

**Terms and Conditions of Japanese ODA Loans
(Effective from April 1, 2014)**

Category	GNI Per Capita (2012)	Terms	Fixed / Variable	Standard / Option	Interest Rate (%)	Repayment Period (years)	Grace Period (years)	Conditions for Procurement
Least Developed Countries	Low-Income Countries *	General Terms	Fixed	Standard	0.01	40	10	Untied
				Option1	0.70	30	10	
				Option2	0.65	25	7	
				Option3	0.60	20	6	
				Option3	0.55	15	5	
				Option3	0.55	15	5	
		Preferential Terms **	Standard	0.01	40	10		
			Option1	0.01	30	10		
Low-Income Countries	-US\$1,035	General Terms	Fixed	Standard	1.20	30	10	Untied
				Option1	0.90	25	7	
				Option2	0.75	20	6	
				Option3	0.65	15	5	
				Option3	0.65	15	5	
				Option3	0.65	15	5	
		Preferential Terms **	Standard	0.25	40	10		
			Option1	0.20	30	10		
			Option2	0.15	20	6		
			Option3	0.10	15	5		
STEP ***	Standard	0.10	40	10	Tied			
Lower-Middle-Income Countries	US\$ 1,036- US\$ 1,965	General Terms	Fixed	Standard	1.40	30	10	Untied
				Option1	0.80	20	6	
				Option2	0.70	15	5	
				Option2	0.70	15	5	
			Variable ****	Standard	JPY LIBOR-10bp	30	10	
				Option1	JPY LIBOR-30bp	20	6	
				Option2	JPY LIBOR-12bp	15	5	
				Option2	JPY LIBOR-12bp	15	5	
		Preferential Terms **	Fixed	Standard	0.30	40	10	
				Option1	0.25	30	10	
				Option2	0.20	20	6	
				Option3	0.15	15	5	
			Variable ****	Standard	JPY LIBOR-133bp	40	10	
				Option1	JPY LIBOR-123bp	30	10	
				Option2	JPY LIBOR-89bp	20	6	
				Option3	JPY LIBOR-66bp	15	5	
STEP ***	Fixed	Standard	0.10	40	10	Tied		
Middle-Income Countries	US\$ 1,966- US\$ 4,085	General Terms	Fixed	Standard	1.40	25	7	Untied
				Option1	0.95	20	6	
				Option2	0.80	15	5	
			Variable ****	Standard	JPY LIBOR+9bp	25	7	
				Option1	JPY LIBOR-15bp	20	6	
				Option2	JPY LIBOR-2bp	15	5	
		Preferential Terms **	Fixed	Standard	0.30	40	10	
				Option1	0.25	30	10	
				Option2	0.20	20	6	
				Option3	0.15	15	5	
			Variable ****	Standard	JPY LIBOR-133bp	40	10	
				Option1	JPY LIBOR-123bp	30	10	
				Option2	JPY LIBOR-89bp	20	6	
				Option3	JPY LIBOR-66bp	15	5	
STEP ***	Fixed	Standard	0.10	40	10	Tied		
Upper-Middle-Income Countries	US\$ 4,086- US\$ 7,115	General Terms	Variable ****	Standard	JPY LIBOR+38bp	25	7	Untied
				Option1	JPY LIBOR+49bp	20	6	
				Option2	JPY LIBOR+67bp	15	5	
			Fixed	Standard	1.70	25	7	
				Option1	1.60	20	6	
				Option2	1.50	15	5	
		Preferential Terms **	Variable ****	Standard	JPY LIBOR-103bp	40	10	
				Option1	JPY LIBOR-98bp	30	10	
				Option2	JPY LIBOR-69bp	20	6	
				Option3	JPY LIBOR-52bp	15	5	
			Fixed	Standard	0.60	40	10	
				Option1	0.50	30	10	
				Option2	0.40	20	6	
				Option3	0.30	15	5	
Uppermost-Middle-Income Countries	US\$ 7,116- US\$12,615	General Terms	Variable ****	Standard	JPY LIBOR+48bp	25	7	Untied
				Option1	JPY LIBOR+54bp	20	6	
				Option2	JPY LIBOR+72bp	15	5	
				Option2	JPY LIBOR+72bp	15	5	
		Preferential Terms **	Standard	JPY LIBOR-89bp	30	10		
			Option1	JPY LIBOR-65bp	20	6		
			Option2	JPY LIBOR-65bp	20	6		
			Option2	JPY LIBOR-47bp	15	5		
Consulting Services		For consulting services, the interest rate will be minimal (0.01%) and the repayment, grace periods and conditions for procurement will be the same as those for main components.						
Options for Program Type Japanese ODA Loans		In case of co-financing, it is possible to apply the same repayment terms as co-financer's lending while maintaining the concessionality of Yen loans.						

* For Low-Income LDCs, the term and condition of 0.01% interest rate and 40-year repayment period including 10-year grace period are applied, irrespective of sectors and fields.

** Preferential Terms are applied for the following sectors and fields:

- (i) Global Environmental Problems and Climate Change
- (ii) Health and Medical Care and Services
- (iii) Disaster Prevention and Reduction
- (iv) Human Resource Development

*** Special Terms for Economic Partnership (STEP) is extended to the projects for which Japanese technologies and know-how are substantially utilized, based on the recipient countries' request to utilize and transfer excellent technologies of Japan.

**** Although the base rate of Variable Loan is the value of the 6-month Japanese Yen LIBOR, the spread shall be fixed. The actual value of interest rate will be capped so that the grant element over the life of the loan is at least 25%, and if the actual value of interest rate is lower than 0.1%, the interest shall be 0.1%.

***** Irrespective of the country category, the term and condition of 0.01% interest rate and 40-year repayment period including 10-year grace period are applied to projects assisting recoveries from disasters, including Stand-by Emergency Credit for Urgent Recovery (SECURE). For Stand-by Emergency Credit for Urgent Recovery (SECURE), the term and condition of 20-year repayment period including 6-year grace period, or 15-year repayment period including 5-year grace period are also available, in order to apply Currency Conversion Option.

<note>

- The concessionality level of optional terms does not exceed that of standard terms.
- Under the EPSA initiative, the loan for projects co-financed with the AfDB are extended using "Preferential Terms," determined for each income category; in the case for Low-Income LDCs, the term and condition of 0.01% interest rate and 40-year repayment period including 10-year grace period are applied.
- A two-step loan extended to the AfDB to cover its sub-loans to private enterprises under EPSA is extended using the term and condition of 0.55% interest rate and 40-year repayment period including 10-year grace period.
- For countries complying with ongoing IMF-supported programs or receiving grants from IDA, it is possible to modify the terms and conditions of the ODA Loans so as to meet the IMF's concessionality criteria.
- For the countries of which GNI per capita level exceeds that of Upper-Middle-Income Countries, only LIBOR-based term is applied. For Upper-Middle-Income Countries, LIBOR-based term is applied in principle, although General Terms or Preferential Terms are also available.
- For Lower-Middle-Income Countries and Middle-Income Countries, General Terms, Preferential Terms or STEP are applied in principle, although LIBOR-based term is also available.