

RNS Number : 9807M
Inter-American Development Bank
19 October 2016

PRICING SUPPLEMENT

Inter-American Development Bank

Global Debt Program

Series No.: 567
Tranche No.: 5

U.S.\$100,000,000 Floating Rate Notes due July 15, 2021 (the "Notes") as from October 19, 2016 to be consolidated and form a single series with the Bank's U.S.\$500,000,000 Floating Rate Notes due July 15, 2021, issued on July 21, 2016 (the "Series 567 Tranche 1 Notes"), the Bank's U.S.\$100,000,000 Floating Rate Notes due July 15, 2021, issued on August 30, 2016 (the "Series 567 Tranche 2 Notes"), the Bank's U.S.\$100,000,000 Floating Rate Notes due July 15, 2021, issued on September 30, 2016 (the "Series 567 Tranche 3 Notes") and the Bank's U.S.\$100,000,000 Floating Rate Notes due July 15, 2021, issued on October 11, 2016 (the "Series 567 Tranche 4 Notes")

Issue Price: 100.141 percent plus 2 days' accrued interest

Application has been made for the Notes to be admitted to the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange plc's Regulated Market

Goldman Sachs International

The date of this Pricing Supplement is October 14, 2016.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "Conditions") set forth in the Prospectus dated January 8, 2001 (the "Prospectus") (which for the avoidance of doubt does not constitute a prospectus for the purposes of Part VI of the United Kingdom Financial Services and Markets Act 2000 or a base prospectus for the purposes of Directive 2003/71/EC of the European Parliament and of the Council). This Pricing Supplement must be read in conjunction with the Prospectus. This document is issued to give details of an issue by the Inter-American Development Bank (the "Bank") under its Global Debt Program and to provide information supplemental to the Prospectus. Complete information in respect of the Bank and this offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Prospectus.

Terms and Conditions

The following items under this heading "Terms and Conditions" are the particular terms which relate to the issue the subject of this Pricing Supplement. These are the only terms which form part of the form of Notes for such issue.

1. Series

No.: 567
5

Tranche No.:

U.S.\$100,000,000

2. Aggregate Principal Amount:

As from the Issue Date, the Notes will be consolidated and form a single series with the Series 567 Tranche 1 Notes, the Series 567 Tranche 2 Notes, the Series 567 Tranche 3 Notes and the Series 567 Tranche 4 Notes.

3. Issue Price:

U.S.\$100,147,000.00 which amount represents the sum of (a) 100.141 percent of the Aggregate Principal Amount *plus* (b) the amount of U.S.\$6,000.00 representing 2 days' accrued interest, inclusive.

4. Issue Date:

October 19, 2016

5. Form of Notes (Condition 1(a)):

Registered only, as further provided in paragraph 9 of "Other Relevant Terms" below

6. Authorized Denomination(s) (Condition 1(b)):

U.S.\$1,000 and integral multiples thereof

7. Specified Currency

United States Dollars (U.S.\$ or USD) being the lawful currency of the United States of America

(Condition 1(d)):

**8. Specified
Principal
Payment
Currency**

USD

**(Conditions 1(d)
and 7(h)):**

**9. Specified
Interest Payment
Currency**

USD

**(Conditions 1(d)
and 7(h)):**

**10. Maturity
Date**

July 15, 2021

(Condition 6(a)):

**11. Interest
Basis**

Variable Interest Rate (Condition
5(II))

(Condition 5):

**12. Interest
Commencement
Date**

October 17, 2016

(Condition 5(III)):

**13. Variable
Interest Rate**

(Condition 5(II)):

(a)

**Calculation
Amount (if
different than
Principal
Amount of the
Note):**

Not Applicable

**(b) Business
Day Convention:**

Modified Following Business Day
Convention

**(c) Specified
Interest Period:**

Not Applicable

**(d) Interest
Payment Date:**

Quarterly in arrear on January 15,
April 15, July 15, and October 15,
commencing on January 15, 2017,
up to and including the Maturity
Date.

Each Interest Payment Date is
subject to adjustment in accordance
with the Modified Following Business
Day Convention.

3-Month USD-LIBOR-BBA

"3-Month USD-LIBOR-BBA" means
the rate for deposits in USD for a
period of 3 months which appears
on Reuters Screen LIBOR01 (or
such other page that may replace
that page on that service or a
successor service) as of the
Relevant Time on the Interest
Determination Date;

"Relevant Time" means 11:00 a.m.,
London time;

"Interest Determination Date" means
the second London Banking Day
prior to the first day of the relevant
Interest Period; and

"London Banking Day" means a day

(e)

Reference Rate:

on which commercial banks are open for general business, including dealings in foreign exchange and foreign currency deposits, in London.

If such rate does not appear on Reuters Screen LIBOR01 (or such other page that may replace that page on that service or a successor service) at the Relevant Time on the Interest Determination Date, then the rate for 3-Month USD-LIBOR-BBA shall be determined on the basis of the rates at which deposits in USD are offered at the Relevant Time on the Interest Determination Date by five major banks in the London interbank market (the "Reference Banks") as selected by the Calculation Agent, to prime banks in the London interbank market for a period of 3 months commencing on the first day of the relevant Interest Period and in an amount that is representative for a single transaction in the London interbank market at the Relevant Time. The Calculation Agent will request the principal London office of each of the Reference Banks to provide a quotation of its rate.

If at least two such quotations are provided, the rate for 3-Month USD-LIBOR-BBA shall be the arithmetic mean of such quotations. If fewer than two quotations are provided as requested, the rate for 3-Month USD-LIBOR-BBA shall be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Calculation Agent, at approximately 11:00 a.m., New York City time, on the first day of the relevant Interest Period for loans in USD to leading European banks for a period of 3 months commencing on the first day of the relevant Interest Period and in an amount that is representative for a single transaction in the London interbank market at such time.

If no quotation is available or if the Calculation Agent determines in its sole discretion that there is no suitable bank that is prepared to provide the quotes, the Calculation Agent will determine the rate for 3-Month USD-LIBOR-BBA for the Interest Determination Date in question in a manner that it deems commercially reasonable by reference to such additional resources as it deems appropriate.

(f) Primary Source for Interest Rate Quotations for Reference Rate:

Reuters

(g) Calculation Agent:

See "8. Identity of Calculation Agent" under "Other Relevant Terms"

14. Other Variable Interest Rate Terms (Conditions 5(II) and (III)):

(a) Spread:

plus (+) 0.20 percent

(b) Variable Rate Day Count Fraction if not actual/360:

Act/360, adjusted

**(c) Relevant
Banking Center:**

London and New York

**15. Relevant
Financial Center:**

London and New York

**16. Relevant
Business Day:**

London and New York

**17. Issuer's
Optional
Redemption
(Condition 6(e)):**

No

**18.
Redemption at
the Option of the
Noteholders
(Condition 6(f)):**

No

**19.
Governing Law:**

New York

**20. Selling
Restrictions:**

(a) United States:

Under the provisions of Section 11(a) of the Inter-American Development Bank Act, the Notes are exempted securities within the meaning of Section 3(a)(2) of the U.S. Securities Act of 1933, as amended, and Section 3(a)(12) of the U.S. Securities Exchange Act of 1934, as amended.

**(b) United
Kingdom:**

The Dealer represents and agrees that it has complied and will comply with all applicable provisions of the Financial Services and Markets Act

2000 with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

No action has been or will be taken by the Issuer that would permit a public offering of the Notes, or possession or distribution of any offering material relating to the Notes in any jurisdiction where action for that purpose is required. Accordingly, the Dealer agrees that it will observe all applicable provisions of law in each jurisdiction in or from which it may offer or sell Notes or distribute any offering material.

(c) General:

Other Relevant Terms

1. Listing:

Application has been made for the Notes to be admitted to the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange plc's Regulated Market.

2. Details of Clearance System

Approved by the Bank and the Global Agent and Clearance and Settlement Procedures:

Depository Trust Company (DTC);
Euroclear Bank S.A./N.V.;
Clearstream Banking, société anonyme

3. Syndicated:

No

4. Commissions and Concessions:

No commissions or concessions are payable in respect of the Notes.

5. Estimated Total Expenses:

None. The Dealer has agreed to pay for all material expenses related to the issuance of the Notes.

6. Codes:

(a) CUSIP 45818WBM7

(b) Common Code: 145669855

(c) ISIN: US45818WBM73

7. Identity of Dealer:

Goldman Sachs International

The Global Agent, Citibank, N.A., London branch, will act as the Calculation Agent.

8. Identity of Calculation Agent:

All determinations of the Calculation Agent shall (in the absence of manifest error) be final and binding on all parties (including, but not limited to, the Bank and the Noteholders) and shall be made in its sole discretion in good faith and in a commercially reasonable manner in accordance with a calculation agent agreement between the Bank and the Calculation Agent.

9. Provisions for Registered

Notes:

(a) Individual Definitive Registered Notes Available on Issue Date:

No

(b) DTC Global Note(s):

Yes, issued in accordance with the Global Agency Agreement, dated January 8, 2001, as amended, among the Bank, Citibank, N.A. as Global Agent, and the other parties thereto.

(c) Other Registered Global Notes:

No

Recent Developments

On September 1, 2016, the Bank's Board of Governors unanimously approved a proposal to transfer the net assets of the Fund for Special Operations (FSO) to the Bank's Ordinary Capital (OC), effective January 1, 2017. The purposes of the transfer include supporting the Bank's ability to continue to provide resources to its least developed borrowing member countries at concessional terms. The transfer is expected to result in approximately U.S.\$5.1 billion of additional equity for the OC, thus strengthening the Bank's financial position.

General Information

Additional Information Regarding the Notes

1. United States Federal Income Tax Matters

The following supplements the discussion under the "Tax Matters" section of the Prospectus regarding the U.S. federal income tax treatment of the Notes, and is subject to the limitations and exceptions set forth therein. Any tax disclosure in the Prospectus or this pricing supplement is of a general nature only, is not exhaustive of all possible tax considerations and is not intended to be, and should not be construed to be, legal, business or tax advice to any particular prospective investor. Each prospective investor should consult its own tax advisor as to the particular tax consequences to it of the acquisition, ownership, and disposition of the Notes,

including the effects of applicable U.S. federal, state, and local tax laws and non-U.S. tax laws and possible changes in tax laws.

Due to a change in law since the date of the Prospectus, the second paragraph of "- Payments of Interest" under the "United States Holders" section should be updated to read as follows: "Interest paid by the Bank on the Notes constitutes income from sources outside the United States and will, depending on the circumstances, be "passive" or "general" income for purposes of computing the foreign tax credit."

The Notes should be treated as variable rate debt instruments that are issued without original issue discount. Subject to the discussion in the following paragraph regarding amortizable bond premium, a United States holder will generally be taxed on interest on the Notes as ordinary income at the time such holder receives the interest or when it accrues, depending on the holder's method of accounting for tax purposes. However, the portion of the first interest payment on the Notes that represents a return of the 2 days of accrued interest that a United States holder paid as part of the Issue Price of the Notes will not be treated as an interest payment for United States federal income tax purposes, and will accordingly not be includible in income. Upon the sale, exchange, repurchase or maturity of the Notes, a United States holder should generally recognize gain or loss, which should generally be capital gain or loss except to the extent that such gain or loss is attributable to accrued but unpaid interest. Such capital gain or loss should be treated as long-term capital gain or loss to the extent the United States holder has held the Notes for more than one year.

Because the purchase price of the Notes exceeds the principal amount of the Notes, a United States holder may elect to treat the excess (after excluding the portion of the purchase price attributable to accrued interest) as amortizable bond premium. A United States holder that makes this election would reduce the amount required to be included in such holder's income each year with respect to interest on the Notes by the amount of amortizable bond premium allocable to that year, based on the Note's yield to maturity. If a United States holder makes an election to amortize bond premium, the election would apply to all debt instruments, other than debt instruments the interest on which is excludible from gross income, that the United States holder holds at the beginning of the first taxable year to which the election applies or that such holder thereafter acquires, and the United States holder may not revoke the election without the consent of the Internal Revenue Service.

Information with Respect to Foreign Financial Assets. Owners of "specified foreign financial assets" with an aggregate value in excess of U.S.\$50,000 (and in some circumstances, a higher threshold) may be required to file an information report with respect to such assets with their tax returns. "Specified foreign financial assets" may include financial accounts maintained by foreign financial institutions, as well as the following, but only if they are held for investment and not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-United States persons, (ii) financial instruments and contracts that have non-United States issuers or counterparties, and (iii) interests in foreign entities. Holders are urged to consult their tax advisors regarding the application of this reporting requirement to their ownership of the Notes.

Medicare Tax. A United States holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax (the "Medicare tax") on the lesser of (1) the United States holder's "net investment income" (or "undistributed net investment income" in the case of an estate or trust) for the relevant taxable year and (2) the excess of the United States holder's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between U.S.\$125,000 and U.S.\$250,000, depending on the individual's circumstances). A holder's net investment income will generally include its interest income and its net gains from the disposition of Notes, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). United States holders that are individuals, estates or trusts are urged to consult their tax advisors regarding the applicability of the Medicare tax to their income and gains in respect of their investment in the Notes.

INTER-AMERICAN DEVELOPMENT BANK

By: _____

Name: Gustavo Alberto De Rosa

Title: Chief Financial Officer and

General Manager, Finance Department

This information is provided by RNS
The company news service from the London Stock Exchange

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