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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 shall issue the following

DECREE

ON PROMULGATION OF THE LAW ON GUARANTEE BY THE REPUBLIC OF NORTH MACEDONIA UNDER THE LOAN AGREEMENT FOR FINANCING THE REGIONAL GASIFICATION PROJECT, TO BE SIGNED BETWEEN THE JOINT STOCK COMPANY FOR PERFORMING ENERGY ACTIVITY - NATURAL GAS TRANSMISSION NOMAGAS SKOPJE IN STATE OWNERSHIP AND EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

Law on Guarantee by the Republic of North Macedonia under the Loan Agreement for Financing the Regional Gasification Project, to be signed between the Joint Stock Company for performing energy activity - natural gas transmission NOMAGAS Skopje in state ownership and the European Bank for Reconstruction and Development, adopted by the Parliament of the Republic of North Macedonia, at its session held on 13th March 2024 is hereby promulgated.

No.08-1951/1
13th March 2024
Skopje

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

President
of the Parliament of the Republic
of North Macedonia,
Jovan Mitreski, MA, in his own hand

**LAW ON GUARANTEE BY THE REPUBLIC OF NORTH MACEDONIA UNDER THE
LOAN AGREEMENT FOR FINANCING THE REGIONAL GASIFICATION PROJECT,
TO BE SIGNED BETWEEN THE JOINT STOCK COMPANY FOR PERFORMING
ENERGY ACTIVITY - NATURAL GAS TRANSMISSION NOMAGAS SKOPJE IN
STATE OWNERSHIP AND THE EUROPEAN BANK FOR RECONSTRUCTION AND
DEVELOPMENT**

Article 1

Republic of North Macedonia shall guarantee the settlement of liabilities and the fulfillment of provisions referred to in the Loan Agreement for financing the Regional Gasification Project, to be signed between the Joint stock company for performing energy activity - natural gas transmission NOMAGAS Skopje in state ownership and European Bank for Reconstruction and Development, in the amount of EUR 98,600,000, should the Joint stock company for performing energy activity - natural gas transmission NOMAGAS Skopje in state ownership fail to meet and service the liabilities under the Loan Agreement.

Article 2

Terms and conditions and manner of using the Loan shall be determined under the Loan Agreement referred to in Article 1 of this Law, to be signed between the Joint stock company for performing energy activity - natural gas transmission NOMAGAS Skopje in state ownership and the European Bank for Reconstruction, for the purpose of financing the Regional Gasification Project.

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 settled by the Joint stock company for performing energy activity - natural gas transmission NOMAGAS Skopje in state ownership, 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

Loan referred to in Article 1 of this Law shall consist of two tranches. Tranche 1 shall amount to EUR 66,344,000, with Tranche 2 amounting to EUR 32,256,000.

Interest rate shall be six-month EURIBOR variable interest rate increased by 1% margin.

Repayment period of the two loan tranches referred to in Article 1 of this Law shall be 15 years, including three-year grace period. The two tranches of the loan shall be repaid in 24 semi-annual instalments on 10th June and 10th December each year. Repayment period of the Tranche 1 shall commence on the first day falling on the third anniversary of signing of the Loan Agreement, repayment period of Tranche 2 shall commence on the first date falling on the third anniversary of the Tranche 2 Availability Date.

European Bank for Reconstruction and Development shall, on behalf of the Borrower, withdraw a front-end commission equal to one per cent (1%) from the available amount within seven (7) days from the Effective Date with respect to Tranche 1.

European Bank for Reconstruction and Development shall, on behalf of the Borrower, withdraw a front-end commission equal to one per cent (1%) from the available amount within seven (7) days from Tranche 2 Availability Date with respect to Tranche 2.

Joint stock company for performing energy activity - natural gas transmission NOMAGAS Skopje in state ownership shall pay commitment charge of 0.5% per annum to the European Bank for Reconstruction and Development.

With respect to Tranche 1, the commitment charge shall accrue from the date sixty (60) days after the date of the Loan Agreement referred to in Article 1 of this Law.

With respect to Tranche 2, the commitment charge shall accrue from the date sixty (60) days after the Tranche 2 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 Joint stock company for performing energy activity - natural gas transmission NOMAGAS Skopje in state ownership shall sign a separate agreement.

Article 6

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