFFICIENT TRAFFIC TOWARDS CLEANER SKOPJE” WITHOUT ISSUANCE OF A SOVEREING GUARANTEE

Article 1

City of Skopje shall borrow a loan from the European Bank for Reconstruction and Development in the amount of EUR 5,600,000, intended for implementation of the Project “Through New Concepts for Efficient Traffic towards Cleaner Skopje”.

Article 2

Terms and conditions and the manner of using the loan referred to in Article 1 of this Law shall be determined in a Loan Agreement for the Project “Through New Concepts for Efficient Traffic towards Cleaner Skopje”, to be concluded between the City of Skopje and the European Bank for Reconstruction and Development.

Mayor of the City of Skopje shall, on behalf of the City of Skopje, sign the Loan Agreement referred to in paragraph 1 of this Article.

Article 3

Repayment period for the loan referred to in Article 1 of this Law shall be 12 years, including three-year grace period.

Interest rate shall be equal to six month EURIBOR, plus 4.15% annually.

The loan shall be repaid in 18 semi-annual annuities, each 20th April and 20th October in the year, starting from 20th October 2011 until 20th April 2023.

City of Skopje shall pay the European Bank for Reconstruction and Development front-end fee in the amount of EUR 67,200.

Commitment charges referred to in Article 1 of this Law shall be paid to the European Bank for Reconstruction and Development in the amount of 0.6% of the amount of undisbursed or cancelled loan funds annually.

Default interest in the amount of the annual interest rate referred to in paragraph 2 of this Article, plus 2% annually, shall be paid for the liabilities related to the loan referred to in Article 1 of this Law, which shall not be paid within the envisaged deadlines.

Article 4

City of Skopje shall repay the loan referred to in Article 1 of this Law from the Budget of the City of Skopje.

Article 5

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