

**PRICING SUPPLEMENT**

**Inter-American Development Bank**

**Global Debt Program**

Series No: 604

COP 27,500,000,000 5.60 percent Notes due April 29, 2024

payable in United States Dollars

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

Citigroup Global Markets Limited

The date of this Pricing Supplement is as of April 25, 2017

*PRICING SUPPLEMENT*

*Inter-American Development Bank Global Debt Program Series No: 604  
COP 27,500,000,000 5.60 percent Notes due April 29, 2024*

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.: 604
2. Aggregate Principal Amount: COP 27,500,000,000
3. Issue Price: COP 27,500,000,000, which is 100.00 percent of the Aggregate Principal Amount  
  
The Issue Price will be payable in USD in the amount of USD 9,605,309.12 at the agreed COP Rate of 2,863.00 COP per one USD.
4. Issue Date: April 28, 2017
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)): COP 10,000,000 and integral multiples thereof
7. Specified Currency (Condition 1(d)): The lawful currency of the Republic of Colombia (“Colombian Pesos” or “COP”), provided that all payments in respect of the Notes will be made in United States Dollars (“USD”)

8. Specified Principal Payment Currency  
(Conditions 1(d) and 7(h)): USD
9. Specified Interest Payment Currency  
(Conditions 1(d) and 7(h)): USD
10. Maturity Date  
(Condition 6(a); Fixed Interest Rate): April 29, 2024.
11. Interest Basis  
(Condition 5): Fixed Interest Rate (Condition 5(I))
12. Interest Commencement Date  
(Condition 5(III)): Issue Date (April 28, 2017)
13. Fixed Interest Rate (Condition 5(I)): Condition 5(I) as amended and supplemented below, shall apply to the Notes. The bases of the calculation of the Interest Amount, Interest Payment Dates and default interest are as set out below.
- (a) Interest Rate: 5.60 percent per annum
- (b) Business Day Convention: Following Business Day Convention
- (c) Fixed Rate Interest Payment Date(s): Annually on each April 29, from and including April 29, 2018, to and including the Maturity Date.
- (d) Interest Period: Each period from and including each Interest Payment Date to but excluding the next following Interest Payment Date, *provided* that the initial Interest Period will commence on and include the Interest Commencement Date, and the final Interest Period will end on but exclude the Maturity Date.
- 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 specified above.
- (e) Fixed Rate Day Count Fraction(s): Actual/365 (Fixed)

(f) Calculation of Interest Amount: As soon as practicable and in accordance with the procedure specified herein, the Calculation Agent will determine the COP Rate (as defined below) and calculate the amount of interest payable (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 COP Rate determined as of the relevant COP Valuation Date (as defined below) as follows:

5.60% *times* the minimum Authorized Denomination  
*times*  
the Fixed Rate Day Count Fraction  
*divided by*  
the COP Rate

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

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

The “COP Rate” means, in respect of a COP Valuation Date, the COP/USD exchange rate, expressed as the amount of COP per one USD:

- (a) determined by the Calculation Agent on the relevant COP Valuation Date by reference to the applicable “COP TRM” (COP02) Rate; or
- (b) in the event that the “COP TRM” (COP02) Rate is not available on the applicable COP Valuation Date, determined by the Calculation Agent on the relevant COP Valuation Date by reference to the applicable EMTA COP Indicative Survey Rate (COP03) (if such

rate is available); or

- (c) in the event that both the “COP TRM” (COP02) Rate and the EMTA COP Indicative Survey Rate (COP03) are not available on the applicable COP Valuation Date, determined by the Calculation Agent on the relevant COP Valuation Date in good faith and in a commercially reasonable manner, having taken into account relevant market practice.

““COP TRM” (COP02) Rate” means, in respect of a COP Valuation Date, the COP/USD fixing rate for USD, expressed as the amount of COP per one USD, for settlement on the same day reported by the Colombian Financial Superintendency ([www.banrep.gov.co](http://www.banrep.gov.co)) as the “Tasa Representativa del Mercado (TRM)” (also referred to as the “Tasa de Cambio Representativa del Mercado” (TCRM)) as published on the Reuters Screen CO/COL03 Page opposite the caption “TCRM” below the heading “Hoy” at approximately 12:00 noon, Bogotá time, on the first Bogotá Business Day following the relevant COP Valuation Date (or such other page or service as may replace such page for the purposes of displaying such “COP TRM” (COP02) Rate); provided that the “COP TRM” (COP02) Rate found on the website of the Colombian Financial Superintendency shall prevail in case of conflict with the rate appearing on Reuters Screen CO/COL03 Page. If the Reuters Screen CO/COL03 Page no longer reports such rate or is no longer available and has not been replaced by any other page or service, the Calculation Agent shall be entitled to obtain such rate as reported by the Colombian Financial Superintendency from any other screen or information source that it deems appropriate in good faith and in a commercially reasonable manner.

“COP Valuation 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; provided however that if such date is an Unscheduled Holiday, the COP Valuation Date shall be the next following Valuation Business Day; provided further, however, that if the next day is also an Unscheduled Holiday, the COP Rate will be determined by the Calculation Agent on such day in its sole discretion acting in good faith in a commercially reasonable manner having taken into account relevant market practice and by reference to such additional sources as it deems appropriate.

“EMTA COP Indicative Survey Rate (COP03)” means the Colombian Peso/U.S. Dollar specified rate for USD, expressed as the amount of COP per one USD, for settlement on the same day, as published on EMTA’s web site ([www.emta.org](http://www.emta.org)) at approximately 11:30 a.m., Bogotá time, or as soon thereafter as practicable, on such rate calculation date. The spot rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA COP indicative survey methodology (which means a methodology, dated as of August 1, 2006, as amended from time to time, for a centralized industry-wide survey of financial institutions that are active participants in the COP/USD markets for the purpose of determining the EMTA COP Indicative Survey Rate).

“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 Bogotá two Bogotá Business Days prior to the relevant COP Valuation Date.

“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 London, New York and Bogotá.
- (g) Calculation Agent: See “8. Identity of Calculation Agent” under “Other Relevant Terms”
- (h) Notification: If the Interest Amount payable on any Fixed Rate Interest Payment Date or the Redemption Amount, as the case may be, is calculated in any manner other than by utilizing the “COP TRM” (COP02) Rate or the EMTA COP Indicative Survey Rate (COP03), the Global Agent on behalf of the Bank shall give notice as soon as reasonably practicable to the Noteholders in accordance with Condition 14 (*Notices*).
14. Relevant Financial Center: London, New York and Bogotá
15. Relevant Business Day: London, New York and Bogotá
16. 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 COP Valuation Date with respect to the Maturity Date as follows:
- $$\frac{\text{minimum Authorized Denomination}}{\text{divided by the COP Rate}}$$
- (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 on the scheduled Maturity Date.
17. Issuer's Optional Redemption (Condition 6(e)): No
18. Redemption at the Option of the Noteholders (Condition 6(f)): No

19. 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 “16. Redemption Amount (Condition 6(a))” plus accrued and unpaid interest, if any, as determined in accordance with “13. Fixed Interest Rate (Condition 5(I))”; provided, that for purposes of such determination, the “COP Valuation Date” shall be the date that is five Valuation Business Days prior to the date upon which the Notes become due and payable as provided in Condition 9 (Default); provided however that if such date is an Unscheduled Holiday, the COP Valuation Date shall be the next following Valuation Business Day; provided further, however, that if the next day is also an Unscheduled Holiday, the COP Rate will be determined by the Calculation Agent on such day in its sole discretion acting in good faith in a commercially reasonable manner having taken into account relevant market practice and by reference to such additional sources as it deems appropriate.

20. Governing Law:

New York

21. 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 the Notes in, from or otherwise involving the United Kingdom.

(c) Colombia:

This Pricing Supplement does not constitute and may not be used for, or in connection with, a public offering as defined in the laws of the Republic of Colombia and shall be valid in Colombia only to the extent permitted by Colombian law. Therefore, the Notes will not be marketed, offered, sold or distributed in Colombia or to Colombian residents except in circumstances which do not constitute a public offering. Any promotional or advertisement activity shall comply with the requirements set out by Colombian law. The Notes have not been registered in the Republic of Colombia and may only be exchanged in the territory of the Republic of Colombia to the extent permitted by applicable law. The information contained in this Pricing Supplement is provided for assistance purposes only and no representation or warranty is made as to the accuracy or completeness of the information contained herein.

(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, 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.

22. Amendment to Condition 7(a)(i):

**Condition 7(a)(i)** is hereby amended by **deleting the first sentence** thereof and **replacing it** with the following: *“Payments of principal and interest in respect of Registered Notes shall be made to the person shown on the Register at the close of business on the business day before the due date for payment thereof (the*

*“Record Date”).”*

23. Amendment to Condition 7(h):

The following shall apply to Notes any payments in respect of which are payable in a Specified Currency other than United States Dollars:

**Condition 7(h)** is hereby amended by **deleting the words** *“the noon buying rate in U.S. dollars in the City of New York for cable transfers for such Specified Currency as published by the Federal Reserve Bank of New York on the second Business Day prior to such payment or, if such rate is not available on such second Business Day, on the basis of the rate most recently available prior to such second Business Day”* and **replacing them with the words** *“a U.S. dollar/Specified Currency exchange rate determined by the Calculation Agent as of the second Business Day prior to such payment, or, if the Calculation Agent determines that no such exchange rate is available as of such second Business Day, on the basis of the exchange rate most recently available prior to such second Business Day. In making such determinations, the Calculation Agent shall act in good faith and in a commercially reasonable manner having taken into account all available information that it shall deem relevant”*.

If applicable and so appointed, and unless otherwise defined herein, the “Calculation Agent” referred to in amended Condition 7(h) shall be the Global Agent under the Bank’s Global Debt Program – namely, Citibank, N.A., London Branch, or its duly authorized successor.

## 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: 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. An affiliate of the Dealer 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: 160339527
  - (b) ISIN: XS1603395275
7. Identity of Dealer: Citigroup Global Markets Limited
8. Identity of Calculation Agent: Citibank, N.A., London Branch

All determinations of the Calculation Agent shall (in the absence of manifest error) be final and binding on all parties (including, but not limited to, the Bank and the Noteholders) and shall be made in its sole discretion in good faith and in a commercially reasonable manner in accordance with a calculation agent agreement between the Bank and the Calculation Agent.

9. 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 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. Additional Investment Considerations:

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.

There are various risks associated with the Notes including, but not limited to, exchange rate risk, price risk and liquidity risk. Investors should consult with their own financial, legal and accounting 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. Holders of the Notes should also consult with their professional tax advisors regarding tax laws applicable to them.

The Bank will 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.

Payment of each Interest Amount and the Redemption Amount will be based on the COP Rate, which is a measure of the rate of exchange between the Colombian Peso and the USD. Currency exchange rates are volatile and will affect the holder's return. In addition, the government of Colombia 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 Colombia or elsewhere could lead to significant and sudden changes in the exchange rate between the Colombian Peso and the USD.

The methodologies for determining the COP 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 COP Rate would yield.

## 2. Conflict of Interest Disclosure:

The Issuer may enter into hedging arrangements with a hedging party to hedge the amounts to be paid under the Notes as these fall due. This may involve a hedging party entering into or acquiring a derivative contract referencing an interest rate or currency risk exposure arising from the Notes. The hedging party engages in such hedging arrangements with the Issuer solely on a principal-to-principal and arm's-length basis, and for the benefit of the hedging party and its affiliates. A hedging party will seek to select hedging arrangements which are efficient for it in the context of the tax, regulatory and business environment in which it operates, but will do so without having regard to the interests of Noteholders. A hedging party may also adjust hedging arrangements from time to time but will not always be able to avoid adverse costs, taxes or regulatory changes which affect its hedging arrangements. For the avoidance of doubt, no hedging party is under any obligation to enter into any hedging arrangements and, if any hedging arrangements are entered into, such arrangements will not confer any rights or entitlements on any Noteholder and no Noteholder will have recourse to any such hedging arrangements. The hedging party or its affiliate may be the calculation agent, valuation agent, collateral agent, or other determining party for establishing the amount of payments or deliveries during the term of the hedging arrangement and the Notes. In such capacity, the hedging party's or its affiliate's interests with respect to the Notes and the hedging arrangements may be adverse to the Issuer's and Noteholder's interests. The hedging party or its affiliate does not, in such capacity, act as an agent, fiduciary, financial advisor or in any similar capacity on behalf of the Issuer or any Noteholder. The hedging party and its affiliate shall have no duty or obligation, whatsoever, to any Noteholder and no Noteholder shall have any right, claim or recourse to the hedging party or its affiliate in connection such services. For the avoidance of doubt, neither the hedging party nor its affiliate shall be liable to any Noteholder for any action that it takes or omits to take or any determination or calculation that it makes or omits.

