

PRICING SUPPLEMENT



**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT**

Global Debt Issuance Facility

No. 2850

BRL 210,067,500

Zero Coupon FX Linked Notes due February 2007

Barclays Capital

The date of this Pricing Supplement is February 23, 2005

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:	2850
2	Aggregate Principal Amount:	BRL 210,067,500
3	Issue Price:	74.92 per cent. of the Aggregate Principal Amount
4	Issue Date:	February 28, 2005
5	Form of Notes (Condition 1(a)):	Bearer Notes only
6	Authorized Denominations (Condition 1(b)):	BRL 2,500
7	Specified Currency (Condition 1(d)):	The lawful currency of the Federative Republic of Brazil ("Brazilian Real" or "BRL") provided that all payments in respect of the Notes will be made in United States Dollars
8	Specified Principal Payment Currency (Conditions 1(d) and 7(i)):	United States Dollars ("USD")
9	Specified Interest Payment Currency (Conditions 1(d) and 7(i)):	USD, if any, pursuant to Condition 5(IV)
10	Maturity Date (Conditions 1(a) and 6(a)):	February 23, 2007 (or, if such day is not a Relevant Business Day, then the first following day that is a Relevant Business Day). The Maturity Date is subject to adjustment only as described herein under "15. Redemption Amount."
11	Interest Basis (Condition 5):	Zero Coupon (Condition 5(IV))
12	Zero Coupon (Conditions 5(IV) and 6(c)):	See "15: Redemption Amount"
13	Relevant Financial Centre:	Sao Paulo
14	Relevant Business Days	New York City, London and Sao Paulo
15	Redemption Amount	The Redemption Amount per Note will be payable in USD and determined by the

(Condition 6(a)):

Calculation Agent as follows:

(Aggregate Principal Amount *divided by* the Applicable Rate) *divided by* the number of Notes outstanding and rounded down to the nearest cent.

Whereas:

The “Applicable Rate” means the rate determined by the Calculation Agent that is equal to the average spot BRL/USD offered rate for USD, expressed as the amount of BRL per one USD, for settlement in two Relevant Business Days (as defined below), reported by Banco Central do Brasil on the SISBACEN Data System under transaction code PTAX-800 (“Consultas de Cambio” or Exchange Rate Inquiry), Option 5 (“Cotacoes para Contabilidade” or Rates for Accounting Purposes) (the “PTAX Rate” or “BRL09”, as quoted on Reuters page “BRFR” (offer side)), by approximately 6:00 p.m., (São Paulo time), on the Valuation Date (as defined below); *provided, however*, that if (a) the PTAX rate is unavailable or (b) BRL12 (as defined below) is available on the Valuation Date and the PTAX Rate shall differ by more than 3 per cent. from BRL12, then the Applicable Rate will be BRL12, except that if there are insufficient responses to BRL12, then both the PTAX Rate and BRL12 shall be deemed unavailable; and *provided further*, that if the PTAX Rate is not then available, then the Applicable Rate will be BRL12.

“BRL12” means the EMTA BRL Industry Survey Rate (BRL12), which is the BRL/USD specified rate for USD, expressed as the amount of BRL per one USD, for settlement in two Relevant Business Days, as published on EMTA’s website (www.emta.org) at approximately 3:45 p.m. (São Paulo time), or as soon thereafter as practicable, on the Valuation Date.

BRL12 is calculated by EMTA using the EMTA BRL Industry Survey Methodology, as amended from time to time, pursuant to which (as of the date of this Pricing Supplement) EMTA conducts a twice- daily survey of up to

15 Brazilian financial institutions that are active participants in the BRL/USD spot market. BRL12 will be deemed to be unavailable on the Valuation Date if (a) it is not published on the EMTA website at approximately 3:45 p.m. (São Paulo time), or as soon thereafter as practicable or (b) fewer than 5 financial institutions participated in the survey.

In the event that neither the PTAX Rate nor BRL12 is available, the calculation of the Applicable Rate may be postponed until the day either of such rates is first available, up to a maximum of 30 calendar days following the Scheduled Valuation Date (as defined below) (such 30th day being the "Maximum Extension Date").

If, prior to the Maximum Extension Date, the PTAX Rate is first available on the same day as BRL12 is first available, then the Applicable Rate will be the PTAX Rate; *provided, however*, that if the PTAX Rate shall differ by more than 3 per cent. from BRL12, then the Applicable Rate will be BRL12.

If, prior to the Maximum Extension Date, the PTAX Rate is first available on a day that BRL12 is not available but BRL13 (as defined below) is available, then the Applicable Rate will be the PTAX Rate; *provided, however*, that if the PTAX Rate shall differ by more than 3 per cent. from BRL13, then the Applicable Rate will be BRL13.

If, prior to the Maximum Extension Date, the PTAX Rate is first available on a day that neither BRL12 nor BRL13 is available, then the Applicable Rate will be the PTAX Rate.

If, prior to the Maximum Extension Date, BRL12 is first available on a day when the PTAX Rate is unavailable, then the Applicable Rate will be BRL12.

Upon reaching the Maximum Extension Date, the next Relevant Business Day (regardless of any Unscheduled Holiday (as defined below)) shall be deemed to be the Valuation Date, and the Applicable Rate will be BRL13; provided that if BRL13 is unavailable on such

date, the Calculation Agent will calculate the Redemption Amount as of the Valuation Date in a manner that it deems to be commercially reasonable.

If the Redemption Amount is calculated in any manner other than by utilizing the PTAX Rate, BRL12 or BRL13 as the Applicable Rate, the Noteholders shall be notified in accordance with Condition 14 (Notices).

“BRL13” means the EMTA BRL Indicative Survey Rate, which is the BRL/USD specified rate for USD, expressed as the amount of BRL per one USD, for settlement in two Relevant Business Days as published on EMTA’s website (www.emta.org) at approximately 12:00 p.m. (São Paulo time), or as soon thereafter as practicable, on the Valuation Date. BRL13 is calculated by EMTA using the EMTA BRL Indicative Survey Methodology, as amended from time to time, pursuant to which (as of the date of this Pricing Supplement) EMTA polls up to 30 Brazilian and non-Brazilian financial institutions to generate a rate quotation. BRL13 will be deemed to be unavailable on the Valuation Date if (a) it is not published on the EMTA website at approximately 12:00 p.m. (São Paulo time), or as soon thereafter as practicable, on the Valuation Date, or (b) fewer than 8 financial institutions participated in the survey.

Payment of the Redemption Amount will occur on the scheduled Maturity Date or, if later in the event of any such adjustment described above, on the date that is six Relevant Business Days after the Valuation Date, with no accrued interest or other amount payable in respect of any postponement described above.

Notwithstanding paragraph 14, for the purposes of this paragraph 15 “Relevant Business Day” means a day (other than a Saturday and Sunday) on which banks and foreign exchange markets are open for business in São Paulo, New York City and London

“Valuation Date” means February 13, 2007

("Scheduled Valuation Date"); provided however that if such date is an Unscheduled Holiday then (subject to the Maximum Extension Date) the Valuation Date shall be the next Relevant Business Day.

"Unscheduled Holiday" means a day that is not a Relevant Business Day and that the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the principal financial center(s) of the Specified Currency two Relevant Business Days prior to the Scheduled Valuation Date.

- | | | |
|-----------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16 | Issuer's Optional Redemption (Condition 6(3)) | No |
| 17 | Redemption at the option of the Noteholders (Condition 6(f)): | No |
| 18 | Early Redemption Amount (Including accrued interest, if applicable)(Condition 9): | In the event the Notes become due and payable as provided in Condition 9 (Default), the redemption amount payable in respect of each Note (the "Early Redemption Amount") will be a USD amount equal to the Amortized Face Amount (as defined in Condition 6(c)) divided by the Applicable Rate that is determined in accordance with "15. Redemption Amount" (provided that, for purposes of such determination, the "Valuation Date" shall mean the date that is six Relevant Business Days prior to the date upon which the Notes become due and payable as provided in Condition 9 (Default), subject to adjustment as provided for in "15. Redemption Amount"). The "Amortization Yield" is 16.625 per cent. |
| 19 | Governing Law of the Notes: | English |

Other Relevant Terms

- | | | |
|----------|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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: | 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) Common Code	021306452
	(b) ISIN	XS0213064529
6	Identity of Dealer(s)/Manager(s):	Barclays Capital Inc.
7	Identity of Calculation Agent	Citibank, N.A.
8	Provisions for Bearer Notes:	
	(a) Exchange Date:	Not earlier than April 10, 2005
	(b) Permanent Global Note:	Yes
	(c) Definitive Bearer Notes:	No

General Information

The Bank's latest Information Statement was issued on September 27, 2004

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

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 recognized before January 1, 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 shall apply to the issue:

United States	TEFRA D Rules apply The Notes are subject to United States tax law restrictions.
United Kingdom:	The 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
Brazil	The Notes may not be offered or sold to the public in Brazil. Accordingly, the offering of the Notes has not been submitted to the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários, the CVM) for approval. Documents relating to such offering,

as well as the information contained herein and therein, may not be supplied to the public, as a public offering in Brazil or be used in connection with any offer for subscription or sale to the public in Brazil.

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

CALCULATION 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, Luxembourg Branch

23, Avenue de la Porte-Neuve
L-2085 Luxembourg

LEGAL ADVISERS TO THE MANAGER

Linklaters

One Silk Street
London EC2Y 8HQ