Mr. Andrew Steer  
President and CEO  
World Resources Institute  
10 G Street, NE Suite 800  
Washington, D.C. 20002 United States  

Dear Mr. Steer:

The Committee on Natural Resources is conducting ongoing oversight of the potential manipulation of tax-exempt 501(c) organizations by foreign entities to influence U.S. environmental and natural resources policy to the detriment of our national interests. While national discourse about undue foreign influence in the United States has largely centered around Russia, Federal Bureau of Investigation (FBI) Director Christopher Wray recently identified China as “the broadest, most challenging, most significant” counter-intelligence threat to the United States. Given these emerging trends, and the apparent strong ties between the People’s Republic of China, the ruling Chinese Communist Party, and certain U.S.-based tax-exempt organizations, the Committee seeks clarification on the nature of such organizations’ focus on U.S. environmental and natural resources policy. In particular, the Committee is interested in the World Resources Institute’s (WRI) work with the Chinese government as well as WRI’s advocacy within the United States.

In its push to become a global power, China engages in an extensive perception-management campaign both domestically and internationally. The U.S. intelligence community reports that China imposes stipulations on financial support to academic institutions, think tanks, and non-profits in the United States to “reward pro-China viewpoints” and to discourage research or advocacy that would damage China’s global image or standing. China also

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1 Letter from Hon. Rob Bishop, Chairman, H. Comm. on Natural Resources and Hon. Bruce Westerman, Chairman, Subcomm. on Oversight and Investigations, to Rhea Suh, President, Natural Resources Defense Council (June 5, 2018) (on file with Committee); see also Letter from Hon. Rob Bishop, Chairman, H. Comm. on Natural Resources and Hon. Bruce Westerman, Chairman, Subcomm. on Oversight and Investigations, to Kierán Suckling, Executive Director, Center for Biological Diversity, Inc. (June 20, 2018) (on file with Committee).


3 CATHERINE A. THEOHARY, CONG. RESEARCH SERV., R45142, INFORMATION WARFARE: ISSUES FOR CONGRESS 11-12 (Mar. 5, 2018), available at http://www.crs.gov/creports/pdf/R45142; see also Natalie Johnson, CIA Warns of
conditions access to government decisionmakers, funding, and visas on an entity’s willingness to promote the economic or security interests of its government while refraining from criticism.⁴

Additionally, foreign media and governments are pressured by Chinese officials to self-censor when addressing sensitive subjects or risk retaliation.⁵ Some scholars believe that “[r]ather than coercing, China manipulates, preferring to act in moral and legal gray areas. It masks its political motives behind laudable human-interest or cultural projects, blurring the battle line with its adversaries.”⁶ Others note that China’s strategy includes “co-opt[ing] American influencers in order to promote China’s narrative.”⁷

Chinese officials continually work to control environmental information and news stories in an effort to counter the country’s status as the world’s largest polluter.⁸ High profile extreme pollution events, such as the poor air quality during the 2008 Beijing Olympics, damage China’s international reputation.⁹ Severe pollution, frequently tied to state owned or politically connected companies, is a domestic security concern that undermines the legitimacy of China’s one-party system.¹⁰

In response to these twin pressures, Chinese government and Communist Party officials attempt to cultivate the image of a China that addresses domestic pollution and that leads on global environmental issues.¹¹ Given rampant corruption, press censorship, and data

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⁵ Id.


manipulation, securing the support of a large, politically connected western environmental organization can lend credibility to China’s official government narrative. Moreover, the Chinese government’s leverage over such organizations has increased since a new law requiring registration with local security services went into effect on January 1, 2017.\textsuperscript{12}

The Committee is examining WRI’s role in aiding China’s perception management efforts with respect to pollution control and its international standing on environmental issues in ways that may be detrimental to the United States. WRI has formally operated in China since 2008,\textsuperscript{13} and per the new registration law, was issued a registration certificate on November 15, 2017 allowing it work under “the guidance and supervision” of the Beijing Public Security Bureau and Chinese Ministry of Ecology and Environment.\textsuperscript{14} WRI leadership regularly interacts with senior Chinese government and Communist party officials\textsuperscript{15} and provides public support for Chinese environmental programs, including supplying positive quotes for Chinese government press releases\textsuperscript{16} and op-eds\textsuperscript{17} in the government-controlled China Daily. China Daily, an English-language newspaper, is distributed by China Daily Distribution Corporation, a registrant under the Foreign Agents Registration Act (FARA).\textsuperscript{18}

Additionally, WRI hailed China’s 2015 pledge for the Paris Agreement\textsuperscript{19} to “peak” greenhouse gas emissions (GHG) by 2030 as “a serious and credible contribution,”\textsuperscript{20} despite

\begin{itemize}
\item \textsuperscript{13} About WRI China, WORLD RESOURCES INSTITUTE, http://wri.org.cn/en/about (last visited Aug. 20, 2018).
\item \textsuperscript{17} Manish Bapna, Still Opportunities for China-U.S. Climate Cooperation, CHINA DAILY, Feb. 7, 2018, http://www.chinadaily.com.cn/a/201802/07/W55a7a34f7a31067dcc13b29d1.html; Cui Shoufeng, China Plays Big Role on Global Stage: Interview with Andrew Steer, President and CEO of the World Resource Institute, CHINA DAILY, Dec. 13, 2017, http://www.chinadaily.com.cn/a/201712/13/W55a306b26a3108be8e672b113.html.
\item \textsuperscript{18} NAT'L SECURITY DIV., U.S. DEPT. OF JUSTICE, FARA REGISTRATION STATEMENT NO. 3457, CHINA DAILY DISTRIBUTION CORP. (1983) (on file with Dept. of Justice).
\item \textsuperscript{19} “Paris Agreement” refers to the agreement reached at the 21st United Nations Framework Convention on Climate Change Conference of the Parties (COP-21).
\end{itemize}
claims that it merely amounted to “continuing with business as usual.” Conclusively, WRI advocated for unrealistic Paris Agreement commitments by the United States in the face of sustained criticism that such commitments would cripple our country’s economic competitiveness.

While WRI criticizes policies of the U.S. government, WRI is silent on Chinese human rights violations such as arrests of environmental protesters and the mass detention of ethnic minorities. By contrast, WRI advocates on behalf of the rights of indigenous peoples and ethnic minorities in other countries. On important issues for Chinese leadership, WRI’s position appears to closely reflect China’s goals and objectives. For instance, WRI promotes China’s controversial Belt and Road Initiative (BRI), a multibillion dollar global infrastructure plan designed to increase China’s global influence. WRI portrays China’s BRI as an opportunity for environmentally sustainable development and to strengthen environmental protections.

Environmental groups from countries where BRI financed projects are located and other experts,

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however, describe Chinese funded projects as causing “permanent environmental degradation”\textsuperscript{30} with no positive impact on environmental governance.\textsuperscript{31}

WRI’s desire to maintain access to Chinese officials may influence its political activities in the United States. WRI describes itself as “global research organization”\textsuperscript{32} that works to “influence government policies, companies, and civil society action.”\textsuperscript{33} Given WRI’s close ties to the Chinese government, its emphasis on cultivating contacts with various U.S. officials is particularly disconcerting in light of the government partnerships\textsuperscript{34} and environmental initiatives involving WRI during the Obama Administration.\textsuperscript{35} Since President Trump’s election, WRI political activities have turned to influencing state and municipal governments. In at least one governor’s office, WRI has embedded a senior environmental advisor and appears to exercise a high level of control over the governor’s environmental agenda.\textsuperscript{36}

The Committee is concerned that WRI’s relationship with the Chinese government may have influenced its political activities in the United States and may require compliance with FARA.\textsuperscript{37} “The purpose of FARA is to ensure that the U.S. Government and the people of the United States are informed of the source of information (propaganda) and the identity of persons attempting to influence U.S. public opinion, policy, and laws.”\textsuperscript{38} In relevant part, FARA requires any person or entity, including non-profits, to register with the Department of Justice (DOJ) if they act “at the . . . request . . . of a foreign principal or of a person any of whose activities are

\textsuperscript{37} 22 U.S.C. § 611 et seq.
directly or indirectly, supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign principal . . .”  

Registration under FARA is required for any entity that attempts, on behalf of a foreign principal, to influence any section of the U.S. public or a U.S. government official in “formulating, adopting, or changing the domestic or foreign policies of the United States . . .”  

The law is clear about registration requirements for a person or group acting in the political or public interests of a foreign government or entity, even when done through intermediaries.  

FARA registration encompasses groups or individuals acting as public relations counsels, publicity agents, information service employees, and political consultants working in the interests of a foreign principal.  

Likewise, groups or persons must also register if they solicit, collect, disburse, or dispense funds for or in the interest of a foreign principal.  

The failure to register is an ongoing offense and subject to punishment ranging from a fine of not more than $10,000 to imprisonment for not more than five years.

To assist the Committee in its oversight, please produce the following documents and information as soon as possible, but no later than 5:00 p.m. on September 12, 2018:

1. Documents sufficient to show WRI’s original date of registration as an agent of a foreign principal pursuant to FARA;
   
   a. If WRI is not registered as an agent of a foreign principal pursuant to FARA requirements, provide an explanation sufficient to demonstrate why FARA registration requirements do not apply.

2. All documents and communications with the Department of Justice, including but not limited to letters of inquiry or advisory opinions, referring or relating to FARA registration by WRI or its related tax-exempt organizations;

3. Documents sufficient to identify any remuneration, transaction, or contribution that involves WRI or its related tax-exempt organizations and any foreign entity, government, or individual, including their agents, representatives, or intermediaries from January 1, 2014 to present;

4. Documents sufficient to identify any policies or procedures WRI has implemented to ensure compliance with FARA registration requirements, including but not limited to:

40 22 U.S.C. § 611(c).
41 22 U.S.C. § 611(c)(1)(i); see also Attorney Gen. of the United States v. Irish Northern Aid Committee, 668 F.2d 159 (2nd Cir. 1982); see also Attorney Gen. of the United States v. The Irish People Inc., 796 F.2d 520 (D.C. Cir. 1986).
a. Any policies or procedures your organization has implemented to ensure that funds from foreign sources are not used for political activities within the United States, unless disclosed as required by law; and

b. Any policies or procedures your organization has implemented to ensure that fundraising activities within the United States that are, in whole or in part, on behalf of or in the interests of a foreign government or entity are disclosed as required by law.

5. All reports, memoranda, policy proposals, or other documents prepared by WRI for a foreign principal\textsuperscript{45} or for non-public distribution to a government of a foreign country or other foreign entity referring or relating to WRI's political activities\textsuperscript{46} or proposed political activities within the United States from January 1, 2014 to present;

6. All documents and communications, including but not limited to, letters, emails, and any other written or electronic communication between WRI’s Climate Program and any official, employee, or agent of the United States Department of the Interior, United States Environmental Protection Agency, and United States Department of State, including the Office of the Special Envoy for Climate Change, from January 1, 2014 to present referring or relating to the Paris Agreement, the U.S.-China Joint Announcement on Climate Change, or the 23rd Conference of the Parties to the United Nations Framework Convention on Climate Change;

7. All documents and communications, including but not limited to, letters, emails, and any other written or electronic communication between WRI’s Climate Program and any official, employee, or agent of the Government of the People’s Republic of China, including the National Center for Climate Change Strategy and International Cooperation (NCSC), the Ministry of Ecology and Environment, the Ministry of Natural Resources (and its predecessor agencies), the Ministry of Foreign Affairs, the Communist Party of China from January 1, 2014 to present referring or relating to the Paris Agreement, the 23rd Conference of the Parties to the United Nations Framework Convention on Climate Change, or the U.S.-China Joint Announcement on Climate Change;

8. A document sufficient to list all foreign visits, with corresponding dates, made by WRI referring or relating to the Paris Agreement or the U.S.-China Joint Announcement on Climate Change from January 1, 2014 to present; and

9. Documents sufficient to list all persons serving as senior leadership, policy experts, or members of the board of trustees who have or currently engage in any work by WRI referring or related to China from January 1, 2014 to the present.

\textsuperscript{45} As defined by 22 U.S.C. § 611(b).

\textsuperscript{46} As defined by 22 U.S.C. § 611(o).
Mr. Andrew Steer
September 5, 2018
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Please deliver your response to room 1324 of the Longworth House Office Building. The Committee prefers if possible, to receive your response in electronic format. An attachment contains additional instructions for responding to the Committee’s request.

Please contact the Oversight and Investigations Subcommittee staff at (202) 225-7107 with any questions about this request. Thank you for your prompt attention to this matter.

Sincerely,

Rob Bishop
Chairman

Bruce Westerman
Chairman
Subcommittee on
Oversight and Investigations