September 18, 2026
Bank of Japan

**Amendment to "Principal Terms and Conditions of the Funds-Supplying Operations to Support Financing for Climate Change Responses"**

At the Monetary Policy Meeting held on September 17 and 18, 2026, the Policy Board of the Bank of Japan made the following decisions with the aim of ensuring the smooth conduct of market operations.

1. The Bank shall amend the "Principal Terms and Conditions of the Funds-Supplying Operations to Support Financing for Climate Change Responses" (see Attachment 1).

2. The Bank shall amend the "Special Rules for Member Financial Institutions of Central Organizations of Financial Cooperatives to Use the Funds-Supplying Operations to Support Financing for Climate Change Responses" (see Attachment 2).

3. The Bank shall amend the "Principal Terms and Conditions for the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas" (see Attachment 3).

4. The Bank shall amend the "Principal Terms and Conditions for Funds-Supplying Operations against Pooled Collateral" (see Attachment 4).

Attachment 1

**Amendment to "Principal Terms and Conditions of the Funds-Supplying Operations to Support Financing for Climate Change Responses"**

- Paragraph 6. shall be amended as follows.

6. Loan Rates

The interest rate on loans shall be ~~that~~ the average of the interest rates stipulated in paragraph 4. of the "Principal Terms and Conditions of Complementary Deposit Facility" (Policy Board Decision on January 29, 2016) ~~as of the date of loan disbursement~~ during the period in which the loans are extended.

- Paragraph 8. shall be amended as follows.

8. Maximum Amount of Loans ~~for Each Counterparty~~

(1) The total amount of loans shall not exceed 50 trillion yen.

(2) The maximum amount of loans for each counterparty shall be equivalent to the amount outstanding of investment or loans by counterparties that contribute to Japan's actions to address climate change, with a remaining maturity of 1 year or more at the time determined at each loan disbursement pursuant to the Bank's relevant rules, provided that the maximum amount of loans for each counterparty shall not exceed 10 trillion yen.

(Supplementary Provision)

The amendment shall become effective today. To the loans that are disbursed under the terms and conditions prior to the amendment, the prior terms and conditions shall be applied until their maturities.

Attachment 2

**Amendment to "Special Rules for Member Financial Institutions of Central Organizations of Financial Cooperatives to Use the Funds-Supplying Operations to Support Financing for Climate Change Responses"**

- Paragraph 5. shall be amended as follows.

5. The maximum amount of loans for each central organization of financial cooperatives under the special rules shall be set separately from the maximum amount of loans for its own use prescribed in paragraph 8. of the Principal Terms and Conditions, and shall be set as the sum of the maximum amount of loans of each member financial institution using the Climate Response Financing Operations that shall be equivalent to its amount outstanding of investment or loans reported to each central organization of financial cooperatives as prescribed in paragraph 4. <u>The maximum amount of loans of each member financial institution using the Climate Response Financing Operations shall not exceed the amount stipulated in the proviso of paragraph 8. (2) of the Principal Terms and Conditions.</u>

(Supplementary Provision)

The amendment shall become effective today.

Attachment 3

**Amendment to "Principal Terms and Conditions for the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas"**

- Paragraph 1. shall be amended as follows.

1. Purpose

The terms and conditions prescribe the principles for the Bank of Japan's funds-supplying operation to support financial institutions in disaster areas affected by large-scale disasters (i.e., an open market operation through which the Bank provides ~~fixed-rate~~ loans to financial institutions in disaster areas that are made against eligible collateral within the maximum amount determined by the Bank). This operation aims at supporting financial institutions in disaster areas affected by large-scale disasters in their initial response efforts to meet the demand for funds for restoration and reconstruction through appropriate market operations.

- Paragraph 2. shall be amended as follows.

2. Designated Disaster(s)

~~The Great East Japan Earthquake~~None

- Paragraph 7. shall be amended as follows.

7. Loan Rates

The interest rate on loans shall be ~~that~~ the average of the interest rates stipulated in paragraph 4. of the "Principal Terms and Conditions of Complementary Deposit Facility" (Policy Board Decision on January 29, 2016) ~~as of the date of loan disbursement~~ during the period in which the loans are extended.

- Paragraph 9. shall be amended as follows.

9. Maximum Amount of Loans

(1) ~~The maximum amount of loans for each disaster prescribed in 2. shall be as follows.~~ For each disaster prescribed in 2., the maximum amount of loans shall be decided at a Monetary Policy Meeting.

~~・Great East Japan Earthquake: 1 trillion yen~~

(2)
(No change)
(3)

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

1. These terms and conditions shall become effective on July 1, 2020. ~~The Bank shall not apply paragraph 9. (3) until the maturity of all the loans disbursed to the counterparties based on the "Principal Terms and Conditions for the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas" (Policy Board Decision on April 28, 2011) or the "Principal Terms and Conditions for the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas of the 2016 Kumamoto Earthquake" (Policy Board Decision on April 28, 2016), both of which are to be abolished (hereinafter jointly referred to as the~~

~~"Former Principal Terms and Conditions").~~

~~2. Eligible counterparties selected under the Former Principal Terms and Conditions as of June 30, 2020 shall be deemed to be selected based on paragraph 4. (1), and their maximum amount of loans determined under the Former Principal Terms and Conditions shall be deemed to be determined based on paragraph 9. (2).~~

~~3.~~2. When the Bank revises the list of eligible counterparties, it shall not apply paragraph 9. (1) until the maturity of all the loans disbursed to the counterparties on the previous list.

(Supplementary Provision)

The amendments concerning paragraphs 1. and 7., and the Supplementary Provision shall become effective today, and the amendments concerning paragraphs 2. and 9. shall become effective on May 31, 2027. To the loans that are disbursed under the terms and conditions prior to the amendments, the prior terms and conditions shall be applied until their maturities.

Attachment 4

**Amendment to "Principal Terms and Conditions for Funds-Supplying Operations against Pooled Collateral"**

- Paragraph 6. shall be amended as follows.

6. Loan Rates

Interest rates shall be determined by one of the following methods.

(1) (No change)

(2) Interest rates on the loans shall be determined by methods other than auctions.

(a) Interest rates on the loans shall be determined for each loan based on the guideline for market operations (including the guideline for outright purchases of Japanese government bonds), taking into account market prices of Japanese government bonds for each maturity.

(b) Interest rates on the loans shall be the average of the interest rates stipulated in paragraph 4. of the "Principal Terms and Conditions of Complementary Deposit Facility" (Policy Board Decision on January 29, 2016) during the period in which the loans are extended.

(Supplementary Provision)

The amendment shall become effective today.