

**LAW  
ON THE NATIONAL BANK OF THE REPUBLIC OF NORTH MACEDONIA**

**(Unofficial consolidated version)<sup>1</sup>**

**I. GENERAL PROVISIONS**

**Subject of regulation  
Article 1**

This Law shall regulate the organization and operations of the National Bank of the Republic of North Macedonia, the task and the competences of the National Bank of the Republic of North Macedonia as of the date of accession of the Republic of North Macedonia to the European Union and the task and the competences of the National Bank of the Republic of North Macedonia after the introduction of the Euro as the official currency of the Republic of North Macedonia.

**Legal environment  
Article 2**

- (1) This Law shall supersede any other law.*
- (2) When applying this Law, each term not defined by this Law, shall have the meaning as defined by other law.
- (3) If some matter related to the organization and operation of the National Bank of the Republic of North Macedonia (hereinafter referred to as the National Bank) is not regulated by this Law, the provisions of other laws that regulate that matter shall apply.
- (4) The provisions of this Law shall not be amended or superseded, in whole or in part, by other laws.<sup>2</sup>*

**Legal status  
Article 3**

- (1) The National Bank shall be the central bank of the Republic of North Macedonia.

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<sup>1</sup> This unofficial consolidated version of the Law on the National Bank of the Republic of Macedonia contains the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 158/10), the Law Amending the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 123/12), the Law Amending the Law on the National Bank of the Republic of Macedonia (Official Gazette of Republic of Macedonia' No. 43/14), the Law Amending the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 153/15). the Law Amending the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 6/16) and the Law Amending the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 83/18), the Law on amending the Law on the National Bank of the Republic of Macedonia ("Official Gazette of the Republic of North Macedonia" No.110/21), ("Official Gazette of the Republic of North Macedonia" No.74/24), The Decision by the Constitutional Court of the Republic of Macedonia ("Official Gazette of the Republic of North Macedonia" No.121/24) and Law amending the Law on the National Bank of the Republic of North Macedonia ("Official Gazette of the Republic of North Macedonia" No.16/25).

<sup>2</sup> (The underlined provisions have been deleted in accordance with the Decision of the Constitutional Court of the Republic of North Macedonia published in the "Official Gazette of the Republic of North Macedonia" No. 121/24.

- (2) The National Bank shall be a legal entity having administrative, financial and management independence.
- (3) The National Bank shall be entrusted with all powers necessary to achieve the objectives and implement the tasks set out in this Law.

### **Legal capacity**

#### **Article 4**

The National Bank, as a legal entity, shall have a legal capacity to participate in the legal operations, in particular to:

- 1) enter into contracts;
- 2) institute legal proceedings and be subject to such proceedings; and
- 3) acquire, administer, hold and dispose of, its movable and immovable property.

### **Independence**

#### **Article 5**

- (1) In the pursuit of its objectives and the performance of its tasks, the National Bank shall be independent and accountable as provided for in this Law.
- (2) The National Bank, the National Bank Council members or the National Bank staff, shall not seek or take instructions from any government authorities, municipal bodies, bodies of the City of Skopje and any other legal entities and/or natural persons.
- (3) The decisions of the National Bank Council shall not be approved, revoked, annulled or amended by the entities set forth in paragraph (2) of this Article.
- (4) The independence of the National Bank shall be respected at all times and no person or entity set forth in paragraph (2) of this Article shall seek to influence National Bank Council members or the National Bank staff in the performance of their functions, i.e. operations, or to interfere in the activities of the National Bank.

### **Objectives**

#### **Article 6**

- (1) The primary objective of the National Bank shall be to achieve and to maintain price stability.
- (2) Another objective of the National Bank, subordinated to the primary objective, is to contribute to achieving and maintaining financial stability.
- (3) The National Bank shall support the general economic policies without endangering the achievement of the objective set forth in paragraph (1) of this Article and in conformity with the principle of open market economy and free competition.

### **Tasks**

#### **Article 7**

In order to achieve the objectives set forth in Article 6 of this Law, the National Bank shall:

- 1) design and conduct the monetary policy;
- 2) participate in the determination of the exchange rate regime;
- 3) design and conduct the exchange rate policy;
- 4) hold and manage the official foreign reserves;
- 5) issue and manage the banknotes and coins of the Republic of North Macedonia;
- 6) conduct research in areas of relevance for achieving the National Bank goals;
- 7) collect, produce and disseminate statistics in pursuance of the tasks as required by the law;

- 8) establish, promote, regulate and oversee payment systems stability, reliability and efficiency in accordance with this or other laws;
- 9) regulate, issue and revoke licenses, issue and revoke approvals, and supervise banks, savings houses, and other financial institutions as specified in this or other laws;
- 9-a) regulate, issue and revoke licenses, issue and revoke approvals to payment institutions, electronic money institutions and payment system operators and oversee payment service providers, electronic money issuers and payment system operators, in accordance with this or other laws
- 10) supervise the application of regulations that govern foreign currency operations, exchange operations, anti-money laundering systems and customer protection, as specified in this and other laws;
- 10-a) implement macro-prudential policy and undertake macro-prudential measures toward banks, savings houses and other financial institutions which it has licensed and perform other activities for maintaining financial stability, in consistence with this or other laws
- 10-b) perform bank resolution activities, in accordance with this or other laws
- 11) act as fiscal agent to the Government of the Republic of North Macedonia;
- 12) participate in international institutions and organizations concerning matters that are within its fields of competence;
- 13) organize trading and settlement of securities on the OTC markets and
- 14) carry out any other activities related to the exercise of its tasks under this Law or any other law.

### **Public interest**

#### **Article 8**

The banking system and financial stability as well as the measures undertaken for its attaining and maintaining shall be of public interest.

### **Standards of good governance**

#### **Article 9**

- (1) The National Bank shall use the powers given to it in accordance with good governance practices. The National Bank shall refrain from using any such power to serve an objective for which the power was not given or in excess of what shall be required to achieve the objective for which the power was given.
- (2) The decisions of the National Bank shall be impartial and based only on objective and rational considerations. They shall be executed in fair, indiscriminatory and deliberate fashion.

### **Head office and seal**

#### **Article 10**

- (1) The Head Office of the National Bank shall be in Skopje.
- (2) The seal of the National Bank shall bear the name of the National Bank in Macedonian language with Cyrillic letters and the coat of arms of the Republic of North Macedonia.

### **Administrative Procedure**

#### **Article 11**

- (1) During the procedure for adoption of individual administrative acts which, according to this and other law, are subject to decision of the Governor or the Executive Board, the provisions of the Law on General Administrative Procedure shall apply, unless otherwise regulated by

this or other law.

- (2) The administrative acts referred to in paragraph (1) of this Article may not be appealed. An administrative dispute may be initiated, unless otherwise specified in this or other laws.
- (3) Provisions referred to in paragraph (2) of this Article shall not apply to acts adopted by the Governor of the National Bank in the public procurement procedure.

## **II. CAPITAL, RESERVES AND PROFITS**

### **Capital Article 12**

- (1) The capital of the Bank on the day of entering of this law into effect shall be an amount equivalent to Denar 1,289,789,232.00.
- (2) The capital of the National Bank shall be held solely by the Republic of North Macedonia and shall not be transferable or subject to encumbrance.
- (3) The capital of the National Bank may be increased as proposed by the National Bank, with a decision of the Parliament of the Republic of North Macedonia.
- (4) The capital of the National Bank shall not be reduced.

### **Reserves Article 13**

- (1) The National Bank shall establish general and revaluation reserves.
- (2) The general reserve shall be used for covering the National Bank losses.
- (3) The revaluation reserves shall be formed from unrealized gains from exchange rate and price changes and shall be used for covering unrealized losses from exchange rate and price changes, where the total value of revaluation reserves may not fall below zero.
- (4) shall be deleted.

### **Financial result, distributable profits and loss for covering Article 14**

- (1) The National Bank financial result shall be determined in accordance with the International Financial Reporting Standards.
- (2) From the financial result referred to in paragraph (1) of this Article, the unrealized gains from exchange rate and price changes shall be transferred to revaluation reserves, and unrealized losses from exchange rate and price changes shall be covered by revaluation reserves, adding the realized gains and losses for which revaluation reserves were allocated in previous years. Such calculated result, if positive, shall represent a distributable profit, and if negative, shall represent a loss for covering for the financial year.

### **Profit distribution and loss coverage Article 15**

- (1) Within four months after the end of the financial year, the National Bank Council shall

allocate the distributable profits as follows:

1) 30% to the general reserves until reaching the level of the core capital under Article 12 paragraph (1) of this Law, i.e. 15% upon reaching the level of the core capital under Article 12 paragraph (1) of this Law, and

2) the remainder to the Budget of the Republic of North Macedonia.

(2) The National Bank income shall be allocated only as defined under paragraph (1) of this Article.

(3) Within four months after the end of the financial year, the National Bank Council shall adopt a decision on covering the loss for the financial year under Article 14 paragraph (2) of this law, which is covered by the general reserve.

(4) If the loss exceeds the general reserve, the excess amount shall be covered by the profit in the following years, where it shall be first used to fully cover losses from previous years, and then allocated as per paragraph (1) of this Article.

### **Coverage of shortfall in capital**

#### **Article 16**

(1) If the total capital of the National Bank less the accumulated uncovered loss from the current and previous years is lower than the capital referred to in Article 12 of this law, the amount required to reach the capital shall be provided by the Budget of the Republic of North Macedonia.

(2) The total capital of the National Bank referred to in paragraph (1) of this Article shall be a sum of the capital referred to in Article 12 of this Law and the general reserve and revaluation reserves referred to in Article 13 of this law.

(3) The National Bank Council shall, within 30 calendar days from the adoption of the audited annual financial statements of the National Bank, submit a request to the Government of the Republic of North Macedonia with a rationale for the amount referred to in paragraph (1) of this Article, required to reach the capital referred to in Article 12 of this law.

(4) The Government of the Republic of North Macedonia shall, within 60 calendar days from receipt of the request referred to in paragraph (3) of this Article, transfer to the National Bank the amount required under paragraph (1) of this Article, in currency or in negotiable debt securities with a specified maturity, issued at market-based interest rates prevailing in the Republic of North Macedonia.

### **Opening of accounts**

#### **Article 17**

(1) For the purposes of conducting its activities, the National Bank may open and maintain accounts, including securities accounts of:

1) banks, savings houses, payment institutions, electronic money institutions, payment system operators, clearing and/or settlement system operators in accordance with the law governing financial instruments, brokerage houses/investment companies, government authorities and state-owned public enterprises and

2) foreign banks, foreign central banks, foreign payment system operators, international financial institutions and, where appropriate, foreign governments, international organizations and donor organizations.

- (2) The National Bank shall not open accounts for natural persons and legal entities, except for those referred to in paragraph (1) of this Article.
- (3) The National Bank may open and maintain accounts with money-deposit institutions and with foreign central banks, foreign banks, and international financial institutions.
- (4) The National Bank Council shall prescribe the general conditions for opening accounts referred to in paragraph (1) of this Article.

### **Custodial facilities**

#### **Article 18**

- (1) The National Bank may, upon payment of reasonable fees to cover its costs, provide custodial facilities to financial institutions, including pension funds.
- (2) The National Bank Council shall prescribe the conditions for providing custodial facilities.

## **III. MONETARY AND OTHER CREDIT OPERATIONS**

### **Open market and credit operations**

#### **Article 19**

The National Bank may, in order to achieve the objectives and to carry out its tasks:

- 1) operate in the financial markets by issuing securities for monetary purposes, buying and selling outright (spot or forward) or under repurchase agreement and by lending or borrowing claims and marketable instruments, as well as precious metals; and
- 2) conduct credit operations with banks, foreign bank branches and savings houses operating on the territory of the Republic of North Macedonia, by granting appropriately backed loan.

The National Bank Council shall specify the general conditions and rules for conducting credit operations referred to in paragraph (1) of this Article.

### **Reserve requirement**

#### **Article 20**

- 1) The National Bank may require banks, foreign bank branches and savings houses to hold reserve requirement on accounts with the National Bank in pursuance of its objectives of monetary policy. This reserve requirement shall be the same for each category of liabilities on the level of banks, saving houses and foreign banks branches, separately. The National Bank may pay reserve requirement remuneration.
- 2) The National Bank Council shall establish the conditions, base and percentage for calculation of the reserve requirement, and the manner and deadlines for allocating and maintaining reserve requirement.
- 3) In cases of noncompliance with the requirements specified under paragraph (1) of this Article, the National Bank shall be entitled to levy penalty interest or impose other measures in accordance with a law.

### **Other monetary policy instruments**

#### **Article 21**

The National Bank Council may decide with 2/3 majority of the total number of Council

members upon the use of other monetary policy instruments which it considers appropriate for achieving the objectives set forth in Article 6 of this Law.

### **Emergency liquidity assistance Article 22**

(1) The National Bank may provide emergency liquidity assistance for a bank in the Republic of North Macedonia, to improve the bank's liquidity in order to maintain the financial system stability. As a rule, liquidity support is approved in denars, and in foreign currency in exceptional circumstances.

(2) The National Bank may approve emergency liquidity assistance only if:

- 1) the National Bank considers that the bank is solvent and viable;
- 2) the bank needs to improve its liquidity and
- 3) the bank provides adequate collateral.

(3) The emergency liquidity assistance is temporary and is approved on a short-term basis, at an interest rate higher than the highest interest rate of the National Bank monetary instruments.

(4) By way of derogation from paragraph (2) of this Article, only on the basis of a guarantee provided by the Government of the Republic of North Macedonia, the National Bank may provide emergency liquidity assistance to a bank that does not have adequate collateral or to a bank whose solvency may not be confirmed in time or in a bank resolution procedure.

(5) When submitting a request for emergency liquidity assistance, the bank shall also submit an appropriate action plan specifying the measures that the bank intends to take.

(6) The National Bank Executive Board shall decide on the approval of the emergency liquidity assistance to a bank.

(7) The National Bank Council shall prescribe the conditions and the manner of approving emergency liquidity assistance, the types of collateral and the National Bank activities for managing any risk arising from the approved liquidity assistance.

(8) If the National Bank determines that the bank is unable to implement the approved action plan as stated in paragraph (5) of this Article, the National Bank shall take appropriate measures in accordance with a law.

## **IV. FOREIGN EXCHANGE REGIME AND FOREIGN RESERVES**

### **Exchange regime Article 23**

The exchange rate regime shall be jointly agreed between the Government of the Republic of North Macedonia and the National Bank, without prejudice to its primary objective to achieve and to maintain price stability.

### **Portfolio composition of official foreign reserves Article 24**

(1) The National Bank shall manage the foreign reserves consistent with the best international practices and in line with its objective - achievement and maintenance of price stability, adhering to the principles of safety, liquidity and profitability.

(2) The National Bank may hold in its foreign reserves portfolio any or all of the following categories of assets:

1) gold held by the National Bank or held for the account of the National Bank, including gold claims;

2) banknotes and coins denominated in freely convertible foreign currencies held by or for the account of the National Bank;

3) claims and interbank deposits payable on demand or within a short term denominated in freely convertible foreign currency and held on the National Bank accounts, with foreign central banks, foreign financial institutions or international financial institutions;

4) debt securities tradeable on international financial markets, denominated in freely convertible foreign currencies;

5) shares in investment funds registered abroad

6) special drawing rights held in the account of the Republic of North Macedonia in the International Monetary Fund and

7) the reserve position of the Republic of North Macedonia in the International Monetary Fund.

(3) The National Bank may, for the purposes of managing the foreign reserves, execute transactions and create claims and liabilities based on operations with the financial instruments, referred to in paragraph (2) of this Article, on the international financial markets.

## **V. BANKNOTES AND COINS**

### **Issuance of banknotes and coins Article 25**

- (1) The National Bank shall have the exclusive right to issue banknotes and coins.
- (2) Only banknotes and coins issued by the National Bank that have not been withdrawn from circulation shall be legal tender in the Republic of North Macedonia.
- (3) The National Bank shall determine the face value, size, weights, designs, and the security and other features of the banknotes and coins that are issued in the Republic of North Macedonia.
- (4) The National Bank shall be responsible for the supply of banknotes and coins as a legal tender in the Republic of North Macedonia.
- (5) The National Bank Council shall prescribe the conditions and the manner of supplying banknotes and coins.
- (6) The aggregate amount of circulating banknotes and coins issued by the National Bank shall be noted in the financial statements of the National Bank as a liability. Such liability shall not include banknotes and coins in the currency reserve inventory held by, or on behalf of, the National Bank.
- (7) The National Bank shall determine the lowest denomination in circulation for rounding up the final settlement in payment transactions involving cash and noncash payments and in business books.

### **Unfit banknotes and coins Article 26**



- (1) Unfit banknotes and coins shall be withdrawn, replaced, and destroyed by the National Bank.
- (2) The National Bank may decline to exchange banknotes or coins if their designs are damaged, misshaped or perforated, or if more than forty percent of their surface has been lost. Such banknote or coin shall be withdrawn and destroyed without indemnity to the owner, unless there is evidence that the missing portions have been totally destroyed, in which case the National Bank may grant compensation in whole or in part.
- (3) The National Bank shall not be required to provide any compensation for banknotes or coins that are lost, stolen or destroyed.
- (4) The National Bank may confiscate without compensation any banknotes that have been altered in their external appearance, including in particular banknotes that have been written on, painted on, stamped or perforated, or to which adhesive substance has been applied.

### **Supervision**

#### **Article 26-a**

- (1) The National Bank shall supervise the conditions and the manner of supplying banknotes and coins referred to in Article 25 paragraph (5) of this Law.
- (2) The National Bank Council shall prescribe the manner and the conditions for performing the supervision of paragraph (1) of this Article.

### **Withdrawal and replacement of banknotes and coins**

#### **Article 27**

- (1) The National Bank may decide to withdraw banknotes or coins by issuing, free of charge, other banknotes or coins in equivalent amounts.
- (2) A decision to withdraw banknotes or coins shall be issued by the National Bank Council specifying the period during which the exchange shall take place and the locations and times at which withdrawn banknotes or coins shall be replaced.
- (3) The National Bank Council shall determine the date when withdrawn banknotes and coins shall cease to be legal tender.

### **Banknote and coin reserve inventory and issue plan**

#### **Article 28**

The National Bank shall administer a banknote and coin reserve inventory, make issue plans, and ensure regular supply of banknotes and coins, in order to meet the needs of the Republic of North Macedonia for banknotes and coins.

### **Counterfeit banknotes and coins**

#### **Article 29**

- (1) Banknotes and coins presented to financial institutions denominated in legal tender, whether in the Republic of North Macedonia or abroad, which are suspected of being forgeries, must be withdrawn as specified in the procedure defined by the National Bank Council.
- (2) The National Bank shall be exclusively entitled to provide expert opinion on the authenticity of the banknotes and coins denominated in Denars or in foreign currency.
- (3) The National Bank shall seize all notes presented to it which are suspected of being counterfeited. The National Bank shall submit a written notification to the Ministry of Interior indicating the identification of the notes, their bearer, and the National Bank's

grounds for suspicion.

### **Reproductions of banknotes and coins**

#### **Article 30**

- (1) Any reproduction of banknotes or coins that are legal tender in the Republic of North Macedonia and the creation of any objects that by their design imitate any such banknote or coin shall require the prior written authorization of the National Bank.
- (2) The National Bank Council shall specify the manner and procedure authorizing the publication of photographs of currency.

## **VI. PAYMENT SYSTEMS, SUPERVISION AND OVERSIGHT , STATISTICS AND OTHER FINANCIAL SYSTEM TASKS**

### **1. Payment systems**

#### **Payment systems**

##### **Article 31**

(1) The National Bank shall ensure safe, sound and efficient operations of the payment systems in the country by means of their establishment, development, regulation and oversight.

(2) The National Bank shall establish, manage, develop and participate in the payment systems and act as a settlement agent of other payment systems and clearing and settlement systems as regulated by the law governing financial instruments.

#### **Regulation and oversight of payment system operators**

##### **Article 32**

The National Bank shall be responsible for the regulation, issuing and revoking licenses and approvals, and for the oversight, including taking measures and initiating procedures for imposing misdemeanor sanctions on payment system operators, under this or other laws.

#### **Payment system activities**

##### **Article 33**

The National Bank may undertake activities to facilitate:

- 1) the integration of its payment and settlement system and other systems in accordance with the Law on Payment Operations;
- 2) the development of new methods and technologies for payments and settlements and
- 3) the design and periodic modification of a plan for evolution of the payment system of the Republic of North Macedonia.

### **2. Supervision and oversight**

#### **Supervision**

##### **Article 34**

(1) The National Bank shall be responsible for the supervision, including taking measures and initiating procedures for imposing misdemeanor sanctions on banks, savings houses and other financial institutions, in accordance with this and other laws.

(2) When performing the tasks referred to in paragraph (1) of this Article, the National Bank may cooperate and exchange data and information with other domestic or foreign supervisory authorities and bodies, as well as with competent international bank resolution authorities, as determined by law.

(3) The National Bank may approve on-site examination of a foreign bank subsidiary and a foreign bank branch in the Republic of North Macedonia conducted by supervisory authorities of the home country of the foreign bank. A copy of the supervisory report shall be submitted to the National Bank within two months upon completion of the supervision.

(4) For the supervision performed, the National Bank shall charge banks and savings houses an annual fee, no later than 30 June of the current year. The National Bank Council shall, by a special decision, develop a methodology for calculating and charging an annual fee for the supervision of banks and savings houses, taking into account the size of their assets and the risk weighted assets.

## Oversight

### Article 34-a

(1) The National Bank shall oversee the operations of payment service providers, electronic money issuers and payment system operators, including taking measures and initiating procedures for imposing misdemeanor sanctions, in accordance with this or other laws.

(2) When performing the tasks referred to in paragraph (1) of this Article, the National Bank may cooperate and exchange data and information with domestic and foreign competent authorities and bodies, which shall only be used for oversight purposes and shall be considered confidential to the receiving party.

## 3. Statistics

### Statistics and information

#### Article 35

In pursuance of its objectives and tasks, the National Bank shall:

- 1) collect, process, analyze, abstract and disclose statistics and information relevant to the carrying out of its tasks;
- 2) define the natural persons and legal entities subject to reporting requirements;
- 3) define the statistics and information to be submitted to the National Bank and the implementation of confidentiality rules;
- 4) collaborate with governmental departments, public enterprises, public institutions and companies founded by the state or where the state is a dominant shareholder, in the collection, processing, and disclosure of statistics and other relevant information and
- 5) cooperate with international financial and other institutions in respect of the adoption of international data dissemination standards with the aim of achieving consistency and efficiency in the collection, processing and disclosure of statistics and information.

### Submission of statistics and information

#### Article 36

- (1) The institutions mentioned in Article 35, item 2 of this Law, shall submit to the National Bank statistics and information.
- (2) The National Bank Council shall determine the manner, the form and the deadlines for submission of statistics and information under paragraph (1) of this Article.

### **Availability of statistics and information**

#### **Article 37**

The National Bank shall ensure availability by posting on its website or otherwise:

- 1) statistics and information subject to the regulations on confidentiality
- 2) methodology and concepts applied when collecting and processing statistics and information that will allow verification of the statistics produced by the National Bank.

## **4. Other financial system tasks**

### **Financial stability**

#### **Article 38**

(1) The National Bank shall attain its goal to contribute to the achievement and maintenance of financial stability through the tasks and activities it performs in accordance with this or other laws.

(2) For the purposes of paragraph (1) of this Article, in the implementation of the macroprudential policy, the National Bank shall:

1) take part in the work of the Financial Stability Committee as well as in the work of the Subcommittee for Monitoring Systemic Risks and Proposing Macroprudential Measures and the Subcommittee for Preparation for Financial Crisis;

2) design a macroprudential strategy, as well as amendments thereto, and propose it to the Financial Stability Committee for adoption;

3) identify risks that may impair financial stability, including the monitoring of systemic risks to the banking system and to other financial system segments, monitoring of the intersegmental connection in the financial system and submit information to the Subcommittee on Monitoring Systemic Risks and Proposing Macroprudential Measures and

4) cooperate and request data and information from financial institutions, competent authorities, government administration bodies, public enterprises, public institutions and trading companies founded by the state or in which the state is the dominant owner and other institutions, companies, funds, agencies, associations.

(3) The data and information referred to in paragraph (2) item 4) of this Article shall be provided free of charge.

(4) The National Bank shall use the gathered data and information under paragraph (2) item 4) of this Article to prepare an annual financial stability report and shall publish it as specified in Article 62 paragraph (4) of this law.

Bank Resolution

Article 38-a

(1) The National Bank shall be responsible for conducting preparatory activities for bank resolution, initiating a bank resolution procedure and applying bank resolution tools and powers, in accordance with this or other law.

(2) When performing the activities referred to in paragraph (1) of this Article, the National Bank may cooperate and exchange data and information with the Ministry of Finance, the Deposit Protection Agency and other competent domestic authorities and institutions, as well as competent supervisory and bank resolution authorities from abroad or resolution authorities for other financial institutions in the Republic of North Macedonia or from abroad, as determined by law.

### **Credit registry**

#### **Article 39**

(1) The National Bank shall establish and maintain a Credit Registry in electronic form in which data and information related to the credit exposure and the level of credit risk of the banks and savings houses founded in the Republic of North Macedonia to legal entities and individuals shall be entered.

(2) Banks and savings houses shall be required to submit data and information of paragraph (1) of this Article.

(3) The National Bank Council shall prescribe the content of data and information from paragraph (1) of this Article, the reporting method and deadlines, the method of correcting incorrect or incomplete data, as well as the manner and conditions for the use of this data by banks and savings houses and the access of natural persons to the personal data referred to in paragraph (1) of this Article.

(4) The National Bank shall process the following categories of personal data in the Credit Registry: name and surname, personal identification number (PIN), resident / non-resident code, municipality of residence, credit party number and other data on the credit exposure of the natural persons.

(5) The Credit Registry shall process the personal data referred to in paragraph (4) of this Article for the following categories of subjects: persons to whom credit exposure has been established, and guarantors.

(6) Categories of subjects of personal data referred to in paragraph (5) of this Article may not request restriction on the processing of their personal data in the Credit Registry, considering the purposes of the Credit Registry data that are related to the banking system stability, which is a public interest as specified in Article 8 of this law.

(7) The data and information collected for the needs of the Credit Registry shall be used to improve the credit quality, for the needs of the supervision, for monitoring the risks for the financial stability and for the needs of the statistics of the National Bank.

(8) The personal data maintained in the Credit Registry shall be processed and stored in accordance with the regulations for personal data protection.

(9) Personal data contained in the Credit Registry shall be kept for a period of ten years from the date of settling the credit exposure of paragraph (1) of this Article.

(10) The personal data contained in the Credit Registry shall be given to the persons referred to in Article 74 of this law only under the conditions and in the manner provided for in Article 74 of this law and the personal data protection regulations.

**VII. RELATIONS WITH THE PARLIAMENT OF THE REPUBLIC OF NORTH  
MACEDONIA, THE GOVERNMENT OF THE REPUBLIC OF NORTH MACEDONIA  
AND OTHER INSTITUTIONS**

**Relationship with the Parliament of the Republic of North Macedonia  
Article 40**

- (1) The National Bank Council and each of its members shall be accountable to the Parliament of the Republic of North Macedonia for the achievement and maintenance of price stability and for performance the tasks of the National Bank stipulated by this Law.
- (2) The Governor of the National Bank may, at the request of the Parliament of the Republic of North Macedonia, or on his own initiative, periodically speak in the Parliament of the Republic of North Macedonia or its committees, concerning monetary policy and financial system issues and the state of the economy, with the exception of specific information that pertain to entities under supervision.
- (3) During the governor's address to the Parliament of the Republic of North Macedonia, the confidentiality provisions referred to in Article 74 of this Law shall be observed.
- (4) The National Bank may submit opinions to the Parliament of the Republic of North Macedonia concerning any draft laws related to the objectives and tasks of the National Bank.

**Banker, financial adviser, fiscal agent  
Article 41**

- (1) The National Bank shall perform banking activities for the needs of the Government of the Republic of North Macedonia.
- (2) Upon the request of the Government of the Republic of North Macedonia, the National Bank shall act as a financial adviser to the Government of the Republic of North Macedonia.
- (3) The National Bank may, on behalf of the Government of the Republic of North Macedonia, receive foreign borrowings, manage and administer, as well as settle external claims and financial liabilities of the Republic of North Macedonia.
- (4) The National Bank may, on such terms and conditions as it shall agree with the Government of the Republic of North Macedonia, act as a fiscal agent to the Government of the Republic of North Macedonia.
- (5) The National Bank may accept deposits from the Government of the Republic of North Macedonia or any other public agency. As a money-deposit institution, the National Bank shall receive and disburse money from accounts and provide other financial services related thereto.
- (6) The National Bank may pay interest on the deposits under paragraph (5) of this Article at rates that not exceed the market interest rates.
- (7) The National Bank shall pay to the limits of the deposited amounts against payment orders concerning such accounts.

**Issuance of jubilee coins  
Article 42**

The National Bank shall issue jubilee coins based on decision of the Government of Republic of North Macedonia according to the Law on Jubilee Coins.

## **Issuance of coins for collection purposes**

### **Article 42-a**

- (1) The National Bank may issue coins for collection purposes.
- (2) The National Bank Council shall prescribe the manner and the procedure for issuance and the form and the contents of the coins from paragraph (1) of this Article, as well as their managing.

## **Cooperation with the Government of the Republic of North Macedonia**

### **Article 43**

- (1) The National Bank shall cooperate with the Government of the Republic of North Macedonia in pursuing its objectives defined by this Law.
- (2) The Governor and the Minister of Finance shall hold regular joint meetings on monetary and fiscal policies and shall keep one another informed of all matters of mutual interest.
- (3) The National Bank may render opinion to the Government of the Republic of North Macedonia on any matter related to the main objective and tasks of the National Bank.
- (4) The National Bank and the Government of the Republic of North Macedonia may exchange information for the purpose of carrying out the tasks of the National Bank, with the exception of specific information relating to entities subject to supervision.
- (5) By way of derogation from paragraph (4) of this Article, the National Bank shall inform the Government of the Republic of North Macedonia of the occurrence of extraordinary circumstances within the financial system, in a way that will ensure confidentiality of data in accordance with Article 74 of this Law.
- (6) The National Bank shall, on request of the Government of the Republic of North Macedonia and only for information, provide data on the receipt by the National Bank of funds from any source.
- (7) The National Bank shall be consulted by the Government of the Republic of North Macedonia in the process of developing any regulation concerning matters that relate to the objectives, tasks and competences of the National Bank, regulated by this or any other law.

## **Prohibition on lending**

### **Article 44**

- (1) The National Bank shall not grant, directly or indirectly, credits to the Government of the Republic of North Macedonia, or any other government authority, public enterprise, public institutions, companies founded by the state or where the state is a dominant shareholder, municipality authorities, municipalities of the City of Skopje and the City of Skopje.
- (2) The provisions of paragraph (1) shall not apply to state-owned banks and other supervised state-owned entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned entities.
- (3) The National Bank may purchase government securities provided that such purchases are only made in the secondary market.

## **Prohibition on privileged access**

### **Article 45**

- (1) Any measure, not based on prudential considerations, that ensures privileged access for the Government of the Republic of North Macedonia, any other government authority, public

- enterprises, public institutions, companies founded by the state or where the state is a dominant shareholder, municipality authorities, municipalities of the City of Skopje and the City of Skopje, to financial institutions shall be prohibited.
- (2) The Government of the Republic of North Macedonia shall lay down definitions for the application of the prohibition referred to in paragraph (1) of this Article.

## **VIII. GOVERNANCE AND ORGANIZATION**

### **1. Governance**

#### **National Bank bodies**

##### **Article 46**

- (1) National Bank bodies shall include the National Bank Council and the Executive Board.
- (2) The National Bank Council shall be the governing body of the National Bank.
- (3) The Executive Board shall act within the competences conferred on it by this or other laws.
- (4) The National Bank Council shall comprise of nine members, of which the governor and three vice-governors as executive members and five non-executive members.
- (5) The non-executive members shall take part in the decision-making of the National Bank Council.
- (6) The National Bank Council shall define and design policies and monitor their implementation, and oversee the National Bank operations.
- (7) The National Bank governor shall chair the National Bank Council and the Executive Board, serve as the chief executive of the National Bank and be in charge of its day-to-day operations.
- (8) The governor shall transfer part of their authorizations and tasks referred to in Article 48 paragraphs (1), (2) and (3) of this law to the three vice-governors of the National Bank.
- (9) The governor and the three vice governors shall compose the National Bank Executive Board.**

#### **Powers and tasks of the National Bank Council**

##### **Article 47**

- (1) The National Bank Council shall have the following powers and tasks:
- 1) define and adopt the monetary policy and the exchange rate policy of the National Bank;
  - 2) define the exchange rate regime in accordance with Article 23, of this Law;
  - 3) formulate and adopt the policies of the National Bank regarding the execution of its tasks, and adopt, as appropriate, internal rules for their implementation;
  - 4) prescribe the Chart of Accounts for banks in accordance with the law;
  - 5) supervise the implementation of the policies and the execution of the tasks of the National Bank;
  - 6) adopt the bylaws issued by the National Bank;
  - 6-a) implement the macro-prudential policy by designing macro-prudential instruments and the manner of their application in accordance with this or other laws;
  - 7) adopt the Statute of the National Bank;
  - 8) adopt the Code of Ethics of the members of the National Bank Council and the staff;



- 9) determine the general policies and internal rules applicable to the operations of the National Bank;
  - 9-a) shall be deleted;
  - 10) determine internal rules on the application of the conflict of interest provisions;
  - 10-a) adopt a decision on determining the methodology for calculating and charging an annual fee for the supervision of banks and savings banks;
  - 11) determine the National Bank organization, decides on the systematization of work responsibilities of organizational units, their activities and tasks, job classification and determine the general terms and conditions of employment, including salaries and other benefits, on a proposal of the governor, as specified in the law and the Collective Bargaining Agreement;
  - 11-a) decide on the establishment and location of branches, representative offices, and other organizational units;
  - 12) adopt decision on publishing an internal announcement for the appointment of a chief internal auditor and decision on selecting a chief internal auditor;
  - 13) determine statistical reporting requirements;
  - 14) approve the annual budget of the National Bank;
  - 14-a) adopt the annual investment plan of the National Bank;
  - 14-b) adopt the annual public procurement plan of the National Bank;
  - 15) determine the accounting policies of the National Bank and to approve the reports referred to in Article 62 of this Law, and financial statements of the National Bank;
  - 16) elects the external auditors of the National Bank;
  - 17) decide on the incurring of debt of the National Bank and the terms and conditions of such debt;
  - 18) determine the categories of assets as mentioned in Article 24 paragraph (2) of this Law, that shall constitute the foreign reserves of the Republic of North<sup>3</sup> Macedonia;
  - 19) determine the categories of assets that shall be suitable for investment of the National Bank's financial resources;
  - 20) determine denominations and design of banknotes, coins and their issuance.
  - 20-a) establish an Audit Committee and prescribe its modus operandi;
  - 21) establish one or more working, advisory and other bodies for issues within its competence and define their tasks and activities;
  - 22) assess risks and formulate contingency plans for the ongoing operations and security of the National Bank;
  - 23) decide on the issuance of coins for collection purposes;
  - 24) adopt the rules of procedure of the National Bank Council and
  - 25) adopt regulations and perform other tasks established by this or other laws.
- (2) In the execution of their powers and tasks the members of the National Bank Council shall act solely in the interest of the objectives and tasks of the National Bank.

### **Powers and tasks of the Governor**

#### **Article 48**

- (1) The governor shall have the following powers and tasks :
  - 1) represent the National Bank;
  - 2) make sure that the decisions of the National Bank Council are being executed and the National Bank management and operations are under control and
  - 3) conduct other operations that are not defined as jurisdiction of the National Bank Council and the Executive Board.

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<sup>3</sup> Procedure for correction of technical errors submitted to the Ministry of Finance is in process.

- (2) Within the limitations of his powers, the Governor shall have the authority to take all actions required or deemed advisable for the administration and operations of the National Bank, including procurement of goods and services, entering into contractual commitments on behalf of the National Bank and employment, and appointing agents of the National Bank.
- (3) The governor may establish one or more working, advisory and other bodies for issues within their competence and define their tasks and activities.
- (4) The Governor may, within the rules adopted by the National Bank Council, delegate any of his powers or tasks to other members of the National Bank Council or to the staff with special authorizations and responsibilities in the National Bank.
- (5) The Governor shall regularly inform the National Bank Council on the conduct of the National Bank's operations and policies, and on the issues related to the soundness of the banking system, and on the state of the money and foreign exchange markets, including all events that have or are expected to have a significant effect on the administration of the National Bank, on the conduct of its policies, on the financial system, or on the money and foreign exchange markets.
- (6) The Governor shall determine in advance the order in which the Vice Governors shall succeed the Governor during any period of the Governor's absence or disability.

#### Powers and tasks of the Executive Board

##### Article 48-a

##### (1) The Executive Board shall:

- 1) implement the monetary and exchange rate policy and other policies in accordance with the internal rules and decisions of the National Bank Council;
- 2) implement macro-prudential measures for the purposes of conducting micro-prudential policy, in accordance with this or other laws;
- 3) decide on issuing and revoking licenses and approvals of banks, savings houses and other financial institutions and on issuing and revoking approvals of qualifying shareholders in the bank, in accordance with the law;
- 4) decide on initiating a bank resolution procedure and applying bank resolution tools and powers, in accordance with the law”.
- 5) take measures toward banks, savings houses and other financial institutions that are subject to supervision by the National Bank, in accordance with the law;
- 6) decide on issuing and revoking licenses and issuing and revoking approvals to payment institutions, electronic money institutions and payment system operators, in accordance with the law;
- 7) take measures toward payment institutions, electronic money institutions and payment system operators that are subject to oversight by the National Bank, in accordance with the law and
- 8) perform other activities, in consistence with this or other laws.

(2) The decisions of the Executive Board on taking macro-prudential measures in accordance with paragraph (1) item 2) of this Article toward all banks and/or savings banks and/or other financial institutions, shall be published in the Official Gazette of the Republic of North Macedonia.

#### **Appointment Article 49**

- (1) Members of the National Bank Council shall be appointed for a seven year term that may be

renewed.

- (2) The Governor shall be appointed by the Parliament of the Republic of North Macedonia, on a proposal of the President of the Republic of North Macedonia.
- (3) The Vice Governors shall be appointed by the Parliament of the Republic of North Macedonia, on a proposal of the Governor.
- (4) The nonexecutive members of the National Bank Council shall be appointed by the Parliament of the Republic of North Macedonia, on a proposal of the Government of the Republic of North Macedonia.

### **Eligibility to serve on the National Bank Council**

#### **Article 50**

- (1) Persons eligible to serve on the National Bank Council shall be citizens of the Republic of North Macedonia who have recognized reputation, who hold at least university degree and who have extensive professional or academic experience in the fields of economics, finance, banking, or legal matters.
- (2) A member of the National Bank Council may not be a person who:
  - 1) convicted of a criminal offense with imprisonment or fine;<sup>4</sup>
  - 2) has been a debtor in a bankruptcy or insolvency proceeding;
  - 3) has been sentenced with misdemeanor sanction - ban on performing a profession, activity or duty and
  - 4) has been sentenced with auxiliary penalty - ban on acquiring a license for founding and operating a bank or other financial institution, revoking the license for founding and operating a bank or other financial institution, ban on establishing new legal entities and temporary or permanent ban on performing activities in the field of finance and banking.
- (3) The Governor and the Vice Governor of the National Bank shall be professionally engaged at the National Bank, and shall not be engaged in any other occupation, whether gainful or not, except as a university professor or engagement in a scientific research institution, or a temporary arrangement in international financial institution, must not be owners of equity interest in a financial institution in the Republic of North Macedonia and during its term must not be members of political party or trade union.
- (4) A nonexecutive member shall not serve on the National Bank Council while he is a member of the Parliament of the Republic of North Macedonia or of the Government of the Republic of North Macedonia, employed at government or local authorities, agencies, funds, public enterprises, public institutions, companies founded by the state or where the state is a dominant shareholder, employee of a financial institution in the Republic of North Macedonia, holder of equity interest in a financial institution in the Republic of North Macedonia, member of the managing or supervisory board of a bank, savings house or other trading company that may have a conflict of interest with the National Bank, as well as a member of the political parties' and trade unions' bodies.
- (5) By way of derogation from paragraph (4) of this Article, a nonexecutive member may be a university professor or person employed in a scientific research institution.
- (6) Members of the National Bank Council shall, immediately after being appointed on this function, comply with the provisions of paragraph (4) of this Article.

#### **Article 50-a**

- (1) A public notice shall be published for appointment of a Vice Governor and a nonexecutive member of the National Bank Council in at least three daily newspapers issued throughout the territory of the

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<sup>4</sup> The Decision of the Constitutional Court of the Republic of Macedonia No. 208/11 dated 9 May 2012, (Official Gazette of the Republic of Macedonia No. 64/12) abolished Article 50 paragraph 2 item 1 of the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 158/10).

Republic of North Macedonia, one of which in the newspapers issued in the language spoken by at least 20% of citizens speaking an official language other than the Macedonian.

(2) The Vice-Governor and the non-executive member of the National Bank Council shall, except for the criteria referred to in Article 50 of this Law, fulfill the following requirements:

1) to hold one of the following internationally recognized certificates or diplomas for effective operational proficiency in English language not older than five years:

- TOEFL IBT - at least 74 points,
- IELTS - at least 6 points,
- ILEC (Cambridge English: Legal) - at least B2,
- FCE (Cambridge English: First) – passed,
- BULATS - at least 60 points and
- APTIS - at least B2.

### **Termination of term of office**

#### **Article 51**

(1) The term of office of a member of the National Bank Council shall terminate:

- 1) after the expiry of the term of office;
- 2) in the case of death,
- 3) in the case of resignation,
- 4) in the case of loss of professional ability; and
- 5) in the case of dismissal.

(2) In the cases referred to in paragraph (1), items 2) and 4) of this Article, the National Bank Council shall notify the Parliament of the Republic of North Macedonia immediately upon learning of the occurrence of such cases, and at least 3 months before the end of the term for the cases referred to in paragraph (1) item 1) of this Article.

### **Resignation**

#### **Article 52**

(1) The governor, vice-governors and non-executive members of the National Bank Council may resign from office by giving at least three month's notice in writing to the Parliament of the Republic of North Macedonia from the day of submission of the written resignation notice, upon notifying National Bank Council.

(2) The notice to the National Bank Council referred to in paragraph (1) of this Article shall be submitted in writing within at least 30 days before the submission of the written notice to the Parliament of the Republic of North Macedonia.

### **Dismissal**

#### **Article 53**

(1) A member of the National Bank Council shall be dismissed from office before the end of the term, if they:

- 1) become ineligible to serve on the National Bank Council pursuant to Article 50 of this law;
- 2) abuse, or make serious misconduct in the official duty, or
- 3) were unexcusedly absent from three National Bank Council meetings in a row or were unexcusedly absent from a total of five meetings during one year without an approval of the National Bank Council.

(2) A decision to relieve a member of the National Bank Council from office shall be taken by the Parliament of the Republic of North Macedonia:

- 1) either on a recommendation from the National Bank Council, or on a recommendation from the President of the Republic of North Macedonia and after consulting the National Bank Council, if the decision concerns the Governor, or
- 2) either on a recommendation from the National Bank Council, or on a recommendation from the Governor and after consulting the National Bank Council, if the decision concerns a Vice Governor or
- 3) on a recommendation of the National Bank Council or on a recommendation of the Governor and after consulting the National Bank Council or on a recommendation from the Government of Republic of North Macedonia and after consulting the Governor if the decision concerns a nonexecutive member of the National Bank Council.
- (3) Decisions of the National Bank Council pursuant to paragraph (2) of this Article require a majority of the members of the National Bank Council.
- (4) If, within 30 days of receipt of the recommendation referred to in paragraph (3) of this Article, the Parliament of the Republic of North Macedonia fails to dismiss a National Bank Council member who met the conditions referred to in paragraph (1) of this Article, the National Bank Council shall adopt a decision on prohibiting that member of the National Bank Council from attending National Bank Council meetings until the final decision on dismissal is made by the Parliament of the Republic of North Macedonia
- (5) A member of the National Bank Council relieved from office shall have a right of appeal to the Court within 15 calendar days of the date of the decision to remove that member from office.

### **Subsequent functions**

#### **Article 54**

- (1) Former members of the National Bank Council shall not serve in a professional capacity in a bank or other financial institution in the Republic of North Macedonia during a period of one year immediately following the end of their term of office.
- (2) The former members of the National Bank Council referred to in paragraph (1) of this Article shall be eligible to a remuneration set out by the National Bank Council to their employment, not more than a year after the end of their term of office.
- (3) Paragraph (2) of this Article shall not apply in the case when the member of the National Bank Council was relieved from office pursuant to Article 53 paragraph (1) of this Law.

### **Vacancy on the National Bank Council**

#### **Article 55**

(1) A vacancy in the National Bank Council shall be filled no earlier than three months before the end of the term of office of a Council member and no later than two months after the end of the term of office of a Council member.

(2) The term of office of a Council member elected before the expiration of the term of office of an existing Council member shall begin after the end of the term of office of the existing Council member.

(3) A Council member whose mandate has ended shall have the same authorizations and perform the same tasks established by law, until a new member is appointed.

## **2. Meetings and proceedings of the National Bank Council**

### **Meetings of the National Bank Council**

#### **Article 56**

- (1) The National Bank Council shall meet as often as the business of the National Bank may

- require but not less frequently than ten times per calendar year.
- (2) Third parties may attend the meetings of the National Bank Council only upon invitation.
  - (3) A quorum shall be required for the conduct of business and decision-making of the National Bank Council at any meeting, consisting of at least two thirds of the members of the National Bank Council, including the Governor or, in his absence, a Vice Governor acting as chairperson in accordance with the decision under Article 48, paragraph (6) of this Law. If the quorum is not met, the Governor may convene an extraordinary meeting at which decisions may be taken without regard to the quorum that should be approved in the next regular meeting of the National Bank Council.
  - (4) Each member of the National Bank Council shall have one vote and in the event of a tied vote, the Chairperson shall have the casting vote.
  - (5) Save as otherwise provided for in this Law, decisions of the National Bank Council shall be adopted by a simple majority of the members present at the meeting.
  - (6) The Rules of Procedure of the National Bank Council shall determine the manner of arranging the National Bank Council meetings and the voting method of the National Bank Council members in meetings .
  - (7) Subject to the quorum requirement of paragraph (3), no document or proceeding of the National Bank Council shall be invalidated merely by reason of the existence of a vacancy on the National Bank Council.

### **Reports from the National Bank Council meetings**

#### **Article 57**

- (1) The reports from the National Bank Council meetings shall be considered confidential information under Article 74 of this law.
- (2) The proceedings of each National Bank Council meeting shall be signed by the person chairing the meeting and the Secretary of the National Bank Council.
- (3) The Secretary of the National Bank Council shall be appointed by the Governor, from among the staff with special authorizations and responsibilities of the Bank.

### **3. Meetings and reports of the Executive Board**

#### **Meetings of the Executive Board**

##### **Article 57-a**

- (1) The Executive Board shall meet as often as the National Bank operations may require but not less than 12 times per calendar year.
- (2) Third parties may attend the Executive Board meetings, by invitation only.
- (3) A quorum shall be required for the work and decision-making of the Executive Board of at least two thirds of the appointed members, including the governor who chairs or, in her/his absence, the vice-governor chairing the meeting in accordance with the decision referred to in Article 48 paragraph (6) of this Law.
- (4) Each Executive Board member shall have one vote, and in the event of a tied vote, the Chairperson shall have the casting vote.
- (5) Decisions of the Executive Board shall be adopted by a simple majority of the Executive Board members present.
- (6) The Rules of Procedure of the Executive Board shall determine the manner of arranging Executive Board meetings and the voting method of the Executive Board members in meetings.

## **Reports from the Executive Board meetings**

### **Article 57-b**

The reports from the Executive Board meetings shall be considered confidential information under Article 74 of this law.

(2) The reports from each Executive Board meeting shall be signed by the person residing the meeting and the Secretary of the Executive Board.

(3) The Secretary of the Executive Board shall be appointed by the governor from among the National Bank employees.

## **4. National Bank Staff**

### **Labor relations**

#### **Article 58**

- (1) The regulations governing labor relations shall apply to the governor, the vice-governors and the employees of the National Bank , unless otherwise prescribed by this Law.
- (2) The National Bank staff shall be professionally engaged at the National Bank, to the Bank, and may have other employment engagement, subject to approval by the Governor, unless in conflict with the interest of the National Bank.
- (3) When recruiting staff, the National Bank shall apply nondiscriminatory personnel policies, by ethnic, religious and other grounds.
- (4) The person, having special authorizations, in charge of the bank supervision in the National Bank, in a period of two years after their departure from the National Bank, cannot be professionally engaged in a bank or other financial institution in Republic of North Macedonia.

Article 58-a shall be deleted

### **Employment and Termination**

#### **Article 59**

The Governor shall decide upon the appointment and termination of employments in the National Bank and for other matters related to the employments, which are not in the competence of the National Bank Council.

## **IX. FINANCIAL STATEMENTS AND AUDIT**

### **Accounting practices and policies**

#### **Article 60**

- (1) To the extent possible to achieve its objectives referred to in Article 6, paragraphs (1) and (2) of this Law, the National Bank shall maintain accounting records in accordance with the International Financial Reporting Standards.
- (2) The financial year of the National Bank begins on January 1 and ends on December 31 of the same year.

### **Financial statements**

#### **Article 61**

- (1) The National Bank shall prepare financial statements for its financial year.
- (2) Within four months after the end of each financial year, the National Bank shall submit to the Minister of Finance, to the Parliament of the Republic of North Macedonia, to the President of the Republic of North Macedonia, and the Prime Minister of the Republic of North Macedonia, financial statements, approved by the National Bank Council, signed by the Governor and certified by the external auditor.
- (3) The National Bank shall publish the financial statements referred to in paragraph (2) of this Article in the Official Gazette of the Republic of North Macedonia and on its website.
- (4) The National Bank shall, within ten working days after the end of each calendar month, prepare and publish a balance sheet as of the end of that month and submit it to the Minister of Finance<sup>5</sup>.

### **Other reports Article 62**

- (1) The National Bank shall, at a minimum twice a year, and when necessary, inform the Parliament of the Republic of North Macedonia and the public, on its monetary policy, the achievement of its objectives and its vision on the real variables of the economy.
- (2) The National Bank shall, within four months after the end of its fiscal year, submit to the Parliament of the Republic of North Macedonia and the Minister of Finance and publish one or more reports, approved by the National Bank Council, on the state of the economy during the financial year that just ended, including an outlook for the economy for the coming year, with emphasis on its policy objectives and the condition of the banking system of the Republic of North Macedonia. The report should also include a review and assessment of the National Bank's policies conducted in the last financial year and a description and explanation of the National Bank's policies to be conducted during the next financial year.
- (3) The National Bank shall publish quarterly reports on monetary policy on its website and/or otherwise, as determined by the Governor of the National Bank.
- (4) The National Bank shall publish a financial stability report for the previous year on its website and/or otherwise, as determined by the Governor of the National Bank.

### **Internal Audit Article 63**

- (1) The National Bank shall establish an organizational unit for internal audit.
- (2) The internal audit shall directly report to the National Bank Council for its work from a functional aspect, i.e. with respect to the efficiency and effectiveness of its operations, and directly to the National Bank Governor for its work from an administrative aspect, i.e. from the aspect of its day-to-day operations.
- (3) The internal audit shall apply the international standards for the professional practice of internal auditing, accepted as standards for the internal auditing in the Republic of North Macedonia.
- (4) In its scope of work, the internal audit shall evaluate and contribute to the improvement of risk management processes, internal controls and management, by applying risk-based approach.
- (5) The National Bank Council shall adopt an internal act that regulates in detail the internal audit activities and the method of reporting in accordance with the international standards referred to in paragraph (3) of this Article.
- (6) The internal audit shall verify the implementation of the activities referred to in Article 61 paragraphs (2) and (4) of this law.
- (7) The National Bank Council shall adopt an annual and a medium term plan of activities of

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<sup>5</sup> Procedure for correction of technical errors submitted to the Ministry of Finance is in process.



the internal audit.

(8) The audit reports shall be submitted to the National Bank governor. The findings and recommendations comprised in the internal audit reports shall be a basis for undertaking appropriate measures for the identified irregularities and weaknesses.

(9) The internal audit shall prepare reports on its operation and performance, at least twice a year, and shall submit them to the Audit Committee and the National Bank Council. The internal audit shall prepare reports at the request of the governor or another National Bank Council member.

(10) The internal audit shall cooperate with the external auditor of the National Bank.

### **Appointment of Chief Internal Auditor**

#### **Article 64**

- (1) A Chief Internal Auditor of the National Bank shall be appointed by the National Bank Council, on a proposal from the Governor.
- (2) The Chief Internal Auditor shall be a person who fulfills the eligibility criteria of Article 50 of this Law to become a member of the National Bank Council, with professional experience in the field of accounting and/or audit of at least three years.
- (3) The Chief Internal Auditor shall be appointed for a term of five years, which may be renewed.
- (4) The Chief Internal Auditor may resign from office on giving not less than three months notice to the Governor.
- (5) The Chief Internal Auditor shall be relieved from office only and when the grounds set out in Article 53, paragraph (1), apply. Decision on relieving from office shall be adopted by the National Bank Council.

### **Audit Committee**

#### **Article 64-a**

(1) The National Bank Council shall establish an Audit Committee as a standing working body.

(2) The Audit Committee shall consist of three members elected from among the non-executive members of the National Bank Council. At least one of the Audit Committee members shall have professional or academic experience in accounting and/or auditing of at least three years.

(3) If none of the non-executive members of the National Bank Council has professional or academic experience in accounting and/or auditing of at least three years, an external associate with professional or academic experience in accounting and/or auditing of at least three years may be hired.

(4) The external associate shall be engaged in the work of the Audit Committee and give professional explanations and opinions on accounting and auditing matters within the scope of the Committee operations.

(5) Audit Committee members shall be appointed by the National Bank Council.

(6) The term of office of the Audit Committee members who are non-executive National Bank Council members shall be consistent with their membership in the Council, while the external associate shall be appointed for a period of three years, with the right to re-election.

(7) The Audit Committee shall:

1) oversee accounting policies and the financial reporting of the National Bank;

2) follow the selection process and the work of the independent audit company and cooperate with it on the audit of the National Bank's financial statements, all key issues arising from the audit and any material weaknesses in the National Bank's internal controls as identified by the audit company related to the financial reporting process;

- 3) oversee the efficiency and effectiveness of the Internal Audit operations;
  - 4) oversee the functioning of internal control system and risk management framework;
  - 5) oversee the suitability of the compliance framework and the effectiveness of the compliance process in the National Bank;
  - 6) inform the National Bank Council on any identified failures or irregularities in the National Bank operations or give proposals to improve performance;
  - 7) submit an annual report on its operations to the National Bank Council.
- (8) The National Bank Council shall determine in more detail the activities of the Audit Committee that are within its scope of work.

### **Audit Article 65**

- (1) The financial statements of the National Bank shall at least once a year be audited in conformity with International Standards on Auditing by independent external auditors which shall be of good repute and with recognized international experience in the auditing of financial institutions.
- (2) Auditing set out in paragraph (1) of this Article shall be at National Bank expense.
- (3) The external auditors shall be appointed by the National Bank Council, on the basis of the Law on Public Procurements.
- (4) The Parliament of the Republic of North Macedonia may, on a proposal from the Minister of Finance, at any time, with reasonable cause, request an external audit of the Bank by the external auditor referred to in paragraph (1) of this Article. The auditor's report shall be submitted to the Parliament of the Republic of North Macedonia for information.
- (5) Auditing set out in paragraph (4) of this Article shall be at the expense of the Budget of the Republic of North Macedonia.
- (6) The external auditor shall report to the National Bank Council on key issues arising from the audit related to financial reporting.
- (7) The external auditors shall have full power to examine all accounting records of the National Bank and obtain all information about its transactions.
- (8) No external auditor shall be appointed consecutively for a cumulative period exceeding five years.

### **Financial plan Article 66**

- (1) The National Bank Council shall adopt its annual financial plan prior to the commencement of each financial year. The financial plan shall be communicated to the Parliament of the Republic of North Macedonia for information.
- (2) All projected revenue and income generated by the National Bank from any source together with projected expenditure, including depreciation and provisions, shall be reported in the annual financial plan of the National Bank. The National Bank annual financial plan shall not include, in the National Bank balance sheet, any unrealized price and foreign exchange revenues and expenditures.

## **State audits**

### **Article 67**

(1) Without jeopardizing the National Bank independence, and independently from the external auditors' activities referred to in Article 65 paragraph (1) of this Law, the State Audit Office may audit the National Bank in the area of investments in intangible assets, real estate and equipment, and operating costs.

(2) The procedure for adopting the final audit report by the State Audit Office shall be carried out in accordance with the Law on State Audit.

(3) The State Audit Office shall submit a final audit report to the National Bank and the Parliament of the Republic of North Macedonia .

## **X. GENERAL PROVISIONS**

### **Bylaws and other acts**

#### **Article 68**

- (1) The National Bank shall adopt bylaws and other acts necessary for achieving the objectives and carrying out the tasks entrusted to the National Bank under this Law or any other law.
- (2) All National Bank acts that have general application shall be adopted in the form of Decisions.
- (3) With a view to implementing decisions that have general application, the National Bank may issue Instructions.
- (4) The National Bank may issue, to banks and other entities, nonbinding Circulars on the general rules and trends related to the National Bank responsibilities and activities.

### **Publishing bylaws**

#### **Article 69**

- (1) Decisions and instructions as per Article 68 of this law that have general application shall be published in the Official Gazette of the Republic of North Macedonia.
- (2) The National Bank may publish the legal acts under paragraph (1) on its website.
- (3) The National Bank may publish, on its web, its legal acts that do not have general application.

### **Conflict of interest and fiduciary duty**

#### **Article 70**

- (1) Members of the National Bank Council and staff shall avoid any situation liable to give rise to a conflict of interest. A conflict of interest arises where members of the National Bank Council or staff have private or personal interests, which may influence or may influence the objective performance of their duties. Private or personal interests of members of the National Bank Council or staff mean any potential advantage for themselves, their families, their other relatives up to the second degree,
- (2) No member of the National Bank Council and staff shall receive or accept from any source any benefits, rewards, remuneration or gifts of any source, whether financial or nonfinancial, for their activities within the Bank.
- (3) A breach of paragraph (2) of this Article by staff shall constitute a serious breach of the rules, and may at the discretion of the Governor constitute grounds for disciplinary measures, including dismissal.
- (4) Members of the National Bank Council and staff shall not use confidential information to

which they have access for the purpose of carrying out private financial transactions, whether directly or indirectly via third parties or whether conducted at their own risk and for their own account, or at their own risk and for the account of and at the risk of a third party.

- (5) Members of the National Bank Council shall, before the last day of January each year, disclose to the National Bank Council in full significant financial interests which they or any person with whom they have family, business, or financial connections may directly or indirectly possess and such disclosures shall comply with the internal rules adopted by the National Bank Council.
- (6) Member of the National Bank Council, who, prior to the beginning of the discussion, discloses any such conflict of interest, shall not participate in the discussion and shall not have the right to vote, however, their presence shall be counted for the purpose of constituting a quorum.
- (7) Members of the National Bank Council and staff have a duty to place the National Bank's interests and its customers' interests before their own personal and pecuniary interest.

### **Fees and charges**

#### **Article 71**

- (1) The National Bank may charge reasonable fees and charges for the services it provides.
- (2) The National Bank Council shall lay down the form and the level of the fees and charges under paragraph (1) of this Article, in line with the complicity and the scope of the activities.

### **Prohibited activities**

#### **Article 72**

- (1) Except as otherwise specifically authorized by this or any other law, the National Bank shall not:
  - 1) grant any credit or make any monetary or financial gift;
  - 2) engage in commerce, purchase the shares of any corporation, including the shares of any financial institution, or otherwise have an ownership interest in any financial, commercial, agricultural, industrial, or other undertaking; or
  - 3) acquire by purchase, lease, or otherwise any real rights in or to immovable property, except as it shall consider needed or necessary for the provision of premises for the conduct of its operations or requirements for the performance of its tasks.
- (2) Notwithstanding the provisions of paragraph (1) of this Article, the National Bank may:
  - 1) make adequately secured loans,
  - 2) have an ownership share or otherwise participate in, any organization that is engaged in activities devoted to achievement of the tasks and responsibilities of the National Bank, and
  - 3) acquire, in the course of satisfaction of debts due to it, any interests or rights referred to in paragraph (1) items 2 and 3 of this Article, provided, however, that all such interests or rights so acquired shall be disposed of at the earliest suitable opportunity.

### **Immunity from taxation**

#### **Article 73**

- (1) The National Bank shall be exempt from value added taxes on:
  - 1) gold and other precious metals to and from the National Bank;
  - 2) banknotes and coins that are legal tender in Republic of North Macedonia and
  - 3) printing paper and colors for banknotes and coin blanks prepared for minting coins that are legal tender in Republic of North Macedonia to and from the National Bank;
- (2) The National Bank shall be exempt from value added taxes on import of:

- 1) gold and other precious metals, for the National Bank;
- 2) banknotes and coins that are legal tender in Republic of North Macedonia and
- 3) printing paper and colors for banknotes and coin blanks prepared for minting coins that are legal tender in Republic of North Macedonia.
- (3) The National Bank shall be exempt from profit taxes.
- (4) The National Bank shall be exempt from property taxes for the immovable property in its ownership.

## **Confidentiality**

### **Article 74**

(1) The National Bank shall classify and mark any non-public documents, information and data with the following secrecy levels: "NB PROFESSIONAL SECRET", "NB CONFIDENTIAL" or "NB FOR RESTRICTED USE", in consistence with the regulation adopted by the National Bank Council. Confidential documents, information and data in light of this law shall include any documents, information and data defined as banking secrets under the Banking Law and whose disclosure to an unauthorized party would harm the reputation and interests of the National Bank, financial institutions and other legal entities licensed or supervised by the National Bank.

(2) The National Bank Council members and the National Bank employees shall keep secret all confidential documents, information and data referred to in paragraph (1) of this Article they learned about during the performance of their duties and tasks.

(3) Any present or former National Bank Council member or any present or former National Bank employee must not allow access i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available the documents, information and data referred to in paragraph (1) of this Article during the performance of tasks and duties and after the termination of their employment or term of office at the National Bank, unless the documents, information and data referred to in paragraph (1) of this Article become public.

(4) By way of derogation from paragraphs (2) and (3) of this Article, a National Bank Council member or a National Bank employee may allow access, i.e. disclose, disclose by transmission of the documents, information and data referred to in paragraph (1) of this Article, if:

- 1) consent is obtained from the person the data or information relate to;
- 2) they have to be submitted to a court or another procedure in which the National Bank is a party or interested party;
- 3) there is a court order or a request from the public prosecutor's office;
- 4) they have to be given to the National Bank's external auditor;
- 5) given in cases and in a manner prescribed by the banking law, the bank resolution law and the financial stability law;
- 6) they have to be given to regulatory and supervisory authorities in the performance of their authorizations;
- 7) it is necessary for the performance of the National Bank tasks and its task-related activities in accordance with this law.

(5) Data disclosed in accordance with paragraph (4) of this Article shall be protected by measures against unauthorized access.

(6) Statistical data collected, produced and disseminated by the National Bank in pursuance of its tasks as prescribed in Article 7, paragraph (1) item 7 of this law, shall be subject to statistical confidentiality and data protection in accordance with the Law on State Statistics.

(7) External parties who officially acquired the documents, information and data referred to in paragraph (1) of this Article may use them only for the purposes for which they acquired them from the National Bank and may not allow unauthorized access i.e. may not disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make them available to third parties.

(8) The National Bank Council shall adopt an act regulating the manner of classifying and marking the documents, information and data referred to in paragraph (1) of this Article, the measures against unauthorized access and their management.

### **Claim settlement Article 75**

- (1) The National Bank shall have a first ranking unconditional preferential right to satisfy each of its claims arising from the execution of its tasks from any cash balances, securities and other assets that it holds, on any ground, for the account of the debtor concerned, at the time that such claim becomes due and payable.
- (2) No court action shall be required, and no competing claim shall be permitted, to delay the exercise by the National Bank of its preferential right specified under paragraph (1) of this Article.

### **Immunity from attachment Article 76**

No attachment shall be issued against the National Bank or its property, including gold, special drawing rights, banknotes and coins, credits, deposits or securities, and any proceeds thereof, before the issuance of a final judgment brought before the courts.

### **Damage liability Article 77**

- (1) The National Bank shall not be liable to third parties for the damages that may occur as a result of the measures and activities for preserving the stability and soundness of a particular financial institution or the overall banking system, except in cases when it fails to comply with the authorizations prescribed by law.
- (2) The persons who were or have been supervisors shall not be liable for damages under paragraph (1) of this Article, except in cases when they are convicted of a felony related to their operations, with a decree absolute.
- (3) The staff, Governor, Vice governors and nonexecutive members of the National Bank Council of the National Bank, during or after employment, i.e. engagement in the National Bank, shall not be liable to third parties for the damages that may occur as a result of performing their duties, provided they were carried within the legal authorization.

### **Indemnification Article 78**

The National Bank shall indemnify for the costs incurred in the legal action brought against the staff, Governor, Vice governors and nonexecutive members of the National Bank Council in connection with their employment i.e. engagement at the National Bank, except when they have been convicted of a crime arising from their activities.

## **XI. RELATIONS BETWEEN THE NATIONAL BANK AND THE EUROPEAN UNION**

### **Article 79**

The National bank shall cooperate and exchange information with the European Central Bank and other institutions and bodies of the European Union.

## **XII. MEMBERSHIP OF THE REPUBLIC OF NORTH MACEDONIA IN THE EUROPEAN UNION**

### **General provisions Article 80**

- (1) The National Bank shall be an integral part of the European System of Central Banks (hereinafter: ESCB).
- (2) The National Bank shall work on achieving the objectives and carrying out the tasks of the ESCB. in accordance with the provisions of the Treaty establishing the European Community, the Statute of the ESCB and the European Central Bank (hereinafter: ECB), the directly applicable regulations of the European Union and the provisions of this Law,

### **Independence of the National Bank Article 81**

Without prejudice to Article 5 of this Law, the National Bank, and the members of the National Bank Council, shall neither seek nor take instructions from the institutions and bodies of the European Union, from any government of a Member State or from any other body. The institutions and bodies of the European Union and the governments of the Member States may not influence the independence of the National Bank, the adoption and implementation of decisions of the National Bank and of its bodies, nor may they approve, revoke, postpone, cancel, or influence in any other form any decision of the National Bank and of its bodies

### **Objectives of the National Bank as part of the ESCB Article 82**

Without prejudice to the objectives laid down in Article 6 of this Law, the National Bank shall support the general economic policies of the European Community with a view to achieving the objectives as laid down in Article 2 of the Treaty establishing the European Community. The National Bank shall act in accordance with the principle of an open market economy with free competition, in compliance with the principles set out in Article 4 of the Treaty establishing the European Community.

### **Subscription of the capital of the ECB Article 83**

The National Bank shall subscribe and pay up the capital in the ECB in accordance with Articles 28 and 29 of the Statute of the ESCB and the ECB.

## **Competences and powers to implement the exchange rate policy**

### **Article 84**

- (1) When adopting measures related to the exchange rate of the domestic currency, the National Bank shall take into account the common interest of the Member States of the European Union.
- (2) The Council of the European Union shall have all the competences referred to in Article 111 of the Treaty establishing the European Community concerning the foreign exchange rate policy.

## **Advisory function of the ECB**

### **Article 85**

- (1) Any draft-law and regulation within the ECB's competence shall be submitted to the ECB for an opinion.
- (2) The Government of the Republic of North Macedonia shall, for information purposes, submit to the National Bank the draft-laws and other regulations referred to in paragraph (1) of this Article.
- (3) The Government of the Republic of North Macedonia shall consult the National Bank on areas outside the competence of the ECB, in the preparation of regulations concerning the objectives, tasks and competences of the National Bank.

## **Protection of banknotes and coins against counterfeiting**

### **Article 86**

With the view of efficient performing of the activities related to the protection of banknotes and coins against counterfeiting, the National Bank shall adopt measures in accordance with the rules of the European Union.

## **Prohibition of lending**

### **Article 87**

- (1) Without prejudice to Article 44 of this Law, the National Bank may not extend lines of credits to the institutions and bodies of the European Union, central governments, regional and local authorities, other bodies with public authorizations and public undertakings over which Member States exercise a dominant influence, as set out in Article 101 of the Treaty establishing the European Community.
- (2) The National Bank may not purchase debt securities directly from the persons and bodies referred to in paragraph (1) of this Article.
- (3) By way of derogation, the prohibition referred to in paragraph (1) of this Article shall not apply to state owned banks, when they enjoy the same treatment as private credit institutions.
- (4) By way of derogation, the prohibition referred to in paragraph (1) of this Article shall not apply to intra-day loans granted to the Government of Member States. Such loans must be repaid by the end of the day and may not be extended to the next day.

## **Right to appeal against removal from office**



## **Article 88**

The Governor of the National Bank shall have the right to appeal before the European Court of Justice against the decision on removal from office. All other members of the National Bank Council may, against the decision on the removal from office taken by the Parliament of the Republic of North Macedonia, bring an administrative dispute before the competent court at the Republic of North Macedonia.

## **Membership in ECB bodies**

### **Article 89**

The Governor of the National Bank shall be a member of the General Council of the ECB.

## **Data confidentiality**

### **Article 90**

- (1) The submission of data to the ECB as required to fulfill the obligations set out in the Statute of the ESCB and the ECB shall not be considered as disclosure of confidential data.
- (2) The confidential data of the National Bank shall not be disclosed to third parties even when the conditions referred to in Article 74 of this Law are met, when such disclosure is contrary to the duties and tasks of the National Bank set out in the provisions of the Treaty establishing the European Community and the Statute of the ESCB and the ECB.

## **Collection of statistics**

### **Article 91**

In order to achieve the objective and carry out the tasks of ECB, the National Bank shall participate in the collection, processing and dissemination of statistics in accordance with Article 5 of the Statute of the ESCB and ECB and this Law.

## **Prohibition on privileged access**

### **Article 92**

In accordance with Article 102 of the Treaty establishing the European Community, the prohibition on privileged access to financial institutions under Article 45 of this Law shall apply also to institutions and bodies of the European Union, central government, regional and local authorities, other bodies with public authorizations or public enterprises of the member states of the European Union.

# **XIII. INTRODUCTION OF THE EURO AS THE OFFICIAL CURRENCY OF THE REPUBLIC OF NORTH MACEDONIA**

## **Tasks of the National Bank as part of the ESCB**

### **Article 93**

In accordance with the Treaty establishing the European Community and the Statute of the ESCB and the ECB, National Bank shall carry out the following tasks:

- 1) participate in the implementation of monetary policy of the European Community;

- 2) conduct foreign exchange operations as set out in Article 111 of the Treaty establishing the European Community;
- 3) hold and manage the portion of foreign reserves of the Republic of North Macedonia that have not been transferred to the ECB; and
- 4) ensure the smooth operation of payment systems.

### **Tasks of the National Bank Article 94**

Without prejudice either to its tasks referred to in Article 93 of this Law and to its independence, the National Bank shall carry out the following tasks:

- 1) regulate, license, and supervise credit institutions and other financial institutions as further specified in this Law or any other law;
- 2) supervise the application of the regulations that govern foreign currency operations, exchange operations, money transfer services and the anti-money laundering systems, as further specified in the relevant laws;
- 3) open accounts for and accept deposits from credit institutions, execute payment operations across these accounts and grant loans to credit institutions;
- 4) collect and process statistics;
- 5) establish, promote, register and oversee safe, sound and efficient payment, settlement and clearing systems;
- 6) act as fiscal agent for the Republic of North Macedonia and perform other operations for the Republic of North Macedonia, as provided by law;
- 7) adopt bylaws on operations within its competence; and
- 8) perform other operations as provided by other regulations; if not contrary to the tasks set out in Article 3 of the Statue of the ESCB and the ECB.

### **Participation in international monetary institutions Article 95**

The National Bank may participate in the work of international monetary institutions only subject to approval of the ECB.

### **Participation of the National Bank in the implementation of monetary policy Article 96**

- (1) As an integral part of the ESCB, the National Bank shall participate in the conduct of monetary policy and exercise monetary control.
- (2) In the conduct of monetary policy, the National Bank shall act in accordance with the legal acts of the ECB and the regulations of other competent bodies of the European Union.
- (3) In order to ensure the smooth application of the legal acts referred to in paragraph (1) of this Article, the National Bank may, subject to prior opinion of the ECB, adopt implementation acts.
- (4) The acts referred to in paragraph (2) of this Article must be fully in line with the legal acts of the ECB.

### **Measures for prevention from over liquidity on the market Article 97**

In order to prevent an uncontrollable increase of liquidity in the market which might occur on the day of introduction of the Euro as the official currency of the Republic of North Macedonia and with regard to the obligations of banks and savings houses to adjust the amount of reserve requirement stipulated by the National Bank to the amount of reserve requirement stipulated by the ECB, the National Bank may define the appropriate measures in its bylaws.

### **Open market and credit operations**

#### **Article 98**

In order to achieve the objectives and to carry out the tasks of the ESCB, and in accordance with Article 18 of the Statute of the ECB, the National Bank may:

- 1) participate in the financial markets by buying and selling outright (spot and forward) or under repurchase agreement or by lending or borrowing claims, marketable instruments (whether in Community or in non-Community currencies) and precious metals; and
- 2) conduct credit operations with banks and other market participants, by lending based on adequate collateral.

### **Minimum reserve requirement**

#### **Article 99**

- (1) The ECB may require credit institutions to hold minimum reserve requirement on accounts with the ECB and the National Bank in pursuance of monetary policy objectives and in accordance with Article 19 of the Statute of the ESCB and the ECB.
- (2) The Council of the European Union shall define the conditions, basis and the ratios for calculating the minimum reserve requirement, as well as the manner and deadlines for allocating and maintaining reserve requirement.
- (3) If a credit institution fail to comply with the ECB requirement referred to in paragraph (1) of this Article, the ECB shall be entitled to levy to the bank, penalty interest and/or to impose other sanctions with comparable effect.

### **Other monetary control instruments**

#### **Article 100**

The National Bank shall be authorized to use other monetary control instruments defined by the Governing Council of the ECB in accordance with Article 20 of the Statute of the ESCB and the ECB.

### **Foreign exchange operations**

#### **Article 101**

- (1) In accordance with the provisions of the Treaty on establishing the European Community and Article 23 of the Statute of the ESCB and the ECB, the National Bank may:
  - 1) establish relations with central banks and financial institutions with third countries and, where appropriate, with international organizations;
  - 2) buy and sell (spot and forward) or otherwise acquire, all types of foreign exchange assets and precious metals;
  - 3) hold and manage the assets referred to in the previous item of this paragraph; and
  - 4) conduct all types of banking transactions in relations with third countries and international organizations, including borrowing and lending operations.
- (2) The term 'foreign exchange assets' referred to in paragraph (1), item 2 of this Article shall

include securities and all other assets in any foreign currency or unit of account in whatever form held.

### **Foreign reserves Article 102**

The assets referred to in Article 101, paragraph (1) item 2 of this Act shall constitute the foreign reserves of the Republic of North Macedonia.

### **Transfer of a portion of the foreign reserves to the ECB Article 103**

- (1) The National Bank shall transfer a portion of the foreign reserves referred to in Article 102 of this Law to the ECB in accordance with Article 30 of the Statute of the ESCB and the ECB.
- (2) The National Bank may, if so entrusted by the ECB, manage the transferred portion of foreign reserves referred to in paragraph (1) of this Article on behalf and for the account of the ECB, as set out in the guidelines of the ECB.

### **Non-transferred foreign reserves of the Republic of North Macedonia Article 104**

- (1) The portion of the foreign reserves referred to in Article 102 of this Law that has not been transferred to the ECB in accordance with Article 103 of this Law shall constitute the foreign reserves of the Republic of North Macedonia, which shall be held and managed by the National Bank.
- (2) The foreign reserves of the Republic of North Macedonia referred to in paragraph (1) of this Article shall constitute a part of the balance sheet of the National Bank.
- (3) The National Bank shall manage the foreign reserves referred to in paragraph (1) of this Article in accordance with its own policies, upholding the principles of safety, liquidity and profitability of investment.
- (4) Transactions in non-transferred foreign reserves and transactions with the assets at the current foreign exchange accounts of the Republic of North Macedonia that exceed the amount set out in the guidelines of the Governing Council as defined by Article 31 of the Statute of the ESCB and the ECB, shall be subject to approval of the ECB.
- (5) By way of derogation from paragraph (4) of this Article, the performance of transactions arising from the fulfillment of obligations towards international organizations referred to in Article 101 of this Law, shall not be subject to approval of the ECB.

### **Issuance of banknotes and coins Article 105**

- (1) The National Bank may issue banknotes denominated in Euro within the limits approved by the ECB and in accordance with the provisions of the Statute of the ESCB and the ECB and the provisions of the Treaty establishing the European Community.
- (2) The National Bank may issue coins denominated in Euro subject to approval by the ECB of the volume of the issue. The National Bank shall apply the rules on denominations and technical specifications in accordance with the relevant rules of the European Union.

### **Design of coins**

## **Article 106**

The National Bank shall participate in defining the design of the coins that it issues in accordance with the relevant rules of the European Union.

## **Payment systems in the European Union**

### **Article 107**

- (1) The National Bank shall ensure the conditions for the smooth and efficient operation of payment systems within and outside the European Union applying the regulations of the ECB and of other competent bodies of the European Union.
- (2) In order to ensure the smooth application of the regulations referred to in paragraph (1) of this Article, the National Bank may adopt implementation acts, subject to approval of the ECB.
- (3) Acts referred to in paragraph (2) of this Article must be fully in line with the regulations of the ECB and of other competent bodies of the European Union.

## **Tasks and powers of the National Bank Council**

### **Article 108**

The National Bank Council shall be competent to:

- 1) adopt the budget of the National Bank;
- 2) adopt the reports referred to in Article 61 of this Law;
- 3) adopt bylaws regulating payment system operations, if authorized pursuant to this law and the Statute of the ESCB and the ECB;
- 4) adopt bylaws regulating the issuance of coins, if authorized pursuant this Law, the Statute of the ESCB and the ECB and the relevant regulations of the European Union;
- 5) formulate strategy and policies for managing the non-transferred portion of foreign reserves;
- 6) decide on the National Bank's membership in international institutions and organizations; and
- 7) decide on the membership of the National Bank in international monetary institutions, subject to approval of the ECB.

## **Membership in ECB bodies**

### **Article 109**

The Governor of the National Bank shall be a member of the Governing Council of the ECB.

## **Capital of the National Bank**

### **Article 110**

On the date of introduction of the Euro as the official currency of the Republic of North Macedonia, the capital of the National Bank in the amount of Denar 1.289.789.232,00 shall be converted into Euro according to the fixed conversion rate (Denar/EUR).

## **Financial statements of the National Bank**

## **Article 111**

- (1) The National Bank shall prepare financial statements in accordance with the accounting rules and instructions of the ECB.
- (2) The annual financial statements of the National Bank shall include the portion of monetary income of the ESCB and ECB allocated by the ECB in accordance with the Statute of the ESCB and the ECB and accrued in the implementation of the common monetary policy.

## **Appointment of auditor**

### **Article 112**

The decision on the appointment of an independent external auditor to audit the financial statements of the National Bank shall be made in accordance with the Statute of the ESCB and the ECB.

## **Bylaws**

### **Article 113**

For the purposes of applying the guidelines of the ECB in the areas of competence of the ECB, the National Bank adopts bylaws, subject to approval of the ECB.

## **ECB sanctions**

### **Article 114**

- (1) The National Bank shall apply the system of ECB sanctions in the areas which are governed by the regulations of the ECB, in accordance with the Treaty establishing the European Community.
- (2) The National Bank shall participate in the procedure for imposing ECB sanctions in accordance with the regulations of the ECB and other regulations of the bodies of the European Union.

## **XIV. MISDEMEANOR PROVISIONS**

### **Misdemeanor body**

#### **Article 115**

For the misdemeanors provided by this law, a misdemeanor procedure shall be conducted and a misdemeanor sanction shall be pronounced by a competent court.

Article 116 shall be deleted.

### **Article 117**

- (1) A bank, a foreign bank branch and a saving house shall be fined in the amount from EUR 8,000 to EUR 10,000 in Denar equivalent, if it fails to comply with the obligation for reserve requirement or fails to comply with the conditions, the base and the rates for calculation of the reserve requirement, as well as the manner and the deadlines for allocating and maintaining a reserve requirement (Article 20).
- (2) Fine in the amount of EUR 500 in Denar equivalent for a foreign bank branch and a savings house shall be imposed for misdemeanors referred to in paragraph (1) of this Article also on the responsible person with the bank, a foreign bank branch and a savings house.

### **Article 117-a**

- (1) Fine in the amount of EUR 800 to 1,000 in Denar equivalent shall be pronounced for a misdemeanor to a micro trader, a fine in the amount of EUR 1,600 to 2,000 in Denar equivalent shall be pronounced for a misdemeanor to a small trader, fine in the amount of EUR 5,000 to EUR 6,000 in Denar equivalent shall be pronounced for a misdemeanor to a medium trader and fine in the amount of EUR 8,000 to 10,000 in Denar equivalent shall be pronounced for a misdemeanor to a large trader who does not adhere to or acts contrary to the conditions and manner of supplying banknotes and coins (Article 25).
- (2) Fine in the amount of EUR 100 to 500 in Denar equivalent shall be pronounced for the misdemeanor referred to in paragraph (1) of this Article to the responsible person in the legal entity.

### **Article 117-b**

- (1) Fine in the amount of EUR 800 to 1,000 in Denar equivalent shall be pronounced for a misdemeanor to a micro trader, fine in the amount of EUR 1,600 to 2,000 in Denar equivalent shall be pronounced for a misdemeanor to a small trader, fine in the amount of EUR 5,000 to 6,000 in Denar equivalent shall be pronounced for a misdemeanor to a middle trader and fine in the amount of EUR 8,000 to 10,000 Denar equivalent shall be pronounced for a misdemeanor to a large trader who does not adhere to or acts contrary to the terms and conditions of replacement banknotes and coins that have become unsuitable for circulation (Article 26).
- (2) Fine in the amount of EUR 100 to 500 in Denar equivalent shall be pronounced for the misdemeanor referred to in paragraph (1) of this Article to the responsible person in the legal entity.

### **Article 118**

- (1) Fine in the amount of EUR 800 to 1,000 in Denar equivalent shall be pronounced for a misdemeanor to a micro trader, fine in the amount of EUR 1,600 to 2,000 in Denar equivalent shall be pronounced for a misdemeanor to a small trader, fine in the amount of 5,000 to EUR 6,000 in Denar equivalent shall be pronounced on a medium trader for a misdemeanor and fine in the amount of EUR 8,000 to 10,000 in Denar equivalent shall be pronounced on a large trader who without prior written permission from the National Bank will reproduce banknotes and coins that are legal tender in the Republic of North Macedonia or will create items that by their design emit such banknotes and coins (Article 30).
- (2) Fine in the amount of <sup>6</sup> EUR 100 to 500 in Denar equivalent shall be pronounced for the misdemeanor in paragraph (1) of this Article to the responsible person in the legal entity.

### **Article 119**

Fine in the amount of EUR 250 in Denar equivalent shall be pronounced for the misdemeanor on a natural person, i.e. sole proprietor who, without prior written permission from the National Bank will reproduce banknotes and coins that are legal tender in the Republic of North Macedonia or will create objects that by their design imitate such banknotes and coins (Article 30).

### **Article 120**

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<sup>6</sup> Procedure for correction of technical errors submitted to the Ministry of Finance is in process.

(1) Fine in the amount of EUR 4,000 to 5,000 in Denar equivalent shall be pronounced for a committed misdemeanor of a bank, a branch of a foreign bank and a savings house which is obliged to submit statistical data and information if:

1) fails to submit or untimely submits the statistical data and information to the National Bank in accordance with Article 36 of this Law and

2) fails to submit or untimely submits data and information to the National Bank for maintaining the Credit Registry (Article 39).

(2) Fine in the amount of EUR 500 in Denar equivalent shall be pronounced for the misdemeanors referred to in paragraph (1) of this Article to the responsible person in a bank, branch of a foreign bank and savings house.

(3) Fine in the amount of EUR 800 to 1,000 in Denar equivalent shall be pronounced for a misdemeanor to a micro trader, fine in the amount of EUR 1,200 to 1,500 in Denar equivalent shall be pronounced for a misdemeanor to a small trader, fine in the amount of EUR 2,500 up to 3,000 in Denar equivalent shall be pronounced on a middle trader for a misdemeanor and fine in the amount of EUR 4,000 to 5,000 in Denar equivalent shall be pronounced on a large trader for misdemeanors referred to in paragraph (1) of this Article.

(4) Fine in the amount of EUR 100 to 500 in Denar equivalent shall be pronounced for the misdemeanors referred to in paragraph (3) of this Article to the responsible person in the legal entity.

(5) Fine in the amount of EUR 250 in Denar equivalent shall be pronounced to a sole proprietor for the misdemeanors referred to in paragraph (1) of this Article.

### **Article 121**

Natural persons shall be fined with EUR 250 in Denar equivalent if they fail to submit, or fail to submit in due course, any statistics and information to the National Bank according to Article 36 of this Law.

### **Article 122**

The Governor, the Vice Governors and the nonexecutive members of the National Bank Council shall be fined with EUR 500 in Denar equivalent for a misdemeanor if they:

- 1) carry out other professions during their term of office (Article 50 paragraph (3));
- 2) fail to provide a written statement on a specific issue in case their objectivity is threatened by a conflict of interest with regard to such matter and fail to be exempted from the decision-making (Article 70); and
- 3) disclose classified information with certain level of secrecy, regardless of the way they have obtained it when carrying out their function (Article 74).

### **Article 123**

(1) A fine of Euro 250 in denar equivalent shall be pronounced for a misdemeanor on a National Bank employee or another natural person if they allow unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB PROFESSIONAL SECRET", regardless of how they acquired them during the performance of their duties (Article 74).

(2) A fine of Euro 800 to 1,000 in denar equivalent shall be pronounced for a misdemeanor on a micro trader, a fine of Euro 1,200 to 1,500 in denar equivalent shall be pronounced for a misdemeanor on a small trader, a fine of Euro 2,500 to 3,000 in denar equivalent shall be pronounced for a misdemeanor on a medium trader and a fine of Euro 4,000 to 5,000 in denar equivalent shall be pronounced for a misdemeanor on a large trader if they enable unauthorized access, i.e. disclose,



disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB PROFESSIONAL SECRET", regardless of how they acquired them within the scope of their work (Article 74).

(3) A fine of Euro 500 in denar equivalent shall be pronounced for a misdemeanor on the governor, vice-governor and non-executive National Bank Council member if they allow unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB PROFESSIONAL SECRET", regardless of how they acquired them during the performance of their duties (Article 74).

(4) A fine of Euro 500 in denar equivalent shall be pronounced for misdemeanor on a responsible person in a legal entity if they allow unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB PROFESSIONAL SECRET", regardless of how they acquired them during the performance of their duties (Article 74).

(5) A fine of Euro 250 in denar equivalent shall be pronounced for misdemeanor on a sole proprietor if they enable unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB PROFESSIONAL SECRET", regardless of how they acquired them within the scope of their work (Article 74).

### **Article 123-a**

(1) A fine of Euro 200 in denar equivalent shall be pronounced for a misdemeanor on a National Bank employee or another natural person if they allow unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB CONFIDENTIAL", regardless of how they acquired them during the performance of their duties (Article 74).

(2) A fine of Euro 600 to 800 in denar equivalent shall be pronounced for a misdemeanor on a micro trader, a fine of Euro 1,000 to 1,500 in denar equivalent shall be pronounced for a misdemeanor on a small trader, a fine of Euro 2,000 to 2,500 in denar equivalent shall be pronounced for a misdemeanor on a medium trader and a fine of Euro 3,000 to 4,000 in denar equivalent shall be pronounced for a misdemeanor on a large trader if they enable unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB CONFIDENTIAL", regardless of how they acquired them within the scope of their work (Article 74).

(3) A fine of Euro 400 in denar equivalent shall be pronounced for a misdemeanor on the governor, vice-governor and non-executive National Bank Council member if they allow unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB CONFIDENTIAL", regardless of how they acquired them during the performance of their duties (Article 74).

(4) A fine of Euro 400 in denar equivalent shall be pronounced for misdemeanor on a responsible person in a legal entity if they allow unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB CONFIDENTIAL", regardless of how they acquired them during the performance of their duties (Article 74).

(5) A fine of Euro 200 in denar equivalent shall be pronounced for misdemeanor on a sole proprietor if they enable unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB CONFIDENTIAL", regardless of how they acquired them within the scope of their work (Article 74).

#### Article 123-b

(1) A fine of Euro 150 in denar equivalent shall be pronounced for a misdemeanor on a National Bank employee or another natural person if they allow unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB FOR RESTRICTED USE", regardless of how they acquired them during the performance of their duties (Article 74).

(2) A fine of Euro 300 to 500 in denar equivalent shall be pronounced for a misdemeanor on a micro trader, a fine of Euro 500 to 1,000 in denar equivalent shall be pronounced for a misdemeanor on a small trader, a fine of Euro 1,000 to 2,000 in denar equivalent shall be pronounced for a misdemeanor on a medium trader and a fine of Euro 2,000 to 3,000 in denar equivalent shall be pronounced for a misdemeanor on a large trader if they enable unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB FOR RESTRICTED USE", regardless of how they acquired them within the scope of their work (Article 74).

(3) A fine of Euro 300 in denar equivalent shall be pronounced for a misdemeanor on the governor, vice-governor and non-executive National Bank Council member if they allow unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB FOR RESTRICTED USE", regardless of how they acquired them during the performance of their duties (Article 74).

(4) A fine of Euro 300 in denar equivalent shall be pronounced for misdemeanor on a responsible person in a legal entity if they allow unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB FOR RESTRICTED USE", regardless of how they acquired them during the performance of their duties (Article 74).

(5) A fine of Euro 150 in denar equivalent shall be pronounced for misdemeanor on a sole proprietor if they enable unauthorized access, i.e. disclose, disseminate, use for personal benefit, disclose by transmission, publish or otherwise make available to third parties any documents, information or data created by the National Bank classified as "NB FOR RESTRICTED USE", regardless of how they acquired them within the scope of their work (Article 74). "

#### Article 123-c

The amount of the fine impose to a legal entity shall be set pursuant to the Law on Misdemeanors.

Article 124 shall be deleted

### **XV. TRANSITIONAL AND CLOSING PROVISIONS**

#### **Article 125**

(1) The Governor and Vice Governors of the National Bank Council elected by the Parliament of the Republic of Macedonia until the day this Law enters into the force shall remain at duty

- until the expiry of their term of office.
- (2) The external members of the National Bank Council elected by the Parliament of the Republic of Macedonia until the day this Law enters into the force, shall become nonexecutive members of the National Bank Council and remain on duty until the expiration of their term.
  - (3) The Governor, the Vice Governors and the nonexecutive members of the National Bank Council shall, within 90 days after this Law enters into force, comply with the provision of Article 50 of this Law.
  - (4) The Vice Governor elected by the Parliament of the Republic of Macedonia until the day this Law enters into the force, who is not a member of the National Bank Council, shall become a member of the National Bank Council on the day of expiration of the mandate of any of its nonexecutive members.

### **Article 126**

- (1) The bylaws specified by this Law shall be adopted within 9 months from the date this Law enters into force.
- (2) The existing bylaws shall apply until the date of effectiveness of the bylaws referred to in paragraph (1) of this Article.

### **Article 127**

- (1) The provisions of Chapter XII Membership of the Republic of North Macedonia in the European Union with Articles 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93 and 94 of this Law shall apply as of the date of accession of the Republic of North Macedonia to the European Union.
- (2) The provisions of Chapter XIII Introduction of the Euro as an official currency of the Republic of North Macedonia with Articles 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114 and 115 of this Law, shall apply as of the date of the introduction of the Euro as an official currency of the Republic of North Macedonia.

### **Article 128**

- (1) As of the date of accession of the Republic of North Macedonia to the European Union, the provision of Article 6 paragraph (2), Article 44 and the provision of Article 79 shall cease to be valid.
- (2) As of the date of accession of the Republic of North Macedonia to the European Union, the misdemeanor procedure for the misdemeanors listed under Article 20 of this Law shall be held at the authorized court.

### **Article 129**

As of the date of the introduction of the Euro as an official currency of the Republic of North Macedonia the provisions of the following Articles shall cease to be valid: Articles 7, 12 paragraph (1), 14 paragraph (1), 19, 20, 21, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 40 paragraph (1), 47 items 1), 2), 15), 16), 18) and 20), 48 paragraph (1) items 2), 4) and 6), 60 paragraph (1), 65, 73 paragraph (1) items 2) and 3) and paragraph (2) items 2) and 3), 84, 115 paragraphs (1), (3), (4), (5), (6) and (7), 116, 117, 118 and 119 of this Law.

## **Article 130**

On the day this Law enters into force, the Law on the National Bank of the Republic of North Macedonia (Official Gazette of the Republic of Macedonia No. 3/02, 51/03, 85/03, 40/04, 61/05 and 129/06) shall cease being valid.

## **Article 131**

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

### **EFFECTIVE TRANSITIONAL PROVISIONS OF THE AMENDMENTS TO THE LAW**

#### **I. "Official Gazette of the Republic of North Macedonia" No. 110/21**

##### **Article 20**

The bylaws determined by this Law shall be adopted within 30 days from the day this Law enters into force.

##### **Article 21**

The initiated misdemeanor procedures until the day this Law enters into force will end according to the Law on the National Bank of the Republic of Macedonia ("Official Gazette of the Republic of Macedonia" No. 158/10, 123/12, 43/14, 153/15, 6/16 and 83/18).

##### **Article 22**

This Law shall enter into force on the eighth day of its publication in the "Official Gazette of the Republic of North Macedonia".

#### **II. I. "Official Gazette of the Republic of North Macedonia" No. 74/24.**

##### **Article 53**

(1) Until the date this law enters into force, the governor and the vice-governors appointed by the Parliament of the Republic of North Macedonia shall remain at duty as executive members of the National Bank Council until the expiry of their term of office.

(2) Until the date this Law enters into force, the non-executive members of the National Bank Council appointed by the Parliament of the Republic of North Macedonia shall remain at duty until the expiry of their term of office.

##### **Article 54**

The Executive Board shall commence operating within 30 days of the date of entry into force of this Law.

##### **Article 55**

The Audit Committee shall be established by the National Bank Council and commence its operations no later than three months from the date of entry into force of this law.

#### Article 56

The bylaws derived from this Law shall be adopted within six months from the date this Law enters into force.

#### Article 57

(1) The provisions of the Banking Law shall be harmonized with the provisions of Article 29 of this law, adding a new Article 48a paragraph (1) items 3) and 5) within six months from the date of entry into force of this law.

(2) Until the date of entry into force of the Law referred to in paragraph (1) of this Article, the provisions of Article 2 items 1), 24), 25) and 30), and Articles 3, 4, 5, 11, 13, 16, 17, 18, 20, 22, 36, 46, 47, 48, 50, 51, 56, 56-e, 57, 58, 59, 60, 64, 65, 65-g, 83, 86, 89, 94, 103, 105, 107, 108, 109, 115, 118, 123, 125, 126, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 142, 143, 146, 147, 148, 150, 151, 152, 153, 154, 157, 158, 160, 169, 170, 172, 174, 175, 179, 186, 187, 187-a, 187-b, 187-c, 187-d, 188-a and 189-a of the Banking Law (Official Gazette of the Republic of Macedonia No. 67/07, 90/09, 67/10, 26/13, 15/15, 153/15, 190/16, 7/19 and Official Gazette of the Republic of North Macedonia No. 101/19 and 122/21) shall apply.

#### Article 58

The provisions of Article 2 of this law that add a new item 10-b) to Article 7, Article 21 of this law that adds a new Article 38-a, and Article 29 of this law that adds a new Article 48-a paragraph (1) item 4) shall apply from the day of application of the Law on Bank Resolution (\*) (Official Gazette of the Republic of North Macedonia" No. 209/23).

### III. "Official Gazette of the Republic of North Macedonia" No. 16/25

#### Article 4

(1) The amount of special reserves established in accordance with Article 13 paragraph (4) of the Law on the National Bank of the Republic of North Macedonia (Official Gazette of the Republic of Macedonia No. 158/10, 64/12, 123/12, 43/14, 153/15, 6/16 and 83/18 and Official Gazette of the Republic of North Macedonia No. 110/21, 74/24 and 121/24) shall be transferred to the general reserves account within 30 days of the date of entry into force of this Law.

(2) Within the period specified under paragraph (1) of this Article, the National Bank may not use the special reserves.