



## GLOBAL SUMMER PROGRAMME 2023

### LGST237 SUSTAINABILITY, MULTINATIONAL CORPORATIONS AND INTERNATIONAL ECONOMIC LAW

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#### A. COURSE DESCRIPTION

Sustainable development has become a key concept for the 21st century and has been endorsed and recognised in a number of instruments of international law. Problems like global climate change, high pollution levels and depletion of living and non-living natural resources are becoming important restraints on the global economy. These sustainability challenges will reshape the global economy. The transition to a greener, more sustainable economic system will require collective action by governments, international organizations, multinational corporations, and civil society.

This course reviews the principles and rules underlying the post-war international economic order, in particular with respect to trade, foreign investment and finance, as well as some of its key institutions, such as the World Bank and the World Trade Organization. The course reviews the role of international economic agreements in pursuing sustainable development.

#### B. LEARNING OBJECTIVES

This course aims to improve students' knowledge and understanding about the main elements of the current regulation of international economic relations and of the concept of sustainable development, including its current function in international relations and law. Students will acquire a deeper appreciation and critical understanding of the underlying power structures and legal frameworks that define the global economy, and will examine whether and to what extent, international economic law impedes or enables the green transition for a sustainable economic order.

After successfully completing this course, students will be able to:

1. Disciplinary and Multidisciplinary Knowledge
  - Appraise how sustainability challenges impact on the global economy and international economic law (trade, investment, and finance).
2. Intellectual and Creative Skills
  - Apply the lessons learned to other fields - business, public policy, history, and economics.

## 3. Global Citizenship

- Understand and describe the interconnectedness of the global economy and environmental challenges.
- Critically examine current policy responses to sustainability challenges taken by different actors, including states, international organizations, and multinational enterprises.

**C. PREREQUISITES / REQUIREMENTS / MUTUALLY EXCLUSIVE COURSES (IF ANY)**

This course does not have any prerequisites.

**D. ASSESSMENT METHODS / GRADING DETAILS**

<b>Class Participation</b> You are encouraged to actively participate in the discussions and activities that take place in physical class. Good class participation involves actively listening to your instructor and other students during class, joining class discussions, asking questions which are thoughtful and helpful, and being a good team member during classroom group work, if any. Merely speaking in class or attending the online sessions will not earn you full marks for class participation. Moreover, failing to watch the pre-recorded lecture, reading the required readings, and sharing your insights about the course materials will negatively affect your class participation.	<b>20%</b>
<b>In-class Quizzes</b> Scheduled quizzes will be done in class on Lessons 4, 9, and 12. The quizzes will cover specific sections of the course.	<b>20%</b>
<b>Current Issues</b> The instructor will create a Discussion Topic (eLearn) and students are required to post, comment, or share about what they learned from press articles and short documentaries covered in class. This can be done asynchronously.	<b>20%</b>
<b>Final Individual Paper</b> You will write a 2000-word exposition paper on any topic about the intersection between sustainable development and international economic law (trade, investment or finance). Topics must be approved by the instructor. Final submission date to be advised.	<b>40%</b>
<b>Total</b>	<b>100%</b>

*Important Note: No questions verbatim from past year papers or published test banks will be used for the graded continuous assessments and examinations in this course.*

## E. ACADEMIC INTEGRITY

All acts of academic dishonesty (including, but not limited to, plagiarism, cheating, fabrication, facilitation of acts of academic dishonesty by others, unauthorized possession of exam questions, or tampering with the academic work of other students) are serious offences.

All work (whether oral or written) submitted for purposes of assessment must be the student's own work. Penalties for violation of the policy range from zero marks for the component assessment to expulsion, depending on the nature of the offense.

When in doubt, students should consult the instructors of the course. Details on the SMU Code of Academic Integrity may be accessed at <http://www.smuscd.org/resources.html>.

## F. ACCESSIBILITY

SMU strives to make learning experiences accessible for all. If students anticipate or experience physical or academic barriers due to disability, please let the instructor know immediately. Students are also welcomed to contact the university's disability services team if they have questions or concerns about academic provisions: [included@smu.edu.sg](mailto:included@smu.edu.sg).

Please be aware that the accessible tables in the seminar room should remain available for students who require them.

## G. INSTRUCTIONAL METHODS AND EXPECTATIONS

Each session is divided into three parts:

[1] The instructor will first give a 60-minute baseline lecture to provide an overarching theme for the week and provide the context to the session's topic [2] 90-minute class discussion where students are expected to discuss and critically analyse the sustainability issues covered in class and link it to the reading assignment, students are expected to ask questions, share key takeaways, and provide critical responses; and [3] conclusion/wrap up to be facilitated by the instructor.

Evaluation methods will be as follow:

**Class participation:** You are encouraged to actively participate in the discussions and activities that take place in class. Good class participation involves actively listening to your instructor and other students during class, joining class discussions, asking questions which are thoughtful and helpful, and being a good team member during classroom group work, if any. Merely speaking in class will not earn you full marks for class participation. Moreover, failing to watch the pre-recorded lecture, reading the required readings, and sharing your insights about the course materials will negatively affect your class participation.

**In-class quizzes:** Scheduled quizzes will be done in class on Lessons 4, 9, and 12. The quizzes will cover specific sections of the course.

**Current Issues:** The instructor will create a Discussion Topic (eLearn) and students are required to post, comment, or share about what they learned from the press article and short documentaries covered in class. This can be done asynchronously.

**Final individual paper:** You will write a 2000-word exposition paper on any topic about the intersection of sustainability and the economy, especially international economic law. Topics must be approved by the instructor. Final submission date to be advised.

## H. CLASSROOM POLICIES

1. Each session is divided into three distinct parts:
  - a) Baseline lecture that aims to provide a structured approach to literature and conceptual parameters for the week's theme
  - b) Student-led discussions about the week's topic and the main questions of the week where students are encouraged to share comments, questions, and thoughts on the readings, lecture, and the broader theme of the week.
  - c) Conclusion to be facilitated by the instructor – this serves as an opportunity to reiterate the main points, clarify concepts, identify persistent questions, and offer further points to ponder on.
2. Face to face lectures/discussions (approximately 3 hours) will take place.
3. Your attendance and active participation in class will contribute significantly towards your class participation marks.
4. You will refrain from talking over your classmates. You will make use of the different tools and platforms to participate in class.
5. There will be no make-up quizzes unless a valid reason is determined by the instructor.
6. You should feel free to ask questions at any point of the session.

## I. IMPORTANT ASSIGNMENT DATES

1.	Quiz 1:	Lesson 4
2.	Quiz 2:	Lesson 9
3.	Quiz 3:	Lesson 12
4.	Final Individual Paper:	To be advised

## J. CONSULTATIONS

Time: Thursday, 13:00-4:00pm (set up an appointment by email)

Venue: SOL 04-34/Zoom

## K. RECOMMENDED TEXT / READING LIST / CASE STUDIES LIST

**NOTE:** This syllabus may change slightly over the course of the term; when in doubt, please approach the instructor for the most updated version.

LESSON PLAN		
LESSONS	TOPICS	RECOMMENDED TEXT / READING LIST / CASE STUDIES LIST
Lesson 1  Tuesday 27 June	<b>INTRODUCTION PART ONE: SUSTAINABLE DEVELOPMENT: CHALLENGES AND OPPORTUNITIES</b>  Key sustainability challenges of the 21 <sup>st</sup> century  The socio-economic opportunities of sustainability	Required Readings: <ul style="list-style-type: none"> <li>UN General Assembly, 'Transforming our world: the 2030 Agenda for Sustainable Development', [2015] A/RES/70/1</li> </ul> Optional Readings: <ul style="list-style-type: none"> <li>UNEP, The Heat is On: A world of climate promises not yet delivered, Emission Gap Report 2021.</li> <li>UN Conference on Environment and Development, 'Rio Declaration on Environment and Development and Agenda 21', [1992] Doc A/CONF.151/26Rev 1</li> <li>Barral Virginie, 'Sustainable Development in International Law: Nature and Operation of an Evolutive Legal Norm' (2012) 23 European Journal of International Law 377.</li> </ul>
Lesson 2  Wednesday 28 June	<b>INTRODUCTION PART TWO: INTERNATIONAL ECONOMIC GOVERNANCE AND LAW</b>  Past and present of international economic relations  Actors of international economic law	Required Reading: <ul style="list-style-type: none"> <li>Herdegen Matthias, <i>Principles of International Economic Law</i>, Oxford University Press, 2<sup>nd</sup> ed., 2016, pp. 3-53</li> </ul> Optional Readings: <ul style="list-style-type: none"> <li>UN General Assembly, 'Declaration on the Establishment of a New International Economic Order', [1974] A/RES/S-6/3201</li> <li>Charnovitz Steve, 'What is International Economic Law?' (2011) 14 J Int'l Econ L 3.</li> </ul>
LESSON 3  Thursday 29 June	<b>MULTINATIONAL ENTERPRISES AND SUSTAINABLE DEVELOPMENT</b>  Green Transition  Net-Zero Economy	Required Readings: <ul style="list-style-type: none"> <li>Muchlinski Peter, <i>Multinational Enterprises and the Law</i>, Oxford University Press, 3<sup>rd</sup> ed., 2021, pp. 3-20.</li> </ul> Optional Readings: <ul style="list-style-type: none"> <li>Adapting for a Green Economy: Companies, Communities and Climate Change A Caring for Climate report by the UN Global Compact, UN Environment Programme, Oxfam, and World Resources Institute (2011), pp. 26-39.</li> <li>Mayer Benoit, <i>Milieudefensie v Shell: Do oil corporations hold a duty to mitigate climate change?</i> EJIL Talk, June 2021.</li> </ul>

<p>LESSON 4</p> <p>Tuesday 4 July</p>	<p><b>TRADE AND SUSTAINABLE DEVELOPMENT</b></p> <p><b>QUIZ 1 - beginning of the session (covering sessions 1-3)</b></p>	<p>Required Readings:</p> <ul style="list-style-type: none"> <li>● United States - Import Prohibition Of Certain Shrimp And Shrimp Products, Report of the Appellate Body of the World Trade Organization (WTO), 12 October 1998 [paras 129-130, 168, 185-186]</li> </ul> <p>Optional Readings:</p> <ul style="list-style-type: none"> <li>● WTO, Mainstreaming Trade to Attain the Sustainable Development Goals, 2018.</li> <li>● Herdegen Matthias, <i>Principles of International Economic Law</i>, Oxford University Press, 2<sup>nd</sup> ed., 2016, pp. 195-207.</li> </ul>
<p>LESSON 5</p> <p>Wednesday 5 July</p>	<p><b>TRADE AND CLIMATE CHANGE</b></p>	<p>Required Reading:</p> <ul style="list-style-type: none"> <li>● Trade and Climate Change WTO-UNEP Report, 2009, pp. 47-66.</li> </ul> <p>Optional Readings:</p> <ul style="list-style-type: none"> <li>● Leal-Arcas Rafael, <i>Climate Change and International Trade</i>, Edward Elgar, 2013.</li> <li>● Brandi Clara, Berger Axel, Cosbey Aaron, Droege Susanne, Elsig Manfred, Espa Ilaria, Morin Jean-Frédéric, Trade and Climate Change: A Key Agenda for The G20, 2020.</li> </ul>
<p>LESSON 6</p> <p>Thursday 6 July</p>	<p><b>FIELD STUDY: Visit of a Sustainability Business/Start-up in Singapore</b></p>	
<p>LESSON 7</p> <p>Tuesday 11 July</p>	<p><b>FOREIGN DIRECT INVESTMENT AND SUSTAINABLE DEVELOPMENT</b></p>	<p>Required Reading:</p> <ul style="list-style-type: none"> <li>● Johnson Lise, Sachs Lisa and Lobel Nathan, 'Aligning International Investment Agreements with the Sustainable Development Goals' (2020) Columbia Journal of Transnational Law 58.</li> </ul> <p>Optional Readings:</p> <ul style="list-style-type: none"> <li>● Schacherer Stefanie, <i>Sustainable Development in EU Foreign Investment Law</i>, Brill, 2021, pp. 41-99.</li> <li>● Schacherer Stefanie, <i>International Investment Law and Sustainable Development - Key Cases from the 2010s</i>, International Institute for Sustainable Development (IISD), 2018.</li> </ul>

<p>LESSON 8</p> <p>Wednesday 12 July</p>	<p><b>FOREIGN DIRECT INVESTMENT AND CLIMATE CHANGE</b></p>	<p>Required Reading:</p> <ul style="list-style-type: none"> <li>● Gaukrodger David, The future of investment treaties - possible directions, OECD Working Papers on International Investment 2021/03.</li> <li>● Decision No X/2022 of the CETA Joint Committee on the interpretation of certain terms in Article 8.10, Annex 8-A and Article 8.39</li> </ul> <p>Optional Readings:</p> <ul style="list-style-type: none"> <li>● OECD, Investment Treaties and Climate Change, The Alignment of finance flows under the Paris Agreement, 2021.</li> <li>● Leal-Arcas Rafael, <i>Climate Clubs for a Sustainable Future: The role of international trade and investment law</i>, Energy and Environmental Law and Policy Series, Kluwer Law International, 2021.</li> </ul>
<p>LESSON 9</p> <p>Thursday 13 July</p>	<p><b>INTERNATIONAL ENERGY INVESTMENTS</b></p> <p><b>QUIZ 2 - beginning of the session (covering sessions 5-8)</b></p>	<p>Required Reading:</p> <ul style="list-style-type: none"> <li>● Cima Elena, 'Investment Arbitration in the Energy Sector: Past, Present, and Future' in Thomas Schultz and Federico Ortino (eds), <i>The Oxford Handbook of International Arbitration</i>, Oxford University Press, 2020.</li> </ul> <p>Optional Readings:</p> <ul style="list-style-type: none"> <li>● De Brabandere Eric and Gazzini Tarcisio, <i>Investment in Foreign Investment in the Energy Sector - Balancing Private and Public Interests</i>, Brill, 2014.</li> <li>● Crossley Penelope, <i>Renewable Energy Law: An International Assessment</i>, Cambridge University Press, pp. 63-164.</li> </ul>

<p>LESSON 10</p> <p>Tuesday 18 July</p>	<p><b>DEVELOPMENT BANKS AND SUSTAINABLE DEVELOPMENT</b></p>	<p>Required Reading:</p> <ul style="list-style-type: none"> <li>World Bank, Environmental and Social Policy for Investment Project Financing, 2018.</li> <li>Herdegen Matthias, <i>Principles of International Economic Law</i>, Oxford University Press, 2<sup>nd</sup> ed., 2016, pp. 531-539.</li> </ul> <p>Optional Readings:</p> <ul style="list-style-type: none"> <li>Liebenthal Andres, Michelitsch Roland, and Tarazona Ethel, Extractive Industries and Sustainable Development : An Evaluation of the World Bank Group's Experience, 2005.</li> <li>De Moerloose Stephanie, <i>World Bank Environmental and Social Conditionality as a Vector of Sustainable Development</i>, Schulthess, 2020.</li> </ul>
<p>LESSON 11</p> <p>Wednesday 19 July</p>	<p><b>SUSTAINABLE FINANCE: MARKETS AND PARTICIPANTS</b></p>	<p>Required Readings:</p> <ul style="list-style-type: none"> <li>Thomson Simon, <i>Green and Sustainable Finance : Principles and Practice</i>, Kogan Page, 2021, pp. 1-27.</li> </ul> <p>Optional Readings:</p> <ul style="list-style-type: none"> <li>Developing A National Green Taxonomy - A World Bank Guide, World Bank, 2020.</li> <li>Nicholls Alex, <i>Sustainable Finance: A Primer and Recent Developments</i>, Asian Development Bank, 2021.</li> </ul>
<p>LESSON 12</p> <p>Thursday 20 July</p>	<p><b>SUSTAINABLE FINANCE: POLICIES AND REGULATION</b></p> <p><b>QUIZ 3 - beginning of the session (covering sessions 10-11)</b></p>	<p>Required Reading:</p> <ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<p>Paper due (TBA)</p>	<p><b>Final Individual Submission through eLearn - no late submissions allowed.</b></p>	