"Official Gazette of the Republic of North Macedonia", no. 186, dated 4th August 2026

20261822804

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 shall hereby issue the following

DECREE
ON PROMULGATION OF THE LAW ON BORROWING A LOAN BY THE REPUBLIC OF NORTH MACEDONIA AT THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT - WORLD BANK UNDER THE LOAN AGREEMENT FOR IMPROVING PUBLIC EXPENDITURE, ACCOUNTABILITY AND TAX ADMINISTRATION IN NORTH MACEDONIA (IMPACT) OPERATION

Law on Borrowing a Loan by the Republic of North Macedonia at the International Bank for Reconstruction and Development - World Bank under the Loan Agreement for Improving Public Expenditure, Accountability and Tax Administration in North Macedonia (IMPACT) Operation, adopted by the Parliament of the Republic of North Macedonia at its session held on 29th August 2026, shall be hereby promulgated.

No. 08-4990/1
29th July 2026
Skopje

President
of the Republic of North Macedonia,
Gordana Siljanovska-Davkova, in her own hand

President
of the Parliament of the Republic
of North Macedonia,
Afrim Gashi, in his own hand

LAW ON BORROWING A LOAN BY THE REPUBLIC OF NORTH MACEDONIA AT THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT - WORLD BANK UNDER THE LOAN AGREEMENT FOR IMPROVING PUBLIC EXPENDITURE, ACCOUNTABILITY AND TAX ADMINISTRATION IN NORTH MACEDONIA (IMPACT) OPERATION

Article 1

Republic of North Macedonia shall borrow a Loan from the International Bank for Reconstruction and Development - World Bank in the amount of EUR 25,000,000, intended for implementation of the Improving Public Expenditure, Accountability and Tax Administration in North Macedonia (IMPACT) Operation.

Article 2

Terms and conditions and the manner of using the Loan referred to in Article 1 of this Law shall be determined in the Loan Agreement for Financing the Improving Public Expenditure, Accountability and Tax Administration in North Macedonia (IMPACT) Operation, to be concluded between the Republic of North Macedonia and the International Bank for Reconstruction and Development - World Bank.

Minister of Finance shall, on behalf of the Republic of North Macedonia, sign the Loan Agreement referred to in paragraph 1 of this Article.

Article 3

Repayment period of the loan referred to in Article 1 of this Law shall be 12 years, including a three-year grace period.

Interest rate shall be six-month EURIBOR, plus variable spread.

Upon signing the Loan Agreement referred to in paragraph 1 in Article 2 of this Law, Republic of North Macedonia shall pay to the International Bank for Reconstruction and Development - World Bank, a front-end fee, accounting for 0.25% of the loan amount.

Republic of North Macedonia shall pay to the International Bank for Reconstruction and Development - World Bank, a commitment charge, accounting for 0.25% of the amount of the undisbursed loan funds on annual basis. This fee shall be calculated from the date of signing the Loan Agreement or from the date of the fourth anniversary of the date on which the loan was approved by the International Bank for Reconstruction

and Development - World Bank, whichever date is later, until the date on which the funds are withdrawn from the loan account or cancelled.
Loan referred to in Article 1 of this Law shall be repaid in 18 semi-annual instalments, 17 of which shall each account for 5.56% of the loan amount, with the last, 18th instalment, accounting for 5.48% of the loan amount. Loan referred to in Article 1 of this Law shall be repaid on 15th January and 15th July each year.

Article 4

A portion of the loan proceeds referred to in Article 1 of this Law, in the amount of EUR 23,000,000, shall be provided through the World Bank's Program-for-Results (PforR) financing instrument, and these funds shall be transferred to the Budget of the Republic of North Macedonia once the relevant indicators have been met by the Ministry of Finance, the Public Revenue Office, and the Ministry of Digital Transformation.

The remaining portion of the loan referred to in Article 1 of this Law, in the amount of EUR 2,000,000, shall be provided through the World Bank's Investment Project Financing (IPF) instrument and shall be used to finance technical assistance for the implementation of the Improving Public Expenditure, Accountability and Tax Administration in North Macedonia (IMPACT) Operation.

Article 5

The reforms covered by the Improving Public Expenditure, Accountability and Tax Administration in North Macedonia (IMPACT) Operation shall be implemented by the Ministry of Finance, the Public Revenue Office, and the Ministry of Digital Transformation.

State Audit Office of the Republic of North Macedonia shall serve as the Verification Agent for verifying that the indicators under the World Bank's Program-for-Results (PforR) financing instrument have been met and shall also carry out the audit of the Improving Public Expenditure, Accountability and Tax Administration in North Macedonia (IMPACT) Operation.

Article 6

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

Article 7

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