

20151935350

PARLIAMENT OF THE REPUBLIC OF MACEDONIA

Pursuant to paragraphs 1 and 2 of Article 75 of the Constitution of the Republic of Macedonia, President of the Republic of Macedonia and President of the Parliament of the Republic of Macedonia issue

DECREE ON PROMULGATION OF THE LAW ON BORROWING BY THE REPUBLIC OF MACEDONIA FROM DEUTSCHE BANK AND ERSTE BANK UNDER THE FACILITY AGREEMENT FOR THE PROJECT “GASIFICATION OF THE REPUBLIC OF MACEDONIA – PHASE 1 STIP – NEGOTINO - BITOLA SECTION AND SKOPJE – TETOVO – GOSTIVAR SECTION”

Law on Borrowing by the Republic of Macedonia from Deutsche Bank and Erste Bank under the Facility Agreement for the Project “Gasification of the Republic of Macedonia – Phase 1 Stip – Negotino - Bitola Section and Skopje – Tetovo – Gostivar Section”,

adopted by the Parliament of the Republic of Macedonia at its session held on 5<sup>th</sup> November 2015 shall be promulgated.

No. 08-5215/1  
5<sup>th</sup> November 2015  
Skopje

President  
of the Republic of Macedonia  
Gjorge Ivanov, Ph.D., in his own hand

President  
of the Parliament of the Republic  
of Macedonia  
Trajko Veljanoski, in his own hand

Law

on Borrowing by the Republic of Macedonia from Deutsche Bank and Erste Bank under the Facility Agreement for the Project “Gasification of the Republic of Macedonia – Phase 1 Stip – Negotino - Bitola Section and Skopje – Tetovo – Gostivar Section”

Article 1

Republic of Macedonia shall borrow a loan in the amount of EUR 90,000,000 from Deutsche Bank and Erste Bank for financing the Project “Gasification of the Republic of Macedonia“ - Phase 1 Stip – Negotino - Bitola Section and Skopje – Tetovo – Gostivar Section.

Article 2

Terms and conditions and manner of using the Loan referred to in Article 1 of this Law shall be determined in a Facility Agreement, to be concluded between the Government

of the Republic of Macedonia and Deutsche Bank and Erste Bank.

Minister of Finance shall sign the Facility Agreement referred to in paragraph 1 of this Article on behalf of the Government of the Republic of Macedonia.

### Article 3

All liabilities arising from the Facility Agreement referred to in Article 1 of this Law shall be settled and the loan shall be serviced with budget funds within the deadlines and under the terms and conditions set in the Facility Agreement.

### Article 4

The loan referred to in Article 1 of this Law shall be disbursed in seven tranches, in line with the deadlines and the terms and conditions set in the Facility Agreement.

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

Interest rate shall be determined on the day of signing the Facility Agreement, depending on which interest rate shall be more favourable for the Republic of Macedonia (fixed or variable). Variable interest rate shall be calculated as sum of 6m EURIBOR + margin of 450bps, while fixed interest rate shall be calculated as sum of margin of 450bps + variable spread. Interest-related costs shall be paid on semi-annual basis.

Prior to the first disbursement of the loan proceeds, one-off fee of 1.50% of the loan amount shall be paid.

Commitment charge of 2.47% annually shall be paid on the undisbursed proceeds under the loan referred to in Article 1 of this Law.

Loan proceeds shall be used as per the disbursement schedule set in the Facility Agreement, while in case when the disbursement schedule deviates from the project realization dynamics, loan proceeds shall be used for budget support.

### Article 5

To the end of regulating the mutual rights and obligations when implementing the Project referred to in Article 1 of this Law, Ministry of Finance, Ministry of Transport and Communications and Macedonian Energy Resources Joint Stock Company shall conclude a separate agreement.

### Article 6

Natural persons or legal entities being subject to or being imposed restrictive measures introduced under legally binding resolutions of the Security Council of the United Nations Organization under on the basis of Chapter VII of the UN Charter, as well as restrictive measures introduced under the legal acts of the European Union, introduced by the US Government, the EU Member States, including the United Kingdom of Great Britain and Northern Ireland, the Swiss State Secretariat for Economic Affairs and the Ministry of Finance of Japan, as well as by all other relevant government or regulatory

authorities, institutions or agencies in charge of imposing economic or financial sanctions, may not participate in the contract award procedures as regards implementation of the Project referred to in Article 1 of this Law.

#### Article 7

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