

Pricing Supplement



International Bank for Reconstruction and Development

Global Debt Issuance Facility

No. 3265

USD 10,000,000 Range Accrual Callable Notes due August 22, 2022

Morgan Stanley

The date of this Pricing Supplement is August 17, 2007

This document ("**Pricing Supplement**") is issued to give details of an issue by International Bank for Reconstruction and Development (the "**Bank**") under its Global Debt Issuance Facility.

This Pricing Supplement supplements the terms and conditions in, and incorporates by reference, the Prospectus dated October 7, 1997 and all documents incorporated by reference therein (the "**Prospectus**"), and should be read in conjunction with the Prospectus. Unless otherwise defined in this Pricing Supplement, terms used herein have the same meaning as in the Prospectus.

Terms and Conditions

The following items under this heading "Terms and Conditions" are the particular terms which relate to the issue the subject of this Pricing Supplement. These are the only terms which form part of the form of Notes for such issue:

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| 1. | No: | 3265 |
| 2. | Aggregate Principal Amount: | USD 10,000,000 |
| 3. | Issue Price: | 100 per cent. of the Aggregate Principal Amount |
| 4. | Issue Date: | August 22, 2007 |
| 5. | Form of Notes (Condition 1(a)): | Registered Notes only |
| 6. | Authorized Denominations (Condition 1(b)): | USD 1,000 |
| 7. | Specified Currency (Condition 1(d)): | United States Dollar ("USD") |
| 8. | Maturity Date: | August 22, 2022 |
| 9. | Interest Basis (Condition 5): | Variable Interest Rate |
| 10. | Variable Interest Rate (Condition 5(II)): | Applicable |
| 11. | Basis of calculation of Variable Interest Rate and Interest Payment Dates and default interest where Condition 5(II)(b)(i) to (vii) do not apply (Condition 5(II)(b)): | Applicable, as set out below |
| | (a) Interest Payment Dates: | February 22 and August 22 in each year commencing on February 22, 2008 up to and including the Maturity Date |
| | (b) Rate of Interest: | The Rate of Interest per Authorized Denomination for the relevant Interest Period will be equal to:

8.00 per cent. x N/365 x Authorized Denomination

Where:

"N" is the total number of days in respect of each relevant Interest Period on which the Reference Rate is within the Accrual Range, as determined by the Calculation Agent. |

“Reference Rate” for any day in the Interest Period means 6 month USD LIBOR, being the rate for deposits in USD for a period of six months which appears on the Reuters Page LIBOR1 (or such other page that may replace that page on that service or a successor service) at 11.00 a.m. London time on the fifth Relevant Business Day prior to such day.

If such rate does not appear at the time and day designated above in respect of any day in the Interest Period, the Calculation Agent shall determine the Reference Rate by requesting the principal London office of each of four major banks in the London interbank market (the **“Reference Banks”**) to provide a quotation for the rate at which deposits in USD dollars were offered to prime banks in the London interbank market for a period of 6 months at approximately 11:00 a.m. London time on the fifth Relevant Business Day prior to such day. If at least two such quotations are provided, the Reference Rate will be the arithmetic mean of the quotations.

If only one such quotation is provided, the Calculation Agent may determine that such quotation shall be the Reference Rate. If no such quotations are provided, and the Calculation Agent determines in its sole discretion that no suitable replacement Reference Banks who are prepared to quote are available, the Calculation Agent shall be entitled to calculate the Reference Rate in its sole discretion, acting in good faith and in a commercially reasonable manner.

“Accrual Range” means for each Interest Period within the period from and including August 22, 2007 to but excluding the Maturity Date, equal to or greater than zero per cent. but less than or equal to 7.00 per cent.

Rounding

In applying the formula described above in respect of the Interest Amount, the Calculation Agent shall round the result of:

8.00% x N/365

to the nearest one-hundred thousandth of one per cent. prior to multiplying that result by the

		Authorized Denomination.
	(c) Calculation Agent:	Citibank, N.A.
12.	Other Variable Interest Rate Terms (Conditions 5(II) and (III)):	
	Variable Rate Day Count Fraction:	Actual/365. For the avoidance of doubt, Actual/365 refers to a fraction equal to the actual number of days in the relevant Interest Period in respect of which payment is being made divided by 365.
13.	Relevant Financial Center:	New York
14.	Relevant Business Days:	London and New York
15.	Redemption Amount (if other than Principal Amount) (Condition 6(a)):	100 per cent. of the Aggregate Principal Amount
16.	Issuer's Optional Redemption (Condition 6(e)):	Yes
	(a) Notice Period:	Not less than ten Relevant Business Days.
	(b) Amount:	All (and not less than all).
	(c) Date(s):	Each Interest Payment Date from and including August 22, 2008 to and including February 22, 2022.
	(d) Early Redemption Amount:	100 per cent. of Principal Amount.
	(e) Notices:	So long as the Notes are represented by a Global Note and the Global Note is held on behalf of a clearing system notwithstanding Condition 13, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders. Any notice delivered to a clearing system in accordance with the preceding sentence shall be deemed to have been given to the Noteholders on the day on which such notice is delivered to the clearing system
17.	Redemption at the option of the Noteholders (Condition 6(f)):	No
18.	Long Maturity Note (Condition 7(f)):	No
19.	Early Redemption Amount (including accrued interest, if applicable) (Condition 9):	100.00 per cent of the Aggregate Principal Amount plus accrued interest
20.	Prescription (Condition 8):	
	(a) Principal:	10 years
	(b) Interest:	5 years
21.	Governing Law of the Notes:	English

Other Relevant Terms

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| 1. | Listing (if yes, specify Stock Exchange): | Yes - Luxembourg Stock Exchange |
| 2. | Details of Clearance System approved by the Bank and the Global Agent and Clearance and Settlement Procedures: | Clearstream Banking, société anonyme, Euroclear Bank S.A./N.V. and The Depository Trust Company. |
| 3. | Syndicated: | No |
| 4. | Commissions and Concessions: | None |
| 5. | Codes: | |
| | (a) ISIN: | US459057AB15 |
| | (b) Common Code: | 031705428 |
| | (c) CUSIP: | 459057AB1 |
| 6. | Identity of Dealer: | Morgan Stanley & Co. Incorporated |
| 7. | Provisions for Registered Notes: | |
| | (a) Individual Definitive Registered Notes available on Issue Date: | No |
| | (b) DTC Global Note: | Yes, one |
| | (c) Other Global Registered Notes: | No |

General Information

The Bank's latest Information Statement was issued on 15 September 2006.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

United States Internal Revenue Service Circular 230 Notice: To ensure compliance with Internal Revenue Service Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Pricing Supplement, the Prospectus or any other document referred to herein is not intended or written to be used, and cannot be used by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code; (b) such discussions are written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

This summary supplements, and to the extent inconsistent therewith, supersedes the summary entitled "Tax Matters" in the Prospectus.

Under the provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003 ("JAGTRRA"), a capital gain of a noncorporate United States Holder that is recognised before 1 January 2009 is generally taxed at a maximum rate of 15% for property that is held more than one year. Holders should consult their tax advisors with respect to the provisions of JAGTRRA.

The following additional selling restrictions apply to the issue:

1. United Kingdom: Each Dealer has represented and agreed that it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: