

#### Objective

 Determine sustainability of agro-forestry and agro-industrial systems by using emergy and financial indicators

#### Methods

- Emergy analysis
  - investment ratio
  - environmental loading ratio

- Financial analysis
  - net revenue cost ratio

### A System Diagram Example

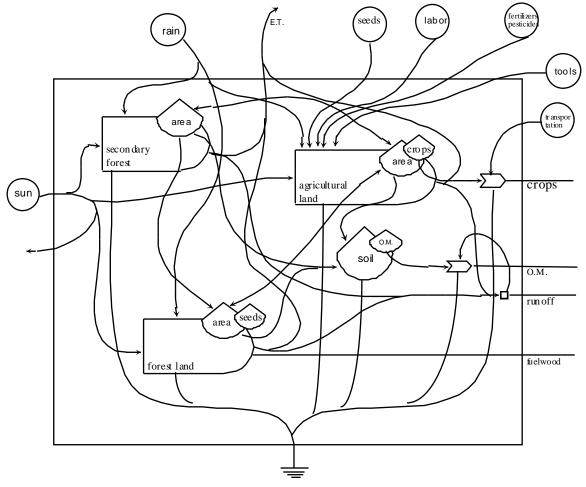


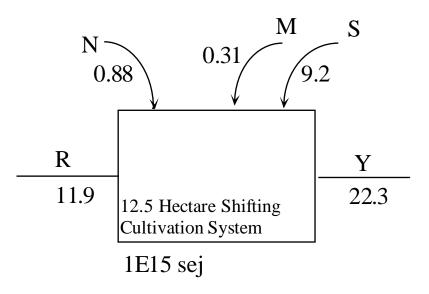
Figure 3-35. Shifting Cultivation System Diagram.

#### An Emergy Evaluation Table

Table 1. Emergy Evaluation of Shifting Cultivation System.

			Trans-	Solar	Emdollar
Note	Item	Raw Units	formity	Emergy	Value
				1E+15	
		(units/yr)	(sej/unit)	(sej/yr)	(US\$/yr)*
RENEWABLE RESOURCES:					
	1 Sunlight	1.97E+15 J	1E+00	1.97	1,045
	2 Rain, chemical	1.85E+12 J	2E+04	28.57	15,183
NONRENEWABLE RESOURCES:					
	3 Soil erosion	1.90E+10 J	7.37E+04	1.40	744
INPUTS:					
	4 Seeds	1.04E+09 J	3.57E+05	0.37	197
	5				
YIELDS:					
	9 Crops	1.28E+11 J	3.57E+05	45.68	24,272

## Emergy Ratios to Evaluate Resource Use

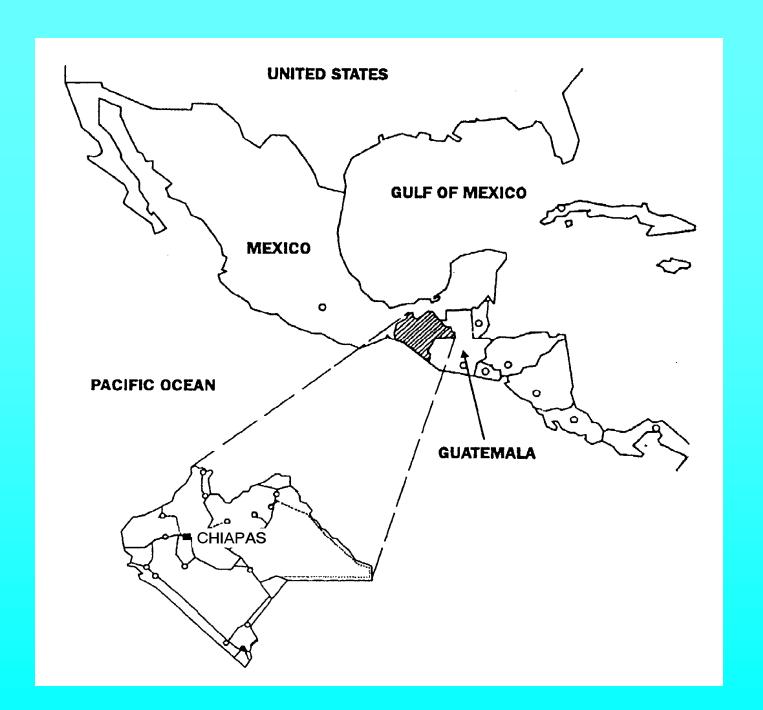


Investment Ratio 
$$IR = (M + S) / (R + N)$$

Environmental Loading Ratio ELR = (N + M + S) / R

#### Financial Analysis

- B (benefits) = Total financial benefits
- C (costs) = Total financial costs
- R (revenue)= B C
- NET REVENUE / COST RATIO
  - R/C = (revenue) / (costs)
- Government subsidies and loans



#### Systems Analyzed in this Study

> 400 Hectares Agro-forestry System

One Hectare Shaded Coffee Cultivation System

One Hectare Sugar Cane Industrialized Cultivation System

### 400 Hectares Agro-forestry System

Wood extraction in tropical rain forest

12 stands of 33.3 hectares each

 35% of trees with a diameter breast height (dbh) equal or greater than 45 cm can be cut

#### 400 Hectares Agro-forestry System



#### 400 Hectares Agro-forestry System



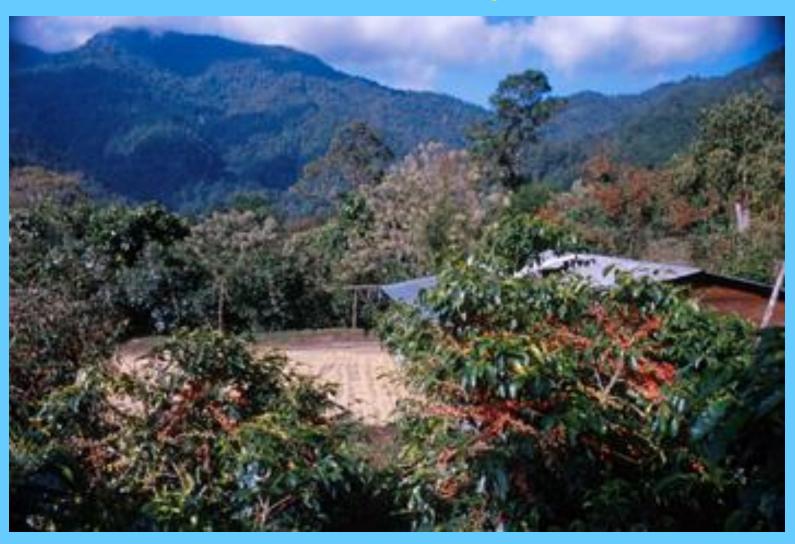
Monoculture of Arabic Coffea

1,200 plants per hectare

Two to three fertilizations per year

Labor intensive (160 days/hectare/year)





## One Hectare Sugar Cane Industrialized Cultivation System

Irrigated systems

Chemicals

Mean values obtained from 3,686 hectares

Eradication of forest

### One Hectare Sugar Cane Industrialized Cultivation System

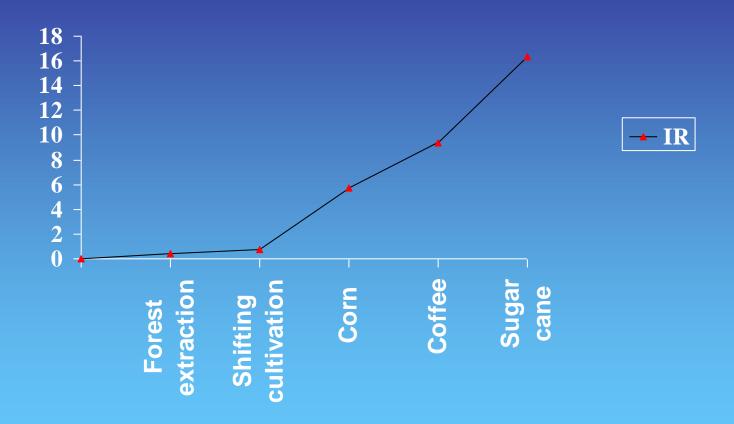


#### Other Systems for Comparison

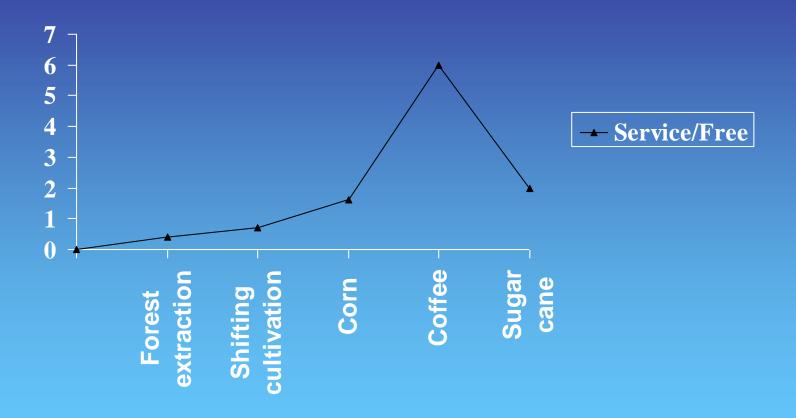
- 12.5 Hectares Shifting Cultivation System
  - 2.5 hectares cultivated per year
  - 10.5 hectares left fallow
  - No chemicals
- One Hectare Corn Cultivation
  - With chemicals
  - Intensive (yearly) cultivation



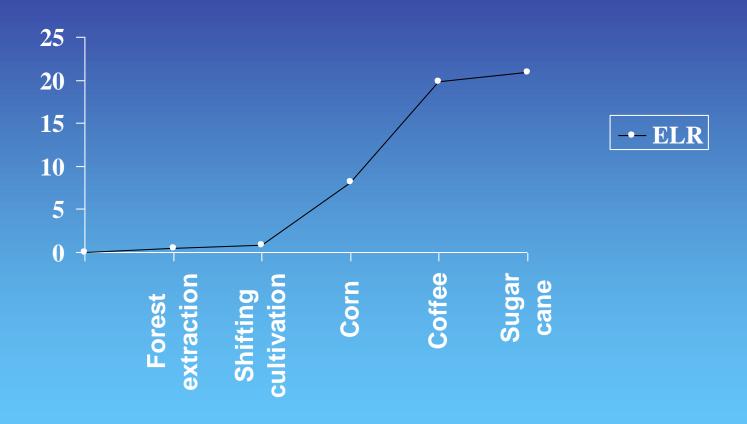
#### **Investment Ratios**



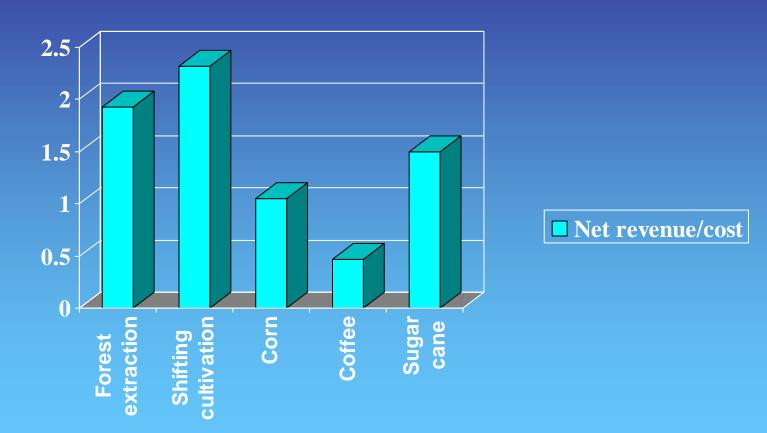
#### Service to Free Ratios



#### **Environmental Loading Ratios**



#### Net Revenue/Cost Ratio



### 400 Hectares Agro-forestry System

- ✓ Lowest investment ratio (IR=0.41)
- ✓ Highly profitable (NR/C=1.93)
- ✓ Forest conservation

- High requirement of land
- Over quota extraction (28.3 m3/ha/yr)
- Lack of law enforcement

- Maintanance of forest cover
- ✓ Adequate transition zone between protected areas and agricultural fields
- > High investment ratio (IR=9.4)
- Low profitability (NR/C=0.5)
- Labor intensive (160 days/ha/yr)
- Chemical usage

## One Hectare Sugar Cane Industrialized Cultivation System

- ✓ Highly profitable (NR/C=1.5)
- ✓ Not labor intensive (61 days/ha/yr)

- ► High external dependency (IR=16.3)
- > Chemical usage (34 % of total emergy)
- > 50 percent water loss
- > Native ecosystems eradication



## Sustainability of Agro-forestry and Agro-industrial Systems in Chiapas, Mexico

- Agro-forestry systems had lower investment and environmental loading ratios.

 Agro-forestry were more profitable than industrialized systems.

## Sustainability of Agro-forestry and Agro-industrial Systems in Chiapas, Mexico

- Corn shifting cultivation was the most profitable (NR/C=2.3).

 Industrialized systems required less land but depended more on external resources.

## Sustainability of Agro-forestry and Agro-industrial Systems in Chiapas, Mexico

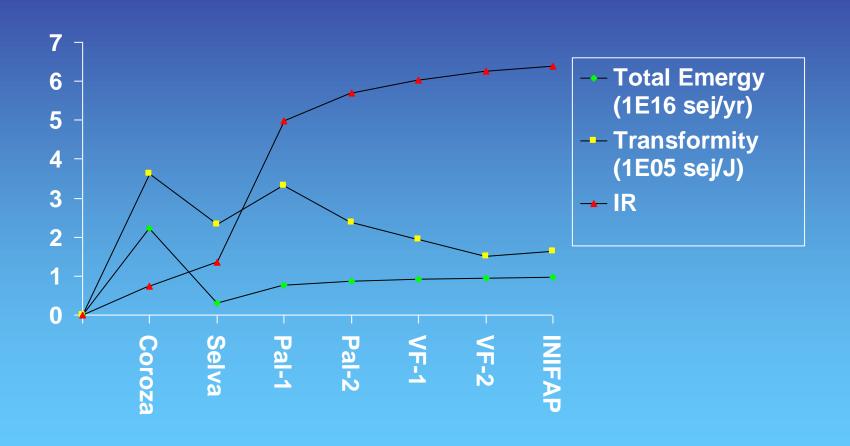
 Coffee grown under shade with chemicals was labor intensive with lower profitability.

#### **Study Limitations**

? Use of "circular" transformities

? Life cycle analysis (LCA): water pollution, soil pollution, forest cut, biodiversity, etc. should be included in the analysis

## Total Emergy, Transformity and Investment Ratios for Corn Systems



# Yield and Revenue Cost Ratios for Corn Systems

