

Minister for Foreign Trade

To

Date

Your reference

Our reference

Enclosure

BEB/HP / 8007364

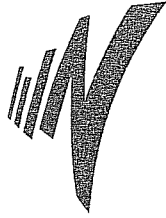
Subject

Response to your letter concerning matter between Dutch company and Bolivian authorities

Dear Madam/Sir,

I am writing in response to your letter concerning a dispute between a company established in the Netherlands, Euro Telecom International (ETI), and the Bolivian authorities. In your letter you indicate that this Dutch company has made an appeal on the basis of the bilateral Treaty on the Promotion and Reciprocal Protection of Investments between the Kingdom of the Netherlands and the Republic of Bolivia and that this dispute is registered with the international arbitration tribunal, the International Centre for the Settlement of Investment Disputes (ICSID), to be submitted to an arbitration tribunal. You request intervention in relation to the use of this treaty by this Dutch company.

I have taken note of your request, but hereby notify you that the government of the Netherlands will not take any action in this matter. This matter is a dispute between a Dutch investor and Bolivia, in which the Dutch state is not a party. The Treaty on the Promotion and Reciprocal Protection of Investments between the Kingdom of the Netherlands and the Republic of Bolivia gives an investor, if the investor qualifies as such under the treaty, the right to bring a dispute before an international arbitration tribunal, including the ICSID. It is then up to the arbitration tribunal to which the dispute is submitted to first determine its own competence and the admissibility of the dispute and then the intrinsic merits of the dispute. The government, not being a party in a specific dispute, has no judicial authority to become involved in the procedure before such an arbitration tribunal, nor does it make any statement regarding the intrinsic merits of the case. This is also the purpose of the arbitration possibilities created under the treaty and at the ICSID, as it is fundamental that arbitration tribunals operate independently.



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I can inform you as regards bilateral relations between the Netherlands and Bolivia - including in the area of development cooperation - that relations are excellent. During his visit to the Netherlands on 11 January last, the Bolivian Minister of Foreign Affairs, Mr Choquehuanca Céspedes, had a meeting with the Minister of Economic Affairs. One of the topics discussed was the bilateral Treaty on the Promotion and Reciprocal Protection of Investments, and both parties stressed the importance of continuing the good cooperation in general, including on this subject.

Yours sincerely,

Frank Heemskerk