

20111342963

**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 REPUBLIC OF MACEDONIA FROM THE COUNCIL OF EUROPE DEVELOPMENT BANK UNDER THE FRAMEWORK LOAN AGREEMENT FOR PARTIAL FINANCING OF CONSTRUCTION OF PHYSICAL EDUCATION FACILITIES PROJECT AND REHABILITATION OF PRIMARY AND SECONDARY SCHOOLS IN THE REPUBLIC OF MACEDONIA**

Law on Borrowing a Loan by the Republic of Macedonia from the Council of Europe Development Bank under the Framework Loan Agreement for partial financing of Construction of Physical Education Facilities Project and Rehabilitation of Primary and Secondary Schools in the Republic of Macedonia, adopted by the Parliament of the Republic of Macedonia at its session held on 29<sup>th</sup> September 2011 shall be promulgated.

No. 07-4050/1  
29<sup>th</sup> 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 REPUBLIC OF MACEDONIA FROM THE COUNCIL OF EUROPE DEVELOPMENT BANK UNDER THE FRAMEWORK LOAN AGREEMENT FOR PARTIAL FINANCING OF CONSTRUCTION OF PHYSICAL EDUCATION FACILITIES PROJECT AND REHABILITATION OF PRIMARY AND SECONDARY SCHOOLS IN THE REPUBLIC OF MACEDONIA**

Article 1

Republic of Macedonia shall borrow a loan from the Council of Europe Development Bank in the amount of EUR 30,000,000 for partial financing of the Project for Construction of Physical Education Facilities and Rehabilitation of Primary and Secondary Schools in the Republic of Macedonia.

Article 2

Terms and conditions and the manner of using the loan referred to in Article 1 of this Law shall be determined in the Framework Loan Agreement for partial financing of the Project for

Construction of Physical Education Facilities and Rehabilitation of Primary and Secondary Schools in the Republic of Macedonia, to be concluded between the Republic of Macedonia and the Council of Europe Development Bank.

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

#### Article 3

Loan referred to in Article 1 of this Law shall be disbursed in at least two tranches.

Repayment period of each loan tranche referred to in Article 1 of this Law shall be 20 years at the most, including a grace period of up to five years.

First tranche shall be disbursed within 12 months following the entry into force of the Framework Loan Agreement referred to in paragraph 1, Article 2 of this Law and it shall not exceed 30% of the total loan amount.

Disbursement of each tranche shall be realized after the Republic of Macedonia shall inform, in writing, the Council of Europe Development Bank, that 90% of the amount of the previous tranche has been allocated.

#### Article 4

Interest rate shall be determined for each loan tranche separately on the day of submission of the disbursement request by the Ministry of Finance, depending on which interest rate shall be more favourable for the Republic of Macedonia (fixed or floating).

#### Article 5

Ministry of Science and Education shall realize the Project for Construction of Physical Education Facilities and Rehabilitation of Primary and Secondary Schools in the Republic of Macedonia under the Framework Loan Agreement referred to in paragraph 1 in Article 2 of this Law.

#### Article 6

Republic of Macedonia shall repay the loan referred to in Article 1 of this Law 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".