

February 26, 1993

Mr. Enrique Iglesias President Inter-American Development Bank 1300 New York Avenue, NW Washington, D.C. 20577

Dear Mr. Iglesias:

My wife and I just returned with a group after having spent eight glorious days floating the Bio Bio River in Southern Chile. It was a breathtaking adventure which was marred only by the beginning construction on the Pangue Dam.

I'm writing to ask you to reject the loan application submitted by Endesa for the Pangue Dam project. This request is made for several valid reasons. First, it appears that dam projects already in process and scheduled to come on stream in the near future will be sufficient for Chile's future energy demands.

Secondly, and even more important, the Pangue Dam and its companion projects will have significant, even devastating impact on the native Pehuenche people, the regions threatened species and even Chile's economy.

The Bio Bio is an unique and valuable resource. It truly warrants international protection, and certainly no development in its upper reaches should be allowed to proceed without the informed consent of the native people who rely on it.

Thank you for your consideration of this request.

Sincerely,

John K. Wallace, Jr. Chairman

JKW/cf

Vcc.

Patricio Aylwin President of Chile Palacio de la Moneda

Santiago, Chile

eda What a worderful trip. I hate to though git becoming only a Slung of the past!

Mr. Lewis Preston President World Bank 1818 H Street, NW Washington, D.C. 20433

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