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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, the 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 BORROWING A LOAN BY THE
REPUBLIC OF NORTH MACEDONIA FROM THE KFW DEVELOPMENT BANK
UNDER THE LOAN AGREEMENT FOR THE "IRRIGATION PROGRAMME NORTH
MACEDONIA"**

Law on Borrowing a Loan by the Republic of North Macedonia from the KfW Development Bank under the Loan Agreement for the "Irrigation Programme North Macedonia ", adopted by the Parliament of the Republic of North Macedonia at its session held on 18th December 2019, shall be promulgated.

No. 08-6859/1
18th December 2019
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 KFW DEVELOPMENT BANK UNDER THE LOAN AGREEMENT FOR THE "
IRRIGATION PROGRAMME NORTH MACEDONIA"**

Article 1

Republic of North Macedonia shall borrow a loan from the KfW Development Bank in the amount of EUR 80,000,000, intended for financing the "Irrigation Programme North Macedonia".

Article 2

Terms and conditions and manner of using the loan referred to in Article 1 of this Law shall be determined in a Loan Agreement, to be concluded between the Republic of North Macedonia and the KfW Development Bank.

On behalf of the Republic of North Macedonia, the Loan Agreement referred to in paragraph 1 of this Article, shall be signed by the Minister of Finance.

Article 3

Repayment period for the loan referred to in Article 1 of this Law shall be 15 years, including 5-year grace period.

The interest rate shall be determined for each tranche separately, on the day of its disbursement.

Upon disbursement of each subsequent tranche, consolidated interest rate shall be calculated and it shall be applied to the disbursed loan amount.

Republic of North Macedonia shall pay to the KfW Development Bank management fee in the amount of 0,75 % of the loan amount.

Republic of North Macedonia shall pay commitment fee to KfW Development Bank in the amount of 0.10 % for the period beginning on the date which falls 6 (six) months until the date which falls 24 months after signing this Loan Agreement. For the subsequent period until full loan disbursement, the Republic of North Macedonia shall pay commitment fee to KfW Development Bank in the amount of 0.25%.

The fee referred to in paragraph 4 of this Law shall be paid semi-annually.

Article 4

The Ministry of Agriculture, Forestry and Water Economy shall be beneficiary of the loan referred to in Article 1 of this Law.

Article 5

The 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 6

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