

2000-SE-009813

OVERSEAS PRIVATE INVESTMENT CORPORATION  
WASHINGTON, D.C. 20527, U.S.A.



OFFICE OF THE  
PRESIDENT

October 4, 2000

The Honorable Stuart E. Eizenstat  
Deputy Secretary of the Treasury  
U.S. Department of the Treasury  
15<sup>th</sup> & Pennsylvania Avenue, NW., 5100 MT  
Room 3326  
Washington, D.C. 20220

Dear Stu:

[OUTSIDE SCOPE , (b)(5)]

[(b)(5)]

If you have any questions on these or any other matters, please call me.

Sincerely,

A handwritten signature in black ink, appearing to read "George Muñoz".

George Muñoz  
President and  
Chief Executive Officer

Enclosures

**OVERSEAS PRIVATE INVESTMENT CORPORATION**  
**1100 NEW YORK AVENUE, N.W.**  
**Washington, D.C. 20527-0001**

**OPIC**

**Overseas Private Investment C**  
1100 New York Ave., N.W.  
Washington, D.C. 20527



**TO:** The Honorable Stuart E. Eizenstat  
Deputy SEcretary of the Treasury  
U.S. Department of the Treasury  
15th & Pennsylvania Ave., N.W., 51  
Room 3326  
Washington, D.C. 20220

Tel: 202-622-1080

0010000000241

**The Criteria entered:**

**Tuesday, January 15, 2002**

Listing of Selected TADS Records

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Profile: 2000-SE-002413 Priority: N Classified: N  
From Name: Munoz, George  
Title: Overseas Private Investment Corporation (OPIC)  
Constituent:  
To: Stuart E. Eizenstat  
Title: Deputy Secretary  
Document Source: Departments/Agencies  
Document Type: Letter  
Required Action: Appropriate Action  
Doc Date: 03/02/2000  
Scan Date: 03/06/2000  
Due Date: 03/15/2000  
Closure Type: Other  
Closure Date: 03/14/2000  
DMS Comments:  
Subject: Notational Vote To Provide An Investment Guaranty To Enron Corporation For Power Plant In Gaza  
Abstract: Request for a notational vote on a proposal to provide an Investment Guaranty of up to \$50 million to Enron Corporation to partially finance the development, construction, operation and ownership of a [(b)(4)] power plant in Gaza.

Task Language:  
Referred By:  
Other Reference No:  
FOIA Release:  
FOIA Exempt:  
FOIA Date:  
Owner Office: SE  
Indexed By: HUFFMANJH  
Paper Location:  
Multiple Authors:  
Cross Reference No:

Routing:

AS, INTERNATIONAL AFFAIRS	PREPARER
INTERNATIONAL INVESTMENT	PREPARER
COOKIE GLASGOW	REVIEWER
*CMS_OUT ARCHIVE	ARCHIVE

Distribution:

GENERAL COUNSEL  
DEPUTY SECRETARY  
EXECUTIVE SECRETARIAT

2000-SE-002413

OVERSEAS PRIVATE INVESTMENT CORPORATION  
WASHINGTON, D.C. 20527, U.S.A.



OFFICE OF THE  
PRESIDENT

March 2, 2000

The Honorable Stuart E. Eizenstat  
Deputy Secretary of the Treasury  
U.S. Department of the Treasury  
15<sup>th</sup> & Pennsylvania Avenue, NW., 5100 MT  
Room 3326  
Washington, D.C. 20220

Dear Stu:

I am writing to ask you to vote by the notational procedure in advance of our next Board meeting on a proposal to provide an Investment Guaranty of up to \$50 million to Enron Corporation to partially finance the development, construction, operation, and ownership of a [(b)(4)] power plant in Gaza. This project was presented as a Major Pending Project at the December 14, 1999 Board meeting.

[(b)(5)]

If you have any questions with regard to this project, feel free to call me at (202) 336-8401. If you are in agreement with our request, please sign the ballot where indicated and fax it back to my office at (202) 218-0136 no later than COB March 9, 2000.

Sincerely,


A handwritten signature in black ink, appearing to read "George Muñoz".

George Muñoz  
President and  
Chief Executive Officer

Enclosures

March 2, 2000

**MEMORANDUM FOR THE BOARD OF DIRECTORS**

**FROM:** Connie M. Downs   
Corporate Secretary

**SUBJECT:** Notational Vote to provide a Loan Guaranty of up to \$50 million for Gaza Power  
Generating Private Limited Company (Enron Corporation) (Gaza)

---

Board action in accordance with the notational voting procedures as set out in OPIC's corporate By-Laws is requested to approve a Loan Guaranty of up to \$50 million to partially finance the development, construction, operation, and ownership of a [(b)(4)] power plant in Gaza sponsored by Enron Corporation.

Article III, Section 3 of the Bylaws of the Board of Directors of the Overseas Private Investment Corporation, as adopted on March 22, 1994, provides as follows:

Written approval of a resolution by at least two-thirds of the Directors then serving shall constitute action of the Board of Directors; provided, that such action shall be effective only upon expiration of five days after delivery of the proposed resolution to all Directors.

If, not later than five days after confirmation by the Corporate Secretary of effective delivery of the proposed resolution to each Director, three or more Directors make written objection to the use of such procedure, the action shall not be effective and such resolution shall be considered at the next meeting of the Board of Directors.

Board members are asked to indicate their approval of the referenced proposal by executing and faxing the enclosed ballot to me at (202) 218-0136 **no later than close of business, Thursday, March 9, 2000**, in accordance with these procedures. Please forward the original ballot to me in the enclosed, self-addressed envelope.

Attachments

Project paper  
Ballot  
Stamped, self-addressed envelope

0010000000292

MEMORANDUM FOR THE BOARD OF DIRECTORS

SUBJECT: Gaza Power Generating Private Limited Company  
Gaza

Reason for Board Action

Board action is required for approval of a Loan Guaranty of up to \$50 million for Gaza Power Generating Private Limited Company by virtue of Board of Directors Resolution BDR (94)20 which requires that the Board approve financings in excess of \$30 million.

Recommendation

That the Board adopt the attached Resolution.

Attachments

Annex A: Board Paper  
Annex B: Under Secretary of State Alan Larson's Memo  
Annex C: Resolution

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PRIVILEGED BUSINESS INFORMATION  
OVERSEAS PRIVATE INVESTMENT CORPORATION

**Loan Guaranty**

**Discussion and Recommendation**

**for**

**Approval by the Board of Directors**

March 9, 2000

<b>Territory:</b>	Gaza
<b>Foreign Enterprise:</b>	Gaza Power Generating Private Limited Company
<b>U.S. Sponsor:</b>	Enron Corporation

RESTRICTED DISTRIBUTION  
PRIVILEGED BUSINESS INFORMATION

LOAN GUARANTY

GAZA

GAZA POWER GENERATING PRIVATE LIMITED COMPANY

PROJECT TEAM:

[(b)(6)]                   Manager for Project Finance  
                              Investment Officer  
                              Assistant General Counsel

ABBREVIATION AND ACRONYM KEY:

DFLP:	Democratic Front for the Liberation of Palestine
EPC:	Engineering, Procurement and Construction
EIAB:	Environmental Impact Assessment Brief
GDP:	Gross Domestic Product
GPGC:	Gaza Power Generating Private Limited Company
IPO:	Initial Public Offering
MW:	Megawatt
PA:	Palestinian Interim Self-Government Authority
PEA:	Palestine Energy Authority
PFLP:	Popular Front for the Liberation of Palestine
PPA:	Power Purchase Agreement

Resolution: See Annex B



**SUMMARY**

**Host Territory:** Gaza

**Foreign Enterprise:** Gaza Power Generating Private Limited Company

**U.S. Sponsor:** Enron Corporation

**Project Description:** The development, construction, operation and ownership of a [(b)(4)] power plant that will sell all of its capacity to the Palestinian Energy Authority.

**Loan Amount:** Up to \$50 million

**Loan Type:** Loan Guaranty

**Loan Term:** [(b)(4)]

**U.S. Effects:** [(b)(5)]

**Host Country Benefits:** [(b)(5)]

**Environmental Effects:** [(b)(5)]

Worker Rights:

[(b)(5)]

**REPORT FROM OPIC MANAGEMENT TO THE BOARD OF DIRECTORS**

**TERRITORY:** Gaza

**PROJECT COMPANY:** Gaza Power Generating Private Limited  
Company

**U.S. SPONSOR:** Enron Corporation

**1. Introduction**

OPIC Management proposes to provide a loan guaranty in an amount up to \$50 million (the "Loan") to partially finance the development, construction, operation, and ownership of a [(b)(4)] power plant in Gaza (the "Project"). [(b)(5)]

This report, along with a memo from Under Secretary of State Alan Larson (Annex B), summarizes the issues identified and addressed to date in connection with OPIC's proposed support of this Project.

[(b)(4)]

With the implementation of the Project, PEA is expected to be able to satisfy all of the current electricity requirements of Gaza. Currently all of PEA's power is supplied by the Israel Electric Corporation.

**2. The Project**

[(b)(4)]

[(b)(4)]

Proposed OPIC Participation

[(b)(4)]

[(b)(4)]

**3. U.S. Economic Effects**

[(b)(5)]

**4. Gaza Political and Economic Framework**

**A. Political Environment**

In 1993, the Palestine Liberation Organization and Israel signed the Declaration of Principles establishing a framework for an interim period of limited self rule in Gaza and Jericho, a city located in the West Bank. Subsequently, in 1995 an interim agreement was executed that extended Palestinian self rule to parts of the rest of the West Bank and also provided for Palestinian elections. The Palestinian Council and the Chairman of the Executive Authority of the Council constitute the PA.

Elections to the PA were held in 1996 and resulted in Yasser Arafat being elected Chairman for a five-year term.

[(b)(5)]

[(b)(5)]

**B. Economic Environment**

[(b)(5)]

[(b)(5)]

C. OPIC Exposure

[(b)(5)]

[(b)(5)]

**5. Risk Analysis**

[(b)(5)]



[(b)(5)]

**6. U.S. Foreign Policy Context**

[(b)(5)]

**7. Host Country Effects**

[(b)(5)]

8. Worker Rights

[(b)(5)]

[(b)(5)]

**9. Environmental Effects**

[(b)(5)]

BY THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE  
INVESTMENT CORPORATION

BE IT RESOLVED, that the Board hereby approves financing under Section 234 of the Foreign Assistance Act of 1961, as amended, of up to \$50 million as part of the financing of a power project in Gaza sponsored by the Enron Corporation.

Approved by Notational Vote of  
the Board of Directors on March 9, 2000

---

Connie M. Downs  
Corporate Secretary

BALLOT

BY THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE  
INVESTMENT CORPORATION

BE IT RESOLVED, that the Board hereby approves  
financing under Section 234 of the Foreign Assistance Act  
of 1961, as amended, of up to \$50 million as part of the  
financing of a power project in Gaza sponsored by the Enron  
Corporation.

Approved: \_\_\_\_\_ Date: \_\_\_\_\_

Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_

OVERSEAS PRIVATE INVESTMENT CORPORATION  
1100 NEW YORK AVENUE, N.W.  
Washington, D.C. 20527-0001

FIRST-CLASS MAI

**OPIC**



Overseas Private Investment Corporation  
1100 New York Ave., N.W.  
Washington, D.C. 20527

**TO:**

The Honorable Stuart E. Eizenstat  
Deputy Secretary of the Treasury  
U.S. Department of Treasury  
15th & Pennsylvania Ave., N.W., 5100 MT  
Room 3326  
Washington, D.C. 20220

Tel: 202-622-0101

00100000000333

2000-SE-009813

OVERSEAS PRIVATE INVESTMENT CORPORATION  
WASHINGTON, D.C. 20527, U.S.A.



OFFICE OF THE  
PRESIDENT

October 4, 2000

The Honorable Stuart E. Eizenstat  
Deputy Secretary of the Treasury  
U.S. Department of the Treasury  
15<sup>th</sup> & Pennsylvania Avenue, NW., 5100 MT  
Room 3326  
Washington, D.C. 20220

Dear Stu:

[OUTSIDE SCOPE]

[(b)(5)]

If you have any questions on these or any other matters, please call me.

Sincerely,

A handwritten signature in cursive script, appearing to read "George Muñoz".

George Muñoz  
President and  
Chief Executive Officer

Enclosures

**OVERSEAS PRIVATE INVESTMENT CORPORATION**  
**1100 NEW YORK AVENUE, N.W.**  
**Washington, D.C. 20527-0001**

**OPIC**

**Overseas Private Investment C**  
1100 New York Ave., N.W.  
Washington, D.C. 20527



**TO:** The Honorable Stuart E. Eizenstat  
Deputy Secretary of the Treasury  
U.S. Department of the Treasury  
15th & Pennsylvania Ave., N.W., 51  
Room 3326  
Washington, D.C. 20220

Tel: 202-622-1080

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**The Criteria entered:**

**Tuesday, January 15, 2002**

Listing of Selected TADS Records

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Profile: 2000-SE-009813 Priority: N Classified: N  
From Name: Munoz, George  
Title: Overseas Private Investment Corporation (OPIC)  
Constituent:  
To: Stuart E. Eizenstat  
Title: Deputy Secretary  
Document Source: Departments/Agencies  
Document Type: Letter  
Required Action: No Reply Necessary  
Doc Date: 10/04/2000  
Scan Date: 10/05/2000  
Due Date: 10/05/2000  
Closure Type: No Reply Necessary  
Closure Date: 10/05/2000  
DMS Comments:  
Subject: Reports: [OUTSIDE SCOPE]  
(2) Status Of Enron Power Project In Gaza  
Abstract: Encloses a copy of their report on (1)[OUTSIDE SCOPE] and (2) the status of the Enron  
Power Project in Gaza.  
Task Language:  
Referred By:  
Other Reference No:  
FOIA Release:  
FOIA Exempt:  
FOIA Date:  
Owner Office: SE  
Indexed By: HARDESTYJ  
Paper Location:  
Multiple Authors:  
Cross Reference No:  
Routing: \*CMS\_OUT ARCHIVE ARCHIVE  
Distribution:  
AS, INTERNATIONAL AFFAIRS  
DEPUTY SECRETARY  
EXECUTIVE SECRETARIAT

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OVERSEAS PRIVATE INVESTMENT CORPORATION  
WASHINGTON, D.C. 20527-0001, U.S.A.



OFFICE OF THE  
PRESIDENT

October 28, 1999

**Memorandum**

**TO:** The Honorable J. Brady Anderson  
The Honorable Stuart E. Eizenstat  
The Honorable Robert L. Mallett  
The Honorable Alan P. Larson  
The Honorable Harvey C. Sigelbaum

**FROM:** George Muñoz, President and Chief Executive Officer *gm*

**SUBJECT:** Cuiabá Pipeline Project  
OPIC Response to "Open Letter" to Vice President Gore from the  
Environmental NGOs

---

You may have received a copy of the September 24, 1999 "Open Letter" to Vice President Al Gore from the environmental community regarding OPIC's support of the Cuiabá pipeline in Bolivia.

Enclosed is OPIC's response to Vice President Gore and a detailed response to the NGO community. As you can see, we have given very careful consideration to each of the points raised in the NGO letter. In recognition of the importance and visibility of this project, OPIC has undertaken a full-time, on-site monitoring effort. We are confident that by working closely with the project sponsors as well as the environmental community, OPIC's unprecedented level of environmental oversight will bring much needed clean energy to South America in an environmentally responsible manner.

If you have any questions or would like further information, please do not hesitate to let me know.

Enclosures

**OVERSEAS PRIVATE INVESTMENT CORPORATION**  
WASHINGTON, D.C. 20527, U.S.A.



OFFICE OF THE  
PRESIDENT

October 28, 1999

The Honorable Al Gore  
The Vice President of the  
United States  
Washington, D.C. 20501

Dear Mr. Vice President:

I am writing in reference to a September 24, 1999 "Open Letter" to you from the environmental community regarding OPIC's support of a pipeline project in Bolivia. We share, as we know you do, the sponsors' interest in protecting environmentally sensitive areas in developing countries.

I am pleased to report to you that in fulfillment of this Administration's commitment to strengthening international environmental standards as President Clinton announced at the United Nations in June 1997, the OPIC Board of Directors approved the Cuiabá project in Bolivia and Brazil in full compliance with OPIC's strengthened environmental guidelines. Throughout our involvement with this project, and continuing today, we have had useful consultations with many of the government agencies represented on the OPIC Board as well as with interested parties in the environmental community. You will be interested to learn that the OPIC Board approved the Cuiabá project with the addition of stringent new requirements and unprecedented environmental safeguards to protect the local environment and to provide a long-term conservation plan for affected areas.

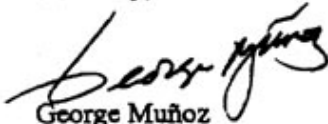
Enclosed for your information is OPIC's detailed point-by-point response to the September 24, 1999 letter. As you can see, we have given very careful consideration to each of the points raised in the letter. At the same time, in recognition of the importance and visibility of this project, OPIC has undertaken a full-time, on-site monitoring effort.

We are confident that working closely with the project sponsors as well as the environmental community, OPIC's unprecedented level of environmental oversight will bring much needed clean energy to South America in an environmentally responsible manner. At the same time, we will set new standards for consultation and cooperation. It will also help OPIC and NGOs in our mutual effort to use OPIC's environmental emphasis as a model for encouraging our international counterparts to likewise adopt strong environmental standards.

The Honorable Al Gore  
October 28, 1999  
Page Two

I appreciate and commend the leadership you are providing in strengthening worldwide environmental standards. If you or your staff have any questions or would like a more detailed briefing about OPIC's environmental program or on this project specifically, please do not hesitate to let me know.

Sincerely,



George Muñoz  
President and  
Chief Executive Officer

Enclosures

cc: The Honorable Brady Anderson, U.S.A.I.D.  
The Honorable Stuart Eizenstat, U.S. Department of Treasury  
The Honorable Robert Mallett, U.S. Department of Commerce  
The Honorable Alan Larson, U.S. Department of State  
The Honorable Harvey Sigelbaum, OPIC Board of Directors  
The Honorable Barbara Boxer  
The Honorable Nancy Pelosi  
The Honorable George Miller  
Mr. Ian Bowles, Council on Environmental Quality  
Mr. David Sandalow, Council on Environmental Quality  
Mr. Ken Lay, Enron  
Mr. Murray Jones, Shell International



1100 New York Avenue, N.W.  
Washington, D.C. 20527-0001  
(202) 338-8400  
FAX (202) 408-9859

October 22, 1999

To Whom It May Concern:

I am writing to respond to your "Open Letter" of September 24, 1999, and attachment concerning the compliance of the Cuiabá project with the conditions contained in OPIC's Board of Directors' approval of support for the project on June 15, 1999. The issues highlighted in the letter are considered below, while the issues raised in the attachment are responded to in the attached matrix.

OPIC is fully satisfied that the pipeline right-of-way (ROW) does not intersect tropical forest subject to OPIC's categorical prohibition. As required by the Board, OPIC conducted an independent review that corroborated a previous finding that, with specified route alterations, the ROW would not intersect such forest as it is defined by OPIC and international financial institutions such as the World Bank. In addition, a subsequent, detailed on-the-ground biological survey of the route provided irrefutable evidence that the forest in or adjacent to the ROW has been impacted by commercial and agricultural activity.

OPIC recognizes that, beyond the scope of the Cuiabá project, there is no consensus among scientists concerning an appropriate operational definition of primary tropical forest. To address this situation, OPIC is taking the lead, in collaboration with environmental organizations and other stakeholders, to convene a workshop to advise OPIC on how to better operationalize its definition of primary tropical forest in connection with future projects.

As you know, OPIC is not a party to the Chiquitano Forest Conservation Consortium (CFCC) protocol and is providing no funding for it. OPIC's Board did take note of the protocol establishing the CFCC and required that the program it envisioned begin to be implemented prior to OPIC's supporting the project.

OPIC regrets that the World Wildlife Fund (WWF) has chosen not to participate in the steering committee for the CFCC, but is pleased that WWF has agreed to maintain a supportive relationship with the conservation program. OPIC's Board did not specify that all organizations that signed the Protocol ultimately participate in the CFCC and WWF's decision does not impair the validity of the steering committee and the CFCC. This has been recognized by WWF.

Although a division of the Bolivian Ministry of Sustainable Development did express some initial concerns about the organization of the CFCC, the Minister of Sustainable Development has since endorsed the environmental efforts undertaken in connection with the project.

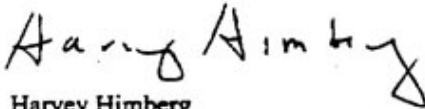
Further, OPIC has been advised by local counsel in Bolivia that the CFCC in no way violates any international convention, law, or regulation of the Government of Bolivia, and by international counsel familiar with the implementation of the ILO conventions that the creation of a fund to protect the environment is not contrary to any of those conventions. The CFCC provides for regular consultation with all stakeholders, including indigenous and municipal communities, and, of course, actual programs undertaken by the CFCC will be subject to all Bolivian laws.

Third, OPIC has confirmed that all necessary permits and government authorizations required for construction of the project pipeline in Bolivia have been obtained, and conditions thereto are being met as required to go forward with construction. In August 1999, the Bolivian Ministry of Sustainable Development provided final authorization for construction works in the San Matias protected area, well before construction began in that area. In addition, the same Ministry has confirmed that the project is in full compliance with Bolivian environmental regulatory requirements.

Please see the attached matrix for our response to the other issues raised in the attachment to the Open Letter.

We would be pleased to respond to any other questions or concerns you may have as construction continues on this project.

Sincerely yours,



Harvey Himberg  
Director, Investment Policy and  
Environmental Affairs

Enclosures

OPIC Board Conditions	NGO Comments <sup>1</sup>	OPIC Response
<p>1) Project meets all of OPIC's environmental requirements.</p> <p>2) Supplemental Environmental Assessment (SEA) Phase II provides practical and effective means of addressing all issues identified in the report.</p>	<p>Scientific consensus (including determination by WWF and the other 4 conservation groups included in the Protocol) affirm the prevalence of primary tropical forests along the route. OPIC staff is unwilling to accept scientific consensus in the interpretation of the primary forest definition. This project violates the intent and spirit of the Primary Forest Prohibition.</p> <p>The SEA Phase II provides a cursory and superficial analysis of the long-term secondary impacts of this project. The report does not deal with the issue of "out-takes", upstream impacts (add'l oil and gas exploration to supply the pipeline), nor the unsustainable development that the available energy will encourage in and around the protected area. The recommended mitigation measures are too general and do not include long-term programs for controlling colonization, vehicular traffic, hunting, fishing, and poaching in the protected area along the right-of-way (ROW).</p>	<ul style="list-style-type: none"> <li>The SEA findings of Dr. Navarro that the re-routed pipeline does not intersect primary tropical forest as defined by OPIC were independently reviewed, and as required by OPIC's Board, were determined to be "reasonable." (Pinard report)</li> <li>A detailed, kilometer-by-kilometer on-the-ground biological survey of the ROW confirmed that the pipeline does not intersect any primary tropical forest. (Rio San Miguel -San Matias Pipeline Routing Survey, September 1999)</li> <li>Secondary impacts of "out-takes" in Bolivia: The pipeline has a limited capacity, which is already committed to the Brazilian market. Any additional increase in pipeline capacity will all be for the Brazilian market. There is not a sufficient economic base in that region of Bolivia to support "out-takes."</li> <li>Upstream Impacts: Sufficient gas to supply the project is available from existing reserves. Therefore, there is no need for, or plans to undertake, additional exploration to supply the project. YPF must set aside sufficient gas from their existing reserves to back up the whole 19 years of the contract.</li> <li>Mitigation Too General: Detailed mitigation plans are included in Phase II SEA: reducing the ROW to 3 meters in sensitive areas, and extensive revegetation of the ROW throughout the Chiquitano forest and other highly sensitive areas. Mitigation plans detail the use of vegetation plugs, 50 meter wide iron gates, and patrols to mitigate and prevent colonization, ROW access, and hunting/fishing etc. both during and after construction and throughout the life of the pipeline.</li> </ul>
<p>No independent monitoring or grievance mechanism has been proposed with the exception of allowing for stakeholders to take part in occasional fly-overs.</p> <p>Indigenous organizations have sent a letter to OPIC regarding their concerns for the secondary impacts in the protected area of Chiquitano including the observation that logging and mining concessions that to date have been dormant are beginning to seek means to operate in the protected area (OPIC and ENRON's investments directly stimulate this trend) contributing to conflict over land use.</p>	<p>During construction AATA International, Inc. is providing independent monitoring for OPIC. In addition, the Environmental and Social Monitoring System (ESMS) provides specific protocols for community grievances, and the implementation of the Worker Code of Conduct and social commitments. This includes a Social Group consisting of a Social Scientist, IPDP Coordinator, Public Relations Officers, and Community Liaison Officers (CLOs), all of whom are responsible for social aspects of the ESMS. In particular, the CLOs are the officially designated mechanism for community grievances.</p>	<ul style="list-style-type: none"> <li>This letter is not from an indigenous organization, but from an NGO out of Santa Cruz (FOBOMADE).</li> <li>It has been our experience that existing logging and mining production responds to increases in demand and price. The reasons for the dormancy have been a sharp rise in production and transport costs and drops in prices. If the sponsors are successful in preventing the use of the ROW for transport, the presence of the pipeline should not affect any of these factors. Land titling programs are giving the indigenous secure title over their land. However, we will ask AATA to investigate these concerns and report back to OPIC.</li> </ul>

<sup>1</sup> Prepared by: Amazon Watch (September 20, 1999)

Sources: PROBIOMA, CIDOB, FOBOMADE, World Wildlife Fund, Friends of the Earth, Amazon Watch



OPIC Board Conditions	NGO Comments <sup>1</sup>	OPIC Response
<p>3) SEA Phase II is widely distributed in English and Spanish and the comments on the report are taken into consideration in the preparation of the final plan; NGOs and indigenous organizations who have signed the various agreements with the sponsors have had an opportunity to review and comment on the plan.</p>	<p>Concerns have been expressed about the recent fires in the region which engulfed nearly 100,000 hectares of Chiquitano and Chaco forests in the nearby Guarayo indigenous area. The ROW through the Chiquitano will make the dry forest more vulnerable to major fires.</p> <p>According to civic leaders from Taperas, San Jose, and Buena Vista, the SEA Phase II did not get distributed directly to local populations most affected. Project sponsors consulted and informed municipal authorities which in this case are 50 km from the towns where construction camps and pipeline storage areas are located.</p>	<p>The recent fires in the region demonstrated that man-made fire is a common occurrence in the area and is used by loggers and cattle ranchers to clear underbrush. With effective monitoring, the ROW will not contribute to an increase in these types of human activities. Moreover, the pipeline ROW, since it will be kept clear of underbrush and will just contain native grasses, is more likely to act as a fire break than to enhance the likelihood or accelerate the spread of fire.</p> <p>1) The SEA II was distributed directly to elected representatives of 3 communities: San Matias (1 km from ROW), San José (25 km), and Taperas (50 km). San Matias and San Jose both represent the capitals of their respective provinces, and as such have purview and responsibility for all the small communities in the vicinity of the pipeline.</p> <p>2) The SEA II was distributed to 6 indigenous organizations, which represent the Chiquitano, and Ayoero peoples who inhabit the 26 small communities in the vicinity of the pipeline.</p>
<p>The consultations came late in the process – consultations held after ENRON crews had built camps, moved in the equipment, and cleared 50 km of the route. PROBIOMA asks what if the point of consultation if it comes after the construction is well underway?</p>	<p>The consultations came late in the process – consultations held after ENRON crews had built camps, moved in the equipment, and cleared 50 km of the route. PROBIOMA asks what if the point of consultation if it comes after the construction is well underway?</p>	<p>As demonstrated by the attached chronology, consultations with local communities began in September of 1997, more than two years before clearing of the ROW began in July of 1999. Consultations are continuing through construction activities.</p>
<p>To date, information such as the Worker Code of Conduct or Mitigation Plans are not available at the community level. It is difficult if not impossible for most to travel 50 km to a government office to learn about mitigation measures that are supposed to take place.</p>	<p>The Provincial Environment and Development Forum reports that written comments, inquiries, or complaints of misconduct are not taken into account in the reports and have not been responded to.</p>	<p>(1) Dames &amp; Moore CLOs distributed the Worker Code of Conduct to local communities in July and August. AATA was present at one such meeting in Buena Vista on 7/31/99 where the Code of Conduct was distributed to all meeting attendees.</p> <p>(2) A meeting was held on Mitigation Measures in Santa Cruz on 8/10/99 where representatives of the local communities and indigenous organizations were present. At this meeting, ENTRIX and the project sponsors committed to schedule workshops in the field to convey aspects of the mitigation of secondary impacts and revegetation plans to local communities. These workshops have been held and attended by AATA, OPIC's independent auditor.</p> <p>Every complaint is documented by the sponsor's environmental and social monitor, Dames and Moore (D &amp; M) and there is a structured procedure for investigating and resolving complaints. Anyone who has a complaint that he or she believes has not been addressed may send them directly to the D &amp; M community liaison representative. Complaints not resolved within 24 hours are put into a spreadsheet, discussed at weekly meetings, and tracked until resolved.</p>

<sup>1</sup> Prepared by: Amazon Watch (September 20, 1999)

Sources: PROBIOMA, CIDOB, FOBOMADE, World Wildlife Fund, Friends of the Earth, Amazon Watch



OPIC Board Conditions	NGO Comments <sup>1</sup>	OPIC Response
<p>4) An Environmental and Social Management System (ESMS) has been developed that will provide:</p> <p>a) Implementation of the Environmental Management Plan and Indigenous Peoples Development Plan (IPDP); oversight including daily monitoring of the construction process;</p> <p>b) assure that the route is altered to avoid any areas of critical habitat or primary forest.</p>	<p>To date there has not been an adequate environmental and social management system to avoid or mitigate many of the social and environmental impacts. Final copies of the EMP have not been distributed; meanwhile construction is rapidly progressing.</p> <p>It is clear from instances such as are mentioned in #5 below, that daily monitoring of the construction process is inadequate.</p>	<p>1) The ESMS is 600 pages long, and exhaustively covers all environmental and social laws, norms, and commitments by project sponsors.</p> <p>2) The ESMS has been distributed to project sponsors, the management team, the construction and environmental contractors, and OPIC. Abbreviated field guides based on the ESMS have been distributed to field personnel in Spanish, English, and Portuguese. Extensive training has also occurred based on these guides. Copies of the guides are available from the sponsors.</p> <p>(1) Project sponsors have hired D &amp; M to monitor the implementation of the ESMS. There are 28 D &amp; M environmental monitors (including archaeologists, biologists, CLOs, environmental trainers and inspectors) in Bolivia alone.</p> <p>(2) AATA has two permanent field inspectors monitoring construction operations and adherence to environmental and social commitments. AATA reports non-compliance issues to OPIC and D &amp; M, who take the issues to project sponsors and/or contractors for prompt remediation.</p>
	<p>Leading scientific experts and local NGOs agree that the route alterations proposed under the current scenario will not spare the critical habitats and primary forests rather the alterations will lead to a longer route - by zig zagging - and the degradation of a greater area of primary Chiquitano Forest. In some cases, the alterations of the route improve access for the mining and logging camps in the protected area.</p>	<p>Extensive route alterations have been made in response to the EIA, the SEA and the Rio San Miguel - San; Matias Pipeline Routing Survey to ensure that the ROW avoids all actual and potential critical habitats. If by chance, something was missed, the ESMS provides for workstoppage and further reroutes if necessary. Work stoppage and reroutes have occurred to accommodate both ecological and archaeological issues.</p>
<p>5) Provide adequate environmental training programs to project employees and make arrangements to minimize and effectively mitigate impacts to local communities.</p>	<p>The contractor Bolinter built the construction camp 200 meters from the main plaza of the town of San Jose even through the requirements of the Vice Ministry of Sustainable Development had been for the camp to be 5 km away and GOB had agreed to 1.5 km distance from the town.</p> <p>On August 24, 1999 a formal complaint was made regarding the Lourdes construction camp by the owner of a local ranch down river from Lourdes. He said that trash from the camp was being dumped along the riverbanks.</p>	<p>The camp was built near the town of San Juan, not San Jose. The camp was built closer to the town plaza than originally planned at the explicit request of the community so that they could benefit from certain camp infrastructure. Once the camp is decommissioned, the town will benefit from the establishment of the drinking water well and the elevated storage tank. Previously, community members had to walk 90 minutes to obtain water from a contaminated stream.</p> <p>The garbage issue was early on and dealt with quickly. The rancher is benefiting from rents and will also benefit from installations (the well and buildings) left behind by the camp.</p>

<sup>1</sup> Prepared by: Amazon Watch (September 20, 1999)  
Sources: PROBIOMA, CIDOB, FOBOMADE, World Wildlife Fund, Friends of the Earth, Amazon Watch

OPIC Board Conditions	NGO Comments <sup>1</sup>	OPIC Response
<p>Local civic groups who work with the Santa Cruz Forum for Env'y and Dev't have reported that contractors and subcontractors transporting piping from Taperas to Lourdes and Taperas to San Matias via San Jose de Chiquitos are having the following serious impacts on the region: destruction of the streets of Taperas, continuous dust clouds, fuel spills, excessive obstruction of the road for local traffic, and degradation of the Taperas-San Jose road.</p>	<p>1) World Wildlife Fund, one of the five signatories to the CFCC, has withdrawn support and refused to sign the final Protocol agreement.</p> <p>2) Indigenous organizations, local community organizations, as well as the Bolivian government (Ministry of Sustainable Development) have all sent letters to OPIC objecting to the lack of local participation in the negotiation of the Protocol and in the proposed management structure of the Fund and have charged that the Protocol is in violation of Convention 169 of the ILO.</p>	<p>Traffic congestion and dust accompany pipeline construction projects throughout the world. The AATA field team reports that minor grievances were expressed early on in the project about the dust, heavy traffic, and minor oil spills left behind in a temporary facility used for maintenance and used parts. The issues were promptly fixed, including the construction of a by-pass road around the town, and relations between the contractors and the town itself have been positive since. The transportation of pipe has now been concluded. The Taperas-San Jose road was upgraded to facilitate the transportation of pipe to San Matias and any road damage will be repaired. The sponsors will ensure that any residual impacts are mitigated.</p> <p>The Protocol was an initial framework document negotiated between the sponsors and local NGOs. The implementation plan for the Chiquitano Forest Conservation Program includes mechanisms for local stakeholder consultation, including participation by the Bolivian government, indigenous organizations and other communities. This process is just beginning.</p>
<p>6) A Protocol with 5 conservation organizations has been signed creating the Chiquitano Forest Conservation Consortium (CFCC); creation of a steering committee; and legal establishment of the CFCC trust.</p>	<p>7) Judgements regarding primary tropical forest by Gonzalo Navarro from the SEA Phase I have been independently confirmed as reasonable judgements.</p>	<p>Upon receipt of the FOIA request on August 31, 1999 OPIC informed the requester that the Pinard review had not been completed and that it would be released by OPIC when it was available. The FOIA request was withdrawn.</p> <p>OPIC received the Pinard report on September 20 and voluntarily distributed copies to the requester and other NGOs at a meeting on September 22.</p>

<sup>1</sup> Prepared by: Amazon Watch (September 20, 1999)  
Sources: PROBIOMA, CIDOB, FOBOMADE, World Wildlife Fund, Friends of the Earth, Amazon Watch

OPIC Board Conditions	NGO Comments <sup>1</sup>	OPIC Response
<p>8) The governments of Brazil and Bolivia endorse and support the Project's conservation efforts in the areas around the pipeline, and have committed to participate in the conservation plans and to promote their implementation.</p>	<p>OPIC has failed to respond to several letters sent by the Bolivian Government Ministry of Sustainable Development regarding the outstanding permit for the San Matias protected area; and requesting information on the Conservation Fund and inquiring why SERNAP was not included as a party to the agreement since it is in charge of the management of all protected areas in Bolivia. To date, OPIC has not replied to these letters. The Bolivian Government does not recognize the Protocol Agreement as an officially sanctioned Conservation Plan for the region.</p>	<ul style="list-style-type: none"> <li>The construction permit for San Matias Integrated Management Area was issued by the Ministry of Sustainable Development on June 16, 1999, fully three months before the onset of construction in the San Matias area.</li> <li>OPIC has communicated to the Ministry the fact that OPIC is not a party to the Protocol or the Chiquitano Forest Conservation Program. The CFCP is not a government program. As envisioned in the Protocol it is a privately funded conservation program, similar in structure to other such partnerships between corporations and environmental organizations elsewhere in the world.</li> </ul>
	<p>The Bolivian Ministry of Sustainable Development has not given ENRON the final clearance for entering the San Matias Protected Area since a number of conditions for the permit are still outstanding including sign off on the Conservation Plan for San Matias. To date, the permit has not been authorized. However, local monitoring crews report that ENRON employees have begun entering the protected area.</p>	<p>The construction permit for San Matias Integrated Management Area was issued by the Ministry of Sustainable Development on June 16, 1999, fully three months before the onset of construction in the San Matias area.</p>

<sup>1</sup> Prepared by: Amazon Watch (September 20, 1999)

Sources: PROBIOMA, CIDOB, FOBOMADE, World Wildlife Fund, Friends of the Earth, Amazon Watch

**CUIABA PIPELINE PROYECT  
PARTICIPATION AND CONSULTATION RECORD**

**August 1997**

1. **8/97: Contacted personnel of the Universidad Autonoma Gabriel Rene Moreno (UAGRM) for their participation in the EIA.** The project is described and the following staff from the Museo and UAGRM decided to participate in the EIA: Teresa Centurión, botanist of the Carrera de Biología, Luzmila Arroyo, botanist of the Museo Noel Kempff (from the group of students of Tim Killeen), Roxana Coca, ichthyologist of the Museo Noel Kempff, Lila Sainz, mammals expert from the Carrera de Biología, and Nelson Vaca, herpetologist of the Carrera de Biología.

**September 1997**

2. **9/97. Meeting in ENTRIX's offices with representatives of Transredes, USAID, Parque Nacional Gran Chaco and CIDOB.** The objective of the meeting was to inform USAID about the project. Work Plan and maps were distributed to the participants.
3. **9/15/97. Meeting in CIDOB-Santa Cruz offices between consultants of ENTRIX-PCA and a representative of CIDOB** to inform the beginning of the EEIA Gasoducto Río San Miguel-San Matías
4. **9/20/97. Meeting in San José de Chiquitos, Provincia Chiquitos, between 24 authorities and representatives of the municipality and consultants of ENTRIX-PCA.** The purpose of the meeting was to inform about the project.
5. **9/21/97. Meeting in CICH-TURUBO offices in San José de Chiquitos between representatives of this organization and consultants of ENTRIX-PCA.** The purpose was to inform about the project and to obtain their opinions and recommendations about the project.
6. **9/21/97. Meeting in San José de Chiquitos between representatives of the Asociación de Ganaderos de San José (cattlemen association) and consultants of ENTRIX-PCA** to analyze the EEIA process and to analyze economic impacts of the project.
7. **9/22/97. Meeting in Buena Vista, Provincia Chiquitos, between representatives and neighbors of the community and the consultants of ENTRIX-PCA.** The purpose was to inform and to obtain local expectations of the project.
8. **9/22/97. Meeting sustained in San José de Chiquitos, Provincia Chiquitos, between representatives and neighbors of the community and the consultants of ENTRIX-PCA.** The purpose was to inform and to obtain local expectations of the project.
9. **9/23/97. Meeting in Ipias, Provincia Chiquitos, between representatives and neighbors of the community and the consultants of ENTRIX-PCA.** The purpose was to inform and to obtain local expectations of the project.
10. **9/23/97. Meeting in Ramada, Provincia Chiquitos, between representatives and neighbors of the community and the consultants of ENTRIX-PCA.** The purpose was to inform and to obtain local expectations of the project.

11. 9/23/97. Meeting sustained in Entre Ríos, Provincia Chiquitos, between representatives and neighbors of the community and the consultants of ENTRIX-PCA. The purpose was to inform and to obtain local expectations of the project.
12. 9/26/97. Meeting in San Matias, Provincia Angel Sandóval, between representatives of CIRPAS and consultants of ENTRIX-PCA. The purpose was to inform about the project and to obtain their opinions and recommendations about the project.
13. 9/26/97. Meeting in San Matias, Provincia Angel Sandoval, between 22 authorities and representatives of the municipality with and consultants of ENTRIX-PCA. The purpose was to inform about the project and to obtain their opinions and recommendations about the project.
14. 9/28/97. Meeting in Candelaria, Provincia Angel Sandoval, between representatives and neighbors of the community and consultants of ENTRIX-PCA. The purpose was to inform about the project and to obtain their opinions and recommendations about the project.

#### October 1997

15. 10/16/97. Meeting in La Paz between representatives of Dirección General de Biodiversidad (DGB) and ENTRIX-PCA. The objective was to inform about the project and the EIA process. Further coordination between ENTRIX-PCA and DGB was discussed as well as possible option for supporting a Conservation Plan for the protected area.
16. 10/31/97. Meeting between representatives of Prefectura del Departamento de Santa Cruz, TRANSREDES and ENTRIX-PCA. The objective of was to request information from the project and specifically on the Community Relation Plan (CRP) for San Matias.

#### November 1997

17. 11/4/97. Meeting sustained in Santa Cruz, among Mr. Manuel Vaca, Mayor of San Matias and representatives of ENTRIX-PCA. The objective of the meeting was to discuss the evolution of the CRP San Matias. It was established that on the 11 "The identification of necessities guide" would be presented.
18. 11/11/97. CICH-TURUBO presented to ENTRIX-PCA a "Identification of Necessities Form", main input for the IPDP.
19. 11/11/97. Municipality of San Matias submitted an "Identification of Necessities Guide", main input for preparation of CRP San Matias.
20. 11/15/97. CIRPAS submitted a "Identification of Necessities Form", main input for preparation of the IPDP.
21. 11/21/97. Meeting in Santa Cruz between representatives of the Prefectura del Departamento de Santa Cruz and consultants of ENTRIX-PCA, to present to local authorities the report on "Identification of Necessities".
22. 11/26/97. Meeting in Santa Cruz between the General Manager of FAN (local NGO) and the consultants of ENTRIX-PCA to inform about the project and of the realization of the EIA.



### December 1997

23. 12/4/97. Meeting in Santa Cruz between representatives of CIDOB, TRANREDES, and ENTRIX-PCA, in order to explain concerns of the indigenous leaders in relationship to the possible initiation of project works.
24. 12/24/97. Meeting in Santa Cruz with representatives of CICH-TURUBO. They requested a fiduciary fund for the operation of this organization.

### January 1998

25. 1/9/98. Meeting in Santa Cruz, among a representative of CPTI-CIDOB and a consultant of ENTRIX-PCA. The objective of the meeting was to request information regarding the state of the land titling process for the communities located in the area of influence and to define the procedure for the analysis and discussion of the IPDP.

### March 1998

26. 3/17/98. Meeting in La Paz between representatives of DGB, ENTRIX-PCA, ENRON and Gas Transboliviano. The objective was to discuss the Handling Plan and Fiduciary Fund for the Protected Area. DGB stated they were interested in the direct administration of the area.
27. 3/23/98. WWF Bolivian Pantanal Workshop in Santa Cruz. A consultant from ENTRIX-PCA assisted the workshop but was informed there was not enough room in the workshop for more participants. He was also told this workshop was not meant for consultants. Transredes attended the workshop.

### May 1998

28. 5/6/98. Correspondence from OICH to Edgar Uribe of ENTRIX in order to present OICH as the representative organization of the Chiquitano people.
29. 5/14/98. Submission of the Environmental Management Plan (Plan de Aplicación y Seguimiento Ambiental) to CIDOB.
30. 5/14/98. Submission of the Environmental Management Plan (Plan de Aplicación y Seguimiento Ambiental) to the Government of San Matías.
31. 5/14/98. Submission of the Environmental Management Plan (Plan de Aplicación y Seguimiento Ambiental) to the Government of San José.

### June 1998

32. 6/3-4/98. Internal workshop of OICH, CICH-TURUBO and CIRPAS in CIDOB's office. The objective was to perform the first revision of the IPDP and to define steps for future validation process.
33. 6/8/98. Meeting in CIDOB among representatives of CIDOB, OICH, CPTI, GOB and ENTRIX-PCA to prepare a chronogram of activities for the validation and approval of the IPDP.

34. 6/9/98. Meeting in San José de Chiquitos between the municipality and representatives of GOB and ENTRIX-PCA. The objective was to sign an agreement on the objectives and extent of the CRP San José.
35. 6/10/98. Meeting in CICH-TURUBO-San José de Chiquitos, among representatives of CIDOB, OICH, CPTI, CICH-TURUBO, GOB and ENTRIX-PCA. The purpose of the meeting was advancing in the consultation process and validation of the IPDP.
36. 6/12/98. Meeting in San Matías, between 16 authorities and representatives of the municipality of San Matías and consultants of ENTRIX-PCA. The objective was to sign an agreement on the objectives and extent of the CRP San Matías.
37. 6/13-15/98. Seminar-Workshop in San José de Chiquitos organized by CICH-TURUBO with 78 indigenous delegates, the objective was validation of the IPDP.
38. 6/15/98. Indigenous organizations issued preliminary observations from the IPDP to consultants of ENTRIX-PCA.
39. 6/19-21/98. Seminar - Workshop in San Matías, organized by CIRPAS with 89 indigenous delegates, the objective was validation of the IPDP.
40. 6/20/98. Meeting in Santa Cruz, among Mr. Santos Saucedo, Priest of Santa Teresita and a consultant of ENTRIX-PCA. IPDP information related to Ayoreas communities of Tobité and Santa Teresita was exchange.
41. 6/25/98. A copy of the EIA is presented to CIDOB.
42. 6/25/98. A copy of the EIA is presented to the Alcaldía of San José de Chiquitos.
43. 6/25/98. A copy of the EIA is presented to the Alcaldía de San Matías, Provincia Angel Sandoval.
44. 6/27/98. Proposal from the Indigenous Organizations of the Indigenous People Development Plan was submitted to ENTRIX-PCA.

#### Julio 1998

45. 7/7/98. Meeting in IPE among representatives of the CIDOB, CPTI, IPE, and ENTRIX-PCA and Indacochea to analyze compensations from damages caused by the surveyor crew and some contracts of servitude in Angel Sandoval's community lands.
46. 7/20/98. Delivery of EIA to World Wildlife Fund Bolivia (WWF Bolivia) for their revision.

#### August 1998

47. 8/3/98. GOB submitted a "frame agreement" among GOB and Dirección Nacional de Antropología y Arqueología (National Bureau of Anthropology and Archaeology, DINAAR) in order to coordinate protection of archaeological resources in the study area.
48. 8/3/98. GOB submitted to DGB a Conservation Plan for sensitive areas including the Area Natural de Manejo Integrado San Matías (ANMI San Matías).

#### September 1998

49. 9/98. Delivery of EIA the Lic Montaña of the Museo Noel Kempff of the UAGRM for their revision.

50. 9/98. Delivery of EIA to Mike Smith of Transredes.
51. 9/10/98. Meeting in La Paz between INRA's Sr. Jaime Soriano and representatives of GOB, IPE, and ENTRIX-PCA.
52. 9/18/98. Meeting in La Paz between representatives of DGB, Viceministerio de Energia e Hidrocarburos (VMEH), ENTRIX-PCA, and GOB. A Conservation Plan for the protected area and the consultation process between ENTRIX-PCA and DGB was discussed.
53. 9/18/98. Meeting in La Paz between representatives of the Viceministerio de Asuntos Indigenas y Pueblos Originarios (Bolivian Government Indigenous Peoples Bureau, VAIPO), GOB, VMEH, y ENTRIX-PCA. In the meeting the consultation process with the indigenous people and compensation of damages caused by surveyor crew was explained to the authorities.

**November of 1998**

54. 11/16/98. Letter to the Director of DINAAR to request authorization for the realization of the study "Archaeological Assessment of the Right of Way of the Gasoducto Río San Miguel-San Matías."
55. 11/16/98. Letter to the Mayor of San José de Chiquitos to inform the realization of the study "Archaeological Assessment of the Right of Way of the Gasoducto Río San Miguel-San Matías".
56. 11/16/98. Letter to the Mayor of San Matías to inform the realization of the study "Archaeological Assessment of the Right of Way of the Gasoducto Río San Miguel-San Matías".

**January of 1999**

57. 1/5/99. Meeting in Santa Cruz between representatives of OPIC, CIDOB, CPESC, and ENTRIX - PCA, discussed advances in the agreement process and validation of the IPDP.
58. 1/7/99. Meeting with Lic Miriam Melgar Paz of NGO Asociación Hombre and Naturaleza-Bolivia. She knew about the project and explained the interest of Asociación Hombre and Naturaleza-Bolivia in being able to participate in any eco-tourism programs.
59. 1/7/99. Meeting in Santa Cruz with the participation of the Mr. Scott Jackson of the timber company Berna, OPIC's Angel Miller, Nancy Dean, and Mary Mervenne, ENRON's Abe Moreno and Dirk Peterson and ENTRIX's Enzo Conti. The objective was to provide information on the timber concessions and the forest exploitation in the department of Santa Cruz.
60. 1/15/99. Meeting in CIDOB's offices in Santa Cruz with participation of representatives from CIDOB, CPESC and ENTRIX-PCA. The objective was to inform CIDOB new authorities about the consultation process and agreement related to IPDP. Indigenous Representatives asked about the project and issues that were still pending in the IPDP.
61. 1/21/99. Answer to a letter sent by CIDOB to the Mrs. Nancy Dean of OPIC, titled: "Observations to the Environmental Impact Study -Cuiabá Pipeline, Bolivian Portion."



62. 1/26-27/99. Meeting-Workshop in Centro Multifuncional Kolping of Santa Cruz with participation of representatives of VAIPO (Bolivian Government Indigenous People Bureau), UMA/VMEH (Viceministry of Energy), OICH, CICH-TURUBO, CANOB, CIRPAS, CPESC and ENTRIX-PCA, the objective of the workshop was to discuss the agreement process of the IPDP.

#### February of 1999

63. 2/2/99. Interview in Santa Cruz, among Enzo Conti of ENTRIX-PCA and timberman Hugo Rodas Daza. The objective was to obtain information on water resources and forest exploitation in the area of the ROW.
64. 2/3/99. First Draft Agreement from Indacochea and Associated (GOB lawyers) to the indigenous organizations.
65. 2/5/99. Interview in Santa Cruz between timber company Manager Mr. Antonio Ferrufino Maida and Mr. Enzo Conti of ENTRIX-PCA, the meeting was to obtain information on forest exploitation in Santa Cruz.
66. 2/8/99. ENTRIX-PCA sent to DINAAR's Director (National Bureau of Anthropology and Archaeology) the report "Archaeological Assessment of the Right of Way of the Gasoducto Río San Miguel-San Matías".
67. 2/8/99. ENTRIX-PCA sent to the Mayor of San José de Chiquitos the report "Archaeological Assessment of the Right of Way of the Gasoducto Río San Miguel-San Matías".
68. 2/8/99. ENTRIX-PCA sent to the Mayor of San Matías the report "Archaeological Assessment of the Right of Way of the Gasoducto Río San Miguel-San Matías".
69. 2/10-12/99. CICH-TURUBO-CIRPAS-CANOB Workshop in San Ignacio of Velasco, with the objective of socializing the IPDI, revision of the draft agreement, identification of the communities located in the area of influence and to designate delegates to a Technical Committee.
70. 2/18/99. CIDOB sent to Indacochea and Associates (legal representatives of GOB) Observations to the Draft of Agreement for the Execution of the IPDI.
71. 2/25/99. San José de Chiquitos Mayor sent ENTRIX-PCA a counterproposal for the CRP budget and a draft agreement.
72. 2/26/99. GOB answers observations to the Draft Agreement presented by CIDOB.
73. 2/26-27/99. Technical Workshop in Centro Multifuncional Kolping of Santa Cruz to set bases for the Agreement that will give place to the implementation of the IPDP.

#### March of 1999

74. 3/2/99. Mr. Enzo Conti of ENTRIX PCA met with Mr. Guillermo Roig, manager of a timber company close to the pipeline ROW to obtain information on water resources and forest exploitation.
75. 3/8/99. GOB sends to the indigenous representatives a reformulated IPDP that includes contributions from different indigenous organizations.
76. 3/10/99. GOB sends Second Draft Agreement to the indigenous organizations.
77. 3/11/99. The Government of San Matías sent GOB/ENTRIX-PCA a Counterproposal for the Provincia Angel Sandoval CRP.

78. 3/9-12/99. Consultation Workshop with bottom organizations carried out by CICH-TURUBO in San José Chiquitos to inform about agreements reached in the Technical Committee meeting celebrated from February 26 and 27, 1999.
79. 3/9-12/99. Consultation Workshop with bottom organizations carried out by CIRPAS in San Matías to inform about agreements reached in the Technical Committee meeting celebrated from February 26 and 27, 1999.
80. 3/9-12/99. Consultation Workshop with bottom organizations carried out by CANOB in Tobitá to inform about agreements reached in the Technical Committee meeting celebrated from February 26 and 27, 1999.
81. 3/15/99. CIDOB, CPESC, OICH, CICH-TURUBO, CIRPAS and CANOB submitted an answer to the third Draft Agreement presented by the legal representatives of GOB.
82. 3/16/99. IPDP's Technical Commission (OICH-CEADES) submitted to ENTRIX-PCA two amended budgets for the IPDP.
83. 3/16-23/99. Meeting-Workshop en Centro Multifuncional Kolping-Santa Cruz with representatives of CIDOB, CPESC, OICH, CICH-TURUBO, CIRPAS, CANOB, GOB and ENTRIX-PCA. The objective was to reach agreement on IPDP's budget and sign agreement.
84. 3/30/99. GOB supports CIRPAS in the preparation of a report on UTM coordinates and economic information on 19 communities in the San Matías area.
85. 3/31/99. GOB hired a consultant in agricultural economy with the objective of evaluating sustainability and rationality in the IPDP budget elaborated by the OICH-CEADES.

#### April of 1999

86. 4/13/99. GOB, CPESC, and ENTRIX-PCA met in CPESC office to analyze the agreement process and schedule signing of agreement.
87. 4/14/99. Meeting between ENTRIX with representatives of WWF, Museo Noel Kempff, National Museum of Natural History of La Paz, WCS, FAN and independent consultants to discuss work plan of the SEA.
88. 4/15-25/99. SEA's field works with WWF, Museo Noel Kempff, National Museum of Natural History of La Paz, WCS, FAN, independent consultants and ENTRIX.
89. 4/15/99. ENTRIX and CCICH-TURUBO met in TURUBO's offices to inform about the realization of a Supplementary Environmental Assessment.
90. 4/15/99. ENTRIX met with authorities of San Matías, to inform about the realization of a Supplementary Environmental Assessment.
91. 4/15/99. ENTRIX met with authorities of San José de Chiquitos, to inform about the realization of a Supplementary Environmental Assessment.
92. 4/15/99. ENTRIX met with CIRPAS in the offices of CIRPAS, to inform about the realization of a Supplementary Environmental Assessment.
93. 4/16/99. Letter sent by Mr. José Castro of ENTRIX to CIRPAS Mr. Prosperous responding to their participation demand in SEA.
94. 4/27/99. Workshop among ENTRIX, Museo Noel Kempff, National Museum of Natural History of La Paz and independent consultants to discuss results and coordination of future work for the SEA.

95. 4/30/99. ENTRIX-PCA Mr. Enzo Conti met Mr. Hugo Rodas Daza, to obtain information of the SEA project area and some details on timber exploitation in the pipeline area of influence.

#### May of 1999

96. 5/12/99. Meeting in Santa Cruz, among representatives of the community of Taperas, the NGO PROBIOMA and ENTRIX-PCA to receive concerns of the town in connection with the pipe storage area in Taperas.
97. 5/10-13/99. Meeting in Santa Cruz, to sign the agreement with the indigenous organizations.
98. 5/14/99. Informative meeting in San José de Chiquitos, with representatives of TURUBO and other communities affected by the pipeline project regarding the signed agreement.
99. 5/17/99. Letter sent to the community of Taperas by GOB and ENTRIX-PCA, to request a meeting for May 19 1999.
100. 5/19/99. Meeting held in the Community of Taperas between representatives of the community and members of GOB, BOLINTER, GTB and ENTRIX-PCA, to discuss the conflict due to the presence of pipe storage area in town. Measures to mitigate impacts were also analyzed.
101. 5/26/99. Meeting in San Matías, between authorities, GOB and ENTRIX-PCA to reach and agreement on the CRP budget.
102. 5/24-30/99. Workshop in Santa Cruz, among representatives of the indigenous organizations, consultants of CEADES, GOB and ENTRIX-PCA, to revise and approve the IPDP.

#### June 1999

103. 6/6/99. Interview between Mr. Enzo Conti of ENTRIX-PCA and Mr. Hugo Rodas Daza, to obtain information on the forest exploitation in the area of influence of the pipeline.
104. 6/9/99. Phone interview between Mr. Enzo Conti and Mr. Guillermo Roig, manager of a timber company, to obtain more information on this activity in the area.
105. 6/9-12/99. Workshop in Santa Cruz with participation of representatives of ENRON, FAN, Museo Noel Kempff, WWF and ENTRIX to agree on a conservation plan for ecosystems in the area of the pipeline.
106. 6/22/99. Meeting in Bolinter's office with participation of pipeline construction companies (Bolinter, Conduto. Preussag), Museo, FAN, Indigenous Representatives, ENRON, GOB, and ENTRIX. Primary and secondary impacts, construction of the pipeline, and other items were discussed.

#### July 1999

107. 7/7/99. Meeting in Comité Civico Pro Santa Cruz among AMDECRUZ (Asociación de Municipios del Departamento de Santa Cruz), Mancomunidad (Mancomunnidad de Municipios de la Gran Chiquitania), GOB, PROBIOMA, ENTRIX, Museo, FAN,

WWF, and WCS (Wildlife Conservation Society). Permitting process of the project and Conservation Plan were discussed in this meeting.

108. 7/12/99. Meeting in Comité Civico Pro Santa Cruz among AMDECRUZ (Asociación de Municipios del Departamento de Santa Cruz), Mancomunidad (Mancomunidad de Municipios de la Gran Chiquitania), GOB, PROBIOMA, ENTRIX, Museo, FAN, WWF, and WCS (Wildlife Conservation Society) and Vice Minister of the Environment Sra Neiza Roca. Permitting process of the project and Conservation Plan were discussed in this meeting. Sra Neiza Roca gave her opinion about the permitting process of this project and about the Conservation Plan that will be implemented by the NGOs (Museo, FAN, WWF, and WCS)

**OVERSEAS PRIVATE INVESTMENT CORPORATION**  
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**TO:**

The Honorable Stuart E. Eizenstat  
Deputy Secretary of the Treasury  
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