



# \$ilvopasture Money Matters

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Silvopasture Professional Development Training

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# Outline

- Introduction
- Investment costs
- Management costs
- Return on investment
- Other considerations



# Introduction

- Is silvopasture unusual?
- Is silvopasture a potentially profitable enterprise?
- Is silvopasture economically beneficial for every producer?
- Does silvopasture have higher returns than
  - Forestry?
  - Pasture?

Yes

Yes

No

Maybe

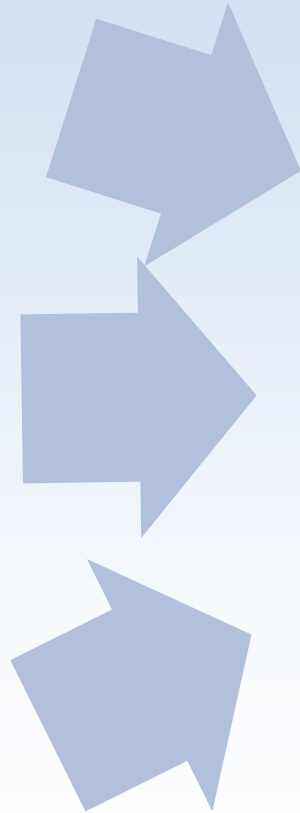


# Investment costs

Monocrop/  
Pasture

Plantation  
Forest

Naturally-  
Regenerated  
Forest



Silvopasture



# Investment costs

## Considerations

- Starting condition
- Opportunity costs
- Water
- Stumps



Alternative stump removal?



# Management costs

- Pruning
- Thinning
- Watering
- Moving livestock



# Return on investment

- Timber rotation
  - How will trees be re-established?
- Shade
- Wood quality





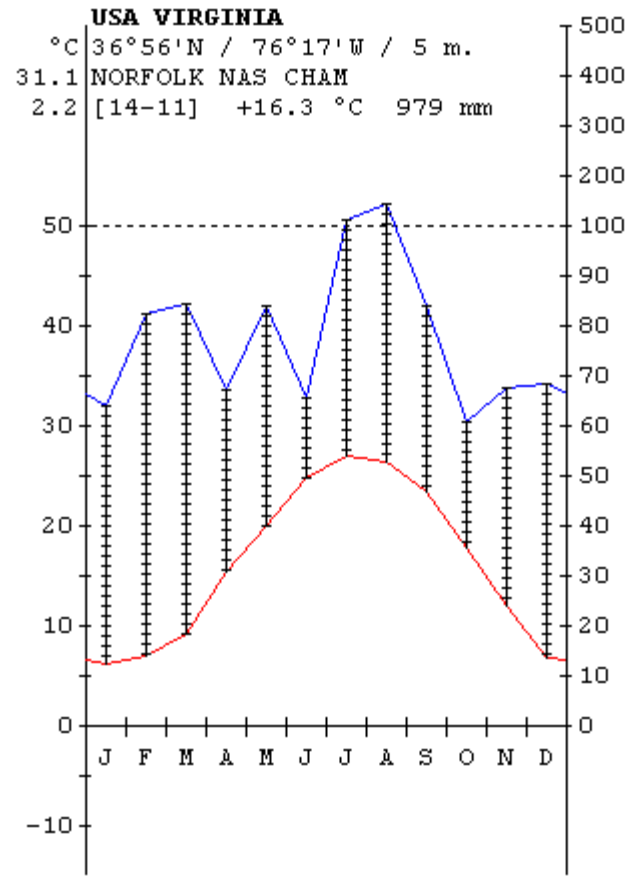
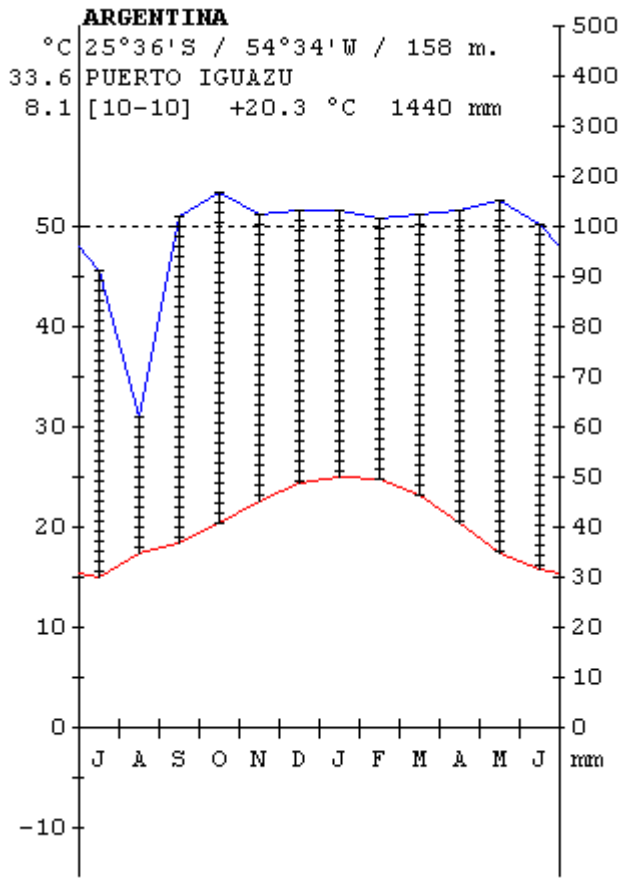




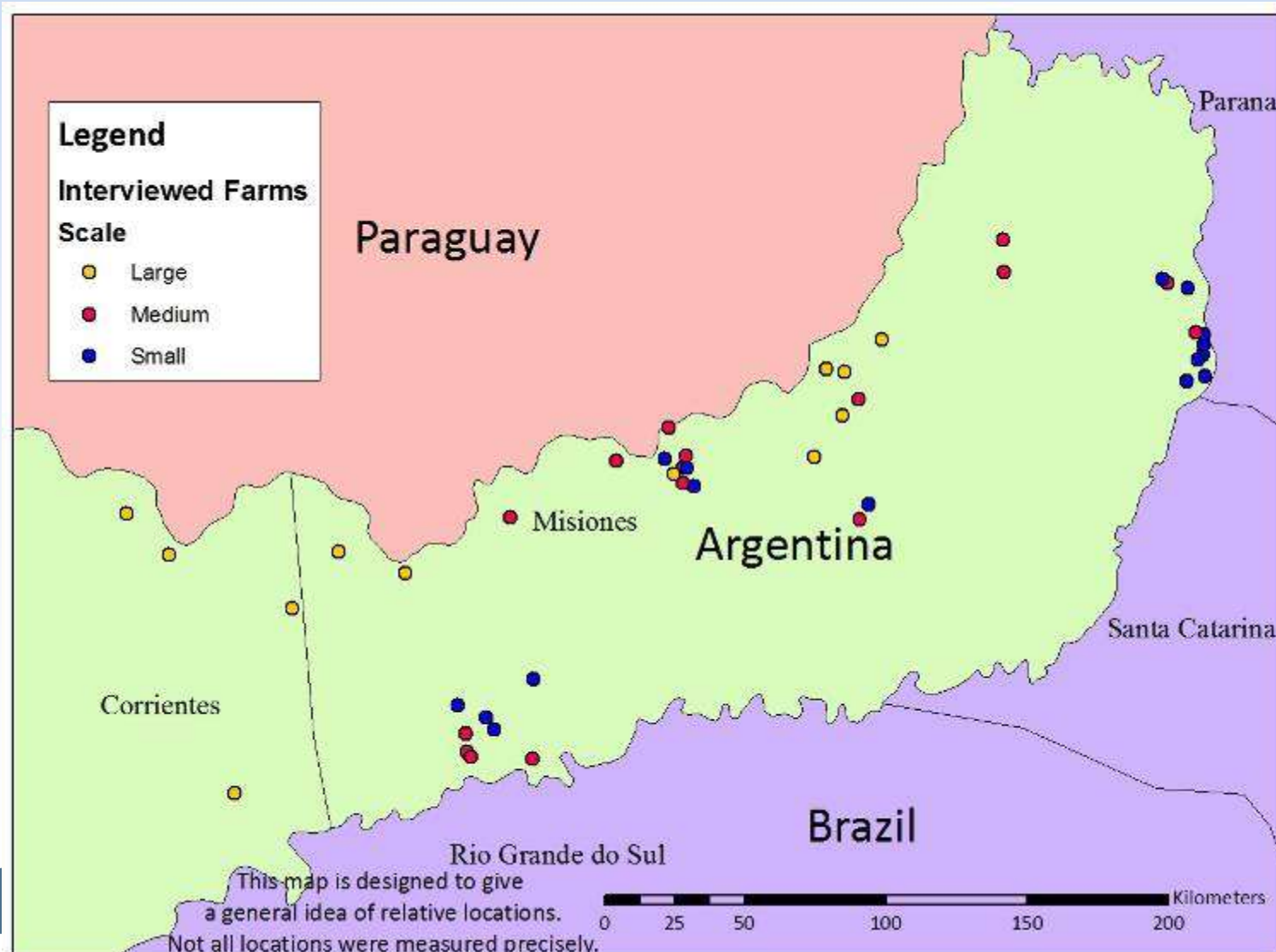
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# Interviewed Farms

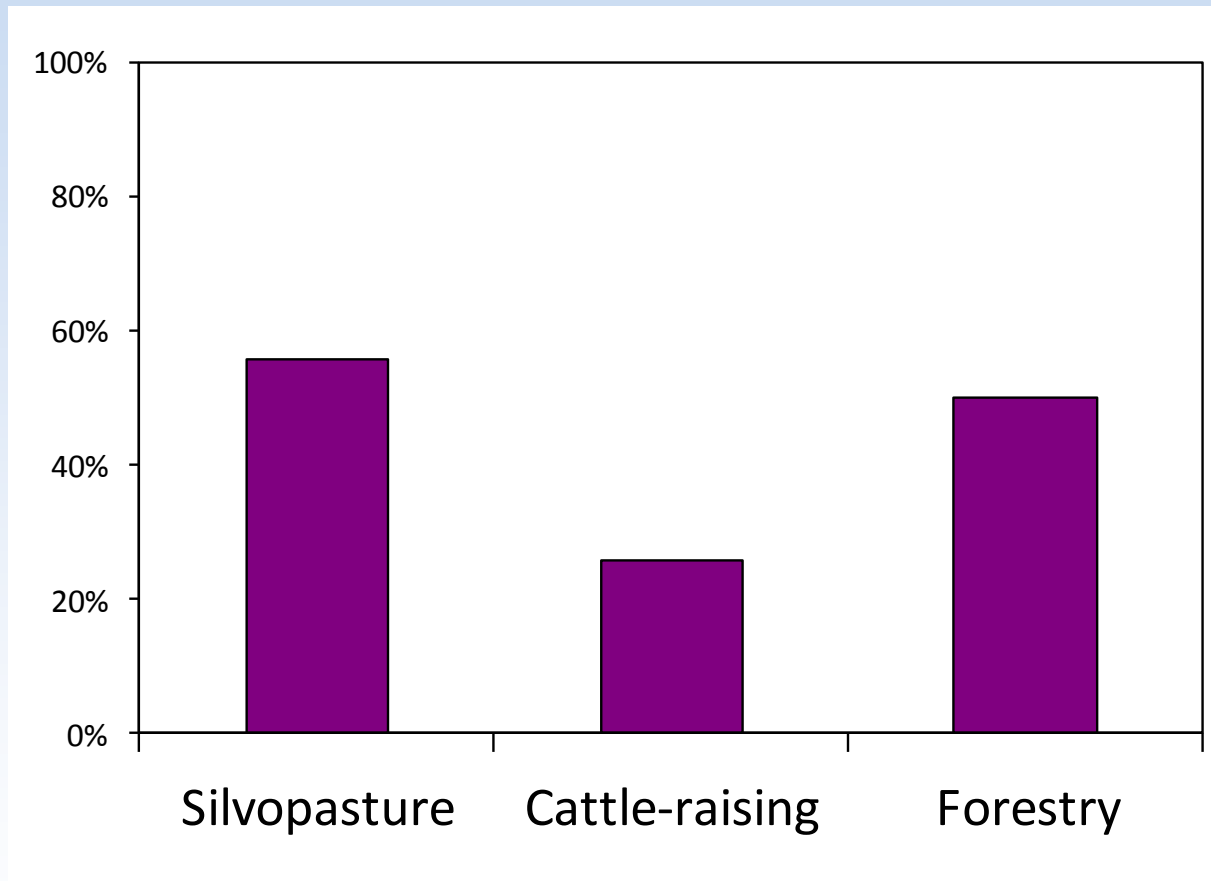


# Average inputs / outputs

		INPUTS				OUTPUTS		
Farm Scale	System	Mean System Area (ha)	Mean Discounted Labor (person-days/ ha)	Mean Discounted Capital (pesos/ ha)	Mean Field Crops (pesos/ ha)	Mean Timber Revenue (pesos/ ha)	Mean Beef Revenue (pesos/ ha)	Equivalent Milk Revenue (pesos/ ha)
		Small	Silvopast.	5.8	161	4972	1640	17511
	Pasture	9.0	94	1358	2584	0	3579	2916
	Forestry	2.3	78	4513	0	13908	0	0
Medium	Silvopast.	92.0	84	9148	377	15357	6539	40
	Pasture	44.5	48	1714	440	0	2904	40
	Forestry	33.5	38	5605	0	12913	0	0
Large	Silvopast.	1136.6	40	3829	0	8915	1925	0
	Pasture	331.6	55	2063	0	0	5496	0
	Forestry	1265.0	71	8964	0	38214	0	0



# Average pure technical efficiency





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# Other economic considerations

- Economies/diseconomies of scale
- Risk mitigation
- Cost and internal value time
- Constraints on producer

