

Evaluating projects

Social Cost Benefit Analysis

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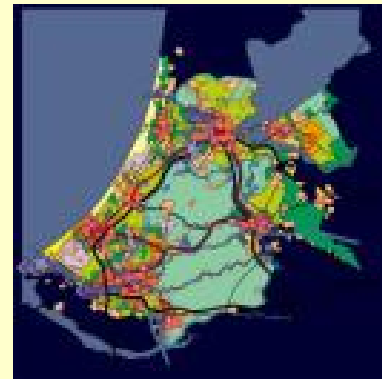
CPB Netherlands Bureau for Economic Policy Analysis

Evaluating projects

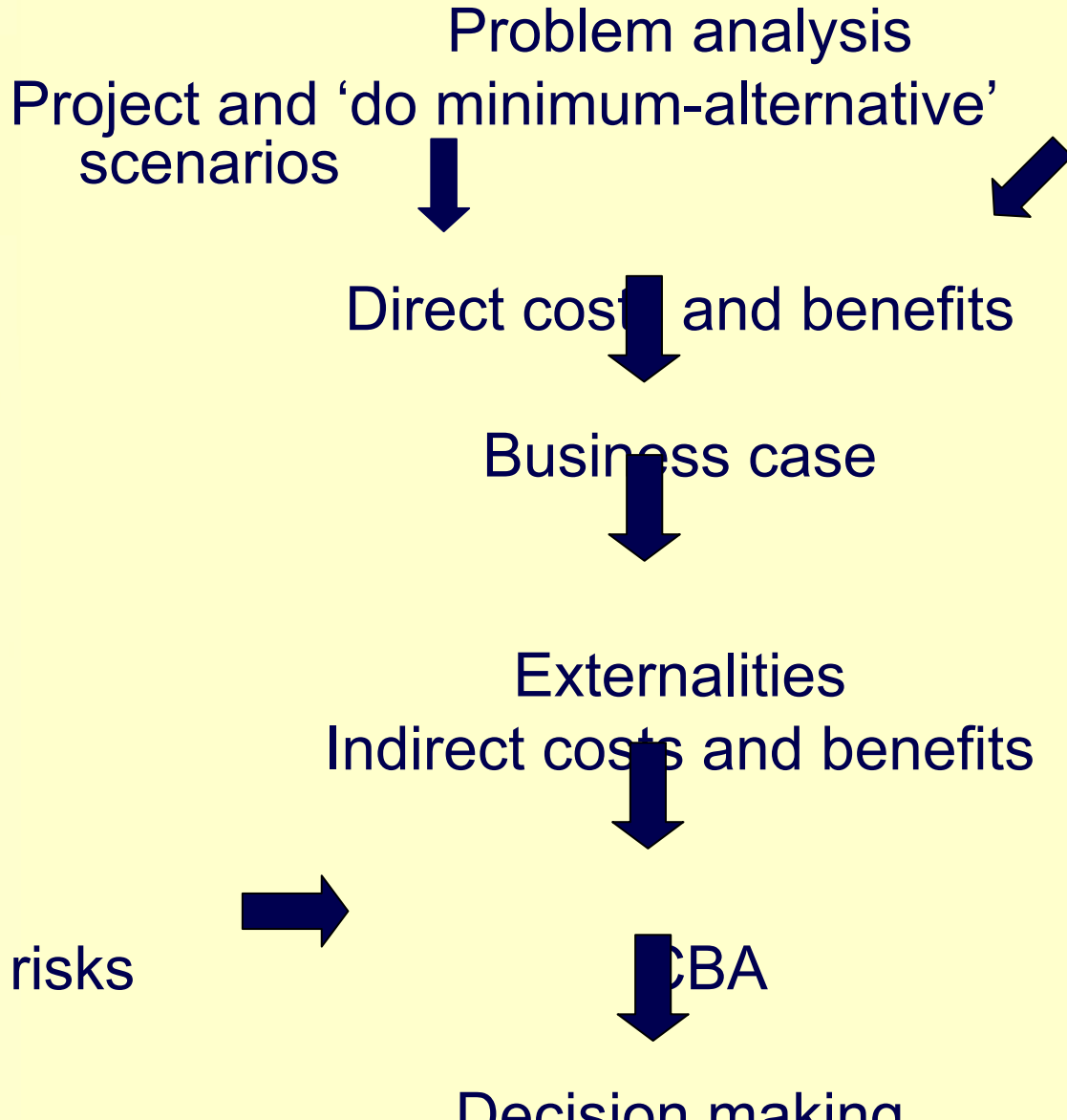
- Social Cost Benefit Analysis (CBA)
- ICRE
 - ▶ methodology
 - ▶ results
 - ▶ lessons

Cost benefit analysis

- Welfare economics
- Long history, used all over the world
- Systematic, consistent
- Information for decision makers



Cost benefit analysis



Cost benefit analysis

- Problem analysis
- Project alternatives
- Do minimum alternative
- All effects on society: direct, indirect, externalities
- Monetarised if possible
- Otherwise quantified or qualitative description
- No double counting
- Use of scenarios
- Uncertainties and risks (discount rate, time horizon)
- Use sensitivity analyses

cpb

Exploring Spatial Data Infrastructures

Cost benefit analysis

2000: Guideline



Wageningen
19. January
2006

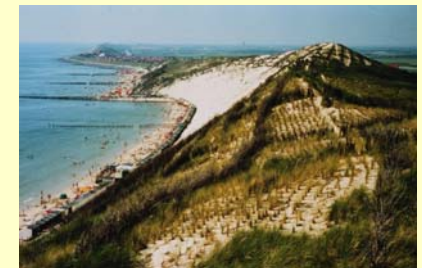
ICRE

- ICRE 2005 windfall March/June
 - ▶ 21 projects
 - ▶ 1 bln euro
- ICRE 2005 windfall October/now
 - ▶ 22 projects
 - ▶ 140 mln euro



Themes

- Knowledge and innovation
- Information technology
- Spatial economics
- Nature
- Environment



ICRE Methodology

Criteria

- Legitimacy of government intervention
- Efficacy
- Efficiency
- Uncertainties and risks

ICRE Results examples

High quality:

research for techniques to detect new plant diseases, improvement of housing of secondary schools, broadening motorways around Utrecht, reduce smut emissions from cars

Second best:

research institutes on pharmacy and nanotechnology, intensify cooperation between 3 Dutch universities

Weak:

action program for ICT solutions, food and health, soil decontamination

ICRE lessons

- Scale, timing and phasing: flexibility
- Adequate financial support from private parties
- Show knowledge of earlier initiatives
- Selectivity
- Costs and benefits in balance
- Controllable risks
- Other instruments and alternatives

Evaluating projects

Thank you for your attention

Questions ?

