

PRICING SUPPLEMENT



**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT**

Global Debt Issuance Facility

No. 2660

US\$15,000,000

**Redeemable Fixed Rate/Reverse Floating Rate Notes
due September 23, 2013**

Morgan Stanley

The date of this Pricing Supplement is September 19, 2003

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.: | 2660 |
| 2 | Aggregate Principal Amount: | US\$15,000,000 |
| 3 | Issue Price: | 100.00 per cent. of the Aggregate Principal Amount |
| 4 | Issue Date: | September 23, 2003 |
| 5 | Form of Notes (Condition 1(a)): | Registered Notes only |
| 6 | Authorized Denominations (Condition 1(b)): | US\$1,000 |
| 7 | Specified Currency (Condition 1(d)): | United States dollars (" US\$ ") |
| 8 | Maturity Date (Conditions 1(a) and 6(a)): | September 23, 2013 |
| 9 | Interest Basis (Condition 5): | (i) Fixed Interest Rate (Condition 5(I)) in respect of the period beginning on and including the Issue Date and ending on but excluding September 23, 2004; and
(ii) Variable Interest Rate (Condition 5(II)) in respect of the period beginning on and including September 23, 2004 to but excluding the Maturity Date |
| 10 | Fixed Interest Rate (Condition 5(I)): | |
| | (a) Interest Rate: | 9.00 per cent. per annum |
| | (b) Fixed Rate Interest Payment Dates: | March 23, 2004 and September 23, 2004 |
| 11 | Variable Interest Rate (Condition 5(II)): | |
| | (a) Business Day Convention: | Following Business Day Convention |
| | (b) Rate of Interest: | Subject to the Minimum Interest Rate (defined in Section 12(a) below), the Rate of Interest per Authorized Denomination for the relevant Interest Period will be a percentage rate, as calculated by the Calculation Agent in |

accordance with the following formula:

10.00 per cent. – (2 x Benchmark Rate)

where:

“Benchmark Rate” means the London Interbank Offered Rate for deposits in United States dollars for a period of six months which appears on Moneyline Telerate Page 3750 (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 relevant Interest Determination Date.

If such rate does not appear on Moneyline Telerate Page 3750 (or such other page that may replace that page on that service or a successor service) at the time and day designated above in respect of the relevant Interest Period, the Calculation Agent shall determine the rate by requesting the principal London office of each of four major banks in the London Interbank market to provide a quotation for the rate at which deposits in United States dollars were offered to prime banks in the London Interbank market for a period of six months at approximately 11:00 a.m. London time on the relevant Interest Determination Date in an amount that is representative for a single transaction in the London Interbank market at such time.

If at least two such quotations are provided, the rate shall be the arithmetic mean of such quotations. If fewer than two quotations are provided as requested, the rate shall be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Calculation Agent, at approximately 11:00 a.m., New York time, on such day for loans in US\$ to leading European banks for a period of six months in an amount that is representative for a single transaction in the New York market at such time

Provided that a maximum of 12.00 per cent. of the Aggregate Principal Amount will be paid in respect of the aggregate Interest Amount under the Notes, which will be calculated as the aggregate sum of all relevant Interest Amounts, including the Fixed Rate Interest

Amounts, meaning that:

- (i) in the event of Mandatory Redemption (as defined in Section 17 below), the Interest Amount in respect of the relevant Interest Period shall be limited to the difference between 12.00 per cent. of the aggregate Principal Amount and the aggregate sum of the Interest Amounts with respect to all preceding Interest Periods (including the Fixed Rate Interest Amount); or
- (ii) If no Early Redemption Event occurs prior to the Maturity Date, the Interest Amount payable in respect of the Interest Period ending on the Maturity Date shall be set as the difference between 12.00 per cent. of the aggregate Principal Amount and the aggregate sum of all Interest Amounts for all preceding Interest Periods (including the Fixed Rate Interest Amount)

- (c) Interest Payment Dates: March 23 and September 23 of each year commencing on March 23, 2005 and ending on the Maturity Date
- (d) Calculation Agent: Citibank, N.A.
- (e) Interest Determination Date: The twentieth Relevant Business Day preceding the relevant Interest Payment Date

12 Other Variable Interest Rate Terms
(Condition 5(II) and (III)):

- (a) Minimum Interest Rate: Zero per cent.
- (b) Maximum Interest Rate: See Section 11(b) above
- (c) Variables

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| 17 | Mandatory Redemption: | All Notes will be redeemed without notice at 100.00 per cent. of the Aggregate Principal Amount plus accrued interest thereon as provided for under Section 11(b) on any Interest Payment Date in the event that the Interest Amount payable in respect of the Interest Period ending on such Interest Payment Date, when aggregated together with the sum of all Interest Amounts (including the Fixed Rate Interest Amounts) for the preceding Interest Periods, is calculated to be equal to or greater than 12.00 per cent. of the Aggregate Principal Amount of the Notes |
| 18 | Early Redemption Amount (including accrued interest, if applicable) (Condition 9): | Principal amount of the Notes to be redeemed plus accrued interest thereon |
| 19 | Governing Law of the Notes: | English |

Other Relevant Terms

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| 1 | Listing (if yes, specify Stock 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) ISIN | US45905UDG67 |
| | (b) Common Code | 017582798 |
| 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 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 15, 2003

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**

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