

Fund-Provisioning Measure to Support Efforts on Climate Change (Preliminary Outline)

Eligible Counterparties Eligible Investment/Loans

Counterparties make investment/loans based on their own decisions. Discipline will be exercised through a certain level of disclosure.

- **Financial institutions that disclose a certain level of information** on their efforts to address climate change
- Of the **investment/loans** made by counterparties as part of their efforts, those **that contribute to Japan's actions to address climate change**
- Types of eligible investment/loans:
 - (1) Green loans/bonds
 - (2) Sustainability-linked loans/bonds (related to efforts on climate change)
 - (3) Transition finance

Terms and Conditions

Long-term support for financial institutions' efforts

- Interest rate: **0%**
-- The measure will fall under Category III (applied interest rate: 0%) in the Interest Scheme to Promote Lending
- **Twice as much as the amount outstanding of funds that counterparties receive will be added to the Macro Add-on Balances in their current accounts at the Bank**
- Duration of fund-provisioning: 1 year; rollovers can be made until the end of the implementation period → **Effectively, long-term financing from the Bank**
- Implementation period: in principle, **until the end of fiscal 2030**