

**LAW ON BORROWING A CREDIT BY THE REPUBLIC OF MACEDONIA FROM THE
EUROPEAN INVESTMENT BANK UNDER THE FINANCE CONTRACT FOR THE WATER
SUPPLY AND WASTE WATER COLLECTION PROJECT**

Official Gazette of the Republic of Macedonia no. 83/10 dated 23th June 2010

Article 1

Republic of Macedonia shall borrow a credit from the European Investment Bank in the amount of EUR 50,000,000, intended for implementation of the Water Supply and Waste Water Collection Project.

Article 2

Conditions and manner of using the credit referred to in Article 1 of this Law shall be determined in a Finance Contract for the Water Supply and Waste Water Collection Project to be concluded between the Government of the Republic of Macedonia and the European Investment Bank.

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

Article 3

The credit referred to in Article 1 of this Law shall be disbursed in up to 20 tranches. The amount of each tranche shall be in a minimum of the equivalent to EUR 2,000,000.

Repayment period of each tranche shall be 25 years, including 5-year grace period from the Scheduled Disbursement Date. Tranch may be repaid in a single installment, being a date falling not less than 3 years or more than 15 years from the Scheduled Disbursement Date.

Article 4

Interest rate and repayment period shall be determined for each credit tranche separately on the date of submission of the disbursement request by the Ministry of Finance, depending on which interest rate shall be more favourable for the Republic of Macedonia (fixed or floating).

Article 5

Final beneficiaries of the credit funds referred to in Article 1 of this Law shall be the municipalities and the municipality of the City of Skopje, to receive such proceeds in the form of a donation.

Article 6

Republic of Macedonia shall repay the credit referred to in Article 1 of this Law from the Budget of the Republic of Macedonia.

Article 7

This Law shall enter into force on the day following the day of its publication in the „Official Gazette of the Republic of Macedonia“.