



The complicity of the Spanish financial sector in the occupation of Palestine.

The case of solar energy and *Greenwashing*

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THE COMPLICITY OF THE SPANISH FINANCIAL SECTOR IN THE OCCUPATION OF PALESTINE. THE CASE OF SOLAR ENERGY AND GREENWASHING

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1. Introduction

The Spanish financial sector, especially large banks and some investment funds, are one of the global economic drivers of investment in projects classified as sustainable and, within these, especially those focused on the generation of renewable energies. At the same time, the renewable energy sector and, within it, solar and photovoltaic energy in Israel have become a cornerstone of the energy policy of this State, which aims to take advantage of large areas receiving sun and heat to install fields. Thus, solar energy is

expected to account for 30% of Israel's renewable energy system by 2030.

However, a large part of these solar energy facilities have been built and are planned in the so-called Occupied Palestinian Territory (OPT), including projects in the occupied Jordan Valley, which also energetically provide colonist settlements. The same happens in the Naqab (in Arabic) or Negev (in Hebrew) desert, a historical territory of Palestine, where a systematic policy of confiscation of land from Palestinian Bedouins is practised. Within the system of apartheid based on discrimination and systematic repression that the State of Israel practices against the Palestinian population and that is recognized by the United Nations and major international human rights NGOs, the plundering of natural resources of the Palestinian population has direct impacts on their access to land, water and energy.

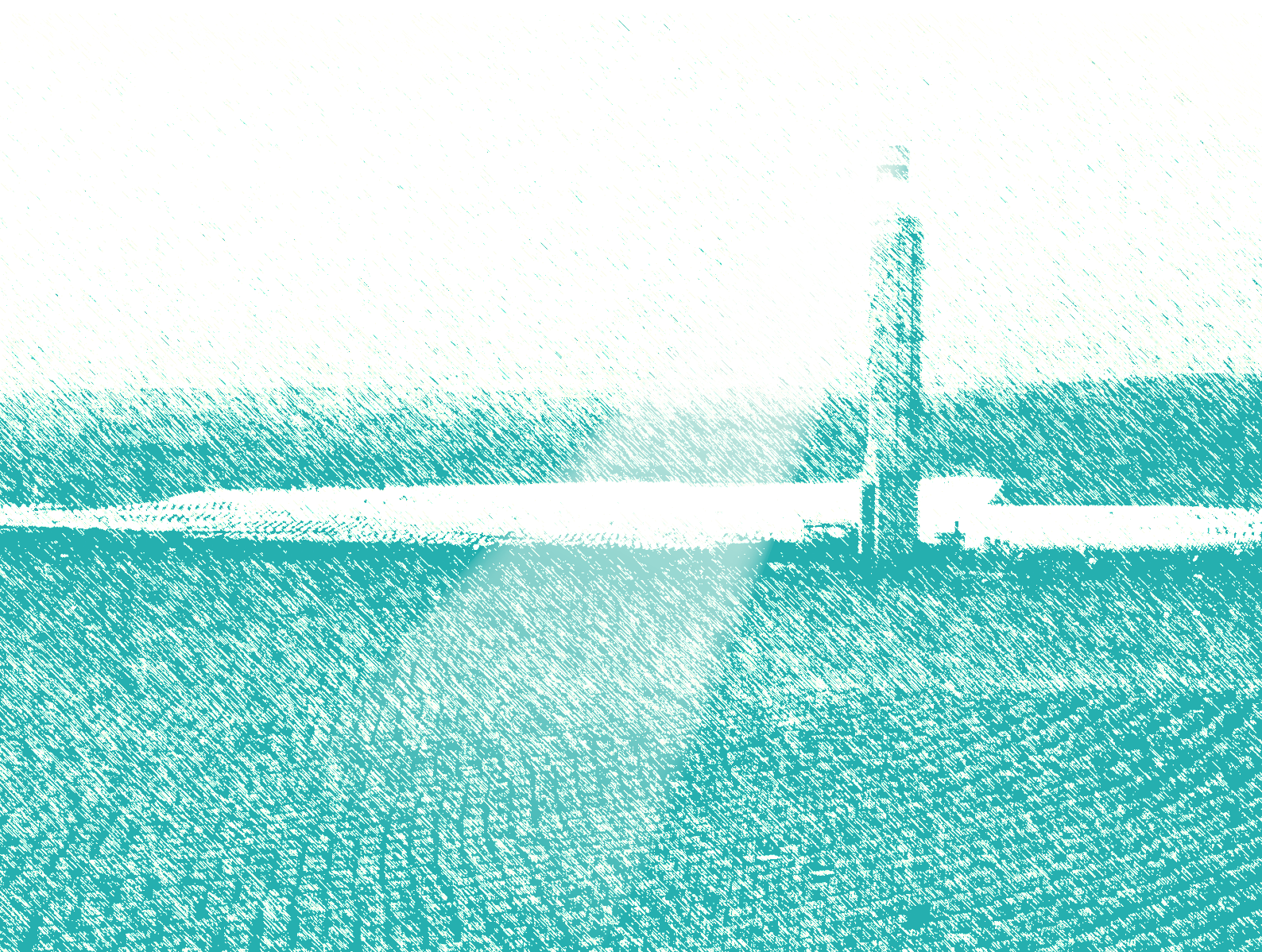
The financing of renewable energy companies and projects is essential for the development of these projects. It involves the plundering of natural resources in the Occupied Territory of Palestine, defies international law and hinders the resolution of the conflict through the expansion and consolidation of colonist settlements.

Thus, the financing of renewable energy companies and projects is essential for the development of these projects, which involve the plundering of natural resources in the Occupied Territory of Palestine, defying international law and hindering the resolution of the conflict through the expansion and consolidation of colonist settlements.

This report aims to make visible part of the Spanish financial framework that enables the planning, construction and implementation of solar energy projects in the OPT and in disputed territories such as the Naqab/Negev desert. To this end, the links of large Spanish banks, insurers and financial funds with the main sources of financing for Israeli solar fields have been investigated, as well as the companies that operate them and/or

that have participated as suppliers. Despite being a considerably opaque field, especially in terms of direct economic transactions and loans, the participation of these entities and funds in the renewable energy financial ecosystem in Israel has been sufficiently proved; whether in the form of stock market investments and asset management, or green loans and other financing modalities to the multinationals that operate and supply the renewable energy fields.

Finally, the report suggests some recommendations for moving towards taking responsibility for the impacts and negative effects that the commitment to renewable energy in Israel is generating on the fundamental and human rights of Palestinians in the Occupied Territory.



2. Renewable energy in Israel and its links with the system of *apartheid* and occupation of Palestine

2.1. The renewable energies sector in Israel

The Israeli energy sector has undergone great development in recent years. The discovery of large natural gas reservoirs 40km from its shores¹ transformed the Israeli energy mix² and reduced its external dependence. Israel has thus changed from being a country that is almost completely dependent on energy imports to a country that can meet all its energy needs and also exports energy to its neighbouring countries.

Global trends, along with changes in the Israeli energy sector, have resulted in government resolutions to promote renewable energy in the electricity sector and increase the growth of electricity produced. In October 2020, the Israeli Government set itself the goal of obtaining 30% of the energy consumed by Israel from renewable sources by 2030. According to this plan, solar energy will account for approximately 90% of electricity, and wind, water and biomass will produce the remaining 10%. The plan is based on Resolution No. 465³ of the Israeli Government on the advancement of the renewable energy sector.

The implementation of solar energy projects in Israel is another factor that contributes to the country's territorial expansion towards regions where the majority of the population and land ownership are Palestinian, and results in the confiscation and annexation of these territories. Only in very specific cases, Israeli multinationals in the sector establish agreements with local communities for the development of solar energy projects⁴.

Considering that the demand for energy in Israel will increase due to population growth, the renewable energy sector in Israel, and especially solar energy, is seen as a key issue

1 *Georgetown Journal of International Affairs* (2020). "Natural Gas discoveries and Israel's Energy Security". Available at: www.gjia.georgetown.edu/2020/05/25/natural-gas-discoveries-and-israels-energy-security/

2 An energy mix is the combination of the different energy sources that cover the electricity supply of a country.

3 For more information see: www.climate-laws.org/geographies/israel/policies/government-decision-465-2020-promoting-renewable-energy-in-the-electricity-sector-and-correcting-government-decisions

4 Solar Quarter (2022) "Marom Energy to build Solar Power Station". Available at: solarquarter.com/2022/12/09/marom-energy-to-build-solar-power-station-in-bedouin-land-israel/

by the Government of Israel. According to a market research company, in 2021, 95% of all renewable energy in the State of Israel came from solar energy⁵.

Despite the vast potential of solar energy, the State of Israel continues to fall short of previously set renewable energy targets, producing only 8% of its electricity from renewable sources in 2021. Some of the factors that can explain the current low use of renewable energy in Israel are the lack of land resources and the recent offshore⁶ gas discoveries that make it possible to produce electricity at a lower cost than solar energy.

According to a recent ICEX report, Israel remains highly dependent on non-renewable sources for energy consumption and production⁷. The report also states that in 2021, about 40% of consumption and 60% of production were obtained from natural gas. Coal and oil also continue to play a very important role in the energy mix. Solar energy is the only relevant renewable energy, accounting for 4.9% of consumption and 7.4% of the country's production in 2021⁸.

In 2017, electricity production from renewable sources was 2.7% and in 2021 it reached 5.4%⁹. Likewise, the cumulative capacity of MW¹⁰ of solar energy has increased 15-fold in the last decade. This issue highlights its rapid growth, which is likely to continue over the next few years. It should be noted that, due to its geographical location, Israel has great potential as a producer of solar energy since, especially in the extreme south and the Naqab/Negev Desert, the number of hours of sunlight is very high.

In October 2020, the Minister for Energy Yuval Steinitz set a goal of obtaining 30% of Israel's energy from renewable sources.¹¹ While the remaining 70% of Israel's energy needs would be covered by its own natural gas reserves. To achieve this goal, Israel will need to increase its overall installed capacity of solar systems to 17.1 GW¹² (almost 5 times its current capacity 3.5 GW). It will also have to increase global storage capacity

5 For more information see: <https://www.mordorintelligence.com/industry-reports/israel-solar-energy-market#:~:text=In%202021%2C%20the%20renewable%20energy,at%20the%20end%20of%202021>

6 Al Monitor (2022). Available at: www.al-monitor.com/originals/2022/11/more-gas-discovered-israeli-coast#:~:text=The%20discovery%20is%20below%20the,disputed%20between%20Israel%20and%20Lebanon.&text=Energy%20announced%20another%20gas%20discovery,the%20Zeus%20D01%20exploration%20well

7 ICEX (2022). *Solar Energy in Israel*. Available at: www.icex.es/content/dam/es/icex/oficinas/118/documentos/2022/10/documentos-anexos/DOC2022916392.pdf

8 Ditto.

9 BP Statistical Review of World Energy (2022). Available at: www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy-economics/statistical-review/bp-stats-review-2022-full-report.pdf

10 Unit of energy equivalent to millions of watts.

11 Surkes, S. (2022). *The Times of Israel*: Available at: www.timesofisrael.com/cabinet-greenlights-target-of-30-renewable-energy-by-2030/

12 By GW we mean a unit of energy called a gigawatt, which is equivalent to one million kilowatts (kW) or one billion watts (W). GW is especially used in power plants to convert solar energy into our renewable energy source.

by 10 times, from 300 MW¹³ in 2020 to approximately 3,000 MW in 2030. To address one of the main obstacles to increasing photovoltaic capacity, the lack of land resources, the Government of Israel is promoting dual-use solar projects that include rooftops, water reservoirs¹⁴ and agrovoltaic projects¹⁵. Dual-use solar cladding, mostly known as agrovoltaic, is the practice of installing photovoltaic solar panels on croplands so that primary agricultural activities such as animal grazing and crop production are simultaneously maintained in the same area.

The solar energy sector, understood as a priority sector by the Israeli Government, involves different actors, both public and private. Below are the most relevant¹⁶:

Public bodies and companies:

- **Ministry of National Infrastructure, Energy and Water** (now Ministry of Energy and Infrastructure): defines the national policies and regulations of the energy sector.
- **Israel Electric Corporation (IEC)**: The State owns 99.85%. It is the main generator and supplier of electricity in Israel. The IEC's transmission network is deployed throughout the State of Israel, in settlements, in East Jerusalem, the West Bank and Gaza, as well as in Palestinian communities.
- **Israel Public Utility Authority for Electricity (PUA)**: regulates the provision and supervises public services in the field of electricity. The main functions of the PUA are the setting of electricity tariffs, the establishment of criteria and indicators of service quality for consumers, as well as licensing.
- **Noga – Independent System Operator Ltd.**: is a 100% state-owned company created within the framework of the reform of the electricity sector in June 2018. As part of this reform, the activities of the operations unit, the planning division, the development and technologies unit and the statistics and market research unit were transferred from the IEC to Noga.

13 By MW we mean a unit of energy called megawatts, which is equivalent to a thousand kilowatts (kW) or a million watts (W) if we take it to its basic unit. MW is especially used in power plants to convert solar energy into our renewable energy source.

14 For more information see: www.israelagri.com/the-first-solar-powered-energy-system-on-the-banks-of-a-water-reservoir/

15 Israeli Ministry of Energy (2021). "A unique collaboration between the Ministry of Energy and the Ministry of Agriculture and Rural Development will increase the production of solar energy in Israel and will lead to the promotion of integrated energy production in agriculture." Press release Available at: www.gov.il/en/departments/news/press_030521.

16 Data taken from the ICEX 2022 report. *Solar Energy in Israel*. Available at: <https://www.icex.es/es/quienes-somos/donde-estamos/red-exterior-de-comercio/IL/documentos-y-estadisticas/estudios-e-informes/visor-de-documentos.ficha-sector-energia-solar-israel-2022.doc118202210>

Main private sector organizations:

- **The Israeli Smart Energy Association:** seeks to accelerate the adoption of smart energy solutions and support Israel's local and innovative energy industry.
- **Green Energy Association of Israel (GEA-IL):** aims to promote renewable energy and more efficient legislation on it.
- **Israel Innovation Authority:** An independent, publicly funded agency that was created to provide a range of practical tools and funding platforms aimed at effectively addressing the changing needs of local and international innovation ecosystems.
- **Israel Advanced Technology Industries:** organization that brings together Israel's high-tech, life sciences, and other advanced technology industries.

Public-Private Partnerships (PPPs) as a national strategy for the development of renewable energy projects in Israel

One of the major strategies of financial systems to facilitate access to external financing for national projects is the Public Private Partnerships¹⁷ (PPPs), tool with which most large renewable energy infrastructure projects (solar) in Israel have been financed.

According to the World Bank, Public-Private Partnerships (PPPs) are agreements between the public sector and the private sector in which part of the services or tasks that are the responsibility of the public sector are provided by the private sector under a clear agreement of shared objectives for the provision of the public service or public infrastructure¹⁸.

According to the Observatory on Debt in Globalization, "the architecture of the international financial system allows money to flow wherever it wants almost without restrictions. The liberalization of finance provides financial markets and financial institutions and elites with the ability to expand and gain, step by step, greater influence over regulations and economic outcomes. Progress towards financing the wider economy involves the privatization of public services and the transfer of state power to financial institutions, transnational corporations, hedge funds, equity funds or other financial agents. In general, the development of markets around basic services such as water or energy, and other natural goods such as minerals has reshaped the economic world and is placing finance firmly at its centre."¹⁹

17 Government of Israel (2021). *PPP Projects*. Available at: www.gov.il/BlobFolder/generalpage/ppp-projects-in-israel/en/Projects_files_PPP_ProjectsInIsrael-en.pdf

18 Definition World Bank. Available at: ppp.worldbank.org/public-private-partnership/es/que-son-las-asociaciones-publico-privadas

19 ODG (2018). *Mega-infrastructure as a debt mechanism*. Available at: odg.cat/es/publicacion/infraestructura-endeudamiento/

2.2. The impact of the solar energy sector on the human rights of the Palestinian population in the Occupied Territory

Since 1967, Israel has occupied Palestine through a system of apartheid based on systematic discrimination and repression. In April 2021, Human Rights Watch (HRW) released the report “A Threshold Crossed: Israeli Authorities and the Crimes of Apartheid and Persecution,” a 213-page document that determines that the State of Israel has imposed an apartheid regime in the Occupied Palestinian Territory (OPT) of the West Bank, Gaza, and East Jerusalem, with practices that can be considered as Crimes against Humanity²⁰. According to HRW, Israel’s institutional discrimination affects the fundamental freedoms of the Palestinian people and results in land confiscation and forced displacement to maintain the Jewish people’s dominance over the Arabs²¹. This repressive system is articulated through a military and civil occupation that affected 78% of the historical Palestinian territory and that divides the occupied West Bank into three areas: **Area A (18% of the territory)** is under the theoretical civil and security control of the Palestinian Authority; **Area B (22%)** with shared administration between the Palestinian authorities, only for civil matters, and Israeli; and **Area C (60%)** under the total control of the Israeli authorities and where illegal Israeli settlements are developed, both residential areas and industrial zones²².

The exploitation of the natural resources of the Palestinian people is a cornerstone of the Israeli occupation system. Area C occupies a region with fertile land for cultivation²³ and other natural resources such as the Palestinian stone known as “white gold” with an estimated value of \$30 billion²⁴. It is in this area that the Government of Israel expands a network of more than 250 illegal settlements, where more than 600,000 settlers live²⁵. The construction of these settlements entails the confiscation of land for security and economic reasons. For example, these lands are meant for agricultural activities for the maintenance of the settlement and the export of products such as dates. Israeli agricultural settlements are 1.5 times larger than the area built by residential settlements²⁶. In Area C there are

20 Human Rights Watch (2021). *A Threshold Crossed: Israeli Authorities and the Crimes of Apartheid and Persecution*. Available at: <https://www.hrw.org/es/news/2021/04/27/las-practicas-abusivas-de-israel-constituyen-crmenes-de-apartheid-y-persecucion>

21 *Ditto*.

22 Aljazeera (2019) “What are areas A, B, and C of the occupied West Bank?”. Available at: <https://www.aljazeera.com/news/2019/9/11/what-are-areas-a-b-and-c-of-the-occupied-west-bank>

23 For more information see: <https://101.visualizingpalestine.org/resources/glossary/areas-a-b-c>

24 Abdallah, M., De Leeuw, L. (2020). *Violations Set in Stone. Heidelberg Cement in the Occupied Palestinian Territories*. SOMO and Al-haq. P.20. Available at: <https://www.somo.nl/violations-set-in-stone/>

25 *Ibid.* p.12

26 Farah, M. (2020). *Business and Human Rights in Occupied Territory: Guidance for Upholding Human Rights*. Al-Haq. P.44. Available at: https://www.alhaq.org/cached_uploads/download/2020/04/27/business-and-human-rights-in-the-opt-interactive-1587981596.pdf

also industrial settlements, often connected to residential ones, which are dedicated to the production and manufacture of natural resources extracted from the Palestinian territory. The internationally recognized Palestinian human rights organization, Al-Haq, recognizes at least 24 industrial settlements in the West Bank and East Jerusalem²⁷.

Israel's policy of settlement development and expansion contravenes international law and hinders the resolution of the conflict. Numerous UN resolutions have demanded an end to this policy, such as Security Council Resolution 2334 of 2016²⁸ or General Assembly Resolution 70/89 of 2015²⁹. These resolutions are based on the instruments of International Humanitarian Law (IHL) such as the Hague Regulations of 1907 and the Fourth Geneva Convention of 1949, which categorically prohibit these practices³⁰; as well as the International Criminal Court which considers them War Crimes³¹. Despite this, the confiscation of land by the Government of Israel has continued with the aim of annexing the Palestinian territories. In 2019, for example, Prime Minister Benjamin Netanyahu announced the annexation of the Jordan Valley³².

The exploitation of the natural resources of the Palestinian people is a cornerstone of the Israeli occupation system. Area C occupies a region with fertile land for cultivation.

The dispossession and displacement of Palestinian communities in the OPT occurs through the Israeli settlement system and related economic activities. According to the United Nations Independent Observation Mission carried out in 2012, the Government of Israel imposes occupation laws, practices and mechanisms to demolish Palestinian buildings, forcibly displace and confiscate the private and public lands of the Palestinian people³³. Confiscated lands are registered in the name of the Regional Councils of the settlements.

27 Abdallah, M. (2019). *Atarot Settlement. The Industrial Key in Israel's Plan to Permanently Erase Palestine*. Al-Haq. P.8. Available at: www.alhaq.org/cached_uploads/download/2021/06/10/atarot-unlocked-1623310412.pdf

28 UN (2016). Security Council Resolution 2334. Available at: <https://www.un.org/webcast/pdfs/SRES2334-2016.pdf>

29 UN (2015) General Assembly Resolution 70/89. Available at: <https://digitallibrary.un.org/record/815577?ln=es>

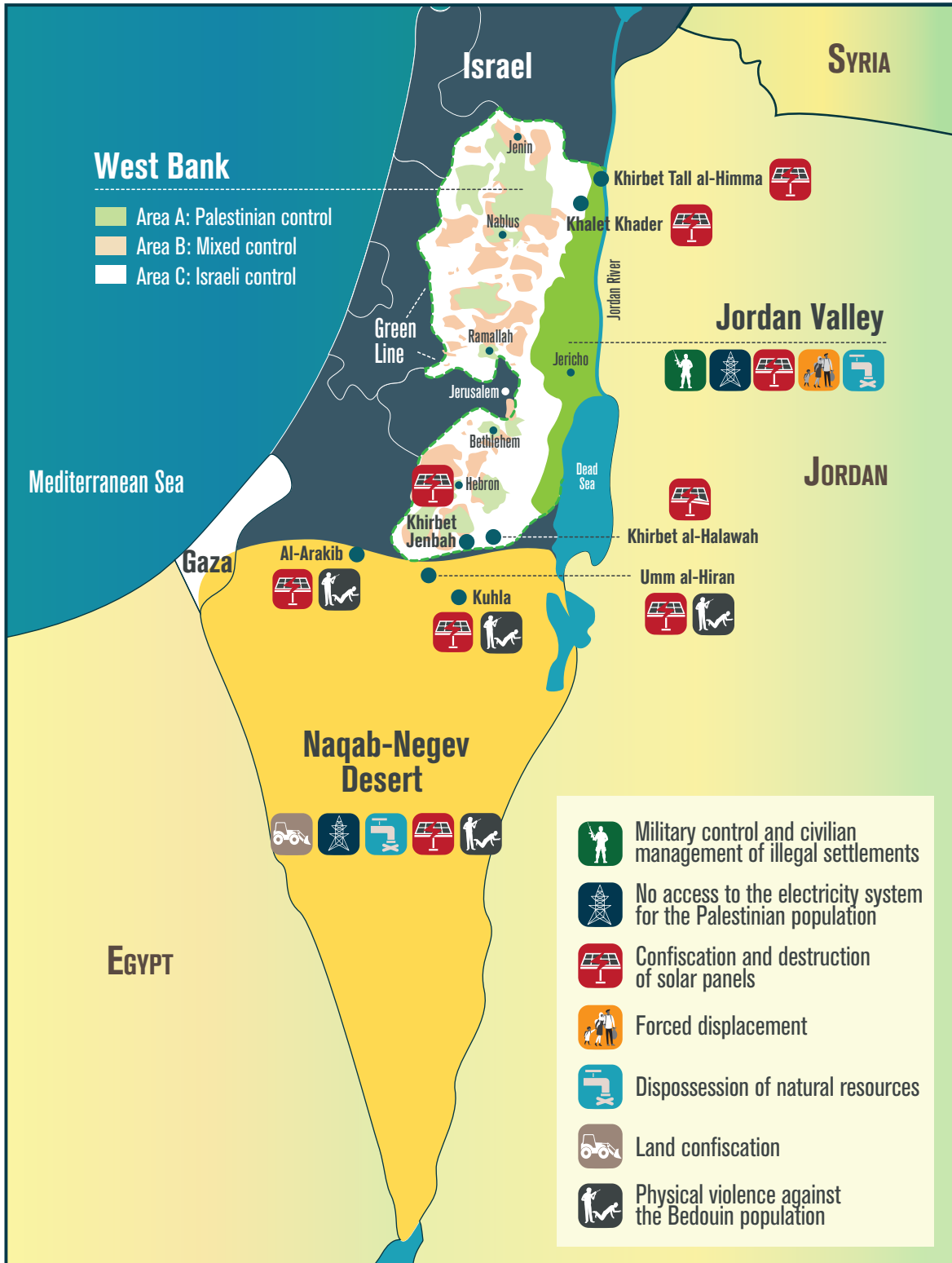
30 For more information see: <https://www.amnesty.org/en/latest/campaigns/2019/01/chapter-3-israeli-settlements-and-international-law/>

31 ICC (2020). *Court's Territorial Jurisdiction in Palestine. Public document*. Available at: https://www.icc-cpi.int/sites/default/files/CourtRecords/CR2020_01106.PDF

32 Zraick, K. (2019). "A Look at the West Bank Area Netanyahu Vowed to Annex". Available at: <https://www.nytimes.com/2019/09/10/world/middleeast/jordan-valley-israel-netanyahu.html>

33 For more information see: <https://www.ohchr.org/en/hr-bodies/hrc/regular-sessions/session19/israeli-settlements-in-the-opt>

INFOGRAPHIC 1: RENEWABLE ENERGY IN ISRAEL AND ITS LINKS WITH THE SYSTEM OF APARTHEID AND OCCUPATION OF PALESTINE



Source: Own elaboration based on the information included in this report and other sources such as <https://palopen-maps.org/en>; <https://database.earth/energy/power-plants/solar-power/israel> i <https://maps.google.com>

This land confiscation has a direct impact on Palestinian economic rights, as they cannot access their solar, water and crop fields, the cornerstone of the Palestinian subsistence economy. In this regard, the report of the International Mission in the 2022 Human Rights Council to investigate the implications of Israeli settlements on the civil, political and economic rights of the Palestinian people in the OPT, determined that companies and their economic activities violate fundamental freedoms, including the people's right to self-determination and access to their natural resources, to the extent that they contribute to the construction, development and consolidation of Israeli settlements in the West Bank and East Jerusalem³⁴.

The overwhelming results of this report resulted in the 2016 UN Human Rights Council resolution, which demanded that Israel immediately cease illegal settlements and economic activities in the OPT, requiring the rest of the UN member states to establish measures to prevent companies under their jurisdictions from contributing to serious human rights violations in these territories. The Human Rights Council requested the Office of the High Commissioner for Human Rights the creation of a Database containing all companies with activities in Israeli settlements in the OPT, in co-

Companies and their economic activities violate fundamental freedoms, including the people's right to self-determination and access to their natural resources, to the extent that they contribute to the construction, development and consolidation of Israeli settlements.

operation with the United Nations Working Group on Human Rights and Business³⁵. The Database was published on 28 February 2020 with 112 international and Israeli companies from the agriculture, food, transport, telecommunications, textile, construction, real estate, tourism, security, finance and energy sectors, including renewable energy³⁶.

Most commercial solar investment projects in the West Bank are located in the Jordan Valley in Area C, under full Israeli military and civilian control. More than 63% of the territory of Area C is managed by the Regional and Local Councils of the settlements, which contributes to the development of the colonization process of the territory³⁷.

34 UN (2013). General Assembly Resolution A/HRC/22/63. Available at: https://www.ohchr.org/sites/default/files/Documents/HRBodies/HRCouncil/RegularSession/Session22/A-HRC-22-63_SP.pdf

35 UN (2016). Human Rights Council Resolution A/HRC/RES/31/36. Available at: <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G16/082/57/PDF/G1608257.pdf?OpenElement>

36 UN (2020). Human Rights Council Resolution A/HRC/43/71. Available at: www.un.org/unispal/wp-content/uploads/2020/02/A.HRC_43.71-1.pdf

37 B'Tselem (2013). *Acting the Landlord: Israel's Policy in Area C, the West Bank*, June 2013, p. 13. Available at: www.btselem.org/download/201306_area_c_report_eng.pdf

Approximately more than 400,000 colonists live in 230 settlements in this area³⁸. The colonization of the Jordan Valley began just after the end of the 1967 war, and by 2012 there were 9,500 colonists in 37 settlements³⁹. 60,000 Palestinians, including 6,200 Bedouin, live in this territory in inhumane situations due to the restriction of services and the prohibition of access to farmland and water resources⁴⁰.

Since the Oslo Accords of 1992, Palestinians in Areas A and B of the OPT have been obliged to engage the electricity services of the Israeli Electric Corporation (IEC), underdeveloped services that do not offer enough energy for that territory⁴¹. In Area C, the situation is even more precarious, forcing Palestinian and Bedouin communities to procure electricity through extremely expensive fuel generators (\$100 per day) or from solar panels⁴².

The Israeli civil (ICA) and military authorities implement a systematic strategy of demolitions and confiscation of land and equipment, while limiting the construction of Palestinian infrastructure in Area C. Between 2010 and 2014, only 33% of the 2020 permits processed by Palestinians to carry out construction were approved⁴³. At the same time, the United Nations Humanitarian Agency, OCHA, registered 16,085 demolition orders for Palestinian buildings in Area C between 1988 and 2016⁴⁴. In this process, **ICA and military forces confiscate or destroy the solar and water equipment of Palestinian communities needed to meet their most basic needs**. The Israeli organization B'tselem⁴⁵ and the Palestinian-Israeli organization Who Profits⁴⁶ have documented since 2016 many instances of solar panel confiscation and destruction in Khirbet Jenbah and Khirbet al-Halawah in south-Hebron; Khirbet Tall al-Himma and Khalet Khader in the Jordan Valley.

On the other hand, the Naqab is a semi-arid region, located in the Naqab/Negev Desert (south), which represents 60% of historic Palestine. Before the creation of the State

38 ONU (2017). "West Bank. Area C: Humanitarian Concerns". OCHA. Available at: <https://www.ochaopt.org/content/west-bank-area-c-key-humanitarian-concerns>

39 UN (2017). "West Bank. Area C: Humanitarian Concerns". OCHA. February 2012, p. 1. Available at: www.ochaopt.org/sites/default/files/ocha_opt_jordan_valley_factSheet_february_2012_english.pdf

40 Ditto.

41 Who Profits (2017). *Greenwashing the Occupation: The Solar Energy Industry and the Israeli Occupation*. Available at: www.whoprofits.org/wp-content/uploads/2018/06/old/greenwashing_the_occupation_web.pdf

42 Ditto.

43 UN (2016). "Fragmented Lives: Humanitarian Overview 2015," OCHA. 13 June 2016. Available at: www.ochaopt.org/content/fragmented-lives-humanitarian-overview-2015

44 Griffith, M., Jorone, M. (2019). "The affective politics of precarity: Home demolitions in occupied Palestine". En *EPD: Society and Space* 2019, Vol. 37(3) 561–576. Available at: www.core.ac.uk/download/pdf/327371996.pdf

45 B'Tselem (2016) "New Wave of Demolitions in West Bank: Another Phase in Policy of Expelling Palestinians from Vast Portions of West Bank," 16 February 2016. Available at: https://www.btselem.org/planning_and_building/20160216_new_demolition_wave

46 Who Profits (2018). *Plundering the Sun: the Israeli solar energy industry and Palestinian forced displacement*. Flash report. Available at: www.whoprofits.org/wp-content/uploads/2018/06/old/solar_flash_report.pdf

of Israel in 1948, between 65,000 and 90,000 Palestinians lived on those lands. The Government of Israel expelled most of them between 1948 and 1949, and today only 11,000 live in villages in the north of this region⁴⁷. 170,000 Bedouin Palestinians also live in this territory⁴⁸, making it the poorest population in Israel⁴⁹. Under the system of Israeli occupation and administration, a strategy of confining the Bedouin peoples to a few “recognized” populations (7 in total) by the authorities was developed. The vast majority of villages are today considered as “unrecognized” (45 villages) and suffer the greatest vulnerability because they are under the jurisdiction of Area C and do not have the right to basic services, such as water supply, electricity, rubbish collection or basic social and educational services⁵⁰. This vulnerability is due to the policies of confiscation and dispossession initiated by the Government of Israel since the 1950s and intensified since 2011 with the *Prawar-Begin Plan* for the destruction of all unrecognized communities and the forced displacement of 90,000 Bedouins⁵¹. In 2019, the Bedouin Development and Settlement Authority in the Naqab/Negev announced the intention to force the displacement of 36,000 Bedouins⁵². In 2020, Israel demolished 2,568 Bedouin Palestinian homes and structures in towns recognized and unrecognized by the State of Israel, a 13% more compared to the previous year⁵³.

The Israeli civil (ICA) and military authorities implement a systematic strategy of demolitions and confiscation of land and equipment, while limiting the construction of Palestinian infrastructure in Area C

47 Abu-Saad, I. (2008) “Introduction: State Rule and Indigenous Resistance An Introduction: State Rule and Indigenous Resistance among Al Naqab Bedouin Arabs,” HAGAR Studies in Culture, Polity and Identities Vol. 8 (2), 2008, p. 3.

48 Ben-Youssef, N., Bishara, S., Rosenberg, R. (2013). From Al-Araqib to Susiya The forced displacement of Palestinians on Both Sides of the Green Line. Adalah - The Legal Center for Arab Minority Rights in Israel. Available at: www.adalah.org/uploads/oldfiles/Public/files/English/Publications/Position_Papers/Forced-Displacement-Position-Paper-05-13.pdf

49 Abu Much, A. (2021). “Report finds Negev Bedouins remain poorest population in Israel”. Al-Monitor. Available at: www.al-monitor.com/originals/2021/09/report-finds-negev-bedouins-remain-poorest-population-israel

50 OHCHR and The Negev Coexistence Forum for Civil Equality, (2006). Shadow Report: “The Arab-Bedouins of the Naqab Negev Desert in Israel” Available at: <https://www2.ohchr.org/english/bodies/cerd/docs/ngos/NCf-IsraelShadowReport.pdf>

51 White, B (2013). “Fighting New Nakba in the Negev,” Al Jazeera, 17 Julio 2013. Available at: <https://www.aljazeera.com/opinions/2013/7/17/fighting-new-nakba-in-the-negev>

52 Who Profits (2021). *Tools of Dispossession in the Naqab: Development and Military Projects*. Dynamic report. Available at: www.whoprofits.org/dynamic-report/tools-of-dispossession-in-the-naqab-development-and-military-projects/

53 Ditto.

Bedouin communities in both recognized and unrecognized populations live poorly due to a lack of electrification and access to public services. According to the research centre Who Profits, these communities are forced to generate their own electricity through solar panels⁵⁴. Some Bedouin communities recognized by the State have signed agreements with Israeli companies such as Arava Power for the construction of solar energy fields, but they have done so through processes that are not transparent in terms of community consent⁵⁵. Who Profits has also documented cases of confiscation of solar panels and physical violence against the Bedouin population in the villages of Al-Arakib, Kuhla and Umm al-Hiran. In the latter, Yacoub Abu al-Qiyan, a Bedouin school teacher, was killed by the Israeli forces when he was participating in the protests against the demolition of homes in his village⁵⁶.

The process of destruction of Bedouin structures, forced displacement and confiscation of land, is part of an industrialization strategy for the Naqab/Negev. This process was formalized in 2005 through Resolution 4415 of the Government of Israel, specifying a 10-year plan to increase the Jewish population through economic and military development, and the exclusion of the Bedouin Palestinian population in restricted, precarious and very small areas⁵⁷. The modernization of this region is based on the concept of “making the desert bloom”, an idea expressed by Israeli Prime Minister David Ben-Gurion after the creation of the State of Israel and which today crystallizes in the attraction of investments and companies from the technological, industrial, construction and energy sectors in the Naqab/Negev region⁵⁸. Therefore, solar energy investment projects are a strategic sector, not only in economic terms, but also in terms of expansion of the Israeli colonial project.

54 *Ditto*

55 *Ditto*.

56 Who Profits (2018). *Plundering the Sun*. *Op. Cit.*

57 For more information see: <https://www.whoprofits.org/dynamic-report/tools-of-dispossession-in-the-naqab-development-and-military-projects/>

58 Who Profits (2021). *Tools of Dispossession in the Naqab*. *Op. Cit.*

2.3. Solar energy projects in the West Bank and the Naqab/Negev Desert

The solar energy sector in Israel is broadly divided between solar field infrastructures involving large capital investments by multinational companies and investment funds, and solar panels installed in residential areas made by individuals who acquire the photovoltaic panels from Israeli or foreign companies. In the first case, the solar fields are connected to the electricity grid to guarantee the country's energy demands, including other industrial sectors. These investment projects are initiated through the awarding of tenders by the Israel Electric Corporation in public procurement processes. In the selection phase of the public tender, one or a set of corporations, under a joint venture scheme, compete to win the project. Once the project has been awarded, the developer starts a process to raise sufficient capital for the construction of the solar energy field infrastructures. When the works have been completed and the solar field is commissioned, the same promoter entity begins to commercially exploit the solar field, delegates the exploitation to a management company or sells the project to a third company. Both in the construction process of the infrastructures, and in the subsequent management, there are numerous supplier companies that provide and install solar panels or other systems necessary for the operation of the solar field, or perform maintenance tasks, among others. In the second case, the investment is a private or community initiative. For example, a community of neighbours, who decide to install solar panels in their building or housing community. In this case, individuals directly purchase the solar panels and the installation and maintenance service. In some cases, these systems are also coordinated with the IEA and require authorization from local authorities such as local or regional councils of settlements, as we will see later.

2.3.1. Naqab/Negev Desert Region

Ketura Sun, the first solar field in the Naqab/Negev Desert

The first solar field in Israel, **Ketura Sun**, was built in 2011 in Hevel Eilat, in the Negev Desert (Naqab), and occupies 8 hectares and produces 9 million kilowatt-hours of electricity per year. The project was developed by **Arava Power Company** with an investment of NIS 250 million (\$72 million), 80% contributed by **Bank Hapoalim** and other private lenders such as **Kibbutz Ketura**⁵⁹. In the process of construction, the Chinese company **SunTech** supplied the 18,500 solar panels of the solar field⁶⁰.

Arava **Power Company**, established in 2006, is headquartered in Kibbutz Ketura/Eilat and is a subsidiary of **Global Sun Power Ltd.** In 2009, **Siemens** acquired 40% of its shares

59 Who Profits (2017). Greenwashing the Naqab: The Israeli Industry of Solar Energy. Available at: www.whoprofits.org/report/greenwashing-the-naqab-the-israeli-industry-of-solar-energy/

60 For more information see: <https://investigate.afsc.org/company/shunfeng-intl-clean>

through its equity investment company **Siemens Project Ventures GmbH**.⁶¹ In 2014, the Israeli company put into operation 6 solar energy fields in the Naqab/Negev Desert, specifically the Elifaz project with 24,000 solar panels and 7 MW of capacity occupying 9.6 hectares of land; the Grofit Sun project with 22,100 solar panels and 6.4 MW of capacity, occupying 8.4 hectares of land; the Yotvata Sun project with 23,400 solar panels and 6.8 MW of capacity up to 8.8 hectares of land; the Maslal Sun with 30,700 solar panels and 8.9 MW of capacity, occupying up to 14 hectares of land; and the Erez and Shoal projects⁶². Arava Power Company signed 5 contracts with Bedouin communities to be able to build solar fields on their lands, however, according to Who Profits, the process of communal consent and the conditions of the contract have not been entirely clear⁶³.

Israeli multinational Shikun & Binui Renewable Energy

The presence of one of the main Israeli companies in the **Shikun & Binui Renewable Energy** sector is also identified in this region. This company is part of the Shikun & Binui Group (Housing and Construction Holding) with economic activity in the energy, water, infrastructure and real estate sectors. As the main institutional investors, the following stand out: O S Israel Investment Company Ltd. (46.56%), Menora Mivtachim Holdings Ltd. (7.79%), Phoenix Holdings Ltd. (6.7%), Migdal Insurance and Financial Holdings Ltd. (5.28%), Harel Insurance Investments & Financial Services Ltd. (4.88%), Excellence Investments Ltd. (1.11%)⁶⁴. Shikun & Binui Energy offers construction, management and maintenance services for solar systems. Its partners include **Siemens Energy**, **Edeltech**, **Ethos Energy**, **Edelcom**, **Chevron**, **G4S Holdings** and **G1 Secure solutions**⁶⁵.

In the Naqab/Negev Desert, Shikun & Binui Renewable Energy has developed numerous solar fields of different dimensions:

- Sde Boker and Hatzerim: in operation since 2014. The project has been built by **SunTech** and Shikun & Binui, occupies 9 hectares and generates 5 MW of electricity⁶⁶. **Solar Energy** currently operates the project and **Enerpoint Israel** provides SunTech's solar panels.
- Moshav Nevatim: it is divided into two solar energy projects. First, Nevatim 1 was completed in 2015 and generates 18 MW. Shikun & Binui Energy built and operates the project. In the construction phase, it cooperated with the German compa-

61 See: www.euro-energie.com/siemens-invests-dollars-15-million-in-israeli-solar-company-arava-power-n-1570

62 Barkat, A. (2014). "6 new solar fields launched in Israel". Englobes. Available at: <https://en.globes.co.il/en/article-6-new-solar-fields-launched-in-israel-1000930329>

63 Who Profits (2017). *Greenwashing the Naqab*.

64 For more information see: <https://www.whoprofits.org/company/housing-and-construction-holding-co/>

65 *Ditto*.

66 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/sde-boker



Arava Power. Source: Arava Power Company. License: Attribution 3.0 Unported (CC BY 3.0) <https://creativecommons.org/licenses/by/3.0/>

- ny **Belectric**.⁶⁷ Secondly, Nevatim 2 has a production capacity of 12.7 MW. **Solar Power** built the project and is currently operated by Shikun & Binui Energy⁶⁸.
- Moshav Givolim: located in the Sdot Negev Regional Council. It is a solar plant with an energy production of 12.5 MW. The project was built by **Solar Power** and is managed by Shikun & Binui Energy⁶⁹.
 - Moshav Brosh: located in the northwest of the Negev between Ofakim and Netivot, under the jurisdiction of the Bnei Shimon Regional Council. It is a solar plant with energy production of 9.6 MW. It was built by **Elmor Renewable Energy** and is managed by Shikun & Binui Energy⁷⁰.

67 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/nevatim1

68 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/nevatim2

69 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/Givolim

70 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/brosh

- Moshav Shibolim: under the jurisdiction of the Sdot Negev Regional Council. It generates 12.46 MW, was built by **Elmor** and is commercially managed by Shikun & Binui Energy⁷¹.
- Kibbutz Urim: Located near Gaza, under the jurisdiction of the Eshkol Regional Council. Its energy production is 3.3 MW. The project was built by Solar Power and is managed by Shikun & Binui Energy⁷².
- Shneur Tze'elim: The project has been developed in cooperation with Kibbutz Tze 'elim, is deployed on 141 hectares and has a capacity of 120 MW. It was built by Shikun & Binui Energy and **Belectric**. Shikun & Binui Energy commercially manages the project⁷³.
- Timna Valley: north of Aqaba and Elat city. The project has been in operation since 2014 with an energy production of 6 MW. The project was built by Spain's **Soltec** and Shikun & Binui Energy⁷⁴.
- Ein Hashlosa: Located at Kibbutz Ein Haslosa. Since 2015, it has generated 5 MW of electricity. The project was built by **Belectric** and Shikun & Binui Energy. The latter company manages the current commercial operation⁷⁵.

On December 6, 2021, the **Housing and Construction Energy Company Dimona Solar Project Ltd** subsidiary of Shikun & Binui won the tender for the development of the largest solar field in the Negev, the Dimona photovoltaic field⁷⁶, with an extension of 75 hectares and with a potential production of 300 MW per year. By 2030, the project will generate 30% of Israel's renewable energy⁷⁷. It is worth mentioning the participation in the bidding process by Dimona of the Spanish companies **Cobra Instalaciones y Servicios S.A.** and **Solarpack** in partnership with the Israeli real estate company Keystone REIT Ltd.; Invenergy Israel LLC, a subsidiary of the North-American company Invenergy; and the Israeli energy supplier OPC Energy Ltd⁷⁸.

71 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/shibolim

72 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/urim

73 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/Shneur%3Fcountry%3D1&market%3D2&service%3D0

74 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/timna%3Fcountry%3D1&market%3D2&service%3D0

75 Corporate company information: www.shikunbinui.com/en-US/projects/projectPage/ein-hashlosa%3Fcountry%3D1&market%3D2&service%3D0

76 Reuters (2021). "Shikun & Binui to build Israel's largest solar energy field" Available at: www.reuters.com/business/energy/shikun-binui-build-israels-largest-solar-energy-field-2021-12-06/

77 *Ditto*.

78 Bellini, E. (2019). "Israel reveals bidders for 300 MW Solar plus storage tender in Negev desert". Available at: www.pv-magazine.com/2021/02/15/israel-reveals-bidders-for-300-mw-solar-plus-storage-tender-in-negev-desert

Ashalim Thermal-Solar Mega-Project

Shikun & Binui is also part of the consortium that has developed the Ashalim Thermo-Solar Power Station mega-project in the Naqab/Negev Desert. The project is a public-private initiative that covers 75 hectares and generates 121 MW of electricity. The investment has been developed in three tenders: Ashalim Thermo-Solar Plot A, Ashalim Thermo-Solar Plot B, Ashalim-PV1⁷⁹. Each tender has been awarded to a promoter company with different partners and funders. According to the Israeli authorities, two new projects are planned, Ashalim-PV2 and Ashalim-PV3. Ongoing projects are structured as follows:

- Ashalim Thermo-Solar Plot A: promoted by Shikun & Binui Renewable Energy in partnership with Negev **Energy** together with the Israeli **Noy Fund** and the Spanish engineering company **TSK Group**.⁸⁰ Funders include **US Overseas Private Investment Corporation (OPIC)**, **the European Investment Bank (EIB)** and **Bank Hapoalim**.⁸¹
- Ashalim Thermo-Solar Plot B: was awarded to the company **Megali Solar Power Ltd** owned by **Noy Fund** (49.9%)⁸², **BrightSource** (25.05%) y **Alstom** (25.05%)⁸³. The Israeli company Noy Fund is the main promoter of the project. The French Alstom will be responsible for the construction, supply, operation and maintenance of the plant for 25 years, while the North American Bright Source will be responsible for the design and construction of the electricity tower⁸⁴. The project is funded by **EIB**, **Bank Hapoalim**, **Menora**, **Harel**, among others⁸⁵. The developer companies have contracted the services of the Spanish **IMASA** in 2017 for the construction of thermosolar plants⁸⁶.
- Ashalim-PV1: awarded to the company **Ashalim Sun**, owned by the Israeli **ClaI Sun** and the French **EDF Energies Nouvelles**. The main lenders include **ClaI In-**

79 Government of Israel (2019). *Infrastructure for Growth*. Available at: https://www.gov.il/BlobFolder/news/spoke_book030219/he/Spoke_growth140219.pdf

80 For more information see: www.ewind.es/2019/08/29/israel-inaugurates-negev-concentrated-solar-power-plant/70565

81 Yeshayahou, K. (2016). "Noy Fund, TSK take Negev solar power plant stage". Available at: en.globes.co.il/en/article-noy-fund-tsk-take-negev-solar-power-plant-stake-1001120238

82 Corporate company information: <https://www.noyfund.co.il/single-post/2017/02/20/megalim-solar-power-ltd>

83 See: www.alstom.com/es/press-releases-news/2014/7/alstom-participa-en-la-construccion-de-la-mayor-planta-termosolar-de-israel

84 *Ditto*.

85 Government of Israel (2019). *Infrastructure for Growth*. *Op. Cit.*

86 For more information see: www.imasa.com/en/cargarAplicacionReferencia.do?jsessionid=9EB190B-B4A32D0C8E18C3976FEF9C7F6?idAmbitoReferencia=48&identificador=1362



Ashalim solar-thermal mega-project. Source: Artem.G, CC BY-SA 4.0.
<https://creativecommons.org/licenses/by-sa/4.0/>

insurance and Finances and **Bank Hapoalim**⁸⁷. Its suppliers include **Belectric, JA Solar Holdings** and **STI Nordland**⁸⁸.

The Ashalim project received technical assistance and was provided by the Spanish Elektra Group with the installation of electrical control cabinets by its subsidiary (based in Tarragona) Kuadrotek. The air conditioning of the cabinets will be brought by another Italian company named Pfannenber⁸⁹.

International participation for the industrialization of the Naqab/Negev

As we have seen, most solar energy investment projects in Israel have a significant international participation in the promotion and construction phases, provision of supplies or maintenance services, or capital investment for their development. The following three examples again reflect this character.

87 See: https://www.flandersinvestmentandtrade.com/export/sites/trade/files/attachments/PPP_Projects-Israel-en.pdf

88 See: www.power-technology.com/marketdata/ashalim-solar-pv-project-israel/

89 See: https://www.pfannenber.com/fileadmin/Redakteur/Subsites/Files_Know-How/Files_Case_Studies/Case_Study_KUADROTEK_Ashalim_ES.pdf

The French **EDF Energies Nouvelles promoted**, in cooperation with the Israeli **Solex**⁹⁰, the Zmorot solar field. This field, which came into operation in 2014, occupies 60 hectares and generates 50 MW of electricity. The 200,000 photovoltaic panels were supplied by the company **Photowatt**⁹¹.

The German company **Belectric** has been commissioned to repower the Halutziot solar plant through the installation of new technologies⁹². Halutziot Solar Farm was built in 2015 by **Enlight Renewable Energy**⁹³.

Another example of the internationalization of solar energy investment projects in Israel is the Ramat Hovav Solar Field plant, located in the industrial area of Ramat Hovav, near the Palestinian Bedouin village of Wadi Naam, not recognized by the Israeli authorities. The Ramat Hovav solar energy project is one of the largest in the Mashreq region, occupying 48.5 hectares and generating 37.5 MW of electricity. The project was promoted by **Energix Renewable Energies** and the solar panels were provided by the company **Solar First** (US). The project was financed by Energix (35%) and **Deutsche Bank** (65%). Ramat Hovav was being managed by the public company **Ramat Hovav Power Plant Limited Partnership**, but in 2020, it was acquired by **Shikun & Binui Group** (50%) and **Edeltech Co** (50%), an Israeli company in the electricity and infrastructure sector specialized in the development of renewable energy and gas projects. **Siemens Energy** (Germany) and **Ethos Energy** (UK) have signed a contract until 2040 for the maintenance services of the solar project and its machinery⁹⁴.

2.3.2. West Bank Region, Occupied Palestinian Territory

According to Who Profits, four large solar fields have been built in the West Bank, most of them in the Jordan Valley. The solar fields developed in the Jordan Valley occupy a territory of 300,000 square meters⁹⁵. All solar plants are connected to the IEA power grid. Not only illegal settlements and Israeli companies benefit from the exploitation of the natural resources of the Palestinian people. The ICA, the civilian arm of the Israeli army, which is responsible for the control and administration of Area C, obtains benefits from companies for the granting of permits for the construction of solar farms⁹⁶. At the same time, as we will

90 See: www.power-technology.com/marketdata/zmorot-solar-pv-park-israel/

91 Corporate company information: www.edf-renouvelables.com/en/edf-energies-nouvelles-commissions-the-zmorot-solar-power-plant-50-mwp-in-israel/

92 Corporate company information: belectric.com/en/belectric-repowers-large-scale-project-in-israel/

93 See: www.power-technology.com/marketdata/halutziot-solar-pv-park-israel/

94 For more information see: www.whoprofits.org/company/housing-and-construction-holding-co/

95 Who Profits (2017). *Greenwashing the Occupation*. Op. Cit.

96 Who Profits (2018). *Plundering the Sun*. Op. Cit.

see later, illegal Israeli settlements also provide services and installations of solar panels that contribute to their maintenance and development.

Solar energy projects in the Jordan Valley: from land confiscation to green colonization

The first major project developed in the West Bank is located north of the Palestinian city of Jericho and is known as Netiv Hagdud. This solar field was built in 2015 and had the support of the Government of Israel to increase the confidence of lending banks that considered that this type of project in the OPT could pose financial risks⁹⁷. Since the initial phases of the project, the Israeli company **Green Is Us**⁹⁸ and the Italian company **Enerpoint**, through its subsidiary Enerpoint Israel⁹⁹, have invested more than \$6 million in the project. Currently, the project is underway and has been operating, since 2016, with a licence of activities of the IEA for the Israeli company **Orot Nativ Hagdud**. The project occupies 50,000 square meters and is equipped with 13,000 solar panels that produce 4 MW of electricity¹⁰⁰ and that represents a benefit of 25 million NIS (approximately 5 million euros)¹⁰¹. With regard to supplier companies, materials have been identified from the following three international companies¹⁰²: the Chinese company **SunTech**, subsidiary of the company based in **Hong Kong Shunfeng International Clean Energy**, which produces solar equipment and systems, and offers maintenance and monitoring services for technologies. The German company **Refu Elektronik** produces and sells photovoltaic and solar systems under the REFUsol brand, while the Turkish **PGR Drive Technologies** produces and exports industrial machinery.

The Kalia solar field, operational since 2016, is a 10.8 MW photovoltaic energy field located in the Kibbutz Kalia illegal settlement in the Jordan Valley. Kalia Solar is one of the three largest renewable energy projects in the West Bank, with an area of 13.5 hectares and 104,000 solar panels capable of providing energy to 5,000 homes. The project was born as a result of the partnership between **Kalia Clean Energy**, an energy cooperative of the Kalia kibbutz¹⁰³, and the company **Clal Sun Ltd**, a subsidiary of Clal Industries, and its American investor **Sun Edison**, that operate in the field with a 20-year contract for the purchase and sale of energy for 20 years with the Israel Electric Corporation. Clal Sun Ltd. is one of the leading companies in the renewable

97 Ditto.

98 See: www.whoprofits.org/company/green-is-us/

99 See: www.whoprofits.org/company/enerpoint-israel/

100 Who Profits (2017). *Greenwashing in the Occupation*. Op. Cit.

101 Who Profits (2017). *Greenwashing in the Occupation*. Op. Cit.

102 Who Profits (2018). *Plundering the Sun*. Op. Cit.

103 For more information see: www.pitchbook.com/profiles/company/264712-51#overview



Illegal settlement Kibbutz Kali, Jordan Valley.

Source: <https://www.flickr.com/photos/websthat sell/16231589475/>

energy sector in Israel, founded in 2011. The company is 52% owned by **Clal Industries** (52%), an Israeli giant with holdings in the cement industry, biotechnology, high technology and renewable energy. Clal Industries owns, through its subsidiary **Nesher Israel Cement Enterprises**, more than 80% of the market share of cement production in the country, so it is very likely that it has participated in the construction of separation walls, checkpoints, colonist settlements and other Israeli infrastructure in the occupied Palestinian territories¹⁰⁴. The other investor, US-based **Sun Edison**, which owned 2.5% of Clal Sun¹⁰⁵ was dissolved in 2017, after filing for bankruptcy¹⁰⁶. Regarding suppliers, Who Profits identifies that the solar panels installed in Kalia come from the North American company **First Solar**¹⁰⁷. Electronic systems and software are also

104 See: www.whoprofits.org/company/clal-industries/

105 https://www.israellobby.org/energix/WhoProfits/greenwashing_the_occupation_web.pdf

106 Corporate company information: www.sunedison.com/restructuring.html

107 Who Profits (2017). *Greenwashing in the Occupation*. Op. Cit.

identified, coming from the German company **PADCON**¹⁰⁸, and equipment and supplies from Sweden's **ABB** and also Germany's **SMA Solar Technology**¹⁰⁹.

The Meitarim solar field is located in the industrial settlement that bears the same name, occupying 98,749 square meters of Palestinian land. The field is connected to the Israeli grid, and with 16,120 solar panels it generates 5 MW of electricity, enough to power 2,500 homes. The field is owned by **Energix Renewable Energies** (50.1%), a publicly traded Israeli company, and the **Mount Hebron Development company** (49.9%), a private Israeli company that invests in Israeli industrial projects in the Mount Hebron area. Energix Renewable Energies is owned by Alony-Hetz Properties and Investments Ltd. 27.5% of the company's shares are publicly owned. In 2022, the company was selected to participate in a pilot programme of the Ministry of Energy and the Ministry of Agriculture and Rural Development, to examine the feasibility of dual-use agricultural land for electricity generation from solar energy. As part of the project, the company will collaborate with **the Galilee Migal Research Institute** to build an agro-voltaic facility in a vineyard in the Sha'al settlement in the occupied Syrian Golan. The Mount Hebron Development Company was founded in 1984 by the Hebron Regional Council together with the surrounding settlements and cooperatives of the Kiryat Arba settlement. The company was created in order to develop industrial projects in the hillside area of South Hebron¹¹⁰. The supplier companies include **JA Solar Holdings**, a Chinese corporation that designs, develops, manufactures and sells solar energy products for residential, commercial and utility-scale power plants¹¹¹.

Another of the most important projects in the West Bank is the **Shadmot Mehola solar field**, built near the Palestinian towns of Ein El-Beida and Khirbet al-Malih, with an extension of 49,242 square meters and a generation of 5 MW per year. The activity licence was granted in 2016 to the company **Energy Sde Ilan**, which carries out its commercial operation. Among its suppliers, we find the Israeli company SolarEdge with investment from companies such as GE Energy Financial Services, Norwest Venture Partners, Light-speed Venture Partners, ORR Partners, Genesis Partners, Walden International, Vertex Venture Capital, JP Asia Capital and Opus Capital Ventures. Another provider is **MGA Energy Solutions**, owned by Eli Menachem Holdings and Gil Menachem Holdings, which provides engineering and construction services to the solar field.

Natural resource exploitation projects in the West Bank continue to grow with the construction of the new Jordan Valley Project solar plant. This project aims to establish a solar energy field together with 12 agricultural cooperatives located in illegal settlements. Once completed, the project will have Israel's largest solar field in the occupied West

108 *Ditto*

109 Who Profits (2018). *Plundering the Sun*. *Op. Cit.*

110 Who Profits (2017). *Greenwashing in the Occupation*. *Op. Cit.*

111 Who Profits (2018). *Plundering the Sun*. *Op. Cit.*

Bank, covering up to 300 hectares of land and generating 360 MW of electricity. The field is expected to be connected to Israel's national electricity grid by 2024. The company **Teralight**, promoter of the project, has an exclusive agreement with the Moshavim movement¹¹². **Menora Mivtrahim Energy** and **Canadian Solar Inc.** have announced that they will participate in the investment of the **Jordan Valley Project**¹¹³. Menorah Mivtrahim Energy is a subsidiary of **Menorah Mivtrahim Holdings** which is publicly listed and operates in all fields related to life insurance, pensions, general insurance and health insurance. Canadian Solar Inc, with Chinese capital and public listing on the NASDAQ since 2006, is a leading manufacturer of photovoltaic solar modules and supplier of solar energy solutions.

Photovoltaic systems in residential areas of illegal settlements

Illegal settlements in the West Bank are connected to the IEA's electricity grid, but apart from this service, individuals and regional and local authorities have incorporated solar panels and other systems to lower their costs and cover their energy needs. This process accelerated in December 2011 when the Israeli Civil Administration issued Regional Plan 55/1, a planning document for photovoltaic installations in the West Bank¹¹⁴. The approval of this plan ushered in a new era for solar systems in settlements. In this process, numerous Israeli and international companies have provided these products to the settlements, services that can be considered illegal, as defined by the United Nations Human Rights Council resolution 43/71 of 2020, also known as the Database of companies in the settlements in the West Bank, previously mentioned in this report¹¹⁵.

Numerous Israeli and international companies have provided photovoltaic installations to the settlements, services that can be considered illegal by the United Nations Human Rights Council resolution 43/71 of 2020.

In this Database, there are two of the main companies in the renewable energy sector identified in the construction of solar fields, the Israeli **Energix Renewable Energies Ltd.** and the French **Alstom S.A.** The presence of these companies in the Database implies that

112 The Moshavim Movement is a major lobbying group in Israel's settlements, its members being cooperative farmers

113 For more information see: www.glasstec-online.com/en/Media_News/CANADIAN_SOLAR_PARTNERS_WITH_MENORA_MIVTACHIM_TO_INVEST_IN_SOLAR_POWER_PROJECTS_IN_ISRAEL

114 Who Profits (2017). *Greenwashing the occupation*. Op. Cit. p. 43

115 UN (2020). Human Rights Council Resolution A/HRC/43/71. Available at: https://www.un.org/unispal/wp-content/uploads/2020/02/A.HRC_43.71-1.pdf

they are providing services and infrastructures necessary for the survival of colonist settlements, which violate international law. Other companies present in the settlements are:

- **Sphere Energy Systems:** an Israeli company that supplies and installs solar systems in residential areas. According to Who Profits, the company has provided: one solar system in Nokdim (4 KW), approved by the Gush Etzion Regional Council; 5 solar systems in Mevo Horon (4 KW); 3 solar systems in Alfei Menashe (4 KW); 8 solar systems in Elkana. Projects in the occupied Syrian West Bank and Golan Heights identify products manufactured by **Sharp**, **Suntech**, **Solartechnics** and **Yingli**, and **SolarEdge's** electricity converter. Sphere Energy Systems is owned by Ra'anana Riter (75%) and Lior Nemri (25%). Its subsidiaries and partners include **Danbit Insurance Agency**, **Green is Us** and **Solar Clean**.
- **Volta Solar:** specialized in the development, construction and operation of solar energy roofing systems for private homes, commercial and public buildings and residential buildings¹¹⁶. Volta Solar has a market share of 35% of Israeli solar rooftops for the private home sector. The company has established approximately 2,600 projects generating more than 50 MW of net electricity with clients such as **Shikun & Binui**, **the Megido Regional Council** in the northern West Bank, and **Shaphir Engineering**, a company also registered in the UN Database, and as partners **EDF energies** and **EV-Edge**¹¹⁷.
- **Enepoint Israel** i installs and supplies photovoltaic panels for the production of solar energy in the OPT; specifically, its systems are located in the illegal settlement of Mishor Adumin, in the central region of the West Bank¹¹⁸.
- **B.D.T.H Israel Solar Energy Ltd.**, founded in 2010, builds and installs commercial and residential solar fields. In September 2018, the company won a NIS 900,000 tender for the installation of solar panels on top of educational institutions in the Kiryat Arba settlement. Once the project is completed, 250 KWP of electricity can be generated¹¹⁹.
- **Suntech:** manufactures, develops and delivers solar energy products. In June 2016, Who Profits documented SunTech's solar panels in the Netiv Hagdud commercial solar field. In addition, in a joint partnership with the Israeli company Solarit Doral, Suntech co-constructed a solar power plant in Katzrin, an Israeli settlement in the Syrian Golan Heights. The Katzrin solar project generates 85,000 kWh per year.¹²⁰

116 *Jerusalem Post* (2022). "Voltar Solar announces NIS 40 millions funding round". Available at: www.jpost.com/business-and-innovation/tech-and-start-ups/article-704010

117 See: www.nocamels.com/2022/04/volta-solar-energy-funding/

118 Who Profits (2017). *Greenwashing the Naqab*. Op. Cit.

119 For more information see: www.whoprofits.org/company/b-d-t-h-israel-solar-energy-ltd/

120 For more information see: <https://investigate.afsc.org/company/shunfeng-intl-clean>

Preliminary stages to industrial development

The industrialization process in the Naqab/Negev Desert and the Jordan Valley, as well as the expansion of Israeli settlements, involves a prior process of house demolition, forced displacement, and land confiscation.

In this process, Who Profits has documented the use of **Volvo** vehicles in the demolition of Palestinian structures and the confiscation of solar panels in 2015 in Kahn al-Amar and in 2016 in Khirbet Jebanh, in cooperation with the military forces and the ICA¹²¹. In the Naqab region, Volvo vehicles have demolished solar panels in the Bedouin communities of Al-Araqib and Um el-Hiran. In parallel, Volvo machinery has been used for the construction of the Har Gilo settlement and the Barkan industrial zone, as well as the construction of checkpoints in Huwwara and the Israel Separation Wall¹²². As for the **Fassi** company, its vehicles have been used in the confiscation of solar panels in Khirbet Tall al-Himma in the Jordan Valley¹²³.

The industrialization process in the Naqab/Negev Desert and the Jordan Valley, as well as the expansion of Israeli settlements, involves a prior process of house demolition, forced displacement, and land confiscation.

121 Who Profits (2018). *Plundering the Sun*. Op. Cit.

122 Ditto.

123 Ditto.

3. Contribution of the Spanish financial sector

3.1. The Spanish financial sector

Broadly, the financial system is a set of authorities, entities, markets and instruments regulated by legal rules, and consists of the following elements:

- **Financial authorities:** bodies that control and regulate the operation of the system. Examples include the European Central Bank, the Bank of Spain, the National Securities Market Commission, the General Directorate of Insurance and Pension Funds.
- **Financial institutions:** companies and institutions that facilitate the exchange of resources through an intermediation and/or mediation activity (channelling resources between lenders and borrowers and contacting investors and lenders). Those are banks, savings banks, credit unions, insurance companies, investment funds, securities companies, etc.
- **Financial markets:** environments (physical or virtual) with a more or less regulated operation that facilitate legal negotiation with assets, instruments and products, which results in the exchange of resources.

As for the Spanish State, there are different financial institutions that are part of the investment and credit architecture in renewable energy projects in Israel. Spanish financial institutions can participate in these projects through loans or direct investments.

- **Loans:** entities that offer loan money and services to certain businesses / projects. These entities expect economic benefits through the application of an interest to the loan. Loans can be divided into:
 - **Project financing:** This type of loan directly finances the development of a project, and the money can only be used for this purpose. The borrower repays the loan with the money generated by the project, for example the electricity sold by a power plant.
 - **Business financing:** A company can use this type of loan to finance anything in its operations, from paying employees to developing a project. In most cas-

es, the company can decide how to use the money without consulting lenders. Business financing comes in two basic varieties: term loans and revolving credit facilities.

Some of the lending institutions that finance companies that carry out solar energy projects in Israel are, on the one hand, Spanish entities: **CaixaBank**, **Banco Santander**, **BBVA**, **Ibercaja**, **Bankinter**, **Kutxabank**, **Banco Sabadell**, **Bankia**, among others. CaixaBank and Banco Santander are the Spanish banks that invest the most in ESG financing¹²⁴ and renewable energy projects. In general terms, in 2020 CaixaBank's photovoltaic solar energy initiatives accounted for 62.5% of the total investment¹²⁵ and a year later this bank mobilised 31,375 million euros in sustainable investments, including green bonds and loans¹²⁶. For its part, Banco Santander has established itself as a world leader in the financing of green initiatives, with an investment in 2020 of more than 2,400 million euros in 33 operations. At the same time, the **European Investment Bank (EIB)**, considered the lending arm of the European Union and the largest multilateral financial institution in the world, financed one of the largest solar energy projects in Israel, the Ashalim solar plant, with 150 million euros a few years ago¹²⁷. In this context, the Spanish State¹²⁸ is one of EIB's major shareholders.

- **Investments:** Financial institutions can, through the funds they manage, buy shares of a certain company. This provides the company with new equity and gives the financial institution a direct influence on the company's strategy. The magnitude of this influence depends on the size of the shareholder. Examples of financial companies include **Welzia**, **AndBank**, and others.
- **Bonds:** It is a debt instrument issued by a company or public administration that is sold to investors in the financial markets with the same objective of obtaining resources to finance themselves. The bond issuer promises to return the borrowed money plus a pre-fixed interest (coupon) to the bond purchaser. Financial institutions can also buy bonds of a certain company. The main difference between the ownership of shares and bonds is that the owner of a bond is not a co-owner

124 The ESG criteria cover the following aspects: The environmental factor (E), to make decisions based on how they affect the activities of companies in the environment. The social factor (S), to take into account the impact that the activities carried out by the company have on the community. Factor Government (G), which studies the impact of the shareholders themselves and the administration, and is based on issues such as the structure of the boards of directors, the rights of shareholders or transparency.

125 *El País* (2020). "CaixaBank invests 2.4 billion euros in renewable energy projects". Available at: cincodias.elpais.com/cincodias/2020/10/01/companias/1601544938_006059.html

126 For more information see: www.marketscreener.com/quote/stock/CAIXABANK-S-A-357103/news/CaixaBank-S-A-mobilizes-31-375-million-euros-in-sustainable-financing-in-2021-an-increase-of-150-37504769/

127 EIB. Negev Solar Thermal Plant. Available at: www.eib.org/en/projects/pipelines/all/20090731

128 See: www.eib.org/en/about/governance-and-structure/shareholders/index.htm

INFOGRAPHIC 2: SPANISH FINANCIAL SECTOR'S COMPLICITY IN THE "GREENWASHING OCCUPATION" OF PALESTINE



Source: Own elaboration based on the information included in this report and other sources such as <https://palopen-maps.org/en>; <https://database.earth/energy/power-plants/solar-power/israel> i <https://maps.google.com>

of the issuing company; the owner is a creditor of the company. The purchaser of each bond is entitled to repayment after a specified number of years, and at a specified interest during each of these years. For example, **Trea Capital Partners**, a Catalan firm specializing in *corporate finance*, is dedicated to the search for industrial or strategic partners, financing projects through investment vehicles and providing financial resources through venture capital firms for companies in growth, restructuring or transition. He is a bondholder of the Israel Electric Corporation¹²⁹.

- **Insurance companies:** are constituted by the set of companies that, as a counterpart to the payment of insurance premiums by the insured (person or company, contracting the insurance), undertake to grant compensation in case of situations that may put the operation at risk. Highlights: **Catalana Occidente**, **Compañía Española de Seguro de Crédito en la Exportación (CESCE)** and **Grupo Mapfre**.

In addition, a significant number of financial institutions in Spain invest in large investment funds (vulture funds) such as **Blackrock**, **Morgan Stanleyn**, **The Vanguard Group** or **Goldman Sachs**, which in turn invest in the main Israeli banks **Bank Leumi**, **Hapoalim** and **Israel Discount Bank**. Those provide the necessary investment or loan to the companies **Harel Insurance Investments and Finance**, **Clal Insurance and Finances**, **Menora Mivtachim Investment**, to develop photovoltaic energy projects.

3.2. Analysis of Spanish financial institutions and their *Greenwashing* practices

Financial and credit institutions (banks, investment funds, lenders and insurers, especially), provide companies with the economic means necessary to boost projects. Without this financial support, it would be almost impossible to carry out the commissioning of solar power plants located in occupied territories mentioned in the previous section. Following this logic, we consider that financial institutions have a responsibility towards the negative impacts on human rights generated by the projects they invest in and, therefore, also a responsibility towards these violations. In the OPT, these negative impacts on the Palestinian population are in the public domain and are being denounced by various NGOs and institutions. Therefore, financial institutions can have thorough knowledge of them.

129 *Profound* (2018). *Doing Business with the Occupation*. Available at: www.profundo.nl/download/11-11-11-1806

The financial system and some certification entities such as **Vigeo Eris** - which has already been pointed out to validate projects in occupied Western Sahara as¹³⁰ “sustainable”- tend to present investments and financing of renewable energy projects as envi-

Institutions have a responsibility towards the negative impacts on human rights generated by the projects they invest in and, therefore, also a responsibility towards the violations they commit.

ronmentally friendly and socially responsible. However, the development of these projects not only does not guarantee the energy sovereignty of the population, but can also generate negative impacts on the human rights of people and communities, as it is the case of territories under occupation. It is what is known as “greenwashing”. Currently, financing with ESG (Environmental, Social and Corporate Governance) criteria and the issuance of so-called “green bonds” - debt securities issued by public or private institutions to finance green and sustainable projects - have become a priority market for banks and

investment funds. In Spain, this type of financing grew in 2021 to reach 54,951 million euros and 15 out of every 100 bonds issued were “social” or “green” bonds”¹³¹.

Tracking direct economic transactions and so-called green loans is complex, unless the entities or companies themselves advertise it, because of the protected nature of this type of transaction. It is therefore difficult to obtain a true picture of the real economic volume with which solar energy projects in occupied territories have been financed by Spanish financial institutions and funds. For this reason, a large part of the links set out in this report correspond to stock market investments, included in the periodic reports of the entities. Again, although they are part of this volume, the investments of funds such as The Vanguard Group or Blackrock, strongly involved in the solar energy sector, which are also financed by the vast majority of Spanish banks, are not included.

Main companies and projects with links to Spanish entities

Among the companies that maintain the most significant economic links with the Spanish financial system, the Israeli **SolarEdge** stands out. It is a provider of solar projects in Shdemit Mehola and Petza ‘el, colonist settlements in the occupied Jordan Valley, as well as be-

130 Western Sahara Resource Watch (WSRW) (30/04/2017). ‘Vigeo Eiris: Saharawi consent is unnecessary’ <https://wsrw.org/es/archive/3838>

131 Europa Press (31/01/2022). ‘Sustainable financing in Spain reached 54,951 million last year’ <https://www.europapress.es/economia/finanzas-00340/noticia-financiacion-sostenible-espana-alcanzo-54951-millones-ano-pasado-20220131131840.html>

ing a provider of the Israeli Prison Service and the Ministry of Public Security¹³². SolarEdge was financed in 2009 by the American company General Electric, which maintains economic ties with Banco Santander¹³³. SolarEdge, for its part, appears in the investment funds Ibercaja Renta Internacional, Ibercaja Utilities FI and Ibercaja Sostenible y Solidario¹³⁴, that belong to Ibercaja, founded in 2011 and based in Zaragoza, with shares for a combined value of more than 260,000 euros¹³⁵. Actually, the Ibercaja Sustainable and Solidarity Fund specifies that it excludes “companies that contravene the Principles of the United Nations Global Compact: Guiding Principles on Business and Human Rights of the United Nations (UNGPBHR) and Conventions of the International Labour Organization (ILO) and OECD Guidelines for Multinational Enterprises¹³⁶”. The Israeli company is also part of the stock market assets of **Bankia**¹³⁷ (absorbed in 2021 by **Caixabank**) and **BBVA**, which owns shares worth \$430,000.

Ibercaja also owns shares worth 1,2 million euros in the American company **First Solar**¹³⁸, which has been a supplier of photovoltaic modules to the Kalia Solar project and the Ramat Hovav Solar Field plant, located in the territory of a displaced Bedouin village. It also invests in the Bilbao-based manager **Amistra Global**, which acquired nearly 800,000 euros in the company’s shares in 2019¹³⁹.

Both companies –SolarEdge and First Solar– are also included in BBVA’s investment portfolio, specifically its **BBVA Bolsa USA** fund¹⁴⁰. On the other hand, the Goldman Sachs fund designated SolarEdge and First Solar as the best investment options for 2023, “for their upside potential¹⁴¹, which suggests that the links of the Spanish entities and funds with the two companies could grow this next year.

132 Who Profits (Accessed December 2022). Companies. Solar Edge Technologies: <https://whoprofits.org/company/solaredge/>

133 *La Información* (23/06/2014). ‘Santander buys General Electric’s consumer business in 3 countries’. https://www.lainformacion.com/economia-negocios-y-finanzas/santander-compra-el-negocio-de-consumo-de-general-electric-en-3-paises_poLQGOYCdAlufEjr8wmva3/

134 Ibercaja Sustainable and Solidarity Investment Fund. FULL REPORT Q3 2021. https://media.ibercaja.net/fondos/ES0102564038_T3_21_C.pdf

135 Funds that invest in SolarEdge Technologies, according to Fondium: <https://fondium.com/en-cartera/US83417M1045>

136 For more information: <https://media.ibercaja.net/ibercajagestion-com/ibercaja-sostenible-y-solidario-fi.pdf>

137 Ibercaja Sustainable and Solidarity Investment Fund. FULL REPORT Q3 2021. https://media.ibercaja.net/fondos/ES0102564038_T3_21_C.pdf

138 Funds that invest in First Solar, according to Fondium: <https://fondium.com/en-cartera/US3364331070>

139 *Íbid.*

140 BBVA Asset Management. BBVA BOLSA USA, FI. First Quarter 2021 Quarterly Report: https://fidocs.bbva.com/documents/ES0110122035_TA_20210331_ESP_SPA_1.pdf

141 *Bolsamania* (12/19/2022). ‘These are Goldman Sachs’ two preferred stocks for 2023’. <https://www.bolsamania.com/capitalbolsa/noticias/recomendaciones/estas-son-las-dos-acciones-preferidas-de-goldman-sachs-para-2023--11744822.html>

The Kalia Solar project, in the occupied territory of the Jordan Valley, also involved the German **SMA Solar Energy**, of which the Spanish manager **Welzia Ahorro** has shares for a capital of 99,521 euros in its WELZIA AHORRO 5, FI Fund¹⁴². The company has been a supplier of Spanish projects such as the solar plants in Torde-sillas, Valladolid and Fontellas (Navarra), which are financed by Caixabank and Banco Santander¹⁴³, and it also invests in the Valencian company Nao Sam¹⁴⁴. In turn, SMA Solar Energy is a partner in several projects of the also German **Siemens AG**, which owns 40% of **Arava Power**¹⁴⁵, an Israeli renewable energy company that developed the first solar field in Israel, Ketura Sun, which was built in 2011. A year later, in 2012, Arava Power opened a funding round of 204 million dollars from Bank Hapoalim, Migdal Insurance and the Amitim Pension Fund. In addition, in the same year, it carried out a debt financing operation of \$5 million from the Israeli credit fund Viola Credit (Viola Group)¹⁴⁶, which operates extensively in Europe, among others in joint operations with Banco Santander¹⁴⁷. Viola Credit is financed by Bank Leumi, Migdal Insurance, Menora Mivtachim and Phoenix Insurance and is a partner in some operations of the Cardumen Capital fund¹⁴⁸. This European-Israeli venture capital fund based in Madrid specializes in investments in Israeli high-tech companies and has been financed with 7.5 million euros by Innocells, the digital innovation and corporate venturing hub of Banco Sabadell¹⁴⁹.

At the same time, Siemens AG is present in the investment portfolio of most of the large Spanish banks and also of Kutxabank and the insurers MAPFRE and Catalana Occidente¹⁵⁰. The German company, which in its renewable energy division was associated in 2017 with the Spanish Gamesa S.A., would have been the recipient of loans from BBVA

142 SMA Solar Energy shares, according to Fondium: <https://fondium.com/en-cartera/DE000A0DJ6J9>

143 See: <http://www.nepcoecapital.com/solar-projects/>

144 Luis A. Torralba (30/09/2020). 'The Valencian manager Nao SAM or how to obtain profitability following sustainable criteria'. Valencia Plaza: <https://valenciaplaza.com/webinar-gestora-nao-sam-unica-verde-en-espana-y-valenciana>

145 EuroEnergie (29/08/2009). 'Siemens invests \$15 million in Israeli solar company Arava Power'. <https://www.euro-energie.com/siemens-invests-dollars-15-million-in-israeli-solar-company-arava-power-n-1570>

146 Crunchbase. 'Arava Power'. Debt Financing. https://www.crunchbase.com/funding_round/arava-power-company-debt-financing--83f33553

147 Buchter, M. (21/01/2021). 'Invoice finance platform MarketInvoice raises \$33.5M from Barclays, Santander'. *TechCrunch*. <https://techcrunch.com/2019/01/20/invoice-finance-platform-marketinvoice-raises-33-5m-from-barclays-santander/>

148 Arrillaga, J. (10/03/2022). 'Cardumen leads a round of 35 million in Lendai'. *El Economista*. <https://www.eleconomista.es/empresas-finanzas/noticias/11658969/03/22/Cardumen-lidera-una-ronda-de-35-millones-en-Lendai.html>

149 *El Economista* (18/07/2018). 'Innocells, from Banco Sabadell, enters Israel with an investment of 7.5 million in the fund cardumen capital'. <https://www.eleconomista.es/economia/noticias/9280741/07/18/Innocells-de-banco-sabadell-entra-en-israel-con-una-inversion-de-75-millones-en-el-fondo-cardumen-capital.html>

150 Funds with shares of Siemens AG, according to Fondium: <https://fondium.com/en-cartera/DE0007236101>

worth \$191 million and from Banco Santander worth \$734 million¹⁵¹. The company's renewable energy subsidiary, now renamed Siemens-Gamesa, obtained "green guarantees" from BBVA worth 900 million euros in 2019¹⁵², while in 2020 CaixaBank mobilised 1,850 million euros for two sustainable factoring projects with this company and with Endesa¹⁵³.

Siemens AG has also been a supplier to one¹⁵⁴ of Israel's largest renewable energy companies, **Enlight Renewable Energy**, which develops renewable energy projects in numerous European countries¹⁵⁵ and is responsible for the construction of the Halutziot solar project and a dozen wind farms in the Naqab/Negev Desert and the occupied West Bank. In 2020, Enlight received a 'green loan' from Banco Sabadell and Bankia to build the Gecama wind farm in Cuenca, Spain¹⁵⁶.

One of the company's main financiers is the investment fund **Clal Insurance and Finances**, which is present in projects such as Halutziot Solar Farm and finances companies such as Enlight, mentioned above, and the French **EDF Energies Nouvelles**. EDF promoted, in cooperation with the Israeli Solex, the Zmorot solar field in the Naqab/Negev and participates in the company Ashalim Sun, winner of the Ashalim PV1 field, together with the Israeli **Clal Sun**. Clal Insurance and Finances is also involved in a solar energy project in Spain, possibly through Noy Fund, of which it is co-owner¹⁵⁷. Catalana Occidente's 2020 earnings report reveals that the Sant Cugat del Vallès-based insurer actively invests in Clal Insurance and Finance¹⁵⁸. Through Noy Fund, Clal Insurance and Finances and Bank Hapoalim have also financed the Ashalim solar thermal megaproject in the Negev, which consists of three facilities or development phases. In the planning of the first one, called Plot 1, the Spanish company Abengoa participated, financed by all the main Spanish banks, including a loan from Bankia to its solar energy division granted

151 Don't Buy Into Occupation database. <https://dontbuyintooccupation.org/dbio-data/>

152 Renewable energies (11/01/2019). 'Siemens Gamesa obtains from BBVA "green" guarantees worth 900 million euros'. <https://www.energias-renovables.com/eolica/siemens-gamesa-obtiene-avales-verdes-por-val-or-20190111>

153 *Valencia Plaza*. (25/11/2020). 'CaixaBank mobilises €12 billion in sustainable financing in 2020'. <https://valenciaplaza.com/caixabank-moviliza-12000-millones-en-financiaciones-sostenibles-en-2020>

154 Who Profits. Company, Enlight Renewable Energy. <https://www.whoprofits.org/companies/company/6339?enlight-renewable-energy>

155 Frost and Sullivan, Independent Equity Research. Enlight – Update Report <https://mayafiles.tase.co.il/rpdf/1419001-1420000/P1419036-00.pdf>

156 *Europa Press* (22/06/2020). 'Enlight closes the financing with Banco Sabadell and Bankia for a 312 MW wind farm in Cuenca'. <https://www.europapress.es/economia/noticia-enlight-cierra-financiacion-banco-sabadell-bankia-parque-eolico-cuenca-312-mw-20200622130532.html>

157 Sánchez Molina. P. (25/03/2021). 'The joint venture between Israel's Noy Fund and Nofar Energy buys another 235.5 MW in Spain from Hive Energy'. *PV Magazine*. <https://www.pv-magazine.es/2021/03/25/la-joint-venture-de-las-israelies-noy-fund-y-nofar-energy-compra-a-hive-energy-otros-2355-mw-en-espana/>

158 Annual Report Grupo Catalana Occidente, SA 2021. https://www.grupocatalanaoccidente.com/doc/gco/consolidated-annual-report-/20220224_informe_anual_2021_eng.pdf

in 2008 and renewed in 2014¹⁵⁹. In 2016, Abengoa sold its share of the project, 50%, to Noy Fund and to the Spanish **TSK Group**¹⁶⁰, which kept 10% and that will also be the main contractor. In 2019, the year in which the Ashalim plant was inaugurated, the Asturian company received from the Ministry of Finance and the Ministry of Science of Spain, among others, about 3 million euros in financial aid, including grants, loans at subsidized interest rates and R&D deductions applied to corporate tax¹⁶¹. In 2021, TSK Group signed two tranches of guarantees (one of 254 million euros and another of 266 million) to reinforce its growth strategy. The guarantees are led by **Banco Santander** and also include **Abanca**, **BBVA**, **Sabadell**, **Bankinter**, **CaixaBank**, **Cajamar**, **Unicaja** and **the Spanish Official Credit Institute**¹⁶².

Noy Fund also co-owned **Ashalim's second phase**, Plot B, along with California's BrightSource and France's Alstom, which owns 25.05%. Alstom has long-standing ties to major Spanish financial institutions. Since 2003, **BBVA** has had risky assets in Alstom and in 2021 signed a line of green guarantees worth 400 million euros with the company¹⁶³. In December 2022, **Caixabank** announced its participation in a sustainable syndicated guarantee line (financing line shared by several banking entities) of 12,7 billion euros from Alstom¹⁶⁴. The French company would also receive financing from **Banco Sabadell**¹⁶⁵.

The links of Spanish financing to companies involved in solar energy projects in the Naqab/Negev and the occupied Palestinian territory extend to the Teralight project, currently under construction, in which the company **Canadian Solar** participates, which in addition to being part of the investment portfolio of the Spanish managers **Gesurius Asset Management S.G.I.I.C.**, **Andbank Wealth Management**, **SGII** and **BBVA**, closed in 2021 a loan worth \$50 million with **Banco Santander**, specifically for the

159 Proposed resolutions for the Extraordinary General Meeting of Abengoa 2016. https://www.abengoa.com/export/sites/abengoa_corp/resources/pdf/gobierno_corporativo/juntas_generales_de_accionistas/2016/extraordinaria/es/04-jge-2016-es.pdf

160 *El Español* (25/11/2017). 'tsk takes over from Abengoa in the construction of the largest solar plant in Israel'. https://www.lespanol.com/invertia/empresas/201711025/tsk-relevo-abengoa-construccion-mayor-planta-israel/256975716_0.html

161 TSK Group. Non-financial information statement, 2020. https://www.grupotsk.com/wp-content/uploads/2020/09/einf_tsk_2019.pdf

162 Martín Simón, P. (10/13/2021). 'TSK signs 520 million guarantees led by Santander to boost its growth'. *Cinco Días*. https://cincodias.elpais.com/cincodias/2021/10/13/companias/1634111949_264547.html

163 BBVA website (07/07/2021). 'BBVA supports the French transport leader Alstom in its first line of green guarantees'. <https://www.bbva.com/es/sostenibilidad/bbva-apoya-al-lider-de-transporte-frances-alstom-en-su-primera-linea-de-avales-verde/>

164 CaixaBank website (12/12/2022). 'CaixaBank participates in Alstom's €12.7 billion sustainable syndicated guarantee facility'. https://www.caixabank.com/comunicacion/noticia/caixabank-participa-en-la-linea-de-garantias-sindicada-sostenible-de-12-700-millones-de-euros-de-alstom_es.html?id=43804

165 Don't Buy Into Occupation database. <https://dontbuyintooccupation.org/dbio-data/>

expansion of Canadian Solar projects in Europe, the Middle East and Africa¹⁶⁶. **Caixa d'Enginyers** has held stakes in Gesiuris through its Gestió Alternativa FI fund¹⁶⁷ and the Gestió Dinàmica FI funds¹⁶⁸. After contacting the entity, it has been confirmed that since 31/12/2019 they have divested from this fund. The authors have not been able to identify, however, the direct relationship with Canadian Solar.

On the other hand, China's SunTech, which has provided solar panels for projects such as Netiv Hagdud located in the occupied Jordan Valley or Ketura Sun, the Naqab/Negev desert, was financed in 2005 by **Prax Capital China**¹⁶⁹, created by two Spanish entrepreneurs¹⁷⁰ and financed by the **SICAV Antresma de Inversiones SA**¹⁷¹, which manages **Santander Private Banking Desti3n, SA, SGIIC**, a manager of Banco Santander¹⁷². Finally, **Soltec Energías Renovables**, a Spanish solar photovoltaic company based in Molina de Segura (Murcia), has promoted and supplied material to projects such as Timna Valley, in association with Shikun & Binui Energy, and to two more fields south of the Naqab/Negev, in Bnei Shimon and Merhavim (under construction)¹⁷³. Precisely within the framework of this internationalization process, in 2018 Soltec received a syndicated loan of 100 million euros, in a financial operation led by **Banco Santander** with the advice of **PwC** and with the participation of **Bankia, Bankinter, BBVA, Caixabank, Cajamar, CajaRural, Ibercaja, Liberbank, Banc Sabadell, Banco Cooperativo Espa3ol** and **Banco Pichincha Espa3a**¹⁷⁴. In 2021, the company refinanced the remaining loan and obtained a new syndicated credit line worth 110 million euros from the same banks, in addition to **Banca March**¹⁷⁵.

166 Canadian Solar website (24/06/2021). 'Canadian Solar secures eur 50 million from Santander to support growth in project development in EMEA'. <https://investors.canadiansolar.com/news-releases/news-release-details/canadian-solar-secures-eur-50-million-santander-support-growth>

167 For more information see: <https://fondium.com/fondos/caja-ingenieros-gestion-alternativa-fi>

168 For more information see: <https://fondium.com/fondos/caja-ingenieros-gestion-dinamica-fi>

169 Crunchbase, Prax Capital, recentinvestments: https://www.crunchbase.com/organization/prax-capital/recent_investments

170 Two Spaniards in Chinese venture capital (10/06/2009). *Cinco Días*. https://cincodias.elpais.com/cincodias/2009/06/10/empresas/1244641200_850215.html

171 ANTRESMA DE INVERSIONES, SICAV S.A. Quarterly Report of the Third Quarter of 2022. <https://wcm.bancosantander.es/fwm/do-sicavs-antresmadeinversiones-tercertrimestre.pdf>

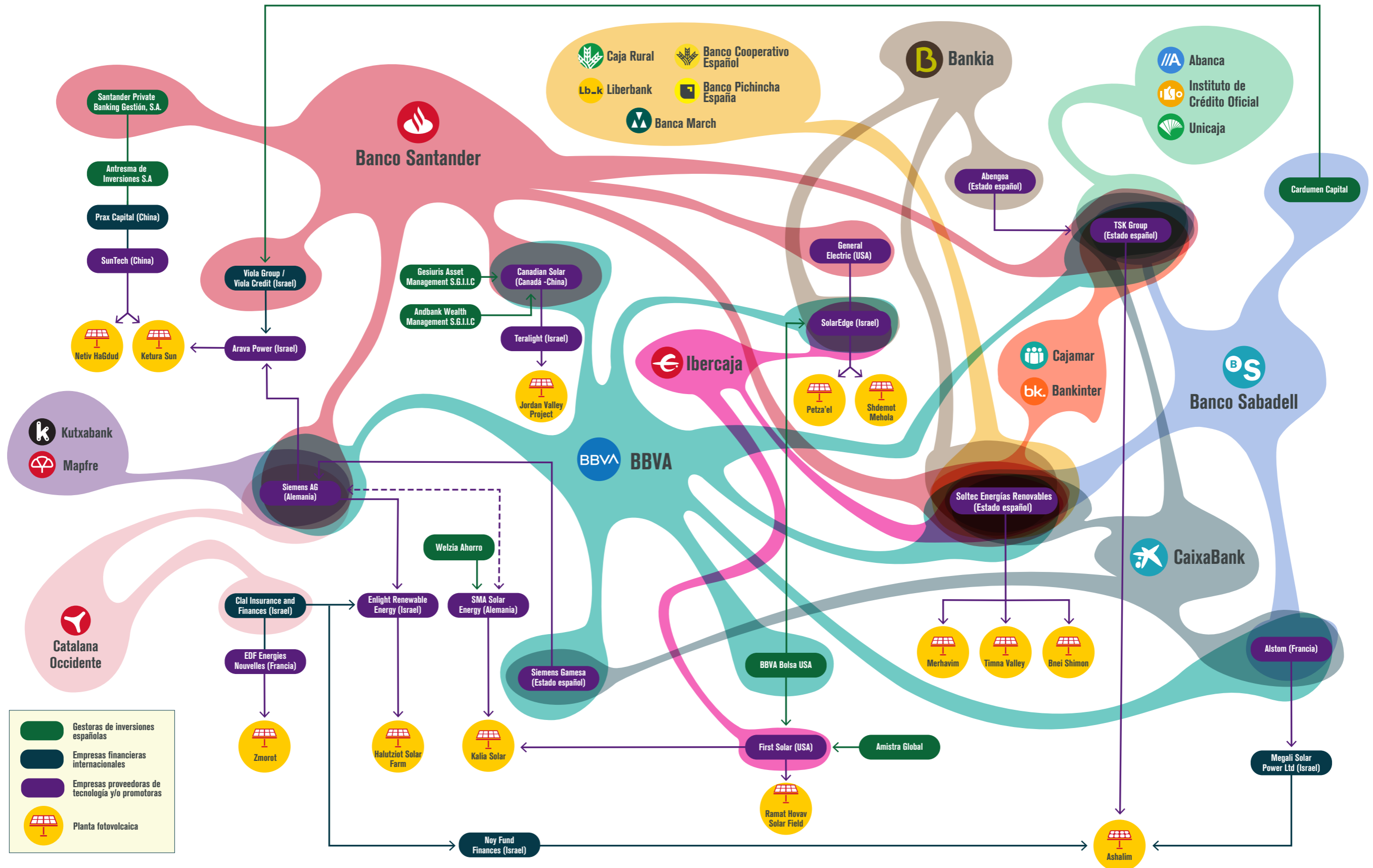
172 National Securities Market Commission (CNMV). ANTRESMA DE INVERSIONES, SICAV S.A. <https://www.cnmv.es/Portal/Consultas/IIC/SociedadIIC.aspx?nif=A-82629569>

173 Soltec website (02/08/2018). 'Soltec supplies bifacial solar trackers for photovoltaic project in Israel'. <https://soltec.com/soltec-suministra-seguidores-solares-bifaciales-para-proyecto-fotovoltaico-en-israel/>

174 Web Soltec (04/11/2018). 'Soltec signs a syndicated loan of 100 million euros'. <https://soltec.com/soltec-firma-un-prestamo-sindicado-de-100-millones-de-euros/>

175 Leaders League (15/06/2021). 'Soltec secures €200m financing'. <https://www.leadersleague.com/es/news/soltec-secures-e200m-financing>

COMPLICITY 3: SPANISH FINANCIAL FRAMEWORK AND GREENWASHING PRACTICES IN THE OCCUPIED AND HISTORIC PALESTINIAN TERRITORIES



Source: Own elaboration based on the information included in this report.

At the same time, it will be necessary to follow with special attention the strategy of the Spanish Fund for the Internationalization of Companies (FIEM), which seeks to promote the internationalization of the Spanish economy and companies by financing export operations or investments abroad. It already highlights its interest in Israel and in particular its renewable energy sector¹⁷⁶.

176 Ministry of Commerce, Industry and Tourism. Fondo para la Internacionalización de la Empresa F.C.P.J. (FIEM) Líneas orientativas 2022. https://comercio.gob.es/Financiacion_para_internacionalizacion/FIEM/informacionadicional/lineas-orientativas/LLOO-FIEM-2022.pdf

4. Recommendations/Conclusions

In recent years we have seen how large European investment funds have divested from companies with economic activities in the OPT. In 2020, the most important pension fund in the Netherlands, ABP, has stopped investing in Bank Leumi and Bank Hapoalim¹⁷⁷ and, in 2021, the main Norwegian pension fund Kommunal Landspensjonskasse (KLP) withdrew its investments from 16 companies listed in the United Nations Database of corporations with illicit economic activities in the OPT¹⁷⁸, among others. These business initiatives are complemented by international regulatory and awareness-raising efforts, such as the draft [International Treaty for the Regulation of Transnational Corporations and Other Corporations in International Law](#), the [United Nations Guiding Principles on Business and Human Rights](#) and their National Plans, the [Principles for Responsible Investment of the United Nations](#) and the proposed [European Corporate Sustainability Due Diligence Directive](#). Maintaining this growing trend depends on the combination of political will and effective mechanisms of international organizations, governments, investment funds, companies and citizens.

The following recommendations are addressed to these actors. These recommendations align with those [proposed by the Don't Buy into the Occupation coalition](#) in 2022.

Recommendations addressed to international bodies and governments

- Inform investment funds and companies under their jurisdiction about the political and social situation in the Occupied Palestinian Territory and other regions of Israel from a perspective of International Human Rights Law and International Humanitarian Law (IHL), to prevent legal, financial, reputational and/or operational risks.
- Activate legal, fiscal and technical mechanisms that discourage investment funds and companies from carrying out economic activities in the Occupied Palestinian Territory, in accordance with their internationally ratified obligations based on international human rights and IHL instruments.
- Contribute to the international regulation of multinational companies and international investment flows, including green bonds, through support for the International Treaty on Human Rights and Business and the incorporation of both the future European Corpo-

177 See: www.bdsmovement.net/news/biggest-dutch-pension-fund-abp-divests-from-israeli-banks

178 Corporate information: <https://www.klp.no/en/corporate-responsibility-and-responsible-investments/exclusion-and-dialogue/Decision%20to%20exclude%20companies%20with%20links%20to%20Israeli%20settlements%20in%20the%20West%20Bank.pdf>

rate Sustainability Due Diligence Directive and the European Regulation on the establishment of a framework to facilitate sustainable investments.

- In this line, regulatory bodies must state with maximum clarity and without any ambiguity the specific mechanisms that financial institutions must comply with in order to demand respect for human and environmental rights in each of the financial products they generate. Financial institutions should not apply diffuse self-regulatory dynamics, in the absence of non-specific criteria on the part of regulators.
- For administrations, incorporate into the contracting of loans, criteria of social, fiscal and environmental responsibility where respect for human rights and International Humanitarian Law is present. Add clauses to the different stages such as clauses of responsible declarations, special conditions of execution and technical solvency in line with the proposals developed from ethical finance.

Recommendations addressed to investment funds and insurers:

- Develop due diligence mechanisms to ensure respect for human rights in the decision-making process and monitoring of investments in companies with economic activities in the Occupied Territory of Palestine (OPT) or other internationally recognized territories such as Israel, but where violations are committed against the Palestinian Bedouin population that must be protected, such as the case of the Naqab/Negev Desert.
- Create criteria for investment fund portfolios that include specific characteristics in order to prevent investments from being made in Occupied Territory or situations where there are violations of International Humanitarian Law (IHL).
- Produce and publish robust policies and guidelines for the respect of international Human Rights Law and International Humanitarian Law in investment processes, including criteria for the exclusion of companies that register violations based on firm legal judgments, data included in United Nations Resolutions and reports of Special Rapporteurs such as the Database of companies with activities in the Israeli Settlements in the OPT (A/HRC/43/71), dictates of soft-law mechanisms such as the OECD National Contact Points or solid evidence provided by organized society.
- Establish a dialogue with stakeholders, especially civil society organizations working in the region and with Palestinian communities affected by business activities in the OPT and the Naqab/Negev Desert, with the aim of understanding the multiple impacts they suffer and knowing their demands.
- Publish its investments in order to promote transparency, traceability and oversight of its operations by international bodies, governments and the general public.

Recommendations addressed to companies:

- Prevent and redress human rights violations in territories affected by armed conflict and occupation such as Palestine, through the design and implementation of due diligence mechanisms and human rights company policies that ensure Human Rights Impact Assessments (HRAs), monitoring of their economic activities and their subsidiaries and/or affiliates and reparation to communities and people affected by their activities.
- Companies and investors must responsibly disengage from illegal settlements in Palestine. The immediate cessation of their economic activities in the Occupied Palestinian Territory and other conflict-affected territories, such as the Naqab region, must be carried out in line with international law and the UN Guiding Principles on Business and Human Rights.
- Establish dialogue with the communities where their activities would be carried out through prior, informed and free consultation processes to analyse the potential impact of their economic and commercial activities, and take effective measures to prevent human rights violations. As well as defining the processes of effective and direct remedy and repair in the event of negative impacts.

Recommendations addressed to organised civil society and citizens

- Investigate, expose and denounce the undue financing of companies that violate international and human rights law in their economic activities and/or have a presence in the OPT.
- Inform yourself about the international investments of your banks and insurers to act responsibly and withdraw your financial resources in the event that they are directly or indirectly involved in human rights violations..

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