LAIKIPIA UNIVERSITY

UNIVERSITY EXAMINATIONS

FIRST SEMESTER 2025/2026 ACADEMIC YEAR

FOURTH YEAR EXAMINATION FOR THE DEGREE OF BACHELOR OF SCIENCE IN AGRICULTURAL ECONOMICS AND AGRIBUSINESS MANAGEMENT

AGEC 422: AGRICULTURAL PROJECT MANAGEMENT

STREAM: ***AGBM*** ***TIME: 2 HRS***

DAY: ***WEDNESDAY [8.30 A.M-10.30 A.M]*** ***DATE: 4/02/2026***

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

PLEASE DO NOT OPEN UNTIL THE INVIGILATOR SAYS SO.

Instructions:

i. **Answer question ONE and any two question**
ii. **Show all your workings and write legibly**
iii. **Do not write on the question paper**

QUESTION ONE (30 MARKS)

a) Discuss the major stages of the agricultural project cycle and explain how each stage contributes to the overall success of a project. **(6 marks)**

b) In assessing the impacts of project activities, important distinctions between "with" and "without" vs. "before" and "after" project comparisons are made. What follows, refer to an intervention that increases maize yield to farmers.

i) Use at least one clarifying example to describe the impacts that the "with" and "without "comparison is designed to capture. **(2 marks)**

ii) Use at least one clarifying example to describe the impacts that the "before" and "after comparison is designed to capture. **(2 marks)**

iii) Suppose you are required to implement a Cost Benefit Analysis of this intervention, clarify whether you would choose the "with" and "without or the "before" and "after" project comparison for this purpose. **(1 mark)**

iv) Justify your choice of comparison in question (iii) above. **(1 mark)**

c) Explain the importance of conducting a baseline survey as a part of project preparation, appraisal and evaluation **(6 marks)**

d) Discuss the importance of stakeholder participation in agricultural project management and how it enhances ownership, sustainability, and impact. **(8 marks)**

e) Distinguish between mutually exclusive projects and independent projects **(4 marks)**

QUESTION TWO (20 MARKS)

a) In our study of the policy aspects of project appraisal, it is important for the project analyst to understand shadow pricing systems and how they relate to policy making.

i) Use at least *one appropriate example* to provide a working definition of shadow prices. **(3 marks)**

ii) Use at least one appropriate example to explain how shadow prices differ from market prices. **(4 marks)**

iii) Provide the economic circumstances under which shadow prices would be equal to market prices. **(3 marks)**

b) Explain the importance of sustainability in agricultural project management and discuss strategies that ensure long-term project impact. **(10 marks)**

QUESTION THREE (20 MARKS)

a) Critically examine the factors influencing the success and failure of agricultural development projects in Kenya. **(10 marks)**

b) Identify a problem facing smallholder dairy farmers in Kenya and structure a problem tree. Translate the problem tree to objective tree and finally pick one of the objectives and do a log frame. **(10 marks)**

QUESTION FOUR (20 MARKS)

a) Evaluate the role of monitoring and evaluation in improving the efficiency, effectiveness, and accountability of agricultural projects. **(10 marks)**

b) Using examples, analyze how cost–benefit analysis can be used to assess the economic viability of agricultural projects. **(10 marks)**

QUESTION FIVE (20 MARKS)

a) Project managers have a list of actions in a project and also expect specific results from the actions. Give these actions and results required in a table with examples in the agriculture environment. **(10 marks)**

b) Why do projects fail? Give a clear explanation of reasons why projects fail and how this could be avoided. Give relevant examples in agriculture. **(10 marks)**