

THE OPEN UNIVERSITY OF SRI LANKA  
MASTER OF SCIENCE IN ENVIRONMENTAL SCIENCES  
LEVEL 09  
DSP9502/NEP1208 ENVIRONMENTAL ECONOMICS AND  
MANAGEMENT  
FINAL EXAMINATION -2018/2019



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Date: 09.02.2020

Time: 9.30 a.m. - 12.30 p.m.

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Instructions:

- Answer four (4) questions

1.

- a) Write an account of non-renewable resources
- b) Discuss the global geographical dispersion of non-renewable resources. Give your ideas on the comparative advantage of production of non-renewable resources in order to meet the trade sustainability.

(25 Marks)

2.

- a) Explain the main steps of travel cost method.
- b) Describe the key components of the WTP of travel cost method using a diagram.
- c) Discuss the advantages and disadvantages of travel cost method in the Sri Lankan context

(25 Marks)

3. Discuss the negative externalities related to the municipal solid waste in the Colombo city Region. Give your suggestions to reduce their negative impacts on communities.

(25 marks)

4. By restricting CFC (Chlorofluorocarbon – a greenhouse gas) production, the Montreal Protocol and U.S. regulations have increased the price of CFCs. Assume your employer is a major CFC producer. Present an economic argument either for or against the restrictions.

(25 marks)

5. Forest logging is one of the environmental threat in Sri Lanka. Discuss the major challenges faced by Sri Lanka as a result of deforestation.

(25 marks)

6. Explain the concept of 'Sustainable harvest' and 'Density dependent growth' by using examples in the fisheries sector.

(25 marks)

7. *SriPaadhaya* is one of the important sacred places in Sri Lanka which attracts seasonal visitors. One of the major environmental threat faced by *SriPaadhaya* ecosystem is garbage throw-out by visitors.
- Describe the public and private equilibrium of site-seeing of Sri Paadaya using a diagram.
  - Give your economically efficient solutions to internalize the garbage pollution in Sri Paadhaya.
- (25 marks)
8. a) Describe the main steps of cost benefit analysis.  
b) Imagine you are require to conduct a cost benefit analysis for Uma Oya project. Discuss the quantifiable and non-quantifiable factors in the cost benefit analysis.
- (25 marks)

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