

Investment Appraisal and Risk Analysis

July 8 – August 9, 2002



The Program

Queen's University is for the second time offering a state-of-the-art five-week program on Investment Appraisal and Risk Analysis for professionals working in private and public organizations. This program covers modern techniques of finance, financial modelling, applied economic analysis, risk analysis and risk management. Participants will learn how to conduct the financial, economic, risk and stakeholder evaluations of investments. They will gain skills in the design and testing of risk management contracts and the evaluation of project financing options.

Through lectures by internationally recognized experts, applied case studies, and group discussions, participants will gain practical knowledge, and obtain a global perspective of recent development in these fields.

Goals

The goals of the program are to develop the operational skills of participants so that they are able to:

- Plan and assess all aspects of investment projects
- Add value through the redesign of projects
- Prepare project financing agreements
- Design strategies to address stakeholder concerns

Participants

This program has been created for people who design, select, or finance projects, and for those who are interested in the financial, economic and stakeholder impacts of investments. The acquired operational skills have proven to be effective for the career development of individuals in a wide range of organizations, including:

- Public and private enterprises
- Banks and financial institutions
- Government ministries and regulatory agencies
- International development agencies
- Management, engineering and business consulting firms

In the past participants of this program have included, the CEO's of utilities and infrastructure firms, Director's of government ministries, and professionals from international financial organizations such as, The World Bank, The European Bank for Reconstruction, the Inter-American Development Bank, The African Development Bank, The Caribbean Development Bank and The International Finance Corporation.

Study Method

The program stresses the application of analytical tools to the solution of practical problems.

It offers an intensive and balanced combination of core lectures, focused discussion groups, case studies and computer based exercises. A full range of analytical techniques are used for quantitative and strategic analyses of the case studies, which are a central part of the program. Lecturers and seminar leaders are complemented by a team of experienced international teaching staff who provide individual guidance with course materials and case studies.

Faculty

The Program Director is **Dr. Glenn P. Jenkins**, Professor of Economics at Queen's University and Institute Fellow Emeritus, Harvard University. He founded the Program on Investment Appraisal and Management at Harvard University, and was its Director from 1985 to 2000. He has conducted numerous seminars on this subject for governments, private organizations and for professional staff of major international organizations such as the World Bank, the Asian Development Bank and the International Finance Corporation.

Dr. Baher El-Hifnawi, Associate Director of the Program, is a Partner for Risk Management with KPMG, Egypt. Specialist in project financing, design of public-private partnerships and in infrastructure investments.

Dr. Arnold Harberger, Professor of Economics, University of California, Los Angeles, is a leading academician and professional in this field. His writings have formed the analytical principles found in the state-of-art methodology for applied investment appraisal.

Dr. George Kuo, Senior Fellow, John Deutsch International, Queen's University, is a leading author and practitioner in the field of the project appraisal.

Dr. Henry Lim, Senior Economist, Cambridge Resources International, is a specialist in energy and regulatory economics.

Experts from the World Bank and other international financial organizations will also lecture.

Course Outline

The curriculum covers modern techniques for conducting financial, risk, economic, and stakeholder evaluations of investments. Topics include:

Financial Modeling

- Development of project cash flows
- Different perspectives and project sustainability
- Projection of real prices through time

- Insuring consistency among nominal prices, exchange rates, and interest rates
- Evaluation of debt service capacity
- Uses and limitations of different investment criteria
- Scale and timing decisions
- Privatization and regulation issues

Risk Analysis and Project Financing

- Assessing sources and nature of project variability
- Risk assessment techniques
- Project financing
- Public-Private partnerships
- Risk management
- Evaluation of contracts

Economic Analysis

- Impacts on markets for domestic and internationally traded goods and services
- Economic valuation of marketed and non-marketed goods and services
- Economic cost of capital
- Economic cost of human resources
- Economic valuation of environmental impacts
- Economic cost of foreign financing

Stakeholder Impact Assessment

- Identification of stakeholders
- Measurement of projects' impact on each group of stakeholders
- Assessing fiscal impacts
- Evaluating projects' impacts on basic needs
- Integration of the financial, economic and stakeholder appraisals

Queen's University

The program takes place on the historic campus of Queen's University in Kingston, Ontario, Canada. Queen's was established by Royal Charter in 1841, and is one of Canada's most distinguished universities. Queen's University's modern executive education facilities ensure a comfortable and efficient setting for an effective learning experience.

Historic Kingston, Ontario

Kingston is located on Lake Ontario, mid-way between Toronto and Montreal, and close to Ottawa, the national capital. Kingston was established in 1669 and was the first capital of Canada. The city has a rich architectural heritage and spectacular waterfront location. Situated on the lakefront, the Queen's campus is within walking distance from the city center with its excellent restaurants and other urban amenities.

Costs and Funding

The cost for this 5-week program is US\$ 9,800. This fee includes tuition, housing and breakfasts, health insurance, course materials, computer facilities and software, but does not include airfare and other meal costs. Participants will need approximately US\$ 40 per day to

cover meals and other personal expenses. This budget is calculated for a single participant without family and does not include the cost of international transportation.

Sponsorship is normally provided by the participant's employer or by other funding organizations. The program does not provide financial assistance. Candidates should approach their current employer or other funding organizations to obtain financial support as soon as possible. Agencies that offer financial assistance for training include: CIDA (Canadian International Development Agency), IDRC (International Development Research Centre, Canada), other bilateral donors U.N.D.P. (United Nations Development Program), UNIDO (United Nations Industrial Development Organization), World Bank, Inter American Development Bank, Asian Development Bank, and African Development Bank.

Admissions Policy

The program is open to persons holding a university degree in economics, finance, accounting, management, engineering, or related disciplines. In addition to educational background, a candidate's professional experience is taken into consideration.

It is recommended that participants apply for admission and secure funding as soon as possible.

How to Apply

Applications may be submitted electronically, by fax, or by mail. Use of the attached application form is not required, as long as all relevant information is provided. To ensure smooth communication, please provide a postal address and a street address, for both home and office (where different), office and home phone and fax numbers wherever possible, and an email address, if available. The application deadline is June 4, 2002.

Please send applications to:

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