

2 July 2013

Al Ajial Investment Fund Holding 46 Avenue des FAR 20.000 Casablanca Morocco

To the attention of Mr Waleed Al Fehaid, Chairman and CEO of Al Ajial Group

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

Dear Mr Al Fehaid,

Western Sahara Resource Watch (WSRW) is writing to you following reports that Morocco's National Office for Electricity and Water (ONEE) considers Al Ajial Investment Fund Holding 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 you may know, 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. The International Court of Justice declared that Morocco has no legitimate claims to sovereignty over Western Sahara and that the indigenous Saharawi people must be granted their 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.

No state in the world recognises Morocco's self-proclaimed sovereignty over Western, as is in line with the principle of non-recognition which is customary international law. Consider the occupation of Egyptian and Syrian territory by Israel, or the annexation of Kuwait by Iraq in 1990. Ironically, Morocco was the first Arab country to condemn the Iraqi invasion of Kuwait. Yet like the Iraqi annexation of Kuwait, Morocco's occupation of parts of Western Sahara constitutes a violation of international law and international humanitarian law.



Based on aforementioned bodies of law, the legal counsel of the United Nations' Security Council issued a legal opinion in 2002 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.

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

- 1. Is the information provided by ONEE correct, mentioning that Al Ajial wishes to take part in this tender?
- 2. Is Al Ajial aware of the inclusion of the territory of Western Sahara in the scope of the Integrated Wind Programme?
- 3. If so, how has Al Ajial assured itself of the consent of the Saharawi people, through their internationally recognised representative body, the Frente Polisario?
- 4. How does Al Ajial 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.

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 International Coordinator Western Sahara Resource Watch

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A copy of this letter was sent to:

- Mr Ahmad M.A. Bastaki, Executive Director at Kuwait Investment Authority
- The Public Institution for Social Security