

### Chinese Human Rights Guidance on Minerals Sourcing: Building Soft Power

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Veröffentlichungsversion / Published Version  
Zeitschriftenartikel / journal article

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#### Empfohlene Zitierung / Suggested Citation:

Buhmann, K. (2017). Chinese Human Rights Guidance on Minerals Sourcing: Building Soft Power. *Journal of Current Chinese Affairs*, 46(2), 135-154. <https://nbn-resolving.org/urn:nbn:de:gbv:18-4-10703>

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# Journal of Current Chinese Affairs

China aktuell

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Buhmann, Karin (2017), Chinese Human Rights Guidance on Minerals Sourcing: Building Soft Power, in: *Journal of Current Chinese Affairs*, 46, 2, 135–154.

URN: <http://nbn-resolving.org/urn:nbn:de:gbv:18-4-10703>

ISSN: 1868-4874 (online), ISSN: 1868-1026 (print)

The online version of this article and the other articles can be found at:  
<[www.CurrentChineseAffairs.org](http://www.CurrentChineseAffairs.org)>

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Published by

GIGA German Institute of Global and Area Studies, Institute of Asian Studies, in co-operation with the Lau China Institute at King's College London, and Hamburg University Press.

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# Chinese Human Rights Guidance on Minerals Sourcing: Building Soft Power

Karin BUHMANN

**Abstract:** China's economic engagement in Africa has been subject to criticism on social and environmental fronts. This analysis examines two sets of guidelines launched by the government-related China Chamber of Commerce of Metals, Minerals and Chemicals. Aiming to promote responsible investment in the minerals sector and due diligence to ensure socially responsible sourcing of minerals with a particular focus on human rights, the guidelines refer to international human rights standards and are designed to be consistent with guidance issued by the OECD. The article discusses the Chinese guidelines as responses to the international critique and concludes they are elements of China's soft-power efforts meant to enhance the country's reputation as a responsible actor on the global stage. The analysis comes from the perspective of China's deployment of state-driven corporate social responsibility (CSR), its complex relationship with international human rights, and its engagement with the international business and human rights (BHR) regime.

■ Manuscript received 1 July 2016; accepted 13 March 2017

**Keywords:** China, business impact on human rights, minerals sector investment and sourcing, corporate social responsibility, conflict minerals, soft law

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## Introduction

China's recent engagement in Africa has been subject to critique for focusing on economic value while largely disregarding social and environmental impacts (Giese 2014). This also applies to the sourcing of minerals – particularly the so-called “conflict minerals” from the Great Lakes Region, where minerals and extraction are often controlled by warlords responsible for human rights atrocities. Addressing the occurrence of such problems within other states does not easily conform to the foreign policy line that China has adhered to for decades in response to criticisms of its human rights violations that have come from other states or from United Nations human rights bodies: in China's view, human rights are internal matters that should be exempt from international scrutiny (Le 2012). Implicitly, if that point applies to China, it applies to other states as well. Yet China's Chamber of Commerce of Metals, Minerals and Chemicals (CCCMC), a state-controlled industry association, issued two sets of guidelines, respectively in 2014 and 2015, setting specific directives for overseas operations of Chinese mining-sector firms. CCCMC's *Guidelines for Social Responsibility in Outbound Mining Investment* (CCCMC 2014) were followed in December 2015 by the *Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains* (CCCMC 2015), which elaborate the 2014 guidelines as to avoiding dealing with conflict-related materials.

CCCMC's guidelines explicitly refer to the UN Guiding Principles on Business and Human Rights, adopted by the United Nations Human Rights Council in 2011. The UNGPs refer to the UN International Bill of Human Rights' and the International Labour Organization's (ILO) core labour standards as the minimum baseline of human rights that companies should respect (UN 2011: para 12). It is intriguing that guidance for Chinese companies operating overseas incorporates reference to international law instruments that explicitly cover some of the labour rights and other human rights that China does not support nationally. The point is no less striking when we recognise that many of the companies addressed by the guidelines are state-owned enterprises (PWC 2012), and that the guidance instruments are issued by an organisation that is closely associated with a governmental ministry, the Ministry of Commerce and Trade (MOFCOM).

The international policy implications of the human rights references become even more intriguing when considering that the CCCMC guidelines are aligned with guidance issued by the Organisation for Economic Co-operation and Development (OECD). The OECD is an international organisation comprising approximately 35 industrialised countries in the Global North with “Western” political values and a capitalist market orientation. OECD states traditionally support civil and political human rights, while China traditionally emphasises economic and social rights. China is not a member of the OECD, yet CCCMC’s 2015 guidelines are explicitly aligned with the OECD’s guidance document for responsible minerals sourcing (OECD 2013), which itself is influenced by the United Nations Guiding Principles on Business and Human Rights (UNGPs), adopted in 2011 and described further below (see also Buhmann 2015). China has not adopted the Extractive Industries Transparency Initiative (EITI), a public–private initiative advocating transparency of company payments to host-country governments and promoting governance in resource-rich countries. China has expressed support for the EITI and UN resolutions promoting the EITI, and some Chinese companies also report according to the EITI (Paris 2010; EITI 2016). While international corporate social responsibility (CSR) standards exist in the minerals sector (Tan-Mullins 2015), national standards remain rare. CCCMC’s guidelines are both unusual, in that they are national standards for responsible minerals-sector conduct overseas, and advanced, in terms of their explicit application of terminology deriving from the UNGPs. This begs the question of what China aims to achieve politically by issuing minerals-sector guidelines that interact explicitly with international human rights standards.

This article<sup>1</sup> frames the topic as an example of soft power. It argues that by integrating human rights standards in minerals-sector guidance in response to critique from international society and civil society organisations, China expands its own soft-power basis by displaying itself as a responsible actor on the international stage. With soft power defined as when one country gets other countries to want what it wants (Nye 1990), enhancing the country’s acceptance in the

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1 This manuscript has benefitted from useful comments and suggestions from the journal editors, two anonymous reviewers, and comments from participants at a workshop on Chinese Soft Power (Aalborg University, Denmark) in January 2016 where an early version was presented.

international community (through demonstrating an intent to change in response to international critique) in turn enhances China's ability to influence other parts of the international policy agenda.

Moreover, the legitimacy of a state to exercise persuasion as a form of soft power (Wilson 2008) may increase as it enhances its international standing in a complex field, such as minerals sourced from conflict-prone areas suffering from weak governance. Such increased standing might support China's national goal of building the country into a socialist cultural superpower, announced in the Final Communiqué at the 17th Central Committee of China's Communist Party (CCP) in 2011, and aligns with President Xi Jinping's message in 2014 that China should increase its soft power, deliver a good Chinese narrative, and better communicate China's messages to the world in what Shambaugh (2015) refers to a "soft-power push." Such narratives have internal and external elements (Roselle, Miskimmon, and O'Loughlin 2014).

This article first provides context for China's African footprint, for the emergent international business and human rights (BHR) regime, and for China's application of CSR for policy purposes, a strategy that has been deployed nationally for some time. Next, CCCMC's two sets of guidelines are introduced in more detail, followed by a discussion of their alignment with the BHR regime against the backdrop of China's political deployment of CSR. The final section concludes that the Chinese guidelines for minerals sourcing are a response to international critique that may pave the way for enhanced soft power by presenting China as a responsible actor on the global stage. The analysis is based on the legal method of document analysis in a context of public and private engagement to govern the social impact of economic activity through transnational normative regimes. The two sets of guidelines have legal relevance, as they offer normative directives for Chinese companies and are based on international law.

Due to space limitations, the article focuses only on the political aspects of China's reputation, and not on whether the guidelines enhance the business opportunities of the Chinese minerals sector in a global market concerned with the social impacts of business. Due to their recency, information on application by firms is not available. Future information on this may add nuance to observations in this article.

## Context

### China's Social and Environmental Impact in Africa

China's engagement in Africa as an economic power has brought critique from many sources. China's sourcing of minerals has been noted to fuel or risk prolonging conflicts that have long been a concern among international circles, civil society groups, and responsible investors and consumers (Kurlantzick 2007). Great concern has been expressed over China's investment in and sourcing of so-called "conflict minerals": gold and three specific minerals (tin, tungsten, and titanium) ("G3T"). G3T extraction is associated with gross human rights violations and exploitation of labour in certain weak states, particularly in the African Great Lakes Region, which is a large source of these minerals (UN 2010). It has been argued that resources are extracted for the benefit of China's economic growth to the detriment of the African continent's own sustainable human development and economic growth (Webster 2013; Tan-Mullins 2015). China has been accused of supporting socially adverse practices in natural resource exploitation through its local labour practices and lack of environmental concern (Godwin 2011; Mol 2011).

### The Business and Human Rights Regime

Recent decades have witnessed widespread concern over the adverse social impact of business activities as a result of the twentieth century's expansion of economic rights of transnational business that are unconstrained by corresponding societal duties (Ruggie 2004, 2014). Several codes of conduct issued by private organisations and sectoral CSR initiatives had already emerged by the time the UN launched a process in 2005 to clarify businesses' responsibilities vis-à-vis human rights and to elucidate states' duties to prevent human rights abuses caused by businesses. The process resulted in the "Protect, Respect and Remedy" Framework for Business and Human Rights (hereinafter: UN Framework) (UN 2008), which was launched as a policy proposal but was highly normative and subsequently "operationalised" through the UNGPs (UN 2011), an international soft-law instrument adopted by the UN Human Rights Council in 2011. The UNGPs do not establish new human rights, but referring to the International Bill of Human Rights and to the ILO's core labour stand-

ards they elaborate the implications of existing human rights with a view to avoiding business-related abuse. Broad agreement within the UN supported by civil society and business underscored the significance of this new BHR regime.

Whereas CSR is seen to involve business action (traditionally beyond compliance with law, even if governments are increasingly seeking to shape such CSR action (Gond, Kang, and Moon 2011; Buhmann 2016)), the BHR regime builds on a combination of state and business action. It comprises states' obligations to protect against human rights violations, and businesses' responsibilities to avoid infringing on human rights. Because the risk of gross human rights abuses is heightened in conflict-affected areas, home states of companies operating in such areas should help ensure – for example, through legislation and guidance – that business enterprises operating in those contexts are not involved in such abuses (UNGP No. 7).

Territorial constraints limit the extraterritorial regulatory powers of nation-states. To overcome this, the UNGPs encourage states to apply “smart” mixtures of regulation that combine hard and soft law, economic incentives, and other modalities. In conflict-affected areas and elsewhere, this should be done by the home state recommending or requiring human rights due diligence. The introduction of human rights due diligence (a process to identify, prevent, and mitigate the human rights–related risks of their own activities and those of business relationships) is one of the most groundbreaking elements of the UN-endorsed business and human rights regime. This is a process to be undertaken by economic actors in order to identify and manage social risks caused by a firm – for example, the prolongation of conflicts by sourcing goods that help fund the conflict-mongers.

The UNGPs have influenced several national and international public, private, and hybrid regulatory initiatives. The two Chinese guidelines considered here are among recent national examples of this influence, which makes them interesting in their own right. From the perspective of the current focus, that point is enhanced by the fact that the Chinese guidelines are influenced by the OECD uptake of the UNGPs. The OECD's Guidelines for Multinational Enterprises are among the most comprehensive normative standard influenced by the UNGPs (Buhmann 2015). Dating from 1976, a 2011 revision (OECD 2011) adopted the UNGPs' due diligence approach but expanded its application beyond human rights to most CSR issues in-



cluding labour and the environment. The OECD followed up by developing detailed due diligence guidance for selected sectors, including G3T minerals (OECD 2013).

OECD member states have a default obligation to recommend observation of the OECD's guidelines to firms registered or operating in those states, and non-OECD states may accede to them as well. Several emerging economies have done so, but China has not. Yet, CCCMC's guidelines are explicitly aligned with both the OECD's guidelines and the UNGPs, as well as detailed OECD guidance on due diligence for minerals supply chains. In the Chinese context, this alignment has been presented as a CSR issue.

## China's Political Engagement with CSR

China's approach to CSR differs from that of Europe and the United States. In China, CSR serves a purpose of addressing environmental, labour, or food safety issues that are policy concerns of the government and whose delivery is significant for the legitimacy of the government (Tan-Mullins and Hofman 2015). Internally, CSR is applied to encourage businesses of many sizes to do their part to help deliver on public policy objectives, such as providing social security or advancing the respect for labour conditions in accordance with Chinese law. We shall revert to the external parallel below.

Whereas in Europe the role of the state in relation to CSR had remained somewhat in the background until recently, with CSR having mainly been viewed as business self-regulation (Matten and Moon 2008; Fairbrass 2011; Buhmann 2011), in China the state has taken a much more active role in CSR promotion (Harper Ho 2013; Tan-Mullins and Hofman 2015; Gond, Kang, and Moon 2011). Article 5 of the 2005 Company Law notes that "companies bear social responsibilities." China's government drew on CSR as part of the strategy to implement former president Hu Jintao's policy of establishing a "harmonious society." This included addressing labour conditions and environmental issues that caused unrest. Accordingly, social and environmental challenges, such as unemployment, social welfare, and use of natural resources, have informed the Chinese conception of CSR (Lou and Guo 2009; Blair, Williams, and Lin 2008) and the government's deployment of a mixture of governance strategies to promote sustainable growth in a context of economic reform and globalisation (Lin 2012; Enderle 2010). While within China, food safety,

consumer preferences, and economic performance are important CSR concerns (Dellios, Yang, and Yilmaz 2009; Zu and Song 2009), observers outside China have long paid attention to human rights and labour standards in both China and other countries affected by Chinese economic operations overseas, including in the minerals sector (Chan, Ip, and Lam 2009; Tan-Mullins 2015).

As part of its CSR policies, China supported the process through which the UNGPs elaborate the UN Framework's guidance into operational steps for states and companies. This occurred even though the UNGPs refer to the International Bill of Rights and the ILO's core labour standards as the minimum baseline for responsible business conduct. Of the two human rights treaties that are part of the International Bill of Rights alongside the Universal Declaration of Human Rights, China has ratified only the International Covenant on Economic, Social and Cultural Rights (in 2001). China took the political step of signing the Covenant on Civil and Political Rights in 1998 but has yet to proceed to the legally binding ratification (UN 2017). Under Chinese law, a national labour union is recognised, but not free trade unions. Trade union freedom is recognised by the International Bill of Rights and also forms part of the ILO's core labour standards. At the political level, former president Jiang Zemin affirmed that China embraces the UN's human rights work and the Universal Declaration of Human Rights (Permanent Mission 1998). China's 2016–2020 National Human Rights Action Plan suggests that the formal policy's embrace of human rights is broad. Scholars suggest that China's policies on human rights evolve with the country's economic growth (Liu 2014).

Within China, several initiatives connect CSR and human rights, even if the point is rarely made explicit. China has engaged actively with the UN Global Compact, an initiative that offers CSR guidance for firms based on ten principles, of which six are based on the International Declaration of Human Rights and ILO fundamental conventions. Those principles commit firms to respecting human rights and international labour rights, including trade union freedom. China hosted the first international UN Global Compact summit (in Shanghai in 2005), has encouraged firms to join the Compact, and is one of a small number of governments (among which the majority are Western European) to sponsor the Global Compact Office in New York City. In view of China's regular rejection of international critique of

its national human rights records (Le 2012) and its official commitment to a single trade union, China's support for the Global Compact is noteworthy. Together, these initiatives indicate an embrace of human rights for specific, business-related practical purposes, which is interesting in light of China's more hesitant position on the international policy stage. The reason may be that the business field offers a less political take on human rights, which allows the government to experiment with endorsing human rights and then assessing the implications.

China's labour laws set higher requirements for the minimum employment age and weekly working hours than those specified in the international labour standards of the ILO. But the letter of the law is often not observed in practice in labour and environmental areas (Harper Ho and Huang 2014; Van Rooij and Lo 2010). CSR offers a modality to advance implementation of labour standards whose non-observance challenges both the perception of the government's effectiveness and the reputation of Chinese business. For example, CSC9000T, a CSR management tool developed by the national textile council, aims to increase Chinese business managers' understanding of labour law requirements (International Trade Centre 2011; *CSC9000 Quarterly* 2011).

China's official engagement with CSR suggests that CSR serves a political purpose in areas that are politically sensitive or subject to internal or external critique of non-compliance with legal standards, whether in regard to national or international law. Adopting the language of CSR allows organisations involved to address economic actors directly, and for governments to activate expectations of business or economic benefits as drivers for change, in line with a reflexive law strategy (Orts 1995; Buhmann 2011). This incorporates CSR into proactive instrumental regulatory approaches that involve businesses in delivering on governmental policy objectives and social expectations, thereby allowing the government to benefit from an improved public perception of legitimacy.

Providing national CSR guidance instruments offers the government a way to shape business actions within a context of economic growth and trade. CSR offers ways to reduce risks to the perception of the state's legitimacy resulting from concerns over businesses' impacts on social conditions. While this is not necessarily different from the way that CSR is coming to be applied by governments else-

where (Buhmann 2013), the due diligence guidance issued for external minerals sourcing goes beyond the national focus and helps craft China's international image and soft power, as shown below.

## China's Mining Investment and Due Diligence Guidelines

In 2014 CCCMC issued the *Guidelines for Social Responsibility in Outbound Mining Investment* (CCCMC 2014, hereinafter "Mining Investment Guidelines"). These were followed in December 2015 by the *Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains* (CCCMC 2015, hereinafter "Due Diligence Guidelines"). The latter provide detailed guidance for implementation of a single clause in the 2014 Mining Investment Guidelines. Relating back to the UNGPs' human rights due diligence, that clause covers risk-based supply-chain due diligence in order to prevent engagement with materials that may have funded or fuelled human rights-related conflict.

### The Mining Investment Guidelines

A subordinate unit of MOFCOM, CCCMC represents a membership of approximately 6,000 companies, encompassing the majority of Chinese mining companies investing abroad and trading mineral, metal, and hydrocarbon products (Emerging Markets Network for Sustainability n.y.).

The Mining Investment Guidelines were developed with the participation of the Chinese government and the Chinese mining industry (Emerging Markets Network for Sustainability n.y.) as well as Global Witness (China-Africa-Real-Story 2014), an NGO that is highly critical of business activity that causes human rights abuses. By international standards, the Mining Investment Guidelines are detailed and up-to-date in terms of international soft- and hard-law norms on responsible business conduct, offering guidance for firms in the minerals, mining, and chemicals sectors. The guidelines are advanced compared to many international general or sectoral CSR guidelines in their specification of issues to be addressed and normative guidance based on detailed internationally agreed-upon standards, in particular the UNGPs.

The Mining Investment Guidelines are promoted by CCCMC to Chinese companies and investors as guidance for the mining sector on establishing social-responsibility management systems, disclosing CSR information, and integrating social and environmental factors into investment decisions and operations abroad. They are structured along issue-areas that feature in CSR debates with a focus on human rights and supply-chain management, such as human rights in general, labour practices, and occupational health and safety. The opening clause in the guidelines' chapter on human rights (2.4.1) makes explicit reference to the UNGPs, and notes that companies should observe the UNGPs during the entire life cycle of the given mining project. The wording of the text in this section is closely aligned with that of the UNGPs (specifically, UNGPs no. 15 and 22). For example, the guidelines note that companies should develop a human rights due diligence process to identify, prevent, mitigate, and remedy adverse impacts on human rights, and that they should cooperate with the local community to effectively remedy those affected by adverse human rights impacts by way of a legitimate process. The human rights chapter provides that companies should conduct risk-based supply-chain due diligence in order to prevent engagement with materials that may have funded or fuelled conflict (esp. clause 2.4.6). An elaborate footnote refers to G3T minerals originating in the African Great Lakes Region as particularly "conflict-prone" minerals and explains the types of conflicts and human rights conflict risks associated with these minerals. That approach is in line with the UNGPs, but arguably diverges from China's argument that a country's national human rights issues are internal matters. Specific steps in the due diligence process are set out, and here, too, the language draws on the UNGPs.

## The Due Diligence Guidelines

Published in late 2015, the Due Diligence Guidelines for Responsible Mineral Supply Chains were developed by CCCMC in close cooperation with the OECD. A Memorandum of Understanding between the OECD and China highlighted agreement on the need for guidance for social risk-based due diligence for economic actors with potential relations to conflict-prone minerals. Developing the Due Diligence Guidelines was set out in an official "Vision and Action Plan" between China and the OECD for 2015–2016, which frames China's emergent collaboration with the OECD (OECD n.y.).

The explicitly stated objective of the Due Diligence Guidelines is to provide operational details to the Mineral Investment Guidelines for conducting risk-based supply-chain due diligence in order to prevent engagement with materials that may have funded or fuelled conflict. Against that backdrop, the particular objective of the Due Diligence Guidelines is

to provide guidance and support to companies which are extracting and/or using mineral resources and their related products and are engaged at any point in the supply chain of minerals to identify, prevent, and mitigate the risks of directly or indirectly contributing to conflict, serious human rights abuse, and risks of serious misconduct. (CCCMC 2015: 3)

This language and especially the “identify, prevent, and mitigate” wording is closely aligned with the UNGPs as well as the OECD’s Guidelines for Multinational Enterprises and the OECD’s Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD 2013).

The Due Diligence Guidelines’ introduction notes the role of G3T minerals in fuelling ongoing conflict. The UNGPs are described as a key initiative for the international community to address the adverse link between business and human rights (CCCMC 2015: 6). A final paragraph in the introduction is fully devoted to human rights and the importance of “responsible companies” applying a due diligence process. Despite China not being an OECD member, the guidelines describe the OECD’s Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas as the “recognised international framework” for supply-chain due diligence in the sector.

Thus, the 2015 guidelines offer specific guidance for due diligence aligned with the OECD’s due diligence guidance and the UNGPs’ language. They enhance the human rights significance of the Mining Investment Guidelines by providing elaboration. Phrasing severe human rights violations in a context of guidance implicitly recognises that Chinese companies may risk contributing to such violations.

## Discussion

For some time, China has engaged actively with CSR in areas that are politically sensitive or subject to internal or external political critique of inadequate compliance with legal standards, whether according to national or international law. The Mining Investment Guidelines and Due Diligence Guidelines take this engagement from the internal to the external, building on the approach to CSR that China has taken on the national stage for some years. Working for change through economic activity and calling for business engagement to contribute to fulfilling public policy needs shifts the focus from the government's role to an active role by companies (of which many are state-owned). Through the two CCCMC guidelines, China applies a similar approach on the transnational stage.

The two sets of guidelines developed by CCCMC for the minerals sector do not fit into the soft-power mould of persuasive power associated with intangible power resources such as culture, ideology, and institutions (Nye 2009). They make no claim of hegemony of Chinese-based values or practices, nor do they seek to promote Chinese values beyond China. By contrast, they adopt normative directives developed by the OECD and align their aims with those of the OECD's guidelines and specific due diligence guidance. The OECD's guidelines aim to encourage extraterritorial respect for and even promotion of public policy objectives such as protecting human rights, improving industrial relations/labour, and engaging in anti-corruption efforts, which are close to the defined value basis of the European Union, the United States and other OECD member states.

Yet, CCCMC's guidelines may be understood as part of the cocktail of the Chinese exercise of soft power precisely for this reason – by not referring to the conventional Chinese approach to human rights as internal issues within a state, and by instead responding to international concerns. The guidelines respond to international concerns over atrocities associated with conflict minerals and present China as willing to join the UN and OECD in addressing the atrocities. They display China's support in the twenty-first century for important developments in international human rights law through the BHR regime as institutionalised through the UNGPs and their uptake by the OECD. By applying international standards on human rights and responsible economic activity in conflict-prone areas, the two sets of guidelines form part of the Chinese efforts to promote

the country as a responsible actor on the international stage. By referring to G3T and the Great Lakes Region conflicts, the guidelines implicitly acknowledge the critique that has been raised of Chinese economic practices related to the minerals, the region, and the conflicts.

When CCCMC, with its basis within MOFCOM and correspondingly close relationship to China's government, designs normative standards for responsible economic activity in the G3T field on the basis of internationally agreed-upon standards such as the UNGPs and OECD guidelines, that activity may help or be intended to help deflect the international critique. The Chinese guidelines have been carefully crafted to apply CSR language that allows for communicating standards of conduct to Chinese actors in a transnational setting within the CSR discourse with which they are already familiar inside China. In a market affected by CSR expectations, the guidelines' alignment with OECD standards obviously helps level the economic opportunities of China and Chinese SOEs and investors in the minerals sector vis-à-vis competitors applying OECD standards (or other national standards, such as the conflict-mineral disclosure requirement introduced by the Dodd–Frank Wall Street Reform and Consumer Protection Act in the United States). Less explicit but just as important, on the policy side it allows China to be seen as taking an active role in reducing the causes of conflicts and, therefore, to be seen as responsible actor on the global stage.

Crafting a positive image of China and the Chinese minerals sector, the CCCMC guidelines serve to fulfil the aim described by President Xi to deliver a good Chinese narrative. By applying broadly agreed-upon international standards in a field where China has been argued to contribute to the prolongation of conflicts and human rights violations, the guidelines pave the way for communicating China's messages to the world in a positive light. Eventually, this may also contribute to the national goal of building the country into a socialist cultural superpower.

## Conclusion

This article has argued that CCCMC's guidelines and their explicit engagement with the UNGPs and OECD guidance can be understood as China responding to international critiques in an effort to



achieve goals through attraction rather than coercion (Nye 2004) and to change China's image on the international stage and among African partners. To the international community, the CCCMC guidelines and their explicit references to the business and human rights regime offer a message that China takes international concerns over socially irresponsible conduct in relation to sourcing minerals seriously, in particular with regard to G3T. However, in addition to responding to international criticism by showing an appreciation of it, China may be paving its way to more influence by being recognised as a responsible global actor in the field of conflict minerals, which is in the interface between international trade and policy. This duality can be understood as a smart exercise of soft power: on the one hand aligning with what is expected of a responsible actor on the international stage in order to enhance the country's reputation, on the other hand building a soft-power basis for interaction and political leverage on that stage.

Moderating its general human rights policies in a narrowly defined international area of business and limiting their application to regions outside China as per the guidelines, China gains the dual advantages of being better placed to convince other countries to act in accordance with its priorities in other international policy areas and being seen as an international leader (for example, in innovating international finance, as in the case of the Asian Infrastructure Development Bank).

Both referencing international standards intended to reduce adverse social impacts of transnational economic activities and explicitly engaging with due diligence guidance developed by the OECD on the basis of the normative framework of the BHR regime adopted by the UN through the UNGPs helps China attain respect for itself as a responsible actor in the minerals sector. Through the 2014 Mining Investment Guidelines, China sent a message that implicitly acknowledged the international critique of the adverse social and environmental impacts resulting from its transnational economic activity lacking particular conditions or principles. CCCMC's 2015 Due Diligence Guidelines signal China's desire to be respected and, indeed, its commitment to be respectable as an economic power mindful of its impact on conflict minerals and on the African states that have been marred by decades of conflicts fuelled by irresponsible minerals sourcing. The CCCMC guidelines play a role in China's soft-power

approach by enhancing trust in China, thus enabling higher Chinese engagement in a complex issue-area and region and potentially beyond, both in terms of issues and regions. In this manner, the guidelines function as components of the external elements of China's soft-power push, as part of a public relations offensive to promote the reputation of China and Chinese businesses operating overseas.

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