

Economics Training Series

Introductory Course

Resource Statement

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The Project Resource Statement

- investment costs (land, construction, plant and equipment, vehicles, resettlement, other); periodic replacement
- appropriate project life
- include residual values
- working capital (initial stocks of materials, final stocks of outputs, work in progress)
- recurrent costs (labor, materials, utilities, overheads, environmental)
- gross economic benefits disaggregated by incremental, non-incremental and external economies
- net economic benefits
= economic benefits – economic costs

Processing Project Resource Statement (Economic Prices)

Years			0	1	2	3	4	5	6	7	8	9	10	11	12
Capacity Utilization					50%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Item	Initial Amount	Replacement Period													
A. Investment Schedule															
Land Preparation	80	-	80												
Construction	1860	30	930	930											
Equipment	900	12		900											
Vehicles	370	5		370					370					370	
Others	60	-	30	30											
I. Total	3270		1040	2230	0	0	0	0	370	0	0	0	0	370	0
B. Working Capital															
II. Working Capital	230			115	115										
C. Annual Costs															
	Annual Amount														
Materials	600				300	600	600	600	600	600	600	600	600	600	600
Utilities	170				85	170	170	170	170	170	170	170	170	170	170
Labor	145				73	145	145	145	145	145	145	145	145	145	145
Overheads	90				90	90	90	90	90	90	90	90	90	90	90
Land Opportunity	35		18	35	35	35	35	35	35	35	35	35	35	35	35
III. Total	1040		18	35	583	1040	1040	1040	1040	1040	1040	1040	1040	1040	1040
D. Benefits															
	Annual Amount														
IV. Incremental Output	1695				848	1695	1695	1695	1695	1695	1695	1695	1695	1695	1695
E. Net Benefits															
IV - I - II - III			1058	2380	150	655	655	655	285	655	655	655	655	285	655
Discount rate	12.0%														
Net Present Value	329														
Internal Rate of Return	13.4%														