

PRICING SUPPLEMENT

**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT**

Global Debt Issuance Facility

No. 2321

US\$15,000,000

Callable Fixed Rate Step-up Notes due July 31, 2006

Morgan Stanley

The date of this Pricing Supplement is July 29, 2002

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:-

1	No.:	2321
2	Aggregate Principal Amount:	US\$15,000,000
3	Issue Price:	100.00 per cent. of the Aggregate Principal Amount
4	Issue Date:	July 31, 2002
5	Form of Notes (Condition 1(a)):	Registered Notes only
6	Authorized Denominations (Condition 1(b)):	US\$1,000 and US\$10,000
7	Specified Currency (Condition 1(d)):	United States dollars (" US\$ ")
8	Maturity Date (Conditions 1(a) and 6(a)):	The Interest Payment Date falling on July 31, 2006, subject to adjustment in accordance with the Following Business Day Convention (as set out in Section 10(d) below).
9	Interest Basis (Condition 5):	Fixed Interest Rate (Condition 5(l))
10	Fixed Interest Rate (Condition 5(l)):	
	(a) Interest Rate:	3.30 per cent. per annum in respect of the Interest Period beginning on (and including) the Issue Date and ending on (but excluding) the Interest Payment Date scheduled to fall on 31 July, 2003;
		3.90 per cent. per annum in respect of the Interest Period beginning on (and including) the Interest Payment Date scheduled to fall on 31 July, 2003 and ending on (but excluding) the Interest Payment Date scheduled to fall on 31 July, 2004;
		4.50 per cent. per annum in respect of the Interest Period beginning on (and including) the Interest Payment Date scheduled to fall on 31 July, 2004 and ending on (but excluding) the Interest Payment Date

		scheduled to fall on 31 July, 2005; and
		5.10 per cent. per annum in respect of the Interest Period beginning on (and including) the Interest Payment Date scheduled to fall on 31 July, 2005 and ending on (but excluding) the Interest Payment Date scheduled to fall on the Maturity Date.
	(b) Fixed Rate Interest Payment Dates:	July 31 of each year commencing on July 31 2003, subject to adjustment in accordance with the Following Business Day Convention. As the context requires, references in the Conditions to "Interest Payment Dates" shall be construed as references to "Fixed Rate Interest Payment Dates"
	(c) Fixed Rate Day Count Fraction:	30/360, as provided in Condition 5(I)(b)
	(d) Business Day Convention:	The Following Business Day Convention shall apply to the Notes provided however, that, with respect to the Maturity Date (Condition 6(a)), references in Condition 5(III)(C) to "interest" shall be construed as references to "principal" and references to "Interest Payment Date" shall be construed as references to the "Maturity Date"
11	Relevant Financial Centre:	New York
12	Relevant Business Day:	New York and London
13	Issuer's Optional Redemption (Condition 6(e)):	Yes
	(a) Notice Period:	Not less than 10 Relevant Business Days
	(b) Amount:	All and not less than all
	(c) Date(s):	Each Interest Payment Date commencing on the Interest Payment Date scheduled to fall on 31 July 2003 and ending on the Interest Payment Date scheduled to fall on 31 July 2005.
	(d) Early Redemption Amount (Bank):	Principal amount of the Notes to be redeemed.
	(e) Notices:	As long as the Notes are represented by a DTC Global Note and the DTC Global Note is being 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

accountholders, provided that so long as the Notes are listed on the Luxembourg Stock Exchange, and the rules of the exchange so require, notice shall be published in a leading daily newspaper in either French or German language and of general circulation in Luxembourg.

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.

14	Redemption at the option of the Noteholders (Condition 6(f)):	No
15	Long Maturity Note (Condition 7(f)):	No
16	Talons for Future Coupons to be attached to Definitive Bearer Notes (Condition 7(h)):	No
17	Early Redemption Amount (including accrued interest, if applicable) (Condition 9):	Principal amount of the Notes to be redeemed plus accrued interest thereon
18	Governing Law of the Notes:	New York

Other Relevant Terms

1	Listing (if yes, specify Stock Exchange Exchange):	Luxembourg Stock Exchange.
2	Details of Clearance System approved by the Bank and the Global Agent and Clearance and Settlement Procedures:	DTC, Clearstream Banking, société anonyme and Euroclear Bank S.A./N.V. as operator of the Euroclear System. Payment for the Notes will be on a delivery versus payment basis.
3	Syndicated:	No
4	Commissions and Concessions:	None
5	Codes:	
	(a) CUSIP	45905UCB8
	(b) ISIN	US45905UCB89
	(c) Common Code	0151147890
6	Identity of Dealer(s)/Manager(s):	Morgan Stanley & Co. International Limited
7	Provisions for Registered Notes:	
	(a) Individual Definitive Registered Notes Available on Issue Date:	No. Interests in the DTC Global Note will be exchangeable for definitive Registered Notes

Notes Available on Issue Date: only in the limited circumstances described in the Prospectus.

(b) DTC Global Note(s): Yes; one

(c) Other Registered Global Notes: No

General Information

The Bank's latest Information Statement was issued on September 20, 2001

The following additional selling restrictions shall apply to the issue:-

United Kingdom: Each Dealer is required to 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:

Authorized Officer

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

1818 H Street, NW
Washington, D.C. 20433

GLOBAL AGENT

Citibank, N.A.
P.O. Box 18055
5 Carmelite Street
London EC4Y 0PA

**LISTING AND SPECIAL AGENT
AND PAYING AGENT**

BNP Paribas Securities Services
23, Avenue de la Porte-Neuve
L-2085 Luxembourg

LEGAL ADVISERS TO THE MANAGER

Linklaters
One Silk Street
London EC2Y 8HQ