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EXECUTION VERSION

PRICING SUPPLEMENT

Series No.: 386

Tranche No.: 2

Council of Europe Development Bank

EUR 25,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

Issue of
AUD 50,000,000
5.875 per cent. Notes due 10 February 2015
(the "Notes")

(to be consolidated and form a single series with the AUD 150,000,000 5.875 per cent. Notes due 10 February 2015 issued on 10 February 2010)

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. 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 Offering Circular dated 19 November 2008. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular.

1.	Issuer:		Council of Europe Development Bank
2.	(i)	Series Number:	386
	(ii)	Tranche Number:	2
			The Notes will, on the Exchange Date (as defined below), be consolidated and form a single series with the AUD 150,000,000 5.875 per cent. Notes due 10 February 2015 issued by the Issuer on 10 February 2010 (the "**Original Notes**").
3.	Specified Currency or Currencies:		Australian Dollars ("**AUD**")
4.	Aggregate Nominal Amount:		
	(i)	Series:	AUD 200,000,000
	(ii)	Tranche:	AUD 50,000,000
5.	(i)	Issue Price:	101.665 per cent. of the Aggregate

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			Nominal Amount plus 146 days' accrued interest in respect of the period from and including 10 February 2010 to but excluding the Issue Date.
	(ii)	Net proceeds:	AUD 51,070,000 (including accrued interest of AUD 1,175,000 for 146 days)
6.		Specified Denominations:	AUD 1,000
7.	(i)	Issue Date:	6 July 2010
	(ii)	Interest Commencement Date:	10 February 2010
8.		Maturity Date:	10 February 2015
9.		Interest Basis:	5.875 per cent. Fixed Rate (further particulars specified below)
10.		Redemption/Payment Basis:	Redemption at par
11.		Change of Interest or Redemption/Payment Basis:	Not Applicable
12.		Optional Early Redemption (Put/Call Options):	Not Applicable
13.		Status of the Notes:	Senior
14.		Listing:	Luxembourg
15.		Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16.		**Fixed Rate Note Provisions**	Applicable
	(i)	Rate of Interest:	5.875 per cent. per annum payable annually in arrear
	(ii)	Interest Payment Date(s):	10 February in each year (each, an "**Interest Payment Date**"), with the first interest payment date being 10 February 2011 (the "**First Interest Payment Date**"), all adjusted for payment purposes only in accordance with the Following Business Day Convention. No adjustments will be made to the Fixed Coupon Amount

	(iii)	Fixed Coupon Amount:	AUD 58.75 per AUD 1,000 in Nominal Amount
	(iv)	Day Count Fraction:	Actual/Actual (ICMA)
	(v)	Broken Amount(s):	Not Applicable
	(vi)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
17.	**Floating Rate Note Provisions**		Not Applicable
18.	**Non-Interest Bearing Note Provisions**		Not Applicable

PROVISIONS RELATING TO REDEMPTION

19.	**Call Option**	Not Applicable
20.	**Put Option**	Not Applicable
21.	**Maturity Redemption Amount of each Note**	AUD 1,000 per Note of AUD 1,000 Specified Denomination
22.	**Early Termination Amount**	
	Early Termination Amount(s) of each Note payable on redemption on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):	Condition 7.2 applies

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23.	Form of Notes:	**Bearer Notes:** Temporary Global Note exchangeable for a Permanent Global Note on a date (the "**Exchange Date**") which is not earlier than 40 days after the Issue Date in accordance with the provisions set out in the Temporary Global Note. The Permanent Global Note will be exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
24.	New Global Note form:	Not Applicable
25.	Relevant Financial Centre(s) or other	Sydney and TARGET

	special provisions relating to Payment Dates:	
26.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
27.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
28.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
29.	In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on the European Union, whether the Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro (a "**Redenomination Clause**"), and, if so specified, the wording of the Redenomination Clause in full and any wording in respect of renominalisation and/or reconventioning:	Not Applicable
30.	Consolidation provisions:	Condition 14 applies
31.	Other terms or special conditions:	Not Applicable

DISTRIBUTION

32.	(i)	If syndicated, names of Managers:	Deutsche Bank AG, London Branch Bank Vontobel AG, Zurich, Daiwa Capital Markets Europe Limited KBC Bank NV Zurich Cantonalbank

	(ii) Stabilising Manager (if any):	Not Applicable
33.	If non-syndicated, name of Dealer:	Not Applicable
34.	Additional selling restrictions:	**Australia** Each Manager has acknowledged and agreed that no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia) in relation to the Programme or the Notes has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**"). Each Manager has represented and agreed that it: (i) has not (directly or indirectly) offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of the Notes in or from Australia (including an offer or invitation which is received by a person in Australia); and (ii) has not distributed or published, and will not distribute or publish, any prospectus, draft, preliminary or definitive offering memorandum, advertisement or other offering material relating to the Notes in Australia, unless the offeree or invitee is a "wholesale client" (within the meaning of section 761G of the Corporations Act 2001 of Australia) and: (1) the aggregate consideration payable by each offeree or invitee is at least AUD 500,000 (or its equivalent in other currencies, but disregarding any monies lent by the offeror or its associates); (2) the offer or invitation otherwise does not require disclosure to investors in accordance with either Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia;

		(3) such action complies with all applicable laws, regulations and directives (including without limitation, the financial services licensing requirements of Chapter 7 of the Corporations Act 2001 of Australia); and (4) such action does not require any document to be lodged with the ASIC.
OPERATIONAL INFORMATION		
35.	ISIN Code:	Until the Exchange Date, the Notes will have the temporary ISIN Code XS0521449065. After the Notes are consolidated and form a single series with the Original Notes on the Exchange Date, the Notes will have the same ISIN Code as the Original Notes, being XS0484443188.
36.	Common Code:	Until the Exchange Date, the Notes will have the temporary Common Code 052144906. After the Notes are consolidated and form a single series with the Original Notes on the Exchange Date, the Notes will have the same Common Code as the Original Notes, being 048444318.
37.	WKN Number:	Until the Exchange Date, the Notes will have the temporary WKN Number A1AYNQ. After the Notes are consolidated and form a single series with the Original Notes on the Exchange Date, the Notes will have the same WKN Number as the Original Notes, beingA1AS40.
38.	In the case of New Global Notes: intended to be held in a manner which would allow Eurosystem eligibility:	No.
39.	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant	Not Applicable

identification number(s):

40.	Delivery:	Delivery against payment
41.	Additional Paying Agent(s) (if any):	Not Applicable

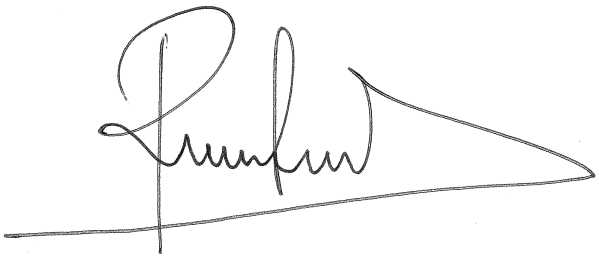
LISTING APPLICATION

This Pricing Supplement comprises the final terms required for listing on the official list and admission to trading on the regulated market of the Luxembourg Stock Exchange of the Notes described herein issued pursuant to the EUR 25,000,000,000 Euro Medium Term Note Programme of Council of Europe Development Bank.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of Council of Europe Development Bank:



By : Mr Apolonio Ruiz Ligero
Vice-Governor
Duly authorised
Date : 2 July 2010