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ESTIMATION OF LOCAL RECREATIONAL VALUE OF WASGAMUWA NATIONAL PARK

by

Rathnayake Mudiyanselage Wasantha Rathnayake
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168814

Department of Forestry & Environmental Sciences,
Faculty of Graduate Studies,
University of Sri Jayewardenepura,
Nugegoda,
Sri Lanka,

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Abstract

Wasgamuwa National Park (WNP) is one of the important habitats in the Mahaweli project area for the long-term conservation of huge swamp elephant (*Elephas maximus ceylonensis*). An economic study was carried out in the WNP to estimate the its local recreational value. The economic approach used to estimate the recreational value was the travel cost method. This approach values environmental services using surrogate market prices which includes all the expenses incurred by the user in viewing wildlife. Travel cost approach is based on the simple proposition that observed behavior can be used to derive a demand curve and to estimate a value (including consumer surplus) for an un-priced environmental goods and services by treating increasing travel costs as a surrogate for variable admission fees. In addition the present study also aimed at estimating an appropriate user fee which gives the maximum revenue. Questionnaire survey was conducted to collect primary data. Visitors were selected randomly and were interviewed at the park. In the estimation, average zonal travel costs were regressed against the respective zonal visitation rates to derive the per capita demand functions for wildlife viewing. The consumer surplus of wildlife viewing was calculated by deriving respective zonal capita demand functions. The local consumer surplus at present park entrance fee is 1.85 million Rupees per year, and the consumer surplus per visit is Rs.78.82. The total local recreational value is 2.38 million Rupees for the Wasgamuwa National Park in 2001 and then the site is worth about Rs. 83.09 per visit. Such a low amount indicates the degree of under valuation of this natural resource. The park entrance fee could be increased considerably and to get the maximum revenue the per capita entrance fee should be Rs. 109.00. This may reduce the present visitor number by about 47%, but it will improve the total revenue by 188.91%. The decided fee should be affordable to a majority of the general public.

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