

Kozloff, Keith

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**From:** James.Mahoney@exim.gov  
**Sent:** Thursday, May 22, 2003 2:06 PM  
**To:** smartinez@pluspetrol.com.ar  
**Cc:** amoons@pluspetrol.com.ar; Karl.Kendall@exim.gov; Popi.Artavanis@exim.gov; jsmartinez@pluspetrol.com.ar; Keith.Kozloff@do.treas.gov; jbonelli@mem.gob.pe; Vasilios.Giannopoulos@exim.gov; Van Houten, Paola  
**Subject:** Meetings in Washington - June 4 and 5

Dear Sandra,

Per the discussion with you, Popi Artavanis and me earlier today, we understand that you will be arriving in Washington on June 4, 2003 to discuss outstanding issues associated with the Camisea project.

We have scheduled a meeting at Ex-Im Bank with you and others from Pluspetrol from 2:00 PM to 4:00 PM on Wednesday, June 4 here at our offices, at 811 Vermont Ave, N.W., in room 1167. We have contacted IDB and indicated that you wish to meet with the lenders as a group (IDB along with Ex-Im Bank) at IDB's offices at about 11:00 (tentatively) on Thursday, June 5.

This tentative schedule will provide time for further discussions, if needed, with us here at Ex-Im Bank between 9:00 AM and 10:30 AM on Thursday morning, before the group meeting at the IDB.

We look forward to seeing you again and discussing the remaining environmental issues associated with the Camisea project.

Regards - Jim Mahoney, Popi Artavanis and Karl Kendall



EXPORT-IMPORT BANK  
OF THE UNITED STATES

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May 21, 2003

Sandra G. Martinez  
Worldwide EHS Manager  
Pluspetrol  
Av. Rep de Panama 3055, Piso 9  
San Isidro, Lima -27, Peru

Dear Ms. Martinez,

During the recent discussions in Washington among the lenders and sponsors of the Camisea project, concerns were raised regarding the development of the LPG Fractionation Plant, subsea pipeline and Marine Terminal at Loberia Beach, which is adjacent to the Paracas National Reserve. This issue raises special concern to Ex-Im Bank. The Loberia Beach site was selected notwithstanding its proximity to the highly sensitive and biodiverse area of the Paracas National Reserve, which also contains the only coastal marine area in Peru protected under the United Nations RAMSAR Convention due to its unique value for its migratory bird population and home to several endangered species, including turtles listed under the Convention for International Threatened and Endangered Species (CITES).

The selection of this site draws further concern because of the lack of an adequate site baseline characterization, impact assessment and proposed mitigation measures. The site was selected before commencing work on important data gathering that will directly define the scope and degree of mitigation measures needed for an acceptable plan to address potential leaks and spills. Of most concern was the lack of information about the site selection process, including information on the alternative sites along the Peruvian coast. The information contained in Pluspetrol's EIA on these matters was not sufficient.

We strongly urge that Pluspetrol consider halting construction at Loberia Beach and take immediate action to seek a lower impact and more environmentally and socially acceptable site for the LPG fractionation plant and marine terminal. Justification of a fractionation and terminal site selection should be based not only on engineering, economic and logistics, but must take into account critical environmental and social parameters.

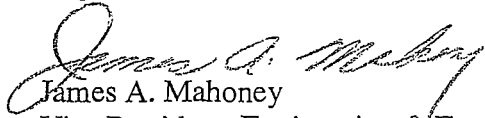
Ex-Im Bank fully understands the importance of this project not only to the Sponsors, but to Peru. However, we believe that further examination of the relative merits of the other

sites, including those noted in Pluspetrol's report that addressed alternatives sites, will yield conclusive evidence that an alternative site would be economically and technically viable, while affording far greater protection to the environment of Peru.

We are copying this message to Ing. Julio Bonelli Arenas, General Director of Environmental Matters with the Ministry of Mines and Energy, and we trust that measures within the Government of Peru can be taken to expedite this matter with minimal impact on the project schedule.

We look forward to discussing this matter with you during the your upcoming planned visit to Ex-Im Bank and to the IDB on June 4 and June 5, 2003.

Regards,



James A. Mahoney  
Vice President; Engineering & Environment Division  
Export-Import Bank of the United States

cc: ING° Julio Bonelli Arenas; Ministerio de Energia y Minas  
Alberto Moons; Pluspetrol