

**PRICING SUPPLEMENT**



**INTERNATIONAL BANK FOR RECONSTRUCTION AND  
DEVELOPMENT**

**Global Debt Issuance Facility**

**No. 2951**

**EUR 30,000,000**

**Callable Fixed to CMS Linked Notes due October 24, 2035**

**Morgan Stanley**

**The date of this Pricing Supplement is October 19, 2005**

This document ("**Pricing Supplement**") is issued to give details of an issue by the 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:

- |           |  |  |
|-----------|--|--|
| <b>1</b>  | No.:                                       | 2951   |
| <b>2</b>  | Aggregate Principal Amount:                | EUR 30,000,000   |
| <b>3</b>  | Issue Price:                               | 100.00 per cent. of the Aggregate Principal Amount   |
| <b>4</b>  | Issue Date:                                | October 24, 2005   |
| <b>5</b>  | Form of Notes (Condition 1(a)):            | Bearer Notes only  |
| <b>6</b>  | Authorized Denominations (Condition 1(b)): | EUR 1,000  |
| <b>7</b>  | Specified Currency (Condition 1(d)):       | Euro (" <b>Eur</b> ")  |
| <b>8</b>  | Maturity Date (Conditions 1(a) and 6(a)):  | October 24, 2035   |
| <b>9</b>  | Interest Basis (Condition 5):              | (i) Fixed Interest Rate (Condition 5(I)) in respect of the period commencing on and including the Issue Date and ending on but excluding October 24, 2010; and<br>(ii) Variable Interest Rate (Condition 5(II)) for the period commencing on and including October 24, 2010 and ending on but excluding the Maturity Date<br><br>(Further particulars specified below) |
| <b>10</b> | Fixed Interest Rate (Condition 5(I)):      |  |
|           | (a) Interest Rate(s):                      | In respect of the period from and including the Issue Date, to but excluding October 24, 2006, the Interest Rate shall be 8.0 per cent. per annum<br><br>In respect of the period from and including October 24, 2006, to but excluding October 24, 2007, the Interest Rate shall be 7.0 per cent. per annum   |

In respect of the period from and including October 24, 2007, to but excluding October 24, 2010, the Interest Rate shall be 5.0 per cent. per annum

(b) Fixed Rate Interest Payment Date(s): October 24 in each year commencing on October 24, 2006 up to and including October 24, 2010

(c) Fixed Rate Day Count Fraction(s) if not 30/360 basis: Actual/Actual - ICMA  
Actual/Actual - ICMA means the number of days from and including the date on which interest begins to accrue during the relevant period to but excluding the date on which it actually falls due, divided by the number of days in the relevant period (including the first day but excluding the last)

**11 Variable Interest Rate (Condition 5(II)):**

(a) Interest Payment Date(s): October 24 in each year commencing on October 24, 2011 up to and including October 24, 2035

(b) Interest Determination Date: 2 Relevant Business Days prior to the first day of each Interest Period, the first Interest Period commencing on October 24, 2010

(c) Rate of Interest: Notwithstanding the provisions of Condition 5(II)(b), the Rate of Interest for each Interest Period shall be calculated and determined by the Calculation Agent as soon as practicable on the relevant Interest Determination Date for such Interest Period in accordance with the following formula:

$4 \times (10\text{-year EUR Swap Rate} - 2\text{-year EUR Swap Rate})$

where:

"10-year EUR Swap Rate" and "2-year EUR Swap Rate" mean the annual swap rate for EUR swap transactions with a maturity of 10 years and 2 years, respectively, expressed as a percentage which appear on the Reuters screen on the "ISDAFIX2" page (or such other page that may replace that page on that service or a successor service) under the heading "EURIBOR BASIS-EUR" and above the caption "11:00 AM FRANKFURT" as at 11:00AM (Frankfurt time) on the Interest Determination Date.

If such rates do not appear on the Reuters

screen on the "ISDAFIX2" Page (or such other page that may replace that page on that service or a successor service) under the heading "EURIBOR BASIS-EUR" and above the caption "11:00 AM FRANKFURT" as at 11.00AM (Frankfurt time) on the Interest Determination Date, then the "10-year USD Swap Rate" and "2-year USD Swap Rate" shall be determined by the Calculation Agent in accordance with the procedures set forth in "EUR-Annual Swap Rate-Reference Banks", in the case of "EUR-ISDA-EURIBOR Swap Rate-11:00" (as defined in Article 7, Section 7.1(e)(xxii) and Article 7, Section 7.1(e)(xviii), respectively, of the Annex to the 2000 ISDA Definitions (June 2000 version) provided that the words "on the day that is two TARGET Settlement Days preceding that Reset Date" shall be substituted in relevant parts by "on the Interest Determination Date".

For the purposes of this paragraph 11, the definition of "EUR-Annual Swap Rate-Reference Banks" shall be amended so that the "mid-market annual swap rate" means the arithmetic mean of the bid and offered rate quotations for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating Euro denominated interest rate swap transaction with a designated maturity of two or ten years, as the case may be, commencing on the Reset Date for the relevant Interest Period for a representative amount of EUR 30,000,000 with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Telerate (as defined in the Annex to the 2000 ISDA Definitions published by the International Swap and Derivatives Association (June 2000 version)) with a designated maturity of 6 months.

"Reference Banks" means five leading swap dealers in the interbank market as chosen by the Calculation Agent.

**12 Other Variable Interest Rate Terms  
(Conditions (II) and (III)):**

- (a) Minimum Interest Rate: 0.0 per cent.
- (b) Maximum Interest Rate: 8.0 per cent.
- (c) Variable Rate Day Count Actual/Actual-ICMA  
Fraction(s) if not actual/360:
- 13** Relevant Financial Centre: London
- 14** Relevant Business Day: TARGET, New York and London
- 15** Basis of calculation of the Variable Redemption Amount (Condition 6(d)):  
Subject to paragraph 16 below, the Variable Redemption Amount per Authorised Denomination shall be the Principal Amount plus an additional amount of Interest per Authorised Denomination calculated by the Calculation Agent in accordance with the following formula:  
$$(AD \times 60\%) - I$$
  
(subject to a minimum of zero)  
where:  
"AD" means Authorised Denomination;  
"I" means the aggregate of all amounts paid in respect of interest per Authorised Denomination in accordance with paragraphs 10 and 11 from and including October 24, 2006 to and including the Maturity Date.  
For the avoidance of doubt, the Variable Redemption Amount of a Note shall only be payable if such Note is not redeemed or purchased and cancelled prior to its Maturity Date.
- 16** Bank'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): October 24 in each year commencing on and including October 24, 2010 and ending on and including October 24, 2034 (each, an "Issuer's Optional Redemption Date")

(d) **Early Redemption Amount (Bank):** Principal Amount plus an additional amount of interest per Authorised Denomination calculated by the Calculation Agent in accordance with the following formula:

$$(AD \times (2\% \times N)) - ID$$

(subject to a minimum of zero)

where:

"AD" means Authorised Denomination

"N" means the number of years (which shall be rounded to the nearest whole year) from and including the Issue Date to the relevant Issuer Optional Redemption Date (as specified in the notice to be given in accordance with Condition 6(e)) (the "Early Redemption Date"); and

"ID" means the aggregate of all amounts paid in respect of interest per Authorised Denomination in accordance with paragraphs 10 and 11 from and including October 24, 2006 to and including the Early Redemption Date.

(e) **Notices:** So long as Bearer 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.

<b>17</b>	Redemption at the option of the Noteholders (Condition 6(f)):	No
<b>18</b>	Long Maturity Note (Condition 7(f)):	No
<b>19</b>	Prescription (Condition 8):	
	(a) Principal:	10
	(b) Interest:	5
<b>20</b>	Early Redemption Amount (including accrued interest, if applicable) (Condition 9):	Principal Amount plus accrued interest.

<b>21</b>	Governing Law of the Notes:	English
<b>Other Relevant Terms</b>		
<b>22</b>	Listing (if yes, specify Stock Exchange):	Luxembourg Stock Exchange
<b>23</b>	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
<b>24</b>	Syndicated:	No
<b>25</b>	Commissions and Concessions:	None
<b>26</b>	Codes:	
	(a) ISIN	XS0230959123
	(b) Common Code	023095912
<b>27</b>	Identity of Dealer(s)/Manager(s):	Morgan Stanley & Co. International Limited
<b>28</b>	Provisions for Bearer Notes:	Not earlier than December 3, 2005.
	(a) Exchange Date:	If any further notes are issued in accordance with Condition 11 (Further Issues) ("Further Notes") prior to the exchange of the Temporary Global Note evidencing the Notes for interests in a permanent Global Note, the Exchange Date for the Notes may be extended, without the consent of Noteholders, to coincide with the applicable Exchange Date for such Further Notes.
	(b) Permanent Global Note:	Yes
	(c) Definitive Bearer Notes:	No

**General Information**

The Bank's latest Information Statement was issued on September 19, 2006.

**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.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS PRICING SUPPLEMENT AND THE PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY HOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON HOLDERS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY

THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

The following additional selling restrictions shall apply to the issue:

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.

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

By:

Authorised Officer

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

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**GLOBAL AGENT**

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**LEGAL ADVISERS TO THE MANAGER**

**Linklaters**  
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