



## HAITI / HONDURAS – ESSENTIAL OIL UPDATE JANUARY - 2009

### HAITI

**POLITICS:** On January 1st Pres, Preval told government officials to avoid rosy expectations for 2009 following the hardships of 2008 disasters. "We can't forget how 2008 shook Haiti," Pres. Preval told government officials and the public commemorating the heroes of Haiti's independence, in Gonaives, 153 kilometers north of Port-Au-Prince. Last year, the impoverished nation was hit by April food riots that killed six people, followed by four devastating hurricanes in August and September that killed 793 people and caused half a billion dollars in damages. A school collapse in November killed 91. "Due to the global economic crisis, Haiti will suffer in 2009." He offered several proposals," first, 2009 will be the year of big road building in Haiti; and second, we must continue to build peace, because peace is the way to end foreign troop presence in Haiti. It is also the path to investment."

**VETYVER OIL:** Production has been at a virtual standstill. One of the producers dropped the prices of the oil after announcing that the cost of vetyver roots is low and that he anticipates lower prices for bunker C fuel for distillation. This has been contested by others. Inventories in the hands of distillers are slowly diminishing. Even a slow resumption of export demand could quickly stabilize prices. We can sample and offer from our modest inventory.

**AMYRIS OIL:** Production and sales have remained steady during the month. The harvesting of the Amyris wood for distillation is becoming somewhat of a problem with collecting areas being more and more remote. Inventories are not excessive. We solicit your inquiries.

### HONDURAS

**CARDAMOM OIL:** Production and sales have been modest. Prices are rather firmer. Seed prices are tending upward. We are taking orders for February and March deliveries.

**STYRAX GUM PURIFIED:** It seems that security fears and the lack of interest on the part of the country people to perform the hard tedious work of tapping trees and collecting the material is limiting output despite the higher prices being paid. The normal crop time is coming to an end with no building up of stocks. Weather has also hindered normal cropping.

#### Request For Price (RFP)

Product	Quantity	Shipment
Vetyver Oil		
Amyris Oil		
Cardamom Oil		
Styrax Oil		
Styrax Gum		
<b>Shipping Destination</b>		
<b>Additional Comments</b>		

We look forward to hearing from you.

Michael & Bernard Champon  
Haiti Essential Oil Co., SA



## **ESSENTIAL OIL UPDATE - HAITI – HONDURAS** **FEBRUARY – 2009**

### **HAITI**

**POLITICAL:** Economically the country is suffering from the mid/late 2008 violent storms. Business in general slowed considerably, resulting in lower revenues for reconstruction. Food prices continue to rise.

**VETYVER OIL:** Some distillation has resumed, sales are slow. Local as well as export prices are weakening. Bunker C prices have come down only nominally. Some limited vetyver oil stocks are still in the hands of non exporting producers. The lower market results in important capital losses for those producers. Yields are good as is normal at this time of the year. We have some inventory from which we can offer and sample. Your inquiries are solicited.

**AMYRIS OIL:** Demand and sales have been active during February. Prices have dipped only fractionally. Costs of production cannot be reduced for the time being. Raw material for distillation remains high. We have stocks from which we can offer and sample.

### **HONDURAS**

**CARDAMOM OIL:** We have been producing slowly and sales have been rather calm. Prices remain steady. Seed availability for distillation seems adequate.

**STYRAX GUM AND OIL 645P:** There has been a continuing reduction of crude gum production in the forest for reasons we have previously explained- fear of being arrested by forest protection police ; hard work most younger men do not want to participate in; extremely raining season ; lack of road maintenance for transportation on raw material, etc. We have not been able to accumulate sufficient crude gum to produce styrax oil this season. Next season starts late this year.

### **Request For Price (RFP)**

<b>Product</b>	<b>Quantity</b>	<b>Shipment</b>
Vetyver Oil		
Amyris Oil		
Cardamom Oil		
Styrax Oil		
Styrax Gum		
<b>Shipping Destination</b>		
<b>Additional Comments</b>		

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## **ESSENTIAL OIL UPDATE - HAITI – HONDURAS** **MARCH – 2009**

### **HAITI**

**POLITICS:** Haiti is reportedly enjoying relative political stability, despite economic and social worsening since April 2008, when riots over high food prices resulted in the overthrow of the prime minister. The country was then hit by 4 storms which left 800 dead and resulted in the halting of any economic growth. Observers worry about violent demonstrations that could erupt as the April 19 election to fill vacant senate seats approaches. The “conseil electoral” has decided to block all the divided “Famni Lavalas” party candidates. This is the party of former Pres. Jean-Bertrand Aristide.

**VETYVER OIL:** Due to slow-down in export demand, distillation has virtually stopped during March, which is traditionally within the time frame of the best period of the year for production due to high yields and good weather. The spring rains usually start in April/May and continue through June, lowering the yields and hindering the harvesting of root material. Vetyver oil Inventories in the hands of non-exporting distillers are slowly being diminished. We have limited stocks from which we can offer and sample.

**AMYRIS:** Export sales have continued throughout March at steady levels and prices remain firm. Your inquiries are solicited.

### **HONDURAS**

**CARDAMOM OIL:** The season is at its end and should resume only in Sept/Oct.

**STYRAX GUM AND OIL:** Virtually no more crude material will be coming in from the jungle. The season has ended with insufficient quantities to fill all demand.

#### **Request For Price (RFP)**

<b>Product</b>	<b>Quantity</b>	<b>Shipment</b>
Vetyver Oil		
Amyris Oil		
Cardamom Oil		
Styrax Oil		
Styrax Gum		
<b>Shipping Destination</b>		
<b>Additional Comments</b>		

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## **HAITI / HONDURAS ESSENTIAL OIL UPDATE** **APRIL - 2009**

### **HAITI**

**POLITICAL:** There is calm on the political front despite the fact that the mid-term elections brought no results and a number of senate seats remain unfilled. No candidate obtained a majority and the voting was very light.

**VETIVER OIL:** Usually the first third of the year is the best producing period with high yields. Production practically stopped and even the “big” ones who usually distill continuously ceased operations. International demand slowed to a trickle; export prices have stabilized; inventories are being reduced slowly but surely. If and when regular demand resumes, the market price could react up quite suddenly. We have limited stock from which we can offer and sample. Generally qualities are good which is normal at this time of the year. Spring rains have started which will eventually make production more difficult should distillation resume.

**AMYRIS:** This oil has been active and sales are normal. Production continues without problems. Prices are stabilized at a reasonable level. Inventories are such that we can offer and sample 5/10 drum lots. The qualities are good.

### **HONDURAS**

**STYRAX:** For this product we are encountering some difficulties. Here is a full updated report: There are many legal problems that have developed in Honduras regarding the tapping of styrax trees, the collecting and eventually the processing of the gum. (1)The lumber industry has, through corruption, destroyed certain remote areas of the forests. (2) This has pushed the government to impose many controls for the protection of the forests and (3) although we (the Styrax tappers and collectors) have never cut down a single tree, the government imposes all sorts of difficulties (permits, maps of tapping areas, registrations, etc.) to tap the trees and collect the crude gum legally.

Even a higher price for the crude gum may not induce the tappers to go through the process of obtaining a license and collecting the gum legally. The future of the product is questionable. We are continually talking with the forest protection department in the attempt to help the tree tappers continue their work. We, as processors and exporters of the product, are licensed to operate but we must purchase the crude gum only from the licensed collectors. We want to operate totally within the law. As the year progresses we will try to keep you updated.

**CARDAMOM OIL:** The crop time has come to an end. Production of oil should resume in September.

We look forward to hearing from you.

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## **HAITI / HONDURAS ESSENTIAL OIL UPDATE** **MAY - 2009**

### **HAITI**

**POLITICAL:** Former US President Bill Clinton has been named special envoy of the United Nations to Haiti. Some hope this special attention to Haiti may have some favorable effects. Foreign investors may gain some confidence, which could be valuable to the improvement of the Haitian economy.

**VETIVER OIL:** Sales during May have inched upward with slight improvement of demand and sales to international buyers, thus showing limited interest in carefully replenishing some stocks. Many of the financially weaker holders in Haiti of high cost vetiver produced last year have reduced their holdings. Gradually, local inventories are diminishing without any replacements being produced. Virtually all distilling plants are shut down with a handful producing at a slow pace. Lack of active demand, usual at this time of the year, as well as spring rains and lower oil yields have all contributed to this distilling slowdown. Production costs are increasing, with petroleum products and labor costs again rising. We have some inventory from which we can offer and sample. Prices have steadied.

**AMYRIS OIL:** Sales continue steadily to all markets and prices remain firm. Production is progressing normally. We also have some stocks from which we can offer and sample. For any larger quantities we need a little lead time.

### **HONDURAS**

**CARDAMOM OIL:** Small stocks remain. New crop distillation starts in Sept/Oct. Prices are steady.

**STYRAX GUM AND OIL:** Negotiations with tree tappers for the new season have started. There are problems with the “Forest Police”. Tapping and transportation of the crude gum requires permits. Many workers are fearful of being arrested and therefore the work force is smaller than usual. We cannot yet forecast quantities that may become available, but it is certain that prices for the cleaned exportable product will rise substantially.

We look forward to hearing from you.

Michael & Bernard Champon  
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## HAITI / HONDURAS ESSENTIAL OIL UPDATE JUNE - 2009

### HAITI

**POLITICS:** Former USA President Bill Clinton has been appointed special envoy to Haiti by the UN. He has recently travelled to Haiti and was broadly welcomed. He has pledged to help that country establish better relations among the private and public sectors and the nongovernmental organizations, also to improve employment and its fiscal condition. Hope for Haiti has been raised by the granting of debt cancellation (1.2 billion dollars) by the World Bank, IMF and other creditors. There have been serious disagreements between unions and government that the large wage increase to 200 gourdes a day minimum wage could jeopardize the Free Trade Zone factories (clothing assembly) which must compete with Chinese factories.

**VETIVER OIL:** Export sales during June improved somewhat compared to previous months. Some production has resumed as the weather conditions have improved. However, the cost of roots and fuel have both increased. Existing high cost stocks in the hands of producers have been partially sold/reduced at a great loss to some distillers. Prices have stabilized. From our modest inventory we can offer and sample.

**AMYRIS OIL:** Export sales have been very active. Production has barely kept up with demand and sales. Prices are firm. Our inventory is such that we can offer and sample limited quantities.

### HONDURAS

**STYRAX GUM and OIL:** We have no stocks at this time. Due to severe restrictions for handling and collecting any forest products, the workers who usually tap the trees for the gum are reluctant to work. It is possible that there may be very limited availability following the September/October harvest period.

**CARDAMOM OIL:** Production should resume in the Fall. We have no carry over stocks.

We look forward to hearing from you.

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**HAITI / HONDURAS ESSENTIAL OIL UPDATE**  
**JULY - 2009**

**HAITI**

**POLITICAL:** It is reported that former US president Bill Clinton, UN envoy to Haiti, has appointed Dr. Paul Farmer, Harvard University professor and a founding director of Partners in Health since 1987, as UN deputy Special Envoy to Haiti to advance the economic and social development of that nation. Clinton will also travel to Haiti with international investors on a trade mission in the hope of boosting business in this nation. During July Clinton travelled to Haiti to meet with government officials.

**VETYVER OIL:** During July export sales were slow but somewhat more steady than in previous months. There was some limited new production and the existing inventories in the hands of producers/distillers are slowly dwindling. Should export demand pick up in September the market may be ready to react by some holding back on the part of producers who have been suffering economically since last year. Export prices have stabilized somewhat. We have limited stocks from which we can offer and sample. It may be wise for buyers to purchase as needed rather than to engage in sudden large quantity purchases to replenish inventories..

**AMYRIS OIL:** Sales have been very regular and steady. Export prices have not been reduced and production continues to be normal without any large back up of stocks. We hold some inventory for prompt shipment. Inquiries are invited

**HONDURAS**

The population in general seems to be satisfied with the removal of the elected president who seems to have tried to establish himself as President for life, a la Chavez.

**CARDAMOM OIL:** The new distillation should start next month. Prices will depend entirely on demand for the green seeds.

**STYRAX GUM and OIL:** We have no stocks for the time being.

We look forward to hearing from you.

Michael & Bernard Champon  
Haiti Essential Oil Co., SA



## **HAITI / HONDURAS ESSENTIAL OIL UPDATE** **AUGUST - 2009**

### **HAITI**

**POLITICS:** There was relative calm in the country during the summer months. Special UN representative, former US president Bill Clinton, has called upon donor countries to make good on financial pledges to help Haiti recover back to back storms last year. Of \$760 million pledged during last April's conference only \$21 million was actually disbursed.

**VETIVER OIL:** During August when many businesses in Europe close for some weeks, export sales of this oil slowed considerably. Consequently there is usually an accumulation of stocks in the hands of the non-exporting distillers because yields are good and conditions for collection of roots ideal plus the expectation of resumed demand in September. This was not the case this past August, production decreased due to the almost total lack of export demand and many of the prime producers even shut down. At this time there are some stocks but these are being absorbed little by little and production has now almost completely stopped because the rainy season has begun causing reduced yields and increased costs. We hold some inventory from which we can offer and sample.

**AMYRIS OIL:** Sales have also slowed to some extent. Distillation will stop as usual during the rainy season until mid-December. We solicit your inquiries.

### **HONDURAS**

**CARDAMOM OIL:** Production could resume during September/October. Seed prices for distillation are high. We will offer as we produce.

**STYRAX:** As we have foreseen the arrivals of crude gum from the forests have been limited. We have limited stocks of purified gum available. Styrax oil will probably not be produced during this season due to limited availability of the crude gum.

We look forward to hearing from you.

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Haiti Essential Oil Co., SA





**HAITI / HONDURAS ESSENTIAL OIL UPDATE**  
**SEPTEMBER - 2009**

**HAITI**

**POLITICAL:** The UN Security Council has voted unanimously to extend its peacekeeping mission in Haiti for another year to permit it to complete their work of training the Haitian national police and also assisting the government in stabilizing security. Former US President Bill Clinton together with a number of foreign investors spent some time in Haiti investigating investment possibilities.

**VETIVER OIL:** (1) High cost Inventories in the hands of non-exporting distillers are gradually being sold (most at a substantial loss). (2) Production has almost ceased due to slow demand and rising costs due to low oil yields (as usual during the rainy season) and increased cost of fuel. (3) Bunker “C” fuel prices have increased. (4) The farmers are resisting lowering their prices for root material, which has already dropped by 50% and threaten to substitute planting corn or other crops when vetiver roots are harvested. (5) The export demand for the oil is calm but sufficient enough to maintain a relatively steady market. We have some stocks from which we can offer and sample.

**AMYRIS OIL:** Export demand has held up well. Production is proceeding at a steady rate. Prices are being maintained. Here also we have some stock to meet your inquiries.

**HONDURAS**

**STYRAX GUM AND OIL:** The new interim government has relaxed the controls for the tapping of trees and transportation of the crude gum. Some quantities of new crop gum are arriving at our plant and we will be able to meet some demand. **Styrax oil 645P** will be produced in limited quantities this year. Prices are firm.

**CARDAMOM OIL:** We have not resumed production due to high prices demanded by the farmers for the seeds and the unknown prices that the world market may pay for the oil in the next few months. We will start production as soon as we know the prices world buyers may offer.

We look forward to hearing from you.

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## **HAITI / HONDURAS ESSENTIAL OIL UPDATE** **OCTOBER - 2009**

### **HAITI**

**POLITICAL :** On October 30, the Haitian Senate voted to oust Prime Minister Michele Pierre-Louis whom critics accused of failing to do enough to alleviate poverty and undertake other pressing problems. The vote also reflected the country's deep political divisions. A week later the Senate unanimously confirmed a longtime technocrat as Prime Minister, Mr. Jean-Max Bellerive hoping that this man would help further Haiti's pro-business stand. His long ties with the international community, makes him someone they believe can be trusted to attract investments and create desperately needed jobs.

**VETYVER OIL:** October showed some renewed export activity for this oil. Prices have stabilized. Production slowed considerably due to the start of autumn rains, as is usual at this time of the year. Inventories of vetiver oil in the hands of non-exporting distillers are diminishing and local weak holders are scarce. Should the export demand continue even at a modest pace prices could see an upward trend. Prices of the feed stock, vetiver roots, are firm, production costs are not going down. We have limited stocks from which we can offer and sample.

**AMYRIS OIL:** Demand continued as well as the production of the oil. Inventories are sufficient for normal export demand. Export prices are steady due to production costs remaining high. For this oil also we have stocks from which we can offer and sample.

### **HONDURAS**

**CARDAMOM OIL:** We are out of stocks for the time being. Our production should soon begin. Seed prices are still very high.

**STYRAX:** Some crude gum has been coming in from the forest. Sales of the purified gum are steady and demand continues. Prices are steady. Production of the gum this year will be limited. As for the Oil of Styrax 645P, we have some modest inventories at this time and production of this product will also be limited. Your inquiries are invited.

We look forward to hearing from you.

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**HAITI AND HONDURAS ESSENTIAL OIL UPDATE**  
**NOVEMBER - 2009**

**HAITI**

***POLITICS:*** Haiti's new Prime Minister, Jean-Max Bellerive, on his first official visit to South Florida to attend the 33<sup>rd</sup> Miami conference of the Caribbean-Central American Action, declared that Haiti is working to lower fees needed to invest in his country. He stated that the costs are presently too high. The result may be new investments in that country to help its economical development.

***VETYVER OIL:*** The rains have diminished and some distillers are resuming production. It is too early to determine production costs and yields. Local inventories have diminished and local prices remain firm and have risen. Export sales have been quite steady during November. Should sales increase during December/January it is quite possible that prices will increase. We have some inventory from which we can offer and sample.

***AMYRIS OIL:*** The situation remains the same, sales and production are steady. Export prices have been maintained. Here also we have some stock from which we can offer and sample.

**HONDURAS**

***STYRAX GUM AND OIL:*** The arrivals of crude gum from the forest have been steady but in reduced quantities. Export sales are continuing at prices which must be maintained and are firm. The styrax oil production is minimal with only small inventories at this time.

***CARDAMOM OIL:*** Due to excessively high seed prices we have hesitated to produce any sizable quantities. We hope to witness more stable conditions during December.

We look forward to hearing from you.

Michael & Bernard Champon  
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