

ABSTRACT

Ecosystem services are crucial for the well being of people, but their contribution to economic systems is difficult to quantify in monetary terms. Since they are not traded in commercial markets, they are often given too little or no weight in decision-making. Economic valuation is a tool for valuing ecosystems and their services in monetary terms. It quantifies the benefits provided by ecosystems and the impact of ecosystem changes on the well being of people.

In 1983 Maduru Oya National Park (MONP) was established to protect the immediate catchments of five reservoirs developed under the accelerated Mahaweli Development Programme. The park area provides refuge for wildlife. The area of park is 58,785ha. The park is an important for its rich wildlife, which includes a variety of endemic species. Threatened species of mammals, reptiles and fishes are common in the park. This park is under the threats of conservation such as cattle grazing, deforestation, road development etc. and it is reported that with comparison to many other Protected Areas (PA) of the country MONP is not popular among tourists of both local and foreign. It is required to bring relevant stakeholders' attention towards MONP and required to upgrade its statues and deploy appropriate park management practices and make use of this PA ecosystem for sustainable utilization for the benefit of current and future generation. In order to make sound policy decisions with regard to environmental problems, decision makers need information on the benefits and costs of alternative options. To do this it is necessary to provide empirical evidences pertain to importance of this park and Total Economic Valuation (TEV) can be used as one of such tool.

This study conducted to calculate TEV of the MONP. In this research simple manual for estimating economic value of wetland for Lao policymakers" by Phouphet Kyophilavong (2011) was used as main guideline literature due to its simplicity and user friendliness. Total Economic Valuation approach was used which concentrated on direct and indirect use values of the PA ecosystem services with more emphasis on non-use values. Combination of three deterrent economic valuations methods were used in this research and the Market Price technique was used to estimate the direct use value of the PA ecosystem goods and services and Contingent Valuation Method was used to solicit the willingness to pay for the conservation of the PA to valuate its non-use value. Benefit transfer methods were used to calculate option value of the MONP. Both secondary and primary data were used and primary data were collected through standard structured questionnaire, interviewing the stakeholders a using a standard structured questionnaire and interviewing stakeholders with unstructured questionnaire. 155 stakeholders were given responses and data were collected through obtaining experts opinion as well.

TEV of the MONP were estimated as Sri Lanka Rupees 2,055 million per annum and per hectare was estimated approximate Rs. 35,000 per annum as result of the research. It is recommended to have proper management plan for the park and projects with community participation to enhance its biodiversity and avoid further degradations. It is necessary to do comprehensive research work including biodiversity survey to determine more accurate value of this important PA ecosystem.