

Law

on Guarantee by the Republic of Macedonia upon the Loan Agreement for Financing the National Roads Programme to be concluded between the European Bank for Reconstruction and Development and the Public Enterprise for State Roads

Article 1

Republic of Macedonia shall guarantee the settlement of liabilities and fulfillment of the provisions in the Loan Agreement for Financing the National Roads Programme to be concluded between the European Bank for Reconstruction and Development and the Public Enterprise for State Roads, in the amount of EUR 160,000,000, should the Public Enterprise for State Roads fail to meet and settle the liabilities under the Loan Agreement.

Article 2

Terms and conditions and manner of using the loan shall be determined in Loan Agreement referred to in Article 1 of this Law, to be concluded between the European Bank for Reconstruction and Development and the Public Enterprise for State Roads for financing the National Roads Programme.

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 the Public Enterprise for State Roads from the revenues it generates, within the deadlines and under the terms and conditions determined in the Loan Agreement referred to in Article 1 of this Law.

Article 4

Repayment deadline for the loan referred to in Article 1 of this Law shall be 15 years, including 4- year grace period.

Interest rate shall be variable six-month EURIBOR plus 1% margin.

Public Enterprise for State Roads shall pay the European Bank for Reconstruction and Development front-end fee in the amount of 1 % of the first tranche amount within seven days from the day of its effectiveness.

Within seven days from the Availability Date for the second tranche, the Public Enterprise for State Roads shall pay the European Bank for Reconstruction and Development front-end fee in the amount of 1% of the second tranche amount.

Public Enterprise for State Roads shall pay the European Bank for Reconstruction and Development commitment charge in the amount of 0.5% of the loan amount, per annum.

Commitment charge for the first tranche shall accrue after sixty days from the day of signing the Loan Agreement referred to in Article 1 of this Law; while the commitment charge for the second tranche shall accrue after seven days from the second tranche Availability Date.

Article 5

To the end of regulating the mutual rights and obligations arising from the Loan Agreement referred to in Article 1 of this Law and the Guarantee Agreement, Ministry of Finance and Public Enterprise for State Roads 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”.