



INTER-REGIONAL CENTRE FOR ENTREPRENEURSHIP AND INVESTMENT TRAINING



UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANISATION

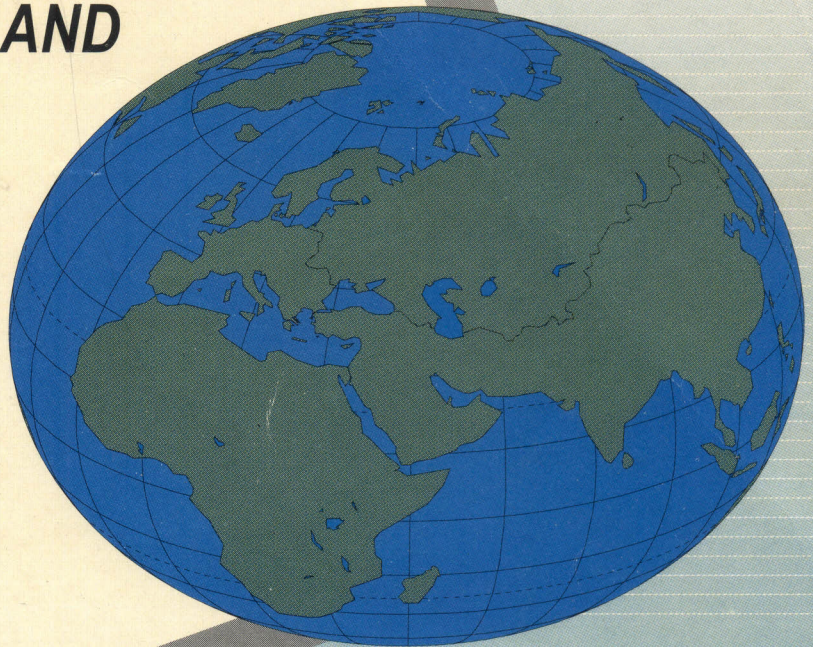
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8th

TRAINING PROGRAMME ON INDUSTRIAL PROJECT PREPARATION AND APPRAISAL



February 16 - March 6, 1998



Entrepreneurship Development Institute of India

Ahmedabad, Gujarat, India

Programme Rationale

Developing countries, by and large, are endowed with natural resources as also certain competitive advantages that offer a variety of industrial opportunities. A systematic approach to identification of such opportunities, formulation of industrial projects and their appraisal is bound to open new vistas for industrial development. UNIDO studies reveal that lack of appropriate skills to adopt such an approach is a major constraint in several developing countries. The need of developing countries in upgrading local skills and capabilities in preparation and appraisal of pre-investment studies call for appropriate human resource development efforts. In response to such a need, a training programme on **Industrial Project Preparation and Appraisal** has been planned.

The programme is offered by the **Inter-Regional Centre (IRC) for Entrepreneurship and Investment Training** (set up jointly by the UNIDO and Government of India) at Entrepreneurship Development Institute of India (**EDI**) in line with its mission to build country capabilities for promoting investments in industrial sector.

Programme Objectives

- Enhance knowledge and skills of participants in preparation and appraisal of Industrial Investment Projects.
- Facilitate experience-sharing among participants in the area of Project Development Cycle.
- Develop a core group of professionals well-versed in industrial project identification, preparation and appraisal leading ultimately to well studied industrial projects and prudent investment decisions.

Participants

The training programme will accommodate twenty participants. Nominations are invited from development financial institutions, commercial banks, private and para-statal project consultancy organisations and government institutions engaged in industrial project preparation and appraisal.

Each of the above institutions can nominate two or three officers possessing a university degree in Engineering/Economics/Business Administration and at least 3 years of hands-on-experience in the field of industrial project preparation, appraisal and investment decision-making. Fluency in English is a must.

Benefits to Participants

On completion of the training programme, the participants will be able to :

- identify data requirements and analyse their suitability for preparation of Industrial Feasibility Studies;
- discuss the stages of feasibility report preparation, understand and practically apply various techniques used;
- integrate the data gathered into a full-fledged feasibility study;

- carry out computer supported comprehensive appraisal of financial and economic viability of projects through Computer Model for Feasibility Analysis and Reporting (COMFAR), a UNIDO developed software;
- understand the process of assessing a promoter on entrepreneurial competencies; and
- take rational industrial investment decisions.

Further, the programme offers a unique opportunity to understand the importance of environmental impact study on industrial projects - a major concern the world over.

Course Content

Module 1 : Project Development Cycle

- An overview of :
 - identification of industrial project opportunities and their evaluation
 - preparation of feasibility studies and their appraisal

Module 2 : Market Analysis

- Role of market study
- Dimensions of market study
- Defining information needs
- Information gathering instruments
- Demand forecasting
- Pricing methods and policy
- Export market study : An overview

Module 3 : Technical Analysis

- Choice parameters for location and site
- Technology choice, cost of technology
- Product technical specifications
- Manufacturing process : Assessment of process parameters
- Materials and other inputs
- Labour : Skill levels, training needs
- Organisational structure
- Environmental impact analysis : Screening for possible impacts, measures for mitigating the same and costs
- Implementation scheduling

Module 4 : Financial Analysis

- Project cost and means of finance
- Cost of capital
- Working capital assessment
- Financial statements
- Break-even Analysis
- Financial appraisal techniques
- Impact of inflation on financial appraisal

Module 5 : National Cost-Benefit Analysis

- Basic methods used in socio-economic analysis of industrial projects
- Shadow prices : Concept and application
- Value-added approach
- Additional indices used in economic appraisal

Module 6 : Computer Model for Feasibility Analysis and Reporting (COMFAR)

- An overview of COMFAR
- Structure of COMFAR
- Data entry system
- Sensitivity analysis using COMFAR
- Report generation and graphic representation
- Demonstration and practice sessions

Module 7 : Entrepreneurial Assessment

- Entrepreneurial competencies : Awareness and importance of assessing promoter's capabilities
- Assessing entrepreneurial competencies : Exposure to Focussed Behavioural Event Interview (FBEI) Technique

Module 8 : Industrial/Institutional Visits

- Interaction with institutions engaged in project appraisal and funding
- Visits to industrial units

Financial and Administrative Arrangements for the Participants

- (1) The **cost of participation is US \$ 2250** (U.S. Dollars Two Thousand Two Hundred and Fifty only) payable once the nomination is accepted. This **subsidised fee** covers :
- tuition fee, cost of course material and computer facilities.
 - full board & lodging facilities (single occupancy, air-conditioned) on EDI campus.
 - out-of-pocket allowance @ Rs.384/- per day to cover incidentals.

Travel costs between the participants' home country and Ahmedabad (India) are to be borne by participants or their sponsoring organisations.

- (2) **Fellowships are available on a selective basis for participants from Least Developed Countries (LDCs) to cover travel costs and/or cost of participation.**

In some cases, round-trip economy class (or excursion, if applicable) air transportation between airport of departure in home country and Ahmedabad (India) will be authorised in addition to the cost of participation, mentioned above in point (1). However, for some participants, the fellowship will cover only cost of participation and the travel costs will have to be borne by them/their sponsoring organisations.

Those desirous of seeking this facility must apply in a prescribed form (in addition to the attached nomination form) available from UNIDO/UNDP country office.

The LDCs are :

Afghanistan	Lao People's Demo. Rep.	Sudan
Bangladesh	Maldives	Tanzania
Bhutan	Mozambique	Uganda
Cambodia	Myanmar	Zambia
Ethiopia	Nepal	

- (3) **Full Fellowships** for the training programme may be available through development projects sponsored by international or regional funding bodies, bi-lateral technical cooperation agencies and governments. Candidates are encouraged to contact these organisations/agencies in their respective countries.
- (4) The United Nations Industrial Development Organisation and the host institution will not assume any responsibility for :
- (a) costs incurred by participants with respect to any insurance, medical bills or hospitalisation fees as well as costs incidental to travel (passport, visa, local travel in home country).
 - (b) compensation in the event of death, disability or illness of participant.

Note : Participants are strongly advised not to have members of their family accompany them since there will be no accommodation available for family members. The sponsors of the training programme will not be liable for any expenses incurred by dependents.

Candidates must duly fill-in the attached nomination form and send it to UNIDO, **not later than 15 December 1997**, at the following address :

Mr. J. Moongananiyil
Project Manager
Investment Services
Investment and Technology Promotion Division
United Nations Industrial Development Organisation
P.O. Box 300, A-1400,
Vienna (AUSTRIA)

Programme Duration & Venue

The programme is scheduled from **February 16 to March 6, 1998**.

The programme will be organised at EDI. The Institute has a sprawling campus set in pleasant surroundings 5 kms away from Ahmedabad Airport on Gandhinagar Highway. Ahmedabad is well connected by rail and air with Bombay and Delhi.

Enquiries may be addressed to

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Inter-Regional Centre at EDI

Entrepreneurship Development Institute of India (**EDI**) is an autonomous, not-for-profit institution, sponsored by all-India financial institutions. It is now an acknowledged National Resource Institution committed to investment promotion, entrepreneurship education, training and research. Its efforts in spearheading entrepreneurship movement in India and other developing countries has led to emergence of a range of training programmes and workshops in the area of investment promotion and entrepreneurship development.

Recognising the contribution, the Institute has received support from World Bank, UNIDO, ILO, Commonwealth Secretariat and several other international agencies. The Institute's international activities cover a range of entrepreneurship and investment promotion related training programmes/workshops. Ever since 1983, the Institute has interacted with 30 developing countries helping them build institutional capabilities for industrial development. So far, over 500 professionals from developing countries have benefited from EDI's capacity building programmes including the one on Industrial Project Preparation and Appraisal co-sponsored by UNIDO.

The EDI Inter-Regional Centre (**IRC**), jointly set up by UNIDO and Government of India, is the result of UNIDO's strategic thinking that innovative methodologies should be transferred to the developing world through regional institutions with proven skills in the area of entrepreneurship and investment promotion. **IRC's mission** is to develop and strengthen indigenous capacities of selected developing countries in Asia and Africa for investment promotion and entrepreneurship development leading to accelerated industrial development and globalisation of economies.



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