

PRICING SUPPLEMENT

Inter-American Development Bank

Global Debt Program

Series No.: 484

U.S.\$500,000,000 1.500 percent Notes due September 25, 2018

Issue Price: 99.653 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

Citigroup
Daiwa Capital Markets Europe

The date of this Pricing Supplement is September 23, 2014

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Inter-American Development Bank Global Debt Program Series No: 484
U.S.\$500,000,000 1.500 percent Notes due September 25, 2018*

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. The master fiscal agency agreement, dated as of December 7, 1962, as amended and supplemented from time to time, between the Bank and the Federal Reserve Bank of New York, as fiscal and paying agent, has been superseded by the Uniform Fiscal Agency Agreement, dated as of July 20, 2006 (the “New Fiscal Agency Agreement”), as may be amended, restated, superseded or otherwise modified from time to time, between the Bank and the Federal Reserve Bank of New York, as fiscal and paying agent. All references to the “Fiscal Agency Agreement” under the heading “Terms and Conditions of the Notes” and elsewhere in the Prospectus shall be deemed references to the New Fiscal Agency Agreement.

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| 1. Series No.: | 484 |
| 2. Aggregate Principal Amount: | U.S.\$500,000,000 |
| 3. Issue Price: | U.S.\$498,265,000, which is 99.653 percent of the Aggregate Principal Amount |
| 4. Issue Date: | September 25, 2014 |
| 5. Form of Notes
(Condition 1(a)): | Book-entry only (not exchangeable for Definitive Fed Registered Notes, Conditions 1(a) and 2(b) notwithstanding) |
| 6. Authorized Denomination(s)
(Condition 1(b)): | U.S.\$1,000 and integral multiples thereof |
| 7. Specified Currency
(Condition 1(d)): | United States Dollars (“ <u>U.S.\$</u> ”) being the lawful currency of the United States of America |

8. Specified Principal Payment Currency
(Conditions 1(d) and 7(h)): U.S.\$
9. Specified Interest Payment Currency
(Conditions 1(d) and 7(h)): U.S.\$
10. Maturity Date
(Condition 6(a); Fixed Interest Rate): September 25, 2018
11. Interest Basis
(Condition 5): Fixed Interest Rate (Condition 5(I))
12. Interest Commencement Date
(Condition 5(III)): Issue Date (September 25, 2014)
13. Fixed Interest Rate (Condition 5(I)):

(a) Interest Rate: 1.500 percent per annum

(b) Fixed Rate Interest Payment Date(s): Semi-annually in arrear on March 25 and September 25 in each year, commencing on March 25, 2015 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) Fixed Rate Day Count Fraction(s): 30/360
14. Relevant Financial Center: New York and London
15. Relevant Business Days: New York 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:

- (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 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) 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.
2. Details of Clearance System Approved by the Bank and the Global Agent and Clearance and Settlement Procedures: Federal Reserve Bank of New York; Euroclear; Clearstream, Luxembourg
3. Syndicated: Yes
4. If Syndicated:

- | | |
|---------------------------------|---|
| (a) Liability: | Several and not joint |
| (b) Joint Lead Managers: | Citigroup Global Markets Inc.
Daiwa Capital Markets Europe Limited |
| 5. Commissions and Concessions: | 0.0625 percent of the Aggregate Principal Amount |
| 6. Estimated Total Expenses: | None. The Joint Lead Managers have agreed to pay for certain expenses related to the issuance of the Notes. |
| 7. Codes: | |
| (a) Common Code: | 111420254 |
| (b) ISIN: | US4581X0CK22 |
| (c) CUSIP: | 4581X0CK2 |
| 8. Identity of Managers: | Citigroup Global Markets Inc.
Daiwa Capital Markets Europe Limited |

General Information

Additional Information regarding the Notes

1. Use of Proceeds

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 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.

3. 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.”

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 (which may include the Notes), 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 should consult their tax advisors regarding the application of this reporting obligation 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, will be 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 will be 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 gross interest income and its net gains from the disposition of Notes, unless such interest payments 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). If you are a United States holder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the Notes.

INTER-AMERICAN DEVELOPMENT BANK