

# Call for application

## Professional Training on “Cost Benefit Analysis and Feasibility Studies”

*Course Code: EPRN18/PT/21*

**DATES:** From November 30<sup>th</sup> to December 03<sup>rd</sup> 2021 (5h30pm-8h30pm)

**Venue:** University of Rwanda, CBE Gikondo (Former SFB buildings)

### 1. Introduction

Cost Benefit Analysis (CBA) is a useful tool to assess the financial and economic implications of projects. A financial and economic CBA systematically quantifies the costs and benefits of a project, comparing them against the situation without the project. It provides an indication of how costs, benefits and project risks could be divided between project participants; and between private and public sector participants.

The financial CBA takes the perspective of the project cash flows and analyses to what extent the project is attractive to private investors. The economic CBA, also referred to as socio-economic CBA, takes a wider perspective, often that of the national economy. It includes and quantifies as much as possible the external costs and benefits of the project. The economic CBA study helps decision makers decide whether a contribution from public funds is justified.

EPRN organized this training to equip participants with hands-on skills on CBA and feasibility studies.

### 2. Course Content

#### **Introduction to cost-benefit analysis**

- Aim of cost-benefit analysis
- Importance to policy-makers and link to Impact Assessment
- Importance to regulated utilities and infrastructure investment
- *Ex ante* and *ex post* cost-benefit analysis
- Guidance documents (including Treasury Green Book)

#### **Feasibility Analysis**

- Demand analysis
- Option analysis
- Technical analysis
- Financial analysis

### **Basic issues in cost-benefit analysis**

- Defining the baseline
- Identifying costs and benefits
- Transfers and distributional impacts
- Using market prices to value impacts
- Taking account of inflation and relative price changes
- Discounting (How to discount future impacts, What discount rate to use)

### **How to deal with risk and uncertainty**

- The importance of thinking about risk and uncertainty
- Scenario and sensitivity analysis
- Monte Carlo analysis
- Real options

### **In more detail: how to quantify costs and benefits**

- Challenges in quantifying costs and benefits
- Methods of collecting data and analyzing impacts (Stakeholder engagement, Market research, Behavioral experiments, Statistical analysis, Case studies, Modelling)
- Assessing the additionality of impacts
- Adjusting for optimism bias

### **How to value non-market impacts**

- Why non-market impacts are important
- Techniques for valuing non-market impacts (Using existing valuations, Stated preference, Revealed preference)
- Examples of how to value non-market impacts (Time savings, Carbon impacts, Other environmental impacts)

## **3. Training methods**

The training course will be run in a workshop style with a high degree of participants' involvement. Adult learning methodologies will be employed, and participants will not be passive. Debate and open discussions will be encouraged. The trainer will use a mix of presentations to define and explain key concepts and practical exercises (including real case studies). Trainees are encouraged to bring their own laptops.

## **4. Certificate**

EPRN will issue completion certificates to participants who will successfully attend the course and pass the course test.

**Note:** At the end of the course, the trainer will deliver a test, and ONLY participants who will get at least 60% will get the certificates. Others will be advised to wait until another training opportunity for the same course and will attend it free of charge (this chance is provided only once).

## 5. Training Fees and Venue

**\*Members:** 60,000 Rwf

**\* Non-members:** 100,000 Rwf

This training will be held at University of Rwanda/ CBE Gikondo Campus (former SFB).

## 6. Payment process

Interested applicants are encouraged to pay the registration fees through the following bank details:

- Bank Account: **00040 06945750 07** RWF (Bank of Kigali)
- Title of the Account: Economic Policy Research Network

Scan the bank slip and send it to: [info@eprnrwanda.org](mailto:info@eprnrwanda.org) and copy to: [ed@eprnrwanda.org](mailto:ed@eprnrwanda.org) OR bring the hard copy of bank slip to EPRN office at UR-CBE Gikondo (former SFB).

You can also pay through MTN MOMO PAY (\*182\*8\*1\*030683#) or through PayPal on our website ([www.eprnrwanda.org](http://www.eprnrwanda.org)) and notify us through [info@eprnrwanda.org](mailto:info@eprnrwanda.org)

## 7. How to become ‘EPRN Member’?

**To join our Network, you need to pay membership fees:**

- Individual annual membership fees are 50,000Rwf for national experts; and 100,000Rwf for international experts (Non-Rwandans). A year is counted from the date you paid on.
- Undergraduate students pay 5000Rwf a year, whereas post-graduate students pay 20,000 Rwf. Fresh graduates keep paying the same fees as enrolled students for a period of one year after graduation.
- Annual Membership Fees for Institutional members: Development Partners, INGOs, Ministries and Government agencies pay 2 Million Rwf. Other Institutions like Universities, CSOs/NGOs, Private Companies pay 1 Million Rwf.

**Key Membership Benefits are:**

(a) Networking with other experts, (b) professional trainings at a discounted rate, (c) free online training, (d) research facilitation (mentorship, presentation and publication), (e) institutions have access to a wide audience for studies’ reports dissemination through policy debates and conferences, (f) institutions have easy access to resource persons/experts, (g) easy flow of information through a wide network of experts.

Done at Kigali, 19/11/2021

**Mr. Seth Kwizera**  
**Executive Director**

