

UNITED AGAINST NUCLEAR IRAN

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March 9, 2011

Mr. Jacques R. Saadé
Group Chairman and Chief Executive Officer
CMA CGM Group
4, Quai d'Arenc 13235
Marseille Cedex 02 France
Marseille, 13235

Mr. Frank J. Baragona
President
CMA CGM (America) LLC
5701 Lake Wright Drive
Norfolk, VA 23502-1868

Re: CMA CGM / Iran

Dear Mr. Saadé and Mr. Baragona:

On behalf of United Against Nuclear Iran (UANI), I am writing to express my deep concern on two very serious issues and to request the disclosure of important information related to your business:

First, the international community is increasingly taking steps to isolate Iran for its pursuit of an illegal nuclear weapons program. At the same time, the CMA CGM Group ("CMA CGM") conducts extensive business in Iran and is actively courting, indeed increasing its business activities in Iran.

Second, and more disturbing, is the danger that CMA CGM shipping vessels are being used, as they have in the past, to ship items into and from Iran in violation of sanctions passed by the United Nations, the United States, and the European Union.

UANI calls upon CMA CGM to follow the lead of the other responsible corporations and cease all business activities in Iran.

It is particularly important for CMA CGM to do so given the likelihood that Iran will attempt to again use CMA CGM shipping vessels to illegally ship items into and from Iran. These contraband items contribute not only to Iran's illegal pursuit of nuclear weapons, but to the sponsorship of terrorism in the region and to a brutal campaign of repression against the

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Iranian people. Companies like yours should not be party to business transactions that serve to prop up oppressive dictatorships like the thugocratic Tehran regime.

As reported on March 8, 2011 on CNBC, CMA CGM is actually increasing its business with Iran. This is consistent with other news reports indicating that CMA CGM would “increase its activities in the [Bushehr] port 10 times more than present (*Tehran Times*, “Giant shipping line starts operation in Bushehr,” January 9, 2010). In addition to its port operations at Bushehr, CMA CGM has several shipping routes between the Persian Gulf, East Africa, China, India, South Korea, and other major Asian ports, providing service to Bandar Abbas in Iran. In addition to an office in Bandar Abbas, the CMA CGM Website also lists a head office in Tehran under the Jahan Darya Shipping Agency (CMA CGM Website, “Iran”).

Simply put, the CMA CGM Group operates an extensive network of shipping lines to and from Iran, and that activity is increasing. This business activity is a serious concern, not least of which because port facilities like Bushehr and Bandar Abbas are dominated by state entities, notably the Islamic Revolutionary Guard Corps (IRGC), a designated entity on the U.S. terrorism list. The business dealings CMA CGM conducts with these port facilities directly channels funds to an organization that is spearheading Iran’s WMD development and terrorist activities in the region. The IRGC has been the regime’s on the ground enforcers that have brutally repressed dissent by beatings, imprisonment, torture and murder of freedom activists.

We at UANI listened with great interest to the comments given to CNBC by a spokesman of the CMA CGM Group stating that the company takes compliance with existing sanctions law extremely seriously, and that CMA CGM is in full compliance with relevant United Nations, U.S., and European Union sanctions provisions. Unfortunately, the empirical and historical record associated with CMA CGM in this regard strongly suggests otherwise. The list below is by no means exhaustive, but we believe demonstrates why concerns about CMA CGM’s compliance record are justified.

- In October 2010, Nigerian authorities seized 13 shipping containers carrying illegal Iranian weaponry at Lagos’ Apapa Port. The containers included 107 mm artillery rockets (Katyushas), explosives and rifle ammunition. The arms were to be shipped next to The Gambia, with the final destination of the cargo possibly being the Gaza Strip. The *MV CMA CGM Everest* originally picked up the containers from the Iranian port of Bandar Abbas. In November, Nigeria reported the seizure of the illegal arms shipment to the UN Security Council, accusing Iran of violating UN Resolution 1929. That resolution bans Iran from “supplying, selling or transferring directly or indirectly from its territory or by its nationals... any arms or related material.”
- In July 2009, the UAE seized a shipment of weapons from North Korea destined for Iran. The shipment was made in violation of UN Security Council Resolution 1874, which bans all North Korean arms exports. The weapons, which included RPGs, detonators, ammunition, and rocket propellant, were shipped by a Bahamian-flagged ANL-Australia vessel, which is a wholly-owned subsidiary of CMA CGM.

This last example is particularly worrisome. News reports indicated that Iran had postponed the test launch of a new intermediate-range ballistic missile because they had not received the delivery of key electronic components allegedly contained in the intercepted North Korean shipment. According to a diplomatic source, “The shipment of the electronic components was supposed to be part of the new agreement signed in late 2008 between Iran and North Korea for the continued supply of the new missile's technology.” It was reported that the components would be used for the BM-25 (or Musudan) missile. This missile, which is reportedly capable of carrying a nuclear warhead, has a range of 2,500 to 3,500 kilometers and is thus capable of reaching targets in Western Europe, greatly extending Iran’s capabilities. (*Kyodo News International*, “Iran delays missile test due to row with N. Korea over parts delivery,” December 6, 2009)

Companies should not hide behind claims of being victims of false cargo declarations. As Stuart Levey, former Under Secretary for Terrorism and Financial Intelligence at the U.S. Department of Treasury, warned: “U.S. companies involved in third-country trade – as well as foreign shippers and freight forwarders doing business with the U.S. – must be aware of their sanctions responsibilities. And all shippers, wherever they do business, should exercise enhanced vigilance, particularly where shipments may involve Iran.”

The only long-term solution is for CMA CGM to cease its business activities in Iran. Iran has demonstrated that it cannot be trusted to adhere to international law. CMA CGM has not demonstrated an ability to effectively enforce activities on its own vessels. Most importantly, however, CMA CGM should end its business in Iran, given that the business the company operates clearly serves to benefit one of the world’s most oppressive regimes.

It is also important to note that CMA CGM has extensive business ties in the United States and with the U.S. government, receiving over \$18 million in federal contracts in the past decade. (USAspending.gov). Given the company’s expanding business ties with Iran and its past record of non-compliance with existing sanctions laws, UANI calls on the U.S. government to debar the CMA CGM Group from eligibility for an award of federal contracts until such time that CMA CGM ends its business in Iran.

CMA CGM’s office in the United States is clearly subject to the jurisdiction of U.S. law enforcement authorities and the subpoena power of the U.S. Congress. UANI calls on the United States Attorney for the Eastern District of Virginia to investigate CMA CGM and, particularly, its role in Iran business and the startling reports that CMA CGM was responsible for shipping ballistic missile parts from North Korea to Iran including BM-25 missile components. It is simply untenable for a company to be located within ten miles from the U.S. Department of Justice in Norfolk, VA and to be able to ship ballistic missile parts by and between North Korea and Iran without fear of criminal investigation and potential sanction.

CMA CGM’s office in the U.S. should be obligated to provide:

1. Detailed information of all cargo shipments by and between Iran and North Korea;

2. Detailed manifest information on the shipments seized by the Nigerian and UAE authorities described above;
3. Any and all information related to arms, munitions and/or missile technology shipped by CMA CGM to or from an Iranian port over the last seven (7) years;
4. Any and all agreements with IRGC controlled and/or affiliated entities, and;
5. All documents regarding the nature and extent of CMA CGM's business in Iran.

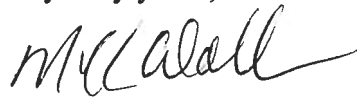
UANI also urges the U.S. House Committee on Foreign Affairs and the U.S. Senate Committee on Foreign Relations, in their consideration of additional Iranian sanctions, to subpoena CMA CGM to testify on the above described matters.

We hope that CMA CGM will provide all the above information voluntarily and in a fully transparent manner.

Please let us hear from you by March 18, 2011 as to whether or not CMA CGM will take action to end its business activities in Iran and will provide all of the above information.

Thank you for your immediate consideration of this matter.

Very truly yours,



Ambassador Mark D. Wallace

cc: The Honorable Neil H. MacBride
United States Attorney, Eastern District of Virginia

The Honorable Joseph I. Lieberman
Chairman, United States Senate Committee on Homeland Security &
Governmental Affairs

The Honorable Susan M. Collins
Ranking Member, United States Senate Committee on Homeland Security &
Governmental Affairs

The Honorable John Kerry
Chairman, United States Senate Committee on Foreign Relations

The Honorable Richard Lugar
Ranking Member, United States Senate Committee on Foreign Relations

The Honorable Tim Johnson
Chairman, United States Senate Committee on Banking, Housing, and Urban Affairs

The Honorable Richard Shelby
Ranking Member, United States Senate Committee on Banking, Housing, and Urban Affairs

The Honorable Claire McCaskill
Chairwoman, United States Senate Committee on Homeland Security and Governmental Affairs
Ad Hoc Committee on Contracting Oversight

The Honorable Rob Portman
Ranking Member, United States Senate Committee on Homeland Security and Governmental Affairs
Ad Hoc Committee on Contracting Oversight

The Honorable Peter T. King
Chairman, United States House Committee on Homeland Security

The Honorable Bennie Thompson
Ranking Member, United States House Committee on Homeland Security

The Honorable Ileana Ros-Lehtinen
Chairman, United States House Committee on Foreign Affairs

The Honorable Howard Berman
Ranking Member, United States House Committee on Foreign Affairs

The Honorable Mark Kirk
United States Senator, Illinois

The Honorable Kirsten Gillibrand
United States Senator, New York

The Honorable Theodore E. Deutch
United States Representative, Florida's 19th Congressional District

The Honorable Dan Burton
United States Representative, Indiana's 5th Congressional District

The Honorable Tim Griffin
United States Representative, Arkansas's 2nd Congressional District

The Honorable Robert M. Gates
Secretary of Defense, United States Department of Defense

The Honorable Ray Mabus
Secretary of the Navy, United States Department of the Navy

The Honorable David S. Cohen
Under Secretary for Terrorism and Financial Intelligence, United States
Department of the Treasury

The Honorable Mary L. Schapiro
Chairwoman, United States Securities Exchange Commission

The Honorable Martha N. Johnson
Administrator, General Services Administration

Adam J. Szubin
Director, Office of Foreign Assets Control, U.S. Department of the Treasury

Mr. Rodolphe Saadé
Executive Officer, CMA CGM Group

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