

Agenda: NAP Cost Benefit Analysis Training for Tonga

Venue: Conference Room, NEMO (Level 3, OG Sanft Building, Nuku'alofa)

Time	Tuesday 22 nd November 2016	Friday 24 th November 2016
9:00	Opening Prayer	Opening Prayer
9:00 - 10:30	<p>Welcoming Statement: MEIDECC's A/CEO Mr. Andrew Toimoana</p> <ol style="list-style-type: none"> 1. NAP/UNDP 2. UNDP/GCF project updates 3. Workshop expectations 	<ol style="list-style-type: none"> 1. Review of Day 1 2. Converting the Financial CBA into an Economic CBA 3. Case studies on the CBA of policy options for managing climate changed induced coastal erosion and flooding <ol style="list-style-type: none"> 3.3 Traditional engineering defenses 3.4 Managed realignment of engineering defenses 3.5 Avoided damage approaches and Ecosystem Based Adaptation to non-market valuation 4. Objective is to apply the theory and methods of Day 1 to practical policy choices in coastal management
10:30 - 10:45	Morning Tea & Group Photo	Morning Tea
10:45 - 12:30	<p>CBA Framework I</p> <ol style="list-style-type: none"> 1. Definition of CBA 2. Public sector investment and appraisal 3. Distinction between Private, Economic and Social CBA 4. Role of financial analysis in economic CBA 	<p>Continuation of case studies: Objective is to apply the theory and methods of Day 1 to practical policy choices in coastal management</p> <p>Closing Statement: MEIDECC's CEO Mr. Paula Ma'u</p>
12:30 - 13:30	Lunch	Closing Prayer & Lunch
13:30 - 15:00	<p>CBA Framework II</p> <ol style="list-style-type: none"> 1. "With" and "without"; and "before" and "after" project assessment 2. Step-by-step implementation of private CBA 3. Converting private CBA to an economic CBA 4. Sensitivity analysis 5. "Secondary" or "wider" economic impacts of a project 6. CBA Data requirements 	
15:00 - 15:15	Afternoon Tea	
15:15 - 16:30	<p>An example of a faulty CBA that wrongly defined the costs and benefits of an investment project.</p> <p>Financial Project Appraisal</p> <ul style="list-style-type: none"> • Project does not differentiate private and social profits • Project wrongly includes taxes paid to government and subsidies received from government as part of the CBA calculus • Project uses current (as opposed to real) prices in valuing costs and benefits • Project does not differentiate between total revenue and total WTP 	

- Project includes interest payments on capital in the CBA calculus
- Project handles depreciation as in a financial CBA
- etc etc

Converting the Financial CBA into an Economic CBA

16:30

Closing Prayer