

Simplified Cost-Benefit Analysis

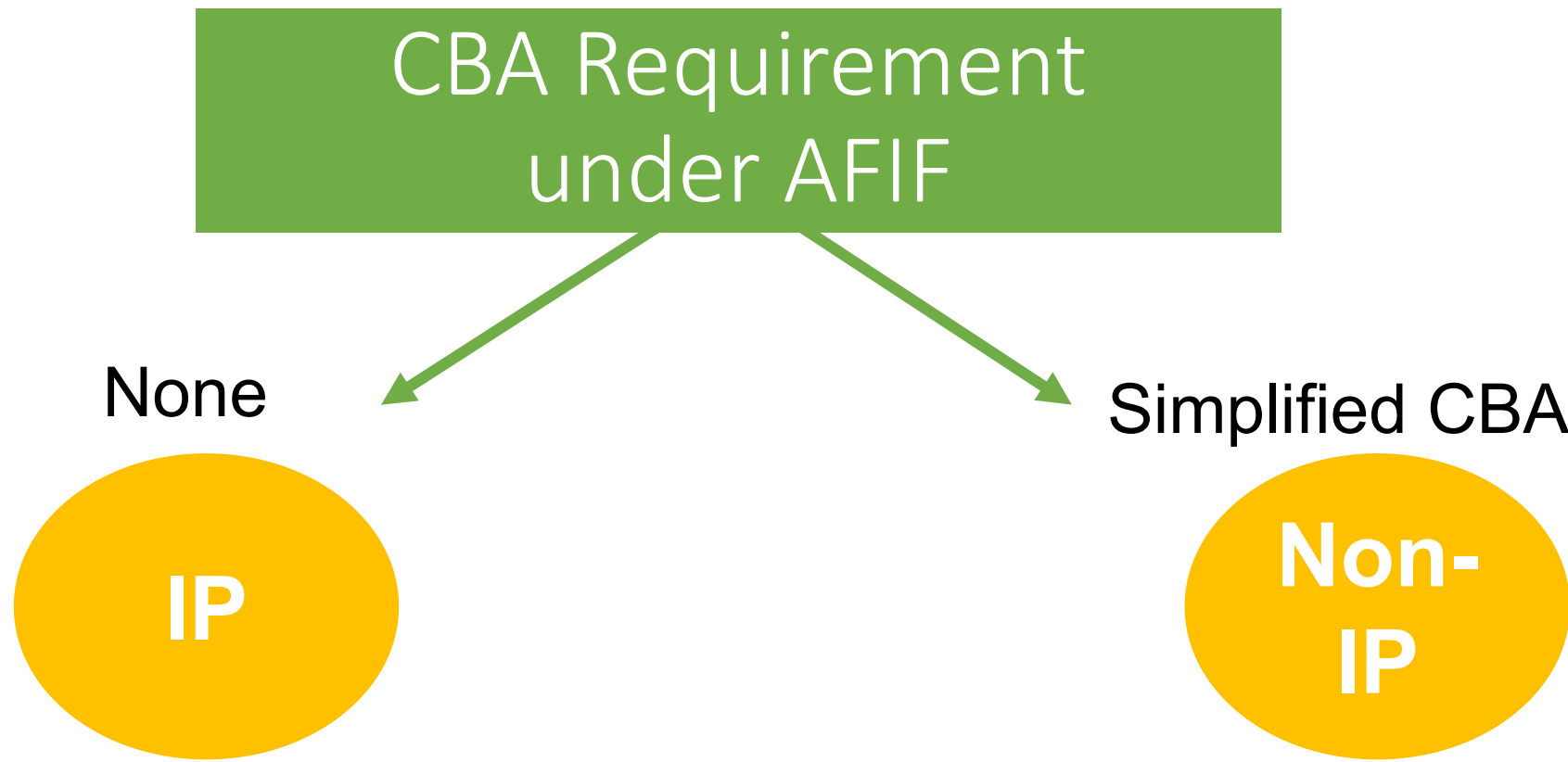
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CBA Requirement

- The requirement for socio economic assessment has been streamlined in this programming period to take account of the added value of the tool for each priority
- There are now three levels of granularity of information
 - Full CBA
 - Simplified CBA
 - For some categories no CBA is required
- No more Cost Effectiveness Analysis (CEA)

CBA Requirement under AFIF



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graph TD; A[CBA Requirement under AFIF] --> B[None]; A --> C[Simplified CBA]; B --- D((IP)); C --- E((Non-IP))
```

None

IP

Simplified CBA

Non-
IP

The Project has been subject, for the purpose of IP's own financing, to a comprehensive risk-based appraisal process, including, but not limited to, financial, technical, environmental and social, economic, legal risk and compliance assessment

Proposals with support from an IP

- “Submission of a CBA is not required for proposals submitted with the support of an Implementing Partner (IP)”
- In the case of AFI submitted with the support of an Implementing Partners, evaluation process relies on the internal procedures of the Implementing Partners, to positively assess the socio-economic rationale of the Projects.
- “Award Criteria [on Impact] may be substantiated by a Cost Benefit Analysis (CBA) or, in the absence of such tools, other forecast of end-user take-up...”

Simplified CBA

Proposals with support from a Non-IP

- The simplification consists in
 - dropping the requirement for the standalone text document, and
 - replacing the CBA Cash Flow template with the simplified CBA excel calculator
- The simplified CBA calculator requires fewer inputs to produce the output indicators by automating the calculation of externalities and the monetisation of time saving.

Simplified CBA calculator 1/2

- It is important to configure correctly the calculator for CEF Transport calls.
- In this respect, please make sure to choose the following 3 settings in the general assumption sheet (“G.Asm”).

	Cell	Appearance
Select “Transport sector”	F11	Sector <input type="text" value="Transport"/>
Select “Cost Benefit Analysis”	F13	Economic appraisal method <input type="text" value="Cost-benefit analysis"/>
Activate “Financial analysis”	F75	Do you want to calculate the financial performance indicators? <input type="text" value="Yes"/>

Simplified CBA calculator 2/2

- The tool comes as “Excel Macro-Enabled Workbook (*.xlsm)” file but the evaluation environment applies limitations to this file format.
- Before submitting the Simplified CBA calculator, Applicants must save it as “Excel Workbook (*.xlsx)”. This will remove the Visual Basic project (i.e. the code of the Macros)

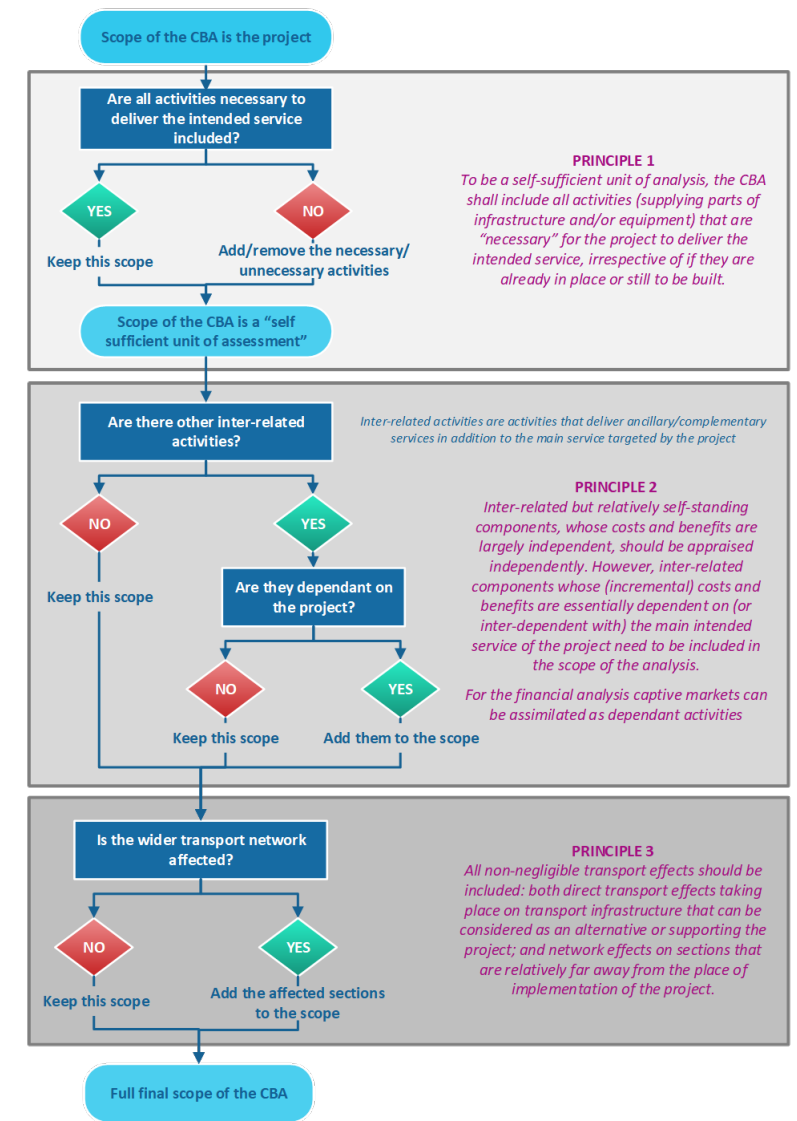
File name: Simplified CBA project XXXX.xlsx

Save as type: Excel Workbook (*.xlsx)

Note on Scope of Socio-Economic Assessment

Three principal steps to undertake in order to determine the correct scope of the CBA:

- All "necessary" components are added (unnecessary ones are removed)
- All inter-related dependant activities are added
- Effects on the wider transport network are added



Guidance on Economic Appraisal

- All information on CBA is gathered in a single document

*Guidance on Economic Appraisal
for CEF Transport projects*

- If you still have doubts send us questions to:

CINEA-CEF-TRANSPORT-CALLS@ec.europa.eu