

Kew, Brian (Contractor)

From: Ritterhoff, Robin
Sent: Monday, July 28, 2003 2:18 PM
To: Kozloff, Keith; Hurley, John
Subject: FW: Camisea

Fyi. I think you both already have this but just in case.

Robin Ritterhoff
Director, Office of International Development Policy
U.S. Treasury Department
1440 NY Ave, Room 3317
Washington, DC 20220

Phone: 202/622-0151/ Fax: 202/622-0218
E-mail: robin.ritterhoff@do.treas.gov

-----Original Message-----

From: Donovan, Meg
Sent: Monday, July 28, 2003 11:48 AM
To: Paulson, Sara; Ritterhoff, Robin; Lee, Nancy
Subject: FW: Camisea

please distribute as necessary

Robin -- could you put this in the package for RQ please?

thanks much

-----Original Message-----

From: Kosmides, Ivy Melinda [mailto:IVYK@iadb.org]
Sent: Monday, July 28, 2003 11:37 AM
To: Meg Donovan (E-mail)
Subject: FW: Camisea

FYI In case you haven't seen this email... Please pass to whomever else you think needs to see it (RKQ; maybe latam office?)

-----Original Message-----

From: Flannery, Dennis E.
Sent: Friday, July 25, 2003 6:58 PM
To: 'david.aufhauser@do.treas.gov'
Cc: 'john.taylor@do.treas.gov'; Iglesias, Enrique; Fourquet, Jose A.; Spinner, Joseph James; 'william.schuerch@do.treas.gov'; 'clay.lowery@do.treas.gov'; Kosmides, Ivy Melinda
Subject: Camisea

Dear Mr. Aufhauser:

4/22/2008

I am writing at the request of Under Secretary John Taylor in relation to the consideration by U.S. Treasury of the Inter-American Development Bank (IDB) proposal to finance the transportation or downstream component of the Camisea Project in Peru. I would like to stress that the IDB takes very seriously environmental and social aspects and the requirements of the U.S. Pelosi Amendment. The IDB has taken extensive actions not only to ensure that the potential negative impacts of the Camisea Project will be mitigated but also to develop initiatives that will actually improve the environmental and social conditions in the areas of influence of the Camisea Project. The commitment of the IDB to the Pelosi Amendment is clearly demonstrated by our degree of compliance with this requirement in the past projects financed by the IDB.

The concept of applying the Pelosi Amendment to the upstream component in this project -- which is an associated facility that is not being financed by the IDB -- to the best of our knowledge, has never occurred in the past either at the IDB or any other multilateral financing institution. While the IDB understands that changes can occur in interpretations and requirements, the IDB does not understand how a new interpretation would be applied to a project just prior to consideration by the Executive Directors without ever having stated this requirement to the IDB. Without knowing the possibility of this new interpretation, the IDB was not in a position at the time (i.e., 120 days prior to Board consideration) to have complied.

The IDB believes that we are in full and complete compliance with the Pelosi Amendment in relation to the project under consideration for financing by the IDB, that is the downstream component. This includes specifically information on the measures needed for the closure of the pipeline right-of-way, such as re-vegetation and access control to the right-of-way. This information was included in the Environmental Impact Assessment of the downstream component and other documents that have been available to the public as early as late 2001. This information has been reviewed by various technical staff at the U.S. Treasury and other U.S. governmental agencies, and the IDB never received any comment that the information was not adequate in terms of complying with the Pelosi Amendment.

In closing, I would like to reiterate that the IDB has taken enormous efforts related to environmental and social issues associated with the Camisea Project, and specifically to meet all requests and requirements presented by the U.S. Treasury including those related to the Pelosi Amendment. The IDB believes very strongly that we are in full compliance with the Pelosi Amendment and that it would be unreasonable to request compliance with a new interpretation without ever communicating this to the IDB in time for the IDB to comply.

We would welcome an opportunity to meet with you and your colleagues at your earliest convenience to discuss this matter in further detail.

Sincerely,

Dennis Flannery
Executive Vice President
Inter-American Development Bank
(202) 623-1200