

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 Trade and Transport Facilitation in South East Europe Project– TTFSE 2

Article 1

Republic of Macedonia shall borrow a loan from the International Bank for Reconstruction and Development – World Bank on the amount of EUR 15,000,000, intended for implementation of the Second Trade and Transport Facilitation in South East Europe Project– TTFSE 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 Loan Agreement for the Second Trade and Transport Facilitation in South East Europe Project– TTFSE 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 the variable spread. Interest rate may be lower depending on the existing decisions of the International Bank for Reconstruction and Development.

The loan shall be repaid in 24 semi-annual installments, each in the amount of EUR 625,000.

The repayment shall be made each 15th June and 15th December in the year, starting 15th December 2012 until 15th June 2024.

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

On the disbursement date, the Republic of Macedonia shall pay the World Bank front-end fee in the amount of 1% of the loan amount, which may be lower depending on the existing decisions of the International Bank for Reconstruction and Development.

Commitment fee of 0.75% shall be paid to the International Bank for Reconstruction and Development annually, which may be lower depending on the existing decisions of the International Bank for Reconstruction and Development.

Commitment fee referred to in paragraph 5 of this Article shall be paid semi-annually, on 15 June and 15 December each year.

Article 4

Loan beneficiary referred to in Article 1 of this Law shall be the National and Regional Road Fund of the Republic of Macedonia. National and Regional Road Fund of the Republic of Macedonia shall allocate to the Customs Administration and the Public Enterprise for Railway Infrastructure “Makedonski Zeleznici” Skopje (Macedonian Railways) euro-indexed Denar amount of the World Bank loan necessary for implementation of the activities under the project components, the realization of which is within the competence of the Customs Administration and the Public Enterprise for Railway Infrastructure “Makedonski Zeleznici” Skopje (Macedonian Railways).

Article 5

National and regional Road Fund of the Republic of Macedonia shall repay the loan referred to in Article 1 of this Law from the Budget of the Republic of Macedonia. When repaying the loan, the Customs Administration and the Public Enterprise for Railway Infrastructure “Makedonski Zeleznici” Skopje (Macedonian Railways) shall participate, through the Ministry of Finance, proportionally to the funds utilized under the loan.

Article 6

National and Regional Road Fund and the Customs Administration shall conclude Agreement on Regulating Mutual Rights and Obligations arising from the Agreement to be concluded between the Republic of Macedonia and the International Bank for Reconstruction and Development - World Bank for realization of the Second Trade and Transport Facilitation in South East Europe Project– TTFSE 2.

Article 7

National and Regional Road Fund and the Public Enterprise for Railway Infrastructure “Makedonski Zeleznici” Skopje (Macedonian Railways) shall conclude Agreement on Regulating Mutual Rights and Obligations arising from the Agreement to be concluded between the Republic of Macedonia and the International Bank for Reconstruction and Development - World Bank for realization of the Second Trade and Transport Facilitation in South East Europe Project– TTFSE 2.

Article 8

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