

PRICING SUPPLEMENT

Inter-American Development Bank

Global Debt Program

Series No.: 520

MXN 800,000,000 4.25 percent Notes due July 22, 2020

Issue Price: 100.00 percent

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

Crédit Agricole Corporate and Investment Bank

The date of this Pricing Supplement is July 17, 2015.

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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 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.: 520
2. Aggregate Principal Amount: MXN 800,000,000
3. Issue Price: MXN 800,000,000, which is 100.00 percent of the Aggregate Principal Amount.
4. Issue Date: July 22, 2015
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)): MXN 10,000
7. Specified Currency
(Condition 1(d)): Mexican Peso (“MXN”) (the lawful currency of the United Mexican States)
8. Specified Principal Payment
Currency
(Conditions 1(d) and 7(h)): MXN
9. Specified Interest Payment Currency
(Conditions 1(d) and 7(h)): MXN

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10. Maturity Date
(Condition 6(a); Fixed Interest Rate): July 22, 2020
- The Maturity Date is subject to adjustment in accordance with the Modified Following Business Day Convention with no adjustment to the amount of interest otherwise calculated.
11. Interest Basis
(Condition 5): Fixed Interest Rate (Condition 5(I))
12. Interest Commencement Date
(Condition 5(III)): Issue Date (July 22, 2015)
13. Fixed Interest Rate (Condition 5(I)):
- (a) Interest Rate: 4.25 percent per annum
- (b) Fixed Rate Interest Payment Date(s): Annually on July 22 in each year, commencing on July 22, 2016 and ending on the Maturity Date, subject to adjustment in accordance with the Modified Following Business Day Convention with no adjustment to the amount of interest otherwise calculated.
- (c) Fixed Rate Day Count Fraction(s): Actual/Actual
14. Relevant Financial Center: London, Mexico City, New York and Tokyo
15. Relevant Business Day: London, Mexico City, New York and Tokyo
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: 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

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.
2. Details of Clearance System Approved by the Bank and the Global Agent and Clearance and Settlement Procedures: Euroclear Bank SA/NV and Clearstream, Luxembourg
3. Syndicated: No
4. Commissions and Concessions: No commissions or concessions are payable in respect of the Notes.

The Dealer or one of its affiliates has arranged a swap with the Bank in connection with this transaction and will receive amounts thereunder that may comprise compensation.
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) Common Code: 126066821
 - (b) ISIN: XS1260668212
7. Identity of Dealer: Crédit Agricole Corporate and Investment Bank
8. Identity of Calculation Agent: Crédit Agricole Corporate and Investment Bank

9. Provisions for Registered Notes:

- (a) Individual Definitive Registered Notes Available on Issue Date: No
- (b) DTC 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. The language set out under the heading “Use of Proceeds” in the Prospectus shall be deleted in its entirety and replaced by the following:

“An amount equal to the net proceeds of the issue of the Notes (which proceeds may be converted into other currencies) shall be recorded by IADB in a separate sub-account supporting Eligible Projects. These proceeds will be invested in accordance with the IADB’s conservative liquidity investment guidelines until used to support the IADB’s financing of Eligible Projects. So long as the Notes are outstanding and the account has a positive balance, the Bank shall direct an amount equal to such net proceeds to its lending projects within the fields of Education, Youth, and Employment, subject to and in accordance with the IADB’s policies.

Although Eligible Projects funded by the net proceeds shall be reported on the IADB website on an annual basis, funds shall be reduced from the account on a semi-annual basis by amounts matching the disbursements made during such semi-annual period in respect of Eligible Projects.

“Eligible Projects” means all projects funded, in whole or in part, by IADB that promote early childhood care and education, through formal primary and secondary education, or facilitate labor market placement by improving the transition from school to work through vocational training. Eligible Projects may include projects in Latin America and the Caribbean that target (a) early childhood development, effective teaching and learning among children and youth (“Education Projects”), (b) early childhood care and youth-at-risk programs (“Youth Projects”) or (c) labor intermediation systems, job opportunities and workforce skills (“Employment Projects”).

Examples of Education Projects include, without limitation:

- Early childhood development programs
- Primary education programs, which includes teacher training, bilingual education, literacy, math and science education and school infrastructure
- Secondary education programs, which includes programs directed to improving retention and graduation, developing teaching and learning methods and providing assistance to disadvantaged children
- Compensatory education programs
- Teacher education and effectiveness programs
- E-education programs

Examples of Youth Projects include, without limitation:

- Support for parents and caregivers to improve quality of child care
- Youth-At-Risk programs which support interventions, policy design, and/or impact evaluations to benefit at-risk youth

Examples of Employment Projects include, without limitation:

- School-to-Work transition programs
- Vocational and technical education programs
- Human resources and workforce development programs
- Labor intermediation systems
- Vocational and Workforce training programs, directed to improving social and labor acclimation for youth, unemployed adults and active workers

The above examples of Education Projects, Youth Projects and Employment Projects are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by IADB during the term of the Notes.”

2. 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 will instead impose a withholding system for a transitional period unless during such period it elects 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.

3. Additional Investment Considerations:

There are risks associated with the Notes, including but not limited to possible 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.

The Bank may hedge its obligations under the Notes by entering into a swap transaction with the Dealer or one of its affiliates 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, any projected profit that our swap counterparty or its affiliates may realize in connection with this swap. Further, as a result of any 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.