

**RECREATIONAL VALUE OF MUTHURAJAWELA ECOSYSTEM:  
AN APPLICATION OF TRAVEL COST METHOD**

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The recreational services provided by natural resource systems to mankind are fast being recognized. However, knowledge on valuing the flow of recreational services and creating a demand for ecological services is comparatively less explored in developing countries such as Sri Lanka. The recreation value of Muthurajawela ecosystem was estimated using the travel cost method in this study. Data on travel cost and related information were collected from randomly selected 100 foreign visitors to the site from last week of March to third week of April. The zonal travel cost method was employed as an economic tool. The estimated total recreation value was 1.05 million US \$ per year, but the total economic value could be many times higher than this. Calculations showed that the maximum revenue from the ecosystem could be obtained when the entrance fee is set to US \$ 98.00. This may however reduce the present foreign visitor number by 13.13%, but it will improve the total revenue of the ecosystem by 4,263%. These differences strengthen the common argument by both officials and the public, regarding insufficient allocation of man power and funds for natural resources management and particularly the Muthurajawela ecosystem.

**Keywords:** Muthurajawela ecosystem, Recreational value, Travel cost method