COPENHAGEN CONSENSUS CENTER

BHUTAN ACADEMY

Day 3 warm-up quiz

Infrastructure, agriculture and appraisal

Copenhagen Consensus Center

October 2026

Question 1 of 8

A road upgrade shortens journeys. Whose time savings should we consider?

A. Only people travelling for paid work

B. All affected travellers, using appropriate time values

C. Only people who pay a road toll

Time can have value during work, commuting and personal travel.

Source: HM Treasury, The Green Book (2026)

Question 2 of 8

Before building a new road, which alternative should we examine?

A. **Maintaining or improving the existing road**

B. Leaving the existing road without maintenance

C. Only a larger and more expensive new road

Compare realistic options, including better maintenance and smaller improvements.

Source: HM Treasury, The Green Book (2026)

Question 3 of 8

Fencing protects crops. What is the relevant farming benefit?

A. The total value of every crop grown inside the fence

B. The full sales revenue of participating farms

C. The additional crop value, allowing for extra production costs

Compare with crops produced without fencing. Count additional production costs once.

Source: HM Treasury, The Green Book (2026)

Question 4 of 8

A project saves unpaid time spent collecting water. Can this be a benefit?

A. **Yes, unpaid time can have an opportunity cost**

B. No, only paid working time has value

C. Only if the government receives the savings

Time savings can matter even when no wage or payment changes hands.

Source: HM Treasury, The Green Book (2026)

Question 5 of 8

Government pays farmers a grant. How do we treat the payment in social CBA?

A. Count it only as a government cost

B. Count it only as a benefit to farmers

C. Record the payer cost and recipient gain consistently

A transfer has two sides. Administration and other real resource costs still matter.

Source: HM Treasury, The Green Book (2026)

Question 6 of 8

A project has costs now and benefits over many years. How do we compare them?

A. Add all amounts without considering when they occur

B. Discount dated costs and benefits to a common base year

C. Discount the benefits but leave future costs unchanged

Use present values to compare costs and benefits occurring at different times.

Source: HM Treasury, The Green Book (2026)

Question 7 of 8

Your result depends on an uncertain crop yield increase. What should you do?

A. Keep the estimate that gives the highest BCR

B. Hide the assumption until someone asks

C. Test plausible alternatives and show how the result changes

Sensitivity analysis shows which assumptions could change the recommendation.

Source: HM Treasury, The Green Book (2026)

Question 8 of 8

A proposal has the highest estimated BCR. Should it automatically receive funding?

A. Yes, the highest ratio always determines the priority

B. No, also assess evidence, scale, feasibility and alternatives

C. Yes, even if the benefits rely on weak evidence

A BCR helps compare options. The recommendation also depends on credible evidence and practical constraints.

Source: HM Treasury, The Green Book (2026)