



"Investing in Africa's Future"

FACULTY OF AGRICULTURE AND NATURAL RESOURCES

AEC308: PROJECT APPRAISAL AND EVALUATION

END OF FIRST SEMESTER EXAMINATIONS

NOVEMBER/DECEMBER 2016

LECTURER: MR J. MUSARA

DURATION: (3HRS)

INSTRUCTIONS

1. Do Not Write Your Name On The Answer Sheets.
2. Use Answer Sheets Provided.
3. Begin Your Answer For Each Question On A New Page.
4. Credit Is Given For Neat Presentation Of Answers.



AEC 308 Project Appraisal and Evaluation (SAMPLE 2)

Answer Question ONE and any other THREE Questions. Each question carries **25 marks**

1. a). Explain the role of project appraisal in the project life cycle. [11 marks]
b). Give an account of planning and controlling clearly highlighting their implications in the project evaluation process. [14 marks]
2. a). Outline three desirable characteristics of a project evaluation exercise. [6 marks]
b). Write notes on the following:
 - i. Sensitivity analysis. [6 marks]
 - ii. Certainty Equivalent Method. [6 marks]
 - iii. Social Cost Benefit Analysis (SCBA). [7 marks]
3. Using appropriate examples, give an account of the generic project cycle as a management toolkit. [25 marks]
4. a). Outline the following key features of a project:
 - i. Project finance. [5 marks]
 - ii. Abandonment analysis. [5 marks]b). Explain the pre-requisites for successful project implementation. [15 marks]
5. (a) Analyse the Discounted Cash Flow (DCF) technique for appraising large investment decisions. [12 marks]
(b) Discuss the basic principle of network cost system. [13 marks]
6. Examine the meaning and scope of environmental Impact Assessment (EIA) in the project planning and evaluation debate. [25 marks]

END OF PAPER