

Mr. Ronnie Leten
President and Chief Executive Officer
Atlas Copco AB, SE-105 23 Stockholm
Sweden

<u>Your ref</u>	<u>Our ref</u>	<u>Contact</u>	<u>Place:</u>	<u>Date</u>
	eh	info@vest-sahara.no	Oslo	25 May 2013

Atlas Copco in occupied Western Sahara

Dear Mr. Leten:

The statements of Atlas Copco AB on its corporate website have been drawn to the attention of Western Sahara Resource Watch (WSRW). We write in an effort to correct errors in those statements, and to request that your company cease supplying industrial equipment for use in occupied Western Sahara. Atlas Copco's statements about Western Sahara can be seen online at:

<http://www.atlascopco.com/corporateresponsibility/complexmarkets/westernsahara/>

WSRW is an independent, non-governmental organization headquartered in Brussels with a mandate to research and defend 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

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*.

We think you will appreciate the irony of Atlas Copco claiming to act ethically and with social responsibility in the supply of extractive equipment to businesses and for activities in occupied Western Sahara, acts inimical to territorial sovereignty, in an era of global business that requires the utmost of stability and application of the rule of law for multinational enterprises such as yours to succeed and deliver value to shareholders.

Atlas Copco is right to note the problem, generally, of corruption in some areas it does business. That is true of Morocco and, the evidence is clear, in a militarily held Western Sahara. (We commend to your reading the recently published book *Le roi predateur* for an illuminating, well-evidenced review of monarchical corruption in Morocco.)

It is also useful that Atlas Copco claims a strong awareness of human rights. There is likely no greater human right than that of colonized peoples to determine their future. And Western Sahara remains, of course, colonized by any measure, with Moroccan soldiers present in the territory, a well known record of human rights abuses, the division of the territory by the illegal 2,400 kilometre sand wall known as the berm, and the continuing denial of the Saharawi people of their right to exercise self-determination.

Of course, we would be remiss in not mentioning that half the Sahrawi people lives as refugees who languish in refugee camps just inside Algeria. Not for them the benefits of any development or extractive industry profits from the occupied part of Western Sahara. An important fact to recall here is the gross revenue to Morocco of phosphate rock exports in 2012 from the Bu Craa mine site in occupied Western Sahara, more than USD\$430 million, an amount more than 10 times greater than multilateral food aid that year to sustain the Sahrawi in refugee camps.

We regret in its website statement, above, that Atlas Copco misquotes the Ruggie Principles. Professor John Ruggie noted emphatically that respect for human rights was a fundamental tenet of corporate responsibility. It is an entire error to suggest that protection, and remedying of human rights, together with respect for them, is the sole province of states, that is, governments. Let us quote Professor Ruggie directly on the point:

“Additionally, human rights due diligence ... should cover adverse human rights impacts that the enterprise may cause or contribute to through its own activities, or which may be directly linked to its operations, products or services by its business relationships.” (John G. Ruggie, *Just Business: Multinational Corporations and Human Rights* (New York, NY: Norton & co., 2013) at p. 113.)

We also note a factual error in the website statements, on the subject of the EU-Morocco 2006 *Fisheries Partnership Agreement*. That Agreement, of course has not been operative since an extension of it was quashed in a vote of the European Parliament in December 2011. We would also refer you to the decision at the same time of the Norwegian state pension fund to divest itself of shares in two companies trading in natural resources from occupied Western Sahara, including Canada’s Potash Corporation, since OCP’s operations in the territory were considered grossly unethical. <http://www.regjeringen.no/nb/dep/fin/pressesenter/pressemeldinger/2011/statens-pensjonsfond-utland-nye-beslutni/statens-pensjonsfond-utland-to-selskaper.html?id=665637> For the record, we ask also that WSRW’s position on matters concerning Western Sahara be corrected on Atlas Copco’s website. WSRW takes no position about corporate involvement with or business in Morocco. Such business is legal and may be entirely legitimate. WSRW’s concern is for business activities and natural resource development in occupied Western Sahara. The phrase, “However, some organizations, for example Western Sahara Resource Watch, recommend companies to not do business with Morocco” is wrong and we call for its correction.

The situation in Western Sahara is indeed complex. However, there are some basic facts which are beyond controversy. We submit they require Atlas Copco to consider its business support in occupied Western Sahara afresh. One essential fact is that the Sahrawi people continue to be denied a meaningful right of self-determination. Another is that Morocco has no credible or substantive territorial claim to Western Sahara, on which a court of competent jurisdiction has been quite clear (as is the organized international community, in which no state recognizes Morocco’s claim to Western Sahara). A further fact is that of the perpetuation or entrenchment of Morocco’s hold on Western Sahara both enriching Morocco and serving as a cover or pretext for the legitimacy of natural resource development under the circumstances of an armed occupation. There is a final, inescapable and lamentable fact. It is that the so-called economic development of Western Sahara, including the extraction of natural resources, is said to benefit the people of the territory, when those people have been clear about their social and economic marginalization, all the while as such purported development justifies the further in-migration of illegal Moroccan settlers.

Much of what Atlas Copco would contend on its website about Western Sahara is factually wrong and ethically impaired. We invite its correction.

In the spirit of the Ruggie principles, that is, the *Guiding Principles on Business and Human Rights*, we invite your reply.

Finally, three more things. We suggest a meeting with you, we think the circumstances can be fairly and more accurately illuminated by friendly dialogue. Secondly, commend Professor Ruggie's book to you and your executive team. We would be pleased to send you a copy of it. Thirdly, as a matter of details, we invite Atlas Copco to study the ownership, operations and location of the Bou Craa mine in Western Sahara more thoroughly. In the Swedish magazine "Västsahara" 2/2013, your company is quoted that the mine is in south western part of the territory and 65% state owned. Neither is correct.

We look forward to your reply.

Yours sincerely,

(sign.)
Erik Hagen
Chair,
Western Sahara Resource Watch