

PRICING SUPPLEMENT

27 August 2008

**European Bank for Reconstruction and Development
U.S.\$450,000,000 2.875 per cent. Notes due 27 August 2010
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 Base Prospectus dated 11 August 2008 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”). This Pricing Supplement constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. 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 is available for viewing and copies may be obtained from EBRD, One Exchange Square, London EC2A 2JN, United Kingdom.

SUMMARY OF THE NOTES

1	Specified Currency:	United States Dollar (U.S.\$)
2	Nominal Amount:	U.S.\$450,000,000
3	Type of Note:	Fixed Rate
4	Issue Date:	28 August 2008
5	Issue Price:	99.933 per cent.
6	Maturity Date:	27 August 2010
7	Fungible with existing Notes:	No

FORM OF THE NOTES

8	Form of Note:	Bearer
9	New Global Note:	No
10	Specified Denomination(s):	U.S.\$1,000
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	No

Notes:

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| | (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

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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: | 28 August 2008 |
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Fixed Rate Notes:

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|----|-----|--|---|
| 16 | (a) | Fixed Rate(s) of Interest: | 2.875 per cent. per annum payable semi-annually |
| | (b) | Fixed Interest Date(s): | 27 February and 27 August in each year, commencing 27 February 2009. There will be a short first coupon in respect of the period from, and including, the Issue Date to, but excluding 27 February 2009, as specified below under "Initial Broken Amount" |
| | (c) | Initial Broken Amount per Specified Denomination: | U.S.\$14.30 |
| | (d) | Final Broken Amount per Specified Denomination: | Not Applicable |
| | (e) | Fixed Day Count Fraction: | 30/360 |
| | (f) | Business Day Convention: | Following Business Day (unadjusted) |
| | (g) | Business Day definition if different from that in Condition 4(a)(iii): | Condition 4(a)(iii) applies (and for the avoidance of doubt, New York is the principal financial centre). Additional business centre is London. |
| | (h) | Calculation of interest to be adjusted in accordance with Business Day Convention specified above: | No |

Zero Coupon Notes: Not Applicable

Floating Rate Notes and Indexed Notes: Not Applicable

PROVISIONS REGARDING PAYMENTS/DELIVERIES

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| 17 | Definition of "Payment Day" for the purpose of Condition 6(e) if different to | Condition 6(e) applies and the additional business centres are London and New York |
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that set out in Condition 6:

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| 18 | Dual Currency Notes: | Not Applicable |
| 19 | Physically Settled Notes: | Not Applicable |

PROVISIONS REGARDING REDEMPTION/MATURITY

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| 20 | (a) | Redemption at Issuer's option: | No |
| | (b) | Redemption at Noteholder's option: | No |
| 21 | (a) | Final Redemption Amount for each Note (<i>other than</i> an Indexed or Formula Note where the index or formula applies to the redemption amount): | 100 per cent. per Specified Denomination |
| | (b) | Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: | Not Applicable |
| 22 | | Instalment Note: | Not Applicable |
| 23 | | Early Redemption Amount for each Note payable on an event of default: | Condition 5(d) applies |

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

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| 24 | | Method of distribution: | Syndicated |
| 25 | | If Syndicated, names and addresses of Managers or, if Non-Syndicated name and address of Dealer: | J.P. Morgan Securities Ltd.
125 London Wall
London EC2Y 5AJ

Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London E14 4QA |
| 26 | | Date of Syndication Agreement: | 26 August 2008 |
| 27 | | Stabilising Manager(s) | Not Applicable |
| 28 | | Non-exempt Offer: | Not Applicable |
| 29 | | Additional selling restrictions: | Not Applicable |
| 30 | | Details of additional/alternative clearing system approved by the Issuer and the Agent: | Not Applicable |
| 31 | | Intended to be held in a manner which would allow Eurosystem eligibility: | No |
| 32 | | Common Code: | 038502484 |

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| | ISIN Code: | XS0385024848 |
| 33 | Listing: | Official List of the UK Listing Authority and trading on the London Stock Exchange plc's Regulated Market |
| 34 | 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 |
| 35 | Additional Information: | None |
| 36 | Total Commissions: | 0.05 per cent. |

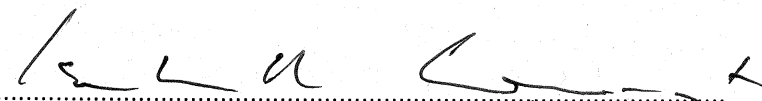
This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the London Stock Exchange plc's Regulated Market pursuant to the Euro. 20,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development (as from 28 August 2008).

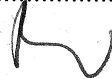
RESPONSIBILITY

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

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: 

 Authorised signatory 

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CITIBANK, N.A.
 (as Agent)

PART B – OTHER INFORMATION

- 1 **LISTING**
Application has been 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 from 28 August 2008.
- 2 **RATINGS**
The Issuer and/or its debt obligations have been assigned a AAA credit rating from Standard & Poor's Ratings Services Limited ("S&P") since 1991, a Aaa credit rating from Moody's Investors Service Limited ("Moody's") since 1992 and a AAA credit rating from Fitch Ratings Limited ("Fitch") since 2002. As defined by S&P, a "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, a "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, a "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 **NOTIFICATION**
Not Applicable
- 4 **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.
- 5 **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**
- (i) Reasons for the offer The net proceeds of the issue of the Notes will be included in the ordinary capital resources of the Issuer and used in its ordinary operations
 - (ii) Estimated net proceeds: U.S.\$449,473,500
 - (iii) Estimated total expenses: None
- 6 **YIELD**
Indication of yield: 2.91 per cent. semi-annual

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.