

## Is Oil Palm the Next Emerging Threat to the Amazon?

Authors: Butler, Rhett A., and Laurance, William F.

Source: Tropical Conservation Science, 2(1): 1-10

Published By: SAGE Publishing

URL: https://doi.org/10.1177/194008290900200102

BioOne Complete (complete.BioOne.org) is a full-text database of 200 subscribed and open-access titles in the biological, ecological, and environmental sciences published by nonprofit societies, associations, museums, institutions, and presses.

Your use of this PDF, the BioOne Complete website, and all posted and associated content indicates your acceptance of BioOne's Terms of Use, available at <a href="https://www.bioone.org/terms-of-use">www.bioone.org/terms-of-use</a>.

Usage of BioOne Complete content is strictly limited to personal, educational, and non - commercial use. Commercial inquiries or rights and permissions requests should be directed to the individual publisher as copyright holder.

BioOne sees sustainable scholarly publishing as an inherently collaborative enterprise connecting authors, nonprofit publishers, academic institutions, research libraries, and research funders in the common goal of maximizing access to critical research.

## **Conservation Letter**

# Is oil palm the next emerging threat to the Amazon?

### Rhett A. Butler<sup>1\*</sup> & William F. Laurance<sup>2\*</sup>

<sup>1</sup>Mongabay.com, P.O. Box 0291, Menlo Park, CA 94026, USA

<sup>2</sup>Smithsonian Tropical Research Institute, Apartado 0843-03092, Balboa, Ancón,

Panama

\*E-mail: <u>laurancew@si.edu</u>

#### **Abstract**

The Amazon Basin appears poised to experience rapid expansion of oil palm agriculture. Nearly half of Amazonia is suitable for oil palm cultivation, and Malaysian corporations are now moving into the region to establish new plantations while the Brazilian government is considering a law that would count oil palm as "forest" towards a landowner's forest reserve requirement. Strong economic incentives for a major Amazonian oil palm industry are likely, given growing global demands for edible oils, oil-based products, and biofuel feedstocks. We have two main concerns. First, oil palm plantations are ecologically depauperate, supporting little forest-dependent wildlife. Second, we disbelieve political and corporate statements suggesting that oil palm plantations will be concentrated on previously deforested lands in Amazonia. In reality, oil palm producers strongly favor clearing primary forest for plantations because they can reap immediate profits from timber production. These profits subsidize the costs of plantation establishment and maintenance for the initial 3-5 years until the oil palm plantations become profitable. Hence, oil palm agriculture could soon emerge as a major new threat to the Amazonian environment.

Keywords: Amazon; biodiesel; biofuel; Brazil; deforestation; logging; Malaysia; oil palm plantations

#### Resumo

A Bacia Amazônica parece sofrer a experiencia da rápida expansão da agricultura de palmeiras de óleo. Quase metade da Amazonia é apropriada para o cultivo de palmeira de óleo, e corporações da Malásia estão agora se mudando para a região para estabelecer novas plantações enquanto o governo Brasileiro está considerando uma lei que contaria as plantações de palmeira de óleo como "florestas" em relação á exigencia de reserva florestal nas terras do proprietário. São prováveis fortes incentivos econômicos para uma grande industria de palmeira de óleo Amazonensse, dadas as crescentes demandas globais por óleos comestíveis, produtos baseados em óleo e combustiveis. Temos duas grandes preocupações. Primeira, as plantações de palmeira de óleo são ecologicamente pobres, suportanto pouquissima vida selvagem que depende da floresta. Segunda, nós desacreditamos em afirmações políticas e corporativas que sugerem que as plantações de palmeiras de óleo estarão concentradas em terras previamente desflorestadas da Amazônia. Na realidade, produtores de palmeiras de óleo sao fortemente a favor de desmatar florestas primárias para plantações porque assim eles podem obter lucros imediatos da produção de madeira. Esses lucros são vitais para compensar os gastos com custos do estabelecimento da plantação e manutenção dos 3-5 anos iniciais até que as plantações se tornem rentáveis. Portanto, a agricultura de palmeiras de óleo poderiam em breve emergir como uma nova grande ameaça para o meio ambiente da Amazônia.

Palavras-chave: Amazônia; biodiesel, biocombustível; Brasil; desmatamento, exploração madeireira;

Received: 12 February 2008; Accepted: 1 March 2009, Published: 23 March, 2009

**Copyright**: © Rhett A. Butler and William F. Laurance. This is an open access paper. We use the Creative Commons Attribution 3.0 license <a href="http://creativecommons.org/licenses/by/3.0/">http://creativecommons.org/licenses/by/3.0/</a> - The license permits any user to download, print out, extract, archive, and distribute the article, so long as appropriate credit is given to the authors and source of the work. The license ensures that the published article will be as widely available as possible and that the article can be included in any scientific archive. Open Access authors retain the copyrights of their papers. Open access is a property of individual works, not necessarily journals or publishers.

**Cite this paper as:** Butler, R. A. and Laurance, W. F. 2009. Is oil palm the next emerging threat to the Amazon?. *Tropical Conservation Science* Vol.2 (1):1-10. Available online: www.tropicalconservationscience.org

#### Introduction

Oil palm is one of the world's most rapidly expanding crops [1]. Despite the recent economic slowdown, burgeoning demand for palm oil remains an important driver of deforestation in Southeast Asia [2], especially in Indonesia and Malaysia where over half of all the oil palm expansion from 1990 to 2005 occurred at the expense of native forest [3].

Yet few realize that oil palm could soon drive similar forest loss in Amazonia, the world's largest expanse of tropical forest. Here we briefly describe the confluence of factors that could promote a sharp increase in oil palm agriculture in the region. Although the crop is being established in various parts of Latin America, we focus here on Brazil, where geographical, political, and corporate forces appear particularly aligned to pursue the aggressive expansion of an oil palm industry. We argue that, contrary to prevailing public discourse in Brazil, oil palm expansion would constitute a serious threat to Amazonian ecosystems and their associated biodiversity.

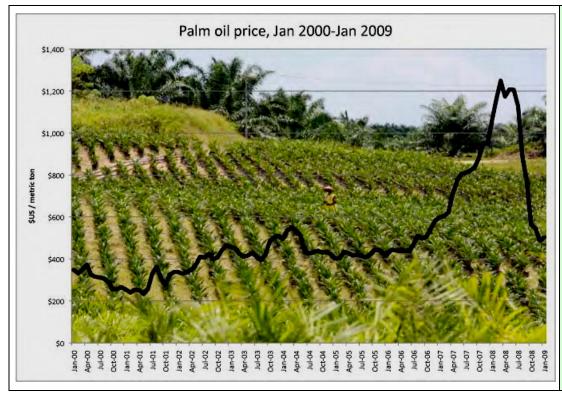


Fig. 1. Palm oil prices from January 2000 to January 2009 (from [47]). Background image by R.A. Butler.

#### The potential for oil palm expansion in Amazonia

A constellation of factors is contributing to a potentially dramatic growth of oil palm agriculture (Fig. 1) in Brazilian Amazonia, which contains about 40% of the world's remaining tropical rainforest. First, the biophysical potential for Amazonian oil palm production appears to be enormous. Preliminary analyses of temperature, rainfall, and soil variables suggest that almost half of Brazilian Amazonia—nearly 2.3 million km²—is suitable for oil palm cultivation, an area far greater than that available for mechanized soy or sugarcane [4]. Oil palm prefers low-elevation regions in the humid tropics [5] and is tolerant of even quite highly acidic soils (pH of 4.0), like those that are widespread in Amazonia [7; 8]. New cultivars are also being developed with increased resistance to blight (such as "yellowing disease") and other pathogens. Oil palm is already being established on a large scale in Colombia and Ecuador [5; 9], and viable plantations, including the 40,000-hectare Agropalma estate (http://www.agropalma.com.br), already exist in Brazil. If Brazil were to fully exploit the Amazon for oil palm, it would become by far the world's largest palm oil producer [4] (Table 1).

Table 1. Palm oil production and forest land suitable for oil palm cultivation in 2008

Palm oil production, 2008 (metric tons)		
1	Indonesia	19,700,000
2	Malaysia	17,400,000
3	Thailand	1,400,000
4	Colombia	830,000
5	Nigeria	820,000
6	Papua New Guinea	425,000
7	Ecuador	340,000
8	Cote d'Ivoire	320,000
9	Costa Rica	285,000
10	Congo, Democratic Rep	175,000
11	Cameroon	165,000
12	Honduras	165,000
13	Guatemala	155,000
14	Ghana	120,000
15	Brazil	110,000

Forest area suitable for oil palm, 2008 (sq km)		
1	Brazil	2,283,000
2	Congo, Democratic Rep	778,000
3	Indonesia	617,000
4	Peru	458,000
5	Colombia	417,000
6	Venezuela	150,000
7	Malaysia	146,000
8	Papua New Guinea	144,000
9	Suriname	101,000
10	Bolivia	90,000
11	Cameroon	83,000
12	Gabon	81,000
13	Guyana	81,000
14	French Guiana	70,000
15	Congo, Republic of	66,000

Palm oil production data from the Foreign Agricultural Service of the U.S. Department of Agriculture [48]; crop suitability from Stickler et al (2008) [4]

Second, economic incentives for oil palm production are growing, given (1) its large yields per unit area [5], (2) the high value of palm oil compared with other agricultural products (Fig. 2) [10; 11], and [3] rising demands for its use in biofuels, food, and industrial products [12]. Expansion of oil palm plantations into remote areas would be facilitated by a proliferation of Amazonian highways and other infrastructure that is greatly increasing access to new forest frontiers [13; 14]. Oil palm would still face limitations because of its need to reach processing facilities within a day of harvest, but this could be overcome through the establishment of local oil extraction plants. However, such mills must be licensed by environmental agencies, which might be dissuaded from granting refinery licenses in environmentally sensitive areas if public opposition to palm oil expansion should increase.

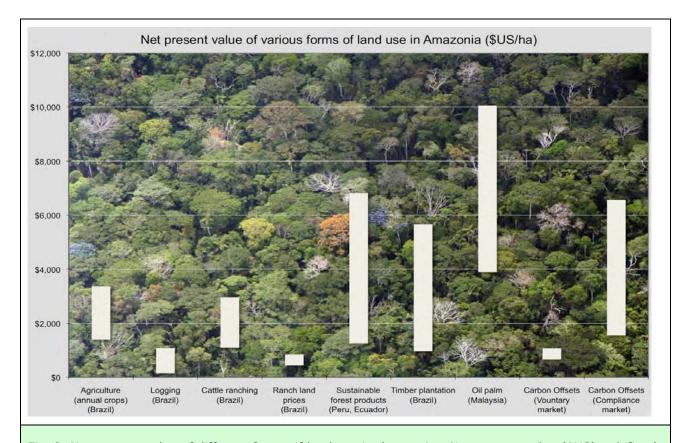


Fig. 2. Net present value of different forms of land use in the tropics. Net present value (\$US) – defined as the total present value of income generated from land use for a particular activity – for mechanized agriculture [39,40], logging [41], cattle ranching [42,42], ranch land prices [41,42], sustainable forest products [41,43], timber plantation [41,49], oil palm [30], carbon offsets in voluntary markets [30, 44-46], and carbon offsets in potential compliance markets [30, 44-46]. Background image by R.A. Butler.

Third, Brazil is already a global leader in biofuel production, using sugarcane to produce large quantities of ethanol for automobiles. The notion that it might move aggressively into a second realm of biofuel—using palm oil to make biodiesel—enjoys considerable political and public support [15]. Brazil is already considering a law [15] that would allow oil palm plantations in the Legal Amazon to count towards a landowner's requirement to maintain a

"legal reserve" of forest (at present, Amazonian landowners are nominally required to retain 80% of their properties as forest, although this law is rarely enforced; [16]). The Brazilian Ministry of Agriculture estimates that this measure, along with other incentives, could boost the area under oil palm dramatically—by 100-fold, from 60,000 to 6 million ha—ushering in a major new wave of development in the region [15].

Finally, the influence of Asian oil palm corporations, which have much experience in cultivating, processing, exporting, and marketing palm oil, is rapidly increasing in Amazonia. Malaysian producers, for example, have recently announced several new Amazonian projects [17], including 100,000 ha of plantations near Tefé in the Brazilian state of Amazonas [18]. Felda Global Ventures Brazil, a joint Brazilian-Malaysian corporation established to produce oil palm in the Amazon, has already announced its intent to become a "global player" in the oil palm industry [18]. Although political sensitivities in Brazil could preclude Asian firms from directly cultivating large expanses of oil palm in Amazonia, the aggressive approach, capital, and technology transfer from such firms could help make large-scale oil palm expansion a reality in the region.

#### **Implications for conservation**

We have many concerns about the potential environmental impacts of oil palm agriculture in Amazonia (see [1; 3; 5] for recent reviews). Among the most important is the strong tendency for landowners to establish oil palm plantations on primary-forest lands (Fig. 3, Fig. 4), when available, rather than on degraded or previously cleared lands [3]. By doing so, landowners can reap immediate profits from timber harvests in primary forest [1]. These profits are often crucial to offsetting the costs of plantation establishment and maintenance during the initial 3-5 years until the oil palm plantations become productive. This economic reality stands in direct contrast to recent suggestions by the Brazilian Minister for the Environment, Carlos Minc, that oil palm expansion in Amazonia would be concentrated on previously cleared lands [15].

A related issue is that, even if plantations were somehow confined to cleared lands in Amazonia, many of these areas are actively being used for agricultural production. In effect, displacing the current landowners might simply push croplands and livestock production further into the frontier, helping to maintain strong pressures for forest conversion in remote areas [1]. Such displacement is already occurring on a large scale in Amazonia as industrial soy farmers buy up and displace many ranchers and small-scale farmers [19; 20].

Among the greatest concerns is that oil palm plantations are biologically impoverished, even relative to heavily logged forests in the tropics [1; 3; 5; 21; 22]. In peninsular Malaysia, for example, Koh & Wilcove [3] found a 77% decline in bird species richness and an 83% decline in butterfly richness in oil palm plantations, relative to old-growth forest. Across all surveyed taxa, oil palm plantations contain only 15% of the plant and animal species found in primary tropical forests [1]. Palm oil monocultures also typically require use of insecticides, herbicides, rodenticides, and fertilizers that enter streams as runoff and can have serious impacts on aquatic biodiversity [1]. Hence, large expanses of oil palm could function as biological deserts and contribute to fragmentation of remaining forest and degradation of aquatic habitats.



Fig. 3: Oil palm plantation adjacent to tropical forest in Sabah, Malaysia. Photo by R. A. Butler.

Key ecosystem services are also seriously diminished in oil palm plantations. On average, such plantations store less than 40% of the carbon found in native forests (assuming typical above-ground carbon values of 75 tons ha<sup>-1</sup> for oil palm plantations and 200 tons ha<sup>-1</sup> for native forest; [23-25]). At present, intact forests in the Amazon are a massive carbon stock, with forested lands suitable for oil palm storing around 42 billion tons of carbon [4], an amount equivalent to all global, anthropogenic carbon emissions for six years. Thus, large-scale expansion of oil palm production into forested areas could have serious, long-term impacts on carbon storage [25; 26] and other ecosystem services in the Amazon.

Finally, large-scale expansion of oil palm would reduce the effectiveness of current conservation initiatives in Amazonia. In particular, by driving up land demand and prices, expansion would reduce the viability of ecosystem-services payments, such as carbon offsets, that could provide incentives for landowners to leave forest standing [27-30]. Oil palm expansion could, for example, have an immediate and negative impact on forest-conservation initiatives in the Brazilian state of Amazonas, which has been a leader in using carbon-offset payments to promote conservation by small-scale landowners.



Fig. 4. Oil palm plantation adjacent to tropical forest in Sabah, Malaysia. Photo by R. A. Butler.

#### **Policy Measures**

As the world's highest-yielding oilseed, oil palm can generate higher financial returns and larger quantities of vegetable oil per unit area than does soy, the dominant oil crop in Amazonia. Oil palm plantations also typically employ more workers than do soy farms or cattle ranches. Thus, if oil palm could somehow be restricted to disused farmlands or ranchlands (without displacing the former landowners to forest frontiers), the Amazon region would benefit more economically and environmentally than it would under expanding soy or cattle pastures. As discussed above, however, we regard such a benign scenario as being highly unlikely.

Nonetheless, some environmental impacts of oil palm expansion in Amazonia could be reduced with effective mitigation measures. Better enforcement of existing Brazilian environmental laws—including maintaining legal forest reserves and riparian buffer zones on private lands—could limit oil palm expansion into primary forest. Such efforts might be aided by new Brazilian initiatives to reduce net deforestation [31] and to seek international financing for sustainable development [32]. As discussed above, however, landowners have strong economic incentives to exploit primary forest for oil palm, which will be greatly amplified if such plantations are allowed to count towards a landowner's legal requirement to maintain part of their property under native-forest cover. This, in concert with the daunting logistical challenges involved in monitoring and policing the vast Amazonian frontier [33], means that efforts to confine oil palm to previously deforested lands will be an uphill battle.

The behavior of oil palm producers in Amazonia could be influenced by both carrots and sticks. As a carrot, the Brazilian government could develop financial incentives, such as low-interest loans and tax breaks, for responsible developers who confine their plantations to agricultural or abandoned lands cleared before a specified date. Ecosystem-services payments to landowners might also be helpful, particularly when carbon storage is increased

by establishing oil palm on abandoned pastures or farmland. As a stick, environmental organizations could pressure corporations who purchase unsustainably produced palm oil from Amazonia or elsewhere [34]. The current moratorium on soy production on Amazonian lands deforested after October 2006 might serve as a model (http://www.abiove.com.br).

Palm oil production causes substantial air, water, and land pollution, some of which can be reduced by adopting production methods proposed by the Roundtable on Sustainable Palm Oil (RSPO), an industry-led certification initiative to improve oil palm sustainability. These include using natural pest control and composting in place of synthetic pesticides and fertilizers whenever possible, implementing no-burn policies for waste at palm oil mills, and creating catchment ponds to prevent mill effluents from directly entering waterways, where they would damage aquatic habitats ([35]; <a href="http://www.rspo.org">http://www.rspo.org</a>). Further deleterious impacts of oil palm plantations, such as forest fragmentation, can be reduced somewhat by establishing primary-forest corridors, riparian strips, and small reserves within plantations [36; 37]. To encourage such measures for industrial operators, the Brazilian government could develop policy measures to ensure that any investors are truly plantation companies—rather than timber companies— and members of the RSPO.

#### **Conclusions**

Oil palm agriculture could soon be a major emerging threat to the Amazon. In concert with massive expansion of Amazonian cattle ranching [38] and soy farms [13], it could sharply increase economic incentives favoring destruction of Amazonian forests. Conservation interests must prepare to deal with this new challenge, which could potentially have serious economic, social, and environmental impacts. Particularly urgent is a need to confront recent political and corporate assertions in Brazil that massive oil palm expansion would occur almost solely on deforested lands without threatening native ecosystems—an argument clearly divorced from economic and biological reality.

#### **Acknowledgements**

We thank Lian Pin Koh, David Wilcove, Emily Fitzherbert, Carlos Peres, Corey Bradshaw, Susan Laurance, Sérgio Abranches, and four anonymous referees for helpful comments on the manuscript.

#### References

- [1] Fitzherbert, E.B. *et al.* 2008. How will oil palm expansion affect biodiversity. *Trends Ecol Evol* 23: 538-545.
- [2] Wakker, E. 2004. *Greasy palms: The social and ecological impacts of large-scale oil palm plantation development in Southeast Asia.* Friends of the Earth, London, UK.
- [3] Koh, L.P. and Wilcove, D.S. 2008. Is oil palm agriculture really destroying tropical biodiversity? *Conserv Lett* 2: 1-5.
- [4] Stickler, C., Coe, M., Nepstad, D., Fiske, G. and Lefebvre, P. 2008. Ready for REDD? A preliminary assessment of global forested land suitability for agriculture. Woods Hole Research Center, Massachusetts (<a href="http://whrc.org/BaliReports/assets/Balicrop suitability.pdf">http://whrc.org/BaliReports/assets/Balicrop suitability.pdf</a>).
- [5] Donald, P.F. 2004. Biodiversity impacts of some agricultural commodity production systems. *Conserv Biol* 18: 17-37.
- [6] Mantel, S., Wösten, H. and Verhagen, J. 1997. *Biophysical suitability for oil palm in Kalimantan, Indonesia*. Report 2007/01, ISRIC-World Soil Information, Plant Research International, Wageningen, Netherlands.

- [7] Rao, I.M., Zeigler, R., Vera, R. and Sarkarung, S. 1993. Selection and breeding for acid-tolerance in crops. *BioSci* 43: 454-465.
- [8] Baligar, V.C. and Fageria, N.K. 2006. Soil acidity impact on nutrient use efficiency and yield sustainability of crops. Abstract, World Congress of Soil Science (<a href="http://www.ars.usda.gov/research/publications/publications.htm?SEQ\_NO\_115=187467">http://www.ars.usda.gov/research/publications/publications.htm?SEQ\_NO\_115=187467</a>; 9 July).
- [9] WRM. 2001. The bitter fruit of oil palm: Dispossession and deforestation. World Rainforest Movement, Montevideo, Uruguay.
- [10] Butler, R. and Conway, S. 2007. Could peatlands conservation be profitable? *Jakarta Post* (22 August; http://old.thejakartapost.com/yesterdaydetail.asp?fileid=20070822. F07).
- [11] Koh, L.P. 2007. Potential habitat and biodiversity losses from intensified biodiesel feedstock production. *Conserv Biol* 2: 1373–1375.
- [12] USDA. 2007. *Indonesia: Palm oil production prospects continue to grow.* USDA Foreign Agricultural Service (<a href="http://www.pecad.fas.usda.gov/highlights/2007/12/">http://www.pecad.fas.usda.gov/highlights/2007/12/</a> Indonesia palmoil/; 31 December).
- [13] Laurance, W.F. et al. 2001. The future of the Brazilian Amazon. Science 291: 438-439.
- [14] Fearnside, P.M. 2005. Deforestation in Brazilian Amazonia: history, rates and consequences. *Conserv Biol* 19: 680–688.
- [15] Salomon, M. 2008. Carlos Minc decide plantar dendê na Amazônia. *Folha de São Paulo* (<a href="http://www1.folha.uol.com.br/folha/ambiente/ult10007u435185.shtml">http://www1.folha.uol.com.br/folha/ambiente/ult10007u435185.shtml</a>; 25 August).
- [16] Laurance, W.F., Albernaz, A., and Da Costa, C. 2001. Is deforestation accelerating in the Brazilian Amazon? *Environ Conserv* 28: 305-311.
- [17] --- 2008. Felda plans plantations in Brazil. *NST Online* (4 July; http://tinyurl.com/c4ahfc).
- [18] --- 2008. Felda estate in the Amazon. *NST Online* (7 July; http://tinyurl.com/chqaod).
- [19] Morton, D.C. *et al.* 2006. Cropland expansion changes deforestation dynamics in the southern Brazilian Amazon. *Proc Nat Acad Sci USA* 103: 14637–14641.
- [20] Nepstad, D.C., Stickler, C.M. and Almeida, O.T. 2006. Globalization of the Amazon soy and beef industries: opportunities for conservation. *Conserv Biol* 20: 1595-1604.
- [21] Peh, K.S.-H., de Jong J., Sodhi N.S., Lim S.L.-H. and Yap C.A.-M. 2005. Lowland rainforest avifauna and human disturbance: persistence of primary forest birds in selectively logged forests and mixed-rural habitats of southern Peninsular Malaysia. *Biol Conserv* 123: 489–505.
- [22] Peh, K.S.-H., Sodhi N.S., de Jong J., Sekercioglu C.H., Yap C.A.-M. and Lim S.L.-H. 2006. Conservation value of degraded habitats for forest birds in southern Peninsular Malaysia. *Divers Distrib* 12: 572–581.
- [23] Eggleston S., Buendia L., Miwa K., Ngara T. and Tanabe K. 2006. 2006 IPCC guidelines for national greenhouse gas inventories. Institute for Global Environmental Strategies, Hayama, Japan.
- [24] Rafli T.P., Usher G. and Niles J.O. 2007. *Reducing carbon emissions from deforestation in the Ulu Masen ecosystem, Aceh, Indonesia*. The Provincial Government of Nanggroe Aceh Darussalam, Fauna and Flora International, and Carbon Conservation, Aceh, Indonesia.
- [25] Gibbs, H.K., Johnston, M., Foley, J., Holloway, T., Monfreda, C., Ramankutty, N. and Zaks, D. 2008. Carbon payback times for crop-based biofuel expansion in the tropics: the effects of changing yield and technology. *Environ Res Lett* 3, doi:10.1088/1748-9326/3/3/034001.
- [26] Fargione, J., Hill, J., Tilman, D., Polasky, S. and Hawthorne, P. 2008. Land clearing and the biofuel carbon debt. *Science* 319: 1235–1238

- [27] Niesten, E.T., Rice, R.E., Ratay, S., Paratore, K., Hardner, J., and Fearnside, P. 2004. *Commodities and conservation: The need for greater habitat protection in the tropics.* Center for Applied Biodiversity Science, Conservation International, Washington, D.C.
- [28] Borner, J. and Wunder, S. 2007. Payments for avoided deforestation in Brazil: Some emerging initiatives. Presentation at 'The Political Economy of Avoided Deforestation', UNFCCC Side Event, Bali, Indonesia.
- [29] Fearnside, P.M. 2001 Soybean cultivation as a threat to the environment in Brazil. *Environ Conserv* 28: 23-28.
- [30] Butler, R.A., Koh, L.P. and Ghazoul, J. 2009. REDD in the red: palm oil could undermine carbon payment schemes. *Conserv Lett* (in press).
- [31] Hirsch, T. 2008. Brazil to act over acceleration in deforestation. *The Telegraph* (24 Jan; http://www.telegraph.co.uk/earth/earthnews/3322911/Brazil-to-act-over-acceleration-in-deforestation.html)
- [32] Hirsch, T. 2008. Brazil launches rainforest fund. *BBC News* (1 Aug; http://news.bbc.co.uk/2/hi/americas/7538480.stm)
- [33] Laurance, W.F. 2008. Can carbon trading save vanishing forests? BioSci 58: 286-287.
- [34] Butler, R.A. and Laurance, W.F. 2008. New strategies for conserving tropical forests. *Trends Ecol Evol.* 9: 469-72
- [35] Clay, J. 2004. Palm oil. World agriculture and the environment: A commodity by commodity guide to impacts and practices. Island Press: Washington, DC, USA
- [36] Falcy, F.R. and Estades, E.F. 2007. Effectiveness of corridors relative to enlargement of habitat patches. *Conserv Biol* 21: 1341-1346.
- [37] Koh, L.P. 2008. Can oil palm plantations be made more hospitable for forest butterflies and birds? *Journal of Applied Ecology* 45: 1002-1009
- [38] Kaimowitz, D., Mertens, B., Wunder, S. and Pacheco, P. 2007. *Hamburger connection fuels Amazon destruction*. Tech. Rep., Center for International Forest Research, Bogor, Indonesia.
- [39] USDA 2007. Commodity Intelligence Report Brazil Soybean Update. Foreign Agricultural Service (30 Mar; http://tinyurl.com/37mfzh).
- [40]Almeida, 0. T. de and Uhl, C. 1995. Developing a quantitative framework for sustainable resource-use planning in the Brazilian Amazon. *World Development* 23: 1745-1764.
- [41] Peters, C.M., Gentry, A.H., and Mendelsohn, R.O. 1989. "Valuation of an Amazonian Rainforest," *Nature* 339: 655-656
- [42] Carter, J.C. 2007. Personal communication
- [43] Grimes, A. et al. 1994. Valuing the rain forest: the economic value of nontimber forest products in Ecuador," *Ambio* 23: 405-410.
- [44] Saatchi, S. S., Houghton, R. A., Dos Santos Alvalá, R. C., Soares, J. V. and Yu, Y. (2007). *Global Change Biology* 13: 816-837
- [45] Capoor, K. and Ambrosi, P. 2008. State and Trends of the Carbon Market 2008. World Bank, Washington, D.C. (May; http://tinyurl.com/5rnwfn)
- [46] Butler, R.A. 2007. Is the Amazon more valuable for carbon offsets than cattle or soy? Mongabay.com (17 October; http://news.mongabay.com/2007/1017-amazon.html).
- [47] World Bank 2009. Commodity Price Data (26 Feb; http://tinyurl.com/ddxper)
- [48] USDA 2009. Production, Supply and Distribution Online. Foreign Agricultural Service (1 Jan; http://www.fas.usda.gov/)
- [49] Cubbage, F. et al 2007. Timber investment returns for selected plantations and native forests in South America and the Southern United States. *New Forests* 33: 237-255