

Ms Sara Eyckmans
Western Sahara Resource Watch
Email: coordinator@wsrw.org

23 March 2017

Dear Ms Eyckmans

I refer to your email of 7 March 2017. Thank you for giving us the opportunity to comment on your forthcoming report.

Please find below answers to the questions raised by you in your email.

1. Can you confirm that Lifosa AB was the recipient of an estimated 75,000 tonnes of phosphate rock from Western Sahara, which arrived at Klaipeda port on 8 October 2016?

Lifosa AB purchased 68,250 tonnes of phosphate rock. This was shipped on the M/v "SBI Flamenco", which sailed from Laayoune to Klaipeda and unloaded in early October 2016.

What would explain the discrepancy between EuroChem's stated intent of ceasing all further imports
from Western Sahara from 2016 onwards, and the actual October 2016 import, as confirmed by Lifosa's
managing director Jonas Dastikas in Lithuanian media?
(http://vz.lt/sektoriai/pramone/2016/10/03/prasymai-veltui-lifosa-vel-perka-zaliavas-is-okupuotos-vakaru-sacharos)

EuroChem believes in vertical integration for economic and strategic reasons and this remains the case. We aspire toward the goal of raw material self-sufficiency and our investments in Kazakhstan and Kovdorskiy were intended to help us become self-sufficient in the production of phosphate rock. The production of our own raw materials from these two investments has progressed at a slower pace than projected and so we continue to require third-party supplies of phosphate rock.

3. What steps has Lifosa/EuroChem taken to assure itself of the express consent of the people of Western Sahara to the company's imports?

EuroChem and its subsidiary companies expect all their suppliers to act responsibly and we adhere to all applicable laws.

Yours sincerely

Guy Dresser

Head of Communications

EuroChem Group AG