

Project which has been approved for financing under Operational programme/Rural development programme/CBC

Idea for preparation of project proposal/s



Necessity of funds



Municipal council

Approves Decision for requesting of a loan and determines the following parameters:

- Maximum amount of the loan, repayment conditions, type and currency of the loans, collateral, maximum interest rate, etc



Fund FLAG

The loan requests are submitted to the office of Fund FLAG in two identical copies. The experts of FLAG carry out evaluation of the project/project proposal in terms of the implementation of the project, the administrative and financial capacity of the municipality. A repayment schedule is created and the credit deal is submitted to the Board of Directors of FLAG for approval/refusal of financing.



Managing Bank

The Managing bank reviews the loan requests and the documents that are attached to them, performs an analysis of the credit rating of the client, credit risk assessment and assessment of the risk of the project and then submits the results from these analyses in written motivated proposal to the FUND for approval/rejection of financing.



Loan agreement

The Loan agreement is concluded in written form between FLAG, the Managing bank and the Borrower. The Loan agreement includes all specificities and additional conditions of the credit deal.

Monitoring

Monitoring is performed by the Managing bank - in terms of the credit deal - and by FLAG – in relation to the implementation of the project.