



THE CYPRUS INTERNATIONAL INSTITUTE OF MANAGEMENT
COURSE UNIT DESCRIPTION

Course Unit Title	COST-BENEFIT ANALYSIS	
Course Unit Code	MP 505	
Type of Unit	Core	
Level of Course Unit	Second cycle	
Year of Study	First/second year	
Semester	On demand	
Number of ECTS Credits	6 ECTS	
Course Unit Objectives	The objective of this course is to help students perform financial and economic analysis of policies, programmes, and projects and rank them in terms of efficiency and cost effectiveness.	
Learning Outcomes	On completion of the course the students are expected to be able to:	
	CILO 1	Estimate and compare the benefits and costs of policies, programmes and projects.
	CILO 2	The time value of money and investment selection/project appraisal criteria
	CILO 3	Choosing appropriate discount rates and calculating present and future values.
	CILO 4	Use shadow pricing to convert financial prices to economic prices.
	CILO 4	Handle inflation, risk and uncertainty in project appraisal.
	CILO 5	Use simple methods of valuing non-market impacts of projects (environmental, social, cultural etc.)
	CILO 6	Use cost-effectiveness and multi-objective methods of project appraisal
Name of Lecturer(s)	Dr. Theodore Panayotou	
Mode of delivery	Face to Face	
Prerequisites or corequisites	None	
Course Content	1. Introduction to cost-benefit analysis	CILO 1
	2. Theoretical foundations of cost-benefit analysis	CILO 1
	3. Net present value and other decision criteria	CILO 2
	4. Estimating costs and benefits when markets exist	CILO 3
	5. The social rate of discount	CILO 3
	6. Dealing with inflation, risk and uncertainty	CILO 4
	7. Valuing non-market benefits and impacts	CILO 5
	8. Cost-effectiveness and multi-objective criteria	CILO 6
Recommended or required reading	<u>Instructor's lecture notes</u> <u>Textbook:</u> Boardman, A. E. et al. (2006). <i>Cost-Benefit Analysis: Concepts and Practice</i> Upper Saddle River, NJ: Prentice Hall Tevfik, N.F. (1996). <i>Cost Benefit Analysis: Theory and Application</i> Thousand Oaks, CA: Sage <u>Further reading:</u> Harvey, R. S. (2002) <i>Public Finance</i> . New York: McGraw-Hill	
Planned learning activities and teaching methods	Lectures; in-class discussions and debates; in-class exercises; computer exercises; problem sets; team work; "live" projects; video case studies; presentations.	
Assessment methods and criteria	20% Participation 80% Final exam	
Language of Instruction	English	
Work Placement(s)	Not applicable	