

20151945375

PARLIAMENT OF THE REPUBLIC OF MACEDONIA

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

DECREE ON PROMULGATION OF THE LAW ON BORROWING A LOAN BY THE REPUBLIC OF MACEDONIA FROM THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT – WORLD BANK UNDER THE LOAN AGREEMENT UPON THE SECOND MUNICIPAL SERVICES IMPROVEMENT PROJECT

Law on Borrowing a Loan by the Republic of Macedonia from the International Bank for Reconstruction and Development -World Bank under the Loan Agreement upon the Second Municipal Services Improvement Project,  
adopted by the Parliament of the Republic of Macedonia at its session held on 6<sup>th</sup> November 2015 shall be promulgated.

No. 08-5227/1  
6<sup>th</sup> November 2015  
Skopje

President  
of the Republic of Macedonia  
Gjorge Ivanov, Ph.D., 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 REPUBLIC OF MACEDONIA FROM THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT – WORLD BANK UNDER THE LOAN AGREEMENT UPON THE SECOND MUNICIPAL SERVICES IMPROVEMENT PROJECT

Article 1

Republic of Macedonia shall borrow a loan from the International Bank for Reconstruction and Development - World Bank in the amount of EUR 25,000,000, intended for realization of the Second Municipal Services Improvement Project.

Article 2

Conditions and manner of using the loan referred to in Article 1 of this Law shall be determined in the Loan Agreement for the Second Municipal Services Improvement Project, which will be concluded between 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.

### Article 3

Repayment period of the loan referred to in Article 1 of this Law shall be 18 years, including 5-year grace period.

Interest rate shall be six-month EURIBOR plus variable spread.

After signing the Loan Agreement referred to in Article 2 paragraph 1 of this Law, the Republic of Macedonia shall pay the International Bank for Reconstruction and Development - World Bank front-end fee in the amount of 0.25% of the loan amount.

The Republic of Macedonia shall pay the International Bank for Reconstruction and Development - World Bank commitment charge in the amount of 0.25% annually.

The loan shall be repaid in 26 semi-annual installments. As of 15<sup>th</sup> March 2021 to 15<sup>th</sup> March 2033 shall be repaid 25 semi-annual installments each in the amount of 3.85% of the loan amount, while on 15<sup>th</sup> September 2033 shall be repaid the last installment in the amount of 3.75% of the loan amount.

### Article 4

Beneficiaries of the loan proceeds referred to in Article 1 of this Law shall be municipalities, municipalities in the City of Skopje and the City of Skopje, meeting the borrowing conditions pursuant to the Public Debt Law and the Law on Financing the Local Government Units.

### Article 5

The Ministry of Finance shall conclude separate loan agreements to the end of regulating the rights and obligations between the Republic of Macedonia and the beneficiaries of the loan referred to in Article 4 of this Law.

### Article 6

The Republic of Macedonia shall repay the loan referred to in Article 1 of this Law from the funds to be collected with the repayment of the funds borrowed by the beneficiaries of the proceeds of the loan referred to in Article 4 of this Law in line with the separate loan agreements referred to in Article 5 of this Law and from the Budget of the Republic of Macedonia.

### Article 7

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