



# **MAASAI MARA UNIVERSITY**

**UNIVERSITY MAIN EXAMINATIONS**

**2023/2024 ACADEMIC YEAR**

**FOURTH YEAR FIRST SEMESTER**

**SCHOOL OF NATURAL RESOURCE, TOURISM &  
HOSPITALITY**

**BACHELOR OF SCIENCE IN WILDLIFE  
RESOURCE MANAGEMENT**

**COURSE CODE: WRM 4132-1**

**COURSE TITLE: WILDLIFE ECONOMICS**

**DATE:**

**TIME:**

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## **INSTRUCTIONS TO CANDIDATES**

Answer **All** the Questions in Section A and any **THREE** IN SECTION B  
*This paper consists of **TWO** printed pages. Please turn over*

**SECTION A (20 MARKS)**

1. Differentiate between the following terms;

- i) Wildlife costs and benefits (1 Mark)
- ii) Consumptive and non-consumptive utilization of wildlife (1 Mark)
- iii) Option and existence values of wildlife (1 Mark)
- iv) Environmental goods and services (1 Mark)
- v) Producer surplus and consumer surplus (1 Mark)

2. Briefly explain the broad objectives of Wildlife Economics. (5 Marks)

3. Explain five reasons why the benefits from wildlife to society have been undervalued. (5 Marks)

4. Expound on the limitations of the methods used in wildlife resource valuation. (5 Marks)

**SECTION B (30 MARKS)**

5. Discuss how you would use indigenous wildlife, both plants and animals (marine and terrestrial), to create economic value that aligns with conservation objectives and delivers sustainable growth and economic development.

(10 Marks)

6. Discuss the problems facing the implementation of the Convention on International Trade in Endangered Species in its effort to regulate international trade in wildlife and wildlife products. (10 Marks)

7. Discuss the motivations for economic valuation of wildlife benefits.

(10 Marks)

8. The Kenya Wildlife Service (KWS) wants to diversify economic activities at Sibiloi National Park. It is considering adopting a small project on recreational Bird watching that would take 5 years in the first phase. Suppose that the initial cost incurred to start off the project would be Kshs. 200,000 and the annual maintenance cost is Kshs. 120,000. Revenue collected from the visitors who come to watch the animals is estimated at Kshs. 550, 000 for each year.

a) If the cost of capital is 20%, determine the Net Present Value of the project.

b) Would you advice KWS to adopt the project or not? Give reasons for your advice.

(10 Marks)