

York University
Faculty of Liberal Arts & Professional Studies
Department of Economics
AP/ECON 3810 3.0 M
The Economics of Project Appraisal and Feasibility
Summer 2026, S2 Term
Course Outline

1. Course Information

Course:	AP/ECON 3810 3.0 M, The Economics of Project Appraisal and Feasibility
Session:	Summer 2026, S2 Term
Section/Meeting:	M LECT 01
Campus:	York/Keele Campus
Lecture Time:	Monday and Wednesday, 14:30–17:20
Room:	DB 0014
Course Website:	https://eclass.yorku.ca/
Instructor:	Shafkat Ali
Email:	shafkata@yorku.ca
Office Hours:	To be announced on eClass

2. Prerequisites

AP/ECON 1000 3.00 and AP/ECON 1010 3.00, or equivalents. A course in intermediate microeconomics will be helpful.

Students are responsible for ensuring that they have successfully completed the prerequisites and are eligible to take the course.

3. Calendar/Course Description

This course covers prefeasibility and feasibility studies of proposed projects, forecasting of demand and plant capacity, estimation of production, sales, costs, and revenues, alternative commercial profitability criteria for project evaluation and selection, including net present value and rate of return, and sensitivity analysis under risk and uncertainty.

The course also discusses the welfare-theoretic foundations of project appraisal, including social welfare, shadow prices, and the relationship between private profitability and social cost-benefit analysis.

4. Learning Objectives

By the end of the course, students should be able to:

1. Explain the economic logic of project appraisal and feasibility analysis.
2. Distinguish between private/commercial profitability and social cost-benefit analysis.
3. Apply net present value, internal rate of return, benefit-cost ratio, and related criteria.
4. Forecast demand and relate demand forecasts to plant capacity and project scale.
5. Estimate project costs, revenues, and cash flows.
6. Explain the role of shadow prices and social opportunity costs in public project evaluation.
7. Conduct basic sensitivity analysis under risk and uncertainty.
8. Interpret project appraisal results clearly and critically.

5. Required Text and Materials

Main text:

E. J. Mishan and Euston Quah, *Cost-Benefit Analysis*. Routledge.

Additional notes, readings, numerical examples, and practice problems will be posted on eClass. Students are responsible for checking eClass regularly.

6. Evaluation

Assessment	Weight	Tentative Timing
Midterm Test	40%	Monday, July 20, 2026, in class
Final Examination	60%	Official S2 examination period, August 6–13, 2026

The final examination date, time, and location will be scheduled by the University. Students should not make travel or other commitments during the official examination period.

7. No-Class Week: July 11–17

There will be **no class meetings during the week of July 11–17, 2026**. In particular, there will be no class on **Monday, July 13** or **Wednesday, July 15**.

The **midterm date remains Monday, July 20, 2026**. The schedule below has been configured so that no course meeting occurs during the week of July 11–17.

8. Missed Tests and Deferred Standing

There will be no make-up test for the midterm. If a student misses the midterm for a valid and documented reason accepted by the instructor and/or Department, the weight of the midterm will be transferred to the final examination.

Deferred standing for the final examination will be granted only in accordance with York University and Department of Economics procedures. Students seeking deferred standing must submit the appropriate deferred standing application and supporting documentation to the Department of Economics. The date and time of any deferred examination will be set later by the Department or University.

Students who require further extensions or accommodation beyond the deferred examination process may need to submit a formal petition to the Faculty.

9. Grading

The grading scheme for the course conforms to the 9-point grading system used in undergraduate programs at York University. Assignments, tests, and examinations may be reported using either letter grades or corresponding numerical grades.

Letter Grade	Grade Point	Approximate Percentage Range	Interpretation
A+	9	90–100	Exceptional
A	8	80–89	Excellent
B+	7	75–79	Very Good
B	6	70–74	Good
C+	5	65–69	Competent
C	4	60–64	Fairly Competent
D+	3	55–59	Passing
D	2	50–54	Marginally Passing
E	1	40–49	Marginally Failing
F	0	0–39	Failing

10. Tentative Course Schedule

The schedule below is tentative and may be adjusted depending on class progress. July 1 is a University closure for Canada Day. There will be **no class meetings during the week of July 11–17**. August 3 is the Civic Holiday. August 4 is listed as the S2 make-up day.

Date	Topic
Mon. June 22	Introduction to project appraisal and feasibility analysis; private versus social evaluation
Wed. June 24	Project criteria: net present value, internal rate of return, benefit-cost ratio
Mon. June 29	Demand forecasting, market analysis, and plant capacity
Wed. July 1	No class: Canada Day University closure
Mon. July 6	Estimation of costs, revenues, and cash flows
Wed. July 8	Welfare foundations: consumer surplus, producer surplus, and social welfare; review for midterm
Mon. July 13	No class: scheduled no-class week, July 11–17
Wed. July 15	No class: scheduled no-class week, July 11–17
Mon. July 20	Midterm test

Date	Topic
Wed. July 22	The fundamental theorems, social planning, and project selection
Mon. July 27	Shadow prices, opportunity cost, and distortions
Wed. July 29	Cost-benefit analysis in practice: public projects, externalities, and distributional issues; risk, uncertainty, and sensitivity analysis
Mon. August 3	No class: Civic Holiday University closure
Tue. August 4	Make-up class/review; applications and numerical project appraisal examples; integration of course themes
Aug. 6–13	Final examination period; exact date, time, and location to be scheduled by the University

11. Course Policies

11.1. Academic Integrity

Students are expected to understand and follow York University’s policies on academic honesty and academic integrity. Academic misconduct includes, but is not limited to, plagiarism, cheating, unauthorized collaboration, impersonation, and the use of unauthorized aids during tests or examinations.

11.2. Use of eClass

Course announcements, lecture notes, supplementary materials, and other important information will be posted on eClass. Students are responsible for checking eClass and their York email regularly.

11.3. Class Preparation

Students are expected to attend lectures, review posted materials, complete assigned readings and practice problems, and come prepared to discuss economic concepts and numerical examples.

11.4. Accessibility and Accommodation

York University provides accommodation for students with disabilities, including physical, medical, systemic, learning, and psychiatric disabilities. Students requiring accommodation should follow the appropriate University procedures and contact the relevant York office as early as possible.

11.5. Religious Observance Accommodation

Students requiring accommodation for religious observance should follow York University’s procedures and notify the instructor as early as possible.

11.6. Student Conduct

Students are expected to maintain respectful and professional conduct in class, on eClass, and in all course-related communications.

12. Important S2 Dates

S2 classes begin	Monday, June 22, 2026
Last date to add a course	Monday, June 29, 2026
No-class week for this course	July 11–17, 2026
Last date to drop without receiving a grade	Monday, July 20, 2026
Course withdrawal period	July 21–August 4, 2026
Course end date	Tuesday, August 4, 2026
Study day	Wednesday, August 5, 2026
Examination period	August 6–13, 2026

13. Important University Information

Students are expected to familiarize themselves with York University’s policies and procedures concerning:

- Academic honesty and academic integrity;
- Ethics review for research involving human participants;
- Course requirement accommodation for students with disabilities;
- Student conduct standards;
- Religious observance accommodation;
- Add/drop deadlines and withdrawal policies.

This outline is a draft prepared for Summer 2026 S2 and may be revised to comply with Department, Faculty, and University requirements.