

LAW

On Guarantee by the Republic of Macedonia under the Loan Agreement to be concluded between the European Bank for Reconstruction and Development and the National and Regional Road Fund of the Republic of Macedonia for implementation of the Road Project II (construction of the Skopje by-pass and of the Smokvica - Gevgelija road section)

Official Gazette of the Republic of Macedonia no. 42 dated 30th June 2003

Article 1

The Republic of Macedonia shall guarantee the settlement of the liabilities under the Loan Agreement for realization of the Road Project II (Construction of Skopje by-pass and Smokvica - Gevegelija road section) to be concluded between the European Bank for Development promotion and the National and Regional Road Fund of the Republic of Macedonia in the amount of EUR 40 million.

Article 2

All financial liabilities arising from the Loan Agreement referred to in Article 1 of this Law, as well as the loan servicing shall be made by the National and Regional Road Fund of the Republic of Macedonia from the revenues it generates, under the terms and conditions set in the Loan Agreement.

Article 3

The Loan referred to in Article 1 of this Law shall be in the following manner:
The repayment period shall be 15 years including four-year grace period and variable interest rate – six-month EURIBOR plus 1 percent.
The Loan shall be repaid in equal semi-annual instalments, falling due on 20th March and 20th September, starting from 20 September 2007 until 20th March 2018.
After the loan effectiveness, 1% one-off fee shall be paid for the loan administration, while 0.5% commitment fee shall be paid annually.

Article 4

If the due annuities under the terms and conditions determined under Loan Agreement, on behalf of the National and Regional Road Fund of the Republic of Macedonia are paid by the Republic of Macedonia, the Minister of Finance shall, after 30 days as of the day the liability was settled, but not later than 60 days, issue order to the National Bank of the Republic of Macedonia, where the National and Regional Road Fund of the Republic of Macedonia has denar account, to transfer from the account of the National and Regional Road Fund to the budget revenue account of the Republic of Macedonia, an amount in denars equal to the paid amount, plus the calculated interest and the costs incurred with regard to the respective transaction.

Article 5

Until the full loan repayment, each year the Republic of Macedonia shall transfer from the Budget of the Republic of Macedonia an amount not less than 20% of the projected amount of revenues from excises from oil derivatives to the budget of the National and Regional Road Fund of the Republic of Macedonia.

Article 6

Until the full loan repayment, each year, the budget of the National and Regional Road Fund of the Republic of Macedonia, adopted by the Parliament of the Republic of Macedonia, shall project minimum EUR 21 million for current maintenance of roads in the Republic of Macedonia

Article 7

The National and Regional Road Fund of the Republic of Macedonia, in the period 2004 – 2007 out the revenues set in the annual budget, shall provide financial resources in the amount of EUR 15,6 million as participation of the Republic of Macedonia in the Road Project II, construction of both Skopje by-pass and the Smokvica - Gevegeliya road section.

Article 8

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