

**PRICING SUPPLEMENT**

**Inter-American Development Bank**

**Global Debt Program**

Series No: 94

Tranche No. 2

NZD50,000,000 6.00 percent Notes due December 15, 2017 as from 17 August 2010 to be consolidated and form a single series with the Bank's NZD600,000,000 6.00 percent Notes due December 15, 2017 issued on September 6, 2005 (the "Series 94, Tranche 1 Notes")

Issue Price: 103.675 per cent. plus 63 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

RBC Capital Markets

The date of this Pricing Supplement is as of August 12, 2010

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 UK Financial Services and Markets Act 2000 or a “base prospectus” for the purposes of the EU Prospectus Directive. This Pricing Supplement must be read in conjunction with the Prospectus and the United Kingdom Listing Authority Listing Particulars dated August 5, 2009 (the “Listing Particulars”). This document is issued to give details of an issue by Inter-American Development Bank (the “Bank”) under its Global Debt Program and to provide information supplemental to the Prospectus and the Listing Particulars. Complete information in respect of the Bank and this offer of the Notes is provided on the basis of the combination of the information contained in this Pricing Supplement, the Prospectus and the Listing Particulars.

## 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.

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|----|------------------------------------|---|
| 1. | Series No.:                        | 94  |
|    | Tranche No:                        | 2   |
| 2. | Aggregate Principal Amount:        | NZD50,000,000   |
|    |                                    | As from the Issue Date the Notes will be consolidated and form a single series with the "Series 94, Tranche 1 Notes"  |
| 3. | Issue Price:                       | NZD52,353,893.44 which is 103.675 per cent. of the Aggregate Principal Amount plus the amount of NZD516,693.44 representing 63 days' accrued interest inclusive |
| 4. | Issue Date:                        | August 17, 2010   |
| 5. | Form of Notes<br>(Condition 1(a)): | Registered only, as further provided in paragraph 8(c) of “Other Relevant Terms” below.   |

6. Authorized Denomination(s)  
(Condition 1(b)): NZD1,000 and integral multiples thereof
7. Specified Currency  
(Condition 1(d)): New Zealand Dollars (NZD), being the lawful currency of New Zealand
8. Specified Principal Payment  
Currency  
(Conditions 1(d) and 7(h)): New Zealand Dollars
9. Specified Interest Payment Currency  
(Conditions 1(d) and 7(h)): New Zealand Dollars
10. Maturity Date  
(Condition 6(a); Fixed Interest Rate): December 15, 2017
11. Interest Basis  
(Condition 5): Fixed Interest Rate (Condition 5(I))
12. Interest Commencement Date  
(Condition 5(III)): June 15, 2010
13. Fixed Interest Rate (Condition 5(I)):
  - (a) Interest Rate: 6.00 percent per annum
  - (b) Fixed Rate Interest Payment  
Date(s): Semi-annually in arrear on June 15 and December 15 in each year, commencing on December 15, 2010.  
  
The Fixed Rate Interest Payment will be NZD1,500,000, payable on each Interest Payment Date, up to and including 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) Fixed Rate Day Count  
Fraction(s): Actual/Actual (ISMA)

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|---|---|
| 14. Relevant Financial Center:                                    | New York, London, Auckland and Wellington   |
| 15. Relevant Business Days:                                       | New York, London, Auckland and Wellington   |
| 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.   |
| (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 Manager agrees that:<br><br>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) New Zealand:

Each Manager agrees that no prospectus, investment statement or other disclosure document in respect of the Notes has been, nor will be, registered or prepared under, or for the purposes of, the New Zealand Securities Act 1978 (the "Act").

Accordingly, the Notes may not be offered to the public in New Zealand within the meaning of that Act. Without limitation, no person may (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for or buy, or sell the Notes, or distribute the prospectus or any other advertisement or offering material relating to the Notes in New Zealand, or to any resident of New Zealand, except that the Notes may be offered (i) to persons whose principal business is the investment of money or who, in the course of and for the purpose of their business, habitually invest money, or who in all circumstances can properly be regarded as having been selected other than as members of the public or (ii) otherwise as permitted under the Act, the New Zealand Securities Regulations 1983 and any other applicable laws.

(d) 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 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

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 with effect from the Issue Date.

The Series 94 Tranche 1 Notes have already been 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 Bank S.A./N.V.; Clearstream  
Banking, société anonyme.
3. Syndicated: No
4. Commissions and Concessions: Not Applicable
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: 022857533
  - (b) ISIN: XS0228575337
  - (c) WKN Number: A0GEH6
7. Identity of Dealer: Royal Bank of Canada Europe Limited
8. Provisions for Registered Notes:
  - (a) Individual 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. The EU has adopted a Directive regarding the taxation of savings income (the “Savings Directive”). The Savings Directive requires Member States (as defined below) to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person to an individual in another Member State, except that Austria and Luxembourg will instead impose a withholding system for a transitional period unless during such period they elect otherwise.

The Bank undertakes that it will ensure that it maintains a paying agent in a country which is a member of the European Union (a “Member State”) that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

#### **2. United States Tax Matters**

Due to changes in law, the following updates to the information presented in the “Tax Matters” section of the Prospectus are applicable:

A) *United States Internal Revenue Service Circular 230 Notice: To ensure compliance with Internal Revenue Service Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Pricing Supplement, the Prospectus or any other document referred to herein is not intended or written to be used, and cannot be used, by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code; (b) such discussions are written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.*

B) The “Tax Matters” section of the Prospectus and any tax disclosure in 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.

C) 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 read as follows: “Interest paid by the Bank on the Notes constitutes income from sources outside the United States and will, depending on the holder’s circumstances, be “passive” or “general” income for purposes of computing the foreign tax credit.”

D) Due to a change in law since the date of the Prospectus, the fourth paragraph of “—Purchase, Sale and Retirement of the Notes” under the United States Holders section should be read as follows: “Capital gain of a noncorporate United States holder that is recognized in taxable years beginning before January 1, 2011 is generally taxed at a maximum rate of 15% where the holder has a holding period greater than one year.”