

Safeguarding Host State Political Authority in Climate Governance: Sovereignty, Legitimacy, and Procedural Carve-Outs

Kaiheng Hu

East China University of Political Science, Shanghai, 201620, China

Keywords: Climate Governance, Investor–State Dispute Settlement, Procedural Carve-Outs, Sovereignty, Political Legitimacy

Abstract: Climate crisis is an urgent problem on the international level that demands the states to pursue bold policies and multifaceted global investment undertakings. Isolator mechanisms to solve state disputes between investors (ISDS) tend to permit multinational corporations to dispute climate policies, which introduce a regulatory chill, and acts as a restraint to policy-making in weaker nations. This paper examines the political aspect of the authority of a host state to control as part responsibility based political authority that is crucial to the task of domestic and international development of climate goals. It considers the devices of law that exist, such as the preambles of treaties, substantive and general exceptions and demonstrates their failure to balance the structural imbalances of power. The new item in the paper is institutional solution: procedural climate carve outs that should be used as one of the tools of strengthening improved state capacity and legitimacy and undermining investor power, protecting policy space, and ensuring political accountability. The article points out the impossibility of balancing the protection of investments and climate, which is not only a legal issue, but actually a political issue.

1. Introduction

Obviously, climate change has gained momentum as a transnational entity in the political agenda of the twenty-first century. Reported by the Intergovernmental Panel on Climate Change^[1], the rate of rise of the global average temperature in the past few decades is greater than ever witnessed in human activities. Not only does such decline harm ecological systems, but also kills energy security, food provision and thus it degenerates public health, even social stability^[2]. The pledges of states within the framework of the Paris Agreement and other multilateral accords can barely be viewed as such anymore as a just technical environmental policy. They are highly political in nature, which concerns sovereignty, state authority and the legitimacy of systems of global governance^[3].

As states increasingly implement measures to meet their climate commitments, tensions between the right to control for climate goals and the legal risks to foreign investors under international investment agreements (IIAs) rise. In arbitral practice, investors have frequently invoked investment protection provisions in IIAs to challenge state climate measures under investor–state dispute settlement (ISDS) mechanisms, particularly ICSID arbitration. These claims may subject host states

to prolonged litigation and potentially massive compensation awards, producing a “regulatory chill” whereby governments hesitate to pursue ambitious climate policies for fear of legal and political repercussions^[3].

From a political science perspective, this tension is not merely a technical legal problem; it reflects a broader political struggle over authority, institutional legitimacy, and global power asymmetries. First, it highlights structural imbalances between capital-exporting and capital-importing states, where multinational corporations from advanced economies leverage ISDS mechanisms to influence policy in weaker host states^[3]. Second, it underscores the legitimacy crisis of global governance: when a state’s responsibility to provide global public goods collides with obligations to protect private capital, institutions must navigate competing claims and political pressures. Third, it raises fundamental questions about sovereignty: in the era of climate crisis, state sovereignty should be conceptualized not merely as domestic autonomy but as a responsibility-based political authority to act internationally in defense of the global commons^{[4][5]}.

This article proceeds in three steps. First, it analyzes the institutional conflict between climate governance and investment arbitration, emphasizing the underlying political power dynamics and distributional inequalities. Second, it develops the argument that the state’s regulatory authority for climate purposes constitutes a responsibility-based political right, rooted in global commitments and collective action imperatives. Third, it outlines the institutional design of a procedural climate carve-out and assesses its feasibility in terms of political legitimacy, institutional capacity, and intergovernmental coordination. By doing so, the article aims not only to contribute a concrete legal proposal but also to embed this proposal within political science debates on power, sovereignty, and governance reform.

2. Sovereignty, Regulatory Authority, and the Politics of Investor Protection

2.1. Reframing the State’s Right to Regulate as Sovereignty and Responsibility in Climate Politics

This article adopts the premise that the urgency of the contemporary climate crisis necessitates not only legal protections for host states but also a political recognition of their authority and responsibility to implement climate policies. The tension between state regulatory authority and investor protections under IIAs is therefore as much a political problem as it is a legal one^[3].

States possess regulatory authority over matters within their jurisdiction. Under principles of sovereign equality and permanent sovereignty over natural resources, states enjoy the freedom to adopt measures in political, economic, and environmental domains^[6]. However, by entering into IIAs, states have accepted certain self-limitations on this authority, creating structural constraints in which political discretion is partially curtailed by international investment obligations^[7]. From a political science perspective, this illustrates a classic case of power asymmetry, where global economic actors influence domestic political decision-making^[8].

The right to regulate for climate goals can thus be conceptualized as a political and normative responsibility, rooted in both domestic and international commitments^[5]. Drawing on Professor Catharine Titi’s legal definition—that the host state may implement measures without compensating investors—the political interpretation frames this right as the state’s capacity to act autonomously in pursuit of public goods, especially global climate objectives. Here, the political stakes extend beyond legal liability: even when legal defenses exist, the threat of investor pressure can influence policy design, reflecting the influence of private actors on public governance^[9].

In this framework, the right to regulate is not merely a legal shield but also a political instrument, ensuring that states can fulfill their climate obligations while maintaining legitimacy in the eyes of both domestic constituents and the international community^[10]. Pre-arbitration mechanisms and

procedural carve-outs, while legal in form, are institutional tools with significant political implications—they define the space within which states can exercise climate sovereignty without being subordinated to investor interests^[11].

2.2. Institutional Conflict and Power Asymmetry between Investor Protection and Climate Governance

The increasing reliance on ISDS mechanisms illustrates a structural imbalance in global governance, where multinational corporations can leverage legal and political tools to influence host states' regulatory actions. Climate policies—such as restricting high-carbon industries or incentivizing renewable energy—often clash with investors' economic interests, creating a politically charged environment in which the state must weigh domestic and international obligations^[12].

Investors most frequently invoke indirect expropriation and fair and equitable treatment (FET) provisions. In *RWE & Uniper v. Netherlands*, German energy companies alleged that legislation phasing out coal-fired plants violated their treaty-based expectations^[13]. Similarly, renewable energy incentive adjustments in Spain led to disputes under the FET standard. While these cases are framed legally, they reveal underlying political pressures: multinational corporations, often supported by home-state governments, can shape domestic policy outcomes through the threat of legal action^[14].

Empirical evidence demonstrates the political consequences of this power asymmetry. Data provided by UNCTAD indicate that the types of decisions which make the market investor-friendly, in most cases, create a chilling effect on regulation, which delays ambitious climate action^[15]. When the host nation only succeeds on paper, however, other forms of costs (resource allocation costs, bureaucratic capacity costs, political trust costs) may act as a constraint to policy implementation. In one example of a delayed phase-out plan, New Zealand announced postponing plans to end fossil fuel by revealing that the presence of transnational economic actors was influencing the restructuring of political choices^[2].

In terms of political science, such dynamics suggest a power struggle - the wish of the host state to have sovereign control over climate is refuted by the economic power of transnational actors, who resort to transnational networks to exercise their power^[8]. It is within the wider framework of global governance that this tension comes into being, whereby the international systems and allocation of political and economic capital dictate whether climate policies are actually effective and fair^[10].

3. The Legal Basis and Legislative Limitations of the Host State's Right to Regulate for Climate Goals

Historically, investment agreements have been characterized by a preference to protect investors to the detriment of the capacity of host states to implement progressive public policy, such as climate regulation^[6]^[8]. Despite recognition of the right to regulate in IIAs, this is usually limited by structural imbalances in the investor-state dispute settlement (ISDS) and protecting the interests of investors^[3]. In terms of the political science of it, these provisions are not simply a tool of law, but a tool of political power, authority and capacity being exercised or limited. In order to analyze the effectiveness of regulatory safeguards of IIAs, we should focus on three important mechanisms established in IIAs: preambular texts, substantive provisions and general exception clauses. They are also two dissimilar models of the manner in which the state authority is to be legally codified, yet the real impact might be different, based on legal interpretation and political situation.

3.1. Preambular Texts

Now, modern IIAs have begun to employ preambles as an indication of state intention to achieve

state policy objectives, such as climate action, environmental protection and sustainable development^[16]. By introducing aspirational language into treaties, drafters are trying to give investors and tribunals some guidance on the normative objectives of the agreement: not only should it be about the protection of the investment, but the maintenance of forms of public goods is an indispensable element^[7]. As an example, the Comprehensive and Progressive Agreement on Trans-Pacific Partnership (CPTPP) and EU Singapore Investment Protection Agreement clearly acknowledge the right of parties to regulate as per legitimate policy goals^[16].

Preambles do not have a binding force, but possess an interpretative force in accordance with Article 31 of the VCLT, which says that preambular elements should be considered during the interpretation of a given treaty^[4]. Tribunals may rely on preambles to resolve ambiguity and assess whether a state's regulatory measure aligns with the treaty's overarching purpose. In *Philip Morris v. Uruguay*, the tribunal cited the preamble to justify a balanced interpretation, recognizing both investor protections and public health objectives^[9]. Nonetheless, preambular references are inherently vague and politically abstract, giving tribunals wide discretion. Cases such as *Eco Oro Minerals v. Colombia* illustrate that even when environmental protection is mentioned in the preamble, tribunals may still hold states liable, demonstrating that preambles alone are insufficient to secure practical regulatory autonomy^[17]. From a political science lens, preambles function less as enforceable rights and more as political signals, shaping perceptions of legitimacy and reinforcing normative expectations about the state's role in climate governance.

3.2. Substantive Clauses

Substantive clauses represent the most concrete legal recognition of the host state's right to regulate, often embedded in dedicated treaty chapters^[5]. These provisions explicitly affirm the authority of states to implement policies in areas such as environmental protection, public health, and sustainable development, and they may qualify or delimit the scope of investment protections such as fair and equitable treatment (FET) and indirect expropriation^[8]. For example, Article 23 of the Morocco–Nigeria BIT clearly reserves the host state's right to regulate for sustainable development objectives, and Article 2.2 of the EU–Vietnam Investment Protection Agreement allows states to alter their regulatory framework even if it affects investors' profitability expectations^[16].

Substantive clauses confer both legal and political significance. Legally, they establish a framework within which states can argue that regulatory measures are legitimate, non-arbitrary, and aligned with the treaty's objectives^[7]. Politically, these clauses communicate to both investors and arbitral tribunals that climate regulation is not merely tolerated but expected as part of the state's normative duty. However, substantive clauses are not a panacea. Vague or conditional language often leaves tribunals to decide the extent of regulatory immunity, and under an ISDS system that favors investor interests, states may still face claims and bear evidentiary burdens to demonstrate that their measures are reasonable, non-discriminatory, and closely linked to legitimate public objectives^[2]. Consequently, while more robust than preambles, substantive clauses still require political and institutional capacity to ensure effective implementation and defense of climate policies.

3.3. General Exception Clauses

General exception clauses, modeled on Article XX of the GATT, provide states with political and institutional discretion to adopt measures necessary for public health, environmental protection, or morality^[6]. While these clauses create potential defense mechanisms, their effectiveness depends on tribunal interpretation^[11]. Even when legal mechanisms exist, they often fail to fully protect host states from the political consequences of investor pressure.

Reforming IIAs to expand regulatory space is therefore not purely a legal challenge; it is

fundamentally a political strategy^[4].

General exception clauses, often modeled on Article XX of the GATT, provide a procedural and normative escape valve for states implementing public interest measures^[6]. These clauses typically allow measures necessary to protect public health, the environment, or morality, provided they are proportionate, necessary, and non-discriminatory. Examples include Article 200 of the China–Korea Free Trade Agreement and Article 17.12 of the Regional Comprehensive Economic Partnership (RCEP)^[16].

Despite their promise, the effectiveness of general exceptions is highly contingent on tribunal interpretation. In *Eco Oro Minerals v. Colombia*, Article 2201(3) of the Canada–Colombia FTA allowed environmental measures “provided they are not discriminatory or trade-restrictive,” yet the tribunal held that the clause did not shield Colombia from liability^[11]. This illustrates a critical limitation: even when exception clauses exist, host states remain exposed to both legal and political pressures, particularly where tribunals interpret exceptions narrowly. Politically, these clauses are important because they signal normative recognition of public policy objectives, but they are insufficient on their own to protect regulatory authority. They underscore the broader institutional challenge: legal recognition of climate regulation must be paired with political strategies to ensure that host states can exercise authority effectively, particularly in contexts of asymmetric power between investors and states^[3].

3.4. Political and Institutional Implications

The three mechanisms—preambles, substantive clauses, and general exceptions—highlight the interplay between legal form and political function^[10]. Preambles serve as normative signals, substantive clauses provide conditional legal authority, and exception clauses offer procedural discretion. From a political science perspective, these tools are not merely legal devices but mechanisms through which states assert political authority, institutional legitimacy, and policy priorities^[11]. Effective climate governance depends not only on the presence of these clauses but also on the capacity of states to operationalize them, communicate their normative purpose, and navigate asymmetries in international power. Consequently, treaty design and institutional innovation are as much about political strategy as they are about legal drafting, and they remain central to balancing investor protection with global climate responsibilities^[7].

4. A Distinct Pathway: Procedural Climate Carve-Outs

Host states are not safe with ISDS despite the presence of preambles, preamble clauses and general exception clauses in the IIAs^[16]. Tribunals can be strict in how they interpret these clauses, as a result of which litigation may arise with climate policies and a freeze in policy making. Procedural climate carve-outs are a form of political and institutional work around, which transcends norm-based pathway defenses in host state empowerment, institution legitimacy, and re-establishing political authority^[10].

They act both as institutional means to protect climate action against the claim of investors, but also as indicators of accountability and legitimacy in relation to both domestic and global publics. Procedural carve-outs support sovereignty and regulatory autonomy to enable host States to fulfill their commitments to climate-related responsibilities but without being subjected to the will of private economic interests, which is absent in the procedures of which investors have the standing in ISDS^[8].

To compensate this, a procedural climate carveout has been proposed as a separate provision where the justiciability of climate related claims is limited under the ISDS. The carve-out is also a legal and political novelty, unlike other defenses, as it aims to protect the regulatory freedom of host states and increase their policy space in serving climate demands and not reducing investment commitments^[11].

Procedural carve-outs, by taking the dispute outside of the traditional procedures into other alternative arbitral structures like state-to-state consultations or hybrid tribunals, seek to reestablish the balance of power and leverage of the investors, without jeopardizing the integrity of the institutions.

4.1. Definition and Advantages of Procedural Climate Carve-Outs

Researchers categorize host-state defenses of climate action as four levels of analysis: (1) measures fall outside the treaty scope entirely, (2) measures fall outside the scope of specific obligations, (3) measures do not violate treaty obligations, and (4) measures constitute a violation but can be justified under an exception clause^[8]. Current legislative models primarily strengthen defenses under levels (3) and (4); however, tribunals continue to prioritize investor interests, often rendering these mechanisms ineffective in practice. From a political science perspective, this reflects the broader power asymmetry between investors and host states, which undermines the state's normative authority and ability to implement climate policy effectively.

Procedural carve-outs address this limitation by precluding the initiation of ISDS proceedings, ensuring that even if a host state's climate action could technically breach investment obligations, investors cannot bring claims. Importantly, home states may still invoke state-to-state dispute settlement (SSDS) channels, preserving multilateral oversight while protecting the host state from the financial, administrative, and political burdens associated with litigation^[10]. This proactive procedural design shifts the focus from ex post legal defense to institutional preemption, enhancing both political legitimacy and regulatory discretion.

One key advantage is proactive dispute prevention. Carve-outs block disputes before they reach arbitration, directly addressing the chilling effect caused by the initiation of ISDS. For example, in *RWE & Uniper v. Netherlands*, the Dutch government pursued a transparent coal phase-out policy but faced arbitration initiated by German investors, illustrating that precluding standing is more effective than relying solely on post-dispute legal defenses^[10]. This underscores how procedural carve-outs strengthen the political capacity of states to act autonomously in implementing climate policy.

Another advantage is the reallocation of burden. Under traditional mechanisms, host states bear the heavy evidentiary and legal burden of demonstrating that measures serve a legitimate public purpose and meet proportionality, non-discrimination, and necessity standards. Developing and least-developed countries are particularly disadvantaged due to limited institutional and financial resources^[16]. Procedural carve-outs reduce these asymmetries, relieving host states from resource-intensive litigation and empowering them to implement climate measures confidently.

Carve-outs that happen procedurally also reduce tribunal discretion. In ISDS tribunals, the preambles, substantive provisions or general exceptions are often read broadly and occasionally going beyond state consent as in *Eco Oro Minerals v. Colombia*^[17]. Carve-outs reduce interpretive uncertainty and the costs of administrative- and politicking by foreclosing tribunal jurisdiction ex ante to offer a more predictable and stable governance environment.

These carve-outs are an expression of the substance of investment obligations. They do not dilute the basic IIAs protections, they limit ISDS access with respect to climate disputes and allow home States to opt into SSDS consultations. This, in turn, establishes a balance between the (investment) host states and rights of investors, facilitating realization of climate governance aims without undermining legitimacy and stability of the (investment) architecture.

4.2. Institutional Design of Procedural Climate Carve-Out Clauses

4.2.1. Scope of Application: Defining "Climate Action"

The first task for fabricating a procedural carve-out clause would be to contemplate what climate action would have to look like. A balance must be found, in other words: a carve-out has the further celebrative function of maintaining as much as possible of what might otherwise stand in the way the maximum regulatory control of the host state to pursue climate goals without allowing for an abuse which would unjustly impinge on investor rights or compromise treaty obligations. Causal and normative relationships should exist between the state NDCs or other commitments under the Paris Agreement and eligibility of climate actions in relation to global climate goals^[18]. Protections must exist to ensure that those that are not proportional, due process or of a discriminatory nature are not applied with procedural legitimacy and the best of the people at large and to preserve investor confidence.

The carve-outs the authors claim procedural must transcend compliance such that legal norms do not stop states of fulfilling their international environmental obligations and protecting this resource base upon which the climate change responsibilities are founded. It is an alternative form of framing sovereignty as a tool of political power, through which the states have a normative power and react jointly to international duties: in this way, climate governance is placed in a broader context of legitimacy and institutional accountability.

4.2.2. Enforcement Mechanism: Delegation to SSDS

To be effective, carve-outs must exclude jurisdiction from conventional ISDS tribunals. Hybrid SSDS mechanisms are proposed: upon invocation, host and investor states consult to determine applicability. If consensus is reached, arbitration is terminated; if not, a jointly constituted SSDS tribunal with climate and environmental expertise resolves the dispute^[11]. Measures submitted under NDCs may be presumed eligible, shifting the burden to investors to demonstrate non-compliance. This design re-politicizes disputes, returning oversight to intergovernmental channels and strengthening the political legitimacy of climate measures.

4.2.3. Implementation Mechanism: A Plurilateral "Opt-In" Treaty Framework

Nearly half of global FDI remains governed by outdated IIAs^[16]. Renegotiating each treaty is politically challenging. A plurilateral Climate Carve-Out Convention allows states to selectively apply carve-outs to existing IIAs, mirroring the Mauritius Convention and OECD Multilateral Instrument. States would submit eligible IIAs upon accession, maintaining sovereignty while achieving scalable and coordinated implementation.

This design reflects common but differentiated responsibilities (CBDR) principles, giving capital-exporting states a leadership role in institutionalizing climate justice while preserving host states' regulatory autonomy. This balances low political entry costs, high flexibility, and normative alignment with the fragmented international investment landscape.

4.3. Political Significance

Procedural carve-outs are not simply imagined as a law, but they are a political ruling apparatus and a normative power in political science. They rebalance power, enabling host states to realize their climate policy ambitions without over embracing the private sector and also signaling both domestic and international audiences legitimacy and accountability.

Carve-outs negotiate the structural asymmetries between capital-exporting and importer states, and

allow weaker states to practically manage political responsibility. They also exhibit law and politics in their interrelation - how procedurally destructively state power can be configured so that it is effectively wielded. Carve-outs may offer a politically driven avenue to balance protection of investments and objectives for public interest in siting climate governance in an environment with legitimacy, accountability and normative authority.

4.4. Global Justice and Equity in Climate Regulation

Equity considerations are very paramount. The lack of climate consciousness by investment tribunals puts developing and least developed countries (many of which have less in the way of resources or institutional capability at stake under ISDS) at risk. And if this system of international arbitration allows companies to find a way around climate measures in less wealthy countries, it means that we're looking at global justice problem.

They should be focusing in the first place on “the common good, political legitimacy (and not personal interests) and that climate governance is fair, globally just and respects host state sovereignty” through process and institutional reform like carve outs. The system allows host states to act for the global common good with more force without abating investor confidence and international legitimacy^{[12] [16]}.

5. Conclusion

The convergence of climate governance and international investment law reveals more than a legal challenge; it reflects a profound political contest over authority, legitimacy, and institutional architecture. When states attempt to pursue ambitious climate policies—such as phasing out fossil fuels or reforming subsidy structures—they often encounter constraints imposed by multinational corporations, which can exert influence through investor–state dispute settlement (ISDS) mechanisms. This regulatory chill underscores the unequal distribution of power within global governance, where corporations and capital-exporting states frequently hold disproportionate sway over policy decisions in weaker host countries.

Three interrelated dynamics characterize this tension. First, power asymmetries are apparent in the capacity of investors to exploit legal and procedural avenues to shape host states' climate actions, affecting both domestic regulations and international policy outcomes. Second, the legitimacy of global governance institutions can be undermined when the objectives of private capital conflict with the pursuit of collective public goods, creating credibility gaps in mechanisms designed to mediate competing interests. Third, sovereignty must be understood not solely as a domestic prerogative but as a responsibility-based political authority, obliging states to act both nationally and internationally to protect the global commons.

Procedural climate carve-outs illustrate an innovative institutional response, enlarging the political space for states to implement climate policies while remaining consistent with international investment obligations. By reducing power imbalances and enhancing legitimacy, these mechanisms enable governments to take decisive action on climate objectives without eroding their political and legal authority. The debate surrounding carve-outs and the right to regulate ultimately raises fundamental questions regarding the allocation of authority, institutional legitimacy, and the broader politics of global governance.

In sum, reconciling the protection of foreign investments with climate policy priorities is fundamentally a matter of political governance rather than legal technicalities. The design of international institutions, the distribution of decision-making power, and the establishment of political legitimacy are essential for states to exercise authority responsibly, implement effective climate strategies, and advance global sustainability goals. Procedural carve-outs, if carefully designed and

implemented, provide a politically informed pathway to achieve this balance, ensuring that the pursuit of public goods is not subordinated to the interests of private actors.

Acknowledgement

Kaiheng Hu, Master's student in International Law at East China University of Political Science and Law and LL.M. (With Honors) graduate from Northwestern Pritzker School of Law. His research focuses on the intersection of international law and international relations, with particular emphasis on environmental protection clauses in international investment law, climate regulation mechanisms, and institutional conflicts in cross-border litigation of standard-essential patents. Email: kanehu139@outlook.com

References

- [1] IPCC. (2023). *Climate Change 2023: Synthesis Report. Summary for Policymakers*. https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf.
- [2] Liu, L., & Lv, Z. (2023). *Policy uncertainty, geopolitical risks and China's carbon neutralization*. *Carbon Management*, 14(1), 2251929. <https://doi.org/10.1080/17583004.2023.2251929>
- [3] Schill, S. W. (2007). Do investment treaties chill unilateral state regulation to mitigate climate change? *Journal of International Arbitration*, 24(469), 469–470.
- [4] Titi, C. (2014). *The right to regulate in international investment law* (Nomos & Hart Publishing).
- [5] Titi, C. (2022). *The right to regulate in international investment law (revisited)*. In *Courses of the Summer School on Public International Law* (Vol. 18, International & Comparative Law Research Centre).
- [6] United Nations Conference on Trade and Development. (2012). *World investment report 2012: Towards a new generation of investment policies* (UNCTAD/WIR/2012). https://unctad.org/en/PublicationChapters/wir2012overview_en.pdf
- [7] Masumy, N., & Shang, C. S. (2023). *Analyzing the anatomy of innovative investment treaty drafting: The quest to safeguard the right to regulate*. *Journal of Dispute Resolution*, 14, 14–26.
- [8] Condon, B. J. (2015). *Climate change and international investment agreements*. *Chinese Journal of International Law*, 14, 305–328.
- [9] Philip Morris Brands Sàrl, Philip Morris Products S.A., & Abal Hermanos S.A. v. Oriental Republic of Uruguay, ICSID Case No. ARB/10/7 (2016).
- [10] Paine, J., & Sheargold, E. (2023). *A climate change carve-out for investment treaties*. *Journal of International Economic Law*, 26, 285–310.
- [11] Zhang, J., Wirjanto, T. S., Porth, L., & Tan, K. S. (2025). *Strategic Investment to Mitigate Transition Risks*. arXiv preprint arXiv:2501.02383.
- [12] Thrasher, R. (2022, May 5). *With a potential \$340 billion price tag, investor-state disputes threaten the global green energy transition*. Boston University Global Development Policy Center.
- [13] International Centre for Settlement of Investment Disputes. (n.d.). *Philip Morris Brands Sàrl, Philip Morris Products S.A., and Abal Hermanos S.A. v. Uruguay*. Retrieved September 27, 2025, from <https://www.italaw.com/cases/9156>
- [14] International Centre for Settlement of Investment Disputes. (n.d.). *RWE AG and Uniper SE v. Netherlands*. Retrieved September 27, 2025, from <https://www.italaw.com/cases/2319>
- [15] United Nations Conference on Trade and Development. (2024). *World investment report 2024: Investing in sustainable energy for all* (p. 8). <https://unctad.org/publication/world-investment-report-2024>
- [16] United Nations Conference on Trade and Development. (2015). *World investment report 2015: Reforming international investment governance* (Ch. IV). <https://unctad.org/publication/world-investment-report-2015>
- [17] Eco Oro Minerals Corp. v. Republic of Colombia, ICSID Case No. ARB/16/41, *Decision on Jurisdiction, Liability and Directions on Quantum* (Sept. 9, 2021).
- [18] Mor, S., Aneja, R., Madan, S., & Ghimire, M. (2024). *Kyoto Protocol and Paris Agreement: Transition from bindings to pledges – A review*. *Millennial Asia*, 15(3), 690–710. <https://doi.org/10.1177/09763996221141546>