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# State Accountability for Corporate Climate Offenses : International and Developing Country Legal Perspectives

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#### **Article Info**

#### **Article History:**

Received : 10-05-2025 Revised : 28-06-2025 Accepted : 29-06-2025 Published : 30-06-2025

#### **Keywords:**

State responsibility Corporate accountability Climate change Extraterritorial obligations Climate justice

#### Abstract

This study examines state legal responsibility in addressing corporatedriven climate violations in developing countries, focusing on the gap between normative commitments and actual enforcement. The central question is how state liability should be constructed to effectively regulate corporations that contribute significantly to greenhouse gas emissions and environmental degradation. Using a juridical normative and comparative approach, the analysis covers Indonesia, Brazil, and South Africa to identify similarities, differences, and weaknesses in integrating international principles into domestic legal systems. The findings reveal that while national laws recognize the duty to protect the environment and uphold human rights, enforcement remains fragmented, symbolic, and subordinated to short-term economic interests. This creates a structural accountability gap that facilitates corporate impunity, compounded by power imbalances, inadequate institutional capacity, and the absence of robust extraterritorial enforcement mechanisms. The novelty of this research lies in an integrated framework combining state responsibility, corporate accountability, and climate justice, emphasizing extraterritorial obligations and independent national climate adjudication mechanisms. This model operationalizes climate justice as a binding legal standard, harmonizes domestic laws with international obligations, and improves access to justice for affected communities. The tangible output of this study is a normative-comparative regulatory model and policy recommendations for legislators, environmental law practitioners, and international organizations to reform legal frameworks for corporate climate accountability in developing countries. By bridging the gap between norms and practice, the framework offers both conceptual contributions and practical guidance for legal reform, ultimately promoting sustainable development grounded in ecological protection and intergenerational equity.

## INTRODUCTION

Climate change represents one of the most urgent and complex global challenges, posing systemic threats to ecosystems, public health, and the enjoyment of fundamental human rights. Its adverse impacts disproportionately affect vulnerable populations in developing countries, undermining progress toward the Sustainable Development Goals (SDGs), particularly Goal 13 (Climate Action) and Goal 16 (Peace, Justice, and Strong Institutions). While international legal instruments such as the Paris Agreement (2015), the UN Guiding Principles on Business and Human Rights (2011), and the International Covenant on Economic, Social and Cultural Rights (ICESCR) establish clear state obligations to prevent and address environmental harm, a significant gap persists between the aspirational commitments of these instruments and the realities of their implementation at the national level in many developing countries.<sup>2</sup>

Empirical evidence shows that multinational corporations are among the largest contributors to global greenhouse gas emissions, with the Stockholm Environment Institute (2022) reporting that a small number of corporate actors are responsible for a substantial share of the world's carbon output.<sup>3</sup> However, in practice, many developing states including Indonesia, Brazil, and South Africa struggle to enforce robust corporate accountability. Environmental laws are often symbolic, underenforced, or undermined by conflicting economic priorities, particularly the dependence on foreign direct investment in carbon-intensive industries.<sup>4</sup> This structural imbalance allows corporations to exploit regulatory loopholes, perpetuating extractive practices that jeopardize ecological integrity and human rights.

<sup>&</sup>lt;sup>1</sup> Suud Sarim Karimullah, "Keadilan Ekonomi Islam Sebagai Solusi Alternatif Bagi Krisis Ekonomi Global," *HEI EMA : Jurnal Riset Hukum, Ekonomi Islam, Ekonomi, Manajemen Dan Akuntansi* 4, no. 1 (2025): 133–52, https://doi.org/10.61393/heiema.v4i1.273.

<sup>&</sup>lt;sup>2</sup> Gusti Fadhil Fthrian Luthfan, "Kerangka UN Guiding Principles on Business and Human Rights Bagi Pengaturan Kegiatan Bisnis Di Indonesia," *Jurisn Humanity: Jural Riset Dan Kajian Hukum Hak Asasi Manusia* 3, no. 1 (2024): 1–15; Faris Faza Ghaniyyu and Nurlina Husnita, "Upaya Pengendalian Perubahan Iklim Melalui Pembatasan Kendaraan Berbahan Bakar Minyak Di Indonesia Berdasarkan Paris Agreement," *MORALITY: Jurnal Ilmu Hukum* 7, no. 1 (2021): 110, https://doi.org/10.52947/morality.v7i1.196.

<sup>&</sup>lt;sup>3</sup> Jonas Ebbesson, "Getting It Right: Advances of Human Rights and the Environment from Stockholm 1972 to Stockholm 2022," *Environmental Policy and Law* 52, no. 2 (2022): 79–92, https://doi.org/10.3233/EPL-219022.

<sup>&</sup>lt;sup>4</sup> Muhammad Bari, "Eksistensi Pengadilan Khusus Pertanahan Guna Mewujudkan Pengaruhsutamaan Land Rights Sebagai Hak Asasi Manusia," *LITRA: Jurnal Hukum Lingkungan Tata Ruang Dan Agraria* 3, no. 1 (2023): 129–45, https://doi.org/10.23920/litra.v3i1.1478.

Existing scholarship has addressed important facets of climate accountability, notably climate litigation against governments<sup>5</sup> and the role of national courts in environmental disputes. Yet, these studies often overlook the structural dimension of state responsibility in regulating corporate conduct especially in transnational contexts through mechanisms such as due diligence, the No Harm Rule, and extraterritorial obligations.<sup>6</sup> This article advances the state of the art by situating state responsibility at the intersection of corporate regulation, climate justice, and human rights, while comparatively examining the adoption or neglect of key international norms in domestic frameworks.

As the urgency of state responsibility in addressing the climate impacts caused by corporate entities intensifies, international legal discourse has undergone a significant evolution. A growing body of scholarship highlights that state obligations to prevent human rights violations resulting from environmental degradation are no longer confined to traditional territorial boundaries but increasingly extend into the domain of extraterritorial responsibility. This concept has been further developed through arguments that states can be held accountable for their failure to regulate domestic corporations operating abroad, particularly when harm occurs outside their jurisdictions. Such perspectives advocate for an expanded interpretation of due diligence that includes transnational corporate activities, especially those embedded in complex global supply chains Nevertheless, most existing studies remain situated within a normative or international litigation framework, paying insufficient attention to how these global principles are concretely internalized within national legal systems. Moreover, structurally integrated approaches that link environmental law, human rights protection, and corporate accountability remain relatively underdeveloped, particularly in the context of legal architecture within developing countries. As a result, a significant methodological and

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<sup>&</sup>lt;sup>5</sup> Gerhard Mangara, Matthew Nathan, and Valencia Katlea, "Peluang Dan Tantangan Replikasi Gugatan Iklim Kepada Korporasi Dengan Argumen HAM Di Indonesia," *Jurnal Hukum Lingkungan Indonesia* 9, no. 1 (2023): 53–76, https://doi.org/10.38011/jhli.v9i1.452; Tomi Setiawan, Muhammad Hammam Mughits, and Hilman Abdul Halim, "Perubahan Iklim Dalam Perspektif Regulasi Dan Kebijakan Lingkungan Di Indonesia," *Ganaya : Jurnal Ilmu Sosial Dan Humaniora* 8, no. 1 (2025): 135–52, https://doi.org/10.37329/ganaya.v8i1.3687.

<sup>&</sup>lt;sup>6</sup> Hojjat Mianabadi, Simin Alioghli, and Saeed Morid, "Quantitative Evaluation of 'No-Harm' Rule in International Transboundary Water Law in the Helmand River Basin," *Journal of Hydrology* 599, no. March (2021): 126368, https://doi.org/10.1016/j.jhydrol.2021.126368; Mohamad Ali Syaifudin and Dodi Rusmana, "Perlindungan Hak Asasi Manusia Dalam Konteks Perubahan Iklim: Tanggung Jawab Negara Dan Korporasi," *Journal of Mandalika Social Science* 2, no. 2 (2024): 172–84, https://doi.org/10.59613/jomss.v2i1.148.

<sup>&</sup>lt;sup>7</sup> Quirico, O. (2018). Climate change and state responsibility for human rights violations: Causation and imputation. Netherlands International Law Review, 65(2), 205–229. https://doi.org/10.1007/s40802-018-0110-0 

<sup>8</sup> Rajavuori, M., & Savaresi, A. (2023). Mandatory due diligence laws and climate change litigation: Bridging the gap? Regulation & Governance, 17(2), 351–364. https://doi.org/10.1111/rego.12518

institutional gap persists in the climate law literature, especially regarding how legal mechanisms can be operationalized at the domestic level<sup>9</sup>.

Within this broader context, recent studies have begun to emphasize the critical role of adjudicatory institutions in expanding the scope of climate justice<sup>10</sup>. While this shift is notable, much of the scholarship has concentrated on international or regional litigation mechanisms and has not sufficiently addressed the need for accessible, nationally grounded systems that directly serve affected communities. The idea of strengthening national environmental courts as vehicles for translating international obligations into substantive justice has rarely been proposed in a systematic or context-sensitive manner. Although some legal scholars underscore the value of applying human rights due diligence in domestic litigation, few offer concrete institutional models that are contextually viable for Global South jurisdictions. Connections between national legislative reform and international legal principles remain fragmented, often lacking the depth needed to build durable legal infrastructure. Even where corporate accountability has been examined in specific sectors, such as resource extraction, the proactive role of the state as a regulatory actor is often sidelined in favor of soft law or voluntary mechanisms. Consequently, the need for a comprehensive model that integrates international legal instruments with domestic institutional strengthening remains an open challenge in the literature.

In response to these unresolved gaps, this study proposes a conceptual framework that repositions state responsibility as the cornerstone of a fair and sustainable climate legal architecture. The novelty of this research lies in its integrative approach, constructing a unified legal model that synthesizes extraterritorial obligations, corporate due diligence standards, and national climate adjudication mechanisms. Anchored in normative principles such as the No Harm Rule, the UN Guiding Principles on Business and Human Rights, and the Paris Agreement, this model aims to bridge the persistent divide between global commitments and domestic enforcement. Its contribution is not only normative but also operational, offering a concrete blueprint for legal reform tailored to the context of developing countries such as

<sup>&</sup>lt;sup>9</sup> Le Billon, P., & Charles, M. B. (2021). *Corporate accountability and diplomatic liability in overseas extractive projects. The Extractive Industries and Society*, 8(1), 100879. https://doi.org/10.1016/j.exis.2020.100879

<sup>&</sup>lt;sup>10</sup> Bertram, D. (2022). *Judicializing environmental governance: Courts and climate policy. Global Environmental Politics*, 22(2), 72–92. <a href="https://doi.org/10.1162/glep-a-00649">https://doi.org/10.1162/glep-a-00649</a>

Indonesia, Brazil, and South Africa<sup>11</sup>. Importantly, the model expands the scope of justice to encompass communities most affected by climate crises groups often marginalized by legal systems that are overly procedural or symbolically inclusive but substantively ineffective. As such, this research enriches the academic discourse while providing practical foundations for building resilient and inclusive legal systems capable of withstanding escalating climate threats. Within this framework, the study offers both a conceptual and institutional response to the pressing legal governance challenges of climate justice in the Global South.

The central research question guiding this study is: To what extent have developing countries integrated international legal obligations on climate-related corporate accountability into their national legal systems, and what regulatory models can enhance state responsibility in this context? Addressing this question requires an exploration of both the normative commitments embedded in international law and the practical challenges of enforcement at the national level.

Methodologically, this research adopts a normative-juridical approach, combining statutory, conceptual, and comparative analyses. It examines the Paris Agreement, UN Guiding Principles, and ICESCR alongside environmental legislation in Indonesia, Brazil, and South Africa, identifying gaps in the incorporation of due diligence, extraterritorial obligations, and climate justice principles. Comparative analysis highlights similarities and divergences in legal frameworks, enforcement capacity, and institutional arrangements.

This study argues that closing the accountability gap requires two main innovations: first, embedding extraterritorial obligations and strict due diligence standards in domestic environmental laws; and second, establishing independent national climate adjudication mechanisms to ensure effective remedies for affected communities. Supporting arguments include: (1) the legal necessity of harmonizing domestic legislation with binding international obligations; (2) the structural role of independent adjudication in bridging access-to-justice deficits; (3) the preventive and restorative value of due diligence enforcement; and (4) the centrality of climate justice as both a normative and operational principle in sustainable development governance. Together, these elements form the conceptual and practical

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<sup>&</sup>lt;sup>11</sup> Rajavuori, M., & Savaresi, A. (2023). *Mandatory due diligence laws and climate change litigation: Bridging the gap? Regulation & Governance*, 17(2), 351–364. https://doi.org/10.1111/rego.12518

framework proposed in this article to strengthen state responsibility for corporate climate violations.

# **International Legal Framework on State Responsibility**

The international legal framework on state responsibility in environmental protection and climate change mitigation is built on a number of fundamental principles that have been widely recognized in international legal doctrine and practice. One of the most influential principles is the No Harm Rule, which essentially establishes an obligation for each state to ensure that activities within its jurisdiction or control do not cause significant environmental harm to the territory of another state or areas beyond any national jurisdiction. This principle has strong historical roots in various international legal instruments, including the Trail Smelter Arbitration between the United States and Canada, which is often referred to as a landmark case in strengthening state responsibility for transboundary pollution. Birnie, Boyle and Redgwell argue that the No Harm Rule is a reflection of the principles of prudence and international solidarity underlying global environmental management. <sup>12</sup> In climate change, this principle is increasingly relevant given that greenhouse gas emissions from one country can have a cumulative impact on rising earth temperatures that harm communities in other countries, especially developing countries that have limited adaptive capacity.

In line with the No Harm Rule, the concept of due diligence or obligation of due diligence has developed into one of the important elements in strengthening the framework of state responsibility. Due diligence in international environmental law requires the state not only to be passive, but proactive in preventing, controlling, and reducing the risk of environmental damage caused by activities under its jurisdiction or supervision. This principle emphasizes that states have a legal responsibility to implement adequate domestic legislation, conduct effective supervision, and impose sanctions on actors who violate environmental protection provisions. On climate change, due diligence is reflected in the state's obligation to develop mitigation and adaptation policies in accordance with the commitments set out in the Paris Agreement, as well as to ensure that corporations operating in its territory do not systematically contribute to environmental degradation to the detriment of the global community. Due

UN Environment Programme, "Environmental Governance and Rights," n.d., https://leap.unep.org/en/knowledge/toolkits/plastic/about.

<sup>&</sup>lt;sup>13</sup> Surya Deva, "Mandatory Human Rights Due Diligence Laws in Europe: A Mirage for Rightsholders?," *Leiden Journal of International Law* 36, no. 2 (2023): 389–414, https://doi.org/10.1017/S0922156522000802.

diligence is thus an important pillar that links state responsibility with corporate accountability as the dominant actor in the modern economy.

In addition to the general principles of international environmental law, the normative framework of state responsibility is also strengthened by instruments that specifically regulate the interplay between business and human rights. One of the most influential documents in this development is the United Nations Guiding Principles on Business and Human Rights (UNGPs) adopted by the UN Human Rights Council in 2011. The UNGPs explicitly affirm that states have an obligation to protect individuals and communities from the negative human rights impacts of business activities, including the activities of transnational corporations that often have far-reaching impacts on ecosystems and environmental sustainability. Within the framework of the UNGPs, state obligations include the development of effective regulations, strict law enforcement, provision of access to remedy mechanisms, and preventive measures to ensure that state policies do not facilitate business practices that harm the basic rights of citizens. <sup>14</sup> The environmental protection dimension of the UNGPs becomes even more relevant when climate change is recognized as a systemic threat to the right to life, the right to health, and the right to an adequate standard of living.

Furthermore, the integration between the principles of the No Harm Rule, due diligence, and the UNGPs creates a normative foundation that holds the state accountable not only for the direct actions of its apparatus, but also for negligence in regulating and supervising corporate activities that contribute to environmental damage and climate destruction. Such an approach to state responsibility is holistic because it does not only talk about the state's role in prevention, but also recovery, reparation and non-repetition guarantees. In many contemporary international law studies, the integration of these principles is considered an important milestone in building a fairer climate accountability regime, especially for developing countries that have been bearing the brunt of vulnerability due to unsustainable industrial activities.

Thus, the international legal framework on state responsibility in climate change issues is not only declarative, but has an operational dimension that can be internalized into national policies and domestic legal instruments. The strength of the principle of No Harm Rule and due

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<sup>&</sup>lt;sup>14</sup> Markus Krajewski, Kristel Tonstad, and Franziska Wohltmann, "Mandatory Human Rights Due Diligence in Germany and Norway: Stepping, or Striding, in the Same Direction?," *Business and Human Rights Journal* 6, no. 3 (2021): 550–58, https://doi.org/10.1017/bhj.2021.43.

diligence lies in its recognition as a norm of customary international law that binds all countries, regardless of the status of ratification of certain treaty instruments.<sup>15</sup> Meanwhile, the UNGPs become normative guidelines that can be practically adopted by the state to strengthen domestic regulations to ensure that corporations do not violate human rights and do not systemically damage the environment. An in-depth understanding of the interaction of these three elements is a prerequisite for developing countries to build national policy frameworks that are aligned with international commitments and global climate justice aspirations.

#### WEAKNESSES OF NATIONAL LEGISLATION

Although many developing countries have legal frameworks that normatively reflect a commitment to environmental protection, in practice there are still serious weaknesses in aspects of national legislation, especially in terms of law enforcement against corporations. These weaknesses lie not only in the substance of laws that may still not be aligned with international standards, but also in weak implementation, lack of institutional capacity, and political and economic pressures that hinder effective climate accountability. In many developing countries, this situation is exacerbated by conflicting interests between economic development agendas and commitments to environmental sustainability. In this case, while national legal frameworks appear solid on paper, implementation is often inconsistent, selective or even abusive, especially when it involves large corporations with strong political and financial influence.

In Indonesia, Law No. 32/2009 on Environmental Protection and Management has normatively provided a fairly comprehensive regulatory framework, especially when compared to environmental legal instruments in many other developing countries. This law not only establishes the principle of state responsibility in environmental management, but also recognizes the community's right to a good and healthy environment, the right to obtain information, and the right to participate in decision-making processes that have an impact on ecological sustainability. Furthermore, provisions regarding licensing instruments, supervision, and administrative and criminal sanctions are regulated in detail with the hope of becoming the basis for more effective law enforcement against any form of environmental pollution or

<sup>&</sup>lt;sup>15</sup> Jorge Sellare et al., "Six Research Priorities to Support Due-Diligence Policies," *Nature*, no. 606 (2022).

damage. However, the reality of the implementation of this law is still far from expectations and often shows a glaring gap between the normative framework and practice in the field.

One of the most fundamental problems is the power imbalance between civil society, especially local communities and vulnerable groups, and business entities that have enormous financial resources, political access and economic influence. This condition creates a space for impunity that allows corporations to ignore environmental protection obligations without commensurate legal consequences. Not a few cases of forest destruction, river pollution, or coastal ecosystem degradation have only resulted in light administrative sanctions, or even no action at all under the pretext of national economic development interests. In various research and advocacy reports, there are many cases where the environmental law enforcement process is stuck at the investigation stage due to limited scientific evidentiary capacity, lack of law enforcement budget, or political intervention that affects the independence of law enforcement officials. Often, the government's efforts to attract strategic investment are the reason for compromising corporate compliance with environmental regulations.

Ironically, in many cases in various regions, the victims of criminalization are not the corporations that carry out destructive activities, but environmental defenders, indigenous peoples, and local farmers who fight for their rights to land, water, and forests. The practice of legal intimidation, arrests, and convictions of environmental activists reflects the failure of the legal system not only in protecting ecological sustainability, but also in guaranteeing the human rights of citizens to participate meaningfully in protecting their sources of life. This criminalization phenomenon also shows how the legislative framework, which appears progressive in documents, has not been accompanied by adequate political and institutional commitment to ensure the state's alignment with the principles of environmental justice. In a broader perspective, weak law enforcement against corporations and the continuation of uncontrolled extractivism practices are one of the main factors that hinder the achievement of sustainable development goals as mandated in the SDGs, especially Goal 13 on climate action and Goal 16 on equal access to justice for all.

The huge gap between written legal norms and the reality of implementation on the ground not only reduces the meaning of environmental protection to an administrative formality, but also emphasizes the need for a renewed law enforcement paradigm that favors long-term ecological interests and the rights of future generations. If left unchecked, this

situation has the potential to trigger an erosion of public trust in the legitimacy of the state in fulfilling its constitutional and international responsibilities to ensure environmental sustainability as a basic right that cannot be compromised.

Brazil, as the country with the largest tropical forest area in the world, faces very serious challenges in enforcing environmental law, especially in relation to the destruction of the Amazon Forest. Although it has a Brazilian Environmental Crimes Law (Law No. 9.605/1998) which expressly regulates criminal and administrative sanctions against environmental crimes, in practice the implementation of the law is strongly influenced by local political and economic dynamics. <sup>16</sup> The Brazilian government has been ambivalent towards forest protection in several leadership periods, often granting exploitation licenses to large companies under the pretext of development. As a result, illegal logging companies and forest arsonists often face little legal action. Weak law enforcement capacity and a lack of political commitment mean that environmental laws in Brazil are not effective in curbing deforestation. In fact, there are indications of structural neglect of environmental crimes, which exacerbate the impacts of climate change globally and damage biodiversity that is critical to the world's ecosystems.

Meanwhile, South Africa shows a relatively more progressive legal framework for environmental protection. The National Environmental Management Act (NEMA) reflects legislators efforts in establishing the precautionary principle, participatory access, and integration of sustainability in decision-making processes. However, these normative successes are still hampered by major challenges in implementation. One of the main obstacles is unequal access to justice, where the poor, indigenous communities and minorities often lack the legal, financial and technical resources to effectively pursue environmental justice. In practice, large corporations that exploit natural resources are often better protected by complex and expensive legal structures and justice systems. On the other hand, it is difficult for affected communities to obtain adequate remedies. Although there are a number of progressive law cases in South Africa that demonstrate the success of environmental litigation, this phenomenon has not become mainstream because there are still many legal decisions that are not consistently implemented by state institutions.

<sup>&</sup>lt;sup>16</sup> Marcos Paulo Andrade Bianchini et al., "The Criminal Liability of Legal Entities for Environmental Crimes from the Perspective of the Brazilian Supreme Court," *International Journal of Advanced Engineering Research and Science* 9, no. 10 (2022): 483–92, https://doi.org/10.22161/ijaers.910.53.

The conditions in the three countries show that the weaknesses of national legislation are not only rooted in the quality of the legal norms themselves, but also in power structures, political alignments, and law enforcement capacity. The imbalance between corporate power and the position of civil society creates structural injustice in the legal system, making climate accountability difficult to achieve. In this case, the state has actually failed to carry out the principle of due diligence as demanded by international law, because it is unable or unwilling to regulate, supervise and punish corporations that violate the environment. Therefore, national law reform efforts in developing countries must be carried out not only by improving legislation, but also by strengthening the capacity of law enforcement institutions, ensuring the protection of environmental defenders, and creating fair and inclusive recovery mechanisms for affected communities.

## NECESSARY MODELS OF STATE RESPONSIBILITY

A more effective model of state responsibility in dealing with climate violations by corporations, especially in developing countries, must basically be based on a renewed perspective on the locus of state responsibility itself. One of the relevant principles to be put forward is the idea of extraterritorial obligations, namely state responsibility not only for violations that occur within the national territory, but also for transboundary impacts caused by corporations incorporated or operating in the country's jurisdiction. This principle is actually not entirely new, because it has developed in the discourse of international human rights and environmental law, but its implementation in the national legal system of developing countries is still very limited and often not adequately institutionalized. As the title of this research suggests, extraterritorial obligations-based liability models are relevant because many transnational corporations move extractive activities or carbon-intensive industries to developing countries, taking advantage of regulatory loopholes, weak law enforcement, and the host country's economic dependence on foreign investment. As a result, the resulting ecological and social burdens are disproportionate and severely impact local communities, while the company's home country is not held accountable.

This model requires national legislative reform so that environmental law and climate accountability mechanisms explicitly include the state's obligation to act against foreign corporations domiciled in its territory, including through due diligence obligations and

obligations to prevent climate impacts beyond its borders.<sup>17</sup> It is not enough for the state to rely on administrative regulations or symbolic environmental permits, but it is necessary to adopt international legal norms such as those reflected in the Paris Agreement, the UN Guiding Principles on Business and Human Rights, and General Comment No. 24 of the CESCR into domestic instruments that have the power of strict sanctions.<sup>18</sup> In Indonesia, Brazil and South Africa, this entails a paradigm shift from sectoral environmental legal regimes to legal regimes that integrate human rights protection, transboundary protection and climate justice as a unified framework of state responsibility. This reform should also include reorganizing oversight authority and the authority of law enforcement agencies so that they are not co-opted by short-term political interests or the economic influence of multinational corporations.

In addition to the cross-border dimension of liability, a more progressive state responsibility model also needs to be complemented by an independent national climate adjudication mechanism. The presence of a special judicial mechanism that independently handles human rights-based climate disputes can be an important instrument to bridge the gap in access to justice, which has been a fundamental weakness in developing countries. Such a climate adjudication mechanism could, in principle, function as a public litigation forum, where affected communities, civil society organizations, and even local governments could file lawsuits against corporations for violations of environmental legal obligations and climate destruction. Furthermore, this adjudication body can also examine whether the state has adequately carried out its due diligence obligations in overseeing business activities and ensuring the accountability of business actors. In Indonesia, for example, this model can be adopted by strengthening the authority of the State Administrative Court or establishing a special chamber for environmental and climate cases that has broad jurisdiction, simple procedures, adaptive evidence, and the pro persona principle to facilitate environmental defenders and affected communities in accessing justice.

Conceptually, the existence of an independent national climate adjudication mechanism is also a concrete manifestation of the integration of international legal principles into the

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<sup>&</sup>lt;sup>17</sup> Muhammad Reza Winata et al., "Menggagas Formulasi Badan Regulasi Nasional Sebagai Solusi Reformasi Regulasi Di Indonesia," *Jurnal Rechtsvinding* 10, no. 2 (2021): 303–21.

<sup>&</sup>lt;sup>18</sup> Cholida Hanum, "Menggagas Pembentukan Badan Pusat Legislasi Nasional (Antara Reformasi Regulasi Ataukah Restrukturisasi Birokrasi)," *Jurnal Meta-Yuridis* 4, no. 1 (2021): 140–57, https://doi.org/10.26877/m-y.v4i1.8078.

national legal system, which is the main focus of this research. This model not only provides a litigation pathway that is more responsive to the complexity of climate disputes, but also fills a normative void in law enforcement practices that have been fragmentary, selective, or even repressive towards parties fighting for ecological justice. Thus, the renewal of legislation based on extraterritorial obligations and the establishment of special adjudication forums are not only institutional innovations, but a manifestation of progressive state responsibility towards the reality of climate change that is transboundary, systemic, and has a direct impact on the fundamental rights of citizens, especially in developing countries which are the locus of this research.

#### **CONCLUSION**

This research offers a critical assessment of how state responsibility is constructed and exercised in relation to corporate-induced climate harm in developing countries. Drawing from a normative and comparative legal analysis of Indonesia, Brazil, and South Africa, the study highlights a persistent disconnect between international legal obligations and their fragmented, inconsistent implementation at the national level. Despite formal recognition of environmental and human rights protections, the enforcement of such obligations is often superficial, shaped by political compromises and dominated by short-term economic interests.

The originality of this study lies in its proposal of an integrated legal framework that unites the dimensions of state accountability, corporate responsibility, and climate justice into a cohesive regulatory approach. Within this framework, extraterritorial obligations are positioned as a key legal basis for extending state oversight beyond national borders, especially in relation to transnational corporate conduct. The research also calls for embedding rigorous due diligence requirements into domestic legislation as a means to anticipate and mitigate environmental risks arising from corporate operations. In addition, it emphasizes the necessity of establishing independent national adjudication bodies specifically mandated to address climate-related disputes, offering procedural accessibility and substantive justice to communities disproportionately affected by ecological degradation.

By situating international norms such as the No Harm Rule, the UN Guiding Principles on Business and Human Rights, and the Paris Agreement within enforceable national mechanisms, this study redefines state responsibility as a proactive and legally binding obligation. The model proposed contributes not only to academic debates on environmental law and governance but also to the practical reform of legal systems in the Global South. It responds

to the urgent need for climate accountability structures that are just, inclusive, and oriented toward long-term ecological resilience.

#### LIMITATION

This research certainly has limitations that need to be noted critically. First, the scope of the study focuses more on analyzing legal and policy documents, thus not fully revealing the socio-political dynamics that influence the legislative process and implementation in the field. Secondly, this comparative study is limited to three developing countries that, although they represent the characteristics of the Global South, have historical, political and economic relationships that are not identical to each other, so generalization of the findings to other countries must be done carefully. Third, this research does not empirically test the effectiveness of the national climate adjudication model through case studies of ongoing or decided litigation, due to limited access to primary data related to court proceedings that are sometimes closed or limited in publication.

In addition, this research has not explored in depth the dimensions of climate litigation financing and technical support to affected communities, which are key factors in the successful implementation of a more progressive state responsibility model. Another dimension that has not been discussed in detail is the role of international institutions in encouraging harmonization of national regulations through technical assistance, knowledge transfer and compliance monitoring mechanisms. Therefore, although the results of this study offer a strong conceptual model, its practical application still requires further validation through empirical studies and implementation testing at the public policy level.

## **SUGGESTION**

Based on these findings and limitations, a number of recommendations can be made. First, developing countries need to carry out comprehensive environmental law reform by incorporating the principles of extraterritorial obligations and due diligence as an integral part of national legislation. This is important so that the state's obligation to prevent, monitor and take action against corporate activities that have cross-border impacts can have legal certainty and implementation effectiveness. Governments in developing countries are advised to establish independent, transparent and adaptive climate adjudication mechanisms to facilitate rights-based climate litigation, which is often hampered by unequal access to justice and high

legal costs. These mechanisms should also ensure protection for environmental defenders who often face intimidation, criminalization and violence.

In addition, it is necessary to strengthen the institutional capacity of law enforcement officials, including through periodic training on international legal instruments and climate justice principles, so that the implementation of regulations is not formalistic or symbolic. Fourth, future researchers are advised to conduct in-depth empirical research on the effectiveness of environmental courts or existing climate adjudication mechanisms, as well as examine litigation financing models that are inclusive of affected communities. Fifth, the academic community, civil society organizations, and international institutions need to continue to push for joint advocacy so that the integration of SDGs principles, especially Goal 13 and Goal 16, becomes mainstream in domestic legislation and development policies. With these steps, it is hoped that climate justice will not only become global rhetoric, but can be realized in real terms through legal instruments that are responsible, fair and in favor of sustainability.

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