

Lecture : 02  
*Introduction*

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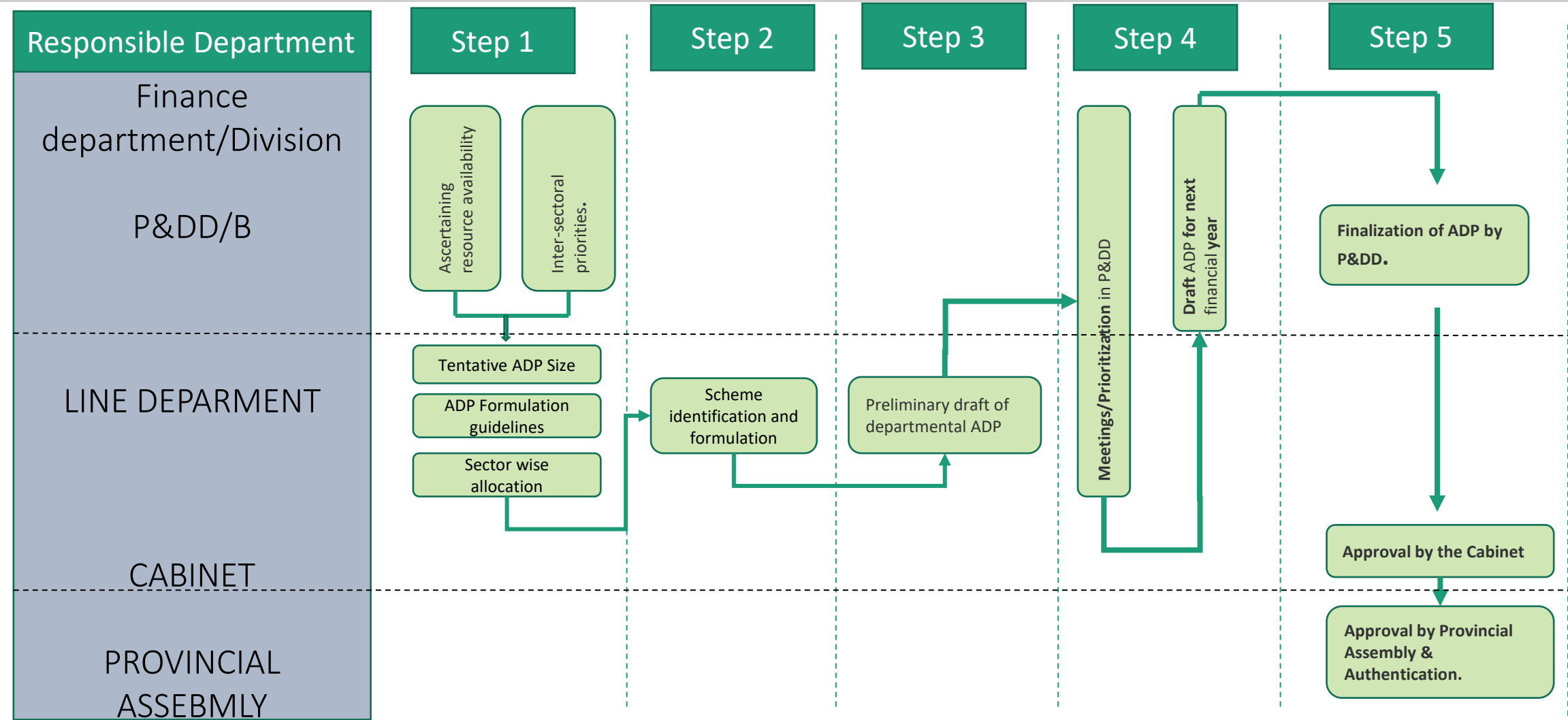
# 1. Introduction

## Lecture Outlines

- Formulation of annual Development Plan
- Project Lifecycle.
  - Project Concept Note (PCN)
  - Various Components of PLC
  - Project Identification (PI)
  - PI Check List
  - Common Mistakes in PI
  - Feasibility Study
  - PC-II Form

# 1. Developmental Plan

## 1.1 Formulation of (ADP):



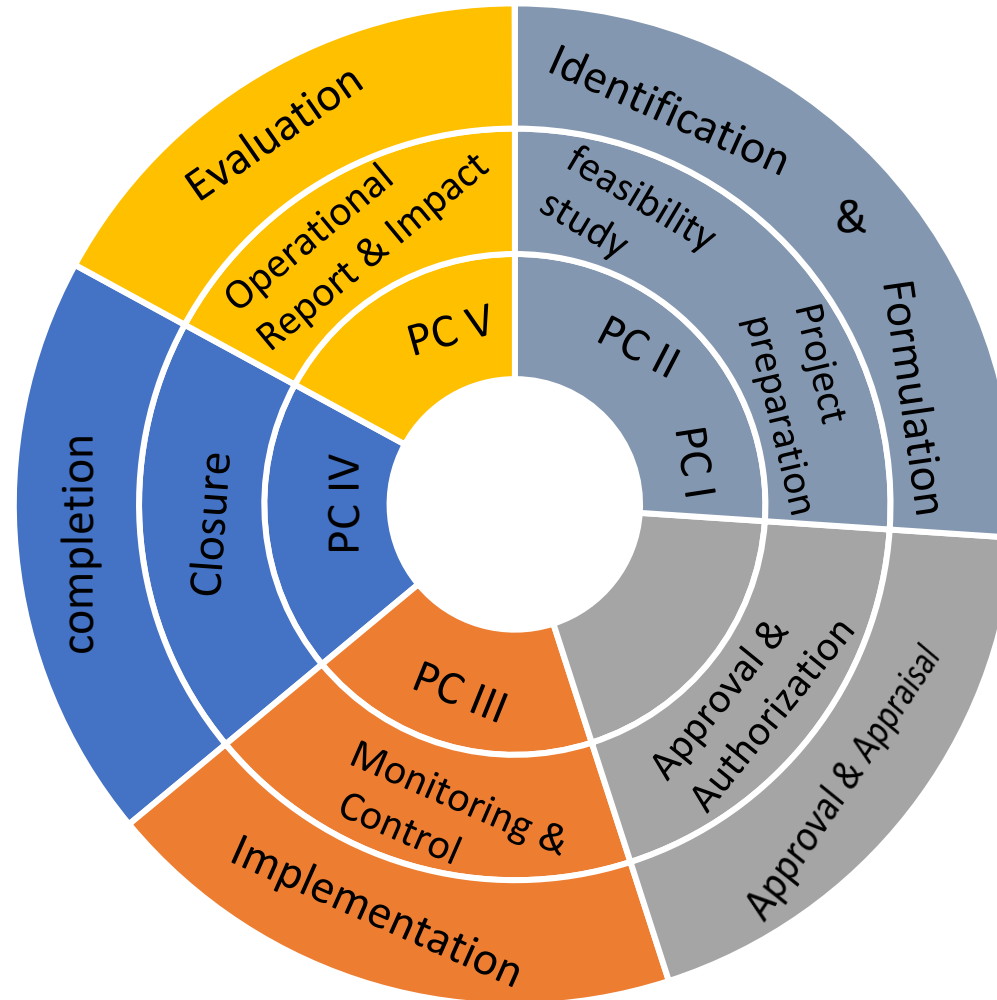
## 2. Project Lifecycle (PLC)

### 2.1 Project Concept Note (PCN):

- The project identification phase conclude with the preparation of a PCN.
- It is prerequisite for the initiation of project preparation.
- PCN must also include the estimated expenditure and source of funding for project preparation.
- The approved PCN should signal the start of project preparation and the authorization to incur Pre-project approval expenditures.
- All projects included in the PSDP/ADP should have an approved PCN, with the clearance / approval date of the PCN as the official commencement date of project.

## 2. Project Lifecycle (PLC)

### 2.2 Various Components of PLC:



## 2. Project Lifecycle (PLC)

### 2.3 Project Identification:

- The project identification and conceptualization process ensures that the selected projects are fully aligned with the national development goals and public policy objectives.
- The project concept must be in sync with the Vision, the Five-Year Plan, and sectoral priorities.
- As sectoral priorities establish competing claims on the limited resources available, it is imperative that relevant ministries, divisions, and agencies put in place well reasoned and consensus-based strategies.
- The strategies also consider the sustainable development goals (SDGs), and country assistance and partnership strategies of development partners.

## 2 Project Lifecycle (PLC)

### 2.4 Checklist for Project Identification:

S.No	Checklist for Project Identification	Marks v
1	<b>Conduct objective and logical analysis</b> of documents such as problem tree analysis, log frame analysis, stakeholder consultations, etc. Documents such as vision, annual plans, five-year plans, sectoral strategies and priorities, policy directives must be utilized.	
2	Set clear project objectives and identify target groups benefiting from the project in the proposal	
3	Establish the project concept (together with alternative plans for financing), which will effectively serve to achieve the project's development objectives.	
4	Assess the priority or urgency of the project in the context of economic and social development plans and sector investment programs.	
5	Examine consistency with the relevant sector policies and master plan and the regional/area development plan.	

## 2 Project Lifecycle (PLC)

### 2.4 Checklist for Project Identification (Cont.):

S.No	Checklist for Project Identification	Marks
6	Consider the adequacy of the executing agency and the possibility of private sector participation in the project.	
7	Estimate approximate project cost (together with the cost of alternatives) based on the conceptual design.	
8	Make a preliminary assessment of the feasibility of the project and its development impacts on the country, its specific region or sector.	
9	Assess project sustainability (economic/financial, environmental, and social). Also evaluate the project's contribution to the achievement of SDGs, and the impact on climate change.	



## 2 Project Lifecycle (PLC)

### 2.5 Checklist for Techno Economic Feasibility study

S.No	Checklist for Feasibility Study	Tick as Appropriate		
		N/A	YES	NO
1	A general description of the aims, objectives and coverage of the survey/feasibility study is given.	N/A	YES	NO
2	Justification for undertaking the survey/ feasibility study is provided	N/A	YES	NO
3	Details of previous studies in the field have been provided	N/A	YES	NO
4	Duration of the study and proposed months of commencement and completion of the study are indicated	N/A	YES	NO
5	Item-wise/year-wise capital cost estimate of the study is broken down between local and foreign exchange	N/A	YES	NO
6	Date on which cost estimates were prepared is indicated.	N/A	YES	NO

## 7 Project Lifecycle (PLC)

### 2.5 Checklist for Feasibility study (Cont.:)

S.No	Checklist for Feasibility Study	Tick as Appropriate		
		N/A	YES	NO
7	Sources of financing the capital cost are provided	N/A	YES	NO
8	Requirements for local and foreign personnel i.e. professional, technical, administrative, clerical, skilled, unskilled, others along with their terms of reference are provided.	N/A	YES	NO
9	Period of contract of both the local and foreign consultants along with qualifications, experience and the terms of their appointment are given.	N/A	YES	NO
10	Expected outcome of the survey/feasibility study is given in quantifiable terms	N/A	YES	NO
11	Indicate whether any project will be prepared after the survey	N/A	YES	NO

## 2 Project Lifecycle (PLC)

### 2.6 Common mistakes in identification process :

#### 1. DATA AND ASSUMPTIONS

- Inadequacy of data to present factual position.
- An incorrect assumption of availability of inputs

#### 2. FINANCE

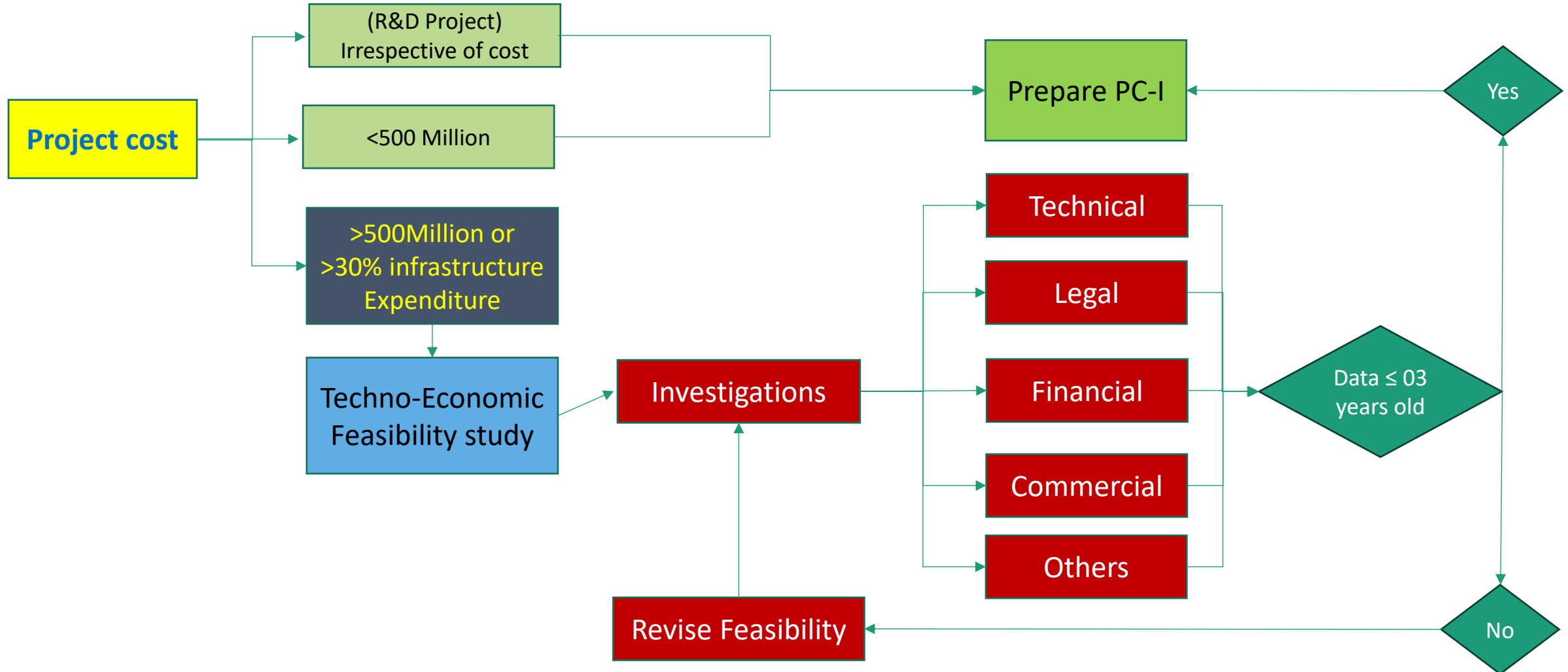
- Unrealistic cost estimates.
- Over-estimation of benefits.
- Ambiguity about availability of funding and financing
- Lack of proper cost-benefit , risk assessment ,environmental and sustainability analyses
- PC-I with a rough estimation of scope and cost hinders technical, economic, financial, and environmental appraisal.

#### 3.Process

- Lack of proper implementation schedule.
- Lack of coordination between the relevant agencies.
- Extensive time is taken by the sponsoring/executing agencies

## 2 Project Lifecycle (PLC)

### 2.7 Feasibility Study



## 2. Feasibility Study

### 2.7 PC-II Proforma

**PC-II PROFORMA**

THANKS