

2 July 2013

ACCIONA S.A. Avda. de Europa 18 Parque Empresarial La Moraleja 28108 Alcobendas (MADRID) España

To the attention of Mr José Manuel Entrecanales Domecq, CFO and Chairman of Acciona

Regarding: energy project in occupied Western Sahara. Seeking answers for publication.

Dear Mr Entrecanales Domecq,

Western Sahara Resource Watch (WSRW) is writing to you following reports that Morocco's National Office for Electricity and Water (ONEE) considers Acciona as a pre-qualified candidate to construct five wind farms throughout Morocco as part of its Integrated Wind Program (IEP). The information about your company's interest in the tender is to be found on ONEE's webpage (http://www.one.org.ma/fr/pages/actua.asp?esp=2&id1=8&id2=70&t2=1&id=900).

Under the IEP, five wind farms with a total power of 850 MW will be built throughout the country: in Tangiers, Boujdour, Tiskrad, Midelt and Jbel Hadid. It is our understanding that the winner of ONEE's tender, whether acting as a sole contender or in consortium with other companies, will be granted the right to build all five farms.

However, two of those sites are not located in Morocco, but in the area of Western Sahara that Morocco has illegally occupied since 1975. Tiskrad, where ONEE envisions developing a 300 MW wind farm, is located 25 kilometres north of El Aaiun, the capital of the occupied Western Sahara. Boujdour, where ONEE is planning to erect a 100 MW wind farm, is located further down south in the territory.

As a consequence, if your company would win the tender, it would be at risk of becoming part of a protracted conflict. Western Sahara is regarded by the United Nations as a Non-Self Governing Territory which still awaits decolonisation, and one without a legally accepted administering power in place. Its people, the Saharawi, have been accorded the right to self-determination - a right restated in now more than 100 UN resolutions, but the exercise thereof is continuously being blocked by Morocco. The war between the Kingdom of Morocco and Frente Polisario has resulted in a military division of the territory and a ceasefire that is being monitored by the UN.



Meanwhile, Morocco continues to trample the most basic human rights of Saharawi that live under the yoke of its occupation. Approximately 160.000 Saharawi refugees that fled during the war continue to live in inhumane conditions in Algerian refugee camps, located in the most inhospitable part of the Saharan desert.

The United Nations' legal opinion on economic activities in Western Sahara notes that two legal prerequisites be fulfilled in order for trade activities inside or affecting occupied Western Sahara to be permissible under international law: they must be in accordance with the wishes and to the benefit of the Saharawi people. This means that the Saharawi people must be consulted, consent to, and subsequently benefit from, any commercial and export activity in respect of Western Sahara's abundant natural resources.

Spain does not recognise Morocco's self-proclaimed sovereignty over Western Sahara, and the solidarity with the Saharawi people is widespread in Spanish society. Given the country's neutral stance vis-à-vis the Western Sahara conflict and the historic ties, it is surprising to note that a Spanish company is in the running to obtain the right to construct infrastructure in the occupied territory of Western Sahara.

Consequently, our organisation would be thankful for an answer to the following questions.

- 1. Is the information provided by ONEE correct, mentioning that Acciona wishes to take part in this tender?
- 2. Is Acciona aware of the inclusion of the territory of Western Sahara in the scope of the Integrated Wind Programme?
- 3. If so, how has Acciona assured itself of the consent of the Saharawi people, through their internationally recognised representative body, the Frente Polisario?
- 4. How does Acciona assess the potential acquisition of the bid, which would lead to constructing infrastructure on occupied land, with its position on social responsibility?

We do not believe it is in your company's interest to be associated with such business.

Your website states that Acciona aims "to meet the needs of today without compromising the ability of future generations to meet theirs". Engaging in a Moroccan project in Western Sahara would not only compromise the ongoing UN-led peace process, it would also put in jeopardy the right of an entire people to self-determination, having ineffaceable consequences for future generations of Saharawi. We sincerely hope that you will refrain from undertaking activities on disputed land, until the final status of the territory has been settled.

WSRW is currently writing a report about Morocco's plans for wind energy projects in the territory it illegally occupies. **We would be grateful for your response before 20 July 2013.** A reference to your reply will be made in the mentioned report, planned to be published not long after aforementioned date.



We will be more than happy to provide you with any additional information that you may require to study this matter more closely, and look forward to a reply to our questions.

Thank you for your consideration and we look forward to hearing from you.

Sincerely,

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