



global witness

Mr. Jean-François Mahe
Director-General
Delmas Shipping
1 Quai Colbert BP 7007X
76080 LE HAVRE CEDEX
France

15 March 2010

RE: Open letter to Delmas Shipping Company

Dear Mr. Mahe,

We are writing, once again, to express our grave concern with your company's involvement in the transport of timber from Madagascar which has been declared illicit by the Malagasy authorities, as we had informed you in our letter dated 29 November 2009. Following communications with your company in June 2009, you assured us that Delmas has "a very strict commitment to ethical and environmentally sound business practices" and would "never load containers which have not got all green lights from local authorities". However, our field investigations in Madagascar and numerous local reports indicate that Delmas has transported several shipments of wood that appears to be of illegal origin – both prior and subsequent to your assertion this past June. This matter is particularly urgent in light of the imminent departure of a Delmas vessel that is currently loading hundreds of tons of rosewood and ebony at the port of Vohémar, in northeastern Madagascar.

On the heels of a military coup in early 2009, political chaos and the withdrawal of financial assistance from the international community opened Madagascar's national parks to exploitation by unscrupulous timber traders. Despite a total ban on logging, the government of Madagascar has been unable to prevent the looting of thousands of rare trees by bands of illegal loggers and the irreversible damage to the environment that it causes. These loggers are typically paid less than \$5 per day by the timber barons who finance their activities and arrange for Delmas vessels to export their illegal merchandise. Audits performed by our organizations at Malagasy banks and the Ministry of Finance determined that only a small part of these illicit profits remain in Madagascar. Even in the short term, only a handful of individuals profit from the permanent destruction of Madagascar's most precious natural resource—its unique biodiversity.

Our organizations contacted your office on two more occasions following our June letter, each time in response to reports that Delmas ships were loading illegal Malagasy timber. On 29 November 2009, we informed you that the Malagasy government had decreed all precious wood destined for export in the country to be illegal, a matter detailed in the investigative report available at

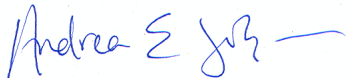
http://www.globalwitness.org/media_library_detail.php/887/en/field_investigation_into_illegal_logging_in_madaga in French and English. We have not received further responses or any commitment from Delmas to cease shipments of illegal timber.

By transporting timber of dubious legality, Delmas risks not only its reputation, but civil and criminal penalties as well. For example, the U.S. Lacey Act, as amended in 2008, prohibits import, transport or trade in wood and wood products that were acquired illegally in the country of origin. A raid by U.S. authorities on the Gibson Guitar company in November 2009 reportedly targeted shipments of illegal rosewood from Madagascar. If Delmas has facilitated the transport of illegal Malagasy timber to the United States, your company could be held liable in U.S. courts. Similar legislation is likely to take effect in Europe later this year.

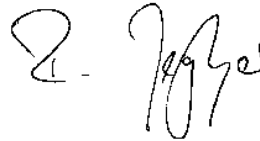
Delmas is the only global shipping company that persists in transporting wood from northeastern Madagascar in the face of compelling evidence of illegality. We urge Delmas to suspend further shipments of Malagasy wood immediately. We reiterate our willingness to work with your company to establish a policy to ensure that its business practices do not facilitate criminal and unethical activities that are harmful to the environment, the local economy and local communities.

Thank you for your attention to this matter. We look forward to your response.

Sincerely,



Andrea Johnson
Director of Forest Campaigns
Environmental Investigation Agency
andrea@eia-international.org
+1 202 483 6621
www.eia-global.org



Reiner Tegtmeier
International Forest Expert
Global Witness
rtegtmeyer@globalwitness.org
+44 20 7492 5871
www.globalwitness.org