

PRICING SUPPLEMENT

2 June 2011

European Bank for Reconstruction and Development
USD 10,000,000 Callable Zero Coupon Notes due 6 June 2041
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 Base Prospectus dated 11 August 2010 and the Supplementary Prospectus dated 24 May 2011. This Pricing Supplement must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Base Prospectus and the Supplementary Prospects are available for viewing and copies may be obtained from the Issuer at One Exchange Square, London, EC2A 2JN, United Kingdom.

SUMMARY OF THE NOTES

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| 1. | Specified Currency: | United States Dollar ("USD") |
| 2. | Nominal Amount: | USD 10,000,000 |
| 3. | Type of Note: | Zero Coupon |
| 4. | Issue Date: | 6 June 2011 |
| 5. | Issue Price: | 100 per cent. of the Nominal Amount |
| 6. | Maturity Date: | 6 June 2041 |
| 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: | USD 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 Notes: | No Bearer |
| | (b) Date(s) on which the Talons mature: | Not Applicable |
| 13. | (a) 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: Not Applicable

PROVISIONS RELATING TO INTEREST

15. Interest Commencement Date: Not Applicable
16. Fixed Rate Notes: Not Applicable
17. Zero Coupon Notes: Applicable
- (a) Accrual Yield: 5.12 per cent. per annum
- (b) Reference Price: USD 100,000 per Specified Denomination
- (c) Other formula or basis for determining Amortised Face Amount: Not Applicable
- (d) Business Day Convention Modified Following Business Day
- (e) Day Count Fraction in relation to Early Redemption Amounts and late payment: Conditions 5(d)(iii) and 5(h) apply
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: Yes
- The Issuer has the right to redeem the Notes (in whole but not in part) on an Optional Early Termination Date (as defined below) at the relevant Optional Redemption Amount (as defined below and set out in the Annex attached hereto) by giving notice to the Agent of such redemption not less than five (5) Business Days (as defined below) prior to the relevant Optional Early Termination Date.

The Agent shall give notice of such redemption to the holders of the Notes as soon as is practicable, but in any event not later than two (2) Business Days thereafter in accordance with Condition 5(b) (except that the timing of such notice as referred to therein shall be amended as set out above).

“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 London and New York City.

“Optional Early Termination Date” means 6 June every two years, from (and including) 6 June 2012 to (and including) 6 June 2040, subject to adjustment in accordance with the Modified Following Business Day Convention (as defined below).

“Modified Following Business Day Convention” means that where an Optional Early Termination Date would otherwise fall on a day which is not a Business Day, then such Optional Early Termination Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Optional Early Termination Date shall be brought forward to the immediately preceding Business Day.

“Optional Redemption Amount” means the amount specified in the Annex attached hereto opposite the corresponding Optional Early Termination Date.

- (b) Redemption at Noteholder’s No option:

23. (a) Final Redemption Amount for USD 447,260.52 per Specified Denomination each Note (*other than* an Indexed or Formula Note where the index or formula applies to the redemption amount):
- (b) Final Redemption Amount for Not Applicable each Indexed Note where the Index or Formula applies to the Final Redemption Amount:
24. Instalment Note: Not Applicable
25. Early Redemption Amount for each Condition 5(d) shall apply Note payable on an event of default:

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

26. Method of distribution: Non-syndicated
27. If Syndicated, names and addresses of Banco Bilbao Vizcaya Argentaria, S.A Managers or, if Non-Syndicated name Vía de los Poblados s/n, 28033 Madrid and address of Dealer: Spain
28. Date of Syndication Agreement: Not Applicable
29. Stabilising Manager(s): Not Applicable
30. Non-exempt Offer: Not Applicable
31. Additional sales restrictions: Not Applicable
32. Details of additional/alternative clearing system approved by the Issuer and the Agent: Not Applicable
33. Intended to be held in a manner which would allow Eurosystem eligibility: No
34. Common Code: 063190357
- ISIN Code: XS0631903571
- CUSIP Number: Not Applicable
35. Listing: London Stock Exchange

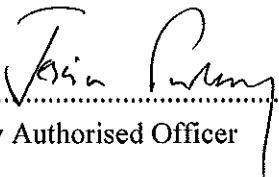
36. In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, whether the Notes will include a redenomination clause providing for the redenomination of 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
37. Additional Information: Not Applicable
38. Total Commissions: None

RESPONSIBILITY

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

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: 
Duly Authorised Officer

AK
RW
S.F.

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CITIBANK, N.A.
(as Agent)

- 7 ***Floating Rate Notes only – HISTORIC INTEREST RATES***
Not Applicable
- 8 ***Index-Linked or other variable-linked Notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING***
Not Applicable
- 9 **Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**
Not Applicable
- 10 **TERMS AND CONDITIONS OF THE OFFER**
Not Applicable

ANNEX

Optional Early Termination Date	Optional Redemption Amount (per Specified Denomination)	Optional Redemption Price	Optional Redemption Amount
6 June 2012	105,120.00	105.12000%	10,512,000.00
6 June 2014	116,159.85	116.15985%	11,615,985.00
6 June 2016	128,359.13	128.35913%	12,835,913.00
6 June 2018	141,839.59	141.83959%	14,183,959.00
6 June 2020	156,735.79	156.73579%	15,673,579.00
6 June 2022	173,196.41	173.19641%	17,319,641.00
6 June 2024	191,385.74	191.38574%	19,138,574.00
6 June 2026	211,485.35	211.48535%	21,148,535.00
6 June 2028	233,695.84	233.69584%	23,369,584.00
6 June 2030	258,238.92	258.23892%	25,823,892.00
6 June 2032	285,359.54	285.35954%	28,535,954.00
6 June 2034	315,328.41	315.32841%	31,532,841.00
6 June 2036	348,444.65	348.44465%	34,844,465.00
6 June 2038	385,038.81	385.03881%	38,503,881.00
6 June 2040	425,476.14	425.47614%	42,547,614.00