

PAYMENT FOR ECOSYSTEM SERVICES: WILLINGNESS TO PAY FOR FOREST RECREATION SERVICES AT MOUNT SILAM, SAPAGAYA FOREST RESERVE LAHAD DATU SABAH

**Siti Masturah Norbeh¹, Jurimin Ebin¹, Daim Balingi¹,
Hamidah Bujing¹ & Yong Szu Cherng¹**

¹Sabah Forestry Department (MALAYSIA)

*E-mails: sitimasturah.norbeh@sabah.gov.my, janius.ebin@sabah.gov.my,
daim.balingi@sabah.gov.my, hamidah.bujing@sabah.gov.my,
szucherng.yong@sabah.gov.my*

Abstract

Mount Silam, one of the tourist destinations in Lahad Datu, is nestled within the Sapagaya Class I Forest Reserve and located about 10km from the Lahad Datu town. Revenues from forest recreational activities within this forest reserve were collected in the form of entrance fee and other charges. Managing the forest recreation services is challenging and costly, therefore, the Department has exploring Payment for Ecosystem Services (PES) as one of the potential financing mechanisms for a sustainable ecotourism management. As part of the initiative, a field questionnaire interviews were conducted with the aim of ascertaining Willingness to Pay (WTP) for forest recreation services at Mt.Silam. The questionnaire was administered to 385 respondents, and the data collected were subjected to statistical analysis. Based on the Contingent Valuation Method (CVM), the average incremental WTP value was RM2.00 over existing facilities and the average WTP value over new facilities was RM 6.00. The WTP estimate provides an indicator of the revision upon the entrance fee that the Department could charge per entry in future. Regression analysis revealed that the level of visitors' satisfaction on natural environmental attractions has significant influence on their willingness to pay. Although new proposed facilities do not significantly influence the visitors' willingness to pay, but the relation has confident level at 85%, which signify that visitor view positively on moves to add new facilities to Mt. Silam. In this study, socio economic status does not affect the willingness to pay of visitors. The study also revealed the direct contribution to the local economy of Sabah from recreational activities at Mt. Silam could reach up to RM2.07 million per year. In aggregate over a year period and 23,000 visits to Mt. Silam, the direct and indirect economic impacts, and the direct, indirect and induced impacts to the Sabah economy were estimated to be RM3.84 million and RM5.23 million per year respectively. The study benefits Sabah Forestry Department on the management of natural resources and improving forest recreation services inside forest reserves.

Keywords: Willingness to pay, forest recreation, Contingent Valuation Method