Index

absolute immunity 229–33
see also State immunity
Abu Dhabi 120
Abu Dhabi Investment Authority (ADIA) 14, 15, 19, 21, 22, 36, 108
access-and-benefit-sharing agreements (ABS) 351
accountability issues 50–1
sustainability 413–14
acta jure imperii / acta jure gestionis 230, 244, 246, 247, 248
active ownership principles 76
activism
see also human rights issues
central banks 33
exit 322
extra-legislative 322–3
Government Pension Fund Global (Norway) 323–9
shareholders 321
voice 321–2
Adams, W.M. 351
ADIA (Abu Dhabi Investment Authority) 14, 15, 19, 21, 22, 36, 108
Africa 26
geographic regionalization 85–6, 93
African Development Bank (AfDB) 29, 387
Agenda 21 354
agriculture, investment policy 132
Aizenman, Joshua 378
Al Romaithi, Majed 113
Al Sa’ad, Bader 112
Al Suwaidi, Hamad 63
Alaska Permanent Fund (APF) 390, 399–403, 405
Alaska Permanent Fund Corporation (APEC) 400, 401
Algeria 64, 297
Al-Hassan, Abdullah 65, 66
Alliance for the Americas (ALBA) 288
Alvarez, J.E. 203, 204
Ang, A. 340
Angola 26, 89
and development 379–80
Aannan, Kofi 347
APF see Alaska Permanent Fund (APF)
Arbitration Institute, Stockholm Chamber of Commerce 280
Argentina, bilateral tax treaties 314
Asia-Oceania, geographic regionalization 81, 82, 86, 93
ASIC (Australian Securities and Investments Commission) 412
assets, SWFs
see also AUM (assets under management)
economic actor master narrative 67
foreign 16
ring-fencing 27
separate from other public assets 11
size 14
sovereign-owned asset pools, SWFs as 42
State immunity from enforcement of 266–9
top SWFs, ranked by asset value 278
toxic 24
whether growth in will continue 17–18
whether used to fund long-term investments 34
AUM (assets under management) 14, 15, 17, 19, 21
see also assets, SWFs
416  *Research handbook on SWFs and international investment law*

Australia
- Australia Future Fund 20, 407–12
- bilateral tax treaties 218, 219
- government-controlled investors and security-related investment policies 136
- tax exemption under administrative practice 214

Australian Securities and Investments Commission (ASIC) 412
Australian Taxation Office (ATO) 214
Authoritarianism 78

Backer, L.C. 323–4, 391
Bagnall, Allie 400
Bagnall, Sarah 105
Bahrain 25
Banks
- see also specific banks; World Bank
- central banks see central banks
- deposits and withdrawals, operational rules 375–7
- investment 28
- regional development 386–8

Barbieri, M. 206
Barton, Dominic 78
Barwa, Qatar 11
Basle Convention (European Convention on State Immunity), 1972 226, 227, 231, 236, 252
Bassan, Fabio 41, 44, 45, 69–70, 72, 73, 103, 110, 178, 179, 224, 336, 337, 363, 369
Behrendt, S. 101, 105, 121
Bengtsson, Elias 397
Berengaut, A.A. 181
Best Practice
- environmental protection 346–8
- Santiago Principles 100

Biden, Joseph P. 111
Bilateral tax treaties see BITs (bilateral tax treaties)
Bird-Pollan, J. 211
Bismuth, Régis 224, 235
BITs (bilateral tax treaties) 4, 6, 45
- see also FIPA (foreign investment promotion and protection agreement); FTAs (free trade agreements); taxation
- case law
- compensation requirement for de jure and de facto expropriations 284–6
- current practice 53
- definition of ‘investor’ 54–5
- and environmental protection 359
- fair and equitable treatment standard 283–4
- full protection and security standard 286–9

International Investment Agreements
- see International Investment Agreements (IIAs)
- international investment law regime 279–89
- Model BITs 278, 295, 307, 310
- Russian Federation 298, 306, 313
- United States 299, 305, 311, 315, 316
- most favoured nation (MFN) standard 282–3, 291
- national treatment (NT) standard 282
- new modes 273–318
- Preambles 299–302
- reciprocal exemption granted by 216–19
- reservations and exceptions of consequences
- essential security interest exceptions 310–16
- prudential measures and transfer of funds exceptions 303–6
- reservations for existing and future non-conforming measures 306–10
Index

rise in number 287
specific treaties
Austria and UAE 293
Belgium-Luxembourg Economic Union and UAE 293
Canada and China 110, 298, 309
Canada and Latvia 298, 314
Canada and Peru 309
Canada and Poland 297, 301, 304, 314
Canada and Russia 305
Canada and Ukraine 309
China and Bosnia 307, 308
China and Brunei 314
China and Hong Kong 218
China and Kuwait 296, 305
China and Mexico 296
China and Qatar 294–5, 299
China and Singapore 313
China and Switzerland 308
Denmark and Algeria 297
Finland and Kuwait 314
Germany and Singapore 314
Germany and UAE 293, 294, 300
Hungary and Russian Federation 313
Jordan and Singapore 296
Malaysia and UAE 305, 313
Mexico and Australia 219
New Zealand and Australia 218
Russian Federation and UAE 293
Saudi Arabia and Korea 300
Singapore and Japan 217
Singapore and Malaysia 216
Singapore and Peru 301
United Kingdom and China 304
United States and Denmark 218
United States and Russia 297
United States and South Korea 218
United Arab Emirates (UAE) 291–2, 293
Bocconi University, Milan 21, 22, 28
Bourghelle, David 392
Brazil 85, 92
Brown, Chester 259
Browne, A. 173
Brownlie, Ian 230, 231
Brundtland Report 350

Brunei, bilateral tax treaties 314
Bushre, Peter 400
Byrd Amendment (1992), US 152, 153
CalPERS (California Public Employees Retirement System) 14, 219, 322–3
Campanella, M.L. 34
Campbell, John L. 396
Canada bilateral tax treaties 110, 276, 297, 298, 301, 303, 304, 305, 309, 310, 314, 315
Canada-EU Trade Agreement (CETA) 367, 368
government-controlled investors and security-related investment policies 136
Investment Canada Act 111
Model FIPA 312
prudential measures and transfer of funds exceptions 303
taxation matters 215–16
Canada Revenue Agency (CRA) 216
capital concept of capital movements 185
freedom of circulation 185–202
Carbon Disclosure Project (CDP) 345, 405
Carbone, S.M. 336, 362
Castelli, M. 15, 17, 18, 23, 69, 103
Catà Backer, Larry 42, 339, 352
CDP (Carbon Disclosure Project) 345, 405
central banks 12, 32, 33, 34
Chile 212
China see People’s Bank of China foreign currency (FX) reserves see foreign currency (FX) reserves property of, immunity from enforcement 264–6
and state corporatist narrative 74–5, 76
waning borderline between central banks and SWFs 31–3
Ceres 347
CETA (Canada-EU Trade Agreement) 367, 368
CFIUS (Committee on Foreign Investment in the United States)
see also FINSA (Foreign Investment and National Security Act) 2007, US; United States consensus requirement 162
Comprehensive Economic and Trade Agreement (CETA) 204
constraint, State immunity from measures of 256–69
enforcement of an SWF’s assets 266–9
enforcement on property of central banks 264–6
foreign States’ property used for commercial purposes/activities 259–64
Convention on Biological Diversity (CBD) 351
Conway, Neil 399
Cooper, W. 111
corporatist monopoly mercantilist economic organization 78
Costa, L. 173
Costello, Peter 408
Council of Institutional Investors 409
Council on Ethics 323, 343, 382, 383
Court of Justice of the European Union (CJEU) 5, 187, 188, 190, 191, 194, 196
critical infrastructure 156
currencies, emerging 35
current account surpluses/deficits 15–16
Czech Republic, bilateral tax treaties 298
Daly, Herman 394
Davis, Stephen 393
de jure and de facto expropriations, compensation requirements 284–6
De Luca, Anna 202
De Meester, B. 224
Declaration on Sovereign Wealth Funds and Recipient Country Policies, OECD 181
definitions of SWFs 3–4, 9–13
see also classification of SWFs; SWFs (Sovereign Wealth Funds) active and passive sides 42, 45–6, 49 alternative (legal) proposal 44–5 and classifications 41–56
definition misconception (definition by classification) 46–7
dualism concerns 46, 47
elusive nature 103–4
origins of a definition 10, 42
ownership 56, 74 accountability 50–1
active ownership principles 76 as basic ground for a definition 9, 46
governance 47, 48–50 legal structure 47, 48, 66
purely economic 47
purposes 51–6
as basic ground for a definition 46
classification I posit 52–3
definition and classification put to test 53–6
and State immunity 234–5
put to the test 43–4, 53–6
in Santiago Principles 11, 43–4, 71, 179
and social investment 395
sovereign character of fund 6, 23, 46, 51, 72, 270
Delacour, C.B. 47
Denmark, bilateral tax treaties 218, 297
Denters, E. 374
deposits and withdrawals, operational rules on 375–7
DeSouza, P. 334
development 7
ethical guidelines 381–6
institutional independence from government 375–7
mandate and portfolio allocation 377–81
operational rules on deposits and withdrawals 375–7
partnerships 386–8
SWFs as instruments to promote new type of sustainable development 371–5
development funds 235
Dhooge, Lucien 399
direct investments dramatic rise of 20–2
freedom of circulation of capital 185
dirigisme 78, 85
see also instrumental dirigiste model
Research handbook on SWFs and international investment law

dirigiste model see instrumental

disciplinary interventionist model 78,
81 and regionalism 90, 92–3
Dispute Settlement Body (DSB) 358
Dixon, A.D. 50, 396
Doha Declaration on Financing for
Development 372, 373
domestic economies, SWFs as
development tools in 25–8
Domini, Ami 392
DP World 149, 152, 156, 165
Draft Articles on Jurisdictional
Immunities of States and Their
Property (ILO) 230
Draft Articles on Responsibility of
States for Internationally
Wrongful Acts (ILO) 235, 280
Drezner, Daniel W. 391
Dubai Port World 11, 182
due diligence, and complicity notion
329–32
Duffy, S.P. 145, 173, 174

economic actor master narrative 59
and focus on risk 60, 62–9
and IFSWF 62, 63, 65
institutionalization 66
instrumental narrowness 90
investment management 67
macroeconomic management 64, 65,
87
public law perspective 64–5
and regionalism 87–8
regionalization through objective 65,
66
and state corporatist narrative 78
economic and social development,
promoting 125
emergency measures in crisis 137–40
Empire of Iran judgment, German
Federal Constitutional Court
(1963) 246
endowment funds 20, 22
Energy Charter Treaty (1994) 279, 358
environmental protection 7, 333–70
advocating a role for SWFs 338–42
best practice as not exclusive matter
for SWFs 346–8
caveats 336–7
environment and SWFs 333–5
general and particular 336–7
‘greening’ of SWFs, proposals for
348–53, 370
international environmental
protection law and role of States
consequences of breach of provisions by SWF/ SOE
carried out under ‘effective
control’ of a State 364–6
investment treaties and sustainable
investments 366–9
nature of global environmental law,
implications 357–60
potential State liability for
breaching law, assessing
360–2
whether SWFs or SOEs under
‘effective control’ of a State
362–4
networking, need for 353–6
and Santiago Principles 335
State liability 361
SWFs as instrument to enhance
338–56
SWFs with high sensitivity to
environmental concerns 342–6
theory and practice 336–7
Epstein, R.A. 334
equities 12, 125
and human rights 321–3
private equity houses, co-investments
with 28–30
ESG (environmental, social and
governance) issues 347
ethical guidelines 381–6
ethics-based legislative exclusion 322
European Commission 12
European Convention on State
Immunity (ECSI) see Basle
Convention (European
Convention on State Immunity),
1972
European Investment Bank 34
European Union (EU) 178–205
freedom of circulation of capital 185–202
harmonization measures 204–5
Member States’ restrictions on foreign investments 185–202
Merger Regulation 183, 184
multilateral initiatives 180–2
security-related concerns, national 180–2
services, freedom to provide (case law) 188–9
and SWF instruments 182–5
Treaty on the Functioning of the European Union 183, 185
Eurozone fiscal crisis 35
Exon-Florio framework, US 149–50, 154, 165
Export Administration Regulations (EAR) 167
external accountability 51
external transparency 68
extra-legislative activism 322–3

Fagan, D. 154, 162, 181
fair and equitable treatment standard (FET) 283–4
Fairchild Semiconductor, proposed sale to Fujitsu (1987) 149
Faugère, C. 322
FDIs (foreign direct investments) 45, 273, 302, 335, 337
Federal Ministry of Economies and Technology, Germany 197
Fergusson, I. 111
FET (fair and equitable treatment standard) 283–4
FGCI (foreign government-controlled investments) 52, 70
Finland, bilateral tax treaties 314
FINSA (Foreign Investment and National Security Act) 2007, US 5, 145–77
see also CFIUS (Committee on Foreign Investment in the United States); United States
assessment of impact 165–72
CFIUS reporting obligations under 166–7
communications with SOE and SWF investments under 164
‘covered transactions’ 158, 167, 168
critical technologies 166, 167
key definitions 157–9
overview 153–9
political impetus behind amendments 152–3
Ralls Corporation case (2012) 151, 160, 161
FINSA (Foreign Investment and National Security Act) 2007 see
Foreign Investment and National Security Act 2007, US
Foreign Sovereign Immunities Act (FSIA), US 227, 228, 231, 235, 241, 244, 245, 252, 258, 265, 266, 268, 271
commercial transactions exception 249–50, 251
defining foreign States under rules on sovereign immunity 236, 238, 239
foreign States’ property used for commercial purposes/activities 259, 260, 262, 263
form, legal actor narrative focus on 61, 69–73
France
bilateral tax treaties 219
Decree 2005/1739 198
Pension Reserve Funds 390
Tax Code 214
free trade agreements (FTAs) 110, 278, 289, 316
freedom of circulation of capital, EU 185–202
case law 186–93
Commission of the European Communities v Kingdom of Spain (2003) 193–4
Commission v Greece (2012) 194, 195, 196
concept of capital movements 185–6
Directives 186, 191–2, 201
public interest objectives, general 187
third countries 187
Freedom of Investment (FOI) 140
Inventory of Measures (2009–10) 139
Roundtable policy monitoring 137, 138
FSDEA (Fundo Soberano de Angola) 379–80
FSIA see Foreign Sovereign Immunities Act (FSIA), US
FTAs (free trade agreements) 110, 278, 289, 316
Fujitsu, proposed sale of Fairchild Semiconductor to (1987) 149
function, state corporatist narrative focus on 61, 73–81
Fund for the Regulation of Receipts (FRR), Algeria 64
Fundo Soberano de Angola 26, 89
future (savings) funds 18, 19
Future Fund Management Agency, Australia 408
Future Generations Fund, Kuwait 14
FX reserves see foreign currency (FX) reserves
Gaukrodger, David 224
GEF (Global Environment Facility) 305, 355, 356
Gelpren, A. 43, 50
General Reserve, Kuwait 14
Generally Accepted Principles and Practices see under Santiago Principles (Generally Accepted Principles and Practices)
geographic affinity, taxonomies with 81–93
geographic regionalization 59
advantages 82
Africa 85–6, 93
Asia-Oceania 81, 82, 86, 93
Europe-Australia-North America 81, 86–7, 93
explanations for variation in SWF form 60
geographic regionalism 83–7
Latin America 82, 85, 93
Middle East 82, 84, 93
Germany 16, 109
bilateral tax treaties 293, 294, 300, 314
Empire of Iran judgment, German Federal Constitutional Court (1963) 241, 246
Foreign Trade and Payments Ordinance (2013) 197
Ghahramani, S. 322, 323
Ghana 85, 219
GIC Private Ltd, Singapore 15, 19, 21, 24, 28, 29, 36, 90, 114
Gigante, A. 374
Gilbert Islands (Kiribati) 13
Gilson, R.J. 273, 274
Glencore/Xstrata merger 28
Glick, Reuven 378
Global Compact 331, 347, 398
Global Environment Facility (GEF) 350, 355, 356
global financial crisis (2008) 15, 24, 30, 404
Global Infrastructure Fund (GIF) 387
Global Trade Alert (GTA) 138
globalization 102, 335
narrative frameworks 69, 72, 74, 75, 81
Globermann, S. 335
Gordon, M. 333
governance of SWFs 27, 47, 48–50
Index 423

good practices 65, 67
trade and investment treaty negotiations, impact on 109–12
government, institutional independence from 375–7
Government Accountability Office (GAO), US 165
Government Pension Fund Global (GPFG), Norway 20, 88, 321
see also Norway activism 323–9
and bilateral investment treaties 274
and development 378, 381, 382, 384, 385, 386
environmental concerns 342–6
equity portfolio 343
‘green economy’ sectors considered in 344
and legal structure of SWFs 48
privatized statist model 91
size 14–15, 19
Wal-Mart case 325–7
Zuari Agro Chemicals, case of 327–9
Government Pension Investment Fund (GPIF), Japan 33
government-controlled investors and security-related investment policies 135–7
rules and regulations 136–7
GPFG see Government Pension Fund Global (GPFG), Norway
Graham, M. 149, 150, 151
Graver Committee 383
Greece 335
greenhouse gas emissions 345
Greenpeace 339
Greenspan-Guidotti rule 31, 32
Griffith-Jones, S. 335
Guerrero, Francesca M.S. 182
Guidelines on Corporate Governance for State-owned Enterprises, OECD 49, 116, 347
Gulf Cooperation Council (GCC) countries 24–5

Gurria, Angel 122
Haacke, D. Owen 102
Hawley, James 393
Hebb, Tessa 394
Hermes Equity Ownership Services 405
HM Revenue and Customs, UK 214
Hong Kong, bilateral tax treaties 218
Hong Kong Monetary Authority (HKMA) 12, 18, 32, 36, 294
Hsu, Locknie 224, 273
human rights issues 6
complicity notion and due diligence 329–32
equity portfolio of State and human rights 321–3
SWF activism 323–9
Hunter, D.B. 342
ICSID (International Centre for the Settlement of Investment Disputes) 280, 290
IFSWF (International Forum of Sovereign Wealth Funds) 43, 99
see also IWG (international working group), IMF; Santiago Principles (Generally Accepted Principles and Practices)
membership 121, 122
narrative frameworks 86, 89
and economic actor master narrative 62, 63, 65
reviewing functioning of 112–14
Survey (2013) 117
IGA (Model Intergovernmental Agreement) 298
IIAs see International Investment Agreements (IIAs)
IMF (International Monetary Fund) 33, 87
Balance of Payment Manual 10–11
COFER data 35
International Working Group 43–4, 101, 113, 115, 124
and Santiago Principles 101
Survey of Securities Held as Reserve Assets 35
immunity see State immunity
infrastructure projects 23
initial public offerings (IPO) 21
Institutional Investors Group on Climate Risk, UK 347
institutionalization, economic actor master narrative 66
instrumental dirigiste model 78, 80–1
and regionalism 90, 91
insurance funds 22
interest rates 32
intergenerational equity 125
internal accountability 51
internal market 191–2
Internal Revenue Code, US 211
internal transparency 68
International Centre for the Settlement of Investment Disputes (ICSID) 280, 290
International Corporate Governance Network 409
International Covenant on Civil and Political Rights (ICCPR) 326
International Finance Corporation (IFC) 386, 387
International Forum of Sovereign Wealth Funds (IFSWF) see IFSWF (International Forum of Sovereign Wealth Funds)
International Institute of Sustainable Development (IISD), Model International Agreement on Investment for Sustainable Development 367
International Investment Agreements (IIAs) 204
bilateral tax treaties 279, 280, 281, 282, 283, 284, 286, 318
Preambles 299–302
definition of ‘investor’ 291–9
and environmental protection 335
standing of SWFs under 290–302
International Law Commission (ILC) 326, 328
and commercial transactions exception 247
Draft Articles on Jurisdictional Immunities of States and Their Property 230
Draft Articles on Responsibility of States for Internationally Wrongful Acts 235, 280
International Traffic in Arms Regulations (ITAR), US 166
investment banks 28
investment holding companies 20–1
Investment of the National Pensions Reserve Fund and Miscellaneous Provisions Act 2009, Ireland 404
investment treaties, and environmental protection 366–9
Investor Group on Climate Change Australia/New Zealand 347
Investor Network on Climate Risk, US 347
investors
definition of ‘investor’ 54–5, 291–9
government-controlled see government-controlled investor
and security-related investment policies
SWFs as 18–23
Iranian Funds 92
Ireland 14
National Pensions Reserve Fund 403–7, 408, 410
Irish, C. 209
Irish Independent 407
IWG (International Working Group), IMF 5, 43–4, 101, 124
and environmental protection 349, 356
and Santiago Principles 113, 115, 224
Jackson, J.K. 147, 148, 153, 176
Japan
bilateral tax treaties 217
China compared 154
Government Pension Investment Fund 33
Jemel-Fornetty, Hager 392
Jin, H. 232
Jingsheng, M.A. 232
joint investment funds 26–7
co-investments with private equity
houses 28–30
Jones v Saudi Arabia (2006) 226
Jordan 296
bilateral tax treaties 305
Jost, T. 178, 197
Judge, W.Q. 322
Jurenas, R. 111
Kahzanah Nasional, Malaysia 25
Kazakhstan National Fund 18
KIA (Kuwait Investment Authority) 14,
15, 21, 22, 24, 29, 36, 293
and State immunity 239–40, 243
Kimmitt, R. 47
Kinder, Peter 392
Koch-Weser, N. Iacob 102
Koo, Ronald 397
Kuwait
see also KIA (Kuwait Investment
Authority)
bilateral tax treaties 296, 305, 314
and history of SWFs 102
Kuwait Declaration (2009) 65, 113
Laird, Ian 283
Laird, Sam 118
Larson, A.P. 181
Latin America
bilateral tax treaties 219
geographic regionalization 82, 85, 93
Latvia, bilateral tax treaties 298, 314
Lee, Angela 339, 342
legal actor narrative 59, 60–1
focus on form 61, 69–73
and regionalism 89
legal structure of SWFs 47, 48, 66
Lehman Brothers, collapse 24
Lesh, Daniel 403
Létourneau, Hugues 389, 393
liabilities of SWFs, limited 13
Libyan Arab Foreign Investment
Company (LAFICO) 22
Ligustro, A. 374
Lipton, Eric 152
Liqun, Jin 112
Locknie, H. 109
Louche, Celine 392
Lucas, S.C. 145
Lukomnik, Jon 393
MacBride Principles, Northern Ireland
399
macroeconomic management/
objectives 13, 64, 65, 87
Maher, Anne 406
Mahinka, S.P. 145, 173, 174
Malaysia 32
bilateral tax treaties 216, 305, 313
Kahzanah Nasional 25
Mamco, acquisition by CATIC (1990)
151
mandate and portfolio allocation
377–81
Marchick, D.M. 149, 150, 151, 162
market internationalization 335
Marler, J.H. 322
master narrative see economic actor
master narrative
Matheson, Rod 113
Mauritania 85
Mavrotas, G. 274
McCarroll, Patricia 399
MEAs (multilateral environmental
agreements) 341–2, 357
media and broadcasting, investment
policy 132
Melia, Paula 407
Mendenhall, James 315
Merger Regulation, EU 183, 184
Mexico 219, 296
Mezzacapo, Simone 13
Michalchuk, Daniel J. 232
Middle East
geographic regionalization 82, 84,
93
major SWFs in 103
Milhaupt, C.J. 273, 274
Minnow, Neil 393
mitigation agreements, United States
154–6, 171
Model Intergovernmental Agreement
(IGA) 298
Model International Agreement on Investment for Sustainable Development, IISD 367

Model Tax Convention on Income and Capital (OECD) 207, 208

Monk, Ashby H.B. 26, 50, 116, 378, 391, 392, 396

Monks, Robert 393

Monterrey Consensus on Financing for Development 372

most favoured nation (MFN) standard 282–3, 291

Mubadala (Abu Dhabi investment fund) 20, 21, 25, 29, 125

Mulder, Ivo 394

multicurrency regime, prospects for 35–6

multilateral initiatives 180–2, 341–2, 357

Multilateral Trade Agreements 119

multinational companies 27

Mumtalakat, Bahrain 25

NAFTA (North American Free Trade Agreement) 279, 289, 299, 312, 316, 358

narrative frameworks (global), similarities and differences 57–96

economic actor master narrative 59, 60, 62–9, 78, 87–8

globalization 69, 72, 74, 75, 81

legal actor narrative 59, 60–1, 69–73, 89

myth of monolithic SWF 58–9

nationalism 81

regionalization see regionalization

state corporatist narrative 59, 61, 73–81, 90–3

sub-narratives 73


National Development Fund, Iran 92

National Internal Revenue Code (NIRC), US 211

National Pensions Reserve Fund Act 2000, Ireland 406

National Pensions Reserve Fund (NPRF), Ireland 403–7

National Treasury Management Agency, Ireland 404

national treatment (NT) standards 282

Nation-building Funds Act 2008, Australia 408

nation-centric legislative exclusion 322

neo-colonialism 381

New Zealand, bilateral tax treaties 217, 218

New Zealand Superannuation and Retirement Income Act 2001 398

New Zealand Superannuation Fund (NZSF) 20, 67, 217, 390

development 381, 385, 386

social investing 397

NGOs (non-governmental organizations) 339

Nigeria, and development 379–80

Nigeria Sovereign Investment Authority (NSIA) 26, 121, 380

Niles, S.V. 333

non-conforming measures, reservations for 306–10

non-hindrance test, free circulation of services 188, 189

Norges Bank Investment Management (NBIM), Norway 345

Norges Bank, Norway 36, 325

North American Free Trade Agreement (NAFTA) 279, 289, 299, 312, 316, 358

Norton, Joseph J. 99–100, 101

Norway 120, 413

environmental concerns 342–6

Ethical Guidelines 382, 383, 384

Government Pension Fund Global see Government Pension Fund Global (GPFG), Norway

narrative frameworks 67, 77, 91

Norges Bank 36, 325

Norges Bank Investment Management 345

Norwegian Government Pension Fund-Global (NGPF-G) 389, 390, 397
see also Government Pension Fund
Global (GPFG), Norway
NPRF (Irish National Pensions Reserve Fund) 403–7, 408, 410
NSIA (Nigerian Sovereign Investment Authority) 26, 121, 380
NZSF (New Zealand Superannuation Fund) see New Zealand Superannuation Fund (NZSF)

Ocampo, J.A. 335
OECD (Organization for Economic Cooperation and Development)
categorization of SWFs by 10
Code of Liberalization of Capital Movements 130
Declaration on Sovereign Wealth Funds and Recipient Country Policies 181
Guidelines on Corporate Governance for State-owned Enterprises 49, 116, 347
Investment Committee on SWFs, Provisional Report 49
Investment Policy Principles on Openness and Non-Discrimination 130–1
long-term investment project 34
Model Tax Convention on Income and Capital 207, 208
openness and fairness for foreign investors 128–31
host countries’ security-related investment policies 129
Principles on Openness and Non-discrimination for International Investors and Investments 128–9
Public Governance surveys 139
responsible business conduct for investors 130
offsetting SWFs 52
oil prices 17–18
O’Keefe, Roger 259

Oleynikov v Russia (2013) 226
Oman Investment Fund 25
Omnibus Trade and Competitiveness Act 1988 150
Exon-Florio Amendment see Exon-Florio framework, US
Organization for Economic Cooperation and Development see OECD (Organization for Economic Cooperation and Development)
Orr, Adrian 112
ownership of SWFs 56, 74
see also classification of SWFs; definitions of SWFs; SWFs (Sovereign Wealth Funds)
accountability 50–1
active ownership principles 76
as basic ground for a definition 9, 46
governance 47, 48–50
legal structure 47, 48, 66

P&O (Peninsular and Oriental Steam Navigation Company) 152
par in parem not habet juridictionem 207, 229
partnerships
increasing, among SWFs 28–30
Trans-Pacific Partnership (TPP) negotiations 111–12
World Bank, SWF partnerships with 386–8
pension funds 19, 20, 22, 23, 29, 87, 235, 390
see also Government Pension Fund Global (GPFG), Norway; New Zealand Superannuation Fund (NZSF)
Irish National Pensions Reserve Fund 403–7, 408, 410
People’s Bank of China 18, 32–3, 35–6, 74–5
see also China; SAFE (Chinese State Administration of Foreign Exchange)
Peru, bilateral tax treaties 301, 309
Petrobras (Brazilian national oil company) 28
Philippines, tax exemption 211–12
Pistor, K. 274
Pitt-Watson, David 393
Plotkin, M. 155, 162, 175, 181
Plurilateral Trade Agreements 119
Poland, bilateral tax treaties 301, 314
policy frameworks for SWF
  investments
economic and social development,
  promoting 125
effective management of public
  finances 124–5
emergency measures in crisis 137–40
  formal policies 126
future challenges 140–2
government-controlled investors and
  security-related investment
  policies 135–7
intergenerational equity 125
investment policy practice in 54 host
  countries over past five years
  131–4
investment/investment-related
  measures taken in 2014 133–4
openness and fairness for foreign
  investors under OECD
  investment instruments see under
  OECD (Organization for
  Economic Cooperation and
  Development)
protectionism, hidden 141
routine policy monitoring 131–4
political narrative see state corporatist
  narrative
Preqin (data provider) 29–30
preventive SWFs 52
private equity houses, co-investments
  with 28–30
private fund analogues, SWFs
  distinguished 64
privatized statist model 78, 79–80, 90
  and regionalism 90–1
project bonds, liquid and tradable 34
property
  of central banks, immunity from
  enforcement 264–6
  of foreign States, used for
    commercial purposes/activities
    259–64
Protect, Respect and Remedy Guiding
  Principles 7, 331
protectionism, hidden 141
prudential measures, BITs 303–6
purposes of SWFs 51–6
  see also classification of SWFs;
    definitions of SWFs; SWFs
    (Sovereign Wealth Funds)
as basic ground for a definition 46
classification I posit 52–3
definition and classification put to
test 53–6
and State immunity 234–5
Qatar, bilateral tax treaties 294,
  299–300, 314
Qatar Diar 11
Qatar Holding 36
Qatar Investment Authority (QIA) 15,
  21, 28
Qatar Telecom (Qtel) 11
quasi-derivatives structures 24
Ralls Corporation case (2012) 151, 160,
  161
Rapozo, K. 154
ratione materiae immunity 55, 236,
  240, 268, 271, 290
ratione personae immunity 55, 235,
  260, 271
real estate, investment policy 132
Redford, K.H. 351
regional development banks,
  partnerships with SWFs 386–8
regionalism 59
  and economic narrative 87–8
  geographic 83–7
  and legalist narrative 89
  and state corporatist narrative 90–3
regionalization
  see also narratives (global),
    similarities and differences
  explanations for variation in SWF
    form 60, 61
geographic 59
Index 429

law and politics 60
and narrative 81–93
objective, through 65, 66
value of models 59–60
Reiche, Danyel 389
Reinisch, A. 257, 259
Reisen, H. 125
Reisman, W.M. 334
reserve investment corporations 18, 19,
20, 43
responsible investing 76–7, 130
see also socially responsible investing (SRI)
restrictive immunity 229–33, 231
see also State immunity
Riblett, Philip 243
Richardson, Benjamin J. 339, 342, 389,
391, 394, 395, 397, 414
Rio Declaration on Environment and Development (1992) 340, 352
Rio+20 Conference (2012) 353, 354
risk, economic actor master narrative
focus on 60, 62–9
RMB, investments in 35, 36
Rose, A.M. 334
Rose, Paul 172, 323
Rozanov, Andrew 42, 43, 44, 378
Russian Bank Capitalization Fund 387
Russian Federation
bilateral tax treaties 293, 297, 305, 313
Model BITs 298, 306, 313
Code of Civil Procedure 233
Constitution 233
government-controlled investors and security-related investment policies 136
Russian Funds 86–7, 89, 92, 103
Russian Direct Investment Fund 26, 121
Russian Reserve Fund 18
Rwabizambuga, Alexis 396
Sabic, Saudi Arabia 11
Sachs, L.E. 178, 333
SAFE (Chinese State Administration of Foreign Exchange) 15, 18, 33, 74,
294, 374
Saidi, N. 16
Sandel, M.J. 334
Sanger, David E. 152
Santiago Principles (Generally Accepted Principles and Practices) 4–5, 51, 99–123
see also IFSWF (International Forum of Sovereign Wealth Funds)
background 99–101
Compliance Index 105, 122
compliance with 104–5
see also measurability of compliance with the GAPPs below
definitions of SWFs 11, 43–4, 71, 179
and development 375, 381
differentiated ‘rules’ 119–20
and environmental protection 335
geographic regionalism 84, 85, 86
global context 102–5
International Forum of Sovereign Wealth Funds 112–14
measurability of compliance with the GAPPs 105–9
injecting greater measurability 114–17
narrative frameworks
economic actor master narrative 62, 63, 64
legal actor narrative 71, 72, 89
Principle 2 348, 349, 351–2
Principle 3 105, 115, 352
Principle 4 352
Principle 5 105, 115
Principle 6 49, 362
Principle 7 49, 352
Principle 8 49, 116
Principle 9 49, 362
Principle 11 105, 352
Principle 12 49, 352
Principle 13 49, 349
Principle 15 223–4
Principle 16 362
Principle 17 352
Principle 18 105, 116
Principle 19 88
Report 104, 105, 106
‘scoreboard’ 114, 115
and State immunity 237, 242
strength 101
structure 64
trade and investment treaty
negotiations, impact on SWF
governance 109–12
Trans-Pacific Partnership (TPP)
negotiations 111–12
voluntary nature 102
World Trade Organization 117–19
Sanitso, J. 178, 371
Saudi Arabia 120, 300
Saudi Arabian Monetary Agency 12, 32, 292
Sauvant, K.P. 178, 333
saving funds 18, 19, 20, 21, 22–3, 43,
234–5
saving SWFs 52
Scacciavillani, F. 15, 16, 17, 18, 103
Schill, Stephan W. 288
Schmit Jongbloed, W.P.F. 178, 333,
341
Schweitzer, Heike 197
SDFs (Sovereign Development Funds)
25, 26
secondary reserves 35
security concerns
essential security interest exceptions,
BITs 310–16
in European Union 180–2
full protection and security standard
286–9
SEFER (Survey of Securities Held as
Reserve Assets) 35
services, freedom to provide (EU case
law) 188–9
shadow SWFs 12
shale hydrocarbons production, US 17
Shapiro, D.M. 335
shareholder power, Norway 77
Shemirani, Manda 395
Shih, W. 358
SIA see State Immunity Act (1978), UK
Singapore 14, 25, 67, 103
bilateral tax treaties 216, 217, 296,
301, 305, 314
GIC Private Ltd see GIC Private Ltd,
Singapore
New York State Bar Association
International Conference (2009)
104
and state corporatist narrative 90–1
Temasek (investment holding
company) see Temasek
(investment holding company),
Singapore
United States–Singapore FTA 110
Smith, A. 154
social development funds 20
social investing 389–414
Alaska Permanent Fund 399–403
Australian Future Fund 407–12
Harries v Church Commissioners for
England (1992) 406
Irish National Pensions Reserve Fund
403–7, 408
legal accountability of SWFs for
sustainability 413–14
socially responsible investing (SRI)
389–92
see also responsible investing
and environmental protection 339,
342
interest of SWFs in 393–8
SOEs (state-owned enterprises)
adapting characteristics of SWFs
58
and environmental protection 335,
337, 360
under FINSA, concerns with 164
international activities 178, 179
OECD guidelines 49
and Santiago Principles 237
and State immunity 236–7
SWFs distinguished 11, 45, 110
and taxation 207
soft law 368
South Korea 14, 32, 92
bilateral tax treaties 218, 300
Korea Investment Corporation 121
Sovereign Development funds (SDFs)
25, 26
Sovereign Wealth Fund Institute 14, 83,
89, 277
Sovereign Wealth Funds (SWFs) see
SWFs (Sovereign Wealth Funds)
sovereign wealth management, future 30–6
multicurrency regime, towards 35–6
pressure to deploy SWF resources within home country 33–5
waning borderline between central banks and SWFs 31–3
sovereign-owned asset pools, SWFs as 42
special investment funds, SWFs as 10
Special Security Arrangement (SSA) 153
SRI (socially responsible investing) see socially responsible investing (SRI)
Stabilization Fund, Iran 92
stabilization funds 18–19, 20, 21, 43, 234
stabilizing SWFs 52
Stahl, A. 104
State Administration of Foreign Exchange, China see SAFE (Chinese State Administration of Foreign Exchange)
state capitalism 70
state corporatist narrative 59
and central banks 74–5, 76
functionalist focus 61, 73–81
and regionalism 90–3
types/affinities
disciplinary interventionist 78, 81, 90, 92–3
instrumental dirigiste 78, 80–1, 90, 91–2
privatized statist 78, 79–80, 91
state corporatist 78–9, 90–1
State immunity 6, 223–72
absolute vs. restrictive, under international conventions/State practice 229–33
acta jure imperii acta jure gestionis 230, 244, 246, 247, 248
case law
Banca Carige SpA Cassa v Banco Nacional (2001) 266
Democratic Republic of the Congo v FG Hemisphere Associations LLC (2011) 232
EM Ltd v The Republic of Argentina (2007) 258, 263
Empire of Iran judgment, German Federal Constitutional Court (1963) 241, 246
Etat du Kuwait v X S.A. Swiss Federal Tribunal (1994) 240, 243, 269
Germany v Italy (2012) 56, 257, 261
Oleynikov v Russia (2013) 233
Republic of Argentina v Weltover (1992) 250, 251, 252, 271
Republic of Austria v Altmann (2004) 229
Chinese perspective 231–2
commercial transactions exception 246–56
contextual 73
defining foreign States under rules on sovereign immunity 235–40
definition of ‘foreign State’ 228
formal vs. functional approaches 235–40
legal status of SWFs 234
from measures of constraint 256–69
enforcement of an SWF’s assets 266–9
enforcement on property of central banks 264–6
foreign States’ property used for commercial purposes/activities 259–64
purposes of SWFs 55, 56
ratione materiae 55, 236, 240, 268, 271, 290
ratione personae 55, 235, 260, 271
and Santiago Principles 237, 242
sources of foreign States’ consent to exercise of adjudicative jurisdiction 244–6
SWFs and home State 233–5
and tax exemption 206–7, 210, 211
UN Convention on Jurisdictional Immunities of States and Their Property (UNCSI) 225–6, 231, 236, 244, 245, 265, 266, 268
whether rules applicable to SWFs 233–44
whether SWFs come within foreign State definitions under rules 240–4
State Immunity Act (1978), UK 227, 228, 231, 244, 245, 258
commercial transactions exception 249, 252, 253, 255
enforcement of an SWF’s assets 266, 267, 269
foreign States’ property used for commercial purposes/activities 260, 261
formal vs. functional approaches for definition of foreign States 235, 236, 239
state-owned enterprises (SOEs) see SOEs (state-owned enterprises)
States
BITS on 45
‘effective control,’ SWFs and SOEs under
consequences of breach of provisions 364–6
international State responsibility 362–4
ownership of SWFs see ownership of SWFs
sovereignty of 42
State immunity see State immunity
Stern, N. (Sir) 338
Stiglitz, J.E. 359
Stockholm Chamber of Commerce, Arbitration Institute 280
Stockholm Declaration 351–2
strategic SWFs 52
Subacchi, P. 336, 340
subprime loans 24
Summers, Larry 34
Survey of Securities Held as Reserve Assets (SEFER) 35
sustainable development, SWFs as instruments to promote new type of 371–5
sustainable investments, and environmental protection 366–9
SWFs (Sovereign Wealth Funds) see also SOEs (state-owned enterprises)
definitions see definitions of SWFs as development tools in domestic economies 25–8
direct investments rising dramatically 20–2
and environment see under environmental protection and European Union 182–5
under FINSA, concerns with 164
foreign, taxation of income generated by 209–19
reciprocal exemption granted by bilateral tax treaties 45, 216–19
unilateral exemption granted by host State, domestic laws, case law or administrative practice 210–16
governance see governance of SWFs ‘greening’ of SWFs, proposals for 348–53, 370
history 102–3
and home States 233–5
increasing partnership among 28–30
international activities 178–205
as investors in global capital markets 18–23
key issues 23–4
latest trends 23–30
legal status 234
as long-term investors 22–3
as private entities/private sovereign entities 9, 46
public objectives 65
public origin of resources 234
rise reflecting shifting of global economy towards emerging markets 15–16
size and growth 13–18, 103–4, 169, 178
social investing see social investing
SOEs distinguished 11, 45, 110 ‘species’ 52
standing under IIAs 290–302
taxation of investments 209–19
top, ranked by asset value 278
transnational cultures 84
varieties of models 18–20, 225
whether growth in assets managed by will continue 17–18
Swire, Peter 400
Swiss National Bank 33
taxation 5–6, 206–20
seeing BITs (bilateral tax treaties)
commercial activities 215
discretionary procedure 220
exemptions from 206–7, 210
reciprocal exemption granted by bilateral tax treaties 45, 216–19
and State immunity 206–7, 210, 211
unilateral exemption granted by host State, domestic laws, case law or administrative practice 210–16
fixed place of business 208
of income earned by a foreign investor in host countries 207–9
of income generated by foreign SWFs 209–19
Model Tax Convention on Income and Capital (OECD) 207, 208
permanent establishment yardstick 208
recurrent income, outbound payments 208 reforms 45
and SOEs 207
of SWF investments 209–19
withholding taxes 208
telecommunications, investment policy 132
Temasek (investment holding company), Singapore 20, 21, 24, 25, 90, 108, 110, 112, 323
toxic assets 24
TPRM (Trade Policy Review Mechanism), WTO 118, 119, 122
Trade Policy Review Body (TPRB) 118
Trade Policy Review Mechanism (TPRM), WTO 118, 119, 122
transfer of funds exceptions, BITs 303–6
Trans-Pacific Partnership (TPP) negotiations 111–12
transparency 68, 113, 115, 132
Code of Good Practice on Fiscal Transparency 125
Treaty of Amsterdam 186
Treaty on the Functioning of the European Union 183, 185, 194, 196–7, 199, 200
Truman, Edwin M. 49, 51, 105, 115, 120, 178, 378, 400
‘2020 Project Bond Initiative’ 34
UAE see United Arab Emirates (UAE)
Ukraine, bilateral tax treaties 309
UN Convention on Jurisdictional Immunities of States and Their Property (UNCSI) 225–6, 231, 236, 244, 245, 265, 266, 268
United Arab Emirates (UAE) bilateral tax treaties 291–2, 293, 300, 305, 313
Mubadala 20, 21, 25, 29, 125
United Kingdom bilateral tax treaties 219, 304
financial centre, significance 228–9
State Immunity Act (1978) see State Immunity Act (1978), UK
tax exemptions 214
United Nations, Global Compact 331, 347, 398
United Nations Conference on Environment and Development
(1992) 340, 353
United Nations Conference on Trade and Development (UNCTAD) 279
United Nations Convention on the Rights of the Child 326, 328
United Nations Environment Programme Finance Initiative (UNEP-FI) 390
United Nations Environment Programme (UNEP) 353
United Nations General Assembly (UNGA) 225, 232, 355
United Nations Principles for Responsible Investment (UNPRI) 7, 346–7, 398, 408
United States see also CalPERS (California Public Employees Retirement System);
Foreign Sovereign Immunities Act (FSIA), US
bilateral tax treaties 218, 297
Model BITs 299, 305, 311, 315, 316
Committee on Foreign Investment in the United States see Committee on Foreign Investment in the United States (CFIUS)
evolution of foreign investment regulation 146–53
control, defined 150–1, 158
prior to FINSA 146–52, 154–7
financial centre, significance 228–9
Foreign Investment and National Security Act 2007 see FINSA
(Foreign Investment and National Security Act) 2007, US
free trade agreements (FTAs) 278
United States–Osman FTA 110
United States–Singapore FTA 110
Internal Revenue Code 211
mitigation agreements 154–6, 171
North American Free Trade Agreement (NAFTA) 279, 289, 299, 312, 316, 358
Omnibus Trade and Competitiveness Act 1988, Exxon-Florio Amendment see Exxon-Florio framework, US
shale hydrocarbons production 17
tax exemption 211
US-China Economic and Security Review Commission 101–2
United States Munitions List (USML) 166
Universal Declaration of Human Rights 330
universal owner (UO) theory 393
Valdés, Raymundo 118
Vellano, Michele 371
Venturini, N. Ronziitiand G. 253
Vietnam 92
Viñuales, J.E. 334, 360
Viterbo, A. 374
Wal-Mart case 325–7
Wei, L. 173
Weiler, Todd 283, 287, 335
Weiss, A.M. 102
Williams, Andrew 393
Williams, B. 111
Willson, S. 101
Wiseman, Mark 78
withholding taxes 208
Working Group on Financing for Sustainable Development 355
World Bank 87, 339, 355, 387
SWF partnerships with 386–8
Index 435

World Commission on Environment and Development (WCED) 350
World Economic Forum 23
World Trade Organization (WTO) formation 102–3
and Santiago Principles 117–19
Trade Policy Review Mechanism 118, 119

Wright, Christopher 396
Yeltsin, Boris 233
Zhu, L. 231
Zoellick, Robert B. 108, 386
Zuari Agro Chemicals, case of 327–9