International Bank for Reconstruction and Development

Global Debt Issuance Facility

No. 2642

US$30,000,000
Callable 7.30 per cent. Single Coupon Notes due August 15, 2033

Morgan Stanley

The date of this Pricing Supplement is August 12, 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:

1. No.: 2642
2. Aggregate Principal Amount: US$30,000,000
3. Issue Price: 100.00 per cent. of the Aggregate Principal Amount
4. Issue Date: August 15, 2003
5. Form of Notes (Condition 1(a)): Bearer Notes only
6. Authorized Denominations (Condition 1(b)): US$100,000
7. Specified Currency (Condition 1(d)): United States dollars ("US$")
8. Maturity Date (Conditions 1(a) and 6(a)): August 15, 2033
9. Interest Basis (Condition 5): Fixed Interest Rate (Condition 5(I))
10. Fixed Interest Rate (Condition 5(I)):
    (a) Interest Rate: 7.30 per cent. per annum compounded annually
    (b) Fixed Rate Interest Payment Dates: August 15, 2033
    (c) Fixed Rate Day Count Fraction: 30/360, as provided in Condition 5(I)(b)
11. Relevant Financial Centre: New York
13. Redemption Amount (if other than Principal Amount) (Condition 6(a)):
    The total amount payable on the Maturity Date shall be 100.00 per cent. of the Principal Amount of the Notes, plus accrued interest of 727.92626 per cent. of such Principal Amount
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): Each August 15, commencing on and including August 15, 2005 and ending on August 15, 2032

(d) Early Redemption Amount (Bank): 100.00 per cent. of the Principal Amount of the Notes to be redeemed plus accrued interest to but excluding the date fixed for redemption calculated at the fixed rate of 7.30 per cent. per annum compounded annually in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Issuer’s Optional Redemption Date</th>
<th>Accrued Interest (per cent.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 15, 2005</td>
<td>15.13290</td>
</tr>
<tr>
<td>August 15, 2006</td>
<td>23.53760</td>
</tr>
<tr>
<td>August 15, 2007</td>
<td>32.55585</td>
</tr>
<tr>
<td>August 15, 2008</td>
<td>42.23242</td>
</tr>
<tr>
<td>August 15, 2009</td>
<td>52.61539</td>
</tr>
<tr>
<td>August 15, 2010</td>
<td>63.75631</td>
</tr>
<tr>
<td>August 15, 2011</td>
<td>75.71052</td>
</tr>
<tr>
<td>August 15, 2012</td>
<td>88.53739</td>
</tr>
<tr>
<td>August 15, 2013</td>
<td>102.30062</td>
</tr>
<tr>
<td>August 15, 2014</td>
<td>117.06857</td>
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<tr>
<td>August 15, 2015</td>
<td>132.91457</td>
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<tr>
<td>August 15, 2016</td>
<td>149.91734</td>
</tr>
<tr>
<td>August 15, 2017</td>
<td>168.16130</td>
</tr>
<tr>
<td>August 15, 2018</td>
<td>187.73708</td>
</tr>
<tr>
<td>August 15, 2019</td>
<td>208.74189</td>
</tr>
<tr>
<td>August 15, 2020</td>
<td>231.28004</td>
</tr>
<tr>
<td>August 15, 2021</td>
<td>255.46349</td>
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<tr>
<td>August 15, 2022</td>
<td>281.41232</td>
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<tr>
<td>August 15, 2023</td>
<td>309.25542</td>
</tr>
<tr>
<td>August 15, 2024</td>
<td>339.13107</td>
</tr>
</tbody>
</table>
Redemption at the option of the Noteholders (Condition 6(f)): No

Long Maturity Note (Condition 7(f)): No

Talons for Future Coupons to be attached to Definitive Bearer Notes (Condition 7(h)): No

Early Redemption Amount (including accrued interest, if applicable) (Condition 9): 100 per cent. of the principal amount of the Notes to be redeemed plus accrued interest to but excluding the date of redemption calculated at the fixed rate of 7.30 per cent. per annum compounded annually.

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: 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 XS0174308667
   (b) Common Code 017430866

6 Identity of Dealer(s)/Manager(s): Morgan Stanley & Co. International Limited

7 Provisions for Bearer Notes:
   (a) Exchange Date: Not earlier than 24 September 2003
   (b) Permanent Global Note: Yes
General Information
The Bank’s latest Information Statement was issued on September 17, 2002.
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:

Authorised Officer
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