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BASIC TERMS OF INTERNATIONAL INVESTMENT LAW

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In the current context of globalized economy, the importance of international investment law as an important branch of international law has become increasingly prominent, especially with the deepening of global economic integration and the rapid development of regional economic integration [1, p. 71]. The basic terms of international investment law are: international legal system, investment and investor. The concepts of these terms are presented in the following positions.

International investment law refers to the international legal system that regulates transnational investment activities [2, p. 43]. It mainly includes international agreements regulating international investment relations, international practices, awards of international arbitration bodies and national domestic legislation on international investment activities. International investment law is not only a legal system to protect the rights and interests between investors and the countries to which they invest, but also an important legal guarantee to promote the development of international investment and facilitate economic globalization.

The development of international investment law began after World War II, when the post-war reconstruction required a large amount of capital and technology support, and governments began to actively encourage foreign investment to enter their markets, gradually forming the basis of international investment law. Since then, with the further development of economic globalization and transnational investment, international investment law has been gradually improved and developed. At present, international investment law has become one of the important branches of international economic law, and its role in the international economy and international relations is becoming more and more important.

The definition of international investment law includes two aspects: one is the legal rules involving international investment activities, which stipulate the rights and obligations between the investor and the invested country and are the legal guarantee of international investment activities; the other is the international legal system involving transnational investment activities, which consists of international conventions, international practices and awards of international arbitration institutions, which guarantee the normal conduct of international investment activities. Therefore, international investment law is not only an important part of international law, but also an important legal system in international economy and international relations.

International investment can be defined, firstly, as a form of capital flow across national borders in which capital flows from one country to another and is used to establish or purchase businesses or other assets in the economy of the receiving country. Secondly – as an economic activity in which an investor obtains certain benefits by investing capital abroad. International investment can provide investors with benefits such as expanded markets, access to technology and resources, reduced costs, and increased returns. At the same time, it can also bring benefits such as external investment, employment opportunities, and increased GDP to the receiving country. International investment has become more and more common in today's globalization and is an important part of international economic exchange and cooperation.

The main current issue arising from the evolution of international investment law is the definition of the key terms “investment” and “investor” [3, p. 139], which can be divided into various types according to different criteria, such as governmental investment and international private investment, and different types of investment. Different types of investors have different investment motives and purposes [4, p. 53]; according to the different types of investment objects, international investment can be divided into direct investment and portfolio investment. Direct investment refers to investors' direct holding of equity or other assets of enterprises in the target country in order to obtain investment returns; portfolio investment refers to investors' purchase of securities of enterprises in the target country, such as stocks and bonds. Generally speaking, international private direct investment occupies a dominant position in international investment and plays a pivotal role in the development of the world economy; purpose and mode of investment: according to the different purposes and modes of investment, international investment can be divided into resource-based investment, market-based investment, strategic investment, M&A investment, etc. Different investment purposes and ways have different risks and returns. Industries and fields of investment: According to the different industries and fields of investment, international investment can be divided into manufacturing investment, service investment, raw material exploitation, etc. Investors will choose to invest in their area of expertise to get better returns.

Governments should further promote globalization and economic development by strengthening the research and promotion of international investment law, strengthening the construction of international investment legal system, strengthening the implementation and supervision of international investment law, and providing investors with better legal protection and a more stable investment environment.

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