The new development view is calling for participatory social impact evaluation ------ case study of Manwan Hydropower Station

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【Abstract】The paper，though Manwan dam case, advocates establishment of Participatory Social Impact Assessment as social institution to justify policy, plan and big infrastructure development which may generate significant social impacts.Big dams have bigger social benefit with certain social cost. However, the benefit and cost have not been distributed equally. Participatory Social Impact Assessment(PSIA) can be a positive institutional arrangement which service not only hydropower and water resource development, but also social equality and stability. PSIA, compare to other methods, is more justice, rational, systematic, and predictable study, it can tell who win who lose among various social groups facing big infrastructure development projects. PSIA is a co-operation process among various stakeholders in research, prediction and evaluation. It will provide collective insights for policymaking, project planning, implementation and mitigation, and the way public and affected people can influence decision making.

This paper introduces a process of participatory social impact assessment (2002) at Manwan hydropower dam site in Lancang River Basin and how the results have influenced to government policy and mitigation plan, and more important, the dam affected people increased their awareness of participation and be mobilized to change their lives.

Manwan SIA is a good case: not only provide government and dam developers the findings and ways to reduce social impacts, but also, provide dam affected communities a good channel to participate in decision making and defend their interests.

【Keywords】New development view　Social impact evaluation　Manwan Dam

Background

As an important energy enterprise of Yunnan Province, Manwan Hydropower Station is denominated as the best enterprise of Chinese Electricity Industry for 5 years. In 2001, it created profits of hundreds of millions of RMB for both the government and the company. The staff of the company all benefited from the development of the enterprise. Meanwhile despite the significant economic achievements, the lives of people living around the reservoir has broken down. Poverty, diseases, and other social security problems are more and more serious. The efforts of local people for problem solution failed in reaction. **The newly emerged social problems are calling for the development of Social Impact Assessment for development decisions.**

In the old development theory, social development is equal to economic growth matured by GDP, which is again directly related with the achievement of government. Social development is calculated by the total costs divided by total benefits. Following this formula, the development will be achieved through the sacrifice of the environment and even some of the benefits of some parts of the population, especially the disadvantaged people. The decision-making is dominated by the advantaged groups, which are also most likely the beneficiaries of decisions.

The lessons of the old theory have already showed that short-sight development decisions will damage the long-term development potential and cause the emergence of “refugees of development”. As a result, it will have a negative impact on the accountability of government.

Based on these lessons and experiences, the new development theory focuses on human beings and calls for integrated, harmonious and sustainable development. The main ideas include the amendment of the constitution to protect human rights and private property. At the same time, the development of civil society also promotes the demand for political democracy and public participation in decision-making.

The social development of China has entered into a stage of great discrepancy in social structure. Different groups have different interests. Sometimes these interests are in conflict with each other. Numerous facts have exposed the fallacy of the “benefit for all” concept associated with development. The measurement of GDP per capita can no longer be viewed as the sole criteria of development.

In the field of infrastructure construction, more than 86,000 reservoirs have been constructed in the country. These constructions have submerged more than 20 million mu (about 1.4 million hectare) of farmlands and resettled more than 10 million people. About half of the resettled people are still living in the situation of worrying for food and clothes. More constructions of large-scale hydroelectricity projects are being planned and more people are facing the problem of resettlement. In order to support the efficient public policy-making, deeper research is required to identify the losers and the winners of development decisions. Who gets the benefits and who bares the loss in the process of development? The realities ask us to place more attentions on the disadvantaged and marginalized groups.

Conducting social impact assessments for large construction projects is also a requirement of the investors in hydropower projects. According to the opinions of some advocates, local people usually ask for payment of high relocation cost and compensation. In addition, they often ask to pay all the costs and one-off compensations. Some local government leaders have raised the prices neglecting the benefits of the country and people. Such activities will eventually restrict and destroy the development of hydropower. To ensure benefits from hydroelectricity, the costs of construction must be controlled by means of: a) technical innovation; b) priority financial and taxation policies, and c) reduction of resettlement costs (Pan Jiazheng).

In the view of people affected by hydropower projects, their benefits are also damaged. They tried to express their claims through the methods of letters of complain, individual and collective appeals, peaceful and violence protests etc. All these efforts have unfortunately failed in solving these problems.

Social Impact Assessment

As an active regulatory framework, social impact assessment (SIA) is a series of reasonable, systematic and prospective researches. It is a process of evaluation and assessment of future social

impacts prior to the implementation of policies and development projects. Its evaluation results can provide significant suggestions for policy-making, project planning and implementation as well as to ensure social stability. It can act as a prediction of future changes or assist evaluation after construction, such as the SIA of the Manwan Hydropower Station. The social impacts of many infrastructure construction projects are a long-term procedure. The monitoring and evaluation on this aspect should get more emphasis.

- **Roles and purposes of SIA**

The roles and purposes of SIA are:

- To predict the social impact of policies, plans and projects;
- To facilitate the formulation and implementation of measures that can control and decrease negative impacts;
- To demonstrate and standardize sustainable development ideas.

- **Method of participatory decision-making**

SIA consists of not only the findings and results of scientific research, but also acts as "a process of public participation". It will become the pathway for the public to affect the decision-making.

- **SIA can not be replaced by Environmental Impact Assessment (EIA)**

Although the EIA also includes some social impact assessments, the purpose of EIA is quite different from the SIA. EIA of hydroelectricity projects pays more attention to the environment changes than with the resettlement of people. The new EIA law of China has added some concepts such as expert and public participation in the assessment -- with special prescriptions on scopes, procedures, manner of participation and priority of public suggestions. The new law calls for attentions being placed on the environment from the root level of strategy and policy.

The main contents of EIA include (EIA for Jinghong Hydropower Station):

- impacts on ecological environment and nature sanctuaries;
- impacts on water environment;
- impacts on geological environment;
- impacts on land utilization and soil and water conservation;
- impacts on navigation and environmental changes in downstream areas;
- impacts on cultural relics, historical sites and landscapes;
- impacts on local climate change, and;
- impacts on environment caused by construction.

Compared to the EIA, the explanations on social impacts and how to decrease negative social impacts are vague and in abstract in the current legal framework. The equivocability can be seen from the following citations from the "Rules of land compensation and people resettlement in medium and large hydraulic and hydroelectricity projects" (issued by the State Council on Feb 15th, 1991):

III. The government advocates and supports the resettlement for development by the measures of pre-compensation, subsidy and afterward supports.

IV. The land compensation and people resettlement for hydraulic and hydroelectricity

projects should follow the principles of:

a) *holding the right attitude towards the prioritized importance between state, collective and the individual ,people need to be resettled and those in the resettlement destination areas should follow the designs to ensure the overall benefit to the state;*
b) *working together with the project construction, resource exploitation, soil and water conservation and economic development, resettlement arrangements should be able to ensure the improvement of living conditions of the resettled to reach and exceed previous situations;*
c) *resettlement arrangements should be in the light of local conditions and the overall strategy of resource allocation. The priority arrangement should be "moving back from the river bank to the inland in the same area". In case that there is no suitable places for the resettlement in the affected area, other arrangements can be carried out, such as wasteland cultivation, land reallocation and moving out to other regions. All of these measures must be consistent with relevant laws and regulations.*

With regard to the benefits of resettled, the provisions are simple and forceful:

XV. People who must be resettled according to relevant plans cannot resist or delay the movement. People who have been resettled cannot move back to previous places without the permission of authorities;

XXII. Activities that had broken the rules and affected the normal implementation of plans and projects must be punished according to the "Regulations of penalty for public security and administration of the People's Republic of China ". For activities that had broken the criminal laws, relevant legal responsibilities should be investigated .

Participatory Social Impact Assessment for Manwan Hydropower Station

Objectives:

- to provide evidence for the government and investors of hydroelectricity projects on the solving of problems with the resettled people;
- to provide a channel of participation and communication for the communities and people affected by hydropower projects to express their rights and interests in decision-making;
- to facilitate the establishment of a legal framework for SIA before the implementation of important decisions and development projects.

Assessment Activities:

The assessment believes that people that have been affected by the project knows best the impacts of the project. Their participation can improve the validity and believability of the assessment.

More than 60 villages that have been affected by the project were classified into five categories: those moved out to other places; those moved back to the inland in the same area; those being urbanized; those didn't move but resource reallocated; and those neither moved nor resource reallocation. Typical villages are selected in each category for the assessment.

The assessment framework and criteria were made in the index of resources, production and living,

social culture, ecological change, social participation and social gender issues.

The participatory assessment activities were conducted in each village for 4-5 days. 20 villager representatives, including those of different economic status and gender, were selected in each village to participate in the assessment. Other villagers were free to join in the discussions and comments. Individual interviews were conducted with disadvantaged persons. The tools of assessment used include: history of ecological change, record of great events, records of source change, resource map, radical impact analysis, SWOT analysis, social gender analysis, case study and institutional analysis.

Evaluation forms were used to score the severity and scope of impact, the consequential reactions, and the time duration. Priority problems and measures were put forward by villagers. Based on the assessment, the social impacts of hydroelectricity projects were concluded and suggestions of decreasing the impacts were raised. The assessment report was submitted to local government, hydroelectricity project investors and communities for feedback. The assessment results were reported through news media and in academic seminars to advocate for the adoption of SIA for large development projects.

Problems found in the assessment

1) **living difficulties in the resettled people**

   The resettled are facing the difficulties of farmland shortages, water shortages, food shortages, energy shortages, debts and bad health. These difficulties are more serious in disadvantaged groups.

2) **ecological environment degradation and geological damage**

   The construction of reservoirs and the operation of power stations have caused serious ecological environment damages and geological disasters in the region and immigration villages.

3) **lack of public participation**

   All resettlement activities and development subsidy projects have the problem of a lack of public participation.

4) **unequal resource allocation**

   The pre-compensation of resettlement was seriously inadequate because of these reasons:

   - under-estimation of the numbers of people who needed to be resettled (3052 people in the plan and 7280 people in reality)
   - under-estimation of property loss (which neglected the dynamic change between 1983 to 1996)
   - under-estimation of financial needs for resettlement (17.6 million yuan RMB in the plan and the actual expenses were 55 million yuan, compensation for each person was only 8000 yuan RMB)

   In addition to the inadequacy in pre-compensation, the afterwards support was also inadequate. The fund used for afterward support accounted only for 1% of the financial expenditure of local government and the profit of the power station.

5) **outdated resettlement policies**

   The planning, construction and operation of Manwan were happened in three distinct

economic periods separately: a planned economy; a transition economy; and a market economy. Neglected the change of economic models, the compensation for resettlement still follows the low criteria made in the planning economic period under the support of the outdated polices.

Suggestions

1) to place higher emphasis on resettlement;
2) to set up a public participatory decision-making mechanism;
3) to establish a new allocation mechanism and increase the fund for afterward development in affected regions;
4) to emphasize gender equity;
5) to enhance the support for the disadvantaged groups in affected regions;
6) to implement projects to take care the lives of the resettled;
7) to strengthen the ecological development in affected regions and resettlement villages;
8) to strengthen the capacity building of resettlement administrative institutions;
9) to carry out participatory social impact assessment for other construction projects. There are about 40 hydroelectricity construction projects planned in the local development plan. Among them, 8-15 are on the Lancang River, 12 on Jinsha River and 13 on Nujiang River. In order to keep the benefit of the resettled in consideration at the initial stage of planning and in order to decrease the negative social impacts to their lowest degree, it is necessary to implement social impact assessments for these projects. The assessment results can on the one hand provide references for decision-making to government and investors, and on the other hand facilitate public monitoring.

Conclusions

The scientific view for development asks for the focus on human beings. The development must ensure the benefits to the majority of the population as well as to guarantee the basic rights of people in terms of economy, politics and culture. The social impact assessment of Manwan shows that the impact of large infrastructure construction projects on society is just as same important as the environmental impact. We believe that the establishment of a veto mechanism for environmental impact assessment and social impact assessment in large construction project decisions will be a significant practice in the scientific view of development that can better guarantee that the benefits go to the largest proportion of the population.