

Advanced Project Economics, Risk & Decision Analysis

Course code: AGRC-002



SPARK TRAINING

Professional training courses for leaders, specialists, and organizations seeking practical capability development.

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— Workshop Overview

The three biggest planning challenges are predicting costs, assessing profitability, and risk management. All these tasks occur in the early stages of capital planning and failure to adequately evaluate these elements can lead to heavy losses. This Advanced Project Economics, Risk & Decision Analysis training course will highlight:

- Identification of the stages required in the risk analysis process, i.e., preparing, modeling, and running risk analysis
- Development of the risk model, assessing probabilities to various variables, risk analysis, and explore the impact of uncertain variables
- Enable the participants to create reports such as, tornadoes diagrams, scatter plots and cumulative probability functions, using excel
- Application of decision trees and Monte Carlo-based simulations to generate profitability indicators
- Enable the participants to develop probabilistic cashflow reports along with probabilistic profitability indicators for decision-making

Why Attend

This Advanced Project Economics, Risk & Decision Analysis training course will incorporate a mix of learning methods, including but not limited to, high quality power point slides, short videos and active class participation. An in-depth knowledge of quantitative risk analysis techniques and hands-on problem solving skills will be

Who Should Attend

Planning Managers
Project Managers
Analysts
Commercial Managers
Economists
Government Officials
Geologists

— Learning Objectives

- Learn how to handle uncertainty in projects
- Understand different economic terms
- Understand the expected value concept and learn its impact on decision tree analysis
- Learn expected theory concepts and attitudes towards risk, risk aversion and risk premium
- Acquire spreadsheet skills including simulation software @RISK
- Carry out cashflow analysis for project and use common economic indicators to evaluate between competing alternatives
- Carry out a comprehensive economic study evaluating projects using risk and sensitivity analysis by means of spreadsheets

— Course Outline

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Course Content

- Development Economics
 - A brief history of energy usage
 - Principles of development economics
 - Understanding of economic terms
 - Inflation and its impact on nominal & real cashflows
 - Project financing Uncertainty in Investments
 - Handling uncertainty in capital projects
 - Understanding probability concepts
 - The expected value concept: features and pitfalls
 - Expected Monetary Value (EMV)
 - Expected Profitability Index (EPI)
 - Expected Opportunity Loss (EOL) Risks and Uncertainties
 - Risk & uncertainty
 - Risk aversion and risk premium
 - Exploration project threats and opportunities
 - Economic decision criteria
 - Decision tree analysis
 - Probability distribution
 - Monte Carlo simulation Setting-up Spreadsheet Calculations Using Excel
 - Spreadsheet Calculations
 - Cashflow analysis
 - Sensitivity analysis calculations
 - Tornado diagrams
 - Introduction to Monte Carlo simulations using @Risk Practical Use of the @Risk add-on
 - Developing an integrated economic model
 - Developing and using an @Risk Model Analysis
 - Project sensitivity analysis utilizing data from @Risk Model
 - Training course final review and close

— Upcoming Classroom Dates

Schedule available on request. Contact SPARK Training for current dates, locations, and fees.

— Certificate and Registration

Participants who attend and complete the full programme receive a SPARK Training Certificate of Completion. For registration, in-house delivery, or availability questions, contact info@sparktraining.eu or +31 85 115 0004.