

PRICING SUPPLEMENT

25 July 2006

European Bank for Reconstruction and Development
South African Rand 35,000,000 7.30 per cent. Notes due 19 July 2013
(to be consolidated, form a single series and be fungible with the South African Rand
35,000,000 7.30 per cent. Notes due 19 July 2013 issued on 19 July 2006)

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 10 August 2005. This document must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus.

SUMMARY OF THE NOTES

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| 1. | Specified Currency: | South African Rand ("ZAR") |
| 2. | Nominal Amount: | ZAR 35,000,000 |
| 3. | Type of Note: | Fixed Rate |
| 4. | Issue Date: | 27 July 2006 |
| 5. | Issue Price: | The sum of 98.860 per cent. plus 0.1622 per cent. (8 days accrued interest) |
| 6. | Maturity Date: | 19 July 2013 |
| 7. | Fungible with existing Notes: | Yes. The Notes will be immediately consolidated and will be fungible and form a single series with the ZAR 35,000,000 7.30 per cent. Notes due 19 July 2013 issued on 19 July 2006. Upon consolidation, the aggregate nominal of the issue will be ZAR 70,000,000. |
| 8. | Pricing Supplement to be read in conjunction with Base Prospectus dated: | 10 August 2005 |

FORM OF THE NOTES

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| 9. | Form of Note: | Bearer |
| 10. | Specified Denomination(s): | ZAR 10,000 |
| 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 |

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| 13. | (a) Registered holder of Registered Global Note: | Not applicable |
| | (b) Exchange of Registered Global Note: | Not applicable |

PROVISIONS RELATING TO INITIAL PAYMENT

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| 14. | Partly Paid Notes: | No |
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PROVISIONS RELATING TO INTEREST

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| 15. | Interest Commencement Date: | 19 July 2006 |
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Fixed Rate Notes:

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| 16. | (a) Fixed Rate(s) of Interest: | 7.30 per cent. per annum payable monthly in arrear. For the avoidance of doubt, ZAR 60.83 per Specified Denomination shall be payable on each Fixed Interest Date (except in respect of the Initial Broken Amount as specified in item 16(c) and the Final Broken Amount as specified in item 16(d)). |
| | (b) Fixed Interest Date(s): | 20th day of each month from and including 20th August 2006 to and including the Maturity Date. |
| | (c) Initial Broken Amount per Specified Denomination: | On the Fixed Interest Date falling on or around 20th August 2006, the following broken amount shall be payable: ZAR 62.86 per Specified Denomination. |
| | (d) Final Broken Amount per Specified Denomination: | On the Fixed Interest Date falling on or around 19 July 2013, the following broken amount shall be payable: ZAR 58.81 per Specified Denomination. |
| | (e) Fixed Day Count Fraction: | 30E/360 |
| | (f) Business Day Convention: | Following Business Day Convention |
| | (g) Business Day definition if different from that in Condition 4(a)(iii): | Additional business centres are London, Johannesburg, Tokyo and New York City. |
| | (h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: | No |

Zero Coupon Notes:

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| 17. | (a) Accrual Yield: | Not applicable |
| | (b) Reference Price: | Not applicable |
| | (c) Other formula or basis for determining Amortised Face Amount: | Not applicable |
| | (d) Day Count Fraction in relation to Early Redemption Amounts and late payment: | Not applicable |

Floating Rate Notes and Indexed Notes

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| 18. | (a) | Manner in which Rate of Interest is to be determined: | Not applicable |
| | (b) | Margin(s): | Not applicable |
| | (c) | Minimum Rate of Interest (if any): | Not applicable |
| | (d) | Maximum Rate of Interest (if any): | Not applicable |
| | (e) | Floating Day Count Fraction: | Not applicable |
| 19. | | If ISDA Determination: | Not applicable |
| | (a) | Floating Rate Option: | Not applicable |
| | (b) | Designated Maturity: | Not applicable |
| | (c) | Reset Date: | Not applicable |
| 20. | | If Screen Rate Determination: | Not applicable |
| | (a) | Reference Rate: | Not applicable |
| | (b) | Relevant Screen Page: | Not applicable |
| | (c) | Interest Determination Date: | Not applicable |
| 21. | | If Indexed: | Not applicable |
| 22. | | If Rate of Interest not to be determined by ISDA or Screen Rate Determination or by reference to an Index or Formula: | Not applicable |
| 23. | | General Provisions for Floating Rate Notes and Indexed Notes: | Not applicable |
| | (a) | Specified Period (and, in the case of Notes where the Interest Payment Date(s) are fixed, the Interest Payment Date(s)): | Not applicable |
| | (b) | Business Day Convention: | Not applicable |
| | (c) | Business Day definition if different from that in Condition 4(b)(i): | Not applicable |
| | (d) | Calculation of interest to be adjusted in accordance with Business Day Convention specified above: | Not applicable |
| | (e) | Terms relating to calculation of Interest Amount: | Not applicable |
| | (f) | Party responsible for calculation of the Interest Amount: | Not applicable |
| | (g) | Party responsible for making any determinations ancillary to or in connection with the calculation of the Interest Amount, including Rate of Interest (if applicable): | Not applicable |

- (h) Any amendment to the definition in Condition 4(b)(iii) of Euro-zone: Not applicable

PROVISIONS REGARDING PAYMENTS/DELIVERIES

24. Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: Condition 6(e) applies and the additional business centres are London, Johannesburg, Tokyo and New York City.
25. Dual Currency Notes: Not applicable
26. Physically Settled Notes: Not applicable

PROVISIONS REGARDING REDEMPTION/MATURITY

27. (a) Redemption at Issuer's option: No
- (b) Redemption at Noteholder's option: No
28. (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. of the Specified Denomination of each Note
- (b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: Not applicable
29. Instalment Note: Not applicable
30. Early Redemption Amount for each Note payable on an event of default: Condition 5(d) applies

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

31. Method of distribution: Non-syndicated
32. If syndicated, names of Managers or, if non-syndicated names of Purchasers: Royal Bank of Canada Europe Limited
33. Date of Syndication Agreement: Not applicable
34. Stabilising Agent(s): None

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| 35. | Additional sales restrictions: | <p>In addition to the restrictions set out under the heading "Subscription and Sale" in the Prospectus, the following shall apply:</p> <p>Republic of South Africa:</p> <p>Royal Bank of Canada Europe Limited has represented and agreed that it has not and will not offer or sell directly or indirectly, any Notes in the Republic of South Africa or to any persons, corporate or other entity resident in the Republic of South Africa except in accordance with the exchange control regulations of the Republic of South Africa, and in circumstances which would not constitute an offer to the public within the meaning of the South African Companies Act, 1973 (as amended).</p> |
| 36. | Details of additional/alternative clearing system approved by the Issuer and the Agent: | None |
| 37. | Common Code: | 026135397 |
| | ISIN Code: | XS0261353972 |
| | CUSIP Number: | Not applicable |
| 38. | Listing: | None |
| 39. | 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 |
| 40. | Additional Information: | None |
| 41. | Total Commission and Concession: | 3.00 per cent. of the Nominal Amount of the Notes |

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By:
 Authorised signatory