

Christina Kiel 2500 N Rampart, #A New Orleans, 70117

October 1st, 2008

Mr. William J. Doyle
President and Chief Executive Officer
PotashCorp (PCS)
c/o Corporate Secretary
Suite 500, 122 - 1<sup>st</sup> Avenue South
Saskatoon, SK Canada
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## Regarding PCS phosphate shipment from occupied Western Sahara

Dear Mr. Doyle, President and CEO of PotashCorp,

We are writing to you today about PotashCorp's shipments of phosphate rock from occupied Western Sahara to Louisiana. We are aware that PCS has imported phosphates from Western Sahara for processing in Geismar, LA for decades. As recently as September 12<sup>th</sup>, 2008, PCS received the vessel 'Voge West', fully loaded with phosphate from Western Sahara.

We would like to inform you that trade with and transportation of mineral resources from occupied Western Sahara is politically controversial, highly unethical and potentially against international law.

Most of Western Sahara is occupied by Morocco since 1975. However, to this day, no state or international organization recognizes Morocco's sovereignty over Western Sahara. The United States and Canada, among others, have been very clear that they do not recognize Moroccan sovereignty over Western Sahara. The United Nations have repeatedly said that this illegal occupation must end and that the Sahrawi population has to be allowed to freely exercise their right to self-determination through a free, fair and transparent referendum.

The occupation of Western Sahara has resulted in enormous suffering and deprivation for the Sahrawi people, the rightful owners of the land and the natural resources of Western Sahara. Approximately 165,000 Sahrawis are languishing in refugee camps in the inhospitable Algerian desert since 1975. The Sahrawi population remaining in areas under Moroccan occupation is subjected to grave human rights violations, such as torture, forced disappearances and arbitrary detention.



Robert Zoellick, then the United States Trade Representative, stated in 2004 in reference to the Free Trade Agreement between the USA and Morocco that "The United States ... do not recognize Moroccan sovereignty over Western Sahara" and added that "the Free Trade Agreement (FTA) covers trade and investment in the territory of Morocco as recognized internationally, and does not include Western Sahara."

The reason for this unequivocal US position is that Morocco has not right to extract and sell Western Sahara's resources, as long as the political status of the territory has not been resolved.

By importing phosphates from Western Sahara, PCS thus supports the continuation of the illegal occupation and contributes to undermining the UN peace process. Money from phosphate extraction and trade goes directly to the Moroccan state-owned company located in Western Sahara. This kind of support makes Morocco less inclined to contribute to finding a solution to the occupation, and makes delaying tactics and attempting to profit from the existing situation more attractive. The phosphate trade in Western Sahara therefore increases the risk of further armed conflict, destabilization and suffering in the region.

Morocco's control and exploitation of Western Sahara also hurts the Sahrawis' labor rights and their economic development. According to a report by the French organization France Libertés - Fondation Danielle Mitterrand, the Sahrawis have been systematically marginalized from the phosphate industry in Western Sahara. In 1968, before Morocco took control over the phosphate mines, all 1600 workers in the industry were Sahrawis. Today, 1800 of 2000 workers are Moroccan settlers who have illegally been moved into the territory.

Businesses around the world have realized their ethical obligations and have stopped importing natural resources from occupied Western Sahara. For example, Yara, the world's biggest fertilizer company, terminated the imports to Norway in 2005, for ethical reasons

In addition to ethical concerns, the companies involved in this trade should be aware that the trade is most probably in violation of international law.

The International Court of Justice in its 1975 *Western Sahara Advisory Opinion* established that Morocco has no legal claim to Western Sahara. That same opinion affirmed that the Sahrawi population has a right to self-determination, which includes, inter alia, the right of permanent sovereignty over its natural resources. Permanent sovereignty over natural resources is a customary principle of international law. Numerous resolutions of the United Nations Security Council and General Assembly and a legal opinion by the former UN Under-Secretary General of Legal Affairs, Mr. Hans Corell on 29 January 2002 affirm this position. Because the Sahrawis have not been able to exercise their right to self-determination, and because they have not been properly consulted, trade with Morocco of natural resources emanating from Western Sahara is a violation of the Sahrawis' right to permanent sovereignty over their resources.

It appears that your company has *not* consulted either with Sahrawis or their internationally recognized representatives, the Polisario Front.



We hereby appeal to PCS to do the same as Yara, R-Bulk, Jinhui and other companies: We urge you to demonstrate your attachment to international legality, human rights and basic standards of corporate social responsibility by reconsidering your involvement in shipping phosphate of Western Sahara origin.

We urge PotashCorp to issue a statement that your company intends to no longer import phosphates from occupied Western Sahara.

We will be more than happy to provide you with any additional information that you may require to study this matter more closely.

Any reply could be sent to the Louisiana section of Western Sahara Resource Watch, Ms Christina Kiel, at <a href="mailto:christina.kiel@gmail.com">christina.kiel@gmail.com</a>.

Sincerely,

Christina Kiel Western Sahara Resource Watch, Section Louisiana www.wsrw.org

Western Sahara Research Watch is an international non-governmental coalition of organizations and individuals working for the protection of natural resources in WS.

Cc: Mr. Thomas J. Regan, Jr.

President

PCS Phosphate and PCS Nitrogen

Mr. **Hanson Leonard** General Manager PCS Geismar

Mr. **Udo Wiese,** Managing Director H. Vogemann GmbH

Mr. **Marting Egvang** Director Armada Group