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Situation Report on Lancang River Development in Yunnan Province, China

Introduction

This report aims to highlight some of the major development issues facing the development of Lancang River (within the Mekong River Basin) in Yunnan Province, especially in the middle range of the River in which the environmental degradation is most serious. Some suggestions are made regarding what roles international NGOs like Oxfam can possibly play.

Since many departments involve in the development of Lancang River, this report is therefore based on the interviews with some officials and researchers who are working on Lancang River. They include 1) Mr. Yang Qin Ming, Director of Foreign Funded Projects Centre, Poverty Alleviation Office, Yunnan. He spent most of the Eighties working in Ximao District, middle range of Lancang River, and was in charge of agriculture development in the District. 2) Prof. He Daming, Vice Director of Yunnan Institute of Geography who has been working on Lancang River for more than 10 years; 3) Miss Li Qin of the Planning Commission who is the Vice Group Leader of the ADB project: Sustainable Development and Strategies in Lancang River; 4) Mr. Xiao Xinyi of the Foreign Affair Office who works in the General Office of the Steering Group of Sub-regional Economic Cooperation of Yunnan Province.

Due to the time constraint, there is no data collected from the Department of Energy, Electricity, Transportation, Forestry and many others. All of them play important roles in the development of Lancang River.

Development Issues

1. Poverty, Food Security and Sustainable Agriculture Development

Among the 592 national poor counties in China, 73 are in Yunnan and 29 of them (about 40%) are located along Lancang River Basin. Majority of the population are minority people living on mountainous area. At the time when the Responsibility System was introduced in 1979, the major development problem along Lancang River, especially the middle and lower stream, was the food security problem. The reasons perceived by the government included the limited promotion of technology, low production level and the use of traditional varieties and farming methods.

After the introduction of the Responsibility System, there was mass scale deforestation and opening up of farmland along the Lancang River. Ximao and Lin Cang District, two districts separated by the Lancang River in the middle range, suffered the most. Starting from 1982, the first stage of government development strategy was introduced in which the deforestation and opening up of new farmland was forbidden and to increase the unit productivity of farmland through promotion of hybrid varieties and plastic sheeting.

The second stage of the development called the 'Integrated Agriculture Development Program in Southwest Yunnan' started in mid-Eighties. The program consisted of components in agriculture, irrigation, forestry, transportation and electricity. It aimed to achieve reasonable and integrated development in mountain, water, forest, farmland, road and villages through improvement of the infrastructure in agriculture. Specific objectives included terracing, promotion of new technology, diversification of agriculture structure and promotion of agro-

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forestry. It also aimed to change farmers' concept from 'eating the mountain' to 'relying, protecting and feeding the mountain'

The program was implemented in Banna, Ximao, Lin Cang, De Hong and Bao Shan District, all located at the downstream of Lancang River. From this angle, this development program can also represent the government development approaches on Lancang River at that time.

The main problems with these development program are that the resources are biased towards the richer households at lowland areas, and often failed to respond to the needs at community level, especially the communities at minority mountainous areas. Another problem is that the agriculture development program promoted by the government tend to be large scale and often hard hit by market fluctuation and put households at high risk.

2. Energy Need at Community Level

While the Chinese government has an aggressive plan on generating hydro-electric power along the Lancang River, the energy is almost exclusively sold to other parts of China like Kwangdong Province or other countries like Thailand. There is a lack of energy plans that are targeted to the local communities.

By the end of the Eighties, there was a growing concern regarding the energy use within the region because over half of the tree cutting was for domestic consumption. The government started promoting energy-saving stove and the bio-gas. A Bio-gas Office was set-up in the Department of Forestry. Some pilot projects on eco-forestry were also initiated. A project on Protected Forestry System in Lancang River planned by the Planning Commission and implemented through Forestry Department started the implementation last year at 15 counties.

However, to what extent these measures can help resolve the energy problem in the region is questionable. Given the top-down approaches in introducing all these measures, there are lot of conflicts with and resistance from the local communities (see below).

3. Conflict between Policies and the Local Communities

In 1999 after the China Flood in 1998, the ban on lumbering in the upper range of Yangzi River was introduced in Yunnan. The policy was later extended to the Lancang River catchment. Large scale afforestation program was initiated by the Forest Department. One of them is the Protection and Management of Eco-Environment Program in Lancang River which costs RMB 50 million.

But the ban does not take into consideration of the poverty issue and energy need of the households. Many households who earn their income from lumbering go back to poverty overnight. At the moment, the farmers are allowed to collect the felled firewood, but the shortage of firewood will become a conflict point very soon.

Another conflict situation resulted from environmental protection policies is the ban on growing sugar cane on the slope steeper than 15°. It also makes many farmers go back to poverty. Lin Cang, a district heavily relies on sugar plantation, is suffering the most from this policy.

Another dimension of conflict is related to trade policies and diplomatic consideration. For the national interest and priority, the government may purchase rubber from Thailand or Malaysia

or the sugar from Cuba. This has great impact on local economic development. Many farmers in the sugar or rubber plantation in Yunnan are often hard hit by these national policies.

The last type of conflict is related to the protected forest. It has become common knowledge now that the communities surrounding the protected forest are in constant conflict with the protection regulations and that many of them have been pushed to poverty because of the regulations. While the number of protected forest has kept increasing, the latest one on Lancang River was approved in June 99, there seems to have no effective solution addressing the conflict.

All these sorts of conflicts reflect the typical weaknesses in the government planning and administration: the lack of coordination, the fragmentation of different functions within the government, the lack of funding to implement, the lack of detailed implementation plan, the inflexibility in law enforcement and the lack of participation of communities.

Some researchers in Yunnan Academy of Social Sciences have started conducting researches on this area of conflict resolution and management along the Lancang River.

4. Environmental Degradation:

The environmental degradation along the Lancang River is serious. One indicator is the figure on silting. According to the report from Environment Protection Bureau, when the River enters Yunnan, its annual sand-carrying volume is 26.7 million tones. But when it leaves Yunnan, the figure has increased to 57.9 million tones. The lost of soil is most serious in the middle range of the River in which the vegetation covering rate is only 32.73%, compare to 52.85% in the upper stream and 59.27% in the downstream.

Besides the mass scale deforestation in the Seventies and at the early stage of Responsibility System, other reasons of environmental degradation along the Lancang River include the pollution from the mining industry, township industries, construction of dams, uncontrolled expansion in tourism, the pressure of the growing population and the failure of enforcing environmental laws..

While a lot of measures in environmental protection have been introduced in recent years, including the ban on lumbering and closure of enterprises which fail to reach the standard in pollution control before 2000, the poor quality of the officials in the County Environmental Protection Bureau (EPB) is becoming a major concern. The EPB at county level was only established last year and most of the officials come from different bureaus with no experience or technical expertise on environmental protection. The Training Centre under Provincial EPB lack resources and experience in providing quality training and the training provided by various bilateral agencies always stops at provincial level. As a result, even though the county EPB are given the authority in assessing and monitoring the environmental impact of various projects, the officials are simply in lack of skills and knowledge to make good judgement and recommendation.

5. Issues on Resettlement

About 57,000 people will need to be resettled throughout the construction of the 8 dams along the Lancang River. Although this number is relatively small when compared to the resettlement program in other dam construction in China, the complexity and the negative impact cannot be under-estimated. During the construction of the Manwan Hydroelectric Power Station, for example, about 3,200 people were re-settled. But each of them received only RMB 2,000, with such limited resources, they could only move upward to the mountain and started practice shifting cultivation again. Since the opening of the Station in 1993, the environmental impact of shifting cultivation is becoming obvious and affecting a much bigger population in the region. While the Department of Electricity is making profit from selling electricity to Kwangdong Province, the local community is suffering from its negative impact.

This little case has illustrated many problems related to resettlement program when building various dams on Lancang River: the insufficient funding for compensation, the lack of comprehensive planning on resettlement and the lack of coordination in responding to the problems arisen from resettlement. It is recommended that documentation of cases like this will definitely be helpful for any advocacy initiatives.

6. Ineffective Information Exchange and Experience Sharing

While a lot of researches and studies on Lancang River have been conducted for long time by different institutes, it is observed that the information exchange and experience sharing is extremely lacking. Moreover, the studies are mostly biased toward the macro level and technical aspect. The studies at community level are scattered if not lacking. Even though there are a lot of social science researches conducted along the river basin, they are not framed from the Lancang River development perspective.

Language is another problem in information exchange. Almost all studies on Lancang River supported by Asian Development Bank are in English and can hardly be shared by local officials. And many research reports written in Chinese also cannot be shared by the countries in the downstream.

The lack of effective information and experience sharing has greatly limited the potential of policies advocacy on Lancang-Mekong development.

7. Gender

Due to the reasons of poverty and increased mobility of population, the threat of HIV/AIDS and women trafficking are the emerging issues within the Lancang River Basin. Due to the sensitivity of the issues, the research and program work on women trafficking has been assigned by the Provincial government to the Women Federation, Public Security and the Institution of Sociology in Academy of Social Sciences. For the HIV/AIDS program, it is coordinated by the HIV/AIDS Office under the Provincial government. An international conference on women trafficking will be held in Kunming, Yunnan, from 6-9th December 99. With a more open and supporting attitude of the government officials, the possibility of program intervention by NGOs in these two areas have much increased.

Suggestions on What Roles NGOs Can Play

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1. To document the experience of re-settlement and the environmental impact of the Manwan Station.
2. To select a community near the Manwan Station to implement a pilot project on river catchment resource management integrated with poverty alleviation.
3. To support pilot projects on conflict management in the communities around the protected forest.
4. To support pilot projects on sustainable agriculture development program at highland areas.
5. To promote the participatory approach throughout the pilot projects and advocacy initiatives.
6. Location for intervention: Lin Cang District, a district with serious erosion problem but has limited development opportunities. Not much foreign funding is directed there.
7. To support promotion and training on environmental planning to local officials and communities. Many local officials are not aware that they can put in their annual budget the cost of environmental protection, which may even include compensation.
8. To support research on the impacts of government macro policies on the local communities.
9. To support publication of periodical magazine to share information and studies on Lancang River.
10. To support conferences and workshops for officials, NGOs and researchers to share information, new ideas and research findings.
11. To support translation and distribution of research reports.