

20222032858

PARLIAMENT OF THE REPUBLIC OF NORTH MACEDONIA

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

DECREE

ON PROMULGATION OF THE LAW ON BORROWING A LOAN BY THE REPUBLIC OF NORTH MACEDONIA FROM THE EUROPEAN INVESTMENT BANK UNDER THE FINANCE CONTRACT FOR THE MUNICIPAL WATER INFRASTRUCTURE NORTH MACEDONIA PROJECT

Law on Borrowing a Loan by the Republic of North Macedonia from the European Investment Bank under the Finance Contract for the Municipal Water Infrastructure North Macedonia Project, adopted by the Parliament of the Republic of North Macedonia, at its session held on 15th September 2022 shall be hereby promulgated.

No. 08-3827/1
15th September 2022
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 BORROWING A LOAN BY THE REPUBLIC OF NORTH MACEDONIA FROM THE EUROPEAN INVESTMENT BANK UNDER THE FINANCE CONTRACT FOR THE MUNICIPAL WATER INFRASTRUCTURE NORTH MACEDONIA PROJECT

Article 1

Republic of North Macedonia shall borrow a loan from the European Investment Bank in the amount of EUR 50,000,000, intended for financing the Municipal Water Infrastructure North Macedonia Project.

Article 2

The 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 for the Municipal Water Infrastructure North Macedonia Project, to be concluded between the Republic of North Macedonia and the European Investment Bank.

Finance Contract referred to in paragraph 1 of this Article shall be signed by the Minister of Finance on behalf of the Republic of North Macedonia.

Article 3

The Loan referred to in Article 1 of this Law shall be disbursed in 20 tranches at the most. The amount of each tranche shall be in a minimum of the equivalent to EUR 2,000,000.

The interest rate shall be determined for each tranche separately, on the day of submission of the Disbursement Request by the Ministry of Finance, depending on which interest rate shall be more favorable for the Republic of North Macedonia (fixed or floating).

Repayment period for each loan tranche may be from at least four years up to 25 years at the most starting from the Scheduled Disbursement Day, including a grace period, which may range from 30 days to five years from the Scheduled Disbursement Day.

Loan repayment period shall be determined for each tranche separately on the day of submission of the Disbursement Request by the Ministry of Finance.

The tranche may also be repaid in a single installment, being a date falling between three and 15 years from the Scheduled Disbursement Day.

Republic of North Macedonia shall pay an up-front fee to the European Investment Bank in the amount of EUR 30,000.

Article 4

The Project shall be implemented by Ministry of Environment and Physical Planning.

Article 5

Final beneficiaries of the loan funds referred to in Article 1 of this Law shall be the municipalities and the municipality of the City of Skopje, to receive such proceeds in the form of a donation.

The allocation of the loan funds referred to in Article 1 of this Law, will be carried out on the basis of the Decision on Allocation of Funds in accordance with the Finance Contract for the Municipal Water Infrastructure North Macedonia Project, adopted by the Government of the Republic of North Macedonia.

Ministry of Environment and Physical Planning shall conclude a Donation Contract with each municipality.

Article 6

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

Article 7

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