



## NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

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Pursuant to Article 48 paragraph 1 item 3 of the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 158/10 and 123/12) and item 10 of the Decision on the terms and the manner under which residents may enter into foreign currency loan operations and make payments based on those loan operations (Official Gazette of the Republic of Macedonia No. 166/13), the Governor of the National Bank of the Republic of Macedonia, adopted the following

### **INSTRUCTIONS**

#### **for implementing the Decision on the terms and the manner under which residents may enter into foreign currency loan operations and make payments based on those loan operations**

**(Official Gazette of the Republic of Macedonia No. 175/13)**

#### **I. GENERAL PROVISIONS**

1. These Instructions shall set forth the manner of implementing the Decision on the terms and the manner under which residents may enter into foreign currency loan operations and make payments based on those loan operations (hereinafter: Decision) by prescribing the form and the contents of the reports to be submitted to the National Bank of the Republic of Macedonia (hereinafter: the National Bank) and the deadlines for their submission.

The terms that are defined in the Decision shall have the same meaning in these Instructions.

2. The Bank shall fill in and submit a report on concluded foreign currency loan operations with residents during the month (DK - 1 Form) and a report on the amount of foreign currency loans to residents at the end of the month (DK - 2 Form) to the National Bank.

The forms referred to in paragraph 1 shall make an integral part of these Instructions.

3. For the purposes of reporting as specified by these Instructions, the bank shall not be required to present the credit risk exposure based on credit cards.

#### **II. REPORT ON CONCLUDED FOREIGN CURRENCY LOAN OPERATIONS WITH RESIDENTS DURING THE MONTH**

4. The Report on concluded foreign currency loan operations with residents during the month (DK-1 Form) shall be filled in according to the following rules:

- 4.1. Column 1 – "ref." shall present the reference number of the resident with whom the foreign currency loan operation (loan) was concluded.
- 4.2. Column 2 – "unique identification number" shall present the unique identification number of the resident legal entity. This column shall not be filled in by resident natural persons.
- 4.3. Column 3 – "tax number" shall present the unique tax number of the resident legal entity. This column shall not be filled in by resident natural persons.
- 4.4. Column 4 - "resident" shall state the name and surname, i.e. the name of the resident with whom the foreign currency loan operation was concluded.

In the light of these Instructions, residents shall be classified into four categories: I, II, III and IV category of residents.

The first category of residents shall include net exporters. The term "net exporters" shall have the meaning defined in the Decision on credit risk management.

The second category of residents shall include residents whose price of prevailing product depends on the price movements of such product on the international markets.

The third category of residents shall include the resident natural persons.

The fourth category of residents shall include all other residents the bank has extended foreign currency loans to, that do not belong to the foregoing three categories of residents.

- 4.5. Column 5 - "risk category" shall state the risk category of the foreign currency loan, using the criteria defined in the Decision on credit risk management.
- 4.6. Column 6 – "currency code" shall present the currency code of the concluded foreign currency loan operation.
- 4.7. Column 7 – "amount of foreign currency loan (in 000)" shall present the amount of the foreign currency loan.
- 4.8. Column 8 – "amount of Denar loan (in 000)" shall present the Denar equivalent of the foreign currency loan, using the exchange rate on the date of concluding the loan operation, agreed between the bank and the resident.
- 4.9. Column 9 – "exchange rate" shall state the exchange rate at which the foreign currency loan operation was concluded with the resident.
- 4.10. Column 10 - "purpose" shall present the purpose of the foreign currency loan. When filling in this column, the following two codes shall be used:
  - PS – for foreign currency loan intended for international payment;
  - PZ - for foreign currency loan intended for domestic payments.
- 4.11. Column 11 - "date of concluding loan operation" shall state the date when the authorized bank transfers the funds from the foreign currency loan to the resident's account.

- 4.12. Column 12 - "due date" shall state the due date of the foreign currency loan.
- 4.13. Column 13 - "collateral" shall state the summary of the type of collateral for the foreign currency loan, using one or several of the codes of the type of collateral, in accordance with the Instructions for implementation of the Decision on the contents and the manner of functioning of the Credit Registry.
- 4.14. Row I - "total foreign currency loans to the first category of residents" shall present the sum of the amount of foreign currency loans to the first category of residents.
- 4.15. Row II - "total foreign currency loans to the second category of residents" shall present the sum of the amount of foreign currency loans to the second category of residents.
- 4.16. Row III - "total foreign currency loans to the third category of residents" shall present the sum of the amount of foreign currency loans to the third category of residents.
- 4.17. Row IV - "total foreign currency loans to the fourth category of residents" shall present the sum of the amount of foreign currency loans to the fourth category of residents.
- 4.18. Row V - "total foreign currency loans to residents" shall state the sum of the amounts presented in rows I, II, III and IV.
- 4.19. Rows I, II, III, IV and V shall be filled in only for columns 7 and 8.

### **III. REPORT ON THE AMOUNT OF FOREIGN CURRENCY LOANS TO RESIDENTS AT THE END OF THE MONTH**

5. The Report on the amount of foreign currency loans to residents at the end of the month (DK-2 Form) shall be filled in according to the following rules:
  - 5.1. Column 2 - "description" - foreign currency loans shall be classified into four groups according to the category of residents as defined by the criteria referred to in item 4 subitem 4.4 of these Instructions.
  - 5.2. Column 3 - "loans for international payments" shall present the amount of foreign currency loans intended for international payments at the end of the reporting month, distributed by risk category as specified by the Decision on credit risk management. This item includes the part of the groups of accounts which records foreign currency loans to residents intended for international payments, except for the accounts that record accumulated amortization and impairment.
  - 5.3. Column 4 - "loans for domestic payments" shall present the amount of foreign currency loans used in Denar equivalent for domestic payments at the end of the reporting month, distributed by risk category as specified by the Decision on credit risk management. This item includes the part of the groups of accounts which records foreign currency loans to residents used in Denar equivalent for domestic payments, except for the accounts that record accumulated amortization and impairment.

- 5.4. Column 5 - "regular loans" shall present the sum of the part of columns 3 and 4 that refer to regular foreign currency loans.
- 5.5. Column 6 - "nonperforming loans" shall present the sum of the part of columns 3 and 4 that refer to nonperforming foreign currency loans.
- 5.6. Column 7 - "total" shall present the sum of columns 3 and 4, i.e. a sum of columns 5 and 6.
- 5.7. Row I – "amount of foreign currency loans to the first category of residents at the end of the month" shall present the sum of the amount of foreign currency loans to the first category of residents for each risk category, at the end of the month.
- 5.8. Row II – "amount of foreign currency loans to the second category of residents at the end of the month" shall present the sum of the amount of foreign currency loans to the second category of residents for each risk category, at the end of the month.
- 5.9. Row III - "amount of foreign currency loans to the third category of residents at the end of the month" shall present the sum of the amount of foreign currency loans to the third category of residents for each risk category, at the end of the month.
- 5.10. Row IV - "amount of foreign currency loans to the fourth category of residents at the end of the month" shall present the sum of the amount of foreign currency loans to the fourth category of residents for each risk category, at the end of the month.
- 5.11. Row V - "amount of foreign currency loans to residents at the end of the month" shall present a sum of rows I, II, III and IV.
- 5.12. Row VI - "recovered foreign currency loans" shall record the amount of foreign currency loans to residents recovered in the reporting month, filling in only columns 5, 6 and 7. Column 7 shall present the sum of recovered foreign currency loans of columns 5 and 6.
- 5.13. Row VII - "foreign currency loans carried over" shall record the amount of foreign currency loans to residents carried over from the accounts for regular loans to the accounts for nonperforming loans and vice versa, during the reporting month, thus filling in only the following columns:
  - Column 5 - "regular loans" shall record the amount of foreign currency loans carried over from the accounts for nonperforming loans to the accounts for regular loans.
  - Column 6 - "nonperforming loans" shall record the amount of foreign currency loans carried over from the accounts for regular loans to the accounts for nonperforming loans.

#### **IV. REPORTING TO THE NATIONAL BANK**

6. The bank shall submit the reports referred to in item 2 paragraph 1 of these Instructions to the National Bank, on a monthly basis, within 15 days of the end of the reporting month.

#### **V. CLOSING PROVISIONS**

7. Once these Instructions become effective, the Instructions for enforcing the Decision on the terms and the manner of extending foreign currency credits and foreign currency indexed credits between residents (Official Gazette of the Republic of Macedonia No. 52/06 and 43/09) shall become void.
8. These Instructions shall enter into force on the eighth day of the date of publication in the Official Gazette of the Republic of Macedonia, and shall apply until 1 January, 2015.

**I No. 38042/2  
6 December, 2013  
Skopje**

**Dimitar Bogov  
Governor**