

PRICING SUPPLEMENT



**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

Global Debt Issuance Facility

No. 1061-3

**HUF 5,000,000,000 6.25 per cent. Notes due January 27, 2005
(to be consolidated and form a single series with the existing HUF 10,000,000,000
6.25 per cent. Notes issued on January 27, 2003 and
HUF 5,000,000,000 6.25 per cent. Notes issued on February 19, 2003)**

TD Securities

Deutsche Bank

KBC International Group

**Banque et Caisse d'Epargne de L'Etat,
Luxembourg**

UBM-Unicredit Banca Mobiliare

The date of this Pricing Supplement is July 7, 2003

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:

1	No.:	1061-3
2	Aggregate Principal Amount:	HUF 5,000,000,000 (to be consolidated and form a single series with the existing HUF 10,000,000,000 6.25 per cent. Notes issued on January 27, 2003 and HUF 5,000,000,000 6.25 per cent. Notes issued on February 19, 2003)
3	Issue Price:	99.06 per cent. of the Aggregate Principal Amount plus accrued interest for 163 days
4	Issue (Settlement) Date:	July 9, 2003
5	Form of Notes (Condition 1(a)):	Bearer Notes
6	Authorized Denomination(Condition 1(b)):	HUF 1,000,000 and HUF 10,000,000
7	Specified Currency (Condition 1(d)):	Hungarian Forint ("HUF")
8	Maturity Date:	January 27, 2005
9	Interest Basis (Condition 5):	Fixed Interest Rate
10	Fixed Interest Rate (Condition 5(I))	
	(a) Interest Rate:	6.25 per cent. per annum
	(b) Fixed Rate Interest Payment Dates:	January 27, 2004 and January 27, 2005
	(c) Fixed Rate Day Count Fraction:	Act/Act-ISMA Act/Act-ISMA 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	Relevant Business Day:	A day on which banks and foreign exchange markets are open for business in Budapest, New York and London.
12	Bank's Optional Redemption (Condition 6(e)):	No
13	Redemption at the Option of the Noteholders (Condition 6(f)):	No
14	Long Maturity Note (Condition 7(f)):	No
15	Talons for Future Coupons to be Attached to Definitive Bearer Notes (Condition 7(h)):	No
16	Prescription (Condition 8):	
	(a) Principal:	10 years
	(b) Interest:	5 years
17	Early Redemption Amount (including accrued interest, if applicable) (Condition 9):	Principal amount of the Notes plus interest accrued thereon
18	Governing Law of the Notes:	English

Other Relevant Terms

1	Listing (if yes, specify Stock Exchange):	Yes. 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:	Yes
4	If Syndicated:	
	(a) Liability:	Joint and Several

	(b) Lead Manager:	The Toronto-Dominion Bank
	(c) Stabilizing Manager:	The Toronto-Dominion Bank
5	Commissions and Concessions:	0.125 per cent. combined management and underwriting commission and 1.00 per cent. selling concession.
6	Codes:	
	(a) Temporary Common Code:	17228927
	(b) Temporary ISIN:	XS0172289273
	(c) Temporary WKN:	896761

- (d) Common Code: 16104060
- (e) ISIN: XS0161040604
- (f) WKN: 724052
- 7** Identity of Dealer(s)/Manager(s): The Toronto-Dominion Bank
Deutsche Bank AG London
KBC Bank NV
Banque et Caisse D'Epargne de l'Etat,
Luxembourg
Unicredit Banca Mobiliare S.p.A.
- 8** Provisions for Bearer Notes:
- (a) Exchange Date: Not earlier than August 18, 2003
- (b) Permanent Global Note: Yes
- (c) Definitive Bearer Notes: No

The Bank's latest Information Statement was issued on September 17, 2002.

- 9** 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.
- 10** Republic of Hungary: Each Dealer has acknowledged that no permit of the Hungarian Financial Supervisory Authority has been obtained and has represented and agreed that it has not offered, sold or delivered and that it will not offer, sell or deliver, any Notes in the Republic of Hungary other than in accordance with all applicable provisions of Act CXX of 2001 on the Capital Market.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By: _____
Authorized Officer

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

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GLOBAL AGENT

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LISTING AGENT

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L-2085 Luxembourg

SPECIAL AGENT, PAYING AGENT AND TRANSFER AGENT

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L-2093 Luxembourg

LEGAL ADVISERS TO THE MANAGERS

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