

Terms and Conditions of Japanese ODA Loans (Effective from October 1, 2025)

Category	GNI Per Capita (2023)	Terms	Fixed/Floating	Standard/Option	Interest Rate (%)	Repayment Period (years)	Grace Period (years)	Conditions for Procurement	
Low-Income Least Developed Countries ¹ (- US\$ 1,145)					0.70	40	10	Untied	
Least Developed Countries or Low-Income-Countries (- US\$ 1,145)		Preferential Terms for High Specification ^(2, same as below)	Fixed	Standard	1.25	30	10	Untied	
				Option1	1.10	25	7		
				Option2	0.95	20	6		
				Option3	0.80	15	5		
		Preferential Terms ^(3, same as below)	Floating ^(4, same as below)	Longer option	TORF+40bp	40	10		
				Standard	TORF+30bp	30	10		
				Option1	TORF+25bp	25	7		
				Option2	TORF+20bp	20	6		
			Fixed	Option3	TORF+15bp	15	5		
				Standard	2.25	30	10		
				Option1	2.00	25	7		
				Option2	1.75	20	6		
		General Terms	Floating	Option3	1.50	15	5		
				Standard	2.35	30	10		
				Option1	2.10	25	7		
				Option2	1.85	20	6		
Fixed	Option3		1.60	15	5				
	Standard		2.35	30	10				
	Option1		2.10	25	7				
	Option2		1.85	20	6				
Lower-Middle-Income Countries		US\$ 1,146 - US\$ 4,515	Preferential Terms for High Specification	Fixed	Standard	1.50	30	10	Untied
					Option1	1.35	25	7	
					Option2	1.20	20	6	
					Option3	1.05	15	5	
			Preferential Terms	Floating	Longer option	TORF+80bp	40	10	
					Standard	TORF+60bp	30	10	
					Option1	TORF+50bp	25	7	
					Option2	TORF+40bp	20	6	
		Fixed		Option3	TORF+30bp	15	5		
				Standard	2.70	30	10		
				Option1	2.40	25	7		
				Option2	2.10	20	6		
		General Terms	Floating	Option3	1.80	15	5		
				Longer option	TORF+100bp	40	10		
				Standard	TORF+80bp	30	10		
				Option1	TORF+70bp	25	7		
Fixed	Option2		TORF+60bp	20	6				
	Option3		TORF+50bp	15	5				
	Standard		2.90	30	10				
	Option1		2.60	25	7				
Upper-Middle-Income Countries and Uppermost-Middle-Income Countries		US\$ 4,516-	Preferential Terms for High Specification	Fixed	Option2	2.30	20	6	Untied
					Option3	2.00	15	5	
					Longer option	TORF+100bp	40	10	
					Standard	TORF+80bp	30	10	
			Preferential Terms	Floating	Option1	TORF+70bp	25	7	
					Option2	TORF+60bp	20	6	
					Option3	TORF+50bp	15	5	
					Standard	2.90	30	10	
		Fixed		Option1	2.60	25	7		
				Option2	2.30	20	6		
				Option3	2.00	15	5		
				General Terms	Floating	Longer option	TORF+120bp	40	
		Standard	TORF+100bp			30	10		
		Option1	TORF+90bp			25	7		
		Option2	TORF+80bp			20	6		
		Fixed	Option3		TORF+70bp	15	5		
Standard	3.10		30		10				
Option1	2.80		25		7				
Option2	2.50		20		6				
STEP ⁵		Fixed	Standard	0.80	40	10	Tied		
				Consulting Services		For consulting services, the interest rate will be 0.80%, except for Low-Income LDCs, for which the interest rate will be 0.70%. 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.							
¹ For Low-Income LDCs, three-year transition period will be granted to recipient countries that will move from the category of Low-Income LDCs, and, during the period, the terms and conditions for Low-Income LDCs will be applied to the projects of the countries.									
² Preferential Terms for High Specification will be applicable to projects promoting quality infrastructure.The applicability of the terms will be decided on a case-by-case basis.									
³ Preferential Terms are applied to the following sectors and fields to all countries (except Low-Income LDCs) : (i) Issues on Global Environmental and Climate Change (ii) Health and Medical Care and Services (including Stand-by Credit for Urgent Response to Epidemics (Stand-by CURE)) (iii) Disaster Prevention, and Reduction (iv) Human Resource Development									
⁴ The base rate of floating rate is the value of the 6-month TORF, and the fixed spread remains constant over the life of the loan. If the base rate plus fixed spread is lower than 0.1%, the interest shall be 0.10%. For Upper-Middle-Income Countries and Uppermost-Middle-Income Countries, floating rate will be applied in principle, although fixed rate could be applied.									
⁵ 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. Countries (except LDCs), which are eligible for tied aid under Arrangement on Officially Supported Export Credits issued by OECD, are eligible for STEP terms.									
⁶ Irrespective of the income category, the term and condition of 0.80% 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.									
⁷ For Contingent Credit Enhancement Facility for PPP Infrastructure Development (CCEF-PPP), only floating rate will be applied irrespective of income category. The terms on conditions are individually set within the following range of interest rate as well as repayment period (In the case of short term financial support, however, the repayment period is 10 years). -Interest rate: TORF + 35 ~55bp -Repayment period: maximum 40-year(maximum 30-year drawdown period plus 10 year)									
⁸ Under the EPSA (Enhanced Private Sector Assistance for Africa) 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 0.70% interest rate and 40-year repayment period including 10-year grace period are applied.									