

PRICING SUPPLEMENT



**International Bank for Reconstruction and Development
Global Debt Issuance Facility**

No 3009
USD10,000,000 Callable Zero Coupon Notes
Due 22 September 2036

MORGAN STANLEY

The date of this Pricing Supplement is 20 September 2006

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 7 October 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 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 only the terms which form part of the Notes for such issue.

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| 1. | No.: | 3009 |
| 2. | Aggregate Principal Amount: | USD10,000,000 |
| 3. | Issue Price: | 100.000000 per cent. of the Aggregate Principal Amount |
| 4. | Issue Date: | 22 September 2006 |
| 5. | Form of Notes (Condition 1(a)): | Bearer Notes only |
| 6. | Authorized Denomination(s): | USD1,000,000 |
| 7. | Specified Currency (Condition 1(d)): | United States Dollars (“ USD ”) |
| 8. | Maturity Date: | 22 September 2036 |
| 9. | Interest Basis (Condition 5): | Zero Coupon (see paragraph 10 below) |
| 10. | Zero Coupon (Conditions 5(iv) and 6(c)): | |
| | (a) Amortization Yield | 6.905 per cent. per annum |
| | (b) Reference Price | Not applicable |
| | (c) Basis | Not applicable |
| | (d) Fixed Rate Day Count Fraction(s) if not 30/360 basis | Not applicable |
| 11. | Relevant Financial Center: | New York |
| 12. | Relevant Business Days: | New York and London |
| 13. | Redemption Amount (if other than | 741.208747 per cent. of the Aggregate |

Principal Amount) (Condition 6(a))

Principal Amount

14. Issuer's Optional Redemption (Condition 6(e)):

Yes

(a) Notice Period:

Not less than ten Relevant Business Days

(b) Amount:

All (and not less than all)

(c) Date(s):

22 September in each year commencing on and including 22 September 2009 and ending on and including 22 September 2035 (each, an "Issuer's Optional Redemption Date")

(d) Early Redemption Amount:

The Early Redemption Amount for each Issuer Optional Redemption Date is set out opposite such date in the table below, expressed as a percentage of the Aggregate Principal Amount, and payable on the applicable Issuer's Optional Redemption Date:

Issuer's Optional Redemption Date	Early Redemption Amount expressed as a percentage of the Aggregate Principal Amount
22 September 2009	122.178293 per cent.
22 September 2010	130.614704 per cent.
22 September 2011	139.633650 per cent.
22 September 2012	149.275353 per cent.
22 September 2013	159.582816 per cent.
22 September 2014	170.602010 per cent.
22 September 2015	182.382078 per cent.
22 September 2016	194.975561 per cent.
22 September 2017	208.438623 per cent.
22 September 2018	222.831310 per cent.
22 September 2019	238.217812 per cent.
22 September 2020	254.666752 per cent.
22 September 2021	272.251492 per cent.
22 September 2022	291.050457 per cent.
22 September 2023	311.147491 per cent.
22 September 2024	332.632225 per cent.
22 September 2025	355.600481 per cent.
22 September 2026	380.154694 per cent.
22 September 2027	406.404375 per cent.
22 September 2028	434.466597 per cent.
22 September 2029	464.466516 per cent.
22 September 2030	496.537929 per cent.
22 September 2031	530.823873 per cent.
22 September 2032	567.477261 per cent.
22 September 2033	606.661566 per cent.
22 September 2034	648.551547 per cent.
22 September 2035	693.334032 per cent.

(e) Notices:

So long as the Notes are represented by a

Permanent Global Note and the Permanent Global Note is 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 account holders

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

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|-----|---|---|
| 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)): | Not Applicable |
| 18. | Early Redemption Amount (including accrued interest if applicable) (Condition 9): | <p>The Early Redemption Amount for Notes which become due and payable under Condition 9 during the period from and including the Issue Date to but excluding 22 September 2009 shall be calculated in accordance with Condition 6(c)</p> <p>The Early Redemption Amount for Notes which become due and payable under Condition 9 during the period from and including 22 September 2009 to but excluding the Maturity Date shall be the Early Redemption Amount which is set out in paragraph 14(d), expressed as a percentage of the Aggregate Principal Amount, and which corresponds to the Issuer's Optional Redemption Date which immediately precedes the date on which such Notes have become due and payable under Condition 9, together with interest which accrues (using the Fixed Rate Day Count Fraction set out in Condition 6(c)(ii) at the rate of the Amortisation Yield) from, and including, such Issuer's Optional Redemption Date to, but excluding, the Relevant Date</p> |
| 19. | Prescription (not applicable if governing law is New York) (Condition 8): | |

(a) Principal:	10 years
(b) Interest	Not Applicable
20. 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. Payment of the Notes will be on a delivery versus payment basis
3. Syndicated:	No
4. Commissions and Concessions:	None
5. Codes:	
a) ISIN:	XS0267980604
b) Common Code	026798060
6. Identity of Dealer	Morgan Stanley & Co. International Limited
7. Provision for Bearer Notes:	Applicable
(a) Exchange Date:	Not earlier than 1 November 2006
(b) Permanent Global Note:	Yes
(c) Definitive Bearer Notes:	No

General Information

The Bank's latest Information Statement was issued on September 15, 2006

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

United States Internal Revenue Service Circular 230 Notice: To ensure compliance with Internal Revenue Service Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Pricing Supplement, the Prospectus or any other document referred to herein is not intended or written to be used, and cannot be used by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code; (b) such discussions are written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

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 1 January 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 Kingdom:

Each Dealer has agreed that: (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not apply to the Issuer, and (ii) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to such 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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**LISTING
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