

Final Terms dated November 23, 2011

International Bank for Reconstruction and Development

Issue of USD 500,000,000 Callable Fixed Rate Notes due November 29, 2013

under the
Global Debt Issuance Facility

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the Prospectus dated May 28, 2008. This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with such Prospectus.

SUMMARY OF THE NOTES

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|---|---|
| 1. Issuer: | International Bank for Reconstruction and Development (“ IBRD ”) |
| 2. (i) Series Number: | 4040 |
| (ii) Tranche Number: | 1 |
| 3. Specified Currency or Currencies (Condition 1(d)): | United States Dollar (“ USD ”) |
| 4. Aggregate Nominal Amount: | |
| (i) Series: | USD 500,000,000 |
| (ii) Tranche: | USD 500,000,000 |
| 5. Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount |
| 6. Specified Denominations (Condition 1(b)): | USD 1,000 |
| 7. Issue Date: | November 29, 2011 |
| 8. Maturity Date (Condition 6(a)): | November 29, 2013 |
| 9. Interest Basis (Condition 5): | Fixed Rate
(further particulars specified below) |
| 10. Redemption/Payment Basis (Condition 6): | Redemption at par |

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| 11. Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. Call/Put Options (Condition 6): | Call Option
(further particulars specified below) |
| 13. Status of the Notes (Condition 3): | Unsecured and unsubordinated |
| 14. Listing: | None |
| 15. Method of distribution: | Non-syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 16. Fixed Rate Note Provisions (Condition 5(a)): | Applicable |
| (i) Rates of Interest: | 0.65 per cent. per annum payable semi-annually |
| (ii) Interest Payment Date(s): | May 29 and November 29 in each year, from and including May 29, 2012 to and including November 29, 2013 |
| (iii) Fixed Coupon Amount(s): | USD 3.25 per Specified Denomination |
| (iv) Broken Amount(s): | Not Applicable |
| (v) Day Count Fraction (Condition 5(l)): | 30/360 |
| (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

- | | |
|---|--|
| 17. Call Option (Condition 6(d)): | Applicable |
| (i) Optional Redemption Date(s): | November 29, 2012 |
| (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): | USD 1,000 per Specified Denomination |
| (iii) Notice period: | Five (5) London and New York Business Days prior to the Optional Redemption Date |
| 18. Final Redemption Amount of each Note (Condition 6): | USD 1,000 per Specified Denomination |

19. Early Redemption Amount (Condition 6(c)): As set out in the Conditions

GENERAL PROVISIONS APPLICABLE TO THE NOTES

20. Form of Notes (Condition 1(a)): Registered Notes:
Global Registered Certificate available on Issue Date

21. New Global Note: No

22. Financial Centre(s) or other special provisions relating to payment dates (Condition 7(h)): New York, London

23. Governing law (Condition 14): New York

24. Other final terms: Not Applicable

DISTRIBUTION

25. (i) If syndicated, names of Managers and underwriting commitments: Not Applicable

(ii) Stabilizing Manager(s) (if any): Not Applicable

26. If non-syndicated, name of Dealer: BNP Paribas

27. Additional selling restrictions: Not Applicable

OPERATIONAL INFORMATION

28. ISIN Code: US45905UJY10

29. CUSIP: 45905UJY1

30. Delivery: Delivery against payment

31. Registrar and Transfer Agent (if any): Citibank, N.A., London Branch

32. Intended to be held in a manner which would allow Eurosystem eligibility: No

GENERAL INFORMATION

IBRD's most recent Information Statement was issued on October 4, 2011.

RESPONSIBILITY

IBRD accepts responsibility for the information contained in these Final Terms.

Signed on behalf of IBRD:

By:

Name:

Title:

Duly authorized