

PRICING SUPPLEMENT

Inter-American Development Bank

Global Debt Program

Series No.: 597

Tranche No.: 2

GBP 100,000,000 0.625 percent Notes due December 15, 2021 (the “Notes”) as from July 21, 2017 to be consolidated and form a single series with the Bank’s GBP 250,000,000 0.625 percent Notes due December 15, 2021, issued on March 10, 2017 (the “Series 597 Tranche 1 Notes”)

Issue Price: 99.416 percent plus 133 days’ accrued interest from, and including, March 10, 2017 to, but excluding, July 21, 2017

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

Citigroup
J.P. Morgan

The date of this Pricing Supplement is July 18, 2017.

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.: 597
Tranche No.: 2
2. Aggregate Principal Amount: GBP 100,000,000

From and including the Issue Date, the Notes will be consolidated and form a single series with the Series 597 Tranche 1 Notes.
3. Issue Price: GBP 99,643,739.73, which amount represents the sum of (a) 99.416 percent of the Aggregate Principal Amount plus (b) the amount of GBP 227,739.73 representing 133 days’ accrued interest from, and including, March 10, 2017 to, but excluding, July 21, 2017.
4. Issue Date: July 21, 2017
5. Form of Notes (Condition 1(a)): Registered only, as further provided in paragraph 9(c) of “Other Relevant Terms” below.
6. Authorized Denomination(s) (Condition 1(b)): GBP 1,000 and integral multiples thereof

7. Specified Currency
(Condition 1(d)): Pound sterling (GBP) being the lawful currency of the United Kingdom of Great Britain and Northern Ireland
8. Specified Principal Payment
Currency
(Conditions 1(d) and 7(h)): GBP
9. Specified Interest Payment Currency
(Conditions 1(d) and 7(h)): GBP
10. Maturity Date
(Condition 6(a); Fixed Interest Rate): December 15, 2021
11. Interest Basis
(Condition 5): Fixed Interest Rate (Condition 5(I))
12. Interest Commencement Date
(Condition 5(III)): March 10, 2017
13. Fixed Interest Rate (Condition 5(I)):
 - (a) Interest Rate: 0.625 percent per annum
 - (b) Fixed Rate Interest Payment
Date(s): Annually in arrear on December 15 in each year, commencing on December 15, 2017, up to and including the Maturity Date, and with a short first coupon on December 15, 2017.

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: GBP 4.79 per minimum Authorized Denomination, payable on December 15, 2017
 - (d) Fixed Rate Day Count
Fraction(s): Act/Act (ICMA)
14. Relevant Financial Center: New York and London
15. Relevant Business Days: New York and London

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| 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: | |
| (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: | Each of the Managers has represented and agreed 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) General: | 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, each of the Managers has agreed 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. |
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2. Details of Clearance System
Approved by the Bank and the
Global Agent and Clearance and
Settlement Procedures: Euroclear Bank S.A./N.V. and Clearstream,
Luxembourg
3. Syndicated: Yes
4. If Syndicated:
 - (a) Liability: Several and not joint
 - (b) Managers: Citigroup Global Markets Limited
J.P. Morgan Securities plc
5. Commissions and Concessions: No commissions or concessions are payable in
respect of the Notes.
6. Estimated Total Expenses: None. The Managers have agreed to pay for
certain expenses related to the issuance of the
Notes.
7. Codes:
 - (a) Common Code: 157467972
 - (b) ISIN: XS1574679723
8. Identity of Managers: Citigroup Global Markets Limited
J.P. Morgan Securities plc
9. Provision 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,
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.”

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 133 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 only be taxable to the extent that the U.S. dollar value of the amount received in respect of such accrued interest, as determined at the time such amount is received, differs from the U.S. dollar value of the amount paid by the holder in respect of such interest, as determined at the time such amount is paid. Any such difference should give rise to United States source foreign currency gain or loss.

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.

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 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 U.S.\$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.