



## Module Specification

Key Information			
Module title	Legal Aspects of Financing Development		
Level	7	Credit value	15
Lead College	QMUL	Notional study hours and duration of course	150
Module lead author/ Subject matter expert	Dr Gabriel Gari		
Module co-author(s)	None		
Notice to students	None		

### Rationale for the module

Developing countries vary in size, resource endowments and income levels, but they face similar challenges to access capital for financing development and put it to good use. The module examines the legal framework underpinning the flow of different sources of external capital to developing countries, the terms and conditions upon which capital is provided and its development impact. Topics covered include private sources of capital (private debt financing, foreign direct and portfolio investment) and public sources of capital (IMF lending, Development Banks' lending, Official Development Assistance). The module discusses contentious issues in international development finance such as the conditionality attached to financial assistance provided by international financial institutions, sovereign debt restructure, and the policy space conferred by international investment agreements to maximise the development impact of foreign direct investment and aid effectiveness.

This module is particularly attractive to students interested in career paths in international financial institutions, development organisations, consulting firms, government bodies, law firms, commercial banks and NGOs concerned with development finance.

### Aims of the module

The module provides students with the intellectual tools to analyse contemporary legal issues on financing development both from a theoretical and practical perspective. It considers transactional and regulatory dimensions of international capital transfers from a development perspective.

## Topics covered in this module:

1. Financing Development;
2. Foreign Direct Investment (FDI) – National Legal Framework;
3. Foreign Direct Investment – International Legal Framework Sovereign Debt;
4. Foreign Portfolio Investment;
5. Debt and Debt Sustainability ;
6. The International Monetary Fund (IMF) I;
7. The International Monetary Fund II;
8. Multilateral Development Banks I;
9. Multilateral Development Banks II and,
10. International Development Assistance.

*The topics covered may be revised to ensure currency and relevance. Students will be advised of any changes in advance of their study.*

## Learning outcomes for the module

### A. Knowledge, Understanding and Cognitive Skills

By the end of this module learners will be able to:

1. Describe the characteristics of external sources of financing development, including public and private sources
2. Evaluate the merits and significance of each of external sources of financing development in assisting countries to meet their development goals and the trade-offs and complementarities between them
3. Explain the legal framework underpinning transfers of international public and private capital to developing countries
4. Identify the main actors involved with the transfers of international public and private capital to developing countries, the motivations for the provision of finance and the terms and conditions of finance
5. Demonstrate knowledge and understanding of global economic governance structures
6. Identify the economic, legal and political obstacles to mobilising and channeling external financial resources to their most effective use and suggest strategies to overcome them
7. Summarise the relevance of law and legal institutions for the effective mobilisation of external sources of finance
8. Distinguish between different types of lending facilities offered by various international financial institutions and compare their terms and conditions
9. Critically assess the relationship between law, economics and politics for financing development in an international environment

### B. Practical, Professional and Key Skills

By the end of this module learners will have developed:

1. Use, present and evaluate information provided in numerical or statistical form as the basis for an argument or policy recommendation
2. Read long policy documents and identify and synthesise key policy recommendations in a time-efficient way
3. Identify legal and non-legal resources and materials relevant for financing development and become familiar with current literature on financing development
4. Integrate legal considerations with economic, political and cultural factors in the analysis of factual situations
5. Apply general policy recommendations to a specific factual situation and suggest solutions for concrete problems
6. Provide legal advice on how external sources of financing development can be best mobilised and managed in order to maximise their development impact
7. Develop and structure coherent arguments and communicate them effectively
8. Produce a short but rigorous piece of research and present such work in an appropriate

form

## Learning and Teaching Strategy and Methods

In addition to the core principles of the learning & teaching strategy and methods for this programme provided in the Programme Specification, Regulations and programme induction, the learning resources for this module are designed by a team supporting the module author with instructional design, learning technology and project management skills.

All students receive comprehensive learning materials in a variety of e-formats for use with different electronic devices. Online learning activities and formative assessments are a key feature of this framework and are linked to the online materials with a Student Progress Log illustrating the level of progress against learning outcomes and syllabus progress. Students can see their skills development through a 'Skills Portfolio', which evolves through the student's completion of formative and summative assessment.

Students will demonstrate their learning through a variety of activities. Moderated peer group exercises will help students demonstrate achievement of learning objectives from conceptual understanding to critical analysis. Students will demonstrate critical analysis skills through participation in discussions to review business models with which they were familiar and others of which they were unaware. Module tutors and programme Student Relationship Managers will be a useful resource for students looking for support with their online discussion and engagement.

Self-assessment exercises will provide students with the opportunity to gauge their learning against topic and module learning objectives as well as against confidence level in their own understanding. This will allow students to identify which content areas require further work on their part.

Learning materials are divided into topics of 10–12 hours of student effort to support student's time management and motivation for study. The learning content is a mixture of video, text, learning activities and formative assessments, with allocated time for preparation, revision and review relating to each item of summative assessment.

## Assessment strategy, assessment methods

### **Pass Mark**

The pass mark is 50% for each element of assessment.

*Compensation between elements of assessment is available on this module for marginal fails between 45%-49%.*

### **Assessment Elements**

#### **1. Coursework (30% weighting)**

There is one item of coursework for this module which contributes to the final assessment mark for this module:

Coursework: a written piece of work, either an essay to critically discuss a given topic or a problem requiring legal advice on any specific matter relating to legal aspects of financing development (deadline – week 9–12)

This coursework constitutes a piece of work of 2,500 words in length (maximum). The coursework is designed to check student progress, extend and reinforce concepts covered and also test individual performance.

#### **2. Examination (70% weighting)**

The final piece of assessment will be through an unseen written examination of two hours' duration. The questions will include a combination of essay-based and problem-based questions.

## Learning resources

### Learning materials

Learning activities and formative assessments for this module are designed and developed by the Lead Author/Module Leader and incorporate the following:

- Short videos
- Learning activities (including discussion forum activities)
- Formative assessments (multiple-choice and True/False quizzes, short answer self-assessments and matching exercises)
- Learning content

### E-resources

All students can access the e-resources of the University of London which include a wide range of legal, finance and economics journals. Students will be directed to journals within each topic of study and given online resources to enhance their information literacy skills as part of the student induction.

### Core text(s)

There is no single textbook covering the entire syllabus. The following is an illustrative list of the reading materials that will be referred to in the module:

Addison, Tony and George Mavrotas (eds), *Development Finance in the Global Economy. The Road Ahead* (Palgrave – UNU WIDER, 2008)

*Combining finance and policies to implement a transformative post-2015 development agenda* (EU Report on Development 2015).

*Financing for development post-2015* (World Bank, October 2013).

Kharas, Homi et al. (eds), *Catalysing Development: A New Vision for Aid* (Brookings Institution Press, 2011).

Lastra, R., *International Financial and Monetary Law* (OUP, second edition, 2015).

Lastra, Rosa and Lee Bucheit (eds), *Sovereign Debt Management* (OUP, 2014).

Moran, Theodore, *Harnessing Foreign Direct Investment for Development - Policies for Developed and Developing Countries* (Brookings Institutions Press, 2006)

Olivares-Caminal, Rodrigo (et al.), *Debt Restructuring* (OUP, 2011).

Rigo Sureda, Andrés *The Law Applicable To The Activities Of International Development Banks* (Recueil des Cours: Collected Courses of the Hague Academy of International Law:308 Brill/Nijhoff, Leiden/Boston, 2004),

Salacuse, Jeswald W., *The Three Laws of International Investment* (OUP, 2013).

Salacuse, Jeswald W., *The Law of Investment Treaties* (OUP, second edition, 2015).

Wheeler, Graeme, *Sound Practice in Government Debt Management* (World Bank, 2004)

### Other references

A number of other references, including journal articles, policy documents, online resources and online videos will be specified for each topic.