

# From Hydropower to Sustainable Ecotourism: The Future of Development in the Nu River Valley, Yunnan, China

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## Policy Pointers

A clear and definitive status on the status of the Nu River development projects needs to be given by the Chinese government in order to move past dam plans into the next phase of environmental protection and preservation.

Local communities need to be formally consulted regarding development projects and have proper decision-making power in the final plans for developments occurring on their lands.

While the creation of a national park in place of dams will surely prevent widespread destruction of the natural environment, strong rules and regulations need to be enacted in order to ensure the continued preservation of both the land and way of life for all parties involved.



The stunning natural beauty of the Nujiang Valley (Credit: H. Nakkady)

Following concerns raised by a coalition of Chinese environmental groups, scientists and policy makers including the Ministry of Environmental Protection (MEP), the 13 proposed mainstream dams on the Nu/Salween River have been under suspension since 2004. It is now very likely that the dam project will be cancelled given the plan's lack of inclusion in China's 13th five-year development plan and the announcement of a project to build national parks in the area in 2016. This is a positive development for those concerned about sustainable development in the Mekong Region, as well as an opportunity for concerned citizens, environmentalists and the Chinese authorities to work closer together to build a sustainable future for the Nu River in China as well as its residents upstream and downstream.

In order to continue forward in a positive direction, there are three key issues that remain to be addressed, as follows:

- ❑ There is a need for clear information from the government on the status of the dam projects and whether they have been officially cancelled;
- ❑ There is a need for public consultation of local people on either the dam projects or national parks projects; and
- ❑ A sustainable tourism plan should be enacted which addresses any potentially negative impacts of tourism, including pollution, construction, and water and garbage issues that come alongside mass tourism, and which emphasizes eco-tourism, biodiversity protection and benefits to local people.

If these actions are completed, the Nujiang Valley may have a bright future ahead and serve as a great example from China to the rest of the Mekong Region and the world of how to promote sustainable development and local peoples' livelihood without unsustainable and potentially environmentally damaging development projects.



The first bend of the Nujiang (Credit: International Rivers)

**Nujiang Valley 'Development' Projects**

The Nu River (*Nujiang* in Chinese), which means "Angry River," is known for being one of the only major rivers in China without any mainstream dams, as well as a region of spectacular beauty and part of a UNESCO World Heritage site. Originating from the Tibetan Plateau, the Nujiang flows through the Tibetan Autonomous Region before passing through the most western regions of Yunnan Province in China along the Myanmar-China border, after which it crosses the border down to Myanmar and Thailand.

Hearing of the Yunnan provincial government's plans to build a cascade of 13 dams and two reservoirs on the mainstream of the Nu River together with the Huadian Power International company, a coalition of policy makers, scientists, environmentalists and officials from MEP raised their concerns about the environmental impacts of the project, particularly due to the geological instability of the area.

In response to these concerns, China's former Premier, Wen Jiabao, announced in April 2004 that the hydropower project would be suspended, stating "We should carefully consider and make a scientific decision about major hydroelectric projects like this that have aroused a high level of concern in society and with which the environmental protection side disagrees" (Teets, 2014, p. 115).

It has now been announced by the Yunnan provincial authorities that the Nu River area in Yunnan Province will become a national park area with two parks, the Grand Canyon National Park and Dulong River National Park, which have already been approved as of May 2016 (Zhaohui, 2016). While there has been no official announcement on the status of the dam projects themselves, it looks increasingly unlikely that they will be built. For the time being, the river remains a true heritage site with stunning natural beauty and unique biological diversity.

**Conflicting Policy Agendas with a Trend Towards Environmentalism**

The Chinese government's policy towards hydropower development on the Nu River has been a varying mix of encouragement, tacit acceptance, and strong discouragement depending on the agency and level of government involved (see Table 1 for more details). Much of the reason for these divergences in policy is due to different policy agendas and concerns being enacted by the MEP (formerly known as the State Environmental Protection Agency (SEPA)), the local provincial-level Yunnan government and the local prefecture-level Nujiang-Lisu autonomous prefecture authorities, and other high level leaders in the central government and the Communist Party of China (CPC).

Table 1. Conflicting Policy Agendas

	Pro-Hydropower Project	Opposed or Concerned to Hydropower Project	Unknown/ Unclear or Divided
Local/ Provincial Level	<div><input type="checkbox"/> Nujiang Prefecture Authorities</div> <div><input type="checkbox"/> Yunnan Provincial Government</div> <div><input type="checkbox"/> Huaneng Power International Company</div>	<div><input type="checkbox"/> Yunnan ENGOS (Environmental Non-Government Orgs)</div>	<div><input type="checkbox"/> Local villagers from Nujiang Region</div>
National Level	<div><input type="checkbox"/> Ministry of Water Resources</div> <div><input type="checkbox"/> National Development and Reform Commission</div>	<div><input type="checkbox"/> Ministry of Environmental Protection<sup>1</sup></div> <div><input type="checkbox"/> Beijing based national ENGOS</div>	<div><input type="checkbox"/> Executive</div> <div><input type="checkbox"/> State Council</div> <div><input type="checkbox"/> CPC Leaders</div>



Proposed dam projects on the Nu River (Credit: International Rivers)

The Yunnan provincial government supported the Nujiang dams project; one reason being the revenue that the project would bring in. Since the 1980s, the central government of China has not only decentralized fiscal policy to provincial and local governments and given them the main responsibility to manage services such as social security, education and healthcare, but it has also restricted their ability to tax. Therefore, most local governments operate under high levels of local debts and have turned to other sources of revenue, such as hydroelectric power, to bring in additional revenue (Teets, 2014, p. 16).

In contrast, at the national level, the MEP took a strong stance against the implementation of the hydroelectric development project on the Nu River. The MEP had particular reasons for collaborating with environmental groups on this policy issue. Environmentalists have been seen by the MEP and individuals within it as allies to the government who can help advance an environmental protection agenda, both through influencing the general public's opinion, and due to their ability to take more critical stances than a government agency could openly do.

While China's highest leadership in the State and CPC have not advocated openly in either direction, it is clear that environmentalism is a high policy priority for the central authorities. Environmentalists have been encouraged by statements from President Xi Jinping such as a "green mountain is a golden mountain" and by actions such as shoring up the power of the MEP by creating "Green Teams" to inspect provincial leaders' progress on environmental protection.

This shift in policy concerns towards environmentalism has been an opportunity to encourage sustainable development rather than risky hydropower on the Nujiang. Environmentalists, officials from the MEP, academics, and scientists have made a strong case to show their serious concerns about the potential geological and ecological negative impacts of the dam projects.

While this overall situation has resulted in positive results towards environmental protection agendas, the biggest concern is the lack of local people's participation in the decision-making processes on Nujiang developments. While the proposed projects have mainly played out as a policy conflict between the MEP, local authorities, the central government and ENGOs, local people's voices have been largely unheard. Other concerns remaining include a lack of transparent information about the final status of the hydropower projects and concerns about the potential negative environmental impacts of national parks if it results in mass tourism development in the Nujiang region.



Bridge and tunnel built in preparation for the Saige Dam (Credit: H. Nakkady)



## Policy Recommendations

The national parks project for the Nujiang Valley is certainly a positive development for those who want to see environmental protection together with sustainable developments in China. While environmentalists also have concerns about the environmental impacts that large-scale tourism developments like national parks are likely to bring, they have still expressed that this would be a much better solution than dam development projects (Interviews with Green Earth Volunteers, Green Watershed, March 2016).

Nevertheless, some suggestions and recommendations still need to be made. First of all, at this stage, it seems most likely that the dams will not be built, however, without an official clarification it is difficult to move forward with a constructive future plan for the Nujiang. More clear and transparent information from the CPC and central authorities' top leadership about official plans for the Nujiang will allow all stakeholders to participate in creating a sustainable development plan that supports economic opportunities for local people while also preserving the natural environment and biodiversity of the area.



Local community in Bingzhongluo, living along the Nu River banks (Credit: H. Nakkady)

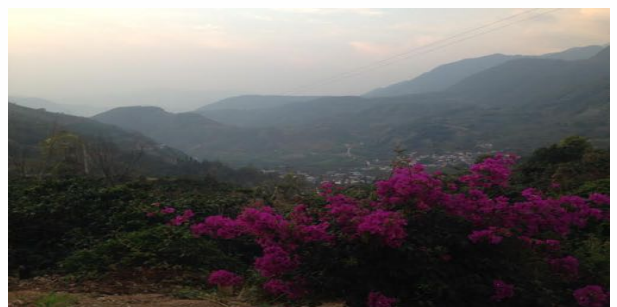
Secondly, it is unclear whether the local people have been consulted at any stage throughout the decision-making process, but it seems unlikely that they have. The last publicly available survey of local people in the Nujiang Valley was done in 2006 by Wang Yongchen, an environmentalist from Beijing. Out of a visitation of 100 households, she found that "apart from the villagers of Xiaoshaba, nobody interviewed in other villages had been informed or consulted about the dam projects, let alone invited to participate in any way" (Wang, 2006).



Construction at a small hydro project on an upper tributary of the Nu River (Credit: H. Nakkady)

According to the principle of Free, Prior and Informed Consent, local peoples should have the right "to give or withhold their free, prior and informed consent to actions that affect their lands, territories and natural resource" (Hill, Lillywhite and Simon, 2010). Local Nujiang villagers should be given the opportunity to express their opinions and concerns about the dam project and also the national parks project, and have a say in the decision-making process regarding their area's future.

Lastly, the newly proposed national park also raises concerns about potential environmental impacts. National parks in China have sometimes been operated in a manner more similar to tourism sites rather than as conservation areas, and have been implemented in a piecemeal fashion, managed by different agencies and levels of government. Therefore, there are many concerns to be managed, especially building of hotels and tourism infrastructure, over-crowding, pollution and waste management. A sustainable, high-end eco-tourism development such as in the case of parks in Costa Rica and Namibia, which are celebrated around their world for their eco-tourism models, would attract international tourism and recognition to the Nujiang area without the development and ecological damage caused by mass tourism.<sup>1</sup>



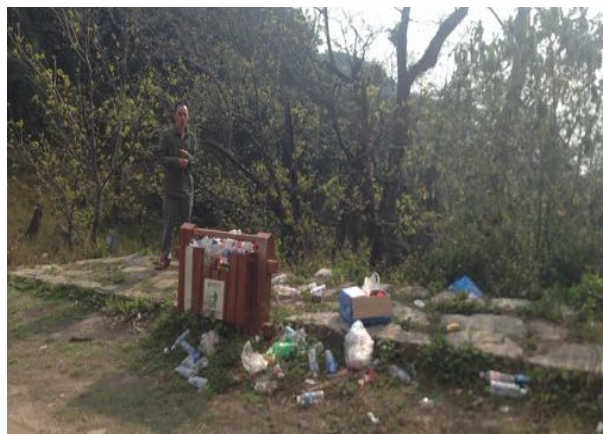
Baihualing ecological reserve and bird watching area in the Nujiang Valley; a growing eco-tourism destination (Credit: H. Nakkady)

## Policy Actions

In order to promote sustainable development in the Nujiang Valley area which has a positive result for all, this paper recommends the following to those engaged in the development of the Nujiang.

### To the leadership of the CPC and executives of the central government:

- ❑ **Officially announce** the government's plans for hydropower development on the Nujiang River in order to clarify the government's stance on this issue and move forward with clear information and understanding.



Poor garbage management in tourism areas along the Nujiang  
(Credit: H. Nakkady)

### To the ENGOs, Nujiang prefecture authorities, and Yunnan provincial government:

- ❑ **Follow the principle of Free, Prior and Informed Consent** and consult with local communities on all potential projects, especially the proposed National Parks. Consultation should take care to especially be done equitably between men and women, youth, and other marginalized or vulnerable communities, using the local languages.
- ❑ **Promote sustainable eco-tourism development** rather than environmentally damaging mass tourism development in the Nujiang Valley. The Nujiang Valley is a UNESCO World Heritage site and one of the world's biodiversity hot spots. Sustainable eco-tourism can also help develop the region's economy and growth, while preserving this special and unique area for generations to come.



Baihualing ecological reserve and bird watching area in the Nujiang Valley; a growing eco-tourism destination (Credit: H. Nakkady)

<sup>1</sup>Formerly known as State Environmental Protection Authority (SEPA)

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\*For more information on the subjects discussed in this brief, please visit the *Mekong, Salween and Red Rivers: Sharing Knowledge and Perspectives Across Borders* [international conference proceedings](#).

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