Re: Nutrien and Chinese imports of phosphate rock from Western Sahara

Dear Mr. Magro

Western Sahara Resource Watch (WSRW) is once again privileged to present you with our compliments.

We welcome Nutrien’s decision to terminate phosphate imports from occupied Western Sahara. We are also certain that the many global investors who blacklisted Nutrien for the violation of ethical norms and of their ethical guidelines for investments will welcome your halt of trade with the conflict mineral.

As we have underlined repeatedly to Nutrien, as well as to your two legacy firms, the trade never took place in accordance with the wishes of the people of the territory, thus it did not respect their right to self-determination over their own resources. Nutrien’s two legacy companies were the most important source of income for the Moroccan government in the territory under occupation.

We are writing now concerning a related matter. On 28 November 2018, the bulk vessel Trade Resource (IMO 9693410) arrived at the port of Lianyungang, China, with approximately 79,000 tonnes of phosphate rock from Western Sahara. As far as WSRW has been able to establish, the importer was Sinofert Holdings. We have today sent a letter to Sinofert, enquiring about the trade and to verify our information. On 20 January 2019, another vessel, the Kiran Adriatic (IMO 9653185) departed from Western Sahara, in direction of China – it is not yet known to which port.

With 22% of shares in Sinofert, Nutrien is the second largest owner of the company.

We are convinced that it is not in the interest of Nutrien to have a company of which it controls a 22% interest continue the business practice that Nutrien itself has now abandoned. If it is correct that Sinofert Holdings is the end importer, it would not be possible for our association to advise investors to reinvest in your firm following their earlier exclusions – unless your company acts to make the trade immediately stop, or if Nutrien ends its large ownership in Sinofert.

We’d be grateful if you could provide answers to the following questions:

1. Can you confirm that Sinofert Holdings is the end purchaser of the mentioned phosphate rock shipment to Lianyungang?
2. Is Sinofert’s import a one-off purchase, or has it entered into a long-term contact for supply of Bou Craa rock?
3. As the second biggest owner of Sinofert, and with sound competence in the legal and ethical risks involved in such trade, what steps has Nutrien taken to ensure that Sinofert does not acquire phosphate rock from Western Sahara?
4. We note that Canpotex – in which Nutrien is one of two owners – for a number of years, has had a supply contract for potash with Sinofert. The other of the two Canpotex owners,
Mosaic, terminated its own imports from Western Sahara “because of widespread international concerns regarding the rights of the Sahrawi people.

What has Nutrien done to ensure that Canpotex is not involved in facilitating trade of phosphate rock or derivatives from Western Sahara to China or elsewhere?

5. In March/April of 2019, WSRW will publish its next annual report of phosphate trade from Western Sahara, in the ‘P for Plunder’ series. For that purpose, we inform you that we are going to announce the below vessels as having transported phosphates to Nutrien, and we welcome you to comment on the matter:

Zeyno (IMO 9700421), arrival Geismar 2 May 2018, with approx. 60.000 tonnes.
Mackenzie (IMO 9703588), arrival Geismar 17 May 2018, with approx. 61.000 tonnes
Lady Giovi (IMO 938958), arrival Geismar Aug/Sept 2018, with approx. 79.000 tonnes.
Ultra Innovation (IMO 9767481), arrival Vancouver 4 Dec 2018, with approx. 59.000 tonnes
Ultra Passion (IMO 9811907), arrival Vancouver 16 May 2018 with approx. 61.000 tonnes
Ultra Agility (IMO 9758741), arrival Vancouver 6 June 2018 with approx. 59.000 tonnes
Desert Osprey (IMO 9712955), arrival Vancouver 25 June 2018 with approx. 53.000 tonnes
Ultra Integrity (IMO 9748083), arrival Vancouver 22 July 2018 with approx. 59.000 tonnes
Ultra Dwarka (IMO 9615157), arrival Vancouver August 2018 with approx. 59.000 tonnes
Summertime Dream (IMO 9687100), arrival Vancouver 21 Sept 2018 with approx. 54.000 tonnes
Desert Harrier (IMO 9756626), arrival Vancouver 8 December 2018 with approx. 58.000 tonnes
Ultra Excellence (IMO 9767493), arrival Vancouver 23 December 2018 with approx. 59.000 tonnes
Genco Weatherly (IMO 9689172), arrival Vancouver later 2019 with approx. 59.000 tonnes
Zeyno (IMO 9700421), arrival Vancouver later 2019 with approx. 60.000 tonnes.

On 27 January, we will post an article on our website www.wsrw.org relating to the Liannyungang imports, as well as to Nutrien’s ownership in Sinofert, and we welcome a quick response to this letter, so that we can refer to it in the article.

We sent you a letter on the matter of Nutrien’s role in Western Sahara on 21 February 2018, but we cannot see having received a response. One of the questions we raised was whether Nutrien has received permission from the people of the territory to purchase the product. After that letter was sent, and up until 31 December 2018, Nutrien purchased 840.000 tonnes of phosphate rock that the occupying power Morocco had illegally mined in the territory.

As Morocco has no legal right to exploit the mine in the territory, and the mineral belongs to the people of Western Sahara, it would be reasonable that Nutrien compensates that value to the owners of the mine, half of whom live as refugees in neighbouring countries. For the calendar year of 2018 alone, the amount stands at 71 million USD, or more than twice the entire multilateral humanitarian aid sent to the people of the territory.

Looking forward to hear from you

Sincerely

Erik Hagen
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www.wsrw.org
A copy of this letter was sent to:
- Sinofert Holdings
- Canpotex, Mr. Ken Seitz, President and CEO
- The Permanent Mission of the People’s Republic of China to the United Nations
- Canada’s Foreign Affairs Minister, Ms Chrystia Freeland
- Canada’s United Church, leader, Mr Jordan Cantwell
- United for Mining Justice social action network
- SHARE, Mr Peter Chapman
- Mining Watch Canada, Mr Jamie Kneen
- UN Special Representative for Western Sahara and Head of UN Mission for the Referendum in Western Sahara, Mr Colin Stewart
- Personal Envoy of the UN Secretary General for Western Sahara, Mr Horst Köhler

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