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PARLIAMENT OF THE REPUBLIC OF MACEDONIA

Pursuant to Article 75, paragraphs 1 and 2 of the Constitution of the Republic of Macedonia, the President of the Republic of Macedonia and the President of the Parliament of the Republic of Macedonia shall issue the following

DECREE

ON PROMULGATION OF THE LAW ON GUARANTEE BY THE REPUBLIC OF MACEDONIA FOR THE LOAN AGREEMENT FOR ADDITIONAL FINANCING OF THE AD MEPSO PROJECT, TO BE CONCLUDED BETWEEN THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT -THE WORLD BANK AND AD MEPSO

Law on Guarantee by the Republic of Macedonia for the Loan Agreement for Additional Financing of the AD MEPSO, to be concluded between the International Bank for Reconstruction and Development-the World Bank and AD MEPSO, adopted by the Parliament of the Republic of Macedonia at its session held on 6th April 2011 shall be promulgated.

No. 07-1892/1
6th April 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 GUARANTEE BY THE REPUBLIC OF MACEDONIA FOR THE LOAN AGREEMENT FOR ADDITIONAL FINANCING OF THE AD MEPSO PROJECT, TO BE CONCLUDED BETWEEN THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT-THE WORLD BANK AND AD MEPSO

Article 1

Republic of Macedonia shall guarantee the settlement of liabilities and the fulfillment of the provisions under the Loan Agreement intended for Additional Financing of the AD MEPSO Project for AD MEPSO to be concluded between the International Bank for Reconstruction and Development- World Bank and AD MEPSO in the amount of EUR 14,000,000 within the deadlines and under the conditions envisaged under the Loan Agreement, if AD MEPSO fails to meet and service the liabilities under the Loan Agreement.

Article 2

Conditions and manner of using the loan referred to in Article 1 of this Law shall be determined in Loan Agreement to be concluded between the International Bank for Reconstruction and Development - World Bank and AD MEPSO for Additional Financing of the AD MEPSO.

Article 3

All liabilities arising from the Loan Agreement referred to in Article 1 of this Law, as well as the loan servicing shall be carried out by AD MEPSO from the revenues it realizes, within the deadlines and under the conditions determined in the Loan Agreement.

Article 4

Repayment period for the loan referred to in Article 1 of this Law shall be 22 years, including 6-year grace period.

Interest rate shall be 6-month EURIBOR with variable spread.

Republic of Macedonia shall pay the International Bank for Reconstruction and Development - World Bank front-end fee in the amount of 0.25% of the loan amount on the disbursement date.

Loan shall be repaid in 32 semi-annual installments, on each 15th May and 15th November in the year. 31 semi-annual installments, each amounting to 3.13% of the loan amount, shall be repaid from 15th May 2017 until 15th May 2032, while the last installment amounting to 2.97% of the loan amount shall be repaid on 15th November 2032.

Article 5

To the end of regulating the mutual rights and obligations arising from the Loan Agreement and the Guarantee Agreement, Ministry of Finance and AD MEPSO shall conclude separate agreement.

Article 6

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