

LAW

on Borrowing of a Credit by the Republic of Macedonia from the European Investment Bank under the Financial Contract for APEX Global Loan for Financing of Small and Medium-Size Enterprises and Infrastructure Projects proposed by the Local Municipalities in the amount of EUR 20 million

Article 1

Republic of Macedonia shall borrow a credit from the European Investment Bank for global financing of small and medium-size enterprises and infrastructure projects in local government in the amount of EUR 20 million.

Article 2

Terms and conditions and the manner of using the credit referred to in Article 1 of this Law shall be determined in the Financial Agreement between the Republic of Macedonia and the European Investment Bank for financing of small and medium-size enterprises and infrastructure projects in local government.

Article 3

Realization of the credit referred to in Article 1 shall commence through Stopanska Banka AD Skopje and Komercijalna Banka AD Skopje, with a possibility, according to the Financial Agreement between the Republic of Macedonia and the European Investment Bank, other commercial banks from the Republic of Macedonia to be included in the further realization.

On behalf of the Government of the Republic of Macedonia, credit shall be administered by the National Bank of the Republic of Macedonia.

Article 4

The conditions and the manner of using the credit referred to in Article 1 of this Law by the commercial banks shall be determined in the on-lending agreements concluded by the Minister of Finance, on behalf of the Government of the Republic of Macedonia, and the commercial banks, which are to be approved by the European Investment Bank.

Obligations of the commercial banks when implementing the credit shall be defined in the agreements referred to in paragraph 1 of this Article.

Article 5

The repayment period for the credit for small and medium-size enterprises shall be 12 years, including 3-year grace period.

The credit repayment period for the infrastructure projects proposed by the local municipalities shall be 15 years, including 5-year grace period.

Interest rate to be applied on the credit shall be determined on the day of disbursement of funds by the European Investment Bank and it can be fixed or variable.

Ministry of Finance shall decide which interest rate shall be applied on the credit.

Article 6

Final beneficiaries shall repay the funds to the commercial banks. Commercial banks shall be obliged to service the liabilities towards the Budget of the Republic of Macedonia, while liabilities towards the European Investment Bank shall be serviced 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“.