

20221502015

**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 issue the following

**DECREE**

**ON PROMULGATION OF THE LAW ON GUARANTEE BY THE REPUBLIC OF NORTH MACEDONIA FOR THE LOAN AGREEMENT FOR FINANCING THE ESM SOLAR PV TRANSITION PROJECT, TO BE CONCLUDED BETWEEN THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT AND JSC POWER PLANTS OF NORTH MACEDONIA**

Law on Guarantee by the Republic of North Macedonia for the Loan Agreement for financing the ESM Solar PV Transition Project, to be concluded between the European Bank for Reconstruction and Development and JSC Power Plants of North Macedonia, adopted by the Parliament of the Republic of North Macedonia, at its session held on 27<sup>th</sup> June 2022, is hereby promulgated.

No. 08-2950/1  
27<sup>th</sup> June 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 GUARANTEE BY THE REPUBLIC OF NORTH MACEDONIA FOR THE LOAN AGREEMENT FOR FINANCING THE ESM SOLAR PV TRANSITION PROJECT, TO BE CONCLUDED BETWEEN THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT AND JSC POWER PLANTS OF NORTH MACEDONIA**

**Article 1**

Republic of North Macedonia shall guarantee the settlement of liabilities and the fulfilment of provisions referred to in the Loan Agreement for financing the ESM Solar PV Transition Project, to be concluded between the European Bank for Reconstruction and Development and JSC Power Plants of North Macedonia, in the amount of EUR 25,000,000, in case the JSC Power Plants of North Macedonia ESM fails to fulfil the obligations 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 concluded between the European Bank for Reconstruction and Development and JSC Power Plants of North Macedonia, for the purpose of financing the ESM Solar PV Transition Project.

Article 3

All financial 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 JSC Power Plants of North Macedonia, 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

Repayment period as regards the loan referred to in Article 1 of this Law shall be 12 years, including two year grace period.

JSC Power Plants of North Macedonia shall repay the loan in 21 equal semi-annual instalments falling due on 8<sup>th</sup> March and 8<sup>th</sup> September each year, under the terms and conditions determined in the Loan Agreement referred to in Article 1 of this Law.

Interest rate shall be 6-month EURIBOR variable interest rate increased by 1% margin.

JSC Power Plants of North Macedonia shall pay front-end commission amounting to 1% of the loan amount to the European Bank for Reconstruction and Development.

JSC Power Plants of North Macedonia shall pay commitment charge amounting to 0.5% of the loan annually to the European Bank for Reconstruction and Development.

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 JSC Power Plants of North Macedonia shall conclude 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”.