

Law on Borrowing a Loan by the Republic of Macedonia from the International Bank for Reconstruction and Development - World Bank under the Loan Agreement for the third Programmatic Development Policy Loan – PDPL 3

(Official Gazette of the Republic of Macedonia no. 103/08 dated 19th August 2008)

Article 1

The Republic of Macedonia shall borrow a loan from the International Bank for Reconstruction and Development - World Bank in the amount of EUR 16,700,000, intended for implementation of the Third Programmatic Development Policy Loan – PDPL 3.

Article 2

The conditions and the manner of using the loan referred to in Article 1 of this Law shall be determined in an agreement on the third Programmatic Development Policy Loan – PDPL 3, to be concluded between the Government of the Republic of Macedonia and the International Bank for Reconstruction and Development - World Bank.

On behalf of the Republic of Macedonia, the Loan Agreement referred to in paragraph 1 of this Article shall be signed by the Minister of Finance or a person authorized by him/her.

Article 3

The repayment period of the loan referred to in Article 1 of this Law shall be 17 years including 5-year grace period. The interest rate of the loan shall be LIBOR (for euro currency), decreased by 0.06%. The interest rate may be decreased on the basis of previous decision adopted by the International Bank for Reconstruction and Development - World Bank.

The loan shall be repaid in 24 semi-annual annuities, each 15th February and 15th August in the year. Starting from 15th August 2011 until 15th August, 2024, 23 equal semi-annual installments shall be repaid, each in the amount of 4.17% of the loan i.e. EUR 696,390, while on 15th February 2025, the last installment shall be repaid in the amount of 4.09% of the loan i.e. EUR 683,030.

During the 5-year grace period, which is also project implementation period, only the interest will be paid.

On the disbursement date, the Republic of Macedonia shall pay the World Bank one-off fee amounting to 0.25% of the loan amount.

Article 4

The Ministry of Finance, on behalf of the Government of the Republic of Macedonia shall be the beneficiary of the loan referred to in Article 1 of this Law.

Article 5

The Republic of Macedonia shall service the loan referred to in Article 1 of this Law from the Budget of the Republic of Macedonia.

Article 6

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