

Continental AG
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To the attention of Dr Elmar Degenhart
Chairman of the Executive Board of Continental
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CC:
Dr. Felix Gress, Senior Vice President Corporate Communications, felix.gress@conti.de
Mr. Vincent Charles, Spokesman, Business & Finance, vincent.charles@conti.de

Brussels
29 March 2017

Regarding Contitech deliveries to conveyor belt in occupied Western Sahara

Dear Dr. Degenhart,

It is our privilege to write to you. We are writing to inquire about Continental's deliveries of equipment, through its subsidiary ContiTech, to Phosboucraa, as noted on your website:
http://www.contitech.de/pages/produkte/transportbaender/cbg-referenzen/stahlcord_25_en.html

WSRW is an independent, non-governmental organization headquartered in Brussels that focusses on researching and defending the natural resources of Western Sahara - pending the exercise of the right of self-determination which the international community has promised the Saharawi people, a right well established in international law. You can see our activities online at: www.wsrw.org

We are in the process of finalizing a report on the 2016 trade in phosphates from Western Sahara. In that report, we will mention that Continental has delivered equipment that supports Morocco's exploitation of Western Sahara's phosphate mines. Naturally, we would welcome your views, and would be grateful if you could provide us an answer to the questions below, so that we may accurately describe Continental's position vis-à-vis Africa's last colony in our pending publication.

In our work, we have found that material support for industrial and resource activities in that part of Western Sahara occupied by Morocco has the result or effect of entrenching what is the illegal annexation of the territory. We say illegal, of course, because that is the correct description of Morocco's continuing armed presence in the territory. You may know that the International Court of Justice found definitively in its October 1975 advisory opinion for the UN General Assembly that Morocco had no tenable territorial right or claim to the territory. Indeed, the other state to invade Western Sahara later the same year, Mauritania, would by 1979 renounce its claim and withdraw, admitting the wrongfulness of its actions. Territorial integrity is the fundamental principle of the international system and international law, a matter guaranteed under Article 2 of the UN Charter.

Phosboucraa is 100% owned by the Office Chérifien des Phosphates (OCP), Morocco's national phosphate company. OCP took over the exploitation of the mine after Morocco's invasion of Western Sahara. To date, it continues to exploit the mine, making a profit that exceeds the annual multilateral aid given to Saharawi refugees in Algeria many times over. Saharawis who have not fled their

homeland and face the yoke of Morocco's oppression in their everyday lives, continually protest OCP/Phosboucraa for discriminating against Saharawis in terms of employment – giving preference to Moroccan settlers over native Saharawis. Just last weekend, dozens of Saharawis participated in hijacking a bus from OCP to express their anger with the company.

As you may know, the highest Court of the European Union, the Court of Justice of the EU, concluded in December 2016 that no trade or association agreement between the EU and Morocco could be applied to the territory of Western Sahara, since that is not Morocco. The Court furthermore stated that there is a need for the people of the territory to declare their consent in order for any arrangement with Morocco to affect Western Sahara.

In stating that Morocco has no international legal mandate to administer Western Sahara, the CJEU echoes the 4 July 2014 Decision of Spain's High Court, the *Audiencia Nacional*, which confirms that Spain, not Morocco, is the administering power over Western Sahara, and that the "territory cannot be considered Moroccan".

The necessity of obtaining "prior, free and informed consent" of the Saharawi people in relation to development projects and extractive operations was also stressed by the UN Human Rights Committee in November 2016, and by the UN Committee for Economic, Social and Cultural Rights in October 2015.

We would appreciate it if you could answer the following questions:

1. According to the website article mentioned above, ContiTech has supplied ST 2500 STAHLCORD conveyor belts to Phosboucraa. When was that equipment delivered?
2. Has ContiTech made any other deliveries or maintenance on the Phosboucraa conveyor belt since?
3. When was the last time ContiTech took part in such work?
4. The website article mentions that the Phosboucraa mine is located in Morocco. Why?
5. In a press release from August 2015, your company states that it was to build a conveyor belt production facility in Morocco. Is the cooperation agreement with OCP for this production also covering the conveyor belt in Western Sahara?
http://www.contitech.de/pages/presse/pressemeldungen/2015/150901_cbg_marokko/press_e_en.html
6. If yes, when does such contract expire?
7. Has the production facility – which was said to be completed by mid-2016 – been completed?
8. What steps has Continental/ContiTech taken to assure itself of the express consent of the Saharawi people to the material support delivered to Phospboucraa's exploitation of their occupied homeland's resources, in line with the judgment of the CJEU?

We remain at your disposal should you require any further information to assess the matter. We look forward to hearing from you.

Sincerely,

Sara Eyckmans
Coordinator
Western Sahara Resource Watch
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