

PRICING SUPPLEMENT

Inter-American Development Bank

Global Debt Program

Series No.: 155

Tranche No.: 3

MXN250,000,000 7.50 percent Notes due December 5, 2024 (the “Notes”) as from March 2, 2017 to be consolidated and form a single series with the Bank’s MXN2,250,000,000 7.50 percent Notes due December 5, 2024 issued on May 22, 2007 (the “Series 155 Tranche 1 Notes”) and the Bank’s MXN4,000,000,000 7.50 percent Notes due December 5, 2024 issued on June 28, 2007 (the “Series 155 Tranche 2 Notes”).

Issue Price: 102.973 percent plus 87 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

TD Securities

The date of this Pricing Supplement is February 27, 2017

PRICING SUPPLEMENT

*Inter-American Development Bank Global Debt Program Series No.: 155, Tranche No.: 3
MXN250,000,000 7.50 percent Notes due December 5, 2024*

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 of the subject of this Pricing Supplement. These are the only terms which form part of the form of Notes for such issue.

1. (a) Series No.: 155
(b) Tranche No.: 3
2. Aggregate Principal Amount: MXN250,000,000

As from the Issue Date, the Notes will be consolidated and form a single series with the Series 155 Tranche 1 Notes and the Series 155 Tranche 2 Notes.
3. Issue Price: MXN261,901,678.08, which amount represents the sum of (a) 102.973 percent of the Aggregate Principal Amount *plus* (b) the amount of MXN4,469,178.08 representing 87 days’ accrued interest, inclusive.
4. Issue Date: March 2, 2017
5. Form of Notes (Condition 1(a)): Registered only, as further provided in paragraph 9(c) of “Other Relevant Terms” below

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| 6. | Authorized Denomination(s)
(Condition 1(b)): | MXN1,000 |
| 7. | Specified Currency
(Condition 1(d)): | Mexican Pesos (MXN) being the lawful
currency of Mexico |
| 8. | Specified Principal Payment
Currency
(Conditions 1(d) and 7(h)): | Mexican Pesos |
| 9. | Specified Interest Payment Currency
(Conditions 1(d) and 7(h)): | Mexican Pesos |
| 10. | Maturity Date
(Condition 6(a); Fixed Interest Rate): | December 5, 2024 |
| 11. | Interest Basis
(Condition 5): | Fixed Interest Rate (Condition 5(I)) |
| 12. | Interest Commencement Date
(Condition 5(III)): | December 5, 2016 |
| 13. | Fixed Interest Rate (Condition 5(I)): | |
| | (a) Interest Rate: | 7.50 percent per annum |
| | (b) Fixed Rate Interest Payment
Date(s): | Annually on December 5, commencing on
December 5, 2017 and ending on and
including, the Maturity Date.

Each Interest Payment Date is subject to
adjustment in accordance with the
Following Business Day Convention with
no adjustment to the amount of interest
otherwise calculated. |
| | (c) Initial Broken Amount | Not Applicable |
| | (d) Fixed Rate Day Count
Fraction(s): | Actual/Actual ICMA |

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| 14. Relevant Financial Centers: | New York, Mexico City and London |
| 15. Relevant Business Days: | New York, Mexico City and London |
| 16. Issuer's Optional Redemption (Condition 6(e)): | No |
| 17. Redemption at the Option of the Noteholders (Condition 6(f)): | No |
| 18. Governing Law: | New York |
| 19. Selling Restrictions: | The following should be read in conjunction with the more complete description contained in Exhibit D to the Standard Provisions dated January 8, 2001, which are incorporated by reference into the Terms Agreement, and the description contained in the Terms Agreement. |
| (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. |

(c) Mexico:

The Dealer has agreed that it will not offer the Notes publicly in Mexico and will not distribute any offering materials in Mexico. The Notes have not been and will not be registered with the National Registry of Securities and may not be publicly offered in Mexico.

(d) General:

No action has been or will be taken by the Bank 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.

Other Relevant Terms

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| 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: | Euroclear; Clearstream, Luxembourg |
| 3. Syndicated: | No |
| 4. Commissions and Concessions: | 1.875% of the Aggregate Principal Amount (comprising a 1.575% selling concession and a 0.3% management and underwriting fee). |

5. Estimated Total Expenses: None. The Dealer has agreed to pay for all expenses related to the issuance of the Notes.
6. Codes:
- (a) Common Code: 030062647
- (b) ISIN: XS0300626479
- (c) WKN: A0NUWV
7. Identity of Dealer: The Toronto-Dominion Bank
8. Identity of Calculation Agent: The Global Agent, Citibank, N.A., London branch, will act as the 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): No
- (c) Other Registered Global Notes: 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.

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.”

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 87 days of accrued interest that a United States holder paid as part of the purchase 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.

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.

Because the Notes are denominated and payable in the Mexican Peso, a United States holder of the Notes will generally be subject to special United States federal income tax rules governing foreign currency transactions, as described in the Prospectus in the last four paragraphs of “—Payments of Interest” under the “United States Holders” section.

Treasury Regulations Requiring Disclosure of Reportable Transactions. Treasury regulations require United States taxpayers to report certain transactions that give rise to a loss in excess of certain thresholds (a “Reportable Transaction”). Under these regulations, because the Notes are denominated in a foreign currency, a United States holder (or a non-United States holder that holds the Notes in connection with a U.S. trade or business) that recognizes a loss with respect to the Notes that is characterized as an ordinary loss due to changes in currency exchange rates (under any of the rules discussed above or under the “Tax Matters” section of the Prospectus) would be required to report the loss on IRS Form 8886 (Reportable Transaction Statement) if the loss exceeds the thresholds set forth in the regulations. For individuals and trusts, this loss threshold is \$50,000 in any single taxable year. For other types of taxpayers and other types of losses, the thresholds are higher. Holders should consult with their tax advisors regarding any tax filing and reporting obligations that may apply in connection with acquiring, owning and disposing of Notes.

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.