

**Julien Chaisse, Tomoko Ishikawa and Sufian Juhos (Ed.).
Asia's Changing International Investment Regime: Sustainability,
Regionalization and Arbitration. Singapore: Springer, 2017, 274 pp.¹**

The Asia-Pacific region has been undergoing major transformation in terms of foreign investment flows and their international regulation. It is thus no surprise that scholars recognise this increasingly important role of the Asia-Pacific region in global investment and trade.² The book titled *Asia's Changing International Investment Regime: Sustainability, Regionalization and Arbitration*, a volume edited by Julien Chaisse, Tomoko Ishikawa and Sufian Juhos, chose to dress this topic.

The editors declare that the objective of this book is “to provide perspectives to help predict the future regulatory framework for foreign investment in the region, and how the regional trends affect the development of global rules for foreign investment.” Considering the scope and diversity of the current changes, this goal is beyond any doubt ambitious. Asia is by no means a homogeneous continent, as its countries have diverse economic interests, resources and negotiating priorities. The editors could nevertheless rely on experienced contributors, predominantly affiliated to universities in Asia. On the other hand, the group of the book's authors is sufficiently heterogeneous that it does take a board non-Asian influences. Particularly, the EU's new policy to replace investor-State dispute settlement (ISDS) with an investment court system (ICS) brings a new element to the debate.

The volume is organised around three overarching themes: regional trends in the global investment regime, Asian-Pacific regionalisation and an investment arbitration in this region. First, considering the Asia's influence on the investment protection regime, the emergence of China as a rule-maker in international investment law cannot be overestimated. In addition to an ambitious treaty programme, the One Belt, One Road (OBOR) initiative has become a significant instrument to influence international investment laws across the continent. Similarly, India has been developing its own distinctive treaty programme. The second part addresses the key trends of investment rule-making in the region, namely the increased regionalisation of investment treaties – the ASEAN Comprehensive Investment Agreement (ACIA), the Pacific Agreement on Closer Economic Relations (PACER) Plus and the Regional Comprehensive Economic Partnership (RCEP). They are all prime examples of regional negotiations led by Asian actors, in contrast to the best-known mega-regional's free trade and investment agreements – the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP). The third and last part offers a novel view on ISDS by analysing three topics: a revision of arbitration rules, a record of investment disputes in the Asia-Pacific region, and finally an assessment of institutional framework. The last topic is particularly stimulating as it examines the possible emergence of an alternative centre for investment arbitration. The authors Andrea K. Bjorklund and Bryan H. Druzin came to a rather conservative conclusion that the International Centre for Settlement of Investment Disputes (ICSID) will continue its current market dominance as the competition from Asia's international arbitration institutions would be constrained by network externalities.

The book under review is divided in thirteen chapters, all of which address various ongoing changes in the investment regime in Asia. Their authors examine the existing economic systems, international treaties and investment policy's priorities in a number of states. They explore how states

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² E.g. CHAISSE, J., NOTTAGE, L. (eds.). *International Investment Treaties and Arbitration Across Asia*. Nijhoff, 2017; ESPLUGUES, C. (ed.). *Foreign Investment and Investment Arbitration in Asia*. Cambridge, 2019; CHAISSE, J. (ed.). *China's International Investment Strategy: Bilateral, Regional, and Global Law and Policy*. Oxford, 2019; HSIEH, P. L., MERCURIO, B. (eds.). *ASEAN Law in the New Regional Economic Order: Global Trends and Shifting Paradigms*. Cambridge, 2019.

in Asia and Oceania react to ‘backlash’ against investment arbitration, regionalisation and its implications and the extent to which Asian states have become ‘rule makers’ rather than ‘rule takers’ in international investment law. In this way, the book helps to understand different approaches to recent investment treaty negotiations in the region. Pursuing this aim, it nicely navigates a reader through country-specific or regional developments and demonstrates the magnitude and significance of undergoing changes. The main focus is indeed on China which has become the leading source and recipient of foreign investment. Its significance is further highlighted by the fact that China is also the most active participant in investment treaty system outside Europe, having currently concluded 150 bilateral investment treaties (BITs) or other treaties containing investment provisions.

However, the understandable attention devoted to the Chinese role led to certain overlaps and repetition in different chapters. For instance, the topic of historical development of Chinese investment treaties is discussed first in Leon E. Trakman’s *China’s Regulation of foreign Direct Investment* as well as in later Shintaro Hamanaka’s *China-Japan-Korea Trilateral Investment Treaty: Implications for future investment Negotiations in Asia*. Therefore, the book would benefit from further editing work in order to ensure better coherence of the whole volume. Besides, the book unavoidably suffers by fast development in the investigated field. In the chapter *The Role of Pacific Rim FTAs in the Harmonization of International Investment Law* Mark Feldman et al. argue that five major investment agreements (the US-China BIT, the EU-China BIT, the TTIP, the TPP, the RCEP) could provide building blocks for a convergence and harmonisation across the region. Despite the fact that the book was published only three years ago, we already know that those expectations were too optimistic. And under current circumstance, they seem highly unlikely to materialise. The negotiations of the EU-China BIT are sluggish. The US-China BIT is nowhere near to a conclusion due to emerging economic and tech rivalry and trade war between the United States and China. The Trump administration also withdrew from the TPP and the TTIP negotiations were abandoned by both parties in silence.

Despite the above-mentioned limitations, the *Asia’s Changing International Investment Regime* will certainly become a widely read book for its scope and accessibility to the readership. It comprehensively covers many regional trends in the increasingly fragmented investment protection regime. In this way, it fulfils its main purpose and complements the existing literature on the rapid development of the international investment law in the Asia-Pacific region which we are witnessing.

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