

Terms and Conditions of Japanese ODA Loans
(Effective from October 1, 2015)

Category	Terms	Fixed / Variable	Standard / Option	Interest Rate (%)	Repayment Period (years)	Grace Period (years)	Conditions for Procurement
Low-Income Least Developed Countries *				0.01	40	10	
Least Developed Countries	General Terms	Fixed	Standard	0.70	30	10	Untied
			Option1	0.65	25	7	
			Option2	0.60	20	6	
	Option3		0.55	15	5		
	Preferential Terms **		Standard	0.01	40	10	
			Option1	0.01	30	10	
Option2		0.01	20	6			
Low-Income Countries	General Terms	Fixed	Standard	1.20	30	10	Untied
			Option1	0.90	25	7	
			Option2	0.75	20	6	
	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	
Lower-Middle-Income Countries	General Terms	Fixed	Standard	1.40	30	10	Untied
			Option1	0.80	20	6	
			Option2	0.70	15	5	
		Variable ****	Standard	JPY LIBOR+10bp	30	10	
			Option1	JPY LIBOR	20	6	
			Option2	JPY LIBOR-5bp	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-100bp	40	10	
			Option1	JPY LIBOR-110bp	30	10	
	Option2		JPY LIBOR-120bp	20	6		
	Option3	JPY LIBOR-125bp	15	5			
	STEP ***	Fixed	Standard	0.10	40	10	
Middle-Income Countries	General Terms	Fixed	Standard	1.40	25	7	Untied
			Option1	0.95	20	6	
			Option2	0.80	15	5	
		Variable ****	Standard	JPY LIBOR+15bp	30	10	
			Option1	JPY LIBOR+10bp	25	7	
			Option2	JPY LIBOR+5bp	20	6	
	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-95bp	40	10	
			Option1	JPY LIBOR-105bp	30	10	
	Option2		JPY LIBOR-110bp	25	7		
	Option3	JPY LIBOR-115bp	20	6			
	Option4	JPY LIBOR-120bp	15	5			
STEP ***	Fixed	Standard	0.10	40	10	Tied	
Upper-Middle-Income Countries	General Terms	Variable ****	Standard	JPY LIBOR+20bp	30	10	Untied
			Option1	JPY LIBOR+15bp	25	7	
			Option2	JPY LIBOR+10bp	20	6	
		Option3	JPY LIBOR+5bp	15	5		
		Fixed	Standard	1.70	25	7	
			Option1	1.60	20	6	
	Option2		1.50	15	5		
	Preferential Terms **	Variable ****	Standard	JPY LIBOR-90bp	40	10	
			Option1	JPY LIBOR-100bp	30	10	
			Option2	JPY LIBOR-105bp	25	7	
		Option3	JPY LIBOR-110bp	20	6		
		Option4	JPY LIBOR-115bp	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 (Countries whose GNI per capita level exceeds that of Upper-Middle-Income Countries)	General Terms	Variable ****	Standard	JPY LIBOR+20bp	25	7	Untied
			Option1	JPY LIBOR+15bp	20	6	
			Option2	JPY LIBOR+10bp	15	5	
	Preferential Terms **		Standard	JPY LIBOR-95bp	30	10	
			Option1	JPY LIBOR-105bp	20	6	
			Option2	JPY LIBOR-110bp	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) Problems and Issues on Global Environmental 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 income 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 Uppermost-Middle-Income countries, LIBOR-based term will be applied without exception. For Upper-Middle-Income Countries, LIBOR-based term will be applied in principle, although Fixed Term could be applied. For Lower-Middle-Income Countries or Middle-Income Countries, Fixed Term will be applied in principle, although LIBOR-based term could be applied. For program type Japanese ODA Loans in Upper-Middle-Income Countries, LIBOR-based term will be applied. As for program type Japanese ODA Loans for specific sector, Fixed Term could be applied.