

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
SCIENCE IN AGRICULTURAL ECONOMICS**

AGEC 422: AGRICULTURE PROJECT MANAGEMENT AND ANALYSIS

STREAMS: BSC. AGEC

TIME: 2 HOURS

DAY/DATE: THURSDAY 19/12/2024

8.30 A.M. – 10.30 A.M.

INSTRUCTIONS:

- **Answer ALL questions in Section One and THREE in Section TWO**
- **Do not write on the question paper**

SECTION ONE: Answer all questions (25 marks)

1. Define the following terms; **(5 marks)**
 - i. Project
 - ii. Project Planning
 - iii. Logical Framework
 - iv. Strategy analysis
 - v. Target group
2. Briefly highlight the major reasons why agricultural projects fail. **(6 marks)**
3. Briefly discuss the parameters for the success of an agricultural project. **(6 marks)**
4. Discuss the relative merits & demerits of N.P.V. & I.R.R. criteria for evaluation & comparison of investment proposals. **(8 marks)**

SECTION TWO: Answer any THREE questions (45 Marks)

5. The following are the details of activities in a project.

Activity	Predecessor	Duration		Crash cost/day
		Normal	Crash	
A	-	9	6	30,000
B	-	8	5	25,000
C	-	15	10	30,000
D	A	5	3	10,000
E	B	10	6	15,000
F	C, D, E	2	1	40,000

a) If the indirect costs are 60,000 per day, find the optimum duration for the project.

(6 marks)

b) Find the critical path for the project.

(9 marks)

6.

i. Briefly discuss the risk management process for any project.

(6 marks)

ii. Discuss the major elements of a project life cycle.

(8 marks)

7.

i. Why is Risk Analysis considered an integral part of project evaluation? Name three methods for incorporating risk factors into project evaluation and explain the procedure steps for one of them.

(9

marks)

iii. Explain the principles that guide a good cost-benefit analysis

(6 Marks)

8.

i. Briefly discuss the five components of a Monitoring and Evaluation Plan. **(5 marks)**

ii. Briefly discuss the major project assessment criteria for determining benefits and costs of a project. **(4 marks)**

iii. Explain the principles guiding a good cost benefit analysis

(6 Marks)

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