Lesson 3: Problems

Resource 3.2

Main problem

The sums of money mentioned on the fact cards below are in US dollars (\$).

Logging a single hectare of rainforest generates logs that can be sold for around \$1000 cash. It will take at least 50 years for the rainforest to grow back again. Land that has been logged can be used for grazing cattle. The **sustainable** annual value of a rainforest is around \$426 per hectare. This profit comes from a variety of sources, such as harvesting and selling non-timber products, and from carbon storage.

The profit from **cattle ranching** on deforested land is from \$51 – \$148 per hectare. Depending on how the land was cleared for ranching, it will become barren and unusable for grazing after anything from 3 to 20 years. One section of rainforest in Ecuador reported revenues of \$148 235 per year for five **eco tourism** sites at Cuyabeno. These sites cover an area of 603 380 hectares. On average, the profit is \$0.25 per hectare per year.

A number of villages around Log Inc's headquarters make up about 300 000 hectares of rainforest in total.

The loggers have been trying to convince the villages to sell the land to Long Inc. They have been very persuasive and some villagers are keen to sell their land to loggers as this would generate the greatest profit for them. You must stop this happening but the only way to do this is to let the villagers know that they do have other options that will not harm the environment. You must present a case that convinces the villagers to preserve as much rainforest as possible.

You will need to show some of the different ways that the villagers could use their land to make profits and how this would affect their finances over the short, medium and long term.

You can find a more detailed breakdown of the costs at assets.panda.org/downloads/wnf_amazonerapport_def.pdf