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978-1-107-03077-0 - Harnessing Foreign Investment to Promote Environmental Protection:
Incentives and Safeguards

Edited by Pierre-Marie Dupuy and Jorge E. Viñuales

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HARNESSING FOREIGN INVESTMENT TO PROMOTE ENVIRONMENTAL PROTECTION

Harnessing Foreign Investment to Promote Environmental Protection investigates the main challenges facing the implementation of environmental protection and the synergies between foreign investment and environmental protection. Adopting legal, economic and political perspectives, the contributing authors analyse the various incentives which encourage foreign investment into pro-environment projects (such as funds, project-finance, market mechanisms, payments-for-ecosystem services and insurance) and the safeguards against its potentially harmful effects (investment regulation, corporate social responsibility and accountability mechanisms, contracts and codes of conduct).

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and

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ABBREVIATIONS

AAU	assigned amount unit
ABS	access and benefit-sharing
ACHPR	African Commission on Human and Peoples’ Rights
ACHR	American Convention on Human Rights
ADB	Asian Development Bank
AfDB	African Development Bank
AFL-CIO	American Federation of Labor and Congress of Industrial Organizations
AGF	Advisory Group on Climate Change Financing
ASRIA	Association for Sustainable & Responsible Investment in Asia
ATA	Air Transport Association
ATCA	Alien Torts Claim Act
BGB	Bürgerliches Gesetzbuch
BIT	bilateral investment treaty
BOAD	Banque ouest-africaine de développement (West African Development Bank)
BSA	benefit-sharing agreement
CABEI	Central American Bank for Economic Integration
CAC	command and control
CAF	Corporación Andina de Fomento
CAFTA-DR	Dominican Republic–Central America Free Trade Agreement
CalPERS	California Public Employees for a Responsible Retirement
CAO	compliance adviser/ombudsman
CARIFORUM	Caribbean Forum
CBD	Convention on Biological Diversity
CCS	carbon capture and storage
CCX	Chicago Climate Exchange
CDB	Caribbean Development Bank
CDM	clean development mechanism
CDP	Carbon Disclosure Project
CEE	Central and Eastern European
CER	certified emissions reduction

ABBREVIATIONS xxiii

CERCLA	Comprehensive Environmental Response, Compensation and Liability Act
Ceres	Coalition for Environmentally Responsible Economies
CIAA	Common Investment Area Agreement
CIEL	Centre for International Environmental Law
CIFOR	Center for International Forestry Research
CIME	(OECD) Committee on International Investment and Multi-national Enterprises
COMESA	Common Market for Eastern and Southern Africa
CoP	Communication on Progress
COP	conference of the parties
CRC	Convention on the Rights of the Child
CRISA	Code for Responsible Investing in South Africa
CSR	corporate social responsibility
CTE	Committee on Trade and Environment
CTESS	Committee on Trade and Environment Special Session
CTPs	cleaner technology and products
CTR	Claims Tribunal Report
CTS	Council for Trade in Services
CTSSS	Council for Trade in Services Special Session
DEFRA	Department for Environment, Food and Rural Affairs
DLDCs	developing and least-developed countries
E&S	environmental and social
EADB	East African Development Bank
EAN	enhanced analytics network
EBRD	European Bank for Reconstruction and Development
ECHR	European Convention on Human Rights
ECJ	European Court of Justice
ECOSOC	(United Nations) Economic and Social Council
ECT	Energy Charter Treaty
ECtHR	European Court of Human Rights
EGS	environmental goods and services
EHS	environmental, health and safety
EIB	European Investment Bank
EITI	Extractive Industries Transparency Initiative
EKC	environmental Kuznets curve
ELI	Environmental Law Institute
EMAS	Eco-Management and Audit Scheme
EMS	environmental management system
EPA	Economic Partnership Agreement
EPFIs	Equator Principles Financial Institutions
EPP	environmentally preferable product

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ERU	emissions reduction unit
ESG	environmental, social and governance
ETF	exchange-traded fund
ETS	emissions trading scheme
EU EPA	European Union Economic Partnership Agreement
Eurosif	European Social Investment Forum
FAO	Food and Agriculture Organization
FCCC	Framework Convention on Climate Change (see also UNFCCC)
FDI	foreign direct investment
FET	fair and equitable treatment
FGD	flue-gas desulphurisation
FI	finance initiative
FIDH	Fédération internationale des ligues des droits de l'homme (Inter-national Federation for Human Rights)
FIELD	Foundation for International Environmental Law and Development
FRC	Financial Reporting Council
FSU	former Soviet Union
FTA	free trade agreement
GARP	growth at a reasonable price
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GC	Global Compact
GEF	global environment facility
GHG	greenhouse gas
GRI	Global Reporting Initiative
HRC	Human Rights Council
IADB	Inter-American Development Bank
IAIC	Inter-American Investment Corporation
IBRD	International Bank for Reconstruction and Development
ICCPR	International Covenant on Civil and Political Rights
ICESCR	International Covenant on Economic, Social and Cultural Rights
ICJ	International Court of Justice
ICommHR	Inter-American Commission on Human Rights
ICSID	International Centre for Settlement of Investment Disputes
IDB	Islamic Development Bank
IDLO	International Development Law Organization
IELMT	International Environmental Legal Materials and Treaties
IET	international emissions trading
IETA	International Emissions Trading Association
IFC	International Finance Corporation
IFI	international financial institution

ABBREVIATIONS XXV

IFPMA	International Federation of Pharmaceutical Manufacturers and Associations
IHRP	international habitat reserve programme
IIA	international investment agreement
ILC	International Law Commission
ILM	International Legal Materials
ILO	International Labour Organization
IMA	investment management agreement
INCR	Investor Network on Climate Risk
IPBES	Intergovernmental Platform on Biodiversity and Ecosystem Services
IPCC	Intergovernmental Panel on Climate Change
IPR	intellectual property rights
ISO	International Organization for Standardization
ITC	investment tax credit
ITLOS	International Tribunal for the Law of the Sea
ITPGR	International Treaty on Plant Genetic Resources (for Food and Agriculture)
IUCN	International Union for Conservation of Nature
JI	joint implementation
JISC	Joint Implementation Supervisory Committee
JVETS	Japanese Voluntary Emissions Trading Scheme
LDC	least-developed country
LRTAP	long-range transboundary air pollution
LULUCF	land use, land-use change and forestry
MCII	Munich Climate Insurance Initiative
MDB	multilateral development bank
MEA	multilateral environmental agreement
MFI	multilateral financial institution
MIGA	Multilateral Investment Guarantee Agency
MNC	multinational corporation
MOX	mixed oxide fuel
MRV	monitoring, reporting and verification
MTA	material transfer agreement
NAFTA	North American Free Trade Agreement
NAMA	non-agricultural market access
NAV	net asset value
NCP	national contact point
NETS	Norwegian Emissions Trading System
NGO	non-governmental organisation
NSW GGAS	New South Wales Greenhouse Gas Reduction Scheme

xxvi	ABBREVIATIONS
NTB	non-tariff barrier
OECD	Organisation for Economic Co-operation and Development
OPEC Fund	OPEC Fund for International Development
OPIC	Overseas Private Investment Corporation
OSPAR	Oslo–Paris Convention for the Protection of the North-East Atlantic (i.e., Convention for the Protection of the North-East Atlantic)
PE	private equity
PES	payment for ecosystem services
POP	persistent organic pollutant
PPM	process and production method
PPP	public–private partnership
PRI	principles for responsible investment
PTC	production tax credit
QELR	quantified emission limitation reduction
QMM	QIT Madagascar Minerals
R&D	research and development
RAN	Rainforest Action Network
RCADI	<i>Recueil des Cours de l'Académie de Droit international</i>
RECIEL	<i>Review of European Community and International Environmental Law</i>
REDD	reducing emissions from deforestation and forest degradation
RFP	request for proposal
RMU	removal unit
S&D	special and differential
SAI	Social Accountability International
SBI	subsidiary body for implementation
SBSTA	Subsidiary Body for Scientific and Technological Advice
SFDI	Société française pour le droit international
SICAV	société d'investissement à capital variable
SMTA	standard material transfer agreement
SRI	sustainable and responsible investment/socially responsible investing
SSRN	Social Science Research Network
TBT	technical barriers to trade
TREM	trade-related environmental measure
UEBT	Union for Ethical BioTrade
UNCITRAL	United Nations Commission on International Trade Law
UNCLOS	United Nations Convention on the Law of the Sea
UNCTAD	United Nations Conference on Trade and Development
UNDRIP	UN Declaration on the Rights of Indigenous Peoples
UNEP	United Nations Environment Programme
UNEP-FI	United Nations Environment Programme Finance Initiative
UNFCCC	United Nations Framework Convention on Climate Change

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UNISDR	United Nations International Strategy for Disaster Reduction
UNPRI	United Nations Principles of Responsible Investing
UNRISD	United Nations Research Institute for Social Development
UNTS	United Nations Treaty Series
VCLT	Vienna Convention on the Law of Treaties
WBCSD	World Business Council for Sustainable Development
WEC	World Energy Council
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WSSD	World Summit on Sustainable Development
WTO	World Trade Organization
WWF	World Wildlife Fund