

application of shared norms and rules, and cemented the need for local knowledge on prior and ongoing land use (p. 228). These findings once again underscore the importance of social justice – in the form of environmental or climate, and increasingly energy, justice⁹ – in the governance of transboundary CPRs, such as the climate. At the same time, they underline how hard it is to facilitate such debates at the global level where CPR-related negotiations, such as those during the Conferences of the Parties to the United Nations Framework Convention on Climate Change,¹⁰ are often disconnected from local knowledge.¹¹

The value of Larsson & Pääviö Sjaunja's work does not lie in its direct generalizability but rather in the chance to study natural resource regimes from a 'distance' over a long period of time. The authors' holistic approach places natural resource management within its social, economic, and political context – as famously advocated by the Institutional Analysis and Development and Social-Ecological Systems frameworks developed by the Bloomington School of Political Economy (p. 25).¹² Apart from the parallels that may be drawn with modern-day TEL challenges, the book shows that integrated frameworks can provide fresh insights and perspectives even when they do not constitute the 'focal point' of the analysis (p. 31). Hopefully this contribution provides renewed inspiration for a similar uptake by legal scholars.

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Certifying China: The Rise and Limits of Transnational Sustainability Governance in Emerging Economies, by Yixian Sun

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China's economy has grown rapidly over the last four decades. Its market, measured by purchasing power parity, is top among nations, with continued growth expected in the

⁹ On environmental justice generally, see D. Schlosberg & L.B. Collins, 'From Environmental to Climate Justice: Climate Change and the Discourse of Environmental Justice' (2014) 5(3) *WIREs Climate Change*, pp. 359–74; on tensions between environmentalism and justice, see R. Sandler & P.C. Pezzullo (eds), *Environmental Justice and Environmentalism: The Social Justice Challenge to the Environmental Movement* (The MIT Press, 2007).

¹⁰ New York, NY (US), 9 May 1992, in force 21 Mar. 1994, available at: <https://unfccc.int/resource/docs/convkp/conveng.pdf>.

¹¹ C. Combetti et al., 'Adaptation and Resilience at the Margins: Addressing Indigenous Peoples' Marginalization at International Climate Negotiations' (2019) 61(2) *Environment: Science and Policy for Sustainable Development*, pp. 14–30.

¹² See, in detail, E. Ostrom, *Understanding Institutional Diversity* (Princeton University Press, 2005); R. Ostrom, R. Gardner & J. Walker, *Rules, Games, and Common-Pool Resources* (University of Michigan Press, 1993).

coming decade.¹ Its middle class, by some estimates, constitutes a quarter of China's population, making it twice the size of the United States (US) middle class in absolute terms.² This growth in the absolute number of middle-class consumers matters for scholars of political consumerism as these consumers constitute a significant source of buying power, which may or may not demand sustainable and ethical consumer products.³ Thus, China's current market position, as Yixian Sun explains, makes China a critical jurisdiction to study for anyone interested in the success of transnational private sustainability governance or eco-certification schemes. If Chinese firms and consumers do not support eco-certification schemes by becoming certified and/or demanding certified products in a range of sectors, transnational eco-certification programmes will be less able to address sustainability issues at the global scale. What is key in ensuring the uptake of eco-certification in China? According to Sun, the answer is the Chinese state: 'to rapidly spread their standards in China, transnational certification programs need to proactively engage with potential supporters in the Chinese state' (p. 158).

Certifying China sets up its analysis in Chapter 1 by underscoring the significance of the Chinese market as a producer, manufacturer, and consumer of goods, and detailing the research approach; this involves a comparison of eco-certification uptake in three sectors – seafood, palm oil, and tea – which exhibit variation in the characteristics that extant research suggests will affect firm participation. Chapter 2 provides a framework, associated hypotheses, and observable implications which capture the specific drivers and intervening conditions that are posited to affect the adoption of eco-certification by Chinese firms. Chapters 3 to 5 draw on interviews, surveys, statistical analysis, and document analysis to trace the uptake in the three case studies in relation to the study's hypotheses and associated observable implications. Chapter 6 offers a synthesis of the findings and suggests future research specific to China and other emerging economies.

The framework and hypotheses central to the analysis are logically derived from existing research. Firstly, Chinese firms with sales to and investments from multinationals based in global north countries (such as the US or European countries) are expected to be more likely to have adopted certification. This is because these multinationals have long been the key source of demand for certified products given the pressure they receive from non-governmental organizations (NGOs) via naming and shaming campaigns (pp. 37–8).⁴ Secondly, eco-certification programmes that

¹ D. Zipser, J. Seong & J. Woetzel (for McKinsey and Company), 'Five Consumer Trends Shaping the Next Decade of Growth in China', 11 Nov. 2021, available at: <https://www.mckinsey.com/cn/our-insights/our-insights/five-consumer-trends-shaping-the-next-decade-of-growth-in-china>.

² T. Sicular, X. Yang & B. Gustafsson, 'The Rise of China's Global Middle Class in an International Context' (2022) 30(1) *China & World Economy*, pp. 5–27.

³ For discussion of political consumerism in China, see Z. Lei, W. Liu & P. Oosterveer, 'Institutional Changes and Changing Political Consumerism in China', in M. Boström, M. Micheletti & P. Oosterveer (eds), *The Oxford Handbook of Political Consumerism* (Oxford University Press, 2018), pp. 583–602.

⁴ D.P. Baron & D. Diermeier, 'Strategic Activism and Nonmarket Strategy' (2007) 16(3) *Journal of Economics & Management Strategy*, pp. 599–634; T. Bartley, 'Institutional Emergence in an Era of Globalization: The Rise of Transnational Private Regulation of Labor and Environmental Conditions' (2007) 113(2) *American Journal of Sociology*, pp. 297–351.

communicate with Chinese stakeholders and build local capacity are expected to have greater success in garnering firm support (pp. 38–40). Thirdly, firms in capital-intensive, commodity-focused industries are likely to be more receptive to adopting eco-certification because the size, practices, and capabilities of these firms make certification easier to attain at lower costs per unit (pp. 40–3).⁵ Finally, and most importantly, support from subnational governments in China will increase uptake, as will support from quasi-state national industry associations (pp. 43–9). In the case of subnational governments, local officials may see win-win opportunities from promoting eco-certification in the form of potential for foreign investment in local industry and the potential for eco-certified firms to signal good local performance of China's national commitments to sustainability objectives (like the Sustainable Development Goals⁶).

As much as this book positions itself as a new take on eco-certification, it clearly builds on existing research. The sustainability commitments of multinationals based in the global north have long affected the timing and extent of firm interest in eco-certification.⁷ What is a welcome contribution in Sun's analysis is the careful attention to specific industry segments, value chains, and end-markets, which help to pinpoint why, in the same general sector, some Chinese firms have taken up eco-certification and others have not. For instance, China's seafood sector, Sun explains, has three discernible segments (pp. 65–8): (i) a traditional domestic market that favours fresh fish and involves short, informal supply chains; (ii) a recently developed premium domestic market that favours frozen and fresh seafood caught abroad for sale to consumers through e-commerce platforms, high-end hotels, and supermarkets; and (iii) an export market, through which seafood processed in China is sold to foreign buyers and retailers. The case shows that the latter two segments have seen comparably greater uptake of eco-certification than the traditional domestic market. This finding aligns with patterns in other sectors and jurisdictions where small-scale producers that are close to markets use other mechanisms to communicate product qualities to customers. One such example is the case where farmers opt for personal trust rather than organic certification to communicate sustainable practices to consumers in local farmer markets.⁸ The book, therefore, bolsters the view that transnational eco-certification rarely attracts small-scale firms, because of both the costs of audits and the misalignment of their products and supply-volumes with the interests of certain value chains that seek out the assurances offered by eco-certification.⁹

⁵ B. Cashore, G. Auld & D. Newsom, *Governing through Markets: Forest Certification and the Emergence of Non-state Authority* (Yale University Press, 2004), pp. 224–7.

⁶ United Nations (UN), Department of Economic and Social Affairs, 'The 17 Goals', available at: <https://sdgs.un.org/goals>.

⁷ G. Auld, L. Gulbrandsen & C. McDermott, 'Certification Schemes and the Impacts on Forests and Forestry' (2008) 33 *Annual Review of Environment and Resources*, pp. 187–211.

⁸ B.K. Obach, *Organic Struggle: The Movement for Sustainable Agriculture in the United States* (The MIT Press, 2015), p. 192; G. Auld, 'Transforming Markets? Activists' Strategic Orientations and Engagement with Private Governance' (2020) 33(1) *Organization & Environment*, pp. 31–55.

⁹ Auld, Gulbrandsen & McDermott, n. 7 above.

Proactive communication and outreach strategies have also been hallmarks of transnational sustainability governance schemes. Sun details what happens when outreach does not occur, and when programmes lack local capacity to engage national stakeholders. Friend of the Sea, for instance, had done no outreach in China during the time-frame of Sun's analysis, and uptake of its programme to date has been marginal, with only one Chinese flagged vessel currently certified.¹⁰ National reactions to the apparent infringement of a country's sovereign rights to make policy decisions are a recurrence in the history of transnational sustainability governance. My own work with Cashore and Newsom suggested that the claims of domestic actors that eco-certification programmes infringed on sovereignty would have limited traction when the buyers demanding eco-certification were in export markets.¹¹ Conversely, and as Sun's analysis suggests, questions of sovereignty and local buy-in, particularly from members of the Chinese state, will matter more, given that production and consumption occur within the same jurisdiction. Interestingly, although research is currently framing these tensions as relevant to developing and emerging economies responding to transnational sustainability governance initiated in the global north,¹² similar forms of resistance or indifference by national stakeholders have emerged (sometimes successfully) in similarly structured value chains in producer countries in the global north.¹³ Further comparisons and theorization about these patterns would be a beneficial avenue for future research.

In addition to the refinements to existing theories, *Certifying China* offers key new insights into the existing (and potential) role of the Chinese state and quasi-state industry associations in spreading eco-certification. Sun usefully outlines how opportunities for transnational sustainability governance in China are constrained in ways that are not consistently present in liberal market economies. The more limited operating space for civil society organizations precludes certain tactics like market campaigns used against multinationals in the global north. This acts to dull a major incentive for participation in industrial segments that supply China's domestic market or are exported to other developing or emerging economies where buyers have yet to prioritize sustainability sourcing (for example, African countries are the destination for more than 50% of China's tea exports; see p. 121). Support from parts of the Chinese state is thus an alternative that can raise awareness among firms and nudge them towards participation. Support from local governments in Yunnan and Guizhou, for instance, were critical for tea growers adopting eco-certification in those regions (pp. 130–2).

¹⁰ See Friend of the Sea, 'Certified Fisheries and Fleets', available at: <https://friendofthesea.org/approved-fisheries>.

¹¹ Cashore, Auld & Newsom, n. 5 above, pp. 42–3.

¹² J.C. Marques & B. Eberlein, 'Grounding Transnational Business Governance: A Political-Strategic Perspective on Government Responses in the Global South' (2021) 15(4) *Regulation & Governance*, pp. 1209–29; V. Bitzer & G. Schouten, 'Out of Balance: Global-Local Tensions in Multi-Stakeholder Partnerships and the Emergence of Rival Initiatives in Producing Countries' (2022) *Organization & Environment*, available at: <https://doi.org/10.1177/10860266221117231>.

¹³ P. Foley & E. Havice, 'The Rise of Territorial Eco-Certifications: New Politics of Transnational Sustainability Governance in the Fishery Sector' (2016) 69 *Geoforum*, pp. 24–33.

Raising awareness is ostensibly important but achieving widespread uptake may require stronger state intervention. Sun proposes three scenarios for such scaling in the book's conclusions (pp. 166–72): (i) undifferentiated support by the state; (ii) careful steering by the state; and (iii) takeover by the state. The final option, arguably, takes away the central feature of transnational sustainability governance as based on evaluations by market actors.¹⁴ Moreover, state takeover may raise new challenges of mutual recognition and acceptance within international markets for those segments of Chinese industry that export to and engage with multinationals from the global north. Conversely, such national programmes, on occasion, have been successful. Finland's forest certification programme, for instance, was accepted by the British retailer B&Q when the company had previously only accepted the Forest Stewardship Council (FSC).¹⁵ Similarly, the other two scenarios create their own distributional consequences, either by creating a potential for a race to the bottom in the first scenario, or creating winners and losers in the second scenario, with the Chinese state, like other jurisdictions (such as the approach of the European Union (EU) to sustainable biofuels), having to evaluate what constitutes acceptable eco-certification schemes. If this second scenario does come into force, much could be learned from a careful reading of the experiences of the EU, as documented in several recent books.¹⁶

The discussion of quasi-state industry associations is an additional contribution. Sun explains that the Chinese state, since the 1978 reforms, has a two-part bureaucracy 'consisting of bureaus (*jiguan danwei*, literally translated as "administrative units") and extrabureaucracies (*shiyae danwei*, literally translated as "serviced units")' (p. 47). The extrabureaucracies are, in many cases, like industry associations. They lack regulatory authority, but they are led by civil servants and can have authorities delegated to them by their oversight bureaus. The seafood and palm oil cases both illustrate the significance of support from these quasi-state industry associations, and they align well with past research that shows how the position of industrial associations can affect the level and nature of firm engagement with eco-certification, even in the absence of state oversight.¹⁷ This finding and its supporting argument, however, also reveals an interesting omission in the analysis, which merits further attention. Previous research shows that national competition law can affect firm support for industry-wide initiatives promoting sustainability in different ways.¹⁸ Important questions in the Chinese context are what competition law has meant for eco-certification in the country to

¹⁴ Cashore, Auld & Newsom, n. 5 above, p. 22.

¹⁵ B. Cashore et al., 'Revising Theories of Nonstate Market-Driven (NSMD) Governance: Lessons from the Finnish Forest Certification Experience' (2007) 7(1) *Global Environmental Politics*, pp. 1–44.

¹⁶ S. Renckens, *Private Governance and Public Authority: Regulating Sustainability in a Global Economy* (Cambridge University Press, 2020); L. Partzsch, *Alternatives to Multilateralism: New Forms of Social and Environmental Governance* (The MIT Press, 2020); E. Partiti, *Regulating Transnational Sustainability Regimes* (Cambridge University Press, 2022).

¹⁷ Cashore, Auld & Newsom, n. 5 above.

¹⁸ J.H. McNichol, 'Contesting Governance in the Global Marketplace: A Sociological Assessment of Business-NGO Partnerships to Build Markets for Certified Wood' (Ph.D., University of California, Berkeley (US), 2002), pp. 269–70; E. Leitheiser, 'How Domestic Contexts Shape International Private Governance: The Case of the European Accord and American Alliance in Bangladesh' (2021) 15(4) *Regulation & Governance*, pp. 1286–303.

date, and what (constraining or enabling) role it might play in the future, should eco-certification schemes expand.

Equally, the policy decisions of the transnational sustainability programmes are not central to Sun's analysis, even though there are good reasons to expect that they may have mattered. In Sweden, for instance, changes made by the FSC in the late 1990s to introduce percentage-based claims for certified products enabled greater participation of forest product companies because the policy change accommodated a wood-sharing arrangement that occurred among processing facilities.¹⁹ Policy changes could also make eco-certification less fit for certain national contexts. For instance, the Marine Stewardship Council (MSC) – the leading eco-certifier for wild-capture fisheries addressed in the book – faced pressure in the late 2000s to address consistency problems across fishery assessments; this led to an MSC policy change that standardized assessments and limited auditor discretion.²⁰ Arguably, this policy change reduced the ability of the programme to adapt to the national and local contexts of fisheries in China, a possibility that remains to be explored.

None of these omissions diminish the central contributions that *Certifying China* provides. Sun has enriched our understanding of eco-certification by re-examining certain previously studied factors and adding helpful specifics on the unique business-government relations in China that have mattered significantly for explaining when and how transnational private sustainability governance has found support from Chinese firms. Key lessons from this analysis are sure to inform further work on how eco-certification may become more successful in the future.

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¹⁹ Cashore, Auld & Newsom, n. 5 above, pp. 206–7.

²⁰ T.J. Ward, 'Barriers to Biodiversity Conservation in Marine Fishery Certification' (2007) 9(2) *Fish and Fisheries*, pp. 169–77; L.H. Gulbrandsen & G. Auld, 'Contested Accountability Logics in Evolving Nonstate Certification for Fisheries Sustainability' (2016) 16(2) *Global Environmental Politics*, pp. 42–60.