

Dantzer, Eva J

From: Peters, Catherine L
Sent: Wednesday, May 30, 2012 1:07 PM RELEASED IN PART B6
To: Kizer, Karin L; Caplan, Lee M
Cc: Sheth, Neha; Sharpe, Jeremy
Subject: FW: Chevron, Ecuador and the Trade Preferences Programs
Attachments: ATPA Eligibility One Pager UPDATED 20120511.pdf; draft Demarche to Ecuador re Chevron 20120529.pdf; USTR-2012-0006 Chevron comments.pdf; Fraudulent_Case_vFinal with hyperlinks 210205.pdf; Fraud Rulings by US Federal Courts.pdf

Let me know if you have any thoughts/concerns about DAS Craft's proposed response to Chevron about meeting with his team.

From: Craft, William E
Sent: Wednesday, May 30, 2012 12:31 PM
To: McCarthy, Deborah A; Teel, Wynne M
Cc: Peters, Catherine L; Ballard, Daniela A; Manogue, Robert D; Baird, Whitney Y; Smitham, Thomas D; Kushner, Todd A; Tracton, Michael K; Hormats, Robert D
Subject: FW: Chevron, Ecuador and the Trade Preferences Programs

I am inclined to write back thanking her for the offer to come in, but say that it is not necessary because we are already fully aware of Chevron's concerns. Sound right?

Bill

From: Barry, Lisa B [redacted] [mailto:[redacted]@chevron.com]
Sent: Wednesday, May 30, 2012 12:27 PM
To: Craft, William E
Subject: FW: Chevron, Ecuador and the Trade Preferences Programs

B6

Bill,

Let us know if it would be helpful for us to come over and brief you on this. We can bring some of our lawyers that are working with us on the petitions. We are eager to have the USG send a strong message to Ecuador that the preferences are at risk if they defy the BIT tribunal award. Thanks for your interest and support. I got a note back from Bob advising that he was on top of this.

Regards,
 Lisa

From: Barry, Lisa B [redacted]
Sent: Tuesday, May 29, 2012 12:56 PM
To: 'Hormats, Robert D'
Cc: 'McCarthyDA@State.gov'; 'craftwe@state.gov'; Irwin, William T [redacted]
Subject: Chevron, Ecuador and the Trade Preferences Programs

B6

Bob,

As you may have heard, John Watson had a very good dinner discussion with the Secretary at the dinner honoring PM Noda and took the opportunity to express our concerns about developments in the Chevron Ecuador litigation. Despite the fact that a BIT arbitral panel issued an award directing Ecuador to take all measures to prevent enforcement of the \$18 billion judgment against Chevron, we remain very concerned that they may support efforts by the plaintiffs to enforce the judgment in third countries. The US trade preferences programs are quite clear in terms of the importance of recipient

REVIEW AUTHORITY: Adolph Eisner, Senior Reviewer

countries abiding by the eligibility criteria, particularly the mandatory eligibility criteria which include adherence to the judgments of BIT arbitral panels. We believe it is important and urgent that the USG communicate to the GOE that any actions that they take to support enforcement of this fraudulently-obtained judgment could jeopardize their trade preferences.

Chevron recently submitted formal comments on the operation of the ATPA program, we have drafted a demarche for any USG intervention and we have also included additional background materials that may be helpful, including a one page document outlining the issues. Chevron is also in the process of preparing petitions for the withdrawal of preferences should Ecuador take measures to allow the plaintiffs to enforce the judgment.

We are in discussions with USTR and the White House on the matter and would welcome an opportunity to provide more detail to you and your team at the State Department.

Let me take this occasion to also congratulate you on the effectiveness of your Burma engagement strategy and for the constructive approach toward business and investment, including future oil and gas investments. Chevron looks forward to working with you and your colleagues to ensure that all US businesses entering this market approach the complex environment in a sensitive and constructive fashion.

Thanks for everything you and your team are doing to advance US international economic interests around the world!

Regards,

Lisa Barry