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## 'Cellulose Valley': Brazilian Cerrado under siege by eucalyptus

Mato Grosso do Sul is a Brazilian state where 83 per cent of private properties are large estates, the highest rate in the country. (1) It has been projected as a showcase for the pulp sector. In this Cerrado region – a biome known for being the 'water tower' of the country's drainage basin and for its rich biodiversity – eucalyptus monoculture is advancing rapidly. The city of Três Lagoas has become known as the 'world capital' of cellulose. The eastern region of the state, in turn, is being promoted, including in legislation, as the 'Cellulose Valley', (2) which mainly includes the municipalities of Ribas do Rio Pardo, Três Lagoas, Água Clara, Brasilândia and Selvíria. Together, these municipalities account for almost 1.5 million hectares of eucalyptus monocultures, which serve the interests of four international corporations: Suzano, Eldorado, Bracell and Arauco. (3)

The rhetoric is seductive: jobs, modernization, and development. But beyond the marketing, reality raises uncomfortable questions.

What we see is a strong concentration of investments aimed primarily at meeting external demand for pulp and paper products, largely created by the companies themselves. (4) In contrast, tangible so-called 'local development' falls by the wayside in the widespread discourse of promoting progress. In the municipalities of the 'Cellulose Valley', structural problems including food insecurity, water crisis and deficiencies in basic sanitation, education, housing and urban infrastructure, persist. (5)

Added to this are the social and environmental impacts that raise urgent questions: whom is this model of monocultures and industry serving, a model whose promotion hides the fact that it generates land concentration, increases income concentration, dries up water sources, reduces biodiversity, and drives peasant farmers from their lands in rural areas? Gains from this plantation model are for whom and for what purpose? For investors in the international market, without a doubt.

### **Construction projects and industries: who wins and who loses?**

The public opinion in the municipalities selected for the installation of pulp processing units, since the implementation of the first factory — Fibria's mill in 2006, now Suzano — was won over by expectations of increased GDP and improvements for their populations. However, reality proved to be quite different. (6) Between 2006 and 2012, an abrupt population growth, driven by the construction of the Fibria (2006) and Eldorado (2009) factories, led several reports to call Três Lagoas the 'dormitory city', (7) pointing to the precarious, volatile and unstable working conditions in the pulp and paper complex. Real estate speculation driven by high demand for housing from those arriving to work in the factories led to rents in the region reaching values close to those of major capitals, making it difficult for the local population to remain. (8) This population growth, coupled with the expansion of eucalyptus production and pulp processing activities, led to a collapse in health and transport services. The road BR-262 became known as the 'highway of death' due to the frequency of accidents, many of them fatal, caused by the intense flow of trucks and the delay in widening the road.

The leaders claimed to have learned from their mistakes, but almost two decades later, the situation

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is not much different. The construction of Suzano's third production line in the municipality of Ribas do Rio Pardo, starting in 2021, has reproduced problems already known at the previous pulp mill construction sites: an overburdened health system, soaring rents, and rising food prices.

When the pulp mill in Ribas do Rio Pardo became operational in 2024, the construction site and its problems simply changed location: in the same year, the Chilean paper company Arauco began building what is said to be the largest pulp mill in the world, in the municipality of Inocência. Construction sites are also advancing in the municipality of Bataguassu, where another foreign-owned paper company, Bracell, obtained environmental licensing in 2025, in record time, for yet another industrial plant.

The roll-back of environmental legislation for eucalyptus plantations, in force in the state of Mato Grosso do Sul since 2007 (9) was recently extended to the whole country by the 'eucalyptus herding' ('boiada do eucalipto') law (Law No. 14.876/2024). (10) It directly favored the paper mills installed in the so-called 'Cellulose Valley', by excluding monocultures from the list of polluting activities. This is a direct result of corporate lobbying in the policymaking, benefiting large companies at the expense of local communities and the protection of water, soil, and biodiversity.

Meanwhile, eucalyptus plantations are expanding over farming lands and dominate the 'landscape'. They narrow the view of the horizon and encircle the few remaining farming communities that still produce food in a region historically marked by large estates. Land reform, already limited, is under increasing pressure, with farming families living in isolated situations, suffocated by the 'green walls'. It's rare to find someone who escapes from having eucalyptus trees as a neighbor.

The impacts are far from being merely visual. Pesticides used in monocultures frequently pollute vegetable gardens, orchards, and backyards, compromising the livelihoods of farming families, whose production is often based on agroecology. Legal Reserves and Permanent Preservation Areas (APP), which according to Brazilian law should be free from the effects of monocultures, are not spared either. The pesticides used by eucalyptus production companies contaminate endemic species of the Cerrado biome and affect the fauna that lives and reproduces there.

Bees are among the most impacted, with frequent reports of mortality. A recent complaint from a beekeeper in the region is a small example of this. In a video recorded in December 2025, the beekeeper shows that almost all the bees in his 20 hives were dead after the irregular application of the poison fipronil by the company Suzano which affected native trees such as the camboatá trees shown in the video, during their flowering season. Such practice is an environmental crime expressly stated in a ruling by the main Brazilian environmental agency, IBAMA. (11) According to the beekeeper, Suzano asked him to calculate the damage, to which he replied: "No, I'm not going to calculate anything, because you're going to pay me and keep doing it. [It would be] a license for you to kill my bees again."

In addition to harming beekeepers, pesticide application threatens the Cerrado itself and its biodiversity, which depends on pollinators—without them, many species cease to reproduce. Wildlife, deprived of food in the reduced fragments of native vegetation, seeks sustenance in rural areas, exacerbating the difficulties of agricultural production. It is virtually impossible to find a community

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that coexists with the expansion of eucalyptus plantations where farmers do not report an increase in damage from insect 'pests' and animals invading their vegetable gardens and fields. Thus, living off and producing from one's own land becomes increasingly unfeasible.

For those who live with monocultures on a daily basis, the logic of capital is evident. The sector invests heavily in a green narrative: that it plants sustainable 'forests', trying to convince society that it is acting in the name of the common good. But those who live in the Cerrado know that eucalyptus monoculture is not a forest. Forests represent diversity, balance, and life. They do not require the use of pesticides, and they do not displace animals or rural communities.

The attempt to downplay the impacts does not erase the reality: it is the intensive exploitation of lands considered 'available', driven by a demand largely fueled by lobbying from the companies themselves. Land and water, treated as abundant resources, are being depleted at an accelerated rate.

The consequences are already being felt. Rural communities report wells and springs drying up, and reservoirs and streams with drastically reduced levels – right in the heart of the Cerrado, known as the country's 'water cradle'. In the municipality of Selvíria alone, which has more than 100,000 hectares of eucalyptus, the city government has identified more than 350 springs that need restoration due to reduced water seeping into the soil and excessive water consumption by expanding monocultures. (12) Although industry advocates deny cause-and-effect relationships, eucalyptus is associated with the drainage of wetlands in various parts of the world. Scientific publications, as well as the lived experience of affected communities confirm this association. (13) It is also telling that the sector itself is seeking less water-consuming varieties.

In this context, remaining on the land, resisting, and surviving become daily challenges. Nevertheless, rural communities persist and resist the expansion of eucalyptus-cellulose plantations and their logic of rural lands devoid of people.

It is within this context that in the winter of 2024, we created the Forum for Addressing the Impacts of Eucalyptus, (14) which brings together peasants, academics, civil society and people concerned about this reality, in order to share and inform the public about the impacts that eucalyptus causes in the Cerrado, in the daily lives of the entire eastern region of Mato Grosso do Sul. The Forum also aims to collectively build strategies for denouncing the impacts of the eucalyptus plantation takeover and mobilizing society, giving visibility to the contradictions and consequences hidden by the discourse of development associated with the so-called 'Cellulose Valley'.

## **Forum for Addressing the Impacts of Eucalyptus**

### **References:**

- (1) Brasil de Fato, 2017. [83% dos terrenos privados do Mato Grosso do Sul são latifúndios.](#)
- (2) The title of World Capital of Cellulose was conferred upon the municipality of Três Lagoas (MS) through State Law No. 4,336/2013. Subsequently, the municipality also received the title of National Capital of Cellulose, established by Federal Law No. 14,142/2021. In May 2025, State Law No. 6,404/2025 officially designated the region of Três Lagoas and neighboring municipalities, such as Ribas do Rio Pardo and Inocência, as the "Vale da Celulose" (Cellulose Valley).
- (3) The state of Mato Grosso do Sul is the largest industrial complex for pulp and paper in Brazil, as it is home to the largest industries in the sector. But Minas Gerais is still the state with the largest

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planted area of monoculture pulp production: more than 2 million hectares.

(4) WRM, 2025. [Who really needs more pulp and paper?](#)

(5) AgFeed, 2023. [Projeto de R\\$ 22 bi da Suzano faz cidade do MS explodir no bom e no mau sentido](#);

Campo Grande News, 2025. [Inocência tem explosão nos preços e aluguel da quitinete já custa R\\$ 3.500](#);

Campo Grande News, 2025. [Prostituição segue dinheiro da celulose e migra de Ribas para a pacata Inocência](#)

(6) Mongabay, 2025. [Fábrica de celulose com histórico de contaminação se instala em área prioritária para conservação do Cerrado](#)

(7) Jornal do Trabalho, 2012. [O trabalho precário, volátil e instável no complexo celulose-papel em três lagoas \(MS\)](#)

(8) Revista Eletrônica da Associação dos Geógrafos Brasileiros, 2019. [A especulação imobiliária versus o acesso à habitação: temos que fazer a luta pela terra, a luta pela moradia](#);

Campo Grande News, 2013. Para driblar aluguel "astronômico", Três Lagoas vive boom imobiliário, [Pelos quatro cantos, outdoors propagandeiam imóveis e terrenos para todos os gostos e bolsos](#) ;

Midiamax, 2011. [Explosão imobiliária torna o aluguel de imóvel em Três Lagoas o mais caro de MS.](#)

(9) [SEMAG Resolution No. 17 of 09/20/2007](#)

(10) Agência Pública, 2024. ["Boiada do eucalipto": ambientalistas apontam lobby em lei que facilitou silvicultura](#)

(11) product label: "Do not apply this product during flowering, nor immediately before flowering, or when bee visitation is observed in the crop. "Failure to comply with these regulations constitutes an environmental crime." Veja [mais aqui](#)

(12) City Government of Selvíria, 2025. [Estudo revela impacto ambiental do eucalipto em assentamentos](#)

(13) WRM, 2016. [Industrial tree plantations impacts on water](#)

(14) Forum on Addressing the Impacts of Eucalyptus, 2024. [Carta política do fórum de enfrentamento aos impactos do eucalipto](#)