

Pricing Supplement

9 February 2017

**European Bank for Reconstruction and Development
USD 10,000,000 (GEL Linked) Amortising Fixed Rate Notes due 13 May 2021
issued pursuant to a Global Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 3 July 2012 (the “Offering Circular”). This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular is available for viewing and copies may be obtained from the Issuer at One Exchange Square, London, EC2A 2JN, United Kingdom.

SUMMARY OF THE NOTES

1	Specified Currency:	United States Dollars (“USD”)
2	Nominal Amount:	USD 10,000,000
3	Type of Note:	Fixed Rate
4	Issue Date:	13 February 2017
5	Issue Price:	100.00 per cent. of the Nominal Amount
6	Maturity Date:	13 May 2021
7	Fungible with existing Notes:	No

FORM OF THE NOTES

8	Form of Note:	Registered
9	New Global Note:	No
10	Specified Denomination:	USD 250,000. The principal amount outstanding in respect of the value of the Specified Denomination will decrease as the Reference GEL Redemption Amount is paid out, as set out in Annex A hereto.
11	Exchange of Bearer Notes:	Not Applicable
12	(a) Talons for future Coupons to be attached to definitive Bearer Notes:	No
	(b) Date(s) on which the Talons mature:	Not Applicable
13	(a) Depository for and registered holder of Registered Global Note:	Registered Global Note to be deposited with a common depository for Euroclear and Clearstream, Luxembourg and registered in the

name of Citivic Nominees Limited as nominee for the common depository

- (b) Exchange of Registered Global Note: Registered Global Note will only be exchangeable for definitive Registered Notes upon 45 days' written notice in the limited circumstances as described on page 42 of the Offering Circular

PROVISIONS RELATING TO INITIAL PAYMENT

- 14 Partly Paid Notes: No

PROVISIONS RELATING TO INTEREST

- 15 Interest Commencement Date: Issue Date

- 16 Fixed Rate Notes:

- (a) Fixed Rate of Interest: 7.7 per cent. per annum, payable semi-annually in arrear. The amount of interest payable on each Fixed Interest Date (the "Interest Amount") shall be calculated on the Reference GEL Amount, as further detailed in Annex A hereto.
- (b) Fixed Interest Dates: 13 May and 13 November in each year, starting from (and including) 13 May 2017 to (and including) the Maturity Date, subject to the provisions set out in Annex A hereto.
- (c) Initial Broken Amount per Specified Denomination: The amount due and payable per Specified Denomination on the first Fixed Interest Date shall be calculated on the Reference GEL Amount as described in Annex A hereto.
- (d) Final Broken Amount per Specified Denomination: Not Applicable
- (e) Fixed Day Count Fraction: Actual/360
- (f) Business Day Convention: Following Business Day Convention
- (g) Business Day definition if different from that in Condition 4(a)(iii): Condition 4(b)(iii) applies and, for the avoidance of doubt, New York City shall be the principal financial centre. London and Tbilisi shall be additional business centres
- (h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: No

- 17 Zero Coupon Notes: Not Applicable

- 18 Floating Rate Notes and Indexed Notes: Not Applicable

PROVISIONS REGARDING PAYMENTS/DELIVERIES

- | | | |
|----|--|------------------------|
| 19 | Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: | Condition 6(e) applies |
| 20 | Dual Currency Notes: | Not Applicable |
| 21 | Physically Settled Notes: | Not Applicable |

PROVISIONS REGARDING REDEMPTION/MATURITY

- | | | |
|----|--|--|
| 22 | (a) Redemption at Issuer's option: | No |
| | (b) Redemption at Noteholder's option: | No |
| 23 | (a) Final Redemption Amount per Specified Denomination (<i>other than an Indexed or Formula Note where the index or formula applies to the redemption amount</i>): | See the provisions set out in Annex A hereto |
| | (b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: | Not Applicable |
| 24 | Instalment Note: | Not Applicable |
| 25 | Early Redemption Amount for each Note payable on an event of default: | Condition 9 applies, subject to the provisions set out in Annex A hereto |

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

- | | | |
|----|---|---|
| 26 | Method of distribution: | Non-syndicated |
| 27 | If Syndicated, names and addresses of Joint Lead Managers or, if Non-Syndicated name and address of the Dealer: | Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB |
| 28 | Date of Syndication Agreement: | Not Applicable |
| 29 | Stabilising Manager(s): | None |
| 30 | Additional selling restrictions: | The Dealer has represented, warranted and agreed that it will not, directly or indirectly, offer or sell the Notes in Georgia except as permitted by the laws of Georgia. |
| 31 | Details of additional/alternative clearing system approved by the Issuer and the Agent: | Euroclear and Clearstream, Luxembourg only |
| 32 | Intended to be held in a manner which | No |

would allow Eurosystem eligibility:

- 33** Common Code: 156440809
ISIN Code: XS1564408091
CUSIP Number: Not Applicable
- 34** Listing: Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the UK Listing Authority and trading on the Regulated Market of the London Stock Exchange plc
- 35** 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 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 redenominalisation and/or consolidation (provided they are fungible) with other Notes denominated in euro. Not Applicable
- 36** Additional Information:
- (i) The provisions set out in Annex A hereto shall apply to the Terms and Conditions in accordance therewith.
- (ii) Investment considerations: **Georgian Lari Exchange Risk**
The Final Redemption Amount on the Notes is linked to Georgian Lari. Currency exchange rates may be volatile and will affect the return to the holder of the Notes. The Government of Georgia 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 in U.S. Dollars, as well as the actual yield (in U.S. Dollar terms) on the Notes and the amounts payable on the Notes. Even in the absence of governmental action directly affecting currency exchange rates, political or economic developments in Georgia or elsewhere could lead to significant

and sudden changes in the exchange rate between the Georgian Lari and the U.S. Dollar.

Notes are Not Liquid Instruments

There may exist at times only limited markets for the Notes resulting in low or non-existent volumes of trading in the Notes and such obligations, and therefore a lack of liquidity and price volatility of the Notes and such obligations.

37 Total Commissions: 0.71 per cent. of the Nominal Amount

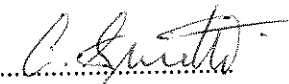
This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the London Stock Exchange plc's Regulated Market of the Notes described herein pursuant to the Euro 35,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development as from 13 February 2017, or as soon as practicable thereafter.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. The exchange rate information set out in Annex B has been extracted from Bloomberg. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by Bloomberg, no facts have been omitted which would render the reproduced information inaccurate or misleading.

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: 
Authorised signatory



.....
CITIBANK, N.A.
(as Agent)

PART B – OTHER INFORMATION

1 LISTING

Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange plc's Regulated Market with effect on or around 13 February 2017 or as soon as practicable thereafter. No assurance can be given that such listing and admission to trading will be obtained on such date, or, if obtained, that it will be maintained.

2 RATINGS

The Issuer and/or its debt obligations have been assigned an AAA credit rating from Standard & Poor's Credit Market Services Europe Limited ("**S&P**"), an Aaa credit rating from Moody's Investors Service Limited ("**Moody's**") and an AAA credit rating from Fitch France S.A.S. ("**Fitch**"). As defined by S&P, an "AAA" rating means that the ability of the Issuer to meet its financial commitment on its obligations is extremely strong. As defined by Moody's, an "Aaa" rating means that the Issuer's ability to meet its financial obligations is judged to be of the highest quality, with minimal credit risk. As defined by Fitch, an "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: The net proceeds of the issue of the Notes (which is expected to be USD 9,929,000) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations.
- (ii) Estimated net proceeds: USD 9,929,000
- (iii) Estimated total expenses: £10,000

5 HISTORIC INTEREST RATES

Not Applicable

6 PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Not Applicable

7 PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Certain historical information in respect of the USD/ Georgian Lari, the lawful currency of

Georgia ("GEL") foreign exchange rate is set out in Annex B (Historical Data) hereto.

In the circumstances described in Annex A hereto, the amount of principal and/or interest received by holders of the Notes is affected by the USD/GEL foreign exchange rate. Information in respect of the USD/GEL foreign exchange rate can also be found on the National Bank of Georgia website.

Annex A

Additional Terms Relating to the Calculation of Interest Amount, Early Redemption Amount and Final Redemption Amount

The Final Redemption Amount per Specified Denomination will be payable in USD on the Maturity Date and will be determined by the Calculation Agent on the relevant Rate Fixing Date, as follows, rounded up to the nearest cent:

GEL 83,800 *divided by* the Exchange Reference Rate

The Early Redemption Amount per Specified Denomination will be payable in USD on the Early Redemption Date and will be determined by the Calculation Agent on the relevant Rate Fixing Date, as follows, rounded up to the nearest cent:

Reference GEL Amount *divided by* the Exchange Reference Rate

On each Fixed Interest Date, Noteholders will receive in respect of the relevant Fixed Interest Period the following amounts in USD per Specified Denomination, (i) the Interest Amount, plus (ii) the USD equivalent of the Reference GEL Redemption Amount as determined by the Calculation Agent on the relevant Rate Fixing Date (subject to the Disruption Event Provision below), as follows, rounded up to the nearest cent:

- (i) (Fixed Rate of Interest x Reference GEL Amount x Fixed Day Count Fraction) divided by the Exchange Reference Rate; plus
- (ii) Reference GEL Redemption Amount divided by the Exchange Reference Rate (the "Amortising Amount").

As soon as possible on or after the relevant Rate Fixing Date (but in no event later than the Business Day immediately prior to each Fixed Interest Date, the Maturity Date or the Early Redemption Date, as applicable), the Calculation Agent shall notify the Agent and the Issuer of the relevant Exchange Reference Rate.

The Calculation Agent shall notify the Issuer, the Agent and the Noteholders of its determination of the Final Redemption Amount, the Early Redemption Amount, the Interest Amount and the Amortising Amount payable per Specified Denomination on the Maturity Date, Early Redemption Date or relevant Fixed Interest Date (as applicable), as soon as practicable after such determination, but in no event later than one Business Day prior to the Maturity Date, Early Redemption Date and/or relevant Fixed Interest Date (as applicable).

Disruption Event Provisions

If the Exchange Reference Rate is not available for any reason on any Rate Fixing Date, then the Calculation Agent shall determine that a Price Source Disruption Event (a "Price Source Disruption Event") has occurred, and shall promptly inform the Issuer, the Agent and the Noteholders of such occurrence.

The Calculation Agent shall then determine the Exchange Reference Rate on the following basis. The Exchange Reference Rate shall be the arithmetic mean of such firm quotes (expressed as the number of GEL per one USD) from the Reference Dealers as the Calculation Agent is able to obtain for the sale of GEL and the purchase of USD at or about 4.00 p.m. (Tbilisi time) on the Business Day following the Rate Fixing Date, for settlement on the next Tbilisi Business Day, provided however, that if fewer than four (but at least two) Reference Dealers provide such firm quotes then the Exchange Reference Rate shall be the arithmetic mean of the quotes actually obtained. If none, or only one, of the Reference Dealers provides such a firm quote, the relevant Exchange Reference Rate shall be determined by the Calculation Agent in its discretion, acting in good faith and in a commercially reasonable manner.

For the purposes of this Annex A:

"Business Day" means, in relation to any place, any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in that place, or if no such place is specified, any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Tbilisi, London and New York City;

"Calculation Agent" means Citibank, N.A. Citibank, N.A. shall be responsible for those duties and functions specified herein in accordance with the provisions of the calculation agency agreement entered into between the Issuer and the Calculation Agent dated 20 February 2004, as amended and/or supplemented from time to time (the **"Calculation Agency Agreement"**). All references to the Calculation Agent shall include any successor or successors to Citibank, N.A. as Calculation Agent in respect of the Notes.

"Early Redemption Date" means the date (if any) on which the Notes become due and payable pursuant to Condition 9;

"Exchange Reference Rate" means, in respect of a Rate Fixing Date, the USD/GEL Official Exchange Rate expressed as the amount of GEL per one USD, as determined by the NBG as of 11 am (Tbilisi time) on the Rate Fixing Date as observed on <https://www.nbg.gov.ge/index.php?m=582&lng=eng> (or on any successor page set up for the purposes of displaying such rate). This information is also available on the Bloomberg page GEL NBGF Curncy provided, however, that in the case of any discrepancy between the Official Exchange Rate as published on the Bloomberg page and as published on the NBG website, the Official Exchange Rate as published on the NBG website will prevail;

"NBG" means the National Bank of Georgia;

"Rate Fixing Date" means the date which is two Business Days prior to each of the applicable Fixed Interest Date, any Early Redemption Date or the Maturity Date;

"Reference Dealers" means four leading dealers, banks or banking corporations which regularly deal in the USD/GEL foreign exchange market, as selected by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner; and

The **"Reference GEL Amount"** and **"Reference GEL Redemption Amount"** are each an amount in GEL specified by reference to the following table:

Fixed Interest Period from and including	Fixed Interest Period to but excluding	Fixed Interest Date*	GEL Notional Outstanding	GEL Redemption Amount	Reference GEL Amount	Reference GEL Redemption Amount
13/02/2017	13/05/2017	13/05/2017	26,816,000.00	0.00	670,400	0.00
13/05/2017	13/11/2017	13/11/2017	26,816,000.00	0.00	670,400	0.00
13/11/2017	13/05/2018	13/05/2018	23,464,000.00	3,352,000.00	586,600	83,800.00
13/05/2018	13/11/2018	13/11/2018	20,112,000.00	3,352,000.00	502,800	83,800.00
13/11/2018	13/05/2019	13/05/2019	16,760,000.00	3,352,000.00	419,000	83,800.00
13/05/2019	13/11/2019	13/11/2019	13,408,000.00	3,352,000.00	335,200	83,800.00
13/11/2019	13/05/2020	13/05/2020	10,056,000.00	3,352,000.00	251,400	83,800.00
13/05/2020	13/11/2020	13/11/2020	6,704,000.00	3,352,000.00	167,600	83,800.00
13/11/2020	13/05/2021	13/05/2021	3,352,000.00	3,352,000.00	83,800	83,800.00

* subject to the adjustment in accordance with the Following Business Day Convention

For the avoidance of doubt, the initial GEL Notional Outstanding was calculated by multiplying the Nominal Amount by an initial Exchange Reference Rate as at 6 February 2017. The initial Exchange Reference Rate was fixed at GEL 2.6816 and therefore the GEL Notional Outstanding and the GEL Redemption Amount (and consequentially the Reference GEL Amount and Reference GEL Redemption Amount) in respect of each Interest Period are as set out in the table above.

Annex B

Historical Data

The following table summarises certain historical information regarding the USD/GEL foreign exchange rate since January 2009.

Period	High	Low
January 2004 – December 2004	2.1400	1.7000
January 2005 – December 2005	1.8400	1.7800
January 2006 – December 2006	1.8300	1.7135
January 2007 – December 2007	1.7199	1.5915
January 2008 – December 2008	1.6670	1.3960
January 2009 – December 2009	1.6950	1.6400
January 2010 – December 2010	1.8875	1.6986
January 2011 – December 2011	1.8110	1.6388
January 2012 – December 2012	1.6751	1.6193
January 2013 – December 2013	1.7376	1.6348
January 2014 – December 2014	1.9527	1.7241
January 2015 – December 2015	2.4499	1.8780
January 2016 – December 2016	2.7846	2.1272
January 2017	2.7637	2.6550

Source: Bloomberg

The delivery of this Pricing Supplement does not imply any representation on the part of the Issuer, the Calculation Agent or the Dealer or any other person that the information extracted from the source above is correct.

NEITHER THE ISSUER NOR THE DEALER MAKE ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION WHATSOEVER AS TO THE RESULTS TO BE OBTAINED FROM AN INVESTMENT IN THE NOTES. THE FOREGOING INFORMATION IS BASED UPON PUBLICLY AVAILABLE INFORMATION AS PUBLISHED BY THE APPLICABLE SOURCE. HOWEVER, NEITHER THE DEALER NOR ANY OF ITS AFFILIATES SHALL BE LIABLE (WHETHER IN NEGLIGENCE OR OTHERWISE) TO ANY PERSON FOR ANY ERROR IN THE INFORMATION SET FORTH ABOVE NOR SHALL IT OR ANY SUCH AFFILIATE BE UNDER ANY OBLIGATION TO ADVISE ANY PERSON OF ANY ERROR THEREIN.

Post-Issuance Information

The Issuer does not intend to provide any post-issuance information.