

PRICING SUPPLEMENT

Inter-American Development Bank

Global Debt Program

Series No.: 806

PEN 50,000,000 3.50 percent Notes due August 23, 2026 (the “Notes”)
Payable in United States Dollars

Issue Price: 99.55 percent

Application has been made for the Notes to be admitted to the
Official List of the Financial Conduct Authority and
to trading on the London Stock Exchange plc’s
UK Regulated Market

BNP Paribas

The date of this Pricing Supplement is August 18, 2021

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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 July 28, 2020 (the “Prospectus”) (which for the avoidance of doubt does not constitute a prospectus for the purposes of Part VI of the United Kingdom (“UK”) Financial Services and Markets Act 2000 or a base prospectus for the purposes of Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”) or the Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”)). 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.

MiFID II and UK MiFIR product governance / Retail investors, professional investors and ECPs target market – See “General Information—Additional Information Regarding the Notes—Matters relating to MiFID II and UK MiFIR” below.

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. Together with the applicable Conditions (as defined above), which are expressly incorporated hereto, these are the only terms that form part of the form of Notes for such issue.

1. Series No.: 806
2. Aggregate Principal Amount: PEN 50,000,000
3. Issue Price: PEN 49,775,000, which is 99.55 percent of the Aggregate Principal Amount

The Issue Price will be payable in USD in the amount of USD 12,274,969.17 at the agreed rate of PEN 4.055 per one USD.
4. Issue Date: August 23, 2021
5. Form of Notes (Condition 1(a)): Registered only
6. New Global Note: No
7. Authorized Denomination(s) (Condition 1(b)): PEN 10,000

8. Specified Currency
(Condition 1(d)):
9. Specified Principal Payment
Currency
(Conditions 1(d) and 7(h)):
10. Specified Interest Payment Currency
(Conditions 1(d) and 7(h)):
11. Maturity Date
(Condition 6(a); Fixed Interest Rate
and Zero Coupon):
12. Interest Basis
(Condition 5):
13. Interest Commencement Date
(Condition 5(III)):
14. Fixed Interest Rate (Condition 5(I)):
 - (a) Interest Rate:
 - (b) Fixed Rate Interest Payment
Date(s):

Peruvian Sol (“PEN”), the lawful currency of the Republic of Peru, provided that all payments in respect of the Notes will be made in United States Dollars (“USD”)

USD

USD

August 23, 2026

The Maturity Date is subject to the Business Day Convention with no adjustment to the amount of interest otherwise calculated.

Further, the date of payment in respect of the Maturity Date is subject to postponement if any of the Applicable Disruption Fallbacks apply, with no adjustment to the amount of interest otherwise calculated.

Fixed Interest Rate (Condition 5(I))

Issue Date (August 23, 2021)

3.50 percent per annum

Annually on August 23 in each year, commencing on August 23, 2022 and ending on the Maturity Date.
Each Fixed Rate Interest Payment Date is subject to the Business Day Convention with no adjustment to the amount of interest otherwise

calculated. Further, the date of payment in respect of each Fixed Rate Interest Payment Date is subject to postponement if any of the Applicable Disruption Fallbacks apply, with no adjustment to the amount of interest otherwise calculated.

Calculation of Interest Amount:

For the purposes of the calculation of the Interest Amount payable for any Interest Period, there shall be no adjustment pursuant to the Business Day Convention.

As soon as practicable and in accordance with the procedure specified herein, the Calculation Agent will determine the Reference Rate (as defined below) and calculate the Interest Amount with respect to each minimum Authorized Denomination for the relevant Interest Period.

The Interest Amount with respect to any Interest Period shall be a USD amount calculated using the Reference Rate determined as of the relevant Rate Fixing Date (as defined below) as follows:

PEN 350 per minimum Authorized Denomination

divided by

the Reference Rate

(and rounding, if necessary, the entire resulting figure to the nearest two decimal places, with USD 0.005 being rounded upwards).

“Lima Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in Lima.

“PEN Interbank Ave (PEN05) Rate” means, in respect of a Rate Fixing Date, the PEN/USD average exchange rate in the interbank market,

expressed as the amount of PEN per one USD, for settlement on the same day, reported by the Banco Central de Reserva del Peru (www.bcrp.gob.pe) as the “Tipo de Cambio Interbancario Promedio” at approximately 2:00 p.m., Lima time, and published on the Bloomberg page “PEN SBSP Curncy”, on such date.

“Rate Fixing Date” for any Interest Payment Date or the Maturity Date or date on which an amount is payable means the fifth Valuation Business Day prior to such date.

“Reference Rate” means, in respect of a Rate Fixing Date:

(a) the PEN/USD exchange rate, expressed as the amount of PEN per one USD determined by the Calculation Agent on the first Lima Business Day following the relevant Rate Fixing Date by reference to the applicable PEN Interbank Ave (PEN05) Rate; or

(b) if the PEN Interbank Ave (PEN05) Rate is not available for any reason, as reported by the Banco Central de reserve del Peru (www.bcrp.gob.pe) as the “Tipo de Cambio Interbancario Promedio” at approximately 2:00 p.m., Lima time, and published on the Bloomberg page “PEN SBSP Curncy”, on such Rate Fixing Date, the Calculation Agent shall determine that a “Price Source Disruption” has occurred, and shall promptly inform the Bank, the Noteholders and the Global Agent of such occurrence. For the purposes of obtaining a Reference Rate, the Applicable Disruption Fallbacks will apply.

“Valuation Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in Lima and New York.

Applicable Disruption Fallbacks (in order of application):

1. *Valuation Postponement.* For purposes of obtaining a Reference Rate, the Reference Rate will be determined on the Valuation Business Day first succeeding the day on which the Price Source Disruption ceases to exist, unless the Price Source Disruption continues to exist (measured from the date, that, but for the occurrence of the Price Source Disruption, would have been the Rate Fixing Date) for a consecutive number of calendar days equal to the Maximum Days of Postponement. In such event, the Reference Rate will be determined on the next Valuation Business Day after the Maximum Days of Postponement in accordance with the next Applicable Disruption Fallback.

2. *Calculation Agent Determination of the Reference Rate.* For purposes of obtaining a Reference Rate, the Calculation Agent will determine the Reference Rate (or a method for determining the Reference Rate) in its sole discretion, acting in good faith and in a commercially reasonable manner.

Notwithstanding anything herein to the contrary, in no event shall the total number of consecutive calendar days during which either (i) valuation is deferred due to an Unscheduled Holiday, or (ii) a Valuation Postponement shall occur (or any combination of (i) and (ii)), exceed 30 consecutive calendar days in the aggregate. Accordingly, (x) if, upon the lapse of any such 30 day period, an Unscheduled Holiday shall have occurred or be continuing on the day following such period, then such day shall be deemed to be a Rate Fixing Date, and (y) if, upon the lapse of any such 30 day period, a Price Source Disruption shall have occurred or be continuing on the day following such period, then the Valuation Postponement shall not apply and the Reference Rate shall be determined in

accordance with the next Applicable Disruption Fallback (i.e., Calculation Agent Determination of the Reference Rate).

“Maximum Days of Postponement” means 30 calendar days.

“Unscheduled Holiday” means a day that is not a Valuation Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in Lima two Valuation Business Days prior to the relevant Rate Fixing Date.

(c) Business Day Convention: Modified Following Business Day Convention

(d) Fixed Rate Day Count Fraction(s): Actual/Actual (ICMA)

(e) Calculation Agent: BNP Paribas

15. Relevant Financial Center: Lima, London and New York

16. Relevant Business Days: Lima, London and New York

17. Redemption Amount (Condition 6(a)):

The Redemption Amount with respect to each minimum Authorized Denomination will be a USD amount calculated by the Calculation Agent as of the Rate Fixing Date with respect to the Maturity Date as follows:

minimum Authorized Denomination

divided by

the Reference Rate

(and rounding, if necessary, the entire resulting figure to the nearest 2 decimal places, with USD 0.005 being rounded upwards).

Payment of the Redemption Amount will occur

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on the Maturity Date, as may be postponed pursuant to paragraph 11 above.

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

No

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

No

20. Early Redemption Amount (including accrued interest, if applicable) (Condition 9):

In the event the Notes become due and payable as provided in Condition 9 (*Default*), the Early Redemption Amount with respect to each minimum Authorized Denomination will be a USD amount equal to the Redemption Amount that is determined in accordance with "17. Redemption Amount (Condition 6(a))" plus accrued and unpaid interest, if any, as determined in accordance with "14. Fixed Interest Rate (Condition 5(I))"; provided, that for purposes of such determination, the "Rate Fixing Date" shall be the date that is five (5) Valuation Business Days prior to the date upon which the Notes become due and payable as provided in Condition 9 (*Default*).

21. Governing Law:

New York

Other Relevant Terms

1. Listing:

Application has been made for the Notes to be admitted to the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange plc's UK Regulated Market with effect from the Issue Date.

2. Details of Clearance System Approved by the Bank and the Global Agent and Clearance and Settlement Procedures:

Euroclear Bank SA/NV and/or Clearstream Banking, S.A.

3. Syndicated: No
4. Commissions and Concessions: PEN 40,550 (USD 10,000 at the agreed rate of PEN 4.055 per one USD).
5. Estimated Total Expenses: None. The Dealer has agreed to pay for all material expenses related to the issuance of the Notes, except the Bank will pay for the London Stock Exchange listing fees, if applicable.
6. Codes:
 - (a) Common Code: 237730305
 - (b) ISIN: XS2377303057
7. Identity of Dealer: BNP Paribas
8. 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 Amended and Restated Global Agency Agreement, dated as of July 28, 2020, between the Bank, Citibank, N.A., London Branch as Global Agent, and the other parties thereto.
9. Intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable
9. 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 (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Bank, and (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the UK.

(c) Republic of Peru:

The Dealer acknowledges that: The Notes shall not be subject to a public offering in Peru. The Notes, the Prospectus and the Pricing Supplement in respect of the Notes have not been and will not be registered with or approved by the Peruvian Superintendency of Capital Markets (*Superintendencia del Mercado de Valores* or the “SMV”) or the Lima Stock Exchange (*Bolsa de Valores de Lima* or the “BVL”).

The Prospectus, this Pricing Supplement and other offering materials relating to the offering of the Notes are being supplied only to those institutional investors in Peru (as defined by Peruvian law) who have expressly requested them. Such materials may not be distributed to any person or entity other than the intended recipients. Accordingly, the Notes cannot be offered or sold in Peru, except if (i) such Notes, the Prospectus and this Pricing Supplement were previously registered with the SMV, or (ii) such offering is considered a private offering under the Peruvian Securities Market Law (*Ley del Mercado de Valores*) or any other applicable Peruvian regulations. No offer or invitation to

subscribe for or sell the Notes or beneficial interests therein can be made in Peru, except in compliance with the securities laws and regulations thereof.

(d) Singapore:

In the case of the Notes being offered into Singapore in a primary or subsequent distribution, and solely for the purposes of its obligations pursuant to Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the “SFA”), the Bank has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

(e) 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.

General Information

Additional Information Regarding the Notes

1. Matters relating to MiFID II and UK MiFIR

The Bank does not fall under the scope of application of either the MiFID II or the UK MiFIR regime. Consequently, the Bank does not qualify as an “investment firm”, “manufacturer” or “distributor” for the purposes of MiFID II or UK MiFIR.

MiFID II product governance / Retail investors, professional investors and ECPs target market – Solely for the purposes of the EU manufacturer’s product approval process,

the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is retail clients, eligible counterparties and professional clients, each as defined in MiFID II; and (ii) all channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the EU manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the EU manufacturer’s target market assessment) and determining appropriate distribution channels.

For the purposes of this provision, the expression “EU manufacturer” means the Dealer and the expression “MiFID II” means Directive 2014/65/EU, as amended.

UK MiFIR product governance / Retail investors, professional investors and ECPs target market – Solely for the purposes of the UK manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA, eligible counterparties, as defined in COBS, and professional clients, as defined in UK MiFIR; and (ii) all channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the UK manufacturer’s target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the UK manufacturer’s target market assessment) and determining appropriate distribution channels.

For the purposes of this provision, (i) the expression “UK manufacturer” means the Dealer, (ii) the expression “COBS” means the FCA Handbook Conduct of Business Sourcebook, (iii) the expression “UK MiFIR” means Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA and (iv) the expression “UK MiFIR Product Governance Rules” means the FCA Handbook Product Intervention and Product Governance Sourcebook.

2. Additional Investment Considerations:

There are significant risks associated with the Notes, including but not limited to exchange rate risk, price risk and liquidity risk. Investors should consult their own financial, legal, accounting and tax advisors about the risks associated with an investment in these Notes, the appropriate tools to analyze that investment, and the suitability of the investment in each investor’s particular circumstances.

Payment of each Interest Amount and the Redemption Amount will be based on the Reference Rate, which is a measure of the rate of exchange between the PEN and the USD. Currency exchange rates are volatile and will affect the holder’s return. In addition, the government of Peru can from time to time intervene in the foreign exchange market. These

interventions or other governmental actions could adversely affect the value of the Notes, as well as the yield (in USD terms) on the Notes and the amount payable at maturity or upon acceleration. Even in the absence of governmental action directly affecting currency exchange rates, political or economic developments in Peru or elsewhere could lead to significant and sudden changes in the exchange rate between the PEN and the USD.

The methodologies for determining the Reference Rate may result in a Redemption Amount (or Early Redemption Amount, as the case may be) of the Notes, or an Interest Amount on the Notes, being significantly less than anticipated or less than what an alternative methodology for determining the Reference Rate would yield.

The Bank may hedge its obligations under the Notes by entering into a swap transaction with an affiliate of the Dealer as swap counterparty. Assuming no change in market conditions or any other relevant factors, the price, if any, at which the Dealer or another purchaser might be willing to purchase Notes in a secondary market transaction is expected to be lower, and could be substantially lower, than the original issue price of the Notes. This is due to a number of factors, including that (i) the potential profit to the secondary market purchaser of the Notes may be incorporated into any offered price and (ii) the cost of funding used to value the Notes in the secondary market is expected to be higher than our actual cost of funding incurred in connection with the issuance of the Notes. In addition, the original issue price of the Notes included, and secondary market prices are likely to exclude, the projected profit that our swap counterparty or its affiliates may realize in connection with this swap. Further, as a result of dealer discounts, mark-ups or other transaction costs, any of which may be significant, the original issue price may differ from values determined by pricing models used by our swap counterparty or other potential purchasers of the Notes in secondary market transactions.

The Notes offered by this Pricing Supplement are complex financial instruments and may not be suitable for certain investors. Investors intending to purchase the Notes should consult with their tax and financial advisors to ensure that the intended purchase meets the investment objective before making such purchase.