

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 Real Estate Cadastre and Registration Project

Article 1

The Republic of Macedonia shall borrow a loan from the International Bank for Reconstruction and Development - World Bank in the amount of EUR 10.300.000, intended for implementation of the Real Estate Cadastre and Registration Project.

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 Real Estate Cadastre and Registration Project, 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 and annual interest rate LIBOR +0.75%.

The loan shall be repaid in 24 semi-annual annuities, of which, starting from 15th November 2010 until 15th November 2021, 23 equal semi-annual annuities shall be repaid in the amount of EUR 430.000 and on 15th May 2022, the last annuity shall be repaid in the amount of EUR 410.000.

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

Article 4

On or immediately after the date of effectiveness of the Loan Agreement referred to in Article 2, paragraph 1 of this Law or immediately thereafter, one-off fee shall be paid – a cost in the amount of 1% of the loan amount. The amount of the one-off fee could be less than 1% on the basis of previous decision by the International Bank for Reconstruction and Development – the World Bank.

Commitment fee shall be paid of 0,75% annually. The commitment fee shall be set by the International Bank for Reconstruction and Development - the World Bank.

The fee referred to in paragraph 2 of this Article shall be paid semi-annually, on 15th May and 15th November each year.

Article 5

Beneficiary of the proceeds of the loan for the Real Estate Cadastre and Registration Project shall be the State Authority for Geodetic Works of the Republic of Macedonia.

Article 6

The Republic of Macedonia shall repay the loan referred to in Article 1 of this Law with resources projected in the Budget of the Republic of Macedonia for the State Authority for Geodetic Works of the Republic of Macedonia.

Article 7

Should the State Authority for Geodetic Works of the Republic of Macedonia fail to timely service the liabilities under the loan, the Minister of Finance shall have the right to stop the utilization of the resources projected in the Budget of the Republic of Macedonia for the State Authority for Geodetic Works and to make re-wiring of the projected budget resources for the current year up to the amount due to be paid by the Republic of Macedonia in the current year towards the International Bank for Reconstruction and Development – World Bank on the basis of interest and principal, subject to the Loan Agreement.

Article 8

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