

Annex 3. Economic and Financial Analysis

I. Introduction

This section consists of presenting the financial and economic analysis of the project (EFA for its acronym in English), which consists of comparing the resources used by the project (represented in its costs) with the results and impacts, in the form of benefits obtained from based on the promoted activities, with the objective of understanding if the project is feasible. This analysis is carried out both from the point of view of the participants (financial analysis) and from the perspective of society-as-a-whole (economic analysis) and contributes and is aligned with the more general the feasibility study.

Specifically for this project, the financial analysis makes it possible to understand, based on existing information and reported assumptions, whether the agrarian communities (AC) and other producer organizations will be willing to participate in the project and assume costs associated with it, given the potential benefits. This implies verifying that there will be positive incentives for these participants and ensuring that they may be interested in adopting the proposed technologies and best practices. The axis of the financial analysis will be the implementation of the models proposed in component 2, within the different investment lines of CONAFOR. Using the models for AC and producer organizations at different stages of the production chain, those considered strategic and representative for the project were recognized. The profitability results are presented for these representative models identified by the research team during project preparation.

On the other hand, the economic analysis includes the totality of the costs and benefits related to the project, which allows evaluating the overall efficiency in the use of resources from the perspective of the government or society in general. This analysis is linked to the one carried out on the individual investment models for AC, since it is built from their aggregation as well as the inclusion of wider project costs and wider societal benefits as are GHG emission reductions.

Due to the project's climate change resilience objectives and related effects on changes in land cover and risk of deforestation, as well as on the provision of ecosystem services, the project will generate non-monetary benefits for society beyond the AC directly targeted. Environmental benefits related to project activities include regulation of water in prioritized basins, reduction of soil degradation, and GHG emission mitigation. Within the preparation of this project, emphasis has been put on the adaptation benefits, however the mitigation benefits in terms of reduction of greenhouse gas (GHG) emissions (see Annex 22, Estimation of the project's GHG mitigation potential) has been carefully quantified. Hence, these benefits are also included in the economic analysis of the project, leaving aside others which are at least as important but that are too difficult to quantify.

As a criterion for financial analysis, investment models are considered profitable and viable if the sum of the benefits in the projected flow of funds exceeds that of the accumulated costs linked to the execution of each activity, compared to the alternative of continue without doing the project. For the economic analysis of applies the same criteria for a period of 20 years. For this, the profitability indicators are used: internal rate of return (IRR), the current net value (NPV) and the Benefit-Cost ratio (B/C), both at the individual level (IRR_f, NPV_f and B/C_f). as global (IRR_e, NPV_e and B/C_e). This work also includes a sensitivity analysis to reflect the risks linked to the price and cost variations or delays in benefits. All monetary values presented in this annex are in United States dollars (USD).

The first part of the annex consists of the review of the methodology and general assumptions linked to parameters and quantifiable benefits. Then, the main assumptions and results of the calculation of profitability of the individual productive models and management of natural resources involved are presented (related to the models explained the feasibility study). Finally, the economic analysis focuses on the aggregate effects of the project and the benefit for Mexican society-as-a-whole, analyzing the feasibility and economic convenience of the global intervention, together with the sensitivity analysis. Tables summarizing the calculations are presented at the end.

II. Project Benefits

Target population and activities. The benefit analysis in this annex focuses on the investments and the beneficiaries in Component 2, where forest landscapes are sustainably managed and better adapted to climate change for the provision of environmental services and increased livelihood resilience and its activities: Activity 2.1.1 Payment of Environmental Services (PES), Activity 2.2.1 Climate Smart Forest Landscape Restoration of Micro-watersheds and Strategic Areas (RFM), Activity 2.2.2 Commercial Forest and Agroforestry Plantations Adapted to Climate Change (PFC), Activity 2.3.1 Sustainable Forest Management adapted to climate change, inclusion, and access to markets (MFCVV), and Activity 2.3.2 Support households to improve food security and nutrition. It should be remembered that this analysis does not value all the benefits, in particular the water services at the basin level that will be obtained through the elaboration and implementation of Component 1 and additional climate change risk reduction will be achieved through the implementation of Component 3.

Table 1. Representative models

Activity	Models	Units	Scale
Activity 2.1.1 Payment of Environmental Services (PES)	Sub-activity 2.1.1.1 PDFS PES projects are approved and financed (including local mechanisms promoted in prioritized basins and sub-basins)	Ha	193,838
Activity 2.2.1 Climate Smart Forest Landscape Restoration of Micro-watersheds and Strategic Areas (RFM)	Sub-activity 2.2.1.1 Establish climate resilient agroforestry systems	Ha	2,000
	Sub-activity 2.2.1.2 Establish agave – forest water / soil retention terraces	Ha	1,000
	Sub-activity 2.2.1.3 Establish forest – pasture water / soil retention terraces	Ha	1,400
Activity 2.2.2 Commercial Forest and Agroforestry Plantations Adapted to Climate Change (PFC)	Sub-activity 2.2.2.1 Establish climate adapted planted forests (PFC 1)	Ha	4,353
	Sub-activity 2.2.2.2 Establish silvopastures (PFC 2)	Ha	1,500
Sustainable Forest Management adapted to climate change, inclusion, and access to markets (MFCVV)	Sub-activity 2.3.1.1 Manage forests sustainably adapted to climate change (MFCCV.1)	Ha	120,487
	Sub-activity 2.3.1.2 Sustainable use and add value to timber forest products (MFCCV.2)	Proj.	30
	Sub-activity 2.3.1.4 Support women in benefitting from forest based value chains (MFCCV.4)	Proj.	20
Activity 2.3.2 Support households to improve food security and nutrition. It should be remembered that this analysis does not value all the benefits	Sub-activities 2.3.2.1 – 2.3.2.3 Traditional milpa (maize/beans) and traspatio orchards are transformed to diversified milpa with trees, improved irrigation and water solutions for improved food quality and nutrition	Ha	941

Quantified Costs and Benefits. The estimated total cost of the project is USD91 million, of which the costs of investment activities considered in this analysis (USD 67.9 million) are distributed per type of activity as shown in Table 2. In the indicative models built, the quantifiable benefits for ACs and other organizations arise from productivity improvements and reductions in climate change risk attributed to specific investments supported by CONAFOR's investment lines and prioritized by the project. Other project costs of support components amount to USD 23.1 million and are considered in the aggregate analysis.

Prices and other assumptions. In Mexico, most of the prices of agricultural goods and intermediate consumption goods are freely determined by market supply and demand. Prices are those paid and received by AC, producer organizations and families in the local market. The main assumptions are linked to the stability of prices and the continuity in the availability of CONAFOR resources under its current support lines. Most of the prices have been taken from secondary sources and business plans provided by

CONAFOR, brought to current term, and when possible, verified in the field. The cost of labour was verified with other sources of similar projects and through contact with producers in the region. Skilled and unskilled labour has been valued in all the models built. The main assumption of this analysis lies in the effectiveness of CONAFOR programs and the business plans to improve the development of productive activities and resilience to climate change. Supporting the effectiveness of these programs in augmenting the resilience is one of the main objectives of this project, not only through the investments proposed in Component 2.

Table 2. Costs of activities Component 2

Models	Units	Scale	Beneficiaries	Costs
B. Activity 2.2.1 Climate Smart Forest Landscape Restoration of Micro-watersheds and Strategic Areas (RFM)				
Sub-activity 2.2.1.1 Establish climate resilient agroforestry systems	Ha	2,000	3061	5,600,000
Sub-activity 2.2.1.2 Establish agave – forest water / soil retention terraces	Ha	1,000	1530	2,800,000
Sub-activity 2.2.1.3 Establish forest – pasture water / soil retention terraces	Ha	1,400	2143	3,920,000
C. Activity 2.2.2 Commercial Forest and Agroforestry Plantations Adapted to Climate Change (PFC)				
Sub-activity 2.2.2.1 Establish climate adapted planted forests (PFC 1)	Ha	4,353	978	5,659,109
Sub-activity 2.2.2.2 Establish silvopastures (PFC 2)	Ha	1,500	337	975,000
D. Activity 2.3.1 Sustainable Forest Management adapted to climate change, inclusion and access to markets (MFCCCV)				
Sub-activity 2.3.1.1 Manage forests sustainably adapted to climate change (MFCCV.1)	Ha	120,487	8112	7,108,750
Sub-activity 2.3.1.2 Sustainable use and add value to timber forest products (MFCCV.2)	Proj.	30	4376	5,263,451
Sub-activity 2.3.1.4 Support women in benefitting from forest based value chains (MFCCV.4)	Proj.	20	1347	5,006,251
E. Activity 2.3.2 Support households to improve food security and nutrition				
Sub-activities 2.3.2.1 – 2.3.2.3 Traditional milpa (maize/beans) and traspatio orchards are transformed to diversified milpa with trees, improved irrigation and water solutions for improved food quality and nutrition	Ha	941	3763	12,229,560
Sub-activity 2.1.1.1 PDFS PES projects are approved and financed (including local mechanisms promoted in prioritized basins and sub-basins)	Ha	193838	11264	19,383,799
Total			25647	67,945,920

Productive models. To anticipate the incentives that the CA and other organizations will have to participate in the project, the financial analysis is created, which consists of evaluating the results that they will achieve per ha or per subproject. The financial profitability results are estimated for each type of sub-project based on the incremental net benefit calculated for each model, comparing this in the scenario with and without the project. The models per hectare consist of assessing the benefits from project investments in inputs, technical assistance and productive equipment for the establishment or renewal of primary activities related to the forestry sector. The models by sub-project in later links of the productive chain correspond to support in equipment, machinery and working capital. All these models are representative of the types of investment described in the feasibility study, using the ones either mostly representative for the project area or the ones that had the best information for the analysis. Below is a brief characterization of each model with its

main characteristics and its financial indicators. Present values were evaluated with a 6% and 10% discount rate.

Establish climate resilient agroforestry systems. This model proposes the establishment of coffee plantations under shade (with tree species adapted to climate change) on land without productive use or initial forest cover. Under the assumed technical and demand characteristics, this model has an IRRf of 5.1% and a NPVf@6% of USD -220 per hectare and a benefit-cost ratio of almost 1, making unattractive for a CA, as compared to the without project scenario, where they work outside the farm.

Establish agave – forest water / soil retention terraces. It is a model that proposes productive reforestation with agave for dry areas, combining it with other forest species (woody and aromatic species) to help retain soil and water. According to the assumptions of demand and productivity, reforestation with agave combined with other trees, in this area, is attractive compared to the without project scenario, where beneficiaries work off-farm, with an IRRf of 7.4%.

Establish forest – pasture water / soil retention terraces. This model proposes to combine soil retention terraces within pastures. The model is financially beneficial with an IRRf of 10.7% considering the benefits of the cattle as well as the benefits of the trees planted and compared to a without project scenario of only extensive cattle ranching without shade. However, this model takes 12 years to recuperate investment at a 6% discount rate, making it hard for an average producer to implement on its own.

Establish climate adapted planted forests. Planted forests with pine species for multitude purposes included resin extraction and timber harvesting are proposed in this model that gives a 19% rate of return, while taking 11 years to return its investment.

Establish silvopastures. In this model trees are added to established cattle raising areas, which are benefited by the shade provided, while productivity, as well as soils and water retention benefits increase. This model under the assumed demand and technical conditions may also generate a 11.6% rate of financial return, while returning the investment after 12 years, considerably less than the pure forest plantation models.

Manage forests sustainably adapted to climate change. This model proposes to manage forests in a sustainable way, adhering to practices that allow for the highest sustainable yield, without depleting the timber production, nor the ecosystem services provided, importantly soil and water retention. This model is financially attractive, with an IRRf of 15.3%, and is the building block for many of the activities downflow in the productive chain. It also has very low investment costs per hectare, since most of these forests already exists and to be allowed to harvest them the investment consists mostly of studies and permits. In the without project scenario AC does not sell the timber.

Table 3. Financial Indicators by Individual Model

Indicador by ha/project	NPVf@6%	NPVf@10%	B/Cf@6%	B/Cf@10%	Year>@6%	Year>@10%	IRRf
B. Activity 2.2.1 Climate Smart Forest Landscape Restoration of Micro-watersheds and Strategic Areas (RFM)							
Sub-activity 2.2.1.1 Establish climate resilient agroforestry systems	-\$ 220	- 1,067	1	1.20	0	NA	5.1%
Sub-activity 2.2.1.2 Establish agave – forest water / soil retention terraces	\$ 1,487	- 2,000	2	1.33	18	NA	7.4%
Sub-activity 2.2.1.3 Establish forest – pasture water / soil retention terraces	\$ 641	75	2	1.65	12	18	10.7%
C. Activity 2.2.2 Commercial Forest and Agroforestry							

Plantations Adapted to Climate Change (PFC)							
Sub-activity 2.2.2.1 Establish climate adapted planted forests (PFC 1)	\$ 10,940	5,488	3	2.25	10	11	19.0%
Sub-activity 2.2.2.2 Establish silvopastures (PFC 2)	\$ 1,782	379	1	1.15	12	18	11.6%
D. Activity 2.3.1 Sustainable Forest Management adapted to climate change, inclusion and access to markets (MFCCCV)							
Sub-activity 2.3.1.1 Manage forests sustainably adapted to climate change (MFCCV.1)	\$ 48	20	1	1.19	19	22	15.3%
Sub-activity 2.3.1.2 Sustainable use and add value to timber forest products (MFCCV.2)	\$ 200,420	101,767	1	1.18	7	8	15.9%
Sub-activity 2.3.1.4 Support women in benefitting from forest based value chains (MFCCV.4)	\$ 12,212	3,895	2	1.99	5	5	12.1%
E. Activity 2.3.2 Support households to improve food security and nutrition							
Sub-activities 2.3.2.1 – 2.3.2.3 Traditional milpa (maize/beans) and traspatio orchards are transformed to diversified milpa with trees, improved irrigation and water solutions for improved food quality and nutrition	-\$ 2,881	- 4,162	1	1.08	0	NA	0.19%

Sustainable use and add value to timber forest products. The sustainable forest management model (SFM) was formulated based on an average logging permit data for a winch crane purchase business model provided by CONAFOR. To these costs were added the costs of equipment and technical services for carrying out a management and harvesting plan as would correspond to an AC starting its forestry production. According to what is projected in this business model, an AC could have an IRRf of 15.9% for developing this activity with a winch crane, making it interesting for potential project participants as compared to the without project scenario of selling the standing trees.

Support women in benefitting from forest-based value chains. Women entrepreneurs have great diversity of enterprises related mostly to NTFP. Some of the most prominent consist of arts and crafts. In this model hats produced from palm tree leaves (*brahea dulcis*) is evaluated. The model generates a 12.1% IRRf but importantly also provides a job alternative for women in the AC, which in the without project scenario are not employed.

Traditional milpa (maize/beans) and traspatio orchards are transformed to diversified milpa with trees, improved irrigation and water solutions for improved food quality and nutrition. The MILPA cultivation system with fruit trees is proposed for areas current productive use. It combines corn and beans with fruit trees, in this case specifically peach. It can be used on slopes up to 30% and is combined with water recollection technology which makes in more resilient to precipitation fluxes. This model in accordance with the demand assumptions will have an IRRf close to 0 and NPVs are 0 showing that from the producers' perspective the benefits to not outweigh the necessary investment.

Based on the information gathered and the estimations, all the reference models representing the activities proposed by the project are financially profitable, exceeding the estimated discount rate at 10% (estimated

between the loan and savings rate for the private sector¹). For the detail of the incremental flows of costs and benefits, we include the tables at the end of the annex. For details on the technical parameters please refer to de feasibility study.

Climate change scenarios. It is pertinent to analyze here how climate change affects both individual models and aggregate project analysis. For such analysis, it is common to at least estimate how the productivity of commodities in the indicative models will be impacted by two climate change scenarios: RCP2.6 and RCP8.6. Unfortunately, reliable data is not yet available for the impact of such scenarios on the forestry sector in Mexico. The only commodity with available information is coffee. In RCP2.6, a reduction of 5% in per-hectare productivity is estimated, while in RCP8.6, a reduction of productivity by 13% versus historic numbers is estimated. Considering these scenarios, the model to establish climate-resilient agroforestry systems has an IRR ranging from 3% to -1%. These results are assuming the indicative model is affected as any other type of coffee farming, however, the technology and varieties here proposed should be more resilient to adverse climate effect than the average production units.

III. Economic analysis – Aggregate benefits

The economic results at the aggregate level of the project are estimated based on the number of AC and producer groups to be covered by the project, applying the assumptions made by the design team for the progressive incorporation of beneficiaries. Importantly, this step also includes the benefits related to climate change mitigation through the impact on GHG emissions reduction through the Ex-Act tool for the different models in the Basin (see Annex xx). To this calculation, the additional costs of the project that have not been included in the investment models are considered (i.e. costs of Components 1 and 3, in addition to the costs of Component 2 that do not go directly to the investment models). The economic feasibility and suitability of the project is evaluated based on the indicators: Economic Internal Rate of Return (IRRe), the Economic Net Present Value (NPVe) and the Benefit/Cost ratio (B/Ce).

GHG startin price by scenario	USD/tCo2eq
Market	5
Social Low	42
Social Med	63
Social High	84

The flows of funds for the calculation of the economic result indicators were projected to 20 years and this same scenario was used for the benefit of climate change mitigation. Since greenhouse gases still do not have an established market, 3 scenarios were used: a market price scenario, which is equivalent to the price used in similar projects in the forestry and agroforestry sector, approximately USD 5/tCO₂Eq, and the three scenarios of social cost from the World Bank guide for the social valuation of carbon, starting at approximately USD 42/tCO₂eq for the low-price scenario up to USD 84/tCO₂eq for the high scenario. The discount rates used to estimate the NPVe were 6% and 10%, reflecting at least the cost of a sovereign bond. Table 5 summarizes the results for the carbon price scenarios, as well as for the 2 discount rates.

¹ CETES rate at 357 days 5.35% and 5-year fixed rate bonds 6.5%. ECONOMIC INFORMATION SYSTEM, Banco de México. Consulted 09/03/2021. <https://www.banxico.org.mx/tipcamb/main.do?page=tas&idioma=sp>

Table 5: Summary of economic indicators

Million USD	NET ec BENEFITS without GHG	NET ec Benefits + GHG Market	NET ec Benefits + GHG Low social price	NET ec Benefits + GHG Median social price	NET ec Benefits + GHG High social price
NPVe@6%	52	60	118	151	216
NPVe@10%	25	30	68	89	132
B/Ce@6%	1.40	1.46	1.90	2.15	3.39
B/Ce@10%	1.24	1.28	1.65	1.85	2.88
IRRe	16.6%	17.7%	24.8%	28.3%	34.6%

The results of the economic analysis of the project are satisfactory. The IRRe of the project reaches a value between 16.6% and 34.6% and a positive NPVe between USD 25 million and USD 216 million considering the widest range of discount rate and social carbon prices (including 0 USD/tCO₂eq). It is important to keep in mind that the focus of this project is on resilience and adaptation to climate change and valuing these benefits requires much more time and effort than available for this at this moment. Therefore, the social benefits included in this analysis are minimum of the benefits which would accrue to society if the project was implemented. This allows us to conclude that the project is convenient from the economic point of view, for the government and Mexican society-as-a-whole. Details of the economic flows for the complete project, breaking down the benefits and costs, are presented at the end of the annex.

IV. Sensitivity Analysis

Given the inherent uncertainty for the project if this nature, any exercise of economic analysis requires a sensitivity analysis to have an idea of the variability of the indicators and with them the convenience of the project given the possibility of future variations in the assumptions. For this case, a sensitivity exercise was carried out for: (i) a reduction in net benefits due to the combination of risks in sale prices; (ii) productive yields; (iii) levels of adoption; (iv) survival of the ventures; (v) an increase in costs due, for example, to the increase in prices of inputs and increases in expenses; (vi) delays in starting the project or in incorporating beneficiaries; and (vii) mixed scenarios of these phenomena. The results of the sensitivity analysis indicate that, the economic results of the project remain attractive even under the simulated unfavourable conditions, showing a positive NPV in all the scenarios considered.

Table 6. Summary of sensitivity analysis

Sensitivity analysis				IRRe	NPVe@6%
GHG baseline scenario (low social price)	Δ%	Risk		24.8%	\$117,950,202
Project benefits	-	Combination of risks in sale prices, returns, adoption levels, survival of the ventures		21.9%	\$98,303,494
Project benefits	10%			18.9%	\$78,656,785
Costs	-	Increase in prices of inputs and expenses		22.2%	\$110,098,514
Costs	10%			19.9%	\$102,246,826
Delay of Benefits of 1 year		Start-up delay / Delay in the incorporation of beneficiaries		19.9%	\$106,829,424
Delay of Benefits of 2 years				16.9%	\$96,338,123
Mixed scenarios	Costs	Δ%	Benefits	Δ%	IRRe
					NPVe@6%
					-
					10%
					19.5%
					\$90,451,805
					-
					20%
					16.7%
					\$70,805,097
					-
					20%
					14.9%
					\$62,953,408
					-
					30%
					12.2%
					\$43,306,700
					-
					10%
					17.4%
					\$82,600,117

Regarding other efficiency and effectiveness indicators, the co-financing ratio of the of the GCF funds versus the government and IFAD funds in the project is 1:1.3, which is pertinent for the country and is evidence that the GCF is not the major source of funding for the project. The cost for the project per direct beneficiary amounts to 364 USD, while the costs per indirect beneficiary is about 24 USD. Although the project is not directly focused on mitigation it still achieves a cost of 18.7 USD/ton CO_{2eq} a value that is almost half of the lowest social price of carbon.

V. GCF Concessional Loans and Grants for Revenue Generating Activities

The GCF concessional loans and grants will primarily focus on two key activities: Climate Smart Forest Landscape Restoration of Micro-watersheds and Strategic Areas (RFM) - Activity 2.2.1 and Supporting households to improve food security and nutrition - Activity 2.3.2

As illustrated in the table below, the indicative models for these activities exhibit low financial rates of return, even falling below the 6% social discount rate for Activity 2.3.2, when compared to scenarios without the project. This suggests that they may not be attractive to potential investors or traditional banking institutions. However, it's important to note that these activities yield substantial benefits in terms of climate change resilience, food security, and mitigation.

Additionally, it's crucial to consider that these vulnerable remote communities often lack access to credit under the same loan requirements as urban residents. Should they seek loans, they may encounter highly unfavourable interest rates.

To provide a clear example of the financial indicators under a hypothetical scenario of a 5-year loan with a 40% annual interest rate for the activities, the following table has been constructed. It shows how these activities would not even meet the social rate of return if having to pay a potential market loan.

Table 7. Market loan analysis

Market loan indicators	IRRf with m loan	IRRf without w/o m loan
Sub-activity 2.2.1.1 Establish climate resilient agroforestry systems	-5%	5.15%
Sub-activity 2.2.1.2 Establish agave – forest water / soil retention terraces	5%	7.43%
Sub-activity 2.2.1.3 Establish forest – pasture water / soil retention terraces	-1%	16.29%
E. Activity 2.3.2 Supporting households to improve food security and nutrition	-10%	0.19%

Incremental Cash Flows by Model - Financial

Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Flujos de caja incremenetales por modelos																					
2.2.1.1fin																					
Sub-activity 2.2.1.1 Establish climate resilient agroforestry systems																					
Total Ingresos Netos	-\$ 2,792	\$ 1,000	-\$ 1,024	\$ 267	\$ 897	\$ 897	\$ 897	\$ 897	\$ 897	\$ 897	\$ 897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Costos	\$ 2,792	\$ 723	\$ 853	\$ 1,033	\$ 1,033	\$ 1,033	\$ 1,033	\$ 1,033	\$ 1,033	\$ 1,033	\$ 1,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ingreso	\$ -	-\$ 278	-\$ 171	\$ 1,299	\$ 1,929	\$ 1,929	\$ 1,929	\$ 1,929	\$ 1,929	\$ 1,929	\$ 1,929	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.2.1.2fin																					
Sub-activity 2.2.1.2 Establish agave – forest water / soil retention terraces																					
Total Ingresos Netos	-\$ 4,909	-\$ 1,553	-\$ 388	-\$ 868	-\$ 223	-\$ 982	\$ 30	-\$ 426	\$ 2,172	\$ 1,204	\$ 2,282	\$ 941	\$ 2,242	\$ 998	\$ 2,298	\$ 859	\$ 2,382	\$ 1,135	\$ 2,432	\$ 1,183	\$ 2,253
Total Costos	\$ 2,887	\$ 908	\$ 239	\$ 557	\$ 239	\$ 794	\$ 342	\$ 661	\$ 406	\$ 1,154	\$ 539	\$ 1,346	\$ 597	\$ 1,346	\$ 597	\$ 1,460	\$ 579	\$ 1,327	\$ 579	\$ 1,327	\$ 711
Total Ingreso	-\$ 2,021	-\$ 645	-\$ 149	-\$ 311	\$ 16	-\$ 188	\$ 372	\$ 235	\$ 2,578	\$ 2,359	\$ 2,821	\$ 2,286	\$ 2,839	\$ 2,344	\$ 2,895	\$ 2,318	\$ 2,961	\$ 2,462	\$ 3,010	\$ 2,510	\$ 2,964
2.3.1.1fin																					
Sub-activity 2.3.1.1 Manage forests sustainably adapted to climate change (MFCCV.1)																					
Total Ingresos Netos	-\$ 59	\$ 18	\$ 9	\$ 17	\$ 19	-\$ 22	\$ 7	\$ 13	\$ 17	\$ 20	-\$ 32	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12
Total Costos	\$ 59	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 99	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40
Total Ingreso	\$ -	\$ 57	\$ 49	\$ 57	\$ 59	\$ 17	\$ 46	\$ 53	\$ 57	\$ 60	\$ 67	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52	\$ 52
2.2.2.1fin																					
Sub-activity 2.2.2.1 Establish climate adapted planted forests (PFC 1)																					
Total Ingresos Netos	-\$ 2,065	-\$ 792	-\$ 792	-\$ 792	-\$ 792	-\$ 792	\$ 1,979	\$ 1,979	\$ 1,979	\$ 1,979	\$ 2,902	\$ 2,902	\$ 2,902	\$ 2,902	\$ 2,209	\$ 2,209	\$ 2,209	\$ 2,209	\$ 2,209	\$ 2,209	\$ 2,209
Total Costos	\$ 2,065	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466	\$ 466
Total Ingreso	\$ -	-\$ 326	-\$ 326	-\$ 326	-\$ 326	-\$ 326	\$ 2,445	\$ 2,445	\$ 2,445	\$ 2,445	\$ 2,445	\$ 3,368	\$ 3,368	\$ 3,368	\$ 2,675	\$ 2,675	\$ 2,675	\$ 2,675	\$ 2,675	\$ 2,675	\$ 2,675
2.2.2.2fin																					
Sub-activity 2.2.2.2 Establish silvopastures (PFC 2)																					
Total Ingresos Netos	-\$ 544	-\$ 1,571	-\$ 689	-\$ 226	\$ 83	-\$ 36	\$ 2,360	\$ 56	\$ 141	\$ 25	\$ 130	-\$ 19	\$ 2,563	\$ 36	\$ 272	\$ 281	\$ 234	\$ 266	\$ 2,646	\$ 236	-\$ 61
Total Costos	\$ 403	\$ 1,254	\$ 792	\$ 630	\$ 524	\$ 530	\$ 668	\$ 543	\$ 478	\$ 582	\$ 553	\$ 655	\$ 676	\$ 686	\$ 488	\$ 494	\$ 555	\$ 501	\$ 680	\$ 589	\$ 491
Total Ingreso	-\$ 141	-\$ 316	\$ 103	\$ 404	\$ 607	\$ 494	\$ 3,028	\$ 599	\$ 620	\$ 607	\$ 682	\$ 636	\$ 3,239	\$ 722	\$ 759	\$ 775	\$ 789	\$ 767	\$ 3,326	\$ 825	\$ 430
2.3.2.1fin																					
Sub-activities 2.3.2.1 – 2.3.2.3 Traditional milpa (maize/beans) and traspatio orchards are transformed to diversified milpa with trees, improved irrigation and water solutions for improved food quality and nutrition																					
Total Ingresos Netos	-\$ 5,773	-\$ 2,488	-\$ 947	-\$ 487	\$ 816	\$ 1,513	\$ 1,513	\$ 1,513	\$ 1,436	\$ 1,513	\$ 1,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Costos	\$ 5,608	\$ 3,500	\$ 1,944	\$ 2,119	\$ 2,332	\$ 2,344	\$ 2,344	\$ 2,344	\$ 2,422	\$ 2,344	\$ 2,344	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ingreso	-\$ 165	\$ 1,013	\$ 998	\$ 1,633	\$ 3,148	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.3.1.2fin																					
Sub-activity 2.3.1.2 Sustainable use and add value to timber forest products (MFCCV.2)																					
Total Ingresos Netos	-\$ 167,203	-\$ 87,588	-\$ 131,837	\$ 145,647	\$ 155,830	-\$ 21,983	\$ 99,759	\$124,701	\$144,982	\$158,934	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Costos	\$ 98,355	\$ 391,247	\$ 399,251	\$ 186,125	\$ 186,125	\$ 186,125	\$ 186,125	\$186,125	\$186,125	\$186,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ingreso	-\$ 68,848	\$ 303,659	\$ 267,413	\$ 331,771	\$ 341,954	\$ 164,142	\$285,883	\$310,826	\$331,107	\$345,059	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.3.1.4fin																					
Sub-activity 2.3.1.4 Support women in benefitting from forest based value chains (MFCCV.4)																					
Total Ingresos Netos	-\$ 70,893	\$ 19,729	\$ 19,729	\$ 19,729	\$ 19,729	\$ 19,729	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Costos	\$ 70,893	\$ 1,253	\$ 1,253	\$ 1,253	\$ 1,253	\$ 1,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ingreso	\$ -	\$ 20,981	\$ 20,981	\$ 20,981	\$ 20,981	\$ 20,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Economic cash flow and its components for the project (in thousands of USD)

Year	NET ec BENEFITS without GHG	NET ec Benefits + GHG Market	NET ec Benefits + GHG Low social price	NET ec Benefits + GHG Median social price	NET ec Benefits + GHG High social price
0	-\$ 18	-\$ 18	-\$ 18	-\$ 18	-\$ 18
1	-\$ 11	-\$ 11	-\$ 10	-\$ 10	-\$ 9
2	-\$ 8	-\$ 8	-\$ 7	-\$ 6	-\$ 4
3	-\$ 3	-\$ 3	-\$ 1	\$ 1	\$ 3
4	\$ 2	\$ 2	\$ 5	\$ 6	\$ 10
5	\$ 4	\$ 4	\$ 8	\$ 10	\$ 14
6	\$ 8	\$ 9	\$ 13	\$ 16	\$ 21
7	\$ 22	\$ 23	\$ 28	\$ 31	\$ 38
8	\$ 24	\$ 25	\$ 31	\$ 34	\$ 40
9	\$ 27	\$ 27	\$ 33	\$ 36	\$ 43
10	\$ 4	\$ 5	\$ 11	\$ 14	\$ 21
11	\$ 6	\$ 6	\$ 12	\$ 16	\$ 22
12	\$ 7	\$ 8	\$ 14	\$ 17	\$ 24
13	\$ 7	\$ 8	\$ 14	\$ 17	\$ 24
14	\$ 7	\$ 8	\$ 14	\$ 18	\$ 25
15	\$ 7	\$ 8	\$ 14	\$ 18	\$ 25
16	\$ 6	\$ 7	\$ 14	\$ 17	\$ 25
17	\$ 7	\$ 7	\$ 14	\$ 18	\$ 25
18	\$ 7	\$ 8	\$ 14	\$ 18	\$ 26
19	\$ 6	\$ 7	\$ 14	\$ 18	\$ 26
20	\$ 6	\$ 7	\$ 14	\$ 18	\$ 26
21	\$ 6	\$ 7	\$ 13	\$ 16	\$ 23
22	\$ 5	\$ 6	\$ 11	\$ 14	\$ 20
23	\$ 4	\$ 5	\$ 9	\$ 11	\$ 16
24	\$ 3	\$ 3	\$ 7	\$ 9	\$ 12
25	\$ 2	\$ 2	\$ 5	\$ 6	\$ 8
26	\$ 1	\$ 1	\$ 2	\$ 3	\$ 4
27	\$ -	\$ -	\$ -	\$ -	\$ -
28	\$ -	\$ -	\$ -	\$ -	\$ -
29	\$ -	\$ -	\$ -	\$ -	\$ -
30	\$ -	\$ -	\$ -	\$ -	\$ -

Details sensitivity analysis

Year (Thous and USD)	Escenario de Base	Costos +10%	Costos +20%	Costos +50%	Beneficios +10%	Beneficios +20%	Beneficios - 10%	Beneficios - 20%	Beneficios - 30%	Beneficios - 50%	Retardo de Beneficios de 1 Year	Retardo de Beneficios de 2 Years	Costos +10% Beneficios - 10%	Costos +20% Beneficios - 10%	Beneficios - 20% Costos +10%	Beneficios - 20% Costos +20%	Beneficios - 30% Costos +20%
1	-\$ 17,592	-\$ 19,351	-\$ 21,110	-\$ 26,388	-\$ 17,592	-\$ 17,592	-\$ 17,592	-\$ 17,592	-\$ 17,592	-\$ 17,592	-\$ 17,592	-\$ 17,592	-\$ 19,351	-\$ 21,110	-\$ 19,351	-\$ 21,110	-\$ 21,110
2	-\$ 10,431	-\$ 11,886	-\$ 13,341	-\$ 17,707	-\$ 10,019	-\$ 9,607	-\$ 10,843	-\$ 11,255	-\$ 11,667	-\$ 12,491	-\$ 14,551	-\$ 14,551	-\$ 12,298	-\$ 13,753	-\$ 12,710	-\$ 14,165	-\$ 14,577
3	-\$ 6,816	-\$ 8,271	-\$ 9,726	-\$ 14,093	-\$ 6,042	-\$ 5,268	-\$ 7,589	-\$ 8,363	-\$ 9,137	-\$ 10,685	-\$ 10,434	-\$ 14,554	-\$ 9,045	-\$ 10,500	-\$ 9,819	-\$ 11,274	-\$ 12,048
4	-\$ 635	-\$ 1,849	-\$ 3,064	-\$ 6,709	\$ 517	\$ 1,668	-\$ 1,786	-\$ 2,937	-\$ 4,089	-\$ 6,391	-\$ 4,410	-\$ 8,029	-\$ 3,001	-\$ 4,216	-\$ 4,152	-\$ 5,367	-\$ 6,518
5	\$ 4,828	\$ 3,724	\$ 2,621	689	\$ 6,414	\$ 8,000	\$ 3,242	\$ 1,655	\$ 69	-\$ 3,103	\$ 479	-\$ 3,296	\$ 2,138	\$ 1,035	\$ 562	-\$ 552	-\$ 2,138
6	\$ 8,022	\$ 6,962	\$ 5,901	\$ 2,721	\$ 9,884	\$ 11,747	\$ 6,159	\$ 4,297	\$ 2,435	-\$ 1,290	\$ 5,260	\$ 911	\$ 5,099	\$ 4,039	\$ 3,237	\$ 2,176	\$ 314
7	\$ 13,077	\$ 12,030	\$ 10,982	\$ 7,841	\$ 15,431	\$ 17,786	\$ 10,722	\$ 8,367	\$ 6,012	\$ 1,303	\$ 8,154	\$ 5,392	\$ 9,675	\$ 8,628	\$ 7,320	\$ 6,273	\$ 3,918
8	\$ 28,445	\$ 28,445	\$ 28,445	\$ 28,445	\$ 31,290	\$ 34,134	\$ 25,601	\$ 22,756	\$ 19,912	\$ 14,223	\$ 23,547	\$ 18,624	\$ 25,601	\$ 25,601	\$ 22,756	\$ 22,756	\$ 19,912
9	\$ 30,731	\$ 30,731	\$ 30,731	\$ 30,731	\$ 33,805	\$ 36,878	\$ 27,658	\$ 24,585	\$ 21,512	\$ 15,366	\$ 28,445	\$ 23,547	\$ 27,658	\$ 27,658	\$ 24,585	\$ 24,585	\$ 21,512
10	\$ 33,084	\$ 33,084	\$ 33,084	\$ 33,084	\$ 36,392	\$ 39,700	\$ 29,775	\$ 26,467	\$ 23,159	\$ 16,542	\$ 30,731	\$ 28,445	\$ 29,775	\$ 29,775	\$ 26,467	\$ 26,467	\$ 23,159
11	\$ 10,816	\$ 10,816	\$ 10,816	\$ 10,816	\$ 11,897	\$ 12,979	\$ 9,734	\$ 8,653	\$ 7,571	\$ 5,408	\$ 33,084	\$ 30,731	\$ 9,734	\$ 9,734	\$ 8,653	\$ 8,653	\$ 7,571
12	\$ 12,327	\$ 12,327	\$ 12,327	\$ 12,327	\$ 13,560	\$ 14,792	\$ 11,094	\$ 9,862	\$ 8,629	\$ 6,163	\$ 10,816	\$ 33,084	\$ 11,094	\$ 11,094	\$ 9,862	\$ 9,862	\$ 8,629
13	\$ 13,691	\$ 13,691	\$ 13,691	\$ 13,691	\$ 15,060	\$ 16,429	\$ 12,322	\$ 10,953	\$ 9,584	\$ 6,846	\$ 12,327	\$ 10,816	\$ 12,322	\$ 12,322	\$ 10,953	\$ 10,953	\$ 9,584
14	\$ 13,991	\$ 13,991	\$ 13,991	\$ 13,991	\$ 15,391	\$ 16,790	\$ 12,592	\$ 11,193	\$ 9,794	\$ 6,996	\$ 13,691	\$ 12,327	\$ 12,592	\$ 12,592	\$ 11,193	\$ 11,193	\$ 9,794
15	\$ 14,428	\$ 14,428	\$ 14,428	\$ 14,428	\$ 15,871	\$ 17,314	\$ 12,985	\$ 11,542	\$ 10,100	\$ 7,214	\$ 13,991	\$ 13,691	\$ 12,985	\$ 12,985	\$ 11,542	\$ 11,542	\$ 10,100
16	\$ 14,040	\$ 14,040	\$ 14,040	\$ 14,040	\$ 15,443	\$ 16,847	\$ 12,636	\$ 11,232	\$ 9,828	\$ 7,020	\$ 14,428	\$ 13,991	\$ 12,636	\$ 12,636	\$ 11,232	\$ 11,232	\$ 9,828
17	\$ 13,720	\$ 13,720	\$ 13,720	\$ 13,720	\$ 15,092	\$ 16,464	\$ 12,348	\$ 10,976	\$ 9,604	\$ 6,860	\$ 14,040	\$ 14,428	\$ 12,348	\$ 12,348	\$ 10,976	\$ 10,976	\$ 9,604
18	\$ 14,098	\$ 14,098	\$ 14,098	\$ 14,098	\$ 15,508	\$ 16,918	\$ 12,688	\$ 11,278	\$ 9,869	\$ 7,049	\$ 13,720	\$ 14,040	\$ 12,688	\$ 12,688	\$ 11,278	\$ 11,278	\$ 9,869
19	\$ 14,396	\$ 14,396	\$ 14,396	\$ 14,396	\$ 15,836	\$ 17,275	\$ 12,956	\$ 11,517	\$ 10,077	\$ 7,198	\$ 14,098	\$ 13,720	\$ 12,956	\$ 12,956	\$ 11,517	\$ 11,517	\$ 10,077
20	\$ 14,108	\$ 14,108	\$ 14,108	\$ 14,108	\$ 15,519	\$ 16,930	\$ 12,697	\$ 11,287	\$ 9,876	\$ 7,054	\$ 14,396	\$ 14,098	\$ 12,697	\$ 12,697	\$ 11,287	\$ 11,287	\$ 9,876
21	\$ 14,097	\$ 14,097	\$ 14,097	\$ 14,097	\$ 15,506	\$ 16,916	\$ 12,687	\$ 11,277	\$ 9,868	\$ 7,048	\$ 14,108	\$ 14,396	\$ 12,687	\$ 12,687	\$ 11,277	\$ 11,277	\$ 9,868
22	\$ 12,630	\$ 12,630	\$ 12,630	\$ 12,630	\$ 13,893	\$ 15,156	\$ 11,367	\$ 10,104	\$ 8,841	\$ 6,315	\$ 14,097	\$ 14,108	\$ 11,367	\$ 11,367	\$ 10,104	\$ 10,104	\$ 8,841
23	\$ 10,785	\$ 10,785	\$ 10,785	\$ 10,785	\$ 11,864	\$ 12,942	\$ 9,707	\$ 8,628	\$ 7,550	\$ 5,393	\$ 12,630	\$ 14,097	\$ 9,707	\$ 9,707	\$ 8,628	\$ 8,628	\$ 7,550
24	\$ 8,873	\$ 8,873	\$ 8,873	\$ 8,873	\$ 9,760	\$ 10,647	\$ 7,986	\$ 7,098	\$ 6,211	\$ 4,436	\$ 10,785	\$ 12,630	\$ 7,986	\$ 7,986	\$ 7,098	\$ 7,098	\$ 6,211
25	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	\$ 7,462	\$ 8,140	\$ 6,105	\$ 5,427	\$ 4,749	\$ 3,392	\$ 8,873	\$ 10,785	\$ 6,105	\$ 6,105	\$ 5,427	\$ 5,427	\$ 4,749
26	\$ 4,543	\$ 4,543	\$ 4,543	\$ 4,543	\$ 4,997	\$ 5,452	\$ 4,089	\$ 3,634	\$ 3,180	\$ 2,272	\$ 6,784	\$ 8,873	\$ 4,089	\$ 4,089	\$ 3,634	\$ 3,634	\$ 3,180
27	\$ 2,383	\$ 2,383	\$ 2,383	\$ 2,383	\$ 2,621	\$ 2,860	\$ 2,145	\$ 1,907	\$ 1,668	\$ 1,192	\$ 4,543	\$ 6,784	\$ 2,145	\$ 2,145	\$ 1,907	\$ 1,907	\$ 1,668
28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,383	\$ 4,543	\$ -	\$ -	\$ -	\$ -	\$ -
29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,383	\$ -	\$ -	\$ -	\$ -	\$ -
30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
IRR	24.8%	22.2%	19.9%	14.9%	27.7%	30.5%	21.9%	18.9%	15.9%	9.5%	19.9%	16.9%	19.5%	17.4%	16.7%	14.9%	12.2%

FINANCIAL SUMMARY PER MODEL				
Tasas	6%	10%	Parameters and assumptions:	
2.2.1.1fin				
Sub-activity 2.2.1.1 Establish climate resilient agroforestry systems			Investment (year 0)	\$ 2,792
PV Costs	\$ 9,938	\$ 8,705	Average income (anual)	\$ 1,435
PV Benefits	\$ 12,510	\$ 10,430	Average cost (anual)	\$ 984
NPVf	-\$ 220	-\$ 1,067	Principal product (units)	Organic coffee (qq)
B/Cf	1.3	1.2	Average production (anual units)	575
First year of positive accumulated cash flow	0.0	NA	Price (per unit)	\$ 210
IRRf	5%			
2.2.1.2fin				
Sub-activity 2.2.1.2 Establish agave – forest water / soil retention terraces			Investment (year 0)	\$ 2,887
PV Costs	\$ 11,219	\$ 8,777	Average income (anual)	\$ 1,583
PV Benefits	\$ 17,615	\$ 11,686	Average cost (anual)	\$ 785
NPVf	\$ 1,487	-\$ 2,000	Principal product (units)	Agave (ton) and firewood
B/Cf	1.6	1.3	Average production (anual units)	6
First year of positive accumulated cash flow	18.0	NA	Price (per unit)	
IRRf	7%			
2.2.1.3fin				
Sub-activity 2.2.1.3 Establish forest – pasture water / soil retention terraces			Investment (year 0)	\$ 1,503
PV Costs	\$ 2,955	\$ 2,595	Average income (anual)	\$ 250
PV Benefits	\$ 5,199	\$ 4,273	Average cost (anual)	\$ 99
NPVf	\$ 641	\$ 75	Principal product (units)	Firewood (ton) and cattle
B/Cf	1.8	1.6	Average production (anual units)	1
First year of positive accumulated cash flow	12.0	18.0	Price (per unit)	
IRRf	11%			
2.3.1.1fin				
Sub-activity 2.3.1.1 Manage forests sustainably adapted to climate change (MFCCV.1)			Investment (year 0)	\$ 59
PV Costs	\$ 549	\$ 421	Average income (anual)	\$ 42
PV Benefits	\$ 596	\$ 500	Average cost (anual)	\$ 34
NPVf	\$ 48	\$ 20	Principal product (units)	Timber (m3) stumpage
B/Cf	1.1	1.2	Average production (anual units)	2
First year of positive accumulated cash flow	19.0	22.0	Price (per unit)	
IRRf	15%			

2.2.2.1fin				
Sub-activity 2.2.2.1 Establish climate adapted planted forests (PFC 1)			Investment (year 0)	\$ 2,065
PV Costs	\$ 7,408	\$ 6,031	Average income (anual)	\$ 2,449
PV Benefits	\$ 20,413	\$ 13,584	Average cost (anual)	\$ 466
NPVf	\$ 10,940	\$ 5,488	Principal product (units)	Resin (kg) and pine timber
B/Cf	2.8	2.3	Average production (anual units)	3,480
First year of positive accumulated cash flow	10.0	11.0	Price (per unit)	\$ 15
IRRf	19%			
2.2.2.2fin				
Sub-activity 2.2.2.2 Establish silvopastures (PFC 2)			Investment (year 0)	\$ 403
PV Costs	\$ 7,832	\$ 6,099	Average income (anual)	\$ 758
PV Benefits	\$ 10,158	\$ 7,022	Average cost (anual)	\$ 495
NPVf	\$ 1,782	\$ 379	Principal product (units)	Wood (m3) and cattle
B/Cf	1.3	1.2	Average production (anual units)	135
First year of positive accumulated cash flow	12.0	18.0	Price (per unit)	
IRRf	12%			
2.3.2.1fin				
Sub-activities 2.3.2.1 – 2.3.2.3 Traditional milpa (maize/beans) and traspatio orchards are transformed to diversified milpa with trees,			Investment (year 0)	\$ 5,608
PV Costs	\$ 23,448	\$ 20,593	Average income (anual)	\$ 2,977
PV Benefits	\$ 26,340	\$ 22,205	Average cost (anual)	\$ 2,404
NPVf	-\$ 2,881	-\$ 4,162	Principal product (units)	Peach (ton), maize and beans
B/Cf	1.1	1.1	Average production (anual units)	23
First year of positive accumulated cash flow	0.0	NA	Price (per unit)	
IRRf	0.19%			
2.3.1.2fin				
Sub-activity 2.3.1.2 Sustainable use and add value to timber forest products (MFCCV.2)			Investment (year 0)	\$ 98,355
PV Costs	\$ 1,747,510	\$ 1,532,863	Average income (anual)	\$ 186,640
PV Benefits	\$ 2,115,133	\$ 1,801,833	Average cost (anual)	\$ 149,526
NPVf	\$ 200,420	\$ 101,767	Principal product (units)	Pine timber (m3/ha)
B/Cf	1.2	1.2	Average production (anual units)	6
First year of positive accumulated cash flow	7.0	8.0	Price (per unit)	\$ 48
IRRf	16%			
2.3.1.4fin				
Sub-activity 2.3.1.4 Support women in benefitting from forest based value chains (MFCCV.4)			Investment (year 0)	\$ 70,893
PV Costs	\$ 76,169	\$ 75,641	Average income (anual)	\$ 4,196
PV Benefits	\$ 159,274	\$ 150,429	Average cost (anual)	\$ 251
NPVf	\$ 12,212	\$ 3,895	Principal product (units)	Brahea Dulcis Hats (hat)
B/Cf	2.1	2.0	Average production (anual units)	4,392
First year of positive accumulated cash flow	5.0	5.0	Price (per unit)	
IRRf	12%			