

Submission to the UN Office of the High Commissioner for Human Rights

The UN database of businesses involved in Israel's illegal settlement enterprise:

The case of CAF in occupied and annexed East Jerusalem

Submitted on behalf of:

11.11.11; Al-Haq, Law in the Service of Mankind; Amnesty international Spain; Association France Palestine Solidarité (AFPS); Belfast Trades Union Council; Cairo Institute for Human Rights Studies (CIHRS); CNCD-11.11.11; Comité Solidaridad con la Causa Árabe; Craigavon Trades Council; European Coordination of Committees and Associations for Palestine (ECCP); European Legal Support Centre (ELSC); European Trade Union Network for Justice in Palestine; Fagforbundet - Norwegian Union of Municipal and General Employees; ICAHD Finland; Mundubat; Northern Ireland Public Service Alliance (NIPSA); Norwegian People's Aid; Norwegian Union of Railway Workers; NOVACT - International Institute for Nonviolent Action; Palestinian Center for Human Rights (PCHR); Palestinian Human Rights Organizations Council (PHROC); Paz con Dignidad; Plateforme des ONG françaises pour la Palestine; Sodepaz; SUDS; The Centre for Research on Multinational Corporations (SOMO); The Rights Forum; Transnational Institute (TNI); Union syndicale Solidaires; War on Want; Women in Black (Vienna).

Date: 18 December 2020

Contents

I. CAF: Involvement in Violations of International Law in the Occupied Palestinian Territory (OPT)	2
A. The Jerusalem Light Rail Project (JLR)	2
B. East Jerusalem: Occupation and Annexation	4
C. The JLR Project, Israel's Illegal Settlement Enterprise & Violations of International Law.....	5
II. Leads Sustaining CAF's Involvement in Violations of International Law in the OPT ...	9
A. United Nations: CAF's partner listed on UN database	9
B. French Companies Veolia & Alstom Withdraw from JLR	9
C. CAF Workers Protest Involvement in JLR.....	9
D. Civil Society Concerned about CAF's Involvement in JLR.....	10
III. Conclusion & Recommendations.....	11
IV. Background information about CAF	13
V. Maps	14
VI. Images.....	16

I. CAF: Involvement in Violations of International Law in the Occupied Palestinian Territory (OPT)

“The railway, which connects large Israeli settlement blocs in occupied East Jerusalem (such as Pisgat Ze’ev and Ramot) with the western part of the city, strengthens the geographical contiguity between the settlements while breaking up and isolating Palestinian neighborhoods. Together with an intricate web of bypass roads and rapid bus lines, the light rail is laying the infrastructure for consolidating Israel’s colonial hold over the occupied Palestinian territory of East Jerusalem. Once completed, the light rail network would serve the transportation needs of some 100,000 settlers daily.”¹

A. The Jerusalem Light Rail Project (JLR)

CAF is involved in the ongoing extension of the Jerusalem Light Rail (JLR); an Israeli public tramway system that serves illegal Israeli settlements in occupied and annexed East Jerusalem, thus substantially contributing to the maintenance and existence of illegal settlements in occupied territory.²

In 2019, the Jerusalem Transportation Masterplan Team (the Israeli public entity entitled to manage the public transport in Jerusalem, in conjunction with the Israeli Jerusalem municipality and the Israeli Ministry of Transport), awarded a €1.8bn contract for the expansion of Israel’s JLR system to the TransJerusalem J-Net Ltd, a consortium company established by the Israeli construction company Shapir³ (listed in the February 2020 UN database), Superbus and CAF.⁴ The project includes the extension of the existing ‘Red Line’ and the construction of a new ‘Green Line’ of the JLR, as well as the supply of vehicles and technical services for the maintenance of the transportation network.⁵

¹ Who Profits, Tracking Annexation: The Jerusalem Light Rail and the Israeli Occupation, July 2017, available at: https://whoprofits.org/wp-content/uploads/2018/06/old/tracking_annexation_-_the_jerusalem_light_rail_and_the_israeli_occupation.pdf

² For more information on the JLR project, see Ibid.

³ Also referred to as Shafir Engineering Group or Saphir.

⁴ For more details, see: Israeli Jerusalem Municipality, A New Company Has Been Selected to Operate the Capital’s Largest Rail System, available at: <https://www.jerusalem.muni.il/en/newsandarticles/municipality-news/train-new-operator/> and <https://jet.gov.il/en/about/>. According to CAF: “the TransJerusalem J-Net Ltd consortium was selected over the other bidding group, which consisted of the companies Shikun & Binui and Egged (Israel), CRRC (China), Comsa (Spain), Efatec (Portugal) and MPK (Poland).” See: <https://www.caf.net/en/sala-prensa/nota-prensa-detalle.php?e=286>

⁵ The notice of the adjudication of the contract was published by several dedicated magazines. See: <https://www.railjournal.com/passenger/light-rail/caf-and-shapir-awarded-jerusalem-light-rail-project-contract/>; <https://www.jpost.com/Israel-News/Spanish-Israeli-company-wins-Jlem-light-rail-tender-Chinese-firm-unsuccesful-597961>; <https://www.globes.co.il/news/article.aspx?did=1001296483>.

The work on the new network started officially on 5 November 2020.⁶ The new network is expected to be fully operative by 2025.⁷ Earlier in October 2020, it was reported that Shapir and its partner CAF were close to signing one of the largest project financing agreements ever in Israel for the construction and operation of a network of lines whose financing will be by a consortium of banks led by Israeli Bank Hapoalim (listed in the February 2020 UN database).⁸

Both the JRL's existing 'Red Line' and the planned extensions subject of CAF's contract connect illegal Israeli settlements in occupied East Jerusalem with each other, as well as with the western part of Jerusalem and Israel.⁹ The existing 'Red Line' serves the illegal settlements of *Giv'at Shapira*, *Givat HaMivtar* and *Pisgat Ze'ev* in occupied East Jerusalem. In addition, the project in which CAF is currently involved in will extend the 'Red Line' to the settlement of *Neve Yakov* in East Jerusalem. The new 'Green Line' to be constructed will connect the Hebrew University campus on Mount Scopus in East Jerusalem to the *Gilo* settlement in the South, intersecting with the 'Red Line' at the settlement of *Giv'at Shapira*. In addition, extension will potentially benefit other settlements in and around Jerusalem such as *Givat Hamatos*.

CAF had officially disclosed its involvement in the JLR project on its website, specifying that its participation in the business has a value of more than €500 million and consists of the supply of new vehicles, signalling and communication. According to the company's official website: "CAF will also have a 50 percent stake in the SPV company that will manage the operation and maintenance of both lines, the business volume of which is estimated to be approximately €1 billion".¹⁰ This is confirmed by the Israeli Corporations Authority which lists CAF as the holder of 50% of the stocks at TransJerusalem J-Net Ltd.¹¹

⁶ Letter from Shapir to the Israeli Stock Exchange and Israeli Security Authority (available on file). More details about the finances of the project are also available in this document. See also images in section V.

⁷ See: <https://www.caf.net/en/sala-prensa/nota-prensa-detalle.php?e=286>

⁸ Globes, Shapir and Spanish Partner CAF will extend and operate the Red Line and build and operate the new Green Line, 21 October 2020, available at: <https://en.globes.co.il/en/article-shapir-set-to-agree-nis-35b-jerusalem-light-rail-financing-1001346607>. It is worth noting that Solaris Bus & Coach, a subsidiary of CAF, [received](#) a substantial order for 120 city buses to be handed over to Egged, Israel Transportation Cooperative Society Ltd. (also listed in the UN database) and used for public transport in Jerusalem. According to Solaris, once the order is completed, Egged will have received more than 600 vehicles.

⁹ See Map 1 below that shows the official route of the light rail and Map 2 which highlights the settlements served and the Palestinian neighbourhoods affected. The maps are available online, respectively at: <https://www.jerusalem-insiders-guide.com/support-files/train-map.pdf> and https://plateforme-palestine.org/IMG/pdf/jerusalem_light_rail_report_english.pdf.

¹⁰ CAF official website, see: <https://www.caf.net/es/sala-prensa/nota-prensa-detalle.php?e=286>.

¹¹ Israeli Corporations Authority (available on file). For more details on previous actors involved in the JLR project such as CityPass, see: Who Profits, Veolia Sells Its Shares in the Jerusalem Light Rail and Completes Withdrawal from the Israeli Market, August 2015, available at: <https://www.whoprofits.org/updates/veolia-sells-its-shares-in-the-jerusalem-light-rail-and-completes-withdrawal-from-the-israeli-market/>

B. East Jerusalem: Occupation and Annexation

Israel annexed East Jerusalem in 1967 by extending its domestic law, jurisdiction and administration to the occupied city, and by formally claiming sovereignty in 1980 through the adoption of its “Basic Law: United Jerusalem, Capital of Israel”.¹² Since 1967, the UN Security Council has repeatedly condemned Israel’s annexation of occupied East Jerusalem and the establishment of settlements in the city and elsewhere in the OPT constituting grave violations of international humanitarian law.¹³ In 1980, the UN Security Council declared null and void all the measures taken by Israel to change the status of Jerusalem, explicitly condemning the “Basic Law: Jerusalem, Capital of Israel” as contrary to international law,¹⁴ while also calling on all States not to provide any assistance to Israel’s illegal settlements.¹⁵

Nevertheless, Israel has escalated its fragmentation of Jerusalem, appropriated more Palestinian land and property to establish settlements for its Israeli Jewish population, with a declared aim of changing East Jerusalem’s demographic composition and ensuring that the annexation is irreversible.¹⁶ Currently, there are more than 220,000 Israeli settlers residing illegally in East Jerusalem across different settlement blocs. There are about 340,000 Palestinians living in East Jerusalem, which have a permanent residency, as imposed by the Occupying Power, Israel, following 1967.

More recently, UN Security Council Resolution 2334 (2016) clearly reaffirmed that “The establishment by Israel of settlements in the Palestinian territory occupied since 1967, including East Jerusalem, has no legal validity and constitutes a flagrant violation under international law”.¹⁷ In the same Resolution, the UN Security Council also reaffirmed its call on all States not to provide Israel with any assistance in maintaining its illegal settlement policy in the OPT.¹⁸ Furthermore, competent UN bodies have concluded on numerous occasions that Israel’s illegal settlement and annexation policy in the OPT, including East Jerusalem, deprives Palestinians of protections and rights guaranteed under international humanitarian and human rights law.

¹² Al-Haq, *Annexing a City: Israel’s Illegal Measures to Annex Jerusalem since 1948*, 11 May 2020, <http://www.alhaq.org/publications/16855.html>.

¹³ See for example, UN Security Council resolution 252 (21 May 1968), UNSC 267 (3 July 1969), 298 (25 September 1971), 476 (20 August 1980), UNSC 1397 (12 March 2002), UNSC Resolution 2334 (23 December 2016).

¹⁴ UNSC 478 (20 August 1980), p.1.

¹⁵ UNSC Resolution 465 (1 March 1980), p. 7.

¹⁶ Al-Haq, *Al-Haq Issues Briefing Paper on Palestinian Sovereignty over East and West Jerusalem*, 23 October 2018, available at: <https://www.alhaq.org/advocacy/6145.html>

¹⁷ UNSC Resolution 2334 (23 December 2016), p.1.

¹⁸ Security Council Resolution 2334 reaffirms Resolution 465 (1980) and “Calls upon all States, bearing in mind paragraph 1 of this resolution, to distinguish, in their relevant dealings, between the territory of the State of Israel and the territories occupied since 1967”.

Moreover, in its 2004 advisory opinion on the Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory, the International Court of Justice (ICJ) reaffirmed the illegality of Israeli settlements, characterizing them as “an obstacle to peace and to economic and social development”.¹⁹ More specifically, it recalled, based on UN resolutions, that all actions taken by Israel, the Occupying Power, to change the status and demographic composition of the occupied East Jerusalem have no legal validity and are null and void.

C. The JLR Project, Israel’s Illegal Settlement Enterprise & Violations of International Law

Due to its involvement in the JLR extension, CAF is involved in economic activities and relationships that contribute to the maintenance of Israel’s illegal settlement enterprise, continued occupation and annexation of occupied East Jerusalem. CAF’s economic activities aid and abet Israel’s breaches of international humanitarian law and violations of general international law infringing Palestine’s territorial integrity and permanent sovereignty, noting the UN Security Council’s non-recognition of the application of Israeli law to the Jerusalem, which is considered null and void and as having no legal effect.²⁰ As such, CAF is involved in gross and systematic violations of fundamental human rights including humanitarian law violations against Palestinians, a protected population under the Fourth Geneva Convention.

In 2016 and 2017, the UN Human Rights Council deemed the JLR as illegal as it is “in clear violation of international law and relevant United Nations resolutions”.²¹ In addition, the European Union adopts a consistent position that Israeli settlements in the occupied Palestinian territory, including East Jerusalem, are illegal under international law.²²

International human rights law is applicable and complementary to international humanitarian law and the law of occupation in the Occupied Palestinian Territory comprising the West Bank, including East Jerusalem, and the Gaza Strip. International humanitarian law is binding upon all actors whose activities are closely linked to an armed conflict, including business enterprises – even if they do not take part during active hostilities.²³

¹⁹ International Court of Justice, Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory, July 2004, available at: <https://www.icj-cij.org/public/files/case-related/131/131-20040709-ADV-01-00-EN.pdf>

²⁰ UNSC/RES/478 (1980).

²¹ UN Human Rights Council Resolutions A/HRC/31/L.39, 22 March 2016, p. 7 (a) and A/HRC/34/L.41/Rev.1, 22 March 2017, p. 8 (a).

²² European External Action Service (EEAS), Middle East Peace Process, 15 June 2016, available at: https://eeas.europa.eu/headquarters/headquarters-homepage/337/middle-east-peace-process_en

²³ ICRC, Business and International Humanitarian Law, available at: <https://shop.icrc.org/the-globalization-of-market-economies-offers-new-opportunities-for-business-enterprises-and-they-also-give-rise-to-risks-pdf-en>;

Business enterprises are obliged to respect international humanitarian law and therefore, “use extreme caution and be aware that their actions may be considered to be closely linked to the conflict even though they do not take place during fighting or on the battlefield”.²⁴ As such, during a belligerent occupation taking place in the context of an international armed conflict, business enterprises must ensure that they are not aiding and abetting grave breaches of the Geneva Conventions, or complicit in international crimes, including war crimes and crimes against humanity, for example, the appropriation of property, forcible transfer, transfer of civilian populations of the Occupying Power into the occupied territory, pillage of natural resources, apartheid and persecution, which are carried out in the furtherance of the settlement enterprise.

The UN Guiding Principles on Business and Human Rights (UNGPs) provide companies such as CAF with authoritative reference points to navigate their human rights responsibilities. Accordingly, companies should respect the standards of international humanitarian law in situations of armed conflict. They are also expected to undertake enhanced human rights due diligence to understand when, where and how they could have an impact on human rights, and what are the most appropriate steps to ensure that they respect human rights. The UNGPs further highlight the need for companies to pay particular attention to human rights impacts on individuals from groups or populations that may be at heightened risk of vulnerability and marginalisation. In the case of the OPT, this means that companies must give special attention to the human rights impacts of the proposed operations on the Palestinian people living there, as protected persons under international humanitarian law.

The JLR substantially contributes to the maintenance and expansion of Israel’s illegal settlements in occupied East Jerusalem and to the entrenchment of Israel’s illegal annexation of the city. This is done by connecting and facilitating mobility between the settlements, West Jerusalem, and Israel. In doing that, JLR enhances the quality of life in the settlements, fosters and facilitates the movement of Israeli settlers, and deepens the physical, social and economic integration of the settlements into Israel (See Map 2), ultimately consolidating Israel’s annexation of occupied Palestinian territory contrary to international law, including Article 47 of the Fourth Geneva Convention prohibiting annexation during belligerent occupation.

In addition, by cutting through Palestinian neighbourhoods to connect the Israeli settlements, the JLR also contributes directly to the fragmentation of East Jerusalem and its isolation from the rest

Australian Red Cross – Doing Responsible Business in Armed Conflict – Risks, Rights and Responsibilities, available at: <https://www.redcross.org.au/getmedia/4a9c30d2-7fd6-4213-8226-211d73823c8a/doing-responsible-business-in-armed-conflict-final-publication-web.aspx>

²⁴ ICRC, Business and International Humanitarian Law.

of the OPT as a result of the settlements, military checkpoints and barriers, as well as the Annexation/Separation Wall.²⁵

The appropriation of land and destruction of property in occupied territory breach other rules of international humanitarian law. Under the Hague Regulations of 1907, the public property of the occupied population (such as lands, forests and agricultural estates) is subject to the laws of usufruct. This means that an Occupying Power is allowed only limited use of this property.²⁶ This limitation is derived from the notion that occupation is temporary – a core tenet of the law of occupation. Meanwhile, private property cannot be confiscated and destruction of property not rendered absolutely necessary by military operations is strictly prohibited.²⁷

Israel's illegal settlement enterprise, led by the State of Israel, supported and facilitated by non-state actors including the private sector and business enterprises,²⁸ seriously undermines an array of fundamental human rights for the Palestinian people. This includes fundamental human rights of Palestinians to self-determination, freedom of movement, property, family, home, health, education, work and an adequate standard of living. In its 2014 Concluding Observations, the UN Human Rights Committee expressed concern about the continuing confiscation and appropriation of Palestinian land, the Israeli-imposed restrictions on access to land and natural resources and continued settlement construction which impede on a wide range of rights for Palestinians, including the right to self-determination.

Israeli settlements, whether residential, agricultural, industrial or in the form of tourist sites, have fragmented and altered the demographic composition of the occupied Palestinian territory, undermining Palestinian territorial integrity and impeding on the Palestinian people's right to self-determination which encompasses the right to permanent sovereignty over land and natural resources. Due to Israeli-imposed constraints, movement restrictions and physical obstacles, particularly those associated with the settlement enterprise in the occupied West Bank, including East Jerusalem, Palestinians are often denied access and control over their land and property (both public and private) thus infringing upon their social, economic and cultural rights. This naturally

²⁵ The Palestinian neighbourhoods served by the JLR have also been heavily affected by the construction of the Israeli wall that, for instance, divided in two the neighbourhood of Beit Hanina. See https://www.btselem.org/separation_barrier/a-ram.

²⁶ Article 55 of the Hague Regulations makes occupied property subject to the laws of usufruct.

²⁷ Article 46, Hague Regulations (1907); Article 47, Fourth Geneva Convention (1949).

²⁸ See Report of the independent international fact-finding missions to investigate the implications of the Israeli settlements on civil, political, economic, social and cultural rights of the Palestinian people throughout the Occupied Palestinian Territory, including East Jerusalem, 2013, available at: https://www.ohchr.org/Documents/HRBodies/HRCouncil/RegularSession/Session22/A-HRC-22-63_en.pdf p 6-8.

has negative consequences on Palestinian livelihoods and further contributes to the de-development of the Palestinian economy.²⁹

Furthermore, dispossession and displacement of Palestinians are key features to Israel's settlement enterprise, with Palestinian land and property regularly being subject to confiscation and demolition, as part of the wider Israeli discriminatory planning and zoning policies favouring the development of Israeli-Jewish settlements on occupied Palestinian land. Israel's prolonged occupation and colonisation has created a deeply entrenched regime of systemic and institutionalized discrimination, segregation and fragmentation against Palestinians, amounting to the crime of apartheid.

For these reasons, the UN Human Rights Committee has expressed concern about Israel's "three-tiered system of laws affording different civil status, rights and legal protection for Jewish Israeli citizens, Palestinian citizens and Palestinian residents of East Jerusalem".³⁰ As such, among others, the Committee urged Israel to cease the construction and expansion of settlements in the OPT, including East Jerusalem, all settlement-related activities and take measures aimed at the withdrawal of all settlers from there.³¹

In its 2019 Concluding Observations, the Committee on the Elimination of Racial Discrimination (CERD) urged Israel to eradicate all forms of segregation that "severely and disproportionately affect the Palestinian population in Israel proper and in the Occupied Palestinian Territory", recalling Article 3 of the Convention concerning the prevention, prohibition and eradication of all policies and practices of racial segregation and apartheid.³²

Privileging the Israeli-Jewish settler population, such a regime has allowed and facilitated the continued expansion and growth of Israeli settlements and associated infrastructure in the occupied West Bank, including East Jerusalem, further incentivizing settlers. It should be noted that settler violence against Palestinians is another feature of Israel's occupation and its settlement enterprise, manifested in various forms such as verbal and physical attacks, harassment, forced evictions,

²⁹ See for example: UNCTAD, COVID-19 Devastates Palestine's Shattered Economy, 8 September 2020, available at: <https://unctad.org/news/covid-19-devastates-palestines-shattered-economy>; UNCTAD, Fifty Years of Occupation Have Driven the Palestinian Economy into De-Development and Poverty, 12 September 2017, available at: <https://unctad.org/press-material/fifty-years-occupation-have-driven-palestinian-economy-de-development-and-poverty>; Al-Haq, Atarot Settlement: The Industrial Key in Israel's Plan to Permanently Erase Palestine, 2 June 2020, available at: <https://www.alhaq.org/publications/16929.html>; and Al-Haq, Occupying Jerusalem's Old City: Israel's Policies of Isolation, Intimidation, and Transformation, 23 September 2019, available at: <https://www.alhaq.org/publications/15212.html>.

³⁰ UN Human Rights Committee Concluding Observations on the fourth periodic report of Israel, 2014.

³¹ Ibid.

³² CERD, Concluding Observations on the Combined Seventeenth to Nineteenth Reports of Israel, 27 January 2020, CERD/C/ISR/CO/17-19. See paras 21, 22, 23, 42, and 43 in particular.

destruction and vandalizing of property – usually happening under the guise and protection of the Israeli forces, and where settler perpetrators evade accountability.

II. Leads Sustaining CAF's Involvement in Violations of International Law in the OPT

A. United Nations: CAF's partner listed on UN database

Among the enterprises listed in the UN database of businesses involved with Israel's settlement enterprise, released in February 2020, are companies involved in “the provision of services and utilities supporting the maintenance and existence of settlements, including transport”.³³ The Israeli company, Shapir Engineering and Industry Ltd., CAF's partner in the consortium formed for the JLR project is listed on the UN database.³⁴

B. French Companies Veolia & Alstom Withdraw from JLR

In 2015, due to the reputational, legal and financial risks involved in business with illegal Israeli settlements, the French company Veolia terminated its business with the JLR.³⁵ Several foreign companies also withdrew from the tender for the extension of the JLR, among them the French company Alstom.³⁶ Of the eight companies that took part in the preliminary stages, only two eventually submitted bids in the tender,³⁷ one of them being the consortium of CAF-Shapir.

C. CAF Workers Protest Involvement in JLR

The CAF Workers Council in Beasain issued a statement on 10 October 2019, stating that the JLR project that CAF is involved in serves to connect Israeli settlements built illegally on Palestinian land, further legitimizing and perpetuating the occupation. The statement (in Spanish) provided that: “CAF will not be the simple provider of a common rail system, but will be an active part and

³³ Report of the UN High Commissioner for Human Rights, A/HRC/43/71, 12 February 2020, p. 6 (e).

³⁴ Ibid, p.31 (a) (76).

³⁵ Who Profits, Veolia Sells Its Shares in the Jerusalem Light Rail and Completes Withdrawal from the Israeli Market, available at <https://whoprofits.org/updates/veolia-sells-its-shares-in-the-jerusalem-light-rail-and-completes-withdrawal-from-the-israeli-market/>.

³⁶ Rfi, Alstom renonce à participer à l'extension du tramway de Jérusalem, 15 May 2019, available at: <http://www.rfi.fr/fr/moyen-orient/20190515-alstom-renonce-participer-extension-tramway-jerusalem>.

³⁷ According to the Israeli business magazine Globes, also the Canadian company Bombardier and the German Siemens withdrew, since “For most of the international transportation and infrastructure companies, Jerusalem is 'outside the pale'”. See: <https://en.globes.co.il/en/article-only-two-bids-to-operate-jerusalem-light-rail-1001285656>.

protagonist in the policy against the Palestinian people”.³⁸ The Workers Council also stated that they had asked CAF’s Management to desist and withdraw from the project during the bidding process.

In addition, trade unions representing CAF workers have called on CAF to withdraw from the JLR project. In October 2019, two trade unions in Zaragoza (Spain), the Independent Group³⁹ and the CGT Trade Union Section in CAF-Zaragoza,⁴⁰ expressed their opposition to the project and exposed to the company how it facilitates serious violations of international law.

In January 2020, the workers’ council at CAF’s headquarters in Beasain also reiterated the grave human rights impact of the JLR Project in occupied Jerusalem and demanded the company to reconsider its participation.⁴¹ On 13 June 2020, these requests were reiterated on the occasion of CAF’s general meeting of shareholders, when a protest organized by workers trade unions took place in Beasain.⁴²

D. Civil Society Concerned about CAF’s Involvement in JLR

On 27 October 2020, 18 human rights organisations and groups sent a letter to the Spanish Minister of Transport, asking that companies such as CAF not qualify to participate in public tenders due to their involvement in and profits from violations of international law in occupied Palestine. In February 2020, over 70 Basque groups, including political parties, NGOs, trade unions, social movements and other civil society groups, [launched](#) a campaign calling on CAF to withdraw from the JLR project, which serves the illegal settlement enterprise in and around occupied East Jerusalem.

³⁸ ELA, El comité de empresa de CAF en Beasain en contra de la participación en el proyecto de la nueva línea de tranvía en Jerusalén, 10 October 2019, available at: <https://www.ela.eus/es/oria-goierri/noticias/el-comite-de-empresa-de-caf-en-beasain-en-contra-de-la-participacion-en-el-proyecto-de-la-nueva-linea-de-tranvia-en-jerusalen>

³⁹ See: Comunicado de GTI-IA de Caf Zaragoza a la junta de accionistas de Caf S.A para que se retiren del proyecto de construcción del tranvía de Jerusalén por la actuación criminal colonialista de Israel hacia el estado soberano de Palestina, available at: <https://intersindicalaragon.org/2019/10/23/comunicado-de-gti-ia-de-caf-zaragoza-a-la-junta-de-accionistas-de-caf-s-a-para-que-se-retiren-del-proyecto-de-construccion-del-tranvia-de-jerusalen-por-la-actuacion-criminal-colonialista-de-israel-hac/>.

⁴⁰ CGT rechaza la adjudicación del pedido de tranvías para Jerusalén, available at: <http://rojoynegro.info/articulo/acci%C3%B3n-sindical/cgt-rechaza-la-adjudicaci%C3%B3n-del-pedido-tranv%C3%ADas-jerusal%C3%A9n>.

⁴¹ El Confidencial, El comité reitera su petición a CAF de retirarse del proyecto en Jerusalén, 8 October 2019, available at: https://www.elconfidencial.com/ultima-hora-en-vivo/2019-10-08/el-comite-reitera-su-peticion-a-caf-de-retirarse-del-proyecto-en-jerusalen_2619435/.

⁴² Eitb.eus, Protesta frente a CAF de Beasain contra la construcción del tranvía en Jerusalén, 13 June 2020, available at: <https://www.eitb.eus/es/noticias/economia/detalle/7301673/protesta-frente-caf-beasain-construccion-tranvia-jerusalen/>.

Amnesty International Spain has also expressed concern about the contribution of the JLR Project to grave breaches of international law. In a letter addressed to CAF, Amnesty demanded a clarification about what due diligence measures, if any, had been taken to avoid such negative impact.⁴³ To date, CAF has provided no response, neither to the trade unions nor to Amnesty International-Spain.

Meanwhile, eight [trade unions](#), in Norway are calling for CAF to abandon the JLR and are asking Norwegian institutions not to give public tenders to CAF. Meanwhile in the United Kingdom civil society and groups [have campaigned](#) to rule out CAF for the provision of rolling stock for the high speed train HS2 due to its involvement in the JLR project.

It should also be noted that on 15 December 2020, a group of activists demonstrated at the site of the JLR project near *Gilo* settlement to halt the construction before they were forcibly removed by the Israeli forces and five were arrested.⁴⁴

III. Conclusion & Recommendations

Considering the aforementioned, highlighting CAF's involvement in serious violations of international law, particularly in occupied and annexed East Jerusalem, the undersigned **31** organisations, trade unions and groups call on the Office of the High Commissioner for Human Rights (OHCHR) to:

1. Update the UN database ahead of the March 2021 Human Rights Council session, as part of the OHCHR's duty to fulfil the entire mandate of Human Rights Council resolution 31/36 (2016). By realizing the annual update of the UN database, the OHCHR reaffirms its independence and impartiality in fulfilling its mandates, and demonstrates its commitment to uphold human rights standards, the rule of law and justice universally.
2. List CAF in the upcoming update and report of the UN database particularly on the grounds that its operations in and affiliation with the extension of the JLR network constitutes the "provision of services and utilities supporting the maintenance and existence of settlements, including transport".

Lastly, we urge the Office of the High Commissioner, together with the relevant UN mechanisms, continues to work toward transparency and accountability for corporate-related violations of

⁴³ elDiario, ¿Por qué CAF debe bajarse del tren ligero de Jerusalén?, 13 June 2020, available at: https://www.eldiario.es/amnistiaespana/CAF-debe-bajarse-ligero-Jerusalen_6_1037006310.html.

⁴⁴ See: <https://twitter.com/972mag/status/1338799115476602881> and El Correo, Cinco activistas israelíes detenidos en una protesta contra el tranvía e Jerusalén que construye CAF, 15 December 2020, available at: <https://www.elcorreo.com/internacional/oriente-proximo/activistas-israelies-protestan-caf-euskadi-israel20201215160430-nt-20201215161649-nt.html> and Naiz, Bloquean las obras del Tranvía de Jerusalén para pedir a CAF que abandone el proyecto, 15 December 2020, available at: <https://www.naiz.eus/eu/info/noticia/20201215/bloquean-las-obras-del-tranvia-de-jerusalen-para-pedir-a-caf-que-abandone-el-proyecto>

international law in the occupied Palestinian territory, as well as other situations of occupation and conflict, to counter the pervasive impunity in such contexts and ensure respect for human rights at all times and by all actors.

IV. Background information about CAF⁴⁵

Full name: Construcciones y Auxiliar de Ferrocarriles S.A (CAF).
Field: CAF is a publicly listed company operating in the railway industry and the manufacture of rolling stock, such as high-speed trains, metros and trams. It provides public transport services in several European countries and around the world, and participates regularly in tender procedures for the supply of rolling stock to public entities. In 2019, CAF achieved a high record in contracting, sales and portfolio of orders. ⁴⁶
Headquarters: Beasain, the Basque Country/Spain (its birthplace).
Shareholders: There are several major shareholders of CAF such as Cartera Social S.A. (24.87%); Kutxabank S.A. (14.06%); Indumentia Pueri S.L. (5.02%); EDM Gestion, S.A. S.G.I.I.C. (3.02%) – as of 2019. Bilbao Bizkaia Kutxa Banking Foundation (14.06%), Daniel Bravo Andreu (5%), Norges Bank (3%), Santander Asset Management (3.04%). ⁴⁷ In addition, in 2018, the Basque Autonomous Community government <u>owned</u> about 1.24% of CAF's shares. ⁴⁸
Subsidiaries: The Company owns 87 subsidiaries worldwide.
Offices: Madrid, Germany, France, UK, Italy, the Netherlands, Poland, USA, Mexico, Chile, Brazil, Argentina, Qatar, Algeria, India, Malaysia, Australia, Turkey, Hungary, and Israel.
Factories: France, UK, Brazil, Mexico, and the USA.
Maintenance depots: Spain, Turkey, Saudi Arabia, India, United States, Brazil, Argentina, and Mexico.

⁴⁵ See: <https://www.caf.net/en>; <https://whoprofits.org/company/caf-construcciones-y-auxiliar-de-ferrocarriles/>; <https://www.caf.net/es/compania/instalaciones.php>, and the European Legal Support Centre (ELSC) legal memo (available on file).

⁴⁶ See: <https://www.diariovasco.com/economia/cierra-2019-record-20200227191144-nt.html>

⁴⁷ See: <https://www.caf.net/es/accionistas-inversores/informacion-general/participaciones-significativas-autocartera.php>

⁴⁸ See also 2019 discussion in the Basque Parliament, confirming that the Basque Government still owns shares in CAF: http://www.legebiltzarra.eus/ic2/restAPI/pvgune_descargar/default/704898d0-14b6-47ed-9e03-8a5d5dbfa9bc

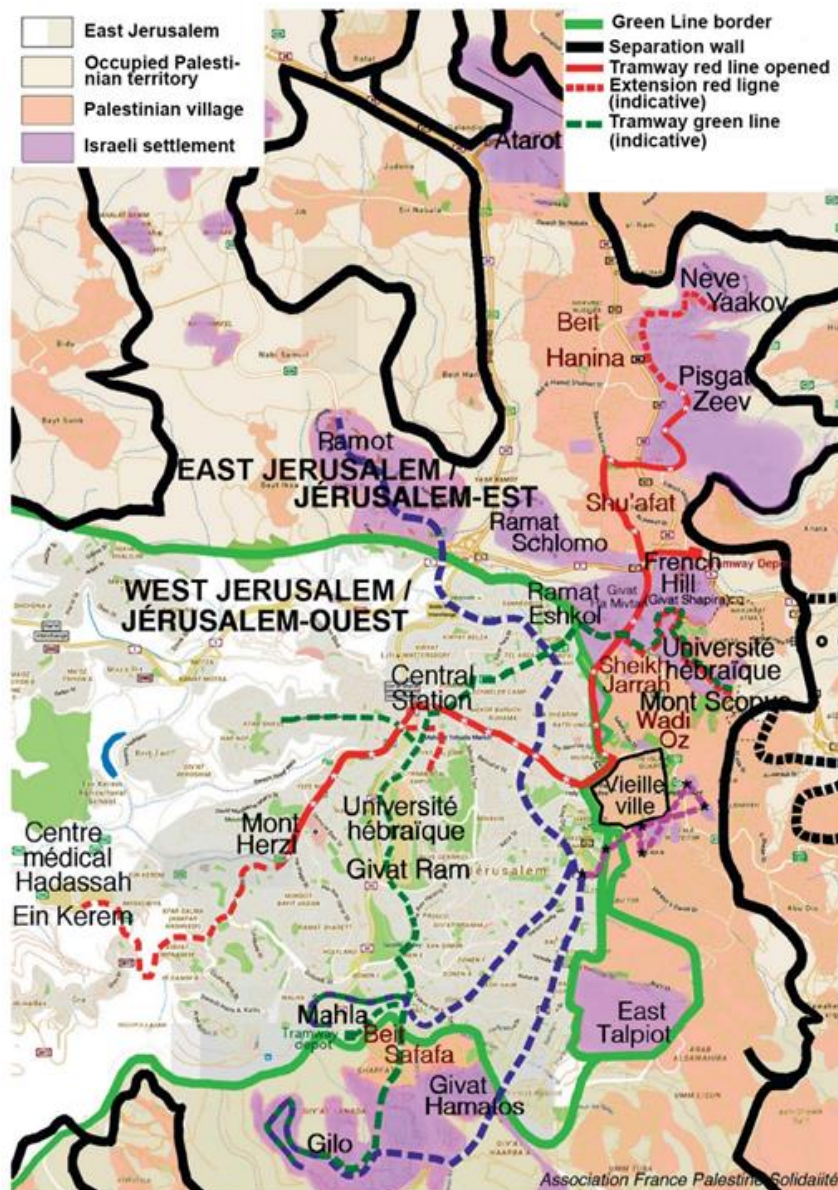
V. Maps

Map 1: Jerusalem Light Rail Map 1⁴⁹ – Official Route



⁴⁹ Map available on the website Jerusalem Insiders Guide, see <https://www.jerusalem-insiders-guide.com/support-files/train-map.pdf>.

Map 2: Jerusalem Light Rail Map 2⁵⁰



⁵⁰ Map available in the report The Jerusalem Light-Rail System and How French Companies Contribute to the Settlement of Occupied Palestinian Territory, Association France Palestine Solidarité, June 2018, p.2, see https://plateforme-palestine.org/IMG/pdf/jerusalem_light_rail_report_english.pdf.

VI. Images

Image 1 & 2: Banners placed near the construction site of the JLR project near the French Hill in Jerusalem. The first image shows the different stops of the three lines, including in illegal settlements in occupied East Jerusalem. Photos taken on 17 November 2020. Source: Al-Haq.



Images 3, 4 & 5: Ongoing construction works on the JLR project. Photos taken near Beit Safafa, Jerusalem, on 25 November 2020. Source: activists on the ground.



