

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 \$200 million as part of the financing of a power project in Brazil and Bolivia (the "Project") sponsored by Enron Corporation, Shell, and Transredes (the "Sponsors"), provided that, prior to any final commitment for the Project, OPIC Management is satisfied that:

- (i) the Project meets all of OPIC's environmental requirements;
- (ii) the report of the second phase of the Supplemental Environmental Assessment ("SEA") related to secondary impacts of the Project in Bolivia provides for practical and effective means of addressing all issues identified in the second phase SEA report that OPIC Management determines are key;
- (iii) the second phase SEA report has been widely distributed in English and Spanish; a meeting (to which members of the Board may be invited by OPIC Management to attend) has been held in Santa Cruz, Bolivia to receive comments on such report; such comments have been taken into consideration in the preparation of the final plan; and, in particular, the non-governmental organizations that have signed the Protocol with the Sponsors and GasBol relating to an Environmental Conservation Program in Eastern Bolivia, and representatives of indigenous peoples organizations that have signed Indigenous Peoples Agreements with the Sponsors and Gasbol, have had an opportunity to participate in this review and comment process;

- (iv) an Environmental and Social Management System has been developed that will (a) implement the Environmental Management and Monitoring Plan and the Indigenous Peoples Development Plans prepared in connection with the Project and approved by OPIC Management, (b) provide for oversight by personnel determined by OPIC to be qualified, including daily environmental monitoring of the construction process, and (c) assure that the route of the pipeline will be altered during the course of construction in order to avoid any areas of critical habitat or primary forest (as "primary forest" is defined in OPIC's Environmental Handbook of April 1999), including such areas of critical habitat or primary forest not identified as such in the Phase I Draft SEA;
- (v) an adequate environmental training program for employees of each contractor and sub-contractor involved in the construction for the Project has been implemented and arrangements have been made to minimize and effectively to mitigate the social impacts of the construction on local communities;
- (vi) all preliminary steps identified in the Protocol signed by the Sponsors and GasBol and five non-governmental organizations (Fundacion Amigos de la Naturaleza, Museo de Historia Natural Koel Kempff Mercado, Missouri Botanical Garden, Wildlife Conservation Society, and World Wildlife Fund) have been carried out, including:
1. Formal signing of the Protocol by all parties, thereby creating the Chiquitano Forest Conservation Consortium ("CFCC"),
 2. Creation of the CFCC Steering Committee, and
 3. Legal establishment of the CFCC Partnership Trust Fund;
- (vii) the judgments made by Dr. Gonzalo Navarro in the Phase I draft SEA and accompanying letter to World Wildlife Fund Bolivia dated May 26, 1999 have been independently confirmed as reasonable