

2 July 2013

ACWA Power
P.O. Box 22616
Riyadh
11416
Kingdom of Saudi Arabia

To the attention of Mr Paddy Padmanathan,
CEO of ACWA Power

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

Dear Mr Padmanathan,

Western Sahara Resource Watch (WSRW) is writing to you following reports that Morocco's National Office for Electricity and Water (ONEE) considers ACWA Power 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 parts of Western Sahara that Morocco has 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 being monitored by the UN.

Meanwhile, Morocco continues to trample the most basic human rights of Saharawi that live under the yoke of the 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.

www.wsrw.org

Western Sahara Resource Watch works to raise awareness of the illegal occupation of Western Sahara and to support the recognition of the Saharawi people's right to self-determination.

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.

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

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

Last month, the Kingdom of Saudi Arabia proceeded to donate 200 tonnes of dates to the Saharawi refugees, surviving on dwindling international aid in the refugee camps in Algeria. Such display of compassion would be gravely tainted if a Saudi-based company were to proceed to build up infrastructure in these refugees' occupied homeland, through a commercial deal with the regime responsible for driving them out of their country and into exile.

We do not believe it is in your business' interest to be associated with such business. While we wish you all the success in the world, we sincerely hope you would refrain from undertaking activities on disputed land.

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,

Sara Eyckmans
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