

LAW
On Amendments and Modifications to the Law on Guarantee by the Republic of Macedonia upon the Loan Agreement under the Project for the Power System Improvement Project from the International Bank for Reconstruction and Development

(Official Gazette of the Republic of Macedonia no. 13 dated 1st February 2006)

Article 1

The title of the Law of Guarantee by the Republic of Macedonia upon the Loan Agreement for the Power System Improvement Project from the International Bank for Reconstruction and Development ("Official Gazette of the Republic of Macedonia no.20/98) shall be amended and shall read:

"Law on Guarantee by the Republic of Macedonia upon the Loan Agreement for the Power System Improvement Project from the International Bank for Reconstruction and Development to be concluded between the International Bank for Reconstruction and Development and state-owned joint-stock company for electricity generation "Elektrani na Makedonija- Skopje".

Article 2

Words "JP Elektrostopanstvo na Makedonija" in Articles 1, 2 and 3 shall be replaced with the word state-owned joint - stock company for electricity generation "Elektrani na Makedonija- Skopje" .

Article 3

New Article 3-a shall be added after Article 2 and shall read:

"Article 3-a"

For part of the proceeds of the loan for the Power System Improvement Project to be concluded between the International Bank for Reconstruction and Development and state-owned joint - stock company for electricity generation "Elektrani na Makedonija"- Skopje to be used by AD ESM and AD MEPSO, state-owned joint stock company for electricity generation "Elektrani na Makedonija", Skopje shall conclude separate agreements with AD ESM and AD MEPSO on utilization and repayment of resources used for investments, falling under their competences after the transformation of AD ESM.

Article 4

Article 5 shall be amended and shall read:

"The Ministry of Finance and state-owned joint stock company for electricity generation "Elektrani na Makedonija", Skopje shall conclude an agreement regulating the mutual rights and obligations on the basis of the guarantee issued to the International Bank for Reconstruction and Development referred to in Article 2 of this Law.

In the case the liabilities due on the basis of interest and principal are paid by the Republic of Macedonia on behalf of the state-owned joint stock company for electricity generation "Elektrani na Makedonija", Skopje and within the periods set in the Loan Agreement, the Minister of Finance can issue order to the Public Revenue Office to freeze the funds of the state-owned joint stock company for electricity generation "Elektrani na Makedonija", Skopje, on the basis of VAT refund so as to settle the due liabilities to the creditor, i.e. to compensate the state the amount in denars equal to the paid amount, plus the calculated interest and costs incurred with regard to the respective transaction,

Article 5

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