

## **LAW**

### **ON BORROWING A LOAN BY THE REPUBLIC OF MACEDONIA FROM THE EUROPEAN COMMUNITY IN THE AMOUNT OF EUR 50 MILLION INTENDED FOR BALANCE OF PAYMENTS SUPPORT OF THE REPUBLIC TO THE REPUBLIC OF MACEDONIA**

#### **Article 1**

The Republic of Macedonia shall borrow a loan from the European Community in the amount of EUR 50 million intended for BOP support.

#### **Article 2**

The loan referred to in Article 1 of this Law shall be disbursed in three tranches:

The first tranche of 10 million shall be disbursed before the end of 2000, immediately after the signing of the PRGF/EFF arrangement with IMF.

The second tranche of EUR 12 million shall be disbursed not earlier than three months after the disbursement of the first tranche and after the European Community determines that the conditions determined under the PRGF/EFF arrangement with IMF are being fulfilled as it was envisaged.

The disbursement period as well as the conditions for disbursing the third tranche of EUR 28 million shall be additionally agreed between the European Community and the Republic of Macedonia.

#### **Article 3**

The repayment period of the loan referred to in Article 1 of this Law shall be 15 years including 10-year grace period and variable interest rate – EURIBOR plus 0.30 percents.

The loan shall be repaid in semi-annual installments falling due on the dates to be determined in the on-lending agreements, whereby the first installment shall fall due in the 11<sup>th</sup> year, while the last in the 15<sup>th</sup> year of the effectiveness of the loan.

#### **Article 4**

The Republic of Macedonia shall repay the loan referred to in Article 1 of this Law from the Budget of the Republic of Macedonia.

#### **Article 5**

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