



Minister of Trade

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07 JUL 2008

Patricia A Kane
31 Seaview Terrace
WELLINGTON 6012

Dear Patricia A Kane

Thank you for your letter of 9 June 2008 on the Western Sahara.

The New Zealand Government has always been a strong supporter of United Nations resolutions and processes aimed at resolving the impasse over the future of the Western Sahara. As part of this, New Zealand has been a consistent advocate of the Sahrawi people's right to full self-determination. I restated New Zealand's position during an official visit to Morocco in January of this year.

Please allow me to assure you that there is no UN trade sanction compelling countries to cease trade in resources extracted from the Western Sahara. If there was, New Zealand would certainly abide by it.

The UN has determined, though, that as the de facto administering power of the Western Sahara, Morocco is obliged to ensure that any resource extraction is undertaken for the benefit of the Sahrawi people. When I met with the Moroccan Minister of Foreign Affairs earlier this year, I sought clarification as to the benefits the Sahrawi people are deriving from resource extraction. I was told by Morocco that the local community is benefiting through the provision of money, jobs, infrastructure and services. Clearly, however, such benefits are not applied to support for the exercise of the right to self-determination, including independence: Morocco continues to claim sovereignty over the Western Sahara.

Whatever the rights and wrongs of Morocco's approach, the responsibility is Morocco's. New Zealand companies breach no laws in importing phosphate extracted from the Western Sahara, or marketing fish caught off its coast. In the absence of a UN trade sanction, any move by the New Zealand Government to prevent New Zealand companies from trading with Morocco, could breach the Most Favoured Nation obligation in the General Agreement on