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	<p>5.5 million in dividend payments, a sum that Bolivia claims was included in the original award by the PCA. The total being demanded is therefore US\$41 million. Arce's predecessor, Raúl Montero, had alleged that Rurelec, faced with a sharp fall in its own share price, "took to the media, using fake data, to restore the value of its shares".</p>	
<p>Email chain</p>	<p>From: Ross Denny          Sent: 30 April 2014 13:52          To: Archie Young          Cc: [redacted]          Subject:FW: Rurelec reach agreement with Bolivian Government</p> <p>Archie – [redacted] Rurelec have issued a press release  <a href="http://www.londonstockexchange.com/exchange/news/market-news/market-news-detail.html?announcementId=11938500">http://www.londonstockexchange.com/exchange/news/market-news/market-news-detail.html?announcementId=11938500</a> stating that a comprehensive agreement has been reached with the Bolivian Government for the expedited payment of the award subject only to documentation. Good news. I haven't heard directly from Peter yet. Ross</p> <p>From: Ross Denny          Sent: 29 April 2014 21:14          To: Archie Young          Cc: [redacted]          Subject:FW: FYI</p> <p>Archie,</p> <p>We spoke about this on Friday. I very much hope that we will hear positive news from Peter Earl later day or early tomorrow about the meeting that was due to have taken place today between his company and Bolivia's Attorney General Hector Arce [redacted]</p> <p>Ross</p>	

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	<p>Ross Denny   HM Ambassador   British Embassy La Paz</p> <p>[redacted]</p>	
Email	<p>From: Ross Denny          Sent: 23 April 2014 17:33          To: Archie Young          Cc: [redacted]          Subject:FW: FYI</p> <p>Archie,</p> <p>Just to let you know that I have asked for a call on Juan Carlos Alurralde (deputy Foreign Minister), to ensure the Bolivians are aware of the risks they are running if they default on 30 April. [redacted]</p> <p>I think it might be worth giving the same message to Roberto Calzadilla in London. He [redacted] will understand what Bolivia is facing, and will help ensure it reaches the right ears here on time.</p> <p>Ross</p> <p>[redacted]</p>	
Email chain	<p>From: [redacted]          Sent: 07 May 2014 17:25          To: [redacted]          Cc: [redacted]          Subject:RE: Rurelec and Bolivia - Urgent Action Required</p> <p>[redacted]</p> <p>We can reply to this but will need some advice from Post, I think. We have not come across this case before. According to this news report:</p>	

	<p><a href="http://latino.foxnews.com/latino/news/2014/05/03/bolivia-to-pay-britain-rurelec-315-mn-for-seized-power-firm/">http://latino.foxnews.com/latino/news/2014/05/03/bolivia-to-pay-britain-rurelec-315-mn-for-seized-power-firm/</a></p> <p>Rurelec negotiated a settlement to be paid by The Bolivian Govt for \$10 million less than the arbitral award. All things being equal, our line would be that HMG does not get involved in legal proceedings as brought under the investment treaties we have signed and that if Rurelec has negotiated an amount less than the award then the shareholders like this correspondent should take it up with those in the company responsible. However, before replying politely along these lines, is there anything about the case that FCO is aware which we should know about – e.g. any indirect coercion on the investor that has forced them to accept less compensation, or any discussions FCO has had with the company? If FCO has had an ongoing dialogue with the company on this topic, it would probably be more appropriate for you to respond with some general lines from us on the benefits of investment treaties, but if not we can do it if you/Post can advise as discussed above.</p> <p>[redacted]</p> <p>From: [redacted] Sent: 07 May 2014 14:26 To: [redacted] Subject:FW: Rurelec and Bolivia - Urgent Action Required</p> <p>[redacted]</p> <p>We've had the following email from a member of the public on the UK-Bolivia BIT. As BIS own the policy on BITs I thought I would give your department the opportunity to reply to the correspondent rather than the FCO.</p> <p>Kind regards,</p> <p>[redacted]</p> <p>South America Department   Foreign and Commonwealth Office</p>	
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[redacted]

From: [redacted]  
Sent: 06 May 2014 15:05  
To: FCO Correspondence  
Subject: Rurelec and Bolivia - Urgent Action Required

Dear First Secretary,

As a shareholder of the company Rurelec, an AIM listed British company working in the energy sector, I am appalled by the apparent total disregard for the process of International Bilateral Treaties by the Bolivian Government.

Even though the International Courts have awarded in favour of Rurelec, the Bolivian Government sought - and it appears to have succeeded - in "renegotiating" the value of that sum to their favour.

You can, I am sure, tell the the value of aid payments are paid to that country every year, either by direct UK or indirect via the EU. How is it that such conduct be condoned by the continuance of those payments, indeed what is the value of the Bilateral Treaty when it is most blatantly Unilateral in its substance.

Yet, that said same country goes to the International Courts to seek relief from another dispute - this is neither moral nor in any way fair. The Government of Boliva entered the arbitration process under defined Terms and Conditions they have not honoured, but loans paid by Rurelec to third parties to cover shortfalls caused by this Governments actions must be paid by the company and therefore ultimately me a fellow shareholders.

You must act to prevent a total de-basing of the concept of Bilateral Agreements, or instruct all companies and shareholders that they no longer, in any country, have any value whatsoever.

Yours sincerely,

	[redacted]	
Email	<p>From: Ross Denny                  Sent: 06 May 2014 17:53                  To: [redacted]                  Cc: Archie Young; [redacted]</p> <p>Subject: Bolivia: Call on the Vice Canciller 5 May</p> <p>[redacted]</p> <p>I called on the Vice Canciller (deputy Foreign Minister) Juan Carlos Alurralde this morning. I also took the opportunity to discuss Rurelec.</p> <p>Rurelec</p> <p>[redacted] It was good for all parties that an agreement had finally been reached. And important that the money is paid now ahead of the deadline (15 May). [redacted]</p> <p>Ross</p> <p>Ross Denny   HM Ambassador   British Embassy La Paz</p>	
	<p>From: Diptel LA PAZ                  Sent: Thu 01/05/2014 20:02                  To: Diptel FCO                  Subject: BOLIVIA: RURELEC REACHES AGREEMENT WITH BOLIVIAN GOVERNMENT ON ARBITRATION PAYOUT - A VICTORY OF SORTS OFFICIAL_SENSITIVE [DIPTTEL 1403519]</p> <p>Diptel LA PAZ</p>	

	<p>Foreign &amp; Commonwealth Office Diplomatic Telegram</p> <p>Summary</p> <p>[redacted] Attorney General reaches agreement with Rurelec with reduced payment of compensation. Payment now due to Rurelec by 15 May. [redacted] To what extent did our now defunct Bilateral Investment Treaty help?</p> <p>Bolivia's new Attorney General, Hector Arce met with Rurelec PLC executives in Madrid on 29 April to continue discussions aimed at reaching agreement on Bolivian government compliance with the Permanent Court of Arbitration's (PCA) ruling of 1 February that it pay the company US\$35.5m in compensation for the expropriation of its 50.01% stake in the Empresa Guaracachi S.A. electricity generation company in 2010 (background in diptel 1400976). [redacted]</p> <p>[redacted] In the meantime an unhelpful article appeared in the Bolivian newspaper La Razon implying that the government was again looking at seeking an annulment, or ways to pay much less than required by the PCA. I called on the deputy Foreign Minister to urge him to ensure that the government complied with the PCA judgement [redacted]</p> <p>[redacted]</p> <p>Rurelec have expressed some disappointment with the UK-Bolivia Bilateral Investment Treaty (which was renounced, along with everyone else's by Bolivia last year), which spoke of market value compensation. And it had taken four years to reach agreement on their compensation. But while the treaty may have lacked teeth in some respects, it did – crucially - oblige the Bolivians to defend Rurelec's arbitration case in an international court and subsequently to pay compensation. [redacted] Our regular high level lobbying on behalf of Rurelec has helped to demonstrate the seriousness with which we take protection of our companies' interests.</p> <p>[redacted]</p> <p>Other companies will want to learn from Rurelec's experience, and Bolivia's tactics.</p> <p>DENNY</p> <p>Authorised</p>	
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	<p>Ross Denny   HMA  </p> <p>Contact Ross Denny   HMA  </p>
<p>Email</p>	<p>From: [redacted] Sent: 23 May 2014 12:07 To: Ross Denny; [redacted] Subject: Press review 23 May</p> <p>RURELEC Bolivian government issued a decree authorising the payment of USD 31.7 million to British company Rurelec . The payment will be done through State Electricity company ENDE <a href="http://www.paginasiete.bo/sociedad/2014/5/23/gobierno-autoriza-pago-rurelec-guaracachi-22241.html">http://www.paginasiete.bo/sociedad/2014/5/23/gobierno-autoriza-pago-rurelec-guaracachi-22241.html</a> <a href="http://www.la-razon.com/economia/Decreto-Gobierno-autoriza-ENDE-pagar-Rurelec_0_2057194308.html">http://www.la-razon.com/economia/Decreto-Gobierno-autoriza-ENDE-pagar-Rurelec_0_2057194308.html</a></p> <p>British Embassy La Paz</p>
	<p>From: [redacted] Sent: 29 May 2014 10:14 To: Ross Denny [redacted] Subject: Press summary 29 May 2014</p> <p>ECONOMY</p> <p>The government will sign a contract today with representatives or Rurelec PLC for</p>

	<p>the payment of USD 31.7 million for their shares in Guaracachi Electric Company EGSA, which was nationalised in 2010. (LR)</p> <p>[redacted] British Embassy La Paz</p>	
	<p>From: [redacted] Sent: 13 June 2014 07:33 To: [redacted] Subject: RE: COLAC meeting readout: 10 June</p> <p>[redacted]</p> <p>I've attached the Bolivia programme [redacted] it would be really helpful if your team had any suggested general questions I could put to interlocutors on any of the following:</p> <ul style="list-style-type: none"> <li>* EU/UK opportunities or developments in the trade and investment environment – We welcome the RURELEC settlement (The Bolivian Govt has now paid) and the new investment law, but what further steps can the govt take to improve investor confidence.</li> </ul> <p>Kind regards,</p> <p>[redacted] External Relations Section   UK Representation to the EU   Avenue d'Auderghem 10, 1040 Brussels</p>	
Email chain	RNS TEXT STARTS	



	<p>Bolivian payment of US\$31.534m received RNS Number : 59451 Rurelec PLC 02 June 2014</p> <p>2 June 2014</p> <p>Rurelec PLC ("Rurelec" or "the Company")</p> <p>Bolivian payment of US\$31.534m received</p> <p>Further to the announcement on 30 May 2014, the Board of Rurelec PLC (AIM: RUR), the owner, operator and developer of power generation capacity internationally, is pleased to announce that the agreed US \$31.534 million payment in settlement for its expropriated 50.001% participation in Empresa Guaracachi SA has been received.</p> <p>TEXT ENDS</p> <p>From: Diptel LA PAZ Sent: Thu 01/05/2014 20:02 To: Diptel FCO Subject: BOLIVIA: RURELEC REACHES AGREEMENT WITH BOLIVIAN GOVERNMENT ON ARBITRATION PAYOUT - A VICTORY OF SORTS OFFICIAL_SENSITIVE [DIPTTEL 1403519]</p> <p>Diptel LA PAZ Foreign &amp; Commonwealth Office Diplomatic Telegram</p>	
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	<p>Summary</p> <p>[redacted] the Attorney General reaches agreement with Rurelec with reduced payment of compensation. Payment now due to Rurelec by 15 May. [redacted] To what extent did our now defunct Bilateral Investment Treaty help?</p> <p>Bolivia's new Attorney General, Hector Arce met with Rurelec PLC executives in Madrid on 29 April to continue discussions aimed at reaching agreement on Bolivian government compliance with the Permanent Court of Arbitration's (PCA) ruling of 1 February that it pay the company US\$35.5m in compensation for the expropriation of its 50.01% stake in the Empresa Guaracachi S.A. electricity generation company in 2010 (background in diptel 1400976). [redacted]</p> <p>[redacted] In the meantime an unhelpful article appeared in the Bolivian newspaper La Razon implying that the government was again looking at seeking an annulment, or ways to pay much less than required by the PCA. I called on the deputy Foreign Minister to urge him to ensure that the government complied with the PCA judgement [redacted]</p> <p>[redacted]</p> <p>Rurelec have expressed some disappointment with the UK-Bolivia Bilateral Investment Treaty (which was renounced, along with everyone else's by Bolivia last year), which spoke of market value compensation. And it had taken four years to reach agreement on their compensation. But while the treaty may have lacked teeth in some respects, it did – crucially - oblige the Bolivians to defend Rurelec's arbitration case in an international court and subsequently to pay compensation. [redacted] Our regular high level lobbying on behalf of Rurelec has helped to demonstrate the seriousness with which we take protection of our companies' interests. [redacted]</p> <p>Other companies will want to learn from Rurelec's experience, and Bolivia's tactics.</p> <p>DENNY</p> <p>Authorised Ross Denny   HMA  </p> <p>Contact</p>	
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	<p>Ross Denny   HMA  </p> <p>[redacted] the Attorney General reaches agreement with Runicac with reduced payment of compensation. Payment now due to Runicac by 15 May. [redacted] To what extent did our new bilateral investment Treaty help?</p>	<p>Summary</p>
	<p>Runicac's new Attorney General Hector Arce met with Runicac PLC executives in Madrid on 29 April to continue discussions aimed at reaching agreement on Bolivian government compliance with the Permanent Court of Arbitration's (PCA) ruling of 1 February that it pay the company US\$32.5m in compensation for the expropriation of its 50.01% stake in the Empresa Guacacachi S.A. electricity generation company in 2010 (background in detail 1400378). [redacted]</p> <p>[redacted] in the meantime an unhelpful article appeared in the Bolivian newspaper La Razón implying that the government was again looking at seeking an annulment, or ways to pay much less than required by the PCA. I called on the deputy foreign minister to urge him to ensure that the government complied with the PCA judgment. [redacted]</p> <p>[redacted]</p> <p>Runicac have expressed some disappointment with the UK-Bolivia bilateral investment Treaty (which was launched along with everyone else's by Bolivia last year), which spoke of market value compensation. And it had taken four years to reach agreement on their compensation. But while the treaty may have lacked teeth in some respects, it did - crucially - oblige the Bolivians to defend Runicac's arbitration case in an international court and subsequently to pay compensation. [redacted] Our regular high level lobbying on behalf of Runicac has helped to demonstrate the seriousness with which we take protection of our companies' interests. [redacted]</p> <p>Other companies will want to learn from Runicac's experience, and Bolivia's tactics.</p>	
	<p>Denny</p> <p>Authorised</p> <p>Ross Denny   HMA  </p> <p>Contact</p>	