

PRICING SUPPLEMENT

7 November 2016

European Bank for Reconstruction and Development
INR 4,937,300,000 4.77 per cent. Environmental Sustainability Notes due 8 November
2019
issued pursuant to a Global Medium Term Note Programme

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. 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, One Exchange Square, London EC2A 2JN, United Kingdom.

SUMMARY OF THE NOTES

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| 1. | Specified Currency: | Indian Rupee ("INR"), meaning the lawful currency of the Republic of India, provided that all payments in respect of the Notes will be made in Japanese Yen ("JPY") in accordance with Annex A. |
| 2. | Nominal Amount: | INR 4,937,300,000 |
| 3. | Type of Note: | Fixed Rate |
| 4. | Issue Date: | 9 November 2016 |
| 5. | Issue Price: | 99.98 per cent. of the Nominal Amount |
| 6. | Maturity Date: | 8 November 2019, subject to the Price Source Disruption Event and fallback provisions set out in Annex A hereto |
| 7. | Fungible with existing Notes: | No |

FORM OF THE NOTES

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| 8. | Form of Note: | Bearer |
| 9. | New Global Note: | No |
| 10. | Specified Denomination(s): | INR 100,000 |
| 11. | Exchange of Bearer Notes: | Temporary Global Note exchangeable for permanent Global Note on certification as to non-US beneficial ownership on or after 40 days after the Issue Date and thereafter permanent Global Note exchangeable only upon an Exchange Event. |
| 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: Not Applicable
- (b) Exchange of Registered Global Note: Not Applicable

PROVISIONS RELATING TO INITIAL PAYMENT

14. Partly Paid Notes: No

PROVISIONS RELATING TO INTEREST

15. Interest Commencement Date: Issue Date

Fixed Rate Notes:

16. (a) Fixed Rate(s) of Interest: 4.77 per cent. per annum payable semi-annually in arrear.
- For the avoidance of doubt, an amount equal to INR 2,385.00 per Specified Denomination (the “Fixed Interest Amount”) shall be payable on each Fixed Interest Date (except in respect of the first Fixed Interest Date for which the relevant amount due and payable on such date shall be as described below), provided that the Fixed Interest Amount shall be payable in JPY, as further described in Annex A.
- (b) Fixed Interest Date(s): 8 May and 8 November in each year from and including 8 May 2017 up to and including the Maturity Date, subject to the provisions set out in Annex A hereto.
- (c) Initial Broken Amount per Specified Denomination: An amount equal to INR 2,371.75 per Specified Denomination will be payable on the Fixed Interest Date scheduled to fall on 8 May 2017, provided that such amount shall be payable in JPY as further described in Annex A.
- (d) Final Broken Amount per Specified Denomination: Not Applicable
- (e) Fixed Day Count Fraction: 30/360
- (f) Business Day Convention: Modified Following Business Day Convention
- (g) Business Day definition if different from that in Condition 4(a)(iii): Condition 4(a)(iii) applies and, for the avoidance of doubt, Mumbai shall be the principal financial centre. London, Tokyo and New York City 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, subject to the provisions set out in Annex A hereto.
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 for each Note (*other than* an Indexed or Formula Note where the index or formula applies to the redemption amount): 100 per cent. per Specified Denomination, subject to 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 Managers or, if Non-syndicated name and address of Dealer: SMBC Nikko Capital Markets Limited
One New Change
London
EC4M 9AF

28. Date of Syndication Agreement: Not Applicable
29. Stabilising Manager(s) None
30. Additional selling restrictions: In addition to the restrictions set out under the heading "Subscription and Sale" in the Offering Circular, the following shall apply:

Republic of India:

The Dealer acknowledges that distribution of this Pricing Supplement and the offering and sale of the Notes in India is restricted by law. Persons into whose possession this Pricing Supplement comes are required to inform themselves about and to observe any such restrictions. Neither this Pricing Supplement nor the OC constitutes, and may not be used for or in connection with, an offer or solicitation by anyone in India. No person in India (resident or otherwise) or any person regulated in India by any Indian government or any governmental agency or department, semi-governmental or judicial entity or authority including without limitation, any stock exchange or any self regulatory organization established under statute or applicable law in India (such as foreign institutional investors registered with the Securities and Exchange Board of India), are, directly or indirectly, eligible to buy, sell or deal in the Notes and shall not be eligible to participate in this offering or directly or indirectly derive any ownership, economic or other benefits from or in such Notes.

Japan:

A secondary distribution of Notes is scheduled to be made in Japan.

The Notes may not be offered or sold, directly or indirectly, in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Law of Japan and other relevant laws and regulations of Japan. For the purposes of this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

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 would allow Eurosystem eligibility: No

33. Common Code: 151374662
XS1513746625
- ISIN Code: Not Applicable
- CUSIP Number: None
34. Listing: None
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 redenominationalisation and/or consolidation (provided they are fungible) with other Notes denominated in euro. Not Applicable
36. Additional Information:
- (a) The provisions set out in Annex A shall apply to the Terms and Conditions in accordance herewith.
- (b) The language set out under the heading Use of Proceeds in the Offering Circular shall be replaced for these Notes by the following:
- “The proceeds of the Notes issuance will be used towards the Issuer’s environmental projects in accordance with and subject to the following provisions:
- An amount equivalent to the net proceeds of the Notes will be allocated within the Issuer’s Treasury liquidity pool to a portfolio that is separately monitored by the Issuer. So long as any of these Notes is outstanding, if the overall balance of such portfolio exceeds the overall amount of the Issuer’s Green Project Portfolio (as defined below), the remaining balance may only be invested by the Issuer in certificates of deposits, commercial paper, bank deposits, repurchase transactions or other money-market instruments, as determined by the Issuer.
- “Green Project Portfolio” shall mean, as determined by the Issuer, the sum of all loans and equity investments that are funded, in whole or in

part, by the Issuer and in respect of which the entire or substantially the entire amount disbursed or invested is directed at, as determined by the Issuer, any of the following areas: energy efficiency, clean energy, water management, waste management, sustainable living, environmental services, and sustainable public transport.

Examples of projects in the Green Project Portfolio include, without limitation, financings of:

- Renewable energy projects, such as
 - photovoltaic installations, and production of photovoltaic cells/modules;
 - installation of wind turbines;
 - construction of mini-hydro cascades;
 - geothermal and biomass facilities,
- Rehabilitation of transmission / distribution facilities to reduce total greenhouse gas ("GHG") emissions,
- Modernisation of industrial installations to reduce total GHG emissions,
- New technologies that result in significant reductions in total GHG emissions, e.g. smart distribution networks,
- Greater efficiency in mass transportation, such as investment in fuel-efficiency (fleet replacement) or more energy efficient infrastructure,
- Methane capture on waste landfills and waste water treatment plants,
- Rehabilitation of municipal water/waste water infrastructure to improve drinking water quality and wastewater treatment and reduce water consumption and wastewater discharges,
- Improvements to solid waste management (minimisation, collection, recovery, treatment, recycling, storage and disposal),
- Energy efficiency investments in existing buildings (insulation, lighting, heating/cooling systems),
- Investments to improve efficiency of industrial water use,

- Sustainable and stress-resilient agriculture, including investments in water-efficient irrigation,
- Sustainable forest management, reforestation, watershed management, and the prevention of deforestation and soil erosion.

The above examples are illustrative only and no assurance can be provided that investments in projects with these specific characteristics will be made.”

37. Total Commissions:

Not Applicable

RESPONSIBILITY

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

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

A.S.
S.F.

By: 
.....
Duly Authorised Officer

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

Annex A

Calculation of Fixed Interest Amount, Early Redemption Amount and Final Redemption Amount

The Final Redemption Amount or the Early Redemption Amount, as applicable, per Specified Denomination (as determined by the Calculation Agent on the applicable Rate Fixing Date) will be payable in JPY on the Maturity Date or Early Redemption Date as follows:

Specified Denomination x Reference Rate

provided that the resultant amount shall be rounded to the nearest whole JPY (with JPY 0.5 being rounded up).

The Fixed Interest Amount and Initial Broken Amount per Specified Denomination (as determined by the Calculation Agent on the applicable Rate Fixing Date) will be payable in JPY on the relevant Fixed Interest Date as follows:

In case of the Fixed Interest Amount

INR 2,385.00 x Reference Rate

In case of the Initial Broken Amount

INR 2,371.75 x Reference Rate

provided in each case that the resultant amounts shall be rounded to the nearest whole JPY (with JPY 0.5 being rounded up).

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

For the purposes of these provisions:

“Business Day” means any day 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 the business centre(s) specified or, if no business centre is specified, in Tokyo, London, New York City and Mumbai;

“Calculation Agent” means Citibank N.A. in accordance with the provisions of the Calculation Agency Agreement entered between the Issuer and the Calculation Agent dated 20 February 2004 (as amended and/or supplemented from time to time). All references to the Calculation Agent shall include any successor(s) to Citibank N.A. as Calculation Agent in respect of the Notes

“Early Redemption Date” means the date on which the Notes become due and payable pursuant to Condition 9;

“INR RBIC Rate” means the JPY/INR foreign exchange rate expressed as the amount of INR per 100 units of JPY published on the Reuters Screen page “RBIC” (or its successor page for the purpose of displaying such rate) at approximately 1:30 p.m., Mumbai Time, on the applicable Rate Fixing Date;

“Postponed Early Redemption Date” means the tenth (10th) Business Day following the Early Redemption Date (if any);

“Postponed Fixed Interest Date” means the tenth (10th) Business Day following the originally scheduled Fixed Interest Date;

“Postponed Maturity Date” means the tenth (10th) Business Day following the originally scheduled Maturity Date;

“Price Source Disruption Event”: If the INR RBIC Rate is not available for any reason on Reuters Screen page “RBIC” or on any successor page 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 and Agent of such occurrence. Following the determination of the occurrence of a Price Source Disruption Event, Noteholders will not be entitled to any amounts in respect of the Notes until the earlier to occur of (i) the day falling ten Business Days after the day on which the Issuer is notified by the Calculation Agent that a Price Source Disruption Event no longer subsists and (ii) the Postponed Fixed Interest Date, Postponed Early Redemption Date or the Postponed Maturity Date, as the case may be. If on the tenth Business Day following the original Rate Fixing Date, Reuters Screen page “RBIC” (or its successor page) is still unavailable then the Reference Rate shall be the average of such firm quotes (expressed as the amount of JPY per one INR) from the Reference Dealers as the Calculation Agent is able to obtain for the sale of INR and the purchase of JPY at or about 1:30 p.m., Mumbai time, on the applicable Rate Fixing Date, for settlement two Mumbai Business Days thereafter, provided, however, that if fewer than five (but at least two) Reference Dealers provide such firm quotes then the average of the quotes actually obtained shall apply and, if none, or only one of the Reference Dealers provides such a firm quote, the Reference Rate will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner, and shall be final and binding on the Issuer, the Paying Agent and the Noteholders in the absence of manifest error, wilful default or fraud.

“Rate Fixing Date” means the date which is ten (10) Business Days before the applicable Fixed Interest Date, Maturity Date or Early Redemption Date (if any). If a Price Source Disruption Event occurs or otherwise subsists on such day, the Rate Fixing Date shall be the earlier of (i) the Business Day on which the Issuer is notified by the Calculation Agent that a Price Source Disruption Event no longer subsists and (ii) the day which is ten (10) Business Days before the applicable Postponed Early Redemption Date (if any), Postponed Fixed Interest Date or Postponed Maturity Date, as the case may be;

“Reference Dealers” means five(5) leading dealers, banks or banking corporations which regularly deal in the INR/JPY exchange market, as selected by the Calculation Agent, in its sole discretion, acting in good faith and in a commercially reasonable manner; and

“Reference Rate” means the INR/JPY exchange rate, expressed as the amount of JPY per one INR, determined by the Calculation Agent in accordance with the following formula:

$$100 / \text{INR RBIC Rate}$$

provided that, the resultant amount shall be rounded to the nearest fourth decimal place (with 0.00005 being rounded up).