

PRICING SUPPLEMENT



**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT**

Global Debt Issuance Facility

No. 2708

US\$15,000,000

**Callable Fixed Rate / Variable Interest Rate Range Notes
due November 24, 2015**

Morgan Stanley

The date of this Pricing Supplement is November 20, 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.: | 2708 |
| 2 | Aggregate Principal Amount: | US\$15,000,000 |
| 3 | Issue Price: | 100.00 per cent. of the Aggregate Principal Amount |
| 4 | Issue Date: | November 24, 2003 |
| 5 | Form of Notes (Condition 1(a)): | Registered Notes only |
| 6 | Authorized Denominations
(Condition 1(b)): | US\$1,000 and increments of US\$1,000 thereafter |
| 7 | Specified Currency (Condition 1(d)): | United States dollars (" US\$ ") |
| 8 | Maturity Date (Conditions 1(a) and 6(a)): | November 24, 2015 |
| 9 | Interest Basis (Condition 5): | From and including November 24, 2003 to but excluding November 24, 2004:

Fixed Interest Rate (Condition 5(I))

From and including November 24, 2004 to but excluding November 24, 2015:

Variable Interest Rate (Condition 5(II)) |
| 10 | Fixed Interest Rate (Condition 5(I)): | |
| | (a) Interest Rate: | 7.00 per cent. per annum (for purposes of calculation, the Fixed Rate Interest Amount per Authorized Denomination shall be rounded to the nearest one-hundred thousandth of one per cent.) |
| | (b) Fixed Rate Interest Payment Date(s): | May 24, 2004 and November 24, 2004 |
| | (c) Fixed Rate Day Count Fraction: | Actual/365 (meaning the actual number of days in the relevant Interest Period divided by 365) |
| 11 | Basis of Calculation of Variable Interest Rate and Interest Payment Dates and default interest where Condition 5(II)(b)(i) | |

to (vii), 5(II)(c), 5(II)(d) and 5(II)(e) do not apply (Condition 5(II)(b)):

- (a) Calculation of Interest Amounts: The Interest Amount per Authorized Denomination shall be determined by the Calculation Agent in accordance with the following formula:

$$7.00\% \times N/365 \times \text{Authorized Denomination}$$

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 US\$ LIBOR, being the rate for deposits in US\$ for a period of six months which appears on the 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 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 Relevant 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 US\$ 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 Relevant 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 Relevant 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 Relevant 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 November 24, 2004 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:

7.00% x N/365

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

	(b) Interest Payment Dates:	May 24 and November 24 of each year commencing on May 24, 2005 and ending on the Maturity Date
	(c) Variable Rate Day Count Fraction:	Actual/365 (meaning the actual number of days in the relevant Interest Period divided by 365)
	(d) Calculation Agent:	Citibank, N.A.
12	Relevant Financial Centre:	New York
13	Relevant Business Day:	New York and London
14	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):	The Fixed Rate Interest Payment Date on November 24, 2004 and each Interest Payment Date commencing on May 24, 2005 and ending on May 24, 2015
	(d) Early Redemption Amount:	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 the 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

15	Redemption at the option of the Noteholders (Condition 6(f)):	No
16	Long Maturity Note (Condition 7(f)):	No
17	Talons for Future Coupons to be attached to Definitive Bearer Notes (Condition 7(h)):	No
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

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	45905UDH4
	(b) ISIN	US45905UDH41
	(c) Common Code	017995146
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
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INTERNATIONAL BANK FOR
RECONSTRUCTION AND
DEVELOPMENT

By:

Authorized Officer

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RECONSTRUCTION AND DEVELOPMENT**

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