



November 21, 2005

Marcello Mollo
Earthjustice
426 Seventeenth Street, 6th Floor
Oakland, CA 94612-2807

Re: FOIA Case No. 2005-00066

Dear Mr. Mollo:

This completes the Overseas Private Investment Corporation's ("OPIC") response to your August 4, 2005 Freedom of Information Act ("FOIA") request to OPIC, as modified by your September 6, 2005 letter. In the September 6, 2005 letter, you requested copies of the following 14 categories of information concerning the Baku-Tbilisi-Ceyhan pipeline project (the "Project"):

1. OPIC's Project Information Report ("PIR") for the BTC pipeline project.
2. Development Impact Profiles for the BTC pipeline from 2001 to the present
3. OPIC's annual U.S. Economic Effects and Development Impacts "Self Monitoring Questionnaire" ("SMQ") and any related site monitoring records for the BTC pipeline from 2001 to present.
4. OPIC's annual Worker Rights Project Monitoring "Self Monitoring Questionnaire" and any related OPIC site monitoring for the BTC project from 2001 to present.
5. All Resectoral Analyses for the BTC pipeline from 2001 to the present.
6. Environmental monitoring records including OPIC's required annual self monitoring and any related OPIC on-site monitoring for the BTC project from 2001 to the present.
7. A report prepared by the U.S. Agency for International Development (USAID) entitled "Multilateral Development Bank Assistance Proposals Likely to have Adverse Impacts on the Environment, Natural Resources, Public Health and Indigenous People, September 2002-October 2004, Section One, BTC Oil Pipeline".
8. A trip report prepared by USAID in October of 2003, regarding environmental and social impacts related to the BTC pipeline.
9. OPIC's own environmental assessment(s) for the BTC pipeline.
10. Environmental and social covenants to OPIC's finance agreement for the BTC pipeline.
11. Host country notification(s) for the BTC pipeline.
12. Human rights clearance(s) for the BTC pipeline.

13. All studies and reports concerning the risk of leaks from the BTC pipeline in OPIC's possession other than the Oil Spill Response Plan and the documents generated by Parsons listed in Appendix A hereto.
14. OPIC's Development Matrix for the last three years.

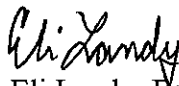
On September 29, 2005, OPIC addressed all categories except 2 and 10, and advised you that it would respond further once it has received and reviewed the Project's sponsor's comments. OPIC has now completed its review of the sponsor's comments. OPIC has determined to withhold the lone document responsive to category 2, in accordance with FOIA Exemption 4. Exemption 4 protects from disclosure commercial or financial information obtained from an outside party the disclosure of which is likely to cause the submitter substantial competitive harm. The document at issue reflects, inter alia, the sponsor's use of funds and strategy, the disclosure of which would place the sponsor at a competitive disadvantage relative to its competitors.

OPIC has determined to disclose the lone item responsive to item 10. Please be advised that OPIC has photocopied these covenants from the executed documents; accordingly, portions of the documents that do not pertain to the environmental or social covenants are deleted as falling outside the scope of your request.

If you are dissatisfied with this response, you may appeal to OPIC's Deputy General Counsel within twenty days of receiving this letter by addressing such appeal to: Deputy General Counsel, Overseas Private Investment Corporation, 1100 New York Avenue, N.W. – 12th Floor, Washington, D.C. 20527. Both the letter and the envelope should be marked "FREEDOM OF INFORMATION ACT APPEAL." In the event you are not satisfied with the results of any such appeal, judicial review is available to you in the United States District Court for the judicial district in which you reside or maintain your principal place of business, or in the District of Columbia.

If you have any questions, please contact me at (202) 336-8418.

Sincerely,


Eli Landy, Esq.
FOIA Director

Enclosure

COMMON TERMS AGREEMENT

DATED 03 FEB 2004

Between

BAKU-TBILISE-CIVILIAN PIPELINE FINANCE B.V.

THE BAKU-TBILISE-CIVILIAN PIPELINE COMPANY

IN FAVOR OF THE SENIOR EXTERNAL LENDERS LISTED IN SCHEDULE 1

IN FAVOR OF THE SPONSOR SENIOR LENDERS LISTED IN SCHEDULE 2

IN FAVOR OF THE FACILITY AGENTS LISTED IN SCHEDULE 3

IN FAVOR OF THE ANTI-CORRUPTION AGENCIES LISTED IN SCHEDULE 4

IN FAVOR OF THE ANTI-CORRUPTION TRUSTEE (as security trustee)

SOCHIBANK (as inter-connector agent)

ABN AMRO BANK N.V. (as modelling agent)

BNP PARIBAS (as technical agent)

AVENTIS AG (as insurance agent)

and

CITIBANK N.A. (as account bank)

ALLEN & OVERY

London

Legal advisers to the Senior External Lenders (other than the Export Credit Agencies)



FRESHFIELDS BRUCKHAUS DERINGER

Legal advisers to the Export Credit Agencies

SULLIVAN & CROMWELL LLP

A LIMITED LIABILITY PARTNERSHIP

Legal advisers to BTC Co. and the Borrower

19.10 Compliance with Applicable Lender Environmental and Social Policies and Guidelines

BTC Co. must comply or cause compliance with the Applicable Lender Environmental and Social Policies and Guidelines.

19.11 Compliance with Environmental Laws and ESAP

BTC Co. must comply or cause compliance in all material respects with the ESAP and all Environmental Laws.

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- (e) **Independent Environmental Consultant:** BTC Co. will pay the Independent Environmental Consultant within 45 days of receipt by the Technical Agent and BTC Co. of an invoice approved by the Technical Agent (after consultation with the Agency Representative) for the reasonable and documented fees and expenses of the Independent Environmental Consultant properly incurred in connection with the agreement for consulting services entered into between, among others, BTC Co. and D'Apollonia S.p.A. on or about the date of this Agreement as follows:
- (i) all work performed in accordance with the terms of the Independent Environmental Consultant's engagement prior to Financial Closing, including all work not forming part of the Independent Environmental Consultant's initial scope of work, provided that the performance of such work was approved by BTC Co.;
 - (ii) review of the certificates set out in schedules 10 and 20 of the Completion Agreements and verification of such certificates by issuance of the certificates set out in schedules 11 and 21 of the Completion Agreements;
 - (iii) the following site visits:
 - (A) one site visit to issue the certificate set out in schedule 11 of the Completion Agreement and one site visit to issue the certificate set out in schedule 21 of the Completion Agreement; and
 - (B) the quarterly verification visits during construction and annual verification visits during operations pursuant to Section 8.2 (Project Quarterly Report (Construction)) of the ESAP; provided that an annual verification visit will not be required for a given year if the Independent Environmental Consultant has

conducted a verification visit in connection with the certificates set out in schedules 10 and 20 of the Completion Agreements, as referred to in subclause (ii), within three months before, or expects to make and actually makes such visit within three months after, the time period specified for such visits in the ESAP; the Independent Environmental Consultant will combine tasks to the extent possible, provided that, in combining an annual verification visit with a verification visit in connection with the certificates set out in schedules 10 and 20 to the Completion Agreements, neither the scope of the Independent Environmental Consultant's annual verification visit nor the scope of its verification visit in connection with schedules 10 and 20 of the Completion Agreements will be narrowed as a result of such combination;

- (iv) review of any notice, information, documentation or amended documentation required to be provided to the Independent Environmental Consultant or the Intercreeitor Agent by BTC Co. under any of the Finance Documents or the ESAP, with respect to which the review, confirmation, concurrence, verification or approval of the Independent Environmental Consultant is required by the relevant Finance Document or the ESAP;
- (v) provision of any certification, satisfaction, confirmation or approval by the Independent Environmental Consultant specifically required under any provision of the Finance Documents, including the ESAP;
- (vi) all work required to be performed in connection with an Unmatured Project Event of Default, a Project Event of Default or a Project Default; and
- (vii) reasonable liaison with any other Consultant necessary to enable such Consultant to carry out its role as contemplated in this Clause 19.30 (Consultants).

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20.5 Notice of defaults and certain other events

(a) BTC Co. must promptly notify the Intercreditor Agent upon its discovery of the occurrence of:

(i)

(ii)

(iii)

(iv)

(v)

(vi) any event which occurs during construction or operation of the Pipeline and is reasonably expected either to give rise to material environmental claims against BTC Co., or to constitute a material breach of the ESAP, the RAP or any OSRP by BTC Co.;

(vii) any accident or incident that has a material adverse effect on the Environment (including social or community impact) or worker health and safety that occurs as a result of Project operations (and in any event no later than three days after becoming aware of such accident or incident), including an indication of when the incident investigation and report is expected to be finalised, and BTC Co. shall provide the Intercreditor Agent with a detailed written report of such incident promptly, in a manner consistent with the notice requirements under the Participants Agreement, after the incident report is finalised;

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(viii) any cessation of construction (for more than 30 days), other than any cessation scheduled in the construction work plan between BTC Co. and an EPC Contractor or, following Physical Completion, operation (for more than three days) of the Pipeline in any of the Project States other than as contemplated in the Development Plan;

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- (b) Each Obligor must provide to the Intercreditor Agent any information reasonably available to it as requested by a Senior External Lender which is required by that Senior External Lender in order for it to comply with applicable money laundering prevention laws and regulations.

20.11 Access

- (a) If an Unmatured Project Event of Default occurs the Borrower must allow the Finance Parties access to its books, records and accounts at reasonable times and on reasonable notice.
- (b) To the extent permitted by applicable law and the Project Agreements, BTC Co. must grant access to the Project site and the technical and statistical data, books, records, accounts and other data in its possession or control or which it has a right to obtain to:

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- (iv) the Independent Environmental Consultant, as set out in Sections 8 (Project Reporting to Lenders and Lender Monitoring) and Annex K (Scope of Environmental Consultants visits) of the ESAP,

in each case, upon the reasonable prior request of such Person, at the risk of such Person, during normal business hours, in a manner that does not disrupt the construction or operation of the Project in any respect and subject to the execution by such representatives (to the extent they are not already bound by similar confidentiality obligations) of a confidentiality agreement which complies with the terms of Clause 35 (Disclosure of information).

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EXECUTION VERSION

BTC-OPIC DIRECT AGREEMENT

OVERSEAS PRIVATE INVESTMENT CORPORATION

THE BAKU-TBILISI-CEYHAN PIPELINE COMPANY

and

BAKU-TBILISI-CEYHAN PIPELINE FINANCE B.V.

Dated as of February 3, 2004

Re: Contract No F320

4.2 WORKER RIGHTS REQUIREMENTS

4.2.1 General

BTC Co. (i) shall not take any action to prevent its employees from lawfully exercising their right of association and their right to organize and bargain collectively and (ii) shall observe applicable laws relating to the minimum age for employment of children, acceptable conditions of work with respect to minimum wages, hours of work, timely payment of wages and benefits, and occupational health and safety, and shall not use forced labor. Without limiting the foregoing, BTC Co. shall operate and develop the Downstream Project in compliance in all material respects with:

- (a) its obligations as a private sector employer under the International Labor Organization Fundamental Conventions with respect to Forced Labor, Freedom of Association and Right to Organize, Collective Bargaining, Discrimination, Equal Remuneration, and Minimum Wage, all as in effect from time to time, and that the Downstream Project shall remain subject to the standards set forth in any and all other international labor and human rights treaties to which any Project State is a party from time to time; and
- (b) in addition and not by way of limitation with respect to Project Activities in Georgia, its obligations as a private sector employer under International Labor Organization Convention No. 95 and Convention No. 131.

4.2.2 Project Contractors

BTC Co. shall require each Project Contractor to comply with the obligations set forth in Subsection 4.2.1 with respect to its employees performing work under Project Contracts.

4.2.3 Non-Compliance

If information concerning material non-compliance or potential non-compliance with the obligations set forth in Subsections 4.2.1 or 4.2.2 with respect to employees of BTC Co. or any Project Contractor comes to the attention of an officer of BTC Co., BTC Co. shall (i) give prompt notice thereof to OPIC and (ii) cure or cause the cure of such non-compliance promptly, effectively, and fairly.

4.2.4 Actions of a Government

Notwithstanding any of the foregoing in this Section 4.2, neither BTC Co. nor any Project Contractor shall be responsible for non-compliance with the Worker Rights Requirements resulting from actions of a government.

4.3 SPECIFIED CTA OBLIGATIONS

For the benefit of OPIC, BTC Co. shall comply with the following obligations under the Common Terms Agreement:

- (a) as provided in Clauses 19.10, 19.11, 19.30(e), 20.5(vi), 20.5(vii), 20.5(viii), and 20.11(iv) (environmental matters);

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(a)

(b)