

Clipper House
Sundkrogsgade 19
2100 Copenhagen
Denmark

Brussels / Copenhagen
3 September 2015

To the attention of Mr. Frank G Jensen
Chairman, Partner & Group CEO of Clipper Group Ltd

Re: Carriage of illegally exported phosphate rock from occupied Western Sahara

Dear Mr Jensen,

We are writing to you with regard to your vessel Clipper Trust that is currently on its way to Puerto Cabello, in Venezuela.

The Clipper Trust is carrying a cargo of phosphate rock from Western Sahara, a Non-Self Governing Territory that is yet to complete the process of decolonization. Since 1975, large parts of the territory have been under military occupation by Morocco, which also controls most of Western Sahara's natural resources, including the large phosphate deposits located 100 kilometers inland from El Aaiun. In violation of international law, Morocco proceeds to exploit these deposits and sells off the phosphate rock as if it were its own.

We would like to underline that trade with and transportation of mineral resources from occupied Western Sahara is highly unethical and politically controversial, as it strengthens Morocco's sovereignty claims and thus contributes to undermining the UN peace process.

As you will know, Morocco is an illegal occupying power in Western Sahara. The occupation of Western Sahara has resulted in enormous suffering and deprivation for the Saharawi people, the rightful owners of the territory's land and natural resources. The Saharawi population remaining in areas under Moroccan occupation is subjected to grave human rights violations, such as torture, forced disappearances and arbitrary detention. Another 160.000 Saharawis today still live in harsh conditions in Algerian refugee camps, where they found shelter when they fled Morocco's invasion of their homeland in 1975. A UN study that was completed in 2014 revealed that 16,7% of children are underweight and 25,2% suffers from stunted growth.

Most importantly, however, the Saharawi people have not been allowed to freely exercise their right to self-determination through a free, fair and transparent referendum. This right was established through UN General Assembly resolution 1514 (XV) (1960), affirmed by the International Court of Justice in 1975 and has since been confirmed by more than 100 UN resolutions.

Your vessel is carrying an estimated load of 18,000 tonnes, worth approximately US \$ 2 million. This money is going directly to the Moroccan state owned company located in Western Sahara. In comparison, the malnourished Saharawi refugees received approximately US \$ 24 million in multinational food aid in 2013.

In light of the above facts, other corporate entities have responded appropriately. Yara, the world's biggest fertilizer company, terminated the imports to Norway in 2005, for ethical reasons.

Numerous shipping companies have over the years stated that they were not aware of the conflict beforehand, but also that they have subsequently taken measures to prevent such transports from happening again. The Chinese shipping company Jinhui Shipping stated in 2008 to the *South China Morning*

Post that "now that we understand the issue we will not directly contract any more business out of there". Shipping companies such as R-Bulk, Ugland and others have introduced clauses in their contracts to prevent chartering companies from docking the vessels in Western Sahara.

Several corporate and governmental actors, such as e.g. Danske Bank, have chosen to divest from companies involved in the illegal Western Sahara phosphate trade. Their reasons for doing so have been included in our "P for Plunder: 2014" report, which can be downloaded here: http://wsrw.org/files/dated/2015-03-11/p_for_plunder_2014_web.pdf.

In addition to these ethical concerns, the companies involved in this trade should be aware that the trade is 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 Saharawi 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 then UN Under-Secretary General of Legal Affairs, Mr. Hans Corell on 29 January 2002 affirm this position. Because the Saharawis 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 Saharawis' right to permanent sovereignty over their resources.

In addition to the settled principle of international law that the Saharawi people are the sole sovereigns to their resources – and so must both consent to their development and be the recipients of the benefit of them – there is international humanitarian law, prohibiting outright the taking of resources under armed occupation as the war crime of pillage, and making it a criminal act for persons and corporations to help in such an act.

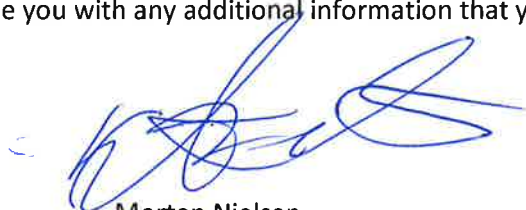
It appears that neither your company nor the phosphate importers in Venezuela have consulted either with Saharawis or their internationally recognized representatives, the Polisario Front.

We hereby appeal to Clipper Group to follow the example of other ethically responsible 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. Accordingly, we encourage Clipper Group to issue a statement that your company intends to no longer transport 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.

Sincerely,

Sara Eyckmans
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cc: Danmarks Rederiforening