In the summer of 2010, Norway stopped imports of controversial fish oil from occupied Western Sahara. The involved companies assured that others could take over the trade. Why? And whereto was the trade redirected?
Every second month, the Saharawi refugees in Algeria receive a can of fish. It is caught by Chinese fishermen in the Pacific Ocean, and generously donated by the Swedish government. It is the only fish they get. Yet, these Western Sahara refugees are from a land that has one of the richest fishing grounds just offshore.

Western Sahara was invaded by Morocco in late 1975 and remains mostly occupied by it today. The fishing industry is controlled by the Moroccan government. Thousands of tonnes of fish are every year boiled to oil and exported to Europe. This report details the current export of fish oil from occupied Western Sahara and what happened to the exports after Norway, by far the largest importer until 2010, stopped purchasing the oil that year. This report also explains how it has been impossible to verify the claims made by the Norwegian company GC Rieber was the company importing the fish oil to Norway for a decade. From what is known of the trade, the local partners are exclusively Moroccan business interests, not Saharawis.
At the top year, Norway imported 86% of the fish oil produced in Western Sahara and Morocco. 2010 saw the end of a massive trade relation that had lasted for a decade. But did it stop?

In March 2010, the trade with the Western Sahara fish oil caused a public outcry in Norwegian and Swedish media. The response started as the Swedish public service TV’s investigative programme Uppdrag Gransknings screened two documentaries revealing controversial Swedish fisheries in the waters of occupied Western Sahara, and how the catches in the territory ended up in Swedish pharmacies as Omega-3 capsules. GC Rieber was the main supplier to the Swedish market.

The massive public reaction had primarily two angles to it:
First, an ethical aspect. The 2010 media storm revealed exactly where the Western Sahara oil ended up. It was shown that GC Rieber had two main clients in Norway: NaproPharma, producer of Omega 3 for human consumption, and Ewos, a 100% subsidiary of Norwegian partly state owned salmon producer Cermaq. The Norwegian imports of such oil had been in media spotlight before, but it had never been known exactly which clients used, or resold it upon entry to Norway.

As such, the public was made aware of the Western Sahara origin of the Omega 3 that it had been buying, and that Norwegian salmon was produced on the raw materials from occupied Western Sahara.

The ethical aspect is evident. Half the people of Western Sahara live as refugees, surviving on a minimum of foreign aid. At the same time, fish stocks just offshore are caught, processed into oil in Moroccan owned factories, and exported internationally. Western Sahara is partially under Moroccan occupation. Morocco uses its fisheries industry to employ its own citizens in the territory it occupies.

Due to concerns of international law, the Norwegian government has therefore, since 2002 advised against doing business in the territory.

"We have a clear Norwegian policy that we advise against Norwegian business activity there, and do not support it economically... The fisheries population in the territory is to a large extent Moroccans – they are not rich Moroccans – but they are indeed Moroccans, who are moved in there as part of the Moroccan approach to the conflict", stated the Norwegian deputy minister for foreign affairs, Mr. Vidar Helgesen, in 2005, as the fish oil trade first was covered in national media.

Also in 2005, the Ministry of Finances, led by Minister Per Kristian Foss, did its first exclusion of a company from the government pension fund, of the petroleum company Kerr-McGee. The Ministry stated: "Morocco has for a number of years occupied Western Sahara despite strong UN condemnation. The Council found that Kerr-McGee Growth its exploration activities most likely will enable Morocco to exploit petroleum resources in the area. The Council regarded this as 'a particularly serious violation of fundamental ethical norms' e g because it may strengthen Morocco’s sovereignty claims and thus contribute to undermining the UN peace process".

The advise against such trade is also elaborated in the Government’s white paper on Corporate Social Responsibility from 2009, as well as in a number of statements and
letters since it was first developed in 2002.4 The annex to this report states a number of such examples.

Secondly, the media storm had a financial aspect. The importing company GC Rieber, controlled by the president of the Norwegian Confederation of Enterprise, had failed to label the goods with the correct country of origin. Morocco has a Free Trade Association Agreement with Norway. one done through EFTA cooperation, but the territory of Western Sahara (and resources from it) are excluded from the agreement.

By using an incorrect customs category, combined with incorrect country origin, Rieber Oils avoided paying NOK 3.75 [€0.50] per kilogram of the imported oil, the normal duty for fish oil to be used as animal feed.

As a consequence of the revelations, the customers of GC Rieber decided to avoid further purchase of oil originating from Western Sahara.

Having lost their customers, GC Rieber stopped their imports. “We have terminated the trade with fish oil of Western Sahara origin. The reason is that the business basis to maintain the trade had disappeared, as our main client of fish oil from the territory terminated the contract.”

It was indeed a massive and long trade that then came to a halt: Norwegian interests were behind the first establishment of the fish oil industry in South Morocco and Western Sahara by the end of the 1990s. And it was the Norwegian imports that were dominant in the decade to follow: In 2004, Norwegian imports constituted a total annual volume of approximately 25.000 tonnes, or an 86% of the total production in Western Sahara/Morocco. All of this went to GC Rieber.

During the years to come, the export base got more diversified: including purchasers in France, Denmark and Spain, but also on Iceland and in China.

Yet, in 2009, the year prior to the scandal broke in Scandinavian media, the Norwegian imports accounted for over 60% of the total Moroccan fish oil production. The value of the Moroccan fish oil production in Morocco and Western Sahara could at the time have reached an annual 240 million USD. The Norwegian imports were at up to 121 million kroners annually. That amount corresponds to 35 times the value of the annual humanitarian aid given from the Norwegian government to the refugees from Western Sahara – the true owners of the fish oil. The aid has primarily gone to a nutrition programme benefiting the particularly vulnerable refugees. In periods, one in five refugee children from Western Sahara has been acutely malnourished.

SMOOTH TRANSITION — FOR WHOM?

On 14 April 2010, Rieber Oils stated on its webpages that it would stop the imports to Norway. At the same time, the company committed to “prioritise to contribute giving the owners of the businesses in Western Sahara, their employees and their partners get a chance to maintain its work for the benefit of the local population.”

Same day, the firm stated that “we try to make a smooth transition for the companies down there that we have worked with. Apart from that, we have nothing more to do there.”

GC Rieber repeatedly told Norwegian media that the imports were ethical, and contributed to local employment. However the company failed to reply to the questions as to which exporting companies they had sourced the oil from, and which they then wanted to facilitate further exports for.

“We would like to underline that it is not necessarily less unethical to assist in the exports of fish oil to other clients in Europe than it is to do it oneself.” the Norwegian Support Committee for Western Sahara wrote to GC Rieber 21 April 2010, urging the company not to facilitate what was simply a re-arranged trade.

There is an ongoing debate in academia and the business community as to what shall be done if a purchaser discovers that its trading partners in developing countries do not live up to expected standards, e.g. in matters of human rights, labour standards and the environment. In 2009 it was for instance revealed that Norwegian telecom firm Telenor purchased services from local Bangladeshi companies that violated basic legislation on labour safety. Telenor proceeded to halt the relations with one of its partners. It was then asked whether Telenor would instead need to maintain its relations, so that the local conditions could be improved. In other contexts, the right approach would be to terminate all ties altogether. The interesting part of the debate regarding the Norwegian imports from Western Sahara, was that, despite the controversies, the importer GC Rieber, never admitted that the trade itself was unethical or in violation of standards of Corporate Social Responsibility. Instead, the president of the company stated that as they would facilitate the continued trade of his partners, by finding other clients internationally, now that the large imports to Norway terminated.

The issue of Norwegian trade with fish oil from Western Sahara received massive media attention in March-April 2010. The trade was mentioned in hundreds of articles in all daily national newspapers and TV stations for many weeks. However, apart from the Swedish TV documentaries, not a single story investigated the companies behind the exports in Western Sahara. A study of the news coverage during the entire media tsunami would show that not a single journalist covered which exporting companies were involved, who their owners were, or checked GC Rieber’s claims on the situation in the factories.

In addition, there was no public questioning or media inquiry about why GC Rieber would look for new business partners for its former partners in Western Sahara, noting here that such an initiative would also be in contradiction to the Norwegian government’s advice.

GC Rieber has, after three requests from the Norwegian Support Committee for Western Sahara, not replied to questions as to the names of the past producers in Western Sahara, nor of whom their owners were.
When confronted about their Western Sahara engagement a few years before the news broke in Norwegian media, the CEO of GC Rieber Oils was not perfectly sure of the origin, stating that “as far as we know, the production takes place in Morocco.”

GC Rieber admitted having started its business in Western Sahara already in 1995, and that the company had done a thorough assessment of its operations at the time. Four out of the five companies we have traded with are owned by the local population, and “most companies we had contact with, had local owners”, the importer later stated to media. The main customer in Norway, Ewos, one of the world’s largest suppliers of feed and nutrition for farmed fish, trusted these assurances from Rieber. Ewos mentioned it had received access to audited reports from the factories that produced the oil.

Although GC Rieber refused to explain which factories or companies exported the fish oil to Norway, 2 firms are, however, known: KB Fish in El Aaiun in occupied Western Sahara and Sovapec in Tan Tan in southern Morocco.

Both have been said to have used raw materials from Western Sahara, but from what the Norwegian Support Committee for Western Sahara understands, neither are “owned by the local population”. If the ownership of the only known exporter in Western Sahara, KB Fish, thus gives an indication of the ownership of the remaining suppliers in Western Sahara, GC Rieber’s claim that the companies are owned by “locals” would need to be investigated further.

The key business partner in the 2 known operations, KB Fish and Sovapec (also called Maromega), are both Moroccan “Group Kabbage”. Groupe Kabbage is run by brothers Tariq and Khalid Kabbage, from Agadir, Morocco. They are not locals. The group encompasses a number of businesses, within the three domains of agriculture, real estate and fish.

While Tariq Kabbage is former mayor of Agadir and controls the group’s agricultural activities, his brother Khalid Kabbage is active in the fish sector. Sovapec and KB Fish are sister firms under the Kabbage group. KB Fish itself is named after Kabbage.

KB Fish focuses on industrial processing of fish. In Khalid Kabbage’s words, “We are making Omega 3 together with the Norwegians, that is, we make a base oil […] The oil is sent to Norway, where it is mixed with other oils, deodorized, discoloured, and then finally distributed to large laboratories in France […] We try to use local material, flour, oil, omega 3. We are independent for the supply, but aim for performance through our association with Scandinavian partners so as to cover the entire chain”, he stated, prior to the end of exports to Norway.

KB Fish during the whole period had a Norwegian director. When confronted with the exports to Norway in 2007, the director claimed to not know which company in Norway imported their oil. “I am not sure who is actually importing”, he stated. In fact, the trade had then already been going on for many years, and the importer and exporter were established business partners. It is likely that KB Fish was key partner for GC Rieber already from the outset.

Sovapec, the other supplier to GC Rieber in Norway, was established in 2005 as a Joint Venture between the Moroccan fish oil and fish meal produced Sovapec SARL and GC Rieber. The factory is located in Tan Tan port, in the very south of Morocco, just north of the border to Western Sahara. It produces fish meal and fish oil based on maquerel and sardines. GC Rieber labels KB Fish and Sovapec as “sister companies”. Sovapec has according to the Moroccan phone book two directors: Khalid Kabbage (‘Président Directeur Général’) and Abdellah Ou Tailen (Dir.adm.f.), neither locals. Until 2014, the same phone book had registered a Norwegian emigrant as co-director together with Mr. Kabbage.

GC Rieber underlined later in 2010 that none of the fish oil used in the factory in the Sovapec factory in Tan Tan is from Western Sahara. “It is not correct that we still sell fish oil from Western Sahara to any clients in any country. Our imports from this region are from Morocco [only], and consist of oil made from fish caught by local fishermen in the city of Tan Tan, in Morocco. Here we are also part owners in a refinery. Formerly, we also purchased from factories in Laayoune in Western Sahara. This is no longer the case.”
KB Fish in El Aaiun, Western Sahara, has been the most important supplier of fish oil to GC Rieber. KB Fish was the only known supplier of GC Rieber in Western Sahara, and does not have “local owners”. Now the fish oil exports from Western Sahara are redirected to Fécamp, France.

The Sovapec refinery, located in Tan Tan, southern Morocco, is KB Fish’s sister company.
The Saharawis call for a halt to the fisheries industry in Western Sahara. Here, a refugee in Algeria.
The massive imports to GC Rieber in Norway stopped in 2010. So where does it go now – as GC Rieber assured a “smooth transition” for the producers in Western Sahara? It goes to France.

The business as it was before 2010 has continued to this day – but has been redirected to a different country. Norwegian-owned vessels remain involved, as before, carrying out the transports. The shipping company is the Farsund based company Gezina AS, locally known as “Brøvig.”

The company involved in chartering the Brevig vessels is based in Bergen. Norway. The company and a preceding and related firm in the same city has chartered such vessels for the Western Sahara fish oil trade at least since 2005. Upon receiving requests from the Norwegian Support Committee for Western Sahara concerning the trade in September 2013, their lawyers answered that it “would consider possible sanctions if the company is caused damage on unfounded basis.”

These are the vessels of fish oil transports that the Norwegian Support Committee for Western Sahara have identified from Morocco and Western Sahara since March-April 2010:

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<thead>
<tr>
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<th>FROM</th>
<th>TO</th>
<th>DATE</th>
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<tr>
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<td>EL AAIUN</td>
<td>SKAGEN</td>
<td>OCTOBER 2010</td>
</tr>
<tr>
<td>BROVIG VINDUR</td>
<td>EL AAIUN</td>
<td>FECAMP</td>
<td>JULY 2011</td>
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<td>FECAMP</td>
<td>JANUARY 2011</td>
</tr>
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<td>SEP 2012</td>
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<td>TAN TAN/NOUADHIBOU</td>
<td>FECAMP</td>
<td>APR 2013</td>
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<td>BROVIG VINDUR</td>
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<td>BRØVIG VINDUR</td>
<td>EL AAIUN</td>
<td>FECAMP</td>
<td>JANUARY 2014</td>
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APPENDIX: NORWEGIAN GOVERNMENT STATEMENTS OF ADVISE AGAINST INVOLVEMENT IN WESTERN SAHARA

25.11.2002: Utenriksminister Jan Petersen
"Det er folkereettsslig ingen tvil om at Vest-Sahara fortsatt er å betrakte som et ikke-selvstyrt område. Folkereetten legger begrensninger på okkupasjonsmaken og andre adgang til å utnytte naturressurser i omstidte områder, med mindre utforskingen og utnyttelsen av disse ressursene skjer i det ikke-selvstyrte områdets interesse og med sikte på områdets mulighet til å utøve selvbestemmelsesretten. Intill den pågående meklingsprosessen i regi av FN munner ut i en endelig fastsettelse av Vest-Saharas status, vil norske offentlige myndigheter ikke oppføre på en måte som kan tas til inntakt for et bestemt utfall av FN's meklingsprosess eller bli utledet som norsk anerkjennelse av marokkansk suverenitet over Vest-Sahara.«

«Norge har imidlertid ikke anerkjent marokkansk annekjon av Vest-Sahara. Norge støtter fullt ut den pågående meklingsprosessen i regi av FN's sikkerhetsråd med sikte på å oppnå en politisk løsning av suverenitetskonflikten, og vil se på å unngå offentlig norsk opptraden som kan tas til inntakt for et bestemt utfall av FN's meklingsprosess eller anerkjennelse av okkupasjonen.»

11.09.2003: NOU, Forvaltning for fremtiden - Forslag til etiske retningslinjer for Statens petroleumsfond
«Det kan videre reises spørsmål om ønskeligheten av investeringer i selskaper som har virksomhet i ikke-selvstyrt, omstridte områder. Basert på en konkret vurdering av området og virksomhetens art kan det være grunn til å vise tilbakeholdenhet med slike investeringer. Utenriksdepartementet har eksempelvis i ett konkret tilfelle reist spørsmål om bestemmelsesretningsavtakene inn ditt som et ledd i den marokkanske tilnærmingen til konflikten.»

«Norge har ikke anerkjent Marokkos annekjon av Vest-Sahara og stetter FN's pågående meklingsprosess for å løse konflikten om suverenitet til territoriet i Vest-Sahara. Det er viktig å unngå att senten kan ta til inntakt for et bestemt utfall av meklingsprosessen eller anerkjennelse av okkupasjonen.»

September 2004: Statssekretær Vidar Helgenes, 2004
«Når det gjelder marokkernes undersøkelser og utvinning på sokkelen utenfor Vest-Sahara mener FN at det sannsynligvis vil være i strid med folkereetten. Vi slutter oss til den holdningen. Det er viktig for oss at man fra norsk side ikke er involvert i virksomhet eller aktivitet som kan oppfattes som en anerkjennelse av okkupasjonen eller til inntekt for et bestemt utfall av meklingen.»

26.10.2004: Notat fra UDs Midtostenen til Statssekretær Vidar Helgenes
«Selv om Marokko de facto har kontroll over Vest-Sahara er ikke marokkansk suverenitet over området anerkjent av FN. I henhold til FN er Vest-Sahara fortsatt et ikke-selvstyrt område. [...]. Okkupasjonen av Vest-Sahara er i strid med FN's regler og vedtak.»

Brev til Finansdepartementet om tilrådning til uttrekk av Kerr-McGee.
«Vi har en klar norsk politikk på at vi ikke tilrår norsk næringslivsaktivitet der, og ikke støtter et Økonomisk [...] Det er også vår politikk om delegasjonsbesøk og offisielle besøk fra norsk side, inkludert fra ambassadøren, ikke bør skje i en sammenheng hvor man ledsager marokkanske interessenter. Det kan bli uåttør som en støtte til marokkanske posisjoner og aktiviteter i Vest-Sahara. [...] Okkupasjonen i området er et villkort som kravet, og aktiviteter av denne art vil de motvirke det som er flyttet inn ditt som et ledd i den marokkanske tilnærmingen til konflikten.»

06.06.2005: Pressemelding fra Finansdepartementet ifm eksklusjon av oljeselskapet Kerr-McGee
«Marokko har i en årrække til tross for sterk fordømmelse fra FN okkupert Vest-Sahara. Kerr-McGee er et selskap som har et stort påvirkning av den marokkanske okkupasjonen av Vest-Sahara.»
07/12/2006 Kommunikasjonssjef Bjørn Jahnson, UD

26.06.2007 Underdirektør i regionavdeling Midtost i UD til Bergens Tidende.
«På grunn av okkupasjonen fraråder Utenriksdepartementet alle norske selskaper å drive handel med Vest-Sahara».

27.08.2007 E-post fra Midtøstensaksjonen i Utenriksdepartementet til Rederiforbundet

06.07.2007 Mail fra Rolf Einar Fife, leder i UDs rettsavdeling til Framtiden i våre hender

Oktober 2007 NRK Spekter, sendingen vist 07.11.2007
Raymond Johansen, statssekretær, Utenriksdepartementet
«Vi fraråder [...] å investere eller handle i Vest-Sahara [...] Vi aksepterer ikke den snikne annekasjon som skjer fra marokkansk side... ved at man har settire...ved at man investerer i disse områderne. Og at man bruker ressursene utenfor Vest-Sahara kyst. Fordi at vi ikke ønsker å støtte opp om den annekasjon som foregår, og derfor skal det ikke være sånn at man gjennom investeringer her gir marokkanske myndigheter en rett på et område som de faktisk ikke har rett på.» NRK-intervjuet foretatt i slutten av oktober 2007 http://www.youtube.com/watch?v=9zApXaZKvk8

23.01.2009 St.meld. nr. 10 (2008-2009) - Næringslivets samfunnsansvar

10.03.2010 Kjetil Elsebutangen, kommunikasjonssjåfør, Utenriksdepartementet, til Uppdrag Gransknings, SVT
«UD har gitt veldig tydelig uttrykk for det rådet vi har om å avstå fra næringsengasjement i Vest-Sahara. Det er både blitt kommunisert på den norske regjeringens nettsider, og direkte til representanter for enkeltfirmar. Samtidig så er det slik at UD ikke har noen sanksjonsmuligheter overfor selskaper. Man kan gi klart råd. [...] Fra Utenriksdepartementets side har man vært helt tydelig i å fraråde næringsengasjement i Vest-Sahara.»

17.03.2010 Kommunikasjonssjåfør Utenriksdepartementet, i Fiskeribladet Fiskaren
«Norske myndigheter fraråder norsk næringsengasjement i Vest-Sahara».

22.03.2010 Kommunikasjonssjåfør Utenriksdepartementet, i Dagbladet.
«Vårt generelle råd er å avstå fra all næringsvirksomhet i Vest-Sahara».

22.04.2010 Underdirektør i Utenriksdepartementet til NRK
«Norske myndigheter har som klar politikk at vi fraråder næringsvirksomhet og handel med området.»

04.05.2010 Utenriksminister Jonas Gahr Store, i interpellasjon i Stortinget
«Etter som Marokko ikke utøver internasjonalt anerkjent suverenitet over Vest-Sahara, har de i utgangspunktet ikke rett til å utnytte områdets ressurser som om de var deres egne. Ifølge folkeretten kreves det at utnyttelse av ressurser i slike områder må skje i samsvar med lokalbefolkningens ønsker og interesser.» http://www.regjeringen.no/nb/dep/ud/aktuelt/stortinget/fortsatt-omega-3-import-fra-vest-sahara.html

03.03.2011 Utenriksminister Jonas Gahr Store, i Stortinget
«Norges konsekvente linje er at Marokko ikke utøver internasjonal anerkjent suverenitet over Vest-Sahara. Marokko har dermed i utgangspunktet ikke rett til å utnytte områdets ressurser som om de var deres egne.» http://www.stortinget.no/no/Saker-og-publikasjoner/Sporre/oppgave/20116300/stortingetdebatt.html?id=603954

11.03.2014 Næringsminister Monica Mæland til Stortinget
«Norske myndigheter fraråder engasjement i økonomisk virksomhet i Vest-Sahara i henhold til Folkeretten.» http://vest-sahara.no/a1x2076

18.03.2014 Statssekretær Bård Glad Pedersen til NRK:
NOTES

1 NRK Brennpunkt, 03.05.2005, “Diplomatisk Dobbeltmoral”, http://www.nrk.no/nett-tv/klipp/83487/
2 ibid
5 Letter from CEO of GC Rieber Oils to the Norwegian Support Committee for Western Sahara, 22.12.2010
10 Future in our hands, 03.06.2008, Telenor Lets Supplier in from the Cold, http://www.framtiden.no/english/supplychain/telenor-lets-supplier-in-from-the-cold.html
13 Bergens Tidende, 05.05.2013, “- Riktig av oss å bli i Vest-Sahara”. http://www.bt.no/nyheter/okonomi/--Riktig-av-oss-a-bli-i-Vest-Sahara-1776078.html#UmZToR8y3TM
14 ibid
15 Ukeavisen Ledelse, 02.03.2012, “Jonas Gahr store såret Rieber mest”
20 Letter from CEO of GC Rieber Oils to EWOS, 12.06.2009.
21 ibid
22 http://www.kerix.net/Fiche.asp?NumFirm=MA5005164
23 Letter from CEO of GC Rieber Oils to the Norwegian Support Committee for Western Sahara, 22.12.2010
24 Harbour authorities in Skagen, Denmark, confirms the arrival of 19000 tonnes of fish oil on Nordstraum from El Aaiun.
26 The vessel had first announced it would go to El Aaiun, but later redirected to Tan Tan and Nouadhibou.