

QUICK APPRAISALS OF MAJOR PROJECT APPLICATIONS FOR TRANSPORT INFRASTRUCTURE INVESTMENTS

CLIENT: *EC DG Regio*

YEARS: *2009 – on-going*

DESCRIPTION OF ACTIVITIES

Objectives of the project

Cost benefit analysis of investment projects is explicitly required by the European Union regulations on the Structural Funds and Cohesion Fund. The aim of the Quick Appraisals (QA) is to verify through independent desk based analysis that the project appraisal dossier is complete, the supporting analysis is of good quality and that the application provides a sound basis for a co-financing decision by the Commission. This input will provide support to DG REGIO desk officers in their decision making process and in negotiations with the Member States on co-financing the project(s).

Methodology

For each investment project a multidisciplinary team of appraisers checks the correctness of the documents provided. The following items are considered:

- Project identification and objectives
- Technical evaluation:
 - Feasibility and Options
 - Technical design
 - Timing
- Financial analysis
 - Project costs
 - Demand analysis and revenues generated

- Financial profitability and sustainability
- Determination of the funding gap rate
- Economic analysis
 - assessment on the CBA methodology
- Sensitivity and risks
- Wider economic benefits & impact on employment
- Compatibility with community policies

Scope of the QA is to feed the constructive dialogue through identifying possible shortcomings and providing clear recommendations on improving the weaknesses. In order to achieve this the appraisal report provides clear conclusions and recommendations for the desk officer, comments on issues that require improvements or further elaborations. It also provides sound arguments to underpin the conclusions.

Quick Appraisals carried out

Senior experts of TRT have carried out the QA of many investment projects, both Italian and from abroad, over different transport modes (roads, metro-lines, tram networks and railways).