

**Forum:** Special Conference - Human Environmental Indifference

**Issue:** The issue of deforestation of the Amazon. Profitable economics and sustainable forest development

**Position:** President of Special Conference (Ada Żurowska and Martyna Tomczyk)

## The Amazon

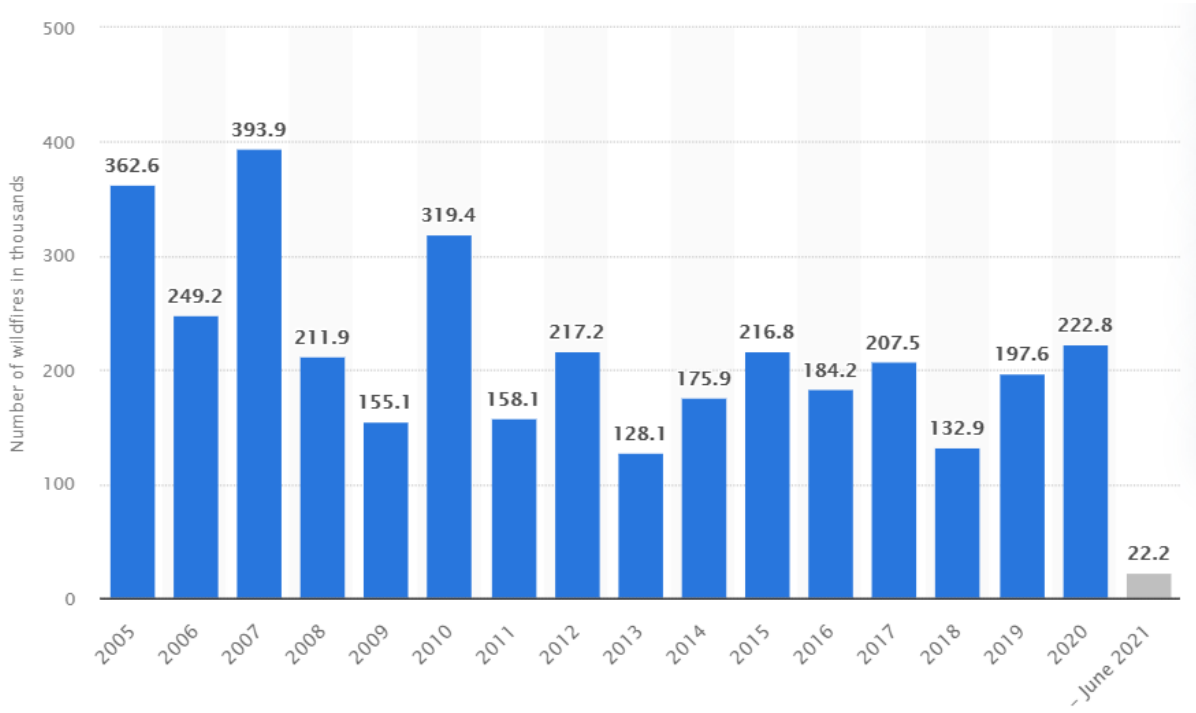
The Amazon Rainforest is the world's richest and most diverse biological reservoir, with millions of insects, plants, birds, and other species, many of which are still unknown to science. There are numerous species of myrtle, laurel, palm, and acacia trees, as well as rosewood, Brazil nut, and rubber tree, among the lush greenery.

However, during the last 40 years, deforestation has become a greater danger to this vast green expanse. Forest clearing began in the 1960s and peaked in the 1990s, when an area the size of Spain was destroyed, largely for livestock and soybean farming. However, because the soil exposed by this clearing is only beneficial for a limited time, farmers must continue to clear more land in order to keep their enterprises afloat.

## Fires in the Amazon In 2019 and 2020

The skies over Sao Paulo, Brazil, went entirely dark about 3 p.m. on August 19th, 2019. Thousands of kilometers away from the blazing Amazon, massive smoke clouds fell over Brazil's largest metropolis. Over 7 million hectares (17.9 million acres) of Brazil's Amazon had burned by the end of the year, an area nearly the size of West Virginia.

According to statistics from the space research agency Inpe, fires in Brazil's Amazon surged 13% in the first nine months of 2020 compared to the same period in 2019, as the rainforest region endures its worst spate of blazes in a decade. Satellites discovered 32,017 hotspots in the world's largest rainforest in September, up 61 percent from the same month last year.



Most deforestation is driven by the prospect of economic gains. Countries that have forests often look to develop their economy by exploiting their natural resources.

Two of the most critical barriers and challenges to achieve forest-based inclusive and sustainable economic growth, are insecure land tenure and unequal benefit sharing among forest users. Understanding who owns the forest and who has forest use and management rights is critical in tracking environmental, social and economic development, and hence in strengthening the contribution of forests towards an inclusive and sustainable economic growth pathway that also includes the generation of decent jobs and employment. However, according to the Global Forest Resources Assessment 2015 (FAO 2016), in 2010 76 percent of the global forest area was publicly owned, only 20 percent was private, and 4 percent was of unknown ownership.

### Deforestation related financial risks:

- Lost price premium when unable to sell higher-margin certified products.
- Loss of customers when producers are noncompliant with customers' zero-deforestation procurement policies.
- Increase of costs of goods sold for sellers when they must find substitute buyers when sellers violate buyers' zero deforestation policies.
- Loss of banking and investor relationships due to noncompliance with their sustainability policies.
- Fines and other costs due to noncompliance with government and buyers policies.
- Concessions being revoked for illegal deforestation and land grabbing.

