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**PARLIAMENT OF THE REPUBLIC OF NORTH MACEDONIA**

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

**DECREE ON PROMULGATION OF THE LAW ON GUARANTEE BY THE REPUBLIC OF NORTH MACEDONIA OF LIABILITIES UNDER THE FINANCE CONTRACT, COVID-19 RESPONSE NORTH MACEDONIA - DEVELOPMENT BANK OF THE NORTH MACEDONIA JSC SKOPJE FOR FINANCING SMALL - AND MEDIUM-SIZED ENTERPRISES AND MID-CAP COMPANIES, TO BE CONCLUDED BETWEEN THE EUROPEAN INVESTMENT BANK AND THE DEVELOPMENT BANK OF THE NORTH MACEDONIA JSC SKOPJE**

Law on Guarantee by the Republic of North Macedonia of liabilities under the Finance Contract, COVID-19 Response North Macedonia - Development Bank of the North Macedonia JSC Skopje for financing small- and medium-sized enterprises and mid-cap companies, to be concluded between the European Investment Bank and the Development Bank of the North Macedonia JSC Skopje,

adopted by the Parliament of the Republic of North Macedonia at its session held on 1<sup>th</sup> June 2021 shall be promulgated.

No. 08-2633/1  
1<sup>th</sup> June 2021  
Skopje

President  
of the Republic of North Macedonia,  
**Stevo Pendarovski**, in his own hand

President  
of the Parliament of the Republic  
of North Macedonia,  
**Talat Xhaferi, MA**, in his own hand

**LAW ON GUARANTEE BY THE REPUBLIC OF NORTH MACEDONIA OF LIABILITIES UNDER THE FINANCE CONTRACT, COVID-19 RESPONSE NORTH MACEDONIA - DBNM FOR FINANCING SMALL- AND MEDIUM-SIZED ENTERPRISES AND MID-CAP COMPANIES, TO BE CONCLUDED BETWEEN THE EUROPEAN INVESTMENT BANK AND THE DEVELOPMENT BANK OF THE NORTH MACEDONIA JSC SKOPJE**

Article 1

Republic of North Macedonia shall guarantee the settlement of liabilities under the Finance Contract, COVID-19 Response North Macedonia - DBNM for financing

small- and medium-sized enterprises and mid-cap companies in the amount of EUR 100,000,000, to be concluded between the European Investment Bank and the Development Bank of the North Macedonia JSC Skopje, should the Development Bank of the North Macedonia JSC Skopje fail to meet and settle the liabilities under the terms and conditions envisaged in the Finance Contract.

#### Article 2

Terms and conditions and the manner of using the loan referred to in Article 1 of this Law shall be determined in a Finance Contract COVID-19 Response North Macedonia - DBNM to be concluded between the European Investment Bank and the Development Bank of the North Macedonia JSC Skopje for financing small- and medium-sized enterprises and mid-cap companies.

#### Article 3

All financial liabilities arising from the Finance Contract Covid-19 Response North Macedonia - DBNM referred to in Article 1 of this Law, shall be settled by the Development Bank of the North Macedonia JSC Skopje.

#### Article 4

The loan referred to in Article 1 of this Law shall be disbursed in 20 tranches at the most. Minimum amount of the tranche is EUR 5,000,000.

As for each tranche disbursement of the loan amount, the European Investment Bank shall issue a Disbursement Notice, which shall determine the financial requirements as regards the tranche, that being: the amount of the tranche, the payment date, the interest rate, the repayment period and other terms and conditions related to the disbursement of funds.

Repayment period of each loan tranche, except for the working capital tranche, may be from four years up to 12 years starting from the Scheduled Disbursement Date, including a grace period, which may range from 30 days to four years from the Scheduled Disbursement Date. Loan repayment period shall be determined for each tranche separately in the Disbursement Notice. The tranche may also be repaid in a single installment, on a date falling between three and eight years from the Scheduled Disbursement Date.

Repayment period of the working capital tranche, may be from four years up to five years starting from the Scheduled Disbursement Date, including a grace period, which may range from 30 days to one year from the Scheduled Disbursement Date. Loan repayment period shall be determined for each tranche separately in the Disbursement Notice. Working capital tranche may also be repaid in a single installment, on a date falling on the three years from the Scheduled Disbursement Date.

Article 5

Interest rate shall be determined for each tranche of the loan separately, in the Disbursement Notice.

Article 6

To the end of regulating the mutual rights and obligations arising from the Finance Contract COVID19 Response North Macedonia - DBNM and the Guarantee Agreement, Ministry of Finance and Development Bank of the North Macedonia JSC Skopje shall conclude separate agreement.

Article 7

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