

IDA Terms
(Effective as of October 1, 2017)*

Please check IDA's website for the latest lending rate information; some rates might change as IBRD's spreads change.

	Maturity	Grace Period	Principal Repayments		Acceleration Clause
Grants	NA	NA	NA	NA	NA
Small Economy	40	10	2% for yrs. 11-20	4% for yrs. 21-40	Yes
Regular	38	6	3.125% for yrs. 7-38		Yes
Blend	30	5	3.3% for yrs. 6-25	6.8% for yrs. 26-30	Yes
Guarantees	NA	NA	NA	NA	NA
Non-concessional Financing (IDA18 Scale-up Facility & Transitional Support)	Up to 35 yrs. maximum maturity; up to 20 yrs. average maturity		Flexible		NA

Notes:

- 1- The maturity of all IDA credits approved by the Board through June 30, 1987 is 50 years. The maturity of IDA credits approved by the Board between June 30, 1987 and June 30, 2011 are 35 or 40 years. The maturity of credits approved between July 1, 2011 and June 30, 2014 are 25 or 40 years.
- 2- IDA credits include an acceleration clause, providing for doubling of principal payments from creditworthy borrowers where per capita income remains above eligibility thresholds. IDA credits on hardened terms (approved during IDA13-IDA15) are exempt from the accelerated repayment provisions.
- 3- Blend terms apply to blend countries and IDA countries with GNI per capita above the operational cutoff for more than two consecutive years, known as "gap" countries. An exception to the GNI per capita operational cutoff for IDA eligibility has been made for some small states and small island economies (i.e. small economy terms) based on their vulnerability.
- 4- Debt service payment dates are the 1st or 15th day of a month and semi-annually thereafter, as decided by the recipient during credit negotiation.
- 5- Fixed rates for single-currency credits are calculated and published quarterly. Credits approved in each quarter will be subject to the rates effective for that quarter.
- 6- To ensure that IDA covers its administrative expenses and to prevent a negative interest charge, IDA applies a floor of 75 bps for the service charge and a floor of 0 bps for the interest charge for all currencies. The service charge is applied as a percentage of the disbursed and outstanding credit balance.
- 7- All IDA concessional credits are subject to a commitment charge, which is currently nil. IDA's Commitment charge is a variable charge set within a range of 0 - 0.5 percent of the undisbursed balance of IDA's credits and grants. Executive Directors review and approve the level of the commitment charge annually.
- 8- For guarantees;
 - i) A standby fee is applied to the undisbursed balance of the guaranteed financing and is analogous to the commitment charge on IDA credits. The standby fee is currently fixed at 0 bps per annum, but may change per changes in commitment charges.
 - ii) A guarantee fee is applied on the disbursed and outstanding amounts of the guaranteed financing, in the same way service charges on IDA credits are applied. The guarantee fee is currently fixed at 75 bps per annum, equal to the fixed level of service charges on IDA credits.
 - iii) In addition to the standby and guarantee fees, IDA guarantees for private sector borrowers are subject to an initiation fee and a processing fee, which are one-time fees paid up-front. The initiation fee is 15 bps of the principal amount or \$100,000 (whichever is higher); the processing fee is up to 50 bps of the principal amount. The processing fee is assessed on a case by case basis and can be either waived or increased in exceptional cases.

* The IDA terms have been updated to reflect the change in variable spreads of IBRD flexible loans as of October 1, 2017

i) Fixed Rates for FY18 Q2

	USD	EUR	JPY	GBP	SDR
Regular for small economy - service (10-yr grace and 40-yr maturity)	1.20%	0.75%	0.75%	0.75%	0.75%
Regular for IDA only - service (6-yr grace and 38-yr maturity)	1.23%	0.75%	0.75%	0.75%	0.75%
Blend - service	1.24%	0.75%	0.75%	0.75%	0.75%
Blend - interest	1.36%	0.74%	0	0.78%	1.25%
Blend - total	2.60%	1.49%	0.75%	1.53%	2.00%

Basis Adjustments (bps) for Regular and Blend Single-Currency Credits

	USD	EUR	JPY	GBP
Regular for small economy - service (10-yr grace and 40-yr maturity)	45	0	0	0
Regular for IDA only - service (6-yr grace and 38-yr maturity)	48	0	0	0
Blend - service	49	0	0	0
Blend - interest	11	-51	-125	-47
Blend - total	60	-51	-125	-47

The basis adjustment accounts for the differences in notional interest rates between the currencies. For any given single currency-credit with a fixed rate, the basis adjustment plus the standard SDR charge for that credit equals the single currency charge. The basis adjustment is applied to ensure that the present value of total cash flows of the single-currency credit equals the present value of the equivalent SDR credit (Because market swap rates beyond the 10-year maturity for the Chinese yuan are not available, the calculation of the single currency lending rates for Regular and Blend terms credits uses estimated values that are based on available market data.). Please note that basis adjustment for IDA service charges cannot be lower than zero since IDA applies a floor of 75 bps for the service charge on single-currency credits for all currencies.

ii) IDA18 Non-Concessional Financing

IDA18 Scale-Up Facility and Transitional Support financing will be offered at IBRD Flexible Loan terms in USD, EUR, JPY and GBP. For pricing information please see <http://treasury.worldbank.org/bdm/htm/ibrd.html>.

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iii) Floating rates for IDA17 Transitional Support and Hard-term Lending Single-Currency Credits

	USD	EUR	JPY	GBP
<i>Transitional Support</i>				
Reference market rate (6-month)	LIBOR	EURIBOR	LIBOR	LIBOR
IBRD fixed spread	140 bps	125 bps	105 bps	135 bps
minus 100 bps	-100 bps	-100 bps	-100 bps	-100 bps
plus 75 bps service charge	+ 75 bps	+ 75 bps	+ 75 bps	+ 75 bps
plus transaction fee	<u>+ 1 bps</u>	<u>+ 1 bps</u>	<u>+ 1 bps</u>	<u>+ 1 bps</u>
IDA fixed spread	116 bps	101 bps	81 bps	111 bps
Total*	LIBOR+1.16%	EURIBOR+1.01%	LIBOR+0.81%	LIBOR+1.11%
<i>Hard-term</i>				
Reference market rate (6-month)	LIBOR	EURIBOR	LIBOR	LIBOR
IBRD fixed spread	140 bps	125 bps	105 bps	135 bps
minus 200 bps	-200 bps	-200 bps	-200 bps	-200 bps
plus 75 bps service charge	+ 75 bps	+ 75 bps	+ 75 bps	+ 75 bps
plus transaction fee	<u>+ 1 bps</u>	<u>+ 1 bps</u>	<u>+ 1 bps</u>	<u>+ 1 bps</u>
IDA fixed spread	16 bps	1 bps	-19 bps	11 bps
Total	LIBOR+0.16%	EURIBOR+0.01%	LIBOR-0.19%	LIBOR+0.11%

For the floating rate option, the pricing methodology follows IBRD's approach of setting the Fixed Spread at signing, and the rates are subject to the IBRD spreads that are prevailing at that time. The Borrower shall pay a transaction fee set at 1 bps per annum. This fee shall be added to the interest rate. A commitment charge of between 0 and 50 bps would also be applied (currently nil). Floating rate credits will be subject to a floor of 0 bps floor on interest rates. In addition, in case of prepayments, IDA will pass on to the floating rate borrower the costs or gains from the swap terminations.

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iv) IDA17 Scale-up Facility Financing Floating Rates

Floating Rate with a Fixed Spread				
	USD	EUR	JPY	GBP
Option 1: 24/5	LIBOR+1.20%	EURIBOR+1.05%	LIBOR+0.85%	LIBOR+1.15%
Option 2: 27/8	LIBOR+1.40%	EURIBOR+1.25%	LIBOR+1.05%	LIBOR+1.35%
Option 3: 30/9	LIBOR+1.50%	EURIBOR+1.35%	LIBOR+1.15%	LIBOR+1.45%
Floating Rate with a Variable Spread				
	USD	EUR	JPY	GBP
Option 1: 24/5	LIBOR +0.76%	EURIBOR +0.76%	LIBOR +0.76%	LIBOR +0.76%
Option 2: 27/8	LIBOR +0.86%	EURIBOR +0.86%	LIBOR +0.86%	LIBOR +0.86%
Option 3: 30/9	LIBOR +0.96%	EURIBOR +0.96%	LIBOR +0.96%	LIBOR +0.96%

IDA17 Scale-up Facility credits are subject to an all-in-rate floor of 75bps. The pricing methodology follows IBRD's approach of setting the Fixed Spread at signing, and the rates are subject to the IBRD spreads that are prevailing at that time. Scale-up Facility credit fees include a one-time front-end fee of 0.25% and a commitment fee of 0.25%. The front-end fee is charged on the committed amount. The commitment fee is charged on the undisbursed amount of the credit. The commitment fee is payable semi-annually once the credit is effective.

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