



Global Norm-Maker as China's New Brand? An Analysis of the Responsible Cobalt Initiative

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Abstract

China's influence in extractive industry sectors worldwide has expanded in tandem with the rising global demand for the natural resources integral to producing such low carbon products as electric vehicles. Many Chinese-operated mining projects overseas have hence generated broad concern on the ground about their negative environmental and social impacts. Chinese actors, meanwhile, have begun to engage with transnational extractive governance initiatives entailing a transparency norm that requires disclosure of environmental and social risks. China, however, appears to be reshaping this transparency norm through its establishment of the Responsible Cobalt Initiative (RCI)—a China-led “transnational” governance initiative facilitating a Chinese version of that norm, known as “thin” transparency. Based on process-tracing and semi-structured interviews, in applying Acharya's (2018) norm-circulation model, this paper examines what type of Chinese domestic actors act as norm-makers and under what conditions. The study thus refines certain core analytical concepts of the model. The RCI case stands alone in highlighting China's growingly normative role in contesting the transparency norm through transnational interactions among Chinese and international actors in global extractives governance. The result shows China's norm-making as a strategic choice of a local idea-shifter to cope with China's internal and external legitimacy crises and to strengthen its emerging identity as a responsible great power. This study rejects the notion of China as a monolithic actor, rather suggesting a multi-agency and multilevel approach to understanding the complex realities of China's normative leadership in global governance.

Introduction

China is now one of the most powerful actors in the global mineral supply chain. The biggest player in the world of lithium-ion battery market, China also controls almost 60% of the global cobalt supply chain—a mineral integral to the booming electric vehicle (EV) market.¹ Growing policy and market demand for other green technology products, such as

¹ Foreign Policy, “Mining the Future: How China Is Set to Dominate the Next Industrial Revolution,” Foreign Policy Analytics-Special Report, 1 May, 2019, <https://foreignpolicy.com/2019/05/01/mining-the-future-china-critical-minerals-metals>.

solar panels and wind turbines, has redoubled Chinese companies' consumption of extractive resources. The Belt and Road Initiative (BRI), Xi Jinping's new grand strategy, moreover, has bolstered China's influence in the global extractive sector.² Ever more Chinese companies are now operating mining projects overseas, particularly in resource-rich countries of the Global South. This expansive international presence has raised concerns on the ground about its potentially negative environmental and social impacts, apparent in International Non-Governmental Organizations (INGOs) accusations against Chinese cobalt and copper companies for soil contamination and child labour in the Democratic Republic of the Congo (DRC).³ In addition, the Commercial Court of Lubumbashi recently ruled against China Molybdenum, a Chinese extractive company operating copper and cobalt mines in the region, due to allegations by the government that the company's Chinese partners defrauded the DRC of billions of dollars by understating the income generated and the quantities of reserves yet to be mined.⁴

China's expanding presence in the extractive resource sectors has also become a geopolitical issue. The US government points to both China's dominant influence in the global mineral supply chain and the US's dependence on China for its critical minerals as an urgent national security agenda,⁵ particularly since the coronavirus disease 2019 pandemic and Russo-Ukraine War's further disruption of global supply chains. The securitisation of global critical mineral supply chains led to the US's strengthening of bilateral and multilateral ties with "like-minded" allies, specifically to reduce the risk of mineral resource shortages that China potentially posed. For instance, the USA initiated the US–Australia Critical Minerals Plan of Action⁶ and the Five Eyes (a US intelligence alliance) strategic partnership with rare-earth mineral-rich Greenland.⁷ And in February 2022, the White House announced its plan to increase investments in domestic critical mineral extractions by advancing social, environmental, and labour standards, so to "break dependence on China and promote sustainable mining practices."⁸ In the same year, the USA built the Mineral Security Partnership with Australia, Canada, Finland, France, Germany, Japan, South Korea, Sweden, the UK, and the European Commission.⁹ Such recent phenomena seem to embody international society's ever greater concern about the threat China poses to the global mineral resource supply chain.

Meanwhile, Chinese actors have steadily assumed a more significant role in the current global extractives resource governance. Since the early 2000s, many Chinese actors have engaged with transnational extractive governance initiatives (TEGIs)—such as the Responsible Minerals Initiative (RMI) and the Responsible Jewellery Council (RJC)—established

² OECD, "The Belt and Road Initiative in the Global Trade, Investment and Finance Landscape," in *OECD Business and Finance Outlook 2018* (Paris: OECD Publishing, 2018), pp. 1–46.

³ Henry Sanderson, "Congo, Child Labour and Your Electric Car," *Financial Times*, 7 July, 2019, <https://www.ft.com/content/c6909812-9ce4-11e9-9c06-a4640c9feebb>.

⁴ Eric Lipton and Dionne Searcey, "Chinese Company Removed as Operator of Cobalt Mine in Congo," *The New York Times*, 28 February, 2022, <https://www.nytimes.com/2022/02/28/world/congo-cobalt-mining-china.html>; News24, "DRC Court Stops Chinese Cobalt Mining Giant from Operating amid Fraud Allegations," 3 March, 2022, <https://www.news24.com/news24/africa/news/drc-court-stops-chinese-cobalt-mining-giant-from-operating-amid-fraud-allegations-20220303>.

⁵ The White House, "FACT SHEET: Securing a Made in America Supply Chain for Critical Minerals," 22 February, 2022, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/02/22/fact-sheet-securing-a-made-in-america-supply-chain-for-critical-minerals/>.

⁶ U.S. Department of Commerce, "Next Steps on U.S.–Australia Critical Minerals Collaboration," Press Releases, 17 November, 2021, <https://www.commerce.gov/news/press-releases/2021/11/next-steps-us-australia-critical-minerals-collaboration>.

⁷ Dwayne R. Menezes, "The Case for a Five Eyes Critical Minerals Alliance: Focus on Greenland," Polar Research & Policy Initiative, March 2021, pp. 1–44, <https://polarconnection.org/wp-content/uploads/2021/03/Report-The-Case-for-a-FVEY-CMA.pdf>.

⁸ The White House, "FACT SHEET: Securing a Made in America Supply Chain for Critical Minerals."

⁹ International Energy Agency, "Minerals Security Partnership," 27 October, 2022, <https://www.iea.org/policies/16066-minerals-security-partnership>.

to cope with the political, financial, social, and environmental problems emanating from resource extraction.¹⁰ Most TEGIs emphasise transparency as a core governance principle¹¹ that requires member companies and governments to disclose information about financial transactions¹² and/or environmental and social risks and impacts arising from mining projects.¹³ The resource governance transparency norm encourages the relevant companies and governments to be more accountable, in view of the attendant reputational risks,¹⁴ thus empowering the weaker agents, such as indigenous communities, that resource extraction affects. In other words, the TEGIs promoting transparency as a global norm work according to the “governance-by-disclosure” principle.¹⁵ China’s growing engagement with TEGIs over the past decades suggests that Chinese actors are acceptant of such a transparency norm. At the same time, however, they appear to be reshaping this norm via the China Chamber of Commerce of Metals, Minerals and Chemical Importers and Exporters (CCCME), a quasi-governmental body¹⁶ affiliated with the Ministry of Commerce (MOFCOM), which recently developed Chinese versions of transparency guidelines (e.g., the 2015 CCCME Due Diligence Guidelines) and established the RCI, a TEGI aimed at sustainable global cobalt supply. These developments raise the questions: What is China’s role in global extractives governance’s development of a transparency norm? and what is the impact of a transparency norm shaped by Chinese actors on the current governance architecture?

The focus of recent international relations (IR) norms literature is mainly on the political process whereby global norms are contested or challenged, as compared with that of the first generation of norm research, which was on norm diffusion in the “global liberal order.”¹⁷ Specifically, the former group of scholars critically examines the “Western and Eurocentric” approach to norm theory, shedding light on norm contestation and norm challenges in local, non-Western world contexts through local actors’ agency.¹⁸ They emphasise the normative role of non-Western actors, such as China, in (re)shaping international norms¹⁹

¹⁰ Hyeyoon Park, “China in Transnational Extractives Governance: A Mapping Exercise,” *Global Environmental Politics*, (2023), pp. 1–25, https://doi.org/10.1162/glep_a_00707.

¹¹ Philippe Le Billon et al., “Transparency in Environmental and Resource Governance: Theories of Change for the EITI,” *Global Environmental Politics*, Vol. 21, No. 3 (2021), pp. 124–46.

¹² James Van Alstine, “Transparency in Energy Governance: The Extractive Industries Transparency Initiative and Publish What You Pay Campaign,” in Aarti Gupta and Michael Mason, eds., *Transparency in Global Environmental Governance: Critical Perspectives* (Cambridge: MIT Press, 2014), pp. 249–70.

¹³ Raimund Bleischwitz, “Transparency in the Extractive Industries: Time to Ask for More,” *Global Environmental Politics*, Vol. 14, No. 4 (2014), pp. 1–9.

¹⁴ Virginia Haufler, “Disclosure as Governance: The Extractive Industries Transparency Initiative and Resource Management in the Developing World,” *Global Environmental Politics*, Vol. 10, No. 3 (2010), pp. 53–73.

¹⁵ Michael Mason and Aarti Gupta, “Transparency Revisited,” in Gupta and Mason, eds., *Transparency in Global Environmental Governance* (Cambridge and London: The MIT Press), pp. 321–39.

¹⁶ Guttman et al. (2018) explain the unique identity of CCCME in the Chinese context. The article defines it as a public institution that positions between a governmental agency and a non-state actor.

¹⁷ Amitav Acharya, *Constructing Global Order: Agency and Change in World Politics* (New York: Cambridge University Press, 2018); Antje Wiener, *Contestation and Constitution of Norms in Global International Relations* (New York: Cambridge University Press, 2018); Alan Bloomfield, “Norm Antipreneurs and Theorizing Resistance to Normative Change,” *Review of International Studies*, Vol. 42, No. 2 (2016), pp. 310–33; Nicole Deitelhoff and Lisbeth Zimmermann, “Norms under Challenge: Unpacking the Dynamics of Norm Robustness,” *Journal of Global Security Studies*, Vol. 4, No. 1 (2019), pp. 2–17; Holger Niemann and Henrik Schillinger, “Contestation ‘All the Way Down’? The Grammar of Contestation in Norm Research,” *Review of International Studies*, Vol. 43, No. 1 (2016), pp. 29–49; Jonas Wolff and Lisbeth Zimmermann, “Between Banyans and Battle Scenes: Liberal Norms, Contestation, and the Limits of Critique,” *Review of International Studies*, Vol. 42, No. 3 (2016), pp. 513–34.

¹⁸ Charlotte Epstein, “Stop Telling Us How to Behave: Socialization or Infantilization?” *International Studies Perspectives*, Vol. 13, No. 2 (2012), pp. 135–45; Bloomfield, “Norm Antipreneurs and Theorizing Resistance to Normative Change.”

¹⁹ Xiaoyu Pu, “Socialisation as a Two-Way Process: Emerging Powers and the Diffusion of International Norms,” *The Chinese Journal of International Politics*, Vol. 5, No. 4 (2012), pp. 341–67; Ian Clark, “International Society and China: The Power of Norms and the Norms of Power,” *The Chinese Journal of International Politics*, Vol. 7, No. 3

by challenging the dichotomous perspective wherein the “Western” norm entrepreneur “teaches” and the non-Western actor “learns” a global norm.²⁰ This view triggered a proliferation of literature in global governance studies on China’s norm-making role. However, certain scholars observe that existing empirical studies are insufficient to reveal the detailed “multilevel” dynamics of norm contestation processes.²¹ Besides, the focus of previous literature has been on too few governance fields and norms, namely Responsibility to Protect (R2P) in security governance;²² the Chinese version of developmentalism in economic governance, e.g., Asia Infrastructure Investment Bank;²³ and the “Common But Differentiated Responsibilities” in climate governance.²⁴ Johnston argues that China seems to act inconsistently in multiple world orders (i.e., different governance issue domains), and that we need to construct a more comprehensive picture by investigating broader governance areas.²⁵ Transparency in global extractives governance has been an unexplored field in regard to China’s normative role. Moreover, other than a few recent studies, there is a dearth of Global Environmental Politics (GEP) research on China’s leadership role in global environmental governance norm development. In that sense, Falkner and Buzan’s recent research on China as an environmental great power seems innovative;²⁶ however, more empirical studies are needed to expand their theoretical debate. And only a few studies in IR have focused on how different types of Chinese actors—i.e., China as a non-monolithic actor—interact both with each other and with foreign actors and engage transnationally in global norm development.²⁷ These multi-agency, multilevel approaches are epistemologically crucial to understand the complex realities of China’s status in global governance.²⁸

This paper addresses these gaps through an examination of China’s normative role in global extractives governance and a case study of the process culminating in the creation of the RCI and the RCI Cobalt Refiner Supply Chain Due Diligence Standard. Drawing on Acharya’s norm-circulation theory and two-way socialisation, which considers the interactions between norm-taking and norm-making across multiple levels,²⁹ this study aims to understand China’s new leadership role in transparency norm development in transnational extractives governance. Theoretically, in order to elaborate on Acharya’s norm circulation (i.e., to refine Acharya’s analytical concepts rather than testing the theory), this paper as a supplementary case study investigates under what conditions Chinese actors change a global norm and universalise their resultant subsidiary norm. The RCI case highlights the

(2014), pp. 315–40; Yan Xuetong, “Chinese Values vs. Liberalism: What Ideology Will Shape the International Normative Order?” *The Chinese Journal of International Politics*, Vol. 11, No. 1 (2018), pp. 1–22.

²⁰ Bloomfield, “Norm Antipreneurs and Theorizing Resistance to Normative Change,” pp. 312–4.

²¹ Deitelhoff and Zimmermann, “Norms under Challenge,” p. 4.

²² Chris Alden and Daniel Large, “On Becoming a Norms Maker: Chinese Foreign Policy, Norms Evolution and the Challenges of Security in Africa,” *The China Quarterly*, Vol. 221 (2015), pp. 123–42; Yongjin Zhang and Barry Buzan, “China and the Global Reach of Human Rights,” *The China Quarterly*, Vol. 241 (2020), pp. 169–90; Oliver Jütersonke et al., “Norm Contestation and Normative Transformation in Global Peacebuilding Order(s): The Cases of China, Japan, and Russia,” *International Studies Quarterly*, Vol. 65, No. 4 (2021), pp. 944–59.

²³ James Reilly, “A Norm-Taker or a Norm-Maker? Chinese Aid in Southeast Asia,” *Journal of Contemporary China*, Vol. 23, No. 73 (2012), pp. 71–91; William A Callahan, “China’s ‘Asia Dream’: The Belt Road Initiative and the New Regional Order,” *Asian Journal of Comparative Politics*, Vol. 1, No. 3 (2016), pp. 226–43; Miles Kahler, “Global Governance: Three Futures,” *International Studies Review*, Vol. 20, No. 2 (2018), pp. 239–46.

²⁴ Sikina Jinnah, “Makers, Takers, Shakers, Shapers: Emerging Economies and Normative Engagement in Climate Governance,” *Global Governance*, Vol. 23, No. 2 (2017), pp. 285–306; Kamal Uddin, “Climate Change and Global Environmental Politics: North-South Divide,” *Environmental Policy and Law*, Vol. 47, No. 3–4 (2017), pp. 106–14.

²⁵ Alastair Ian Johnston, “China in a World of Orders: Rethinking Compliance and Challenge in Beijing’s International Relations,” *International Security*, Vol. 44, No. 2 (2019), pp. 9–66.

²⁶ Robert Falkner and Barry Buzan, *Great Powers, Climate Change, and Global Environmental Responsibilities* (Oxford: Oxford University Press, 2022).

²⁷ For instance, Bowen Yu, “Cognitive Evolution and China’s International Development Cooperation,” *The Chinese Journal of International Politics*, Vol. 14, No. 4. (2021), pp. 481–505.

²⁸ See Ivan Franceschini and Nicholas Loubere, *Global China as Method* (Cambridge: Cambridge University Press, 2022).

²⁹ Pu, “Socialisation as a Two-Way Process”; Acharya, *Constructing Global Order*.

interplay between global norm development processes, the localisation of global norms, and the Chinese domestic idea-shifter's role in these dynamics, intertwined with internal and external legitimacy crises. The main questions this paper raises are as follows: (1) Why did Chinese actors launch a Chinese version of transparency guidelines and a new governance initiative (RCI) instead of adopting existing global standards (e.g., Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance)?; (2) what are the roles of domestic actors and transnational foreign partners in the development of the RCI?; (3) how does the RCI compare with global extractives governance initiatives led by "the West"?; and (4) what impact might the RCI have upon global transparency norm development in global extractives governance?

The first section of this paper outlines its main theoretical framework and research methods. Based on applying a process-tracing approach entailing elite interviews and document analysis, I discover that China's role in transparency norm development within global extractives governance has evolved from that of norm-taker to norm-maker at the global level, through three phases. From the early 2000s–12, Chinese actors engaged in norm-taking through their involvement in TEGIs. Notably, I find that Chinese actors showed a marked preference for participation in TEGIs that promoted "thin" transparency with limited obligations to disclose information to the public. The period 2013–15 represents "norm localisation," whereby Chinese actors translated a global transparency norm into domestic guidelines for Chinese companies involved in the extractive industry sectors and in the process creating a subsidiary norm consistent with "thin" transparency. The RCI (2016–present) period represents an effort to "universalise" the new Chinese version of transparency and to reshape understanding of transparency in global extractives governance. The discussion and concluding section explain the key theoretical and empirical implications of this analysis in comparison with other case studies. This research contributes overall to developing a stronger empirical understanding of the role of Chinese domestic actors and agencies in changing the global transparency norm to a thinner version. This case study provides a comparable example (a critical case as referred to by Yin³⁰) whereby to deepen our knowledge of an emerging, non-Western country in regard to norm development processes in global governance, built upon the currently growing debates in IR about critical norm contestation literature and China's norm-making role in global governance.

Norm Development through Two-Way Socialisation

The early constructivist literature in IR (and the global governance scholarship based on this theoretical perspective) focuses on explaining how norms diffuse globally, based on socialisation processes among actors, i.e., a global norm entrepreneur (mostly based in Europe or North America) advocates a norm, and other actors adopt or mimic that norm through social learning or persuasion.³¹ Since the mid-2000s, the second generation of norm research has provided alternative approaches to norm dynamics. This group of scholars (mainly represented by Amitav Acharya and Antje Wiener) emphasises that norms are contested, challenged, and reshaped by local actors, in particular, those in the non-Western world. In other words, they shed light on the "unfixity" of norms and the role of non-Western actors in different types of norm contestation that engender new theoretical concepts, e.g.,

³⁰ Robert K. Yin, *Case Study Research: Design and Methods* (Thousand Oaks, CA: Sage Publications, 2014).

³¹ The previous norm literature (e.g., Wolff and Zimmermann 2016; Niemann and Schillinger 2016; Deitelhoff and Zimmermann 2019; Jütersonke et al. 2021) shares a similar understanding of the earliest IR norm study (compared to the second wave of norm research), for instance, the following pieces: Thomas Risse-Kappen, "Ideas Do Not Float Freely: Transnational Coalitions, Domestic Structures, and the End of the Cold War," *International Organization*, Vol. 48, No. 2 (1994), pp. 185–214; Jeffrey T. Checkel, "Why Comply? Social Learning and European Identity Change," *International Organization*, Vol. 55, No. 3 (2001), pp. 553–88.

norm hybridisation, norm erosion, and norm rejection. This view challenges the conventional framework that sees norm development as a one-way socialisation process whereby “enlightened” Western norm entrepreneurs guide “unenlightened” non-Western norm followers.³² What the first generation of norm research missed seems to be rooted in their focus on the “global liberal order” as a shared goal, or common value built upon European ideas.³³

Amitav Acharya has hence paved the way towards overcoming the Western/Eurocentric perspectives implicitly embedded in IR norm research, so contributing to the initiation of theoretical and empirical studies of the broad normative power of non-Western actors in global governance and world politics. Xiaoyu Pu’s two-way socialisation framework, focusing on China, illustrates this concept. In sum, Pu³⁴ and Acharya³⁵ provide alternative theoretical ground whereon to perceive China as both a norm-taker and a norm-maker in global governance.³⁶ This new approach highlights how various actors, in particular non-Western ones, contest norms across all levels. From this perspective, China learns a global norm but strategically (re)shapes it when that global norm does not accord with China’s existing domestic norms or national interest. China’s contribution to developing the norm of “common but differentiated responsibility” in global climate change negotiations is one example.³⁷ Thus, norm diffusion is not a linear process, but one involving the complex dynamics of resisting and reframing global norms through two-way socialisation processes among actors.³⁸

Acharya’s norm circulation framework³⁹ is a particularly useful theoretical tool for examining two significant factors related to these two-way norm development processes and power politics in global governance. They are (1) norm dynamics between state and non-state actors and (2) norm dynamics across multiple levels. Figure 1 shows how a global norm travels across the global and domestic (local) levels. The norm circulation framework explains nonlinear and evolutionary norm dynamics because norm diffusion in this model is a “multiple-agency, two-way, multi-step” process.⁴⁰

Acharya argues that global (meta) norms (*grundnorms*) are contested not only at the international level but also at a regional or local level. Local social entities do not passively accept a global norm, but rather modify it based on their local contexts and pre-existing values. Local actors thus adjust both local and global ideas so as to resolve any tension between them. This modification process is “constitutive localisation.” While most previous norm studies emphasise norm-takers’ *adaptation to* foreign norms,⁴¹ norm-takers amid constitutive localisation selectively *adapt from* foreign ideas, integrating them with inherited values and ideas in such a way as to support their core beliefs and affirm their existing identity.⁴² Acharya emphasises the role of local idea-shifters which, in this process, contribute to revising the global norm. The concept of idea-shifters differs from the early liberal constructivists’ understanding of norm entrepreneurs, who were mostly Western actors working at

³² Bloomfield, “Norm Antipreneurs and Theorizing Resistance to Normative Change,” pp. 312–4; Pu, “Socialisation as a Two-Way Process,” pp. 347–9. See also Epstein, “Stop Telling Us How to Behave.”

³³ Amitav Acharya, “After Liberal Hegemony: The Advent of a Multiplex World Order,” *Ethics & International Affairs*, Vol. 31, No. 3 (2017), pp. 271–85. See also Deitelhoff and Zimmermann, “Norms under Challenge,” p. 4.

³⁴ Pu, “Socialisation as a Two-Way Process,” pp. 341–67.

³⁵ Amitav Acharya, *The End of American World Order* (Cambridge, New York: Polity Press, 2014), pp. 73–8.

³⁶ Even though Acharya has not used the term “two-way socialization,” his norm-circulation model can be seen as an elaborative version of Pu’s two-way socialisation (norm-taking and norm-making).

³⁷ Acharya, *The End of American World Order*, p. 73.

³⁸ Pu, “Socialisation as a Two-Way Process,” p. 349.

³⁹ Acharya, *Constructing Global Order*.

⁴⁰ Ibid., p. 56.

⁴¹ Thomas Risse and Kathryn Sikkink, “The Socialization of International Human Rights Norms into Domestic Practices: Introduction,” in Thomas Risse, Stephen C. Ropp, and Kathryn Sikkink, eds., *The Power of Human Rights: International Norms and Domestic Change* (New York: Cambridge University Press, 1999), pp. 1–38.

⁴² Acharya, *Constructing Global Order*, p. 46.

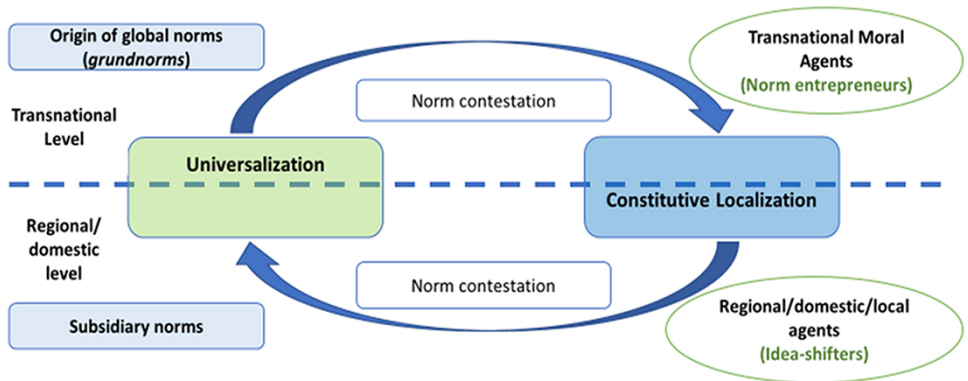


Fig. 1. Norm circulation

This figure is a revised version of Acharya's norm-circulation. See Acharya, *Constructing Global Order*, p. 56.

the transnational level. Idea-shifters imply a broader group of actors, including non-Western agents and those other than norm entrepreneurs. Acharya emphasises weaker/non-state actors in the Global South, such as “non-Western thinkers and practitioners,” as potential idea-shifters.⁴³ This concept provides a new opportunity to shed light on the normative leadership role of non-Western actors, one which has been relatively disregarded in traditional global governance literature, despite a recently growing body of research on the topic.⁴⁴

A global norm newly shaped through a constitutive localisation process may become a subsidiary norm that challenges or resists powerful actors and ideas.⁴⁵ Such a norm can be universalised and become another global norm via the feedback loop of norm circulation. Acharya explains three reasons why local actors may constitute a subsidiary norm. First, when local actors become marginalised in global norm-making processes, they may develop a subsidiary norm against the great powers imposing a global norm.⁴⁶ Second, when a global meta norm shaped by great powers violates a crucial local norm, local actors may make a subsidiary norm to limit the possibly unilateral norm violation.⁴⁷ Third, local actors may need to refine a global norm to match their local ideas and identities.⁴⁸ Meanwhile, there is an absence of understanding of certain key components of Acharya's norm-circulation model. Bloomfield, for instance, points out the lack of theoretical explanations of when and why specific outcomes appear in this model.⁴⁹ Similarly, Wolff and Zimmermann claim that Acharya's approach contains no explanation of how local actors decide either to adopt or reject norms.⁵⁰ And exactly who takes the local idea-shifter's role? And under what conditions, do they (re)shape global norms and universalise a subsidiary norm? A greater accumulation of empirical research results is needed to clarify the parts that remain unclear.

This research applies the norm-circulation framework to the case of the RCI, a Chinese-initiated TEG, and reveals how a transparency norm (which is primary in global

⁴³ Acharya, *Constructing Global Order*, p. 66.

⁴⁴ See a similar debate about the Global South and norm-making in Ingvild Bode, “Norm-Making and the Global South: Attempts to Regulate Lethal Autonomous Weapons Systems,” *Global Policy*, Vol. 10, No. 3 (2019), pp. 359–64.

⁴⁵ Acharya, *Constructing Global Order*, p. 53.

⁴⁶ *Ibid.*, p. 49.

⁴⁷ *Ibid.*, p. 50.

⁴⁸ *Ibid.*, p. 51.

⁴⁹ Bloomfield, “Norm Antipreneurs and Theorizing Resistance to Normative Change,” p. 317.

⁵⁰ Deitelhoff and Zimmermann, “Norms under Challenge,” p. 527.

resource governance)⁵¹ circulates between the global and Chinese domestic levels. I use a process-tracing approach,⁵² which includes a historical analysis of China's engagement in transnational extractives governance, specifically by focusing on the process of establishing the RCI and creating its standards. This analysis relies on semi-structured expert interviews with people involved in drafting the Chinese transparency guidelines and establishing the RCI (as a target group)—for example, junior and senior staffers at Chinese government agencies, an INGO, and a Chinese corporate social responsibility (CSR) company.⁵³ I apply a document analysis that compares a Chinese version of transparency guidelines (the 2014 Chinese Guideline for Social Responsibility in Outbound Mining Operations and the 2015 Chinese Due Diligence Guideline) to the existing “non-Chinese (Western)” global guidelines. In addition, official news documents published on the CCCMC website (from 2013 to June 2022) are analysed through NVivo data triangulation.⁵⁴ I analyse the data abductively, following a reasoning process that pursues “a finding of surprise, puzzle, or anomaly” to contribute to the development of theory.⁵⁵

This process helps to elaborate on the main theoretical framework—Acharya's norm circulation and two-way socialisation—by pinpointing major influencing factors as potential theoretical variables, particularly for describing under what conditions norm circulation would occur through what types of actors. In that sense, the aim of this research is “expanding the theoretical propositions” towards “guiding future investigation in the academic field,” rather than theory testing, by examining a “critical case,” which is one of Yin's five rationales for a single-case study.⁵⁶ I acknowledge that, as a single-case study, based on limited documents, this approach has limitations in regard to selection bias. To overcome potential flaws, and in following Lustick's strategies,⁵⁷ I triangulate different types of accessible sources (i.e., primary/secondary documents and interviews) and briefly compare the analytic results with other case studies on China in global governance and norm development. The empirical dimension of my analyses thus elaborates on Acharya's framework by demonstrating more specific conditions for defining key concepts (local idea-shifters, constitutive localisation, and universalisation).

This research fills an empirical gap in both IR and GEP wherein, compared to other global environmental issues, there is a marked lack of research on transnational extractive resource governance.⁵⁸ Previous literature focuses on a handful of representative TEGI cases, such as the Extractive Industries Transparency Initiative (EITI),⁵⁹ and the Kimberly Process.⁶⁰

⁵¹ Haufler, “Disclosure as Governance”; Le Billon et al., “Transparency in Environmental and Resource Governance.”

⁵² Andrew Bennett and Jeffrey T. Checkel, *Process Tracing* (Cambridge: Cambridge University Press, 2014).

⁵³ I conducted in-person interviews in Beijing in July 2019 and January 2020, supplemented with phone-interviews. I preserve my interviewees' anonymity to avoid exposing them to any potential political and/or social risks. Although it was a small N interview process, the interviewees were key participants in the Chinese transparency guidelines (i.e., local idea-shifters) and provided crucial information—which has been unexplored in the previous research—through repeated in-depth interviews.

⁵⁴ Yin, *Case Study Research*, p. 120.

⁵⁵ Stefan Timmermans and Iddo Tavory, “Theory Construction in Qualitative Research: From Grounded Theory to Abductive Analysis,” *Sociological Theory*, Vol. 30, No. 3 (2012), p. 180.

⁵⁶ Yin, *Case Study Research*, p. 51.

⁵⁷ Ian S. Lustick, “History, Historiography, and Political Science: Multiple Historical Records and the Problem of Selection Bias,” *American Political Science Review*, Vol. 90, No. 3 (1996), pp. 605–18.

⁵⁸ Graeme Auld, Michele Betsill, and Stacey VanDeveer, “Transnational Governance for Mining and the Mineral Lifecycle,” *Annual Review of Environment and Resources*, Vol. 43, No. 1 (2018), p. 428.

⁵⁹ Barry Russell, “USA Commits to Greater Transparency with Implementation of EITI,” *Journal of World Energy Law and Business*, Vol. 7, No. 1 (2014), pp. 30–5; Elizabeth David-Barrett and Ken Okamura, “Norm Diffusion and Reputation: The Rise of the Extractive Industries Transparency Initiative. Governance,” *Governance: An International Journal of Policy, Administration, and Institutions*, Vol. 20, No. 2 (2016), pp. 227–46; Bethel Uzoma Ihugba, “An Examination of the Good Governance Legal Framework of Nigeria's Extractive Industry Transparency Initiative (NEITI) Act 2007,” *Law and Development Review*, Vol. 9, No. 1 (2016), pp. 201–22.

⁶⁰ Virginia Haufler, “The Kimberley Process Certification Scheme: An Innovation in Global Governance and Conflict Prevention,” *Journal of Business Ethics*, Vol. 89 (2010), pp. 403–16.

Moreover, although there are some studies on a transparency norm in the extractives governance field, there is an absence of any on how transparency, as a core norm in the governance field, is contested, especially by actors in the Global South, including China. More importantly, when it comes to transnational extractives governance and its changes, the agency of state and non-state actors in the Global South, especially of China's different types of domestic actors, compared to that of actors in the Global North, remains empirically understudied.⁶¹ A few recent articles acknowledge the role of CCCMC and the 2014 and 2015 CCCMC Guidelines for responsible mineral sourcing within global governance.⁶² Although these studies contribute to our understanding of Chinese actors' expanding role in addressing the global environmental and social problems emanating from extractives industries, they do not sufficiently explain under what conditions different Chinese local actors contribute to developing norms or China's broader impact on global extractives governance. This gap also seems to originate in the dearth of theoretical grounding which may otherwise account for China's normative leadership (in other words, the role of China as a norm-maker) under specific conditions. The RCI case stands alone in showing how Chinese domestic actors have localised and reshaped a global transparency norm and attempted to universalise it through the creation of a transnational governance initiative constituted by both Chinese and non-Chinese companies.

China's Engagement in Transnational Extractives Governance (Early 2000s–12)

The first phase of transparency norm circulation saw the launch of several TEGIs that served as institutionalised governance platforms for promoting transparency as one of the primary norms of global extractives governance.⁶³ The EITI, established in 2003, is perhaps the best-known example. It requires member companies and governments to disclose essential information regarding extractive projects, such as financial transactions and social and environmental impacts. David-Barrett and Okamura claim that the EITI is a successful "reputational intermediary" in diffusing a transparency norm to other international and domestic actors through resource policies.⁶⁴

During this period, Chinese government agencies and companies gradually began to participate in TEGIs that emphasised a transparency norm in the extractive industries sector. For instance, in 2006, Lenovo joined the Responsible Business Alliance, a global initiative that encouraged members to follow a responsible code of conduct, and which included a clause on responsible mineral sourcing.⁶⁵ In 2008, Anqing Shuguang Chemical Co. joined the International Cyanide Management Code (ICMC), whose aim is to reduce the use of cyanide's hazardous impact on mining sites (particularly in gold mining), as did HeiBei ChengXin Co. in 2010.⁶⁶ In 2007, the Chinese government and the International Finance Corporation (IFC), a member of the World Bank Group, launched the Green Credit Policy

⁶¹ Thomas Hale and David Held, "Editors' Introduction: Mapping Changes in Transnational Governance," in Thomas Hale and David Held, eds., *Handbook of Transnational Governance: Institutions & Innovations* (Cambridge: Polity, 2011), pp. 25–28.

⁶² Karin Buhmann, "Chinese Human Rights Guidance on Minerals Sourcing: Building Soft Power," *Journal of Current Chinese Affairs*, Vol. 46, No. 2 (2017), pp. 135–54; Dan Guttman et al., "Environmental Governance in China: Interactions Between the State and 'Nonstate Actors'," *Journal of Environmental Management*, Vol. 220 (2018), pp. 126–35.

⁶³ Andrés Mejía Acosta, "The Impact and Effectiveness of Accountability and Transparency Initiatives: The Governance of Natural Resources," *Development Policy Review*, Vol. 31, No. S1 (2013), pp. 89–105.

⁶⁴ David-Barrett and Okamura, "Norm Diffusion and Reputation," p. 228.

⁶⁵ More information on the company's CSR practice is available on the Lenovo website: "LENOVO: GLOBAL SUPPLY CHAIN," https://www.lenovo.com/us/en/social_responsibility/global_supply_chain/.

⁶⁶ Information on each member company is available at the ICMC website. Anqing Shuguang Chemical Co. and Hebei Chengxin Co. are both cyanide producers, available at <http://cyanidecode.org/signatory-company>.

initiative, which promotes responsible behaviour on the part of Chinese companies overseas (e.g., through regular submission of social and environmental assessment reports).⁶⁷ The partnership between the IFC and Chinese representatives, such as the Ministry of Environmental Protection and China Banking Regulatory Commission, encouraged Chinese banks to build a relationship with the Equator Principles—a global initiative requiring financial institutions to monitor social and environmental risks in business projects, including massive overseas extractive industry sector projects.⁶⁸ In addition, during the 2009 G20 Summit in Pittsburgh, the Chinese government officially declared its support for the EITI.⁶⁹ Overall, more than 200 Chinese actors have since engaged with twenty-nine distinct TEGIs.⁷⁰ Of note is that Chinese actors have tended to gravitate towards TEGIs promoting a “thin” version of transparency that does not require the sharing of information with the public or inclusion of civil society actors in decision-making processes.⁷¹ Several international and domestic factors fostered the expanding presence of Chinese actors in the transnational extractives governance realm in this phase.

Growing International Pressure

Chinese actors have gradually espoused TEGI-advocated standards as a strategy to counter international criticism arising from the negative social and environmental impacts of the country’s overseas investment in the extractive industries sector, especially in other developing countries. Both China’s investments and aid to the Global South gained momentum after 2001, the year of its official entry into the World Trade Organization (WTO) and subsequent embrace of international markets. In line with its “go-out policy” (or “go global strategy”) of 1999, the Chinese government encouraged Chinese companies to invest overseas in order to secure resources outside of China.⁷² In the wake of the 2008 global financial crisis, the scale of Chinese Foreign Direct Investment (FDI) to Africa surpassed that of the USA.⁷³ However, NGOs and news media expressed concerns over the opaque nature of investment contracts and benefit-sharing processes stemming from China’s intimate ties with government elites in poor but resource-rich countries. This absence of transparency was ascribed to half-hearted efforts to address environmental and human rights issues.⁷⁴

China’s growing influence in the DRC was a particular cause for concern. In 2008, China and the DRC contracted to build massive, nationwide resource extraction and infrastructure schemes wherein joint venture copper and cobalt mining projects were a prominent feature.⁷⁵ More than 90% of the minerals produced in the Katanga region were exported

⁶⁷ China Daily, “Green-Credit Guideline for Banks Issued,” 25 February, 2012, http://www.chinadaily.com.cn/bizchina/2012-02/25/content_14691629.htm.

⁶⁸ More details can be found at https://www.ifc.org/wps/wcm/connect/f7117e804862f20e8ab5cff995bd23db/China+Green+Credit_English+Flyer_Eng.pdf?MOD=AJPERES.

⁶⁹ Elizabeth Economy and Michael Levi, *By All Means Necessary: How China’s Resource Quest Is Changing the World* (New York: Oxford University Press, 2014), p. 108.

⁷⁰ Park, “China in Transnational Extractives Governance: A Mapping Exercise”.

⁷¹ This study defines thin and thick transparency norms based on the following previous literature. See Philip Schleifer et al., “Transparency in Transnational Governance: The Determinants of Information Disclosure of Voluntary Sustainability Programs,” *Regulation and Governance*, Vol. 13, No. 4 (2019), pp. 488–506; Michael J. Bloomfield, *Dirty Gold: How Activism Transformed the Jewelry Industry* (Boston: MIT Press, 2017).

⁷² See China Policy, “China Going Global between Ambition and Capacity,” April 2017, <https://policymn.com/wp-content/uploads/2017/05/2017-Chinas-going-global-strategy.pdf>; Marcus Power, Giles Mohan, and May Tan-Mullins, *China’s Resource Diplomacy in Africa: Powering Development?* (New York: Palgrave Macmillan, 2012).

⁷³ Johns Hopkins University’s China Africa Research Initiative provides these data on Chinese investment in Africa (<http://www.sais-cari.org/chinese-investment-in-africa>).

⁷⁴ David Shinn, “The Environmental Impact of China’s Investment in Africa,” *International Policy Digest*, Vol. 49, No. 1 (2015), pp. 25–67.

⁷⁵ Global Witness, “China and Congo: Friends in Need, A Report by Global Witness on the Democratic Republic of Congo,” March 2011, pp. 1–44, https://cdn.globalwitness.org/archive/files/library/friends_in_need_en_lr.pdf.

to China, according to a Global Witness report,⁷⁶ which also accused Chinese mining companies of using child labour and failing to fairly compensate employees. The local Katangan government lacked the enforcement capacity to induce Chinese corporations' compliance with social and environmental regulations, and the 2008 agreement between China and the DRC failed to address either environmental or social issues.⁷⁷ The media framed the situation as a new type of Chinese imperialism.⁷⁸

These criticisms prompted the Chinese government's moves to create a better international image by enhancing outbound investment projects and the quality of its global economic cooperation with investment-recipient countries. In other words, China acknowledged the value of transparency, as regards its social and environmental responsibilities, in establishing a good international reputation. In 2006, therefore, China's State Council declared the "Nine Principles on Encouraging and Standardising Outward Investment," which includes the following statement:

(The meeting stressed) complying with local laws and regulations, and adhering to fair, *transparent public works project contracts*, making a commitment to and *fulfilling the necessary social responsibility to protect the legitimate rights and interests of local employees, paying attention to environmental resource protection*, caring for and supporting the local community and people's livelihood...Creating a friendly environment for public opinion, walking the road of peaceful development policy, and *preserving our good image and a good corporate reputation*.⁷⁹

Similar language appears in a book published by a Chinese think tank and a government ministry. Vice Minister of Environmental Protection of China Pan Yue remarks that setting guidelines and rules for Chinese companies overseas is essential to China's role as "a big responsible country" in its "go global strategy."⁸⁰ The authors also emphasise the necessity of "building a good country image, enhancing its soft power," and "(looking) at best practices of international organisations."⁸¹ Examining and learning the most appropriate CSR practices in regard to environmental protection and social issues, as framed by leading global institutions, thus became a major mission among Chinese governmental bodies and companies during this period. It was generally recognised that establishing a good national brand was crucial to countering the growing discourse that decried the negative impact of China's rise on the global order. Transnational actors, moreover, played a role in this respect by approaching and sharing with Chinese actors the policy ideas reflecting a global transparency norm.

Domestic CSR Rules

It was during this period that Chinese government agencies—echoing the proclamation of the Communist Party of China (CPC) at the 17th Party Congress in 2007 of "ecological civilisation (*Shengtai wenming*)" as a main national goal—enhanced their support for CSR as a primary policy agenda, specifically emphasising the business sector's environmental

⁷⁶ Witness, "China and Congo: Friends in Need, A Report by Global Witness on the Democratic Republic of Congo," p. 13.

⁷⁷ Ibid., p. 35.

⁷⁸ Jin Jiaman et al., *Environmental Policies on China's Investment Overseas* (Beijing: China Environmental Science Press, 2011), p. 26.

⁷⁹ Nathalie Bernasconi-Osterwalder et al., eds., *Chinese Outward Investment: An Emerging Policy Framework* (Winnipeg: International Institute for Sustainable Development (IISD) and Institute for International Economic Research (IIER), 2013), p. 11, https://www.iisd.org/system/files/publications/chinese_outward_investment.pdf. The emphasis is added.

⁸⁰ Jiaman et al., *Environmental Policies on China's Investment Overseas*, foreword.

⁸¹ Ibid., preface. The emphasis is added.

responsibility.⁸² The 11th Five-Year Guidelines of the CPC (2006–11) accordingly prioritised environmental protection as a major national policy issue.⁸³ Many CSR guidelines (including certain transparency mechanisms) were published according to the CPC decision: the Shenzhen Stock Exchange Social Responsibility Instructions in 2006; the Guidelines to the State-owned Enterprises directly under the Central Government issued by the State Council's State-owned Assets Supervision and Administration Council in 2007; the Export-Import Bank of China's White Paper on Green Finance in 2007; and the Shanghai Stock Exchange Guidelines on Listed Companies' Environmental Information Disclosure in 2008.⁸⁴

As Jiaman et al. explain, at that time, China had not yet formally recognised the term “corporate social responsibility” or incorporated it in the Chinese legal system.⁸⁵ As a “late-comer,” therefore, China's adoption of the CSR concept came well after that of Western actors'.⁸⁶ The Chinese CSR guidelines published in this period hence constitute key evidence of both China's adoption of a foreign CSR concept and its internalisation of global CSR standards in Chinese contexts. A reporting system linked to companies' environmental and social impacts, and which also tracked China's gradual internalisation of a transparency norm in its CSR policies, was one of the major CSR policy tools those guidelines recommended. The first Chinese Law stipulating an Environmental Impact Assessment (EIA), which came into force in 2003, required EIA reports from the project planning phase onwards.⁸⁷ The 2008 Standardisation Administration of China, moreover, issued guidelines on voluntary social responsibility reporting.⁸⁸ Interestingly, the development of a CSR reporting system in China—in reporting guidelines and assessment frameworks that strengthen due diligence through granting credit—was facilitated by financial institutions.⁸⁹ These new domestic rules emphasised information disclosure in regard to the environmental and social risks of Chinese overseas business investments, thus resembling many global transparency policies. With the CPC's encouragement, therefore, Chinese companies looked to TEGIs during this period for appropriate CSR strategies.

Constitutive Localisation of a Global Transparency Norm (2013–15)

During the period 2013–15, the growing concerns of international society regarding the negative impact of Chinese companies operating massive mining operations in poor resource-rich countries, especially the DRC, triggered both formal and informal interactions between China and transnational actors. To enable China's adoption of global CSR standards in the extractive industries sector, several transnational and foreign institutions set out to create close partnerships with relevant Chinese agencies. Their primary emphasis was on a transparency norm. CCCMC played a crucial role in initiating and developing a cooperative relationship with foreign partners. Importantly, CCCMC did not passively adopt and use the global standards; it instead developed two Chinese versions of guidelines incorporating Chinese versions of transparency norms. They were the Chinese Guidelines for Social Responsibility in Outbound Mining Investment in 2014 (the 2014 Guidelines) and the Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains in 2015 (the 2015 Guidelines).

The process of formulating the CCCMC guidelines illustrates how Chinese local agents learnt and subsequently localised a global norm/idea that they had learnt from transnational

⁸² Guttman et al., “Environmental Governance in China,” p. 129.

⁸³ A summary of the guideline is available at <http://www.china.org.cn/english/2006lh/160403.htm>.

⁸⁴ Bernasconi-Osterwalder et al., *Chinese Outward Investment*, pp. 168–79.

⁸⁵ Jiaman et al., *Environmental Policies on China's Investment Overseas*, p. 108.

⁸⁶ Interview 1, 31 July 2019.

⁸⁷ *Ibid.*, p. 86.

⁸⁸ Guttman et al., “Environmental Governance in China,” p. 128.

⁸⁹ *Ibid.*, pp. 128–9; Bernasconi-Osterwalder et al., *Chinese Outward Investment*, p. 65.

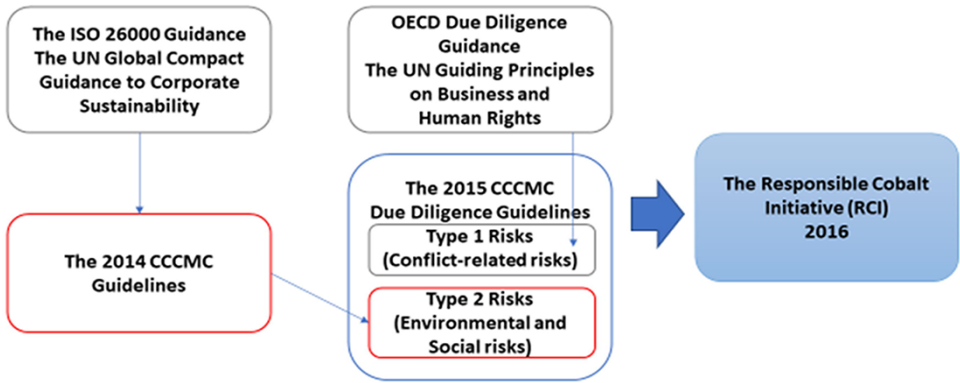


Fig. 2. The Development of the CCCMC Guidelines and RCI

norm entrepreneurs. In Acharya's theoretical terms, it can be construed as a constitutive localisation process whereby CCCMC acted as a local idea-shifter to reshape a global norm, based on the local context. The formulation of the CCCMC guidelines also shows "an evolutionary process based on creative synthesis between local norms and foreign ideas."⁹⁰ CCCMC formulated its 2014 Guidelines by adapting the International Organization for Standardization (ISO) Guidance and United Nations Global Compact (UNGC) Guidance to Corporate Sustainability to Chinese socio-economic contexts. The 2014 CCCMC Guidelines subsequently became a crucial part of the 2015 CCCMC Due Diligence Guidelines, which represent a combination of the 2014 Guidelines and the OECD Due Diligence Guidance. The two sets of CCCMC guidelines later became prerequisite conditions for the establishment in 2016 of the RCI (Figure 2).

The 2014 Chinese Guidelines for Social Responsibility in Outbound Mining Investment

The 2014 Guidelines, based on the ISO Guidance and UNGC Guidance, resulted from the Sino-German CSR project (2007–14), brought into effect by the German Corporation for International Cooperation (GIZ) and the WTO Department of the Chinese MOFCOM.⁹¹ With its aim to enhance the social responsibility of Chinese outbound mining investment, the guidelines targeted "any activities" related to the extractive industries sector that generated profits for a Chinese company.⁹² The guidelines unequivocally specify a transparency norm:

1.7. Strive for *Transparency*. Companies should report on their material impacts and *disclose their ethical, social, and environmental performance to their stakeholders* in ways that are appropriate and meaningful to their needs. They should give a comprehensive view of their policies, risks, and results in regard to ethical, environmental, and social matters.⁹³

These guidelines require companies to disclose information regarding all payments to foreign government entities, in efforts to cope with corruption issues "*in line with global*

⁹⁰ Acharya, *Constructing Global Order*, p. 46.

⁹¹ The Chinese Ministry of Commerce (MOFCOM), "Sino-German Corporate Social Responsibility Project," 2014, <http://csr2.mofcom.gov.cn/article/ref/201410/20141000780102.shtml>.

⁹² China Chamber of Commerce of Metals, Minerals and Chemical (CCCMC), "Guidelines for Social Responsibility in Outbound Mining Investments," 2014, <http://csr2.mofcom.gov.cn/article/policies/ind/201812/20181202819524.shtml>.

⁹³ Ibid., p. 29. The emphasis is added.

transparency standards, in (host) countries where those apply,” such as the EITI standard.⁹⁴ CCCMC was identified as the main body tasked with monitoring the performance of Chinese companies and with periodically reporting its results.⁹⁵ However, despite this separate clause regarding implementation, the performance evaluation reports do not appear on the official CCCMC website. This possibly reflects the CCCMC’s limited capacity to monitor all relevant companies, due to its small staff.

Creating the guidelines involved a collaborative process among Chinese domestic and foreign stakeholders and a public consultation stage.⁹⁶ The process was supported by eight government agencies, five foreign embassies in Beijing, various industrial associations, Chinese extractive companies (e.g., China Minmetals and Jiangxi Copper Corporation), research institutes, transnational and global governance agents (e.g., International Social and Environmental Accreditation and Labelling (ISEAL), International Labour Organization, and United Nations Development Programme), and INGOs such as World Wide Fund for Nature and Global Witness (GW).⁹⁷ The CCCMC Working Group held domestic and international seminars on the sustainable development of China’s outbound mining investment with foreign and transnational agents, such as GIZ.⁹⁸ Furthermore, working group members visited Chinese extractive companies (e.g., Chinalco, China Nonferrous Metal Mining Group, and China Minmetals Corporation) and solicited their perspectives.⁹⁹ The 2014 Guidelines reflect China’s attempt to combine global rules with Chinese standards. In shaping the basic frame of the 2014 CCCMC Guidelines, the CCCMC relied heavily on both the ISO 26000 Guidance and the UNGC Guidance. Its formulation of the Chinese guidelines, meanwhile, entailed analysing more than twenty other relevant global rules—including ISEAL, International Council on Mining and Metals (ICMM), and RJC standards. CCCMC also incorporated Chinese regulations into the governance framework, such as the 2007 Guidelines to the State-owned Enterprises, issued by the State Council’s State-owned Assets Supervision and Administration Council.¹⁰⁰

The 2015 CCCMC Due Diligence Guidelines

The 2014 Guidelines evolved into the 2015 CCCMC Due Diligence Guidelines in order to enhance the responsibility of Chinese upstream and downstream companies in the global mineral supply chain.¹⁰¹ The 2015 Guidelines provide more detailed rules about conflict minerals (gold and 3T: tin, tungsten, and tantalum) and supply chain due diligence.¹⁰² Having acknowledged the seriousness of the conflict minerals issue as it pertained to Chinese companies mining in high-risk areas, CCCMC and MOFCOM initiated a project, working with the OECD and GW, to draft a Chinese version of due diligence guidelines, based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the UN Guiding Principles on Business and Human Rights.¹⁰³ While the OECD Guidance focuses on conflicts and human rights issues, the CCCMC guidelines comprehensively cover those issues (Type 1 risks) and social and

⁹⁴ Ibid., pp. 32–33. The emphasis is added.

⁹⁵ CCCMC, “Guidelines for Social Responsibility in Outbound Mining Investments,” p. 46.

⁹⁶ Ibid., p. 53.

⁹⁷ Ibid., pp. 54–5.

⁹⁸ CCCMC, “The Second China Outbound Mining Investment Stakeholders’ Roundtable Conference on Corporate Social Responsibility Held at CCCMC,” 28 March, 2014, <http://en.cccmc.org.cn/news/cccmcinformation/9381.htm>.

⁹⁹ CCCMC, “CCCMC Delegation Visits Member Companies on Overseas Mining Development and Social Responsibility Issues,” 24 February, 2014, <http://en.cccmc.org.cn/news/cccmcinformation/4075.htm>.

¹⁰⁰ CCCMC, “Guidelines for Social Responsibility in Outbound Mining Investments,” p. 26.

¹⁰¹ CCCMC, “Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains,” 2015, p. 10, <http://www.cccmc.org.cn/docs/2016-05/20160503161408153738.pdf>.

¹⁰² Ibid., p. 8.

¹⁰³ Ibid., p. 3.

environmental risks (Type 2 risks) by utilising the 2014 Guidelines as a major source.¹⁰⁴ CCCMC acted as a local idea-shifter by recreating existing standards through a synthesis of global rules and previously developed local standards.

The 2015 Guidelines are similar in many respects to the OECD Guidance regarding transparency policies. For example, some language was adopted verbatim:

5. Report on supply chain due diligence. *Companies should publicly report on their supply chain due diligence policies and practices and may do so by expanding the scope of their sustainability, corporate social responsibility or annual reports to cover additional information on mineral supply chain due diligence.* (The 2016 OECD Due Diligence Guidance 2016)¹⁰⁵

7.5 Report on process and results of supply chain risk management. *Companies should publicly report on their supply chain due diligence policies and practices, including on identified risks and steps taken to mitigate these risks, and may do so by expanding the scope of their sustainability, corporate social responsibility or annual reports to cover additional information on mineral resource supply chain due diligence.* (The 2015 CCCMC Due Diligence Guidelines)¹⁰⁶

As with the OECD Guidance, the 2015 Guidelines recommend that companies undergo independent, third-party audits and have their certification validated by an independent oversight body.¹⁰⁷ Both sets of standards suggest cost-sharing between upstream and downstream companies in the conduct of due diligence tasks, including audits.¹⁰⁸ The process of obtaining an independent audit and report on supply chain due diligence constitutes key components (“5-STEP Framework”) of the due diligence process in both guidance documents.¹⁰⁹ The OECD and CCCMC guidelines emphasise the need for companies to transparently share all information regarding risks in their supply chains, as well as their risk mitigation practices, to stakeholders, including the affected communities.

As a primary foreign partner with CCCMC, the OECD played a significant role in drafting the 2015 Guidelines, similar to how the GIZ worked with CCCMC in developing the 2014 Guidelines. CCCMC and the OECD agreed on a Memorandum of Understanding for developing a responsible mining supply chain at an international conference in Beijing (“Exploitation Exchange China 2014”) where the 2014 Guidelines were released. Participants in this conference gave heavy weight to the issue of Chinese outbound mining investment based on the “going-out” policy.¹¹⁰ CCCMC and the OECD subsequently stepped up the drafting of a Chinese version of due diligence guidelines, based on regular meetings and a public consultation process. GW has been another primary partner informally supporting CCCMC’s draft of the 2015 Guidelines, although its NGO status somewhat constrained its partnership with CCCMC. GW as a norm entrepreneur helped the CCCMC to acquire a consultancy process and encouraged Chinese partners to reflect

¹⁰⁴ Ibid., p. 14.

¹⁰⁵ The OECD Due Diligence Guidance published in 2016 is the third edition; OECD initiated the first edition in 2011. OECD, *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* (Paris: OECD Publishing, 2016), p. 19. The emphasis is added.

¹⁰⁶ CCCMC, “Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains,” p. 31. The emphasis is added.

¹⁰⁷ Ibid., p. 32.

¹⁰⁸ See OECD, *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, p. 15; CCCMC, “Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains,” p. 30.

¹⁰⁹ See OECD, *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, p. 17; CCCMC, “Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains,” p. 13.

¹¹⁰ CCCMC, “Exploration Exchange China 2014 held in Beijing,” 30 October, 2014, <http://en.cccmc.org.cn/news/cccmcinformation/21060.htm>.

as far as possible the OECD Guidance in the Chinese guidelines.¹¹¹ In December 2015, the OECD and CCCMC held the 2015 International Workshops on Responsible Mineral Supply Chains. They announced the 2015 Guidelines on “(China’s) participating in global governance, identifying potential risks, and advancing China’s process and management capacity” at this international meeting.¹¹²

Meanwhile, compared to other TEGI standards that encourage to use a strong transparency tool (e.g., the EITI),¹¹³ Chinese standards seem to “lower the bar” for companies¹¹⁴ in order that they may more easily establish a good reputation. Despite some Chinese delegates’ statements in support of the EITI at international meetings, Chinese agencies generally rejected official engagement with the EITI—a “high bar” transparency mechanism.¹¹⁵ A senior official in a Chinese government agency remarked that such overly lofty global standards limited Chinese companies’ economic growth.¹¹⁶ Consequently, the global standards that CCCMC adopted to develop the CCCMC guidelines in 2014 and 2015 (ISO, UNGC, and OECD) rely heavily on companies’ voluntary principles, which consist in “thin” transparency rules, in comparison, for instance, with EITI’s “thick” transparency rules (i.e., a mandatory reporting system). In this sense, the transparency standards that Chinese extractives governance agents tend to support are most often of a thin type that are favourable to private corporate actors.¹¹⁷ Unlike thick transparency, thin transparency does not require members of a governance initiative to abide by strict rules in regard to disclosing full information about third-party audits/monitoring or their decision-making processes to the public.

International and Domestic Factors Triggering Constitutive Localisation

Throughout this period, CCCMC reportedly led the effort towards launching a Chinese version of the CSR guidelines and worked as an advocate of the due diligence responsibilities of Chinese extractive companies.¹¹⁸ Although transparency regulations may have been a sensitive issue for Chinese companies, CCCMC agreed to incorporate transparency clauses consistent with global standards in both the 2014 and 2015 Guidelines. One of my interviewees, having participated in the 2015 Guidelines drafting process, observed a high degree of consensus between CCCMC and its foreign partners.¹¹⁹ This raises the questions: What was the driving force behind the initiation of Chinese guidelines over this short period (2013–15)? and why did China formulate a Chinese version rather than adopting the existing global guidelines (e.g., the OECD Due Diligence Guidance)?

¹¹¹ Interview 2, 23 July, 2019. The partnership between CCCMC and GW shows GW’s strategic behaviour to reduce potential risks as an INGO. See Stephen Noakes and Jessica C. Teets, “Learning Under Authoritarianism: Strategic Adaptations within International Foundations and NGOs in China,” *Voluntas*, Vol. 31 (2020), pp. 1093–113.

¹¹² CCCMC, “2015 International Workshop on Responsible Mineral Supply Chains Held in Beijing,” 11 December, 2015, <http://en.cccmc.org.cn/news/cccmcinformation/44298.htm>.

¹¹³ In the case of the EITI, all member countries and companies are obliged to submit a report annually. If they do not fulfil the mandatory requirements (for instance, providing full and detailed disclosure of tax payments), their membership status will be deprived. When a government becomes an EITI member, EITI standards function as a more stringent soft law because foreign companies operating in the EITI member country are required to submit their report legally (even though the companies’ original countries not an EITI member). More details about EITI rules can be found at the EITI website: <https://eiti.org/>.

¹¹⁴ Shaun Gessler, “Industry Guidelines for Chinese Mining Companies Abroad: Paper Tigers?,” Department of Pacific Affairs, Australian Aid (In Brief 2017/26), 2017, https://dpa.bellschool.anu.edu.au/sites/default/files/publications/attachments/2017-11/in_brief_2017_26_gessler_final.pdf.

¹¹⁵ Global Witness, “China and Congo,” p. 26.

¹¹⁶ Interview 1, 31 July 2019.

¹¹⁷ A thin version of transparency is similar to “weak transparency” in the study of Schleifer et al. and Bloomfield’s “shallow transparency.” See Schleifer et al., “Transparency in Transnational Governance”; Bloomfield, *Dirty Gold*.

¹¹⁸ Interview 2, 23 July 2019; Interview 6, 14 January 2020.

¹¹⁹ Ibid.

Commencement of the Xi Jinping administration in 2013 constituted a critical domestic shift. Compared to previous leaders, Xi Jinping emphasised a more proactive leadership role of China as a “big responsible country” in global governance, which propelled China’s continuous economic development based on its “going-out policy” and BRI projects.¹²⁰ Close diplomatic partnerships between China and other BRI member countries provided more opportunities for Chinese companies and investors to access extractive resources in resource-rich BRI partner states. Both the CPC and Chinese companies shared an interest in enhancing the reputation of Chinese companies overseas, as well as in minimising discourses framing China as threat. The Xi Jinping government, moreover, supported the globalised Chinese CSR rule-making process.

In addition, many countries started regulating companies in efforts to ensure the ethical sourcing of minerals. For example, the US Dodd-Frank Act required companies listed on the US stock markets to disclose all uses of conflict minerals.¹²¹ This US regulation had direct impact on Chinese miners and refiners linked to the US-listed companies, to an extent where they sought help from the Chinese government (particularly MOFCOM, which governs the CCCMC) in resolving this issue that constrained their businesses and increased investment risks.¹²²

These domestic and international factors motivated the MOFCOM and CCCMC to formulate Chinese CSR standards, including transparency clauses. Developing the Chinese guidelines in 2014 and 2015, rather than merely translating and hence directly importing global standards, addressed the needs of both domestic stakeholders and international audiences. The CCCMC guidelines, reflecting many existing global rules, enabled China to make a good impression on the international community, as well as to mitigate concerns about the perceived threat of Chinese FDI. Meanwhile, those Chinese guidelines offered a practical alternative to Chinese domestic actors reluctant to follow “unfamiliar foreign rules” outside China,¹²³ but who needed to show their adoption of global norms.

A senior staffer at one of the Beijing’s biggest Chinese CSR companies explained that localising “Western CSR” (through making Chinese rules) spurs Chinese companies to go global.¹²⁴ Another interviewee held that there are too many global standards, which are inappropriate for Chinese companies for several reasons. First, Chinese actors were not a participant in developing dominant global standards. For example, as China is not a member of the OECD and did not engage in drafting the OECD Guidance, the country feels under no obligation to follow the rule. Second, the high bars that many global rules incorporate disincite China, as a latecomer, from adopting them. Global standards hence hold no appeal, for reasons that extend beyond their normative value. Third, global norms need to be reinterpreted in the Chinese language and cultural context. The interviewee observed that CCCMC has more than 6300 member companies, upon whose trust it operates.¹²⁵ These perspectives imply that the new Chinese guidelines represent a strategic choice for China’s policy community.¹²⁶ The recreated “Chinese” rules were a justifiable norm that domestic stakeholders were willing to follow and at the same time represented a positive rebranding of China for the international community. Similar patterns have been observed in China’s norm contestation of different transnational governance issues. For instance, Tim Bartley’s research shows that China formulated its own domestic governance standards

¹²⁰ The Economist, “China’s Belt-and-Road Plans Are to Be Welcomed—and Worried About,” 26 July, 2018, <https://www.economist.com/leaders/2018/07/26/chinas-belt-and-road-plans-are-to-be-welcomed-and-worried-about>.

¹²¹ The original document is available on the website of the US Securities and Exchange Commission: <https://www.sec.gov/spotlight/dodd-frank-section.shtml#1502>.

¹²² Interview 2, 23 July 2019.

¹²³ Interview 1, 31 July 2019.

¹²⁴ Interview 3, 13 January 2020.

¹²⁵ Interview 1, 31 July 2019.

¹²⁶ Interview 6, 14 January 2020.

and programmes with lax requirements, such as China Social Compliance (CSC) 9009T for forest certification and CSR in the textile and apparel industry specifically to lower the bar set by global standards.¹²⁷

Towards Universalisation of a Chinese Transparency Norm? (2016–present)

Despite China's efforts to develop its own guidelines, the international community continued to focus upon Chinese companies operating overseas and to insist upon socially and environmentally responsible behaviour. Notably, Amnesty International raised the issue of unethical cobalt mining in the DRC and revealed serious human rights violations, including child labour in local mining sites operated by Chinese companies such as Zhejiang Huayou Cobalt.¹²⁸ In November 2016, CCCMC accordingly initiated with the OECD the RCI, drawing on the OECD Due Diligence Guidance and the 2014 and 2015 Guidelines. The RCI is a Chinese-led transnational extractives governance mechanism for all relevant stakeholders in the global cobalt supply chain, not just Chinese actors.¹²⁹ Its establishment constituted a crucial starting point for China's proactive role as a norm-maker in global extractives governance.

The RCI (2016)

Currently, more than twenty upstream and downstream companies including Apple, Tesla, HP, LG Chem, Samsung SDI, Huawei, Sony, BMW, Volvo, Daimler, Beijing Easpring Material Technology Co., L&F, Tianjin B&M Science and Technology Joint-Stock Co., Zhejiang Huayou Cobalt, and First Cobalt Corporation are members of the RCI.¹³⁰ CCCMC serves as Chair of the RCI, while Huayou Cobalt and BMW are Vice-Chairs (Minor Metals Trade Association 2018). CSR Europe, a global Europe-based business network, is an RCI board member (CSR Europe 2018).¹³¹ That most member companies are linked to the growing EVs market is notable. It possibly signifies that companies in the EV supply chain have a shared interest in reducing the investment risks arising from unethical cobalt sourcing processes.

Transparency is one of the RCI's primary principles. For instance, the RCI has formulated, with CCCMC and the RMI, specific due diligence guidelines for cobalt smelters and refiners, including transparency clauses (e.g., public reporting) through a pilot project.¹³² This is similar to the process whereby the CCCMC guidelines were formulated in 2014 and 2015. However, in this case, CCCMC rule-making is based on its partnership with the foreign norm entrepreneur RMI. A spokesperson for Daimler, an RCI member company, said that the company expects, through the RCI, to enhance transparency in the cobalt value chain in

¹²⁷ See Tim Bartley, *Rules without Rights: Land, Labor, and Private Authority in the Global Economy* (Oxford: Oxford University Press, 2018), Chapters 4 and 5.

¹²⁸ Interview 2, 23 July 2019; Interview 4, 15 January 2020.

¹²⁹ Roel Nieuwenkamp, "Smartphones Are Child's Play, but What About the Child Labour?" 24 January, 2020, <https://www.oecd-ilibrary.org/docserver/5d3abe03-en.pdf?expires=1677140194&id=id&accname=guest&checksum=099EA81AD20595E632D67B4681FECDD06>.

¹³⁰ The RCI did not publish an official website providing its governance information. The member list was made based on CCCMC website sources, some news sources, and policy reports (e.g., Ali et al. 2018:22).

¹³¹ Some member companies and associated partners of CSR Europe overlap with RCI member companies such as Samsung, Huawei, Volvo, and BMW. Several associated members of CSR Europe have supported RCI as a close partner (e.g., GIZ, Responsible Business Alliance, and Global Reporting Initiative).

¹³² CCCMC, "Public Consultation on CCCMC Draft Cobalt Refiner Standard," 10 April, 2018, <http://en.cccmc.org.cn/news/cccmcinformation/77704.htm>; CCCMC, "Public Consultation on Guidelines for Cobalt Smelters Supply Chain Due Diligence," 9 July, 2019, <http://en.cccmc.org.cn/news/cccmcinformation/95808.htm>; RMI, "RMI and RCI Publish Revised Cobalt Refiner Supply Chain Due Diligence Standard," 19 August, 2021, <https://www.responsiblebusiness.org/news/rmi-rci/>.

response to criticism regarding the company's lack of transparent social and environmental risk assessments.¹³³

The status of the RCI as a “global” cobalt initiative enables RCI standards to function as “global” rules applying not only to Chinese companies but also to all actors in the global supply chain. This process shows how a global norm (i.e., OECD Due Diligence Guidance) reconstructed as a local norm (the 2014 and 2015 CCCMC Guidelines) becomes another global norm infused with local Chinese contexts (RCI standards). In developing the RCI, CCCMC and the OECD intended to induce upstream and downstream companies to follow the 2015 CCCMC Guidelines and OECD Guidance.¹³⁴ The RCI's new due diligence standards for cobalt smelters and refiners, published in 2021 after multi-year revision processes, reflect major components of the 2015 Guidelines, including similar global transparency policies, particularly the OECD Due Diligence Guidance.¹³⁵ Beyond the scope of the 2015 CCCMC Guidelines and the OECD Guidance emphasising the “5-STEP Framework,” the newly updated version of the RCI cobalt standard includes the additional clause: “Step 6: Community Participation,” to encourage companies' engagement with local communities and multiple local actors.¹³⁶ This clause, innovatively formulated by a senior CCCMC staffer,¹³⁷ highlights the significant role played by CCCMC (as a local idea-shifter) in crafting a global extractives governance principle.

It is too early to evaluate whether or not the RCI transparency norm will, in the long-term, be successfully universalised and become a stabilised *grundnorm* in global extractives governance. However, when considering the scope of RCI members in the cobalt supply chain, the RCI presents a significant venue wherefrom a transparency norm, localised in a Chinese context, is disseminated to more global audiences. The RCI case fits Acharya's understanding of norm circulation, specifically as an example of the universalisation of a subsidiary norm, as the RCI appears to promote a subsidiary norm consistent with China's preferred thin type of transparency. Even though the finally revised version of the RCI standard could possibly benefit from stronger independent third-party assessment and public reporting than its earlier version¹³⁸ and the 2015 CCCMC Guidelines, the scope and quality of information disclosure are nevertheless left to the discretion of individual companies, and there is a dearth of mandatory verification mechanisms. In this situation, the credibility of disclosed information cannot be effectively guaranteed. Although the transparency clauses recommend sharing information on the social and environmental impacts of all member companies, there is an absence of specific implementation and compliance rules, in common with the “thin” transparency rules of other TEGIs. The RCI governance system thus hinges on voluntary guidelines that lack an enforcement mechanism for members' compliance with them.¹³⁹ The current RCI rule-making process, moreover, appears to render the RCI insufficiently transparent in being primarily reliant on member companies and by virtue of civil society actors' limited participation. In 2016, the CPC enacted the Foreign NGO Law which

¹³³ Priscila Barrera, “German Carmaker Daimler Joins Responsible Cobalt Initiative,” 25 April, 2021, <https://investingnews.com/daily/resource-investing/battery-metals-investing/cobalt-investing/german-carmaker-daimler-joins-responsible-cobalt-initiative/>.

¹³⁴ CCCMC, “Responsible Cobalt Initiative (RCI),” 14 November, 2016, <https://respect.international/wp-content/uploads/2018/08/Responsible-Cobalt-Initiative-RCI.pdf>.

¹³⁵ Interview 4, 15 January 2020.

¹³⁶ RMI, “RMI and RCI Publish Revised Cobalt Refiner Supply Chain Due Diligence Standard.”

¹³⁷ Interview 1, 31 July 2019; Interview 2, 23 July 2019; Interview 5, 14 January 2020.

¹³⁸ RCI and RMI, “Cobalt Refiner Supply Chain Due Diligence Standard: Version 2.0,” 19 August, 2021, [https://www.responsiblemineralsinitiative.org/media/docs/standards/Cobalt%20Refiner%20Supply%20Chain%20Due%20Diligence%20Standard%20\(Vers%202.0\)_EN.pdf](https://www.responsiblemineralsinitiative.org/media/docs/standards/Cobalt%20Refiner%20Supply%20Chain%20Due%20Diligence%20Standard%20(Vers%202.0)_EN.pdf).

¹³⁹ Jannick Saegert and Gregor Grossman, “Human Rights Due Diligence in Mineral Supply Chains: International Developments and Chinese Efforts,” *Asienhaus Stiftung*, September 2018, https://www.asienhaus.de/uploads/tx_news/Blickwechsel_Human_Rights_Due_Diligence_in_Mineral_Supply_Chains_International_Developments_and_Chinese_Efforts_02.pdf.

requires non-Chinese NGOs to register with local public security officials.¹⁴⁰ This domestic context could restrict the RCI's deeper interaction with INGOs such as GW—one of the key global advocacy groups working towards a transparency norm in the extractive industries sector. Moreover, the absence of an official website restricts the sharing of relevant information about the RCI (particularly its decision-making processes) to member companies. This weak transparency mechanism could potentially lead to a “greenwashing/ whitewashing” of companies.

International and Domestic Conditions for Universalisation

The case of the RCI suggests certain conditions that have enabled China to become a norm-maker at the global level. The evolution of the CCCMC guidelines and the RCI is closely linked to the development of the BRI, which has facilitated multilateral cooperation between China and BRI countries. China's leadership has indeed become a crucial factor in determining successful BRI outcomes. China is, through its BRI projects, reshaping its identity as a responsible global leader that provides common goods based on “win-win” cooperation. For instance, Xi Jinping said at the 19th National Congress of the CPC in 2017: “This new era will be an era that sees China moving closer to centre stage and making greater contributions to humankind.”¹⁴¹ This statement reveals China's new identity as a powerful global leader whose building of a good international reputation is now, more than ever, a critical national goal.

Ongoing international criticism about Chinese extractive companies, particularly those operating in BRI member countries, however, weakens China's external legitimacy. Consequently, the CPC seeks to “rebrand” BRI projects as socially and environmentally responsible, thus to ensure that China can continue operating such projects. The “Green BRI” is a new national strategy to mitigate negative environmental impacts and rebrand the BRI image.¹⁴² Xi Jinping summarised the central ideas of the Green BRI at the second BRI Forum in 2019, when he emphasised China's commitment to “supporting open, clean and green development” and developing “a clean and green Silk Road.”¹⁴³

CCCMC, the leading agent in the development of the RCI, has engaged in the rebranding of the BRI, particularly in regard to Chinese extractive projects. The CCCMC's role in building a coalition of companies in China and BRI countries became significant to enhance international economic partnerships. The MOFCOM has given CCCMC-free rein to act globally in ensuring that BRI policies are better implemented. CCCMC started working in the One Belt and One Road Traders Alliance as a founding member and in the Belt and Road Service Connections as a co-founder (CCCMC 2015c). One of my interviewees observed that “after Chinese President Xi Jinping proposed, at the China-African forum in 2018, supporting for Chinese companies in Africa towards forging a CSR alliance, MOFCOM entrusted CCCMC with preparing for that.”¹⁴⁴ Since then, CCCMC's role has been as Secretariat of the Chinese Alliance of Responsible Business in Africa, as a part of “China-Africa Cooperation Beijing Action Plan (2019-2021).”¹⁴⁵ The CCCMC website documents show that the CCCMC has been proactive since the BRI was initiated in promoting its

¹⁴⁰ Interview 3, 13 January 2020; Interview 6, 14 January 2020; Betsy Reed, “China Passes Law Imposing Security Controls on Foreign NGOs,” 28 April, 2016, <https://www.theguardian.com/world/2016/apr/28/china-passes-law-imposing-security-controls-on-foreign-ngos>.

¹⁴¹ Pu, “Socialisation as a Two-Way Process,” p. 99.

¹⁴² Interview 5, 14 January 2020

¹⁴³ Belt and Road Forum, “Remarks by H.E. Xi Jinping President of the People's Republic of China at the Press Conference of the Second Belt and Road Forum for International Cooperation,” 28 April, 2019, <http://www.beltandroadforum.org/english/n100/2019/0429/c22-1397.html>.

¹⁴⁴ Interview 1, 31 July 2019.

¹⁴⁵ Lihui Sun, “Conversation with Leaders, Environmental Protection & Human Rights in Supply Chains: From Due Diligence to Impact,” Conference Presentation, SDG Summit 2020, Plenary Session, CSR Europe, 29 October, 2020, <https://www.csreurope.org/plenary-4-due-diligence-law>.

efforts to enhance China's CSR, particularly through the CCCMC and RCI guidelines, at international conferences and meetings. During this period, many transnational actors (e.g., the Red Cross and ICMM) and government delegates from other developing countries have approached CCCMC to discuss CSR issues relative to extractive resource sectors and industrial cooperation.

The RCI was established upon the Chinese government's desire to assume a leadership role on the international stage. RCI (with CCCMC as Chair) expects to set supply chain management standards that will enable both Chinese and international companies to meet international standards.¹⁴⁶ The establishment of the RCI appears to have created a useful tool for rebranding China's image that has been undermined by the DRC cobalt mining issue. The CCCMC proclaimed establishment of the RCI at the UN Annual Forum on Business and Human rights in Geneva in 2016 (Sun 2020).¹⁴⁷ Opting for the UN rather than a local venue to introduce the RCI may be construed as a symbolic gesture aimed at international audiences, calculated to display the image of a responsible China supporting human rights and other CSR principles. In the same year, the CCCMC Chairman shared the story of the RCI at a meeting in Davos, another high-visibility international venue.¹⁴⁸ Similarly, CCCMC's executive director introduced RCI/CCCMC guidelines and current activities at CSR Europe's Sustainable Development Goals Summit and the UN Forum on Business and Human Rights in 2020.

The accumulated experience of RCI/CCCMC transnational interactions appears to have helped China gain confidence and advance towards a leadership role in global extractives governance. December 2020 saw the RCI/CCCMC's first hosting of an international conference on the sustainable mineral supply chain, thus to share policies and global governance trends of the mining sectors' global supply chains.¹⁴⁹ The Chinese agents invited a wide range of guests from among international stakeholders, including upstream and downstream companies, intergovernmental organisations (e.g., OECD), investment companies, consulting companies, and NGOs. Notably, the CCCMC Vice Chair introduced its major achievements, including CCCMC and RCI standard formulations, through an "achievements release ceremony" before more than 2000 international and domestic audiences.¹⁵⁰ The growing presence of the RCI/CCCMC in the realm of global governance signifies their growing confidence to act as a global norm-maker.

This historical evolution of the RCI suggests that when local idea-shifters (CCCMC/RCI) seek legitimization from external audiences, they either bring their subsidiary norms (CCCMC/RCI standards) to global governance platforms (UN or Davos meetings) or build their own venue (the 2020 conference on sustainable mineral supply chains). The role of the Chinese government in supporting CCCMC/RCI and granting them sufficient autonomy and authority appears to be crucial to local idea-shifters becoming normative leaders at the global level. The Chinese government's strong political willingness to rebrand China has opened a window of opportunity in that regard. As Guttman et al. argue, crises (such as the Amnesty International report criticising Chinese companies) also play a motivating role,¹⁵¹ in this case spurring the Chinese government and relevant companies' support of the CCCMC/RCI norm and promoting it at a global venue.

¹⁴⁶ Interview 4, 15 January 2020.

¹⁴⁷ Ibid.

¹⁴⁸ CCCMC, "CCCMC Chairman Chen Feng Invited to the Summer Davos 2017," 30 June, 2017, <http://en.cccmc.org.cn/news/cccmcinformation/67215.htm>.

¹⁴⁹ Interview 4, 15 January 2020.

¹⁵⁰ CCCMC, "2020 International Forum on Sustainable Mineral Supply Chains Successfully Held in Beijing," 4 December, 2020, <http://en.cccmc.org.cn/news/cccmcinformation/119283.htm>.

¹⁵¹ Guttman et al., "Environmental Governance in China," p. 131.

Discussion

China's engagement in global extractives governance shows that China is not only a norm-taker but also increasingly a norm-maker, particularly in coping with China's domestic and international legitimacy crisis, and simultaneously satisfying both domestic and international society. It is worth noting that China's domestic actors—ministries, an industrial association, and companies—have developed a thin version of transparency as a subsidiary norm in the Chinese version of transparency guidelines. China's early interactions with TEGIs since the 2000s paved the way for Chinese idea-shifters (mainly CCCMC) to create the Chinese CSR guidelines (the 2014 and 2015 CCCMC Guidelines) that reflect Chinese values and ideas. The CCCMC guidelines were created through a constitutive localisation process whereby global norms were reshaped and synthesised with Chinese domestic regulations. The 2014 Guidelines informed the 2015 Guidelines, and the 2015 Guidelines led to the RCI and its new global standards. The RCI, as a global initiative, seeks to govern not only Chinese companies but also all companies in the global cobalt supply chain. It thus became a strategic platform to advocate a new Chinese version of transparency standards in international society. The RCI case highlights China's evolutionary norm development in transnational extractives governance. As Acharya suggests, this analysis sees global norms as continuously tested and reshaped by local actors through an evolutionary process, thus rejecting the notion of fixed universal norms.

The major findings of this research support Acharya's norm-circulation concept inter-linked to Pu's two-way socialisation framework¹⁵² and show its utility in explaining the specific case of China as an emerging power in global extractives governance and transparency norm development. Primarily, this case study shows three conditions under which China acts as a norm-maker in global governance: *external legitimacy crisis*, *internal legitimacy crisis*, and *capacity of local idea-shifter*.

First, *external legitimacy crises*, such as international pressure, trigger China's norm-making process. According to Yu, international pressure is a crucial factor in causing uncertainty within China's policy community, leading its members to problematise and attempt to change a conventional norm.¹⁵³ Increasing international pressure and criticism of Chinese extractive companies overseas (including BRI projects) prompted growing demands for policy solutions from both international advocacy groups and Chinese companies. China has been required to show that it is adopting global norms and principles, particularly a transparency norm, in order to gain acceptance by the international community. China's norm-making, meanwhile, arose out of the need to enhance its legitimacy for both domestic and international audiences simultaneously. It relates to the second condition of China's norm-making: internal legitimacy crisis.

Second, *internal legitimacy crises* could happen when the required adoption of a global norm conflicts with domestic actors' interests or core values and principles. From Chinese actors' perspective, adopting existing global standards could generate problems because China was excluded from the earlier global norm-making processes relative to extractives governance. Such standards have hence been perceived as "Western/foreign" rules that do not represent the interests and ideas of China. The transparency norm in existing TEGIs, in particular, has been regarded as a threat to the interest of Chinese companies. External and internal legitimacy crises have thus created China's dilemma wherein China can neither accept nor reject an existing transparency norm. This opens a window of opportunity to make/reshape a norm consistent with China's local values.

The RCI case in this article shows that, to overcome its dilemma, China has reshaped an existing transparency norm based on China's interests and values. The development of the 2014 and 2015 CCCMC Guidelines and the RCI standards may be interpreted as China's

¹⁵² Acharya, *Constructing Global Order*; Pu, "Socialisation as a Two-Way Process."

¹⁵³ Yu, "Cognitive Evolution and China's International Development Cooperation," p. 488.

practical strategy of synthesising global and local norms. “China-made” transparency rules could appeal to both domestic and international audiences, thereby increasing China’s internal and external legitimacies. This case resonates with Pu’s understanding of China’s “selective and pragmatic approach to learning Western ideas”¹⁵⁴ and Yan Xuetong’s argument that China as a rising state can make new norms by “merging” existing liberal values with Chinese values as a humane authority, rather than “rejecting” the current norms.¹⁵⁵

Moreover, China’s new identity as a “responsible big leader” in global governance, based on the BRI and Xi Jinping’s strong political leadership, has prompted attempts to universalise locally reconstructed norms. The RCI is a case in point. Having a good international image and becoming an international leader have become a driving force behind successful BRI projects. Rebranding the BRI as the Green BRI and projecting an environmentally and socially responsible image of China have become meaningful policy measures to cope with the ongoing criticism of Chinese companies overseas. Falkner and Buzan thus argue that China tries to “project an image of environmental responsibility” to cope with legitimacy concerns and other political and economic risks.¹⁵⁶ Unethical cobalt mining on the part of Chinese companies in the DRC has been but one of the more serious issues commanding global attention. As a part of China’s effort to revamp its image, the establishment of the RCI could send a positive signal to the international community that China has become an ethical leader in the global cobalt supply chain. This finding is consistent with Buhmann’s argument that the CCCMC guidelines reflect China’s interest in increasing soft power.¹⁵⁷ The Chinese government’s strong political willingness to gain external legitimacy facilitates a process of shifting from localisation to universalisation.

The *capacity of a local idea-shifter* is a third condition for China’s role in norm-making. Local idea-shifters need knowledge, policy expertise, and experience in interacting with diverse domestic and foreign stakeholders. But, more importantly, they need the Chinese government’s strong support to realise their innovative ideas. This study shows that CCCMC’s role as a local idea-shifter has been crucial to China’s norm-taking and norm-making processes. One of its most significant roles, as an industrial association supervised by the central government, is that of intermediary between transnational and local actors and between government actors and private companies. International partnerships between CCCMC and global agents (e.g., the OECD, GIZ, and RMI) function as a significant opportunity for diverse actors to interact and develop a norm. At the same time, CCCMC plays a pivotal role in reflecting local contexts (Chinese norms, culture, and the specific interests of Chinese companies and the government) in its rule-making processes. This analysis shows that CCCMC has learnt existing transparency standards and also created Chinese versions of transparency guidelines. Throughout the process, policy innovations (including the making of a new norm) occurred through proactive interactions between domestic and international actors across domestic and international levels.

Notably, CCCMC’s position as an influential idea-shifter has been facilitated by support from Chinese government bodies, particularly the MOFCOM, eager to rebrand China for ongoing BRI projects. It suggests that the shadow of the state¹⁵⁸ may be essential in enabling a local Chinese actor to play a normative role. Considering China’s top-down governance structure, a wide extent of CCCMC’s autonomy seems to be more important to being a local idea-shifter than it is to other local actors in relatively horizontal democratic

¹⁵⁴ Pu, “Socialisation as a Two-Way Process,” pp. 356–9.

¹⁵⁵ Yan, “Chinese Values vs. Liberalism,” p. 19.

¹⁵⁶ Falkner and Buzan, *Great Powers, Climate Change, and Global Environmental Responsibilities*, p. 33.

¹⁵⁷ Karin Buhmann, “Chinese Human Rights Guidance on Minerals Sourcing: Building Soft Power,” *Journal of Current Chinese Affairs*, Vol. 46, No. 2 (2017), pp. 135–54.

¹⁵⁸ Guttman et al., “Environmental Governance in China,” p. 134. Other case studies on China’s uptake of transnational social, environmental, and climate standards commonly emphasise the state’s strong role in orchestrating domestic governance actors: e.g., Sun 2022, Bartley 2019, Hale and Roger 2019.

societies. For instance, the government restricts the number of days a CCCMC staffer can travel overseas.¹⁵⁹ On the other hand, CCCMC's status as a quasi-governmental institution (registered in MOFCOM) seems to provide its credibility as an intermediary between governmental agencies and private companies. For instance, CCCMC plays an important role in collecting industry associations and companies' demands and delivering their messages to MOFCOM. In other words, CCCMC sits between governmental and non-governmental realms. This hybrid feature seems to eliminate barriers to the building of a partnership between transnational and non-Chinese "norm entrepreneurs" (mostly from the West) in the Chinese political context. Therefore, the CCCMC case in this analysis indicates what type of Chinese actor can play an influential local idea-shifter's role in taking and (re)making a global governance norm. Chinese industry associations proactively interacting with domestic and international governance actors may hence be Chinese norm-makers, given their capacity to coordinate and intermediate diverse actors (e.g., domestic and foreign stakeholders and government and private actors) in global governance, at least in global extractives governance.

These main empirical findings based on a single-case study could be limited to a comprehensive understanding of China's role in global governance norm contestation. Nevertheless, the results resonate with previous studies on China's normative role in different governance issue areas and other industrial sectors. Growing debates in IR emphasise that China reshapes global norms by reinterpreting the meaning of existing norms according to its native interests and values. This view shows a more nuanced understanding that extends beyond the dualistic question of whether China either takes or challenges a norm.¹⁶⁰ A cross-case comparison (Table 1) shows that the major findings of recent studies support this article's analysis of three theoretical conditions for China's norm-making based on Acharya's norm-circulation framework. It is worth noting that this theoretical approach provides one way of understanding China's role in global governance, rather than the only explanation. Meanwhile, it could help in identifying and elaborating on theoretical conditions and variables as part of theory development.

I selected four recent and representative studies on China's role in different global governance issue areas to compare with this study.¹⁶¹ First, Zhang and Buzan introduce China's active norm-making role in global human rights governance. Notably, China has reshaped the human rights definition by emphasising human rights linked to development, that is to say, "survival rights," rather than individual civil and political rights.¹⁶² Similarly, China has remoulded the meaning of R2P, based on its conservative interpretation of and emphasis on conflict prevention and state capacity-building over use of an intervention measure. This case supports three theoretical conditions for China's norm-making role. China has mounted this norm-making effort due to China's international legitimacy (external legitimacy crisis since the Tiananmen Square incident)¹⁶³ and the liberal human rights that do not match up with China's core values, i.e., non-interference and state sovereignty (internal legitimacy crisis). Chinese officials and scholars have taken on the local idea-shifters' role, but a follow-up study would be required to understand the further details of norm-localisation

¹⁵⁹ Interview 1, 31 July 2021, 2019.

¹⁶⁰ Matthew D. Stephen and Michael Zürn, *Contested World Orders: Rising Powers, Non-Governmental Organizations, and the Politics of Authority Beyond the Nation-State* (New York: Oxford University Press, 2019), p. 387.

¹⁶¹ These cases have some limitations in regard to comparisons because each one focuses on a different level and agent. For instance, Zhang and Buzan's research examines intergovernmental relations and thereby lacks information on local actors. However, I tried to select the most relevant studies, albeit from insufficient research on China's normative role in global governance, in applying Acharya's framework.

¹⁶² Zhang and Buzan, "China and the Global Reach of Human Rights," p. 179.

¹⁶³ Ibid.

Table 1 Case comparison: China's normative role in different global governance areas

	Three conditions for China's norm-making				Result (Norm-taking; norm-rejecting; norm-reshaping)	Norm
	External legitimacy crisis (international pressure)	Internal legitimacy crisis (conflicts with domestic actors' interests and values)	Capacity of local actors to make a new norm (innovative local idea-shifters)			
Global governance area	Case					
Global extractives governance	The RCI (this article)	✓	✓	✓	Norm-reshaping	(Thin) transparency
Global human rights governance	United Nations Human Rights Council and R2P (Zhang and Buzan 2019)	✓	✓	✓	Norm-reshaping	Human rights linked to development (developmental relativism) and conservative interpretation of R2P
Global development governance	International Development Cooperation during 1980s–the 2000s (Yu 2021)	✓	✓	✓	Norm-reshaping	A request /project-centrism with no conditions attached
Global labour governance	CSC9000T (Bartley and Zhang 2018)	✓	✓	✓	Norm-reshaping	(thin) transparency
Global climate governance	Carbon market and carbon offset standards (Hale and Roger 2018)	✓	Weak due to market incentives in China	Vague	Norm-taking	Carbon neutrality and sustainability

processes in this case, mainly because of its focus on intergovernmental relations. Many other studies on China's role in global security governance show similar findings.¹⁶⁴

Second, in global development governance, China has developed a Chinese version of the development norm: a request/project centrism without social or environmental conditions. Yu's research shows this tendency, particularly during 1980s–2000s.¹⁶⁵ This study highlights how international pressure on China (external legitimacy crisis) worked as a “cognitive punch” that induced the policy community to reshape an orthodox norm. As an internal legitimacy crisis factor, the North American and European styles of international development policies conflicted with China's value of non-intervention in recipients' domestic affairs.¹⁶⁶ In this case, the MOFCOM (in a way similar to a local idea-shifter) has taken an important role in developing innovative policy ideas and norms based on the network with other domestic agencies (e.g., Exim Bank) and transferable local knowledge, which resonates with Acharya's norm localisation. Yu expects this norm to be revised in light of a new legitimacy crisis emanating from the BRI and potentially harming China's soft power.

Third, Bartley and Zhang's research introduces a process of China's norm-making in global labour governance.¹⁶⁷ Since China joined the WTO, international society has criticised working conditions and workers' rights in China, and certain foreign retailers launched factory audits (external legitimacy crisis). Despite a possibility to adopt SA8000 as a global transparency initiative, the Chinese National Apparel and Textile Council sponsored by the government (local idea-shifter) instead initiated CSC 9000T—a Chinese version of a labour governance programme lacking stringent compliance tools (i.e., a thin transparency norm-based initiative). The SA8000 standard had triggered controversial debates in China. Governmental officers and companies regarded it as “illegitimate foreign intrusion,” due to its emphasis on freedom of association (internal legitimacy crisis).¹⁶⁸ In this context, China's norm-reshaping through initiation of the CSC9000T standard seems similar to the RCI case.

Fourth, Hale and Roger highlight China's norm-taking in transnational climate governance.¹⁶⁹ As representative of China's external legitimacy crisis, international society has required China, as one of the biggest carbon emitters, to take due responsibility. Interestingly, many Chinese business actors now accept global carbon offset standards (e.g., the Verified Carbon Standard). Strong governmental support, consistent policies (e.g., the carbon market), and price incentives for domestic market actors have prompted China's active participation in climate governance programmes.¹⁷⁰ Compared with other cases, this one features a weak internal legitimacy crisis and hence the absence of domestic actors' endeavour to formulate a Chinese climate governance norm. These four comparative cases, therefore, seem to support the three theoretical conditions for China's norm-making role in global governance, albeit with certain limitations that may be rectified by future research.

Finally, as a policy implication, the growing normative influence of China as a norm-maker through the RCI may strengthen a thin transparency norm (i.e., a norm without compliance rules that gives business actors more leeway) in global extractives governance. Globally influential corporations, such as Apple and BMW, have joined and adopted RCI norms, and more big market players are expected to participate as members. Transparency

¹⁶⁴ See, for example, Jütersonke et al., “Norm Contestation and Normative Transformation in Global Peacebuilding Order(s)”; Alden and Large, “On Becoming a Norms Maker”; Deitelhoff and Zimmermann, “Norms under Challenge,” p. 13.

¹⁶⁵ Yu, “Cognitive Evolution and China's International Development Cooperation.”

¹⁶⁶ Yu, “Cognitive Evolution and China's International Development Cooperation,” p. 496.

¹⁶⁷ Tim Bartley and Lu Zhang, “China and Global Labor Standards: Making Sense of Factory Certification,” in Scott Kennedy, ed., *Global Governance and China: The Dragon's Learning Curve* (New York: Routledge, 2018), Chapter. 10.

¹⁶⁸ Ibid., p. 232.

¹⁶⁹ Thomas Hale and Charles Roger, “Domestic Politics and Chinese Participation in Transnational Climate Governance,” in Kennedy, ed., *Global Governance and China*, Chapter 11.

¹⁷⁰ Ibid., p. 259.

clauses in Chinese guidelines do not feature specific implementation and compliance rules, despite their strong encouragement of public reporting, rather relying on individual companies' voluntary obligations. The strong governing role of corporations in a "closed-door" rule-making setting, with a marked lack of civil society participants, in the RCI generates concerns about potential green/whitewashing. Although a few participation routes are available to the public and civil society (e.g., public consultation processes), whether or not NGOs/INGOs in China enact the powerful role of watchdogs to the same extent as they do in other societies remains questionable.¹⁷¹ A weak bottom-up governance structure may facilitate the current marketisation of transparency that hampers addressing the actual needs of the affected communities in mining sites. In August 2021, a report by a human rights NGO claimed that, despite China's "proactive efforts from the CCCMC," many Chinese metals and mining companies are guilty of serious human rights abuses.¹⁷² One concern raised was that even though CCCMC helps companies to adopt good human rights policies, their policy enforcement is insufficient on the ground.

Conclusion

China's role as a norm-maker in global extractives governance seems to be expanding by virtue of developing transparency norms in alignment with China's core values. The BRI and the CPC's strong political willingness to enhance China's new identity as a responsible leader facilitate the normative influence of Chinese actors at the global level. In the political context, however, the case of the RCI shows how multiple Chinese domestic actors strengthen the thin transparency norms that may cause accountability and legitimacy issues within the current global extractives governance architecture. For example, an advocacy group within the USA sued a number of big tech and car companies for their alleged use of child labour in DRC cobalt and copper mining sites.¹⁷³ Some of the US companies, such as Apple, HP, and Tesla, are RCI member companies. The lawsuit report also named Huayou Cobalt, a leading Chinese member of the RCI.¹⁷⁴ The international community is focusing on how the RCI, as a normative leader, will cope with this crisis and improve its governance principles. Understanding the evolving process of the RCI is a necessary basis for understanding whether, how, and why China will successfully universalise its transparency norm and obtain moral legitimacy in global extractives governance.

This research sheds light on China's recently expanded normative leadership in global extractives governance—a topic insufficiently examined in global governance studies. Importantly, this case study presents a relatively nuanced and complex picture in showing diverse Chinese actors and their multilevel interactions with international actors which extend beyond a dominant view among certain policymakers that China—as a monolithic actor—is a threat to the global mineral supply chain, particularly bearing in mind today's growingly multi-layered securitisation debates on critical and rare-earth mineral resources. At the same time, theoretically, this analysis contributes to the current discussion about the normative role of emerging states in global governance by revealing the more elaborated

¹⁷¹ Guttman et al., "Environmental Governance in China," p. 133.

¹⁷² Reuters, "Human Rights Claims Undermine China's Investment Abroad," 11 August, 2021, <https://www.reuters.com/world/china/human-rights-claims-undermine-chinas-investment-abroad-report-finds-2021-08-10/>.

¹⁷³ Annie Kelly, "Apple and Google Named in US Lawsuit over Congolese Child Cobalt Mining Deaths," *The Guardian*, 16 December, 2019, <https://www.theguardian.com/global-development/2019/dec/16/apple-and-google-named-in-us-lawsuit-over-congolese-child-cobalt-mining-deaths>.

¹⁷⁴ International Rights Advocates, "Cobalt DRC Case (Case 1:19-cv-03737, United States District Court for the District of Columbia)," 2019, <http://www.iradvocates.org/case/cobalt-drc-case>.

conditions of Acharya's norm circulation as a multilevel and transnational norm development process. On the other hand, this study can be a knowledge block¹⁷⁵ suggesting one of the ways to view China in the current global governance architecture, particularly in view of Johnston's call for an investigation of China's role in multiple world orders.¹⁷⁶ Does China take a growing norm-maker's role in other global governance realms linked to other industrial sectors; for instance, in global artificial intelligence governance? If so, who are the local idea-shifters in China? And how and under what conditions, do they make or reshape a norm in each transnational governance field? This paper invites such follow-up studies across the diverse global governance issues urgently emerging in this era of uncertainty.

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¹⁷⁵ Guy Boy, "Knowledge Acquisition in Dynamic Systems: How Can Logicism and Situatedness Go Together?," Proceedings of EKAW'93, Lecture Notes in AI, Springer, Berlin, 1993, https://www.researchgate.net/publication/221630770_Knowledge_Acquisition_in_Dynamic_Systems_How_Can_Logicism_and_Situatedness_Go_Together.

¹⁷⁶ Johnston, "China in a World of Orders," pp. 9–66.