

Natural Resource Accounting of Madhya Pradesh Forests – A Case of Kanha National Park

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The project was executed in the Kanha National Park (KNP) to estimate the economic values generated by the KNP. Currently on account of absence of appropriate accounting methods, do not find place in the physical accounts as manifested by the State Domestic Products of Madhya Pradesh. As a result of this, the efforts for Forest Conservation do not get adequately rewarded as the planning has been done in quid-pro-quo manner. Keeping this background in mind, the project intended to (i) to generate economic value of various goods & services provided by the forests of KNP to various stakeholders, (ii) to prepare the Forest Resource Accounts of KNP, and (iii) to prepare a case of conservation and environmental finance for sustainable management of KNP. For the purpose detailed survey of various stakeholders either drawing multiple benefits from KNP like the tourists, households of adjoining villages, resorts/hotels in the area or engaged in management of KNP i.e. the Forest Department was conducted. Domestic and foreign visitors were surveyed using the travel cost method and the value of biodiversity conservation was obtained through an estimate of consumer surplus. The estimate was projected for total number of tourists visiting KNP and a considerable difference was found between the revenue currently earned and total Consumer surplus derived by the visitors. Consumer surplus reflects nothing but the true economic value of KNP which goes unrecorded in the current accounting system. The benefits derived by the local resorts, hotels were also estimated and it was found that there is no mechanism of exists currently to recover some value out of huge amount of profits cornered by the hoteliers but on account of KNP. Else the revenue so collected could very well be ploughed back for park's management. The study eventually suggests for reorganizing the current system of physical accounts by incorporating environmental values contribution which in turn would help preparing a case of environmental and conservation finance for sustainable management of KNP.