

Daide Sartori



Bio

Daide Sartori holds a degree in economics and management of public administration and international institutions from Bocconi University (Milan). In 2006, he carried out on the field a cost-effectiveness analysis of a healthcare project in Vietnam, collaborating with the World Health Organisation. In July 2007 he joined CSIL, Centre for Industrial Studies, Milan, where he is a Partner and Project analyst, Development and Evaluation Unit. He is a specialist in the evaluation of operational planning documents and development programmes and in the financial and economic analysis of infrastructural projects. He is one of the author of the new Guide to Cost Benefit Analysis of Investment projects recently adopted by the European Commission.

He is a permanent expert conducting training on cost-benefit analysis for EU civil servants at EIPA, European Institute of Public Administration of Barcelona, and had several training experiences with DG Regio officers, Eastern Europe countries public officers and post graduate students in Milan.

Workshop title

Cost Benefit Analysis of EU Financed Investment Projects

Target audience

Managing Authorities, Intermediate Bodies and Beneficiaries eligible under Structural Funds, Cohesion Fund and IPA (Public officers from national, regional and local administrations, governmental agencies, as well as NGOs, SMEs, consulting firms, etc.).

Workshop level

Intermediate. The workshop is tailored on participants holding the following academic backgrounds: economics, social sciences, public administration and international organisations management.

Workshop content

The full day workshop will focus on the ex ante appraisal (cost-benefit analysis) of investment projects asking for EU co-financing under Structural Funds, Cohesion Fund and Instrument for Pre Accession. The objectives are to present the methodology of cost benefit analysis, to provide operational examples in the application of the methodology, to explain why CBA is one of the most important tools in the programming period 2007 – 2013 of the cohesion policy and to practice on how to review and assess a project's feasibility study. By the end of the day, participants will have acquired theoretical knowledge on the elaboration of a cost benefit analysis and practical experience through the review and assessment of a case study.

Detailed workshop outline

Apart from traditional training methods, used during the first half of the training (face-to-face presentations on the theory and the methodology of CBA, including concrete examples and extracts from application forms), an interactive and practical approach will be applied. After the closure of the morning session, participants will work in small working groups on concrete exercises by practicing on how to review a cost-benefit analysis and how to report the results of their appraisal. Question and answer sessions on both the theoretical and the practical parts of the training will also be conducted. More in detail, training activities will rely on the following methodological tools and methods:

- *Face-to-face lecture (morning)*. These presentations will focus on the theory of CBA and the analytical steps that a project examiner should consider for investment appraisal under the EU Funds: Context analysis and Project objectives; Project identification; Feasibility and Option analysis; Financial analysis; Economic analysis; Risk assessment. Presentations will be structured as to provide for each of steps: the methodological approach and some examples extracted from an application form; a check list for the project appraiser.

- *Hands-on session (afternoon).* For the hand-on session participants will be divided in small groups and each of them be assigned to a specific "project" for in-depth analysis. Some mistakes and pitfalls should be discovered by the participants by looking at the project description (text) and the spreadsheets with main calculations (excel file)and following a fixed check list. Each group must be provided with at least one PC/laptop to work on and the printed out project description. The groups will be then asked to prepare a brief technical note to report their main findings.
- *Project experiences of the participants.* The approach of the training will be interactive. For this reason, the participants are welcomed to bring their personal experiences with practical examples of projects they may have had come across in their professional experience. Usually this proves to be a good way to have a discussion on practical problems in the application of the methodology.
- *Training design.* Training activities will be organised according to the following structure:

Sequence	Time	Content	Objectives	Techniques and methods used	Documents for the participants
<i>Arrival and registration 9.00-9.15</i>					
Session 1: Introduction to CBA. Reading/preparing a feasibility study	9.15-9.45	- objectives and scope of applied CBA; - feasibility analysis (with special emphasis on demand forecasting)	Introducing aim and objectives of the training, understanding basic concepts	Face-to-face lecture	Slides, selected key references
Session 2: Financial analysis	9.45-10.45	- financial analysis (discounted cash-flows and different NPV and returns definitions) - the choice of a time horizon - depreciation and residual values at end year - inflation; - the choice of the financial discount rate	Describing the main contents and technical operations of financial analysis, key questions for quality check, common pitfalls and methodological mistakes	Face-to-face lecture + 'Questions and answers' session	Slides, selected key references
<i>Coffee break 10.45-11.00</i>					
Session 3: Economic analysis and key parameters	11.00-12.30	- corrections from financial analysis to economic analysis; - the social discount rate - shadow prices and shadow wages - on the use of border prices - environmental and intangible effects	Describing the main contents and technical operations of economic analysis. Providing guidelines and literature on how to assess and check quality of economic analysis	Face-to-face lecture + 'Questions and answers' session	Slides, selected key references
Session 4: Risk assessment	12.30-13.00	- project appraisal under uncertainty - sensitivity analysis - risk analysis - software for risk analysis	Understanding and learning how to assess the quality and reliability of sensitivity and risk analysis	Face-to-face lecture	Slides, selected key references
<i>Lunch break 13.00-14.00</i>					
Session 5 : Hands on workshop	14.00-18.30	How to read a feasibility study, how to provide a technical note on the completeness and quality of a feasibility study	Review of project appraisal dossiers and preparation of a brief technical note	4-5 people work-groups	Excel sheets, project dossiers, list of key questions