



KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2009/2010

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF ENVIRONMENTAL PLANNING AND MANAGEMENT

EPM 322: ENVIRONMENTAL ECONOMICS II

DATE: Wednesday, 7th April, 2010

TIME: 2.00 p.m. – 4.00 p.m.

INSTRUCTIONS:

Answer question **ONE** and any other **TWO**.

Q.1 Write short notes on the following concepts:

- i) Macro economics (3 marks)
- ii) Environmental valuation (9 marks)
- iii) Economic impact analysis (9 marks)
- iv) Consumer surplus (9 marks)

Q.2 Discuss the circular flow of income with foreign and government sectors and credit market. (20 marks)

Q.3 Critically discuss the steps in benefit cost analysis (20 marks)

Q.4 Discuss the following natural resources management decision making tools:

- a) Sustainable development assessment (10 marks)
- b) Natural resource damage assessment (10 marks)

Q.5 Using suitable examples, discuss the applicability of Contingent Valuation Method in the valuation of non-market environmental goods and services
(20 marks)
