CORPORATE ACCOUNTABILITY: CAN MULTINATIONAL OIL COMPANIES BE SUED FOR VIOLATION OF HUMAN RIGHTS AND ENVIRONMENTAL DEGRADATION

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ABSTRACT

There has been several traditional discussions in the sphere of international law which stated that international law has always been a "state centric" system in which only the sovereign actors were regarded as the primary subject matters who had binding and obligatory duties, under this concepts of framework the human rights became a type of "vertical" which meant that the sovereign states became accountable for protection of individuals against any type of abuse from third parties. However after the entry of the well flourished MNOCs [Multinational oil firms] into the system has shown a huge gap of retrospective accountability which had led to severe allegations of human rights is violation displacement of several communication and environment degradation .While the foundational treaties like International covenant on civil and political rights [ICCPR] and Universal declaration of human rights [UDHR] define the universal standards and norms, but in reality they don't actually provide direct enforcing tools for these non-state elements like MNOCs. This article discusses the evolving legal environmental framework regarding the accountability of these MNOCs under international law focusing on several important cases. This article also regardless of procedural hurdles and obstacles, oil companies can be still liable and even sued for violation of human rights.

Keywords: Corporate accountability, Oil companies, Human rights violation, International law.

INTRODUCTUION

Corporate wrong doings have far-reaching consequences including human rights violation and hazardous pollution. The main reason for this is the corporate greed and negligence that affect numerous innocent lives worldwide. This article critically examine how the corporations especially multinational oil companies (MNOCs) can be held accountable for continuing both of this human rights abuse and environmental ecological devastation. Under this frameworks like the united nation guiding principles on business and human rights [UNGPs], corporate accountability for violating human rights is not only the moral requirement but also the legal ones. These internationally recognized principles emphasize that the multinational companies must respect human rights and should avoid the infringement of these guidelines, but it has been observed that still many corporate organizations fail to follow the guidelines, highlighting the necessity of enforcing responsibility and understanding the role of various stakeholders in such a complex landscape. To understand the accountability of the (MNOCs), first we need to understand the impact of oil and gas in environment as well as human health.[1]

Effect to environment and climate

Over 40 % of worlds greenhouse gas emissions in the last decade came from oil and gas sectors, both directly and indirectly. One of the main reason of this transmission is the corporate organization, also over 80% of oil spill at sea due to these MNOCs often go unreported. Corporate tankers running aground and collusion are the primary causes of oil spills, due to this oil spill serious and permanent harm caused to the marine and coastal creatures. This oil spill also account for the 12% oil that enters in to the ocean causing serious impacts to the ecosystem [2]

Effect to human life

According to a report by the World Bank it is estimated that this climate change might cause over 100 million people to live in extreme poverty by 2030 and it steps are not taken to protect the lower income families, around 720 million people can fall back to extreme poverty. Also there has been violation of human rights by the oil and gas companies, like the effects of

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[1] *Krishangee Bhattacharyya and Anita Sable, 'Human Rights Violation by Transnational Corporations: An Analysis on the Accountability of Transnational Corporation under the International Law' [2023] 2[6] Indian Journal of Integrated Research in Law 1.*

[2] *Andrew Scott, Sam Pickard, Oil and Gas, Poverty, the Environment and Human Rights [2020].*

contamination from oil and gas extraction have a negative effect on human rights. Oil spill pollution harms fisheries, farms and ecosystem which impact the right to a sufficient quality of life and also reduces the life expectancy, which is a basic right to life.

Liability of company to protect human rights

The Government also have the duty to uphold and advance all human rights as well as to establish law and regulations that guarantee everyone has the authority to exercise their individual rights. This include the obligation to defend human rights from violation of any third parties like companies and would abstain from those act that restrict the enjoyment of the human rights. The 1948 declaration on promotion and protection of universally recognized human rights was approved by the United Nations human rights council in 2011 to uphold and advance human rights, these guidelines made it clear that all companies have legal responsibility to respect and obey all recognized human rights, this responsibility is applied to all businesses irrespective of their size, ownership or place of operation etc.[3]

LEGALGROUNDS FOR SUING OIL COMPANIES

Since the 1950s the MNOCs have participated in oil and gas operation due to which, population of a particular area has been effected. Due to this the MNOCs have faced charges regarding environmental and human rights abuse. One of the suitable scenario in this aspect can be the environmental and human rights breaches in the Niger Delta located in Southern part of Nigeria, the multinational oil firms are increasingly sued by victims, hence there was a need of legal enforceability for holding the multinational oil companies liable for any wrongful act under the ambit of global jurisprudence.

This global jurisprudence has gone through a dramatic change in the course of time as a result of the drive to hold the oil company legally responsible for human rights abuse and climate change, moving from mere traditional property damage claims towards a structural frameworks of corporate accountability against these oil companies.

The three main reasons for this transition are the growth of duty of care, the emergence of rights based litigation and last is the removal of jurisdictional barriers. The legal evolution of

[3] *Office of the United Nations High Commissioner for Human Rights, Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework [UN 2011].*

this corporate accountability of these oil companies has also led to the implementation of the Tort law. Which has become a primary instrument for enforcing human rights against these oil and gas business. Earlier the international human rights law prioritized the link between state and individuals which created a vacuum in the governance, and this vacuum encouraged this multinational oil companies to operate freely in the system with less regulatory control. But now the scenario has changed as the concept of tort law now allows the victims, who experienced complex violence and crimes like physical violence, force, displacement and environmental destruction to seek damages by directly suing the corporate oil companies without relying on any constitutional immunity. The concept of tort law identified human rights abuses has personal wrongs, rather than just only international law violations. The shift fundamentally changed the notion regarding "the duty of doctrine" because now the oil companies legal responsibility extend beyond its immediate contractual partners to also include the population and ecology, which are effected by its wider geographical footprint. Hence the action under law of torts acts both has a remedy for victims and also has a regulatory power, strengthening human rights through checks and verifications. A very important dimension in law of torts is vicarious liability, which deals with the wrongdoing by the third parties like private contractors who are hired to controlling the extraction of oil and gas infrastructure. Plaintiff in cases like those involving in ExxonMobil in Indonesia or chevron in Nigeria have argued that corporate oil businesses are accountable for this tortious activities which include assault, battery and false imprisonment. Now discussing about the legal accountability of oil companies for human rights and ecological harm is mainly categorized into two frameworks direct and indirect liability. While direct liability focuses on companies own activities indirect liability focuses on a company's role in felling to prevent from its own site due to negligence and lack of strict enforceability of international guidelines.[4]

EXXON MOBIL IN INDONESIA: A TRAIL OF PROFIT AND PROTEST

Doe v. Exxon Mobil Corp. is one of the notable case which exposes corporate atrocities and violation of human rights, exclusively in the matter of natural resource extraction activities and armed conflict. The case, which originated in Aceh, Indonesia, was filed by villagers who are victims of alleged complicity by Exxon Mobil, through its subsidiary, in the grave violation of human rights by the Indonesian military. Traced by Transnational Institute (TNI), which is a global research and advocacy organization that focused on issues like environmental justice,

[4] *Tort Law and Climate Change [Law and Climate Atlas, July 2024].*

corporate accountability and climate-change. There were allegations of torture, rape, and extra judicial killings, which were facilitated by Exxon Mobil, with the TNI who was contracted to provide security to the gas extraction activities of the corporation in the Arun gas fields located in that area. Although most of the times the case was dismissed under international legislations such as the Alien Tort Claims Act on political grounds, the case was allowed to proceed in U.S. courts under domestic laws, which was a major procedural development in this case.[5]

The violation of human rights in this case is very extensive. In this case, the civilians living in those villages are surrounding the areas of operations were subjected to arbitrary arrest, torture, sexual abuse, and killing, often in areas related to corporate infrastructure. These are violations of basic human rights, which are enumerated in the international laws such as the Universal Declaration of Human Rights [UDHR] and the United Nations Convention Against Torture (UNCAT). The complicity in this case is not only related to being in an area associated with the operations, moreover it is subjected to the knowledge of the activities of the military, which were abusive, and yet they continued to provide support to the operations. This is a violation of the new norm of corporate responsibility to respect human rights, especially in conflict areas.

If we look in the perspective of international law, the case is also notable for the advances and the setbacks it reveals. Among them the most advancement in legal matter is the potential of domestic courts, especially in powerful states such as the US, to serve as a forum for accountability in the face of the failure of domestic remedies. The use of tort law to address international claims is a notable advancement in the availability of legal remedies to victims, whereas the rejection of claims based on international statutes because of political considerations is a setback in the enforcement of international law against powerful corporate and state actors, and it leads to raise of the question that authority of state sovereignty and accountability in the face of human rights claims. And still the consequences of this case are far-reaching. For instance, it is a precedent for holding multinational corporations accountable for their actions outside the home countries, especially when their actions contribute to or exacerbate violations of human rights. Whereas, it is a reminder of the need for stronger regulations on corporate behavior, including human rights due diligence. And in the end, it is a reminder to all of us that need for transitional justice mechanisms, which have yet to be fully implemented in Aceh. The failure of national mechanisms to provide justice for victims has

[5] *Ross Clarke, A Matter of Complicity? Exxon Mobil on Trial for its Role in Human Rights Violations in Aceh [international Center for Transitional Justice 2008].*

meant that justice is sought outside national borders.[6]

At present even though the settlement had done the compensation was awarded but how can we say justice was done to them can the atrocities be replaced with money? It must not, so even though the intensity of the conflict in Aceh has reduced after the peace accord of 2005, the issue of accountability and justice still remains. Victims of the conflict have yet to receive any recognition and compensation, and the implementation of bodies such as truth commissions and human rights courts is yet to take off. Such scenarios of corporate activities in conflict areas, which are a common feature worldwide, make this case highly applicable. It is a cautionary case for corporations to conduct business in politically volatile areas. Most critically, the case highlights the power imbalance between corporations and victims are villagers who found difficult to access justice. While Exxon Mobil has the financially well might to engage in a prolonged court battle, invoking political defenses, victims face various hurdles in accessing justice. The case also highlights the issue of accessibility of foreign courts, which might be a challenge. Moreover, the limited nature of the case, which only represents a fraction of victims, and cannot address the overall issue of systemic human rights violations in Aceh.

Finally this case highlights the complexities, possibilities, and limitations of enforcing human rights in a globalized world. While the case adds to the discourse of corporate accountability, offering hope to victims of human rights violations, it also underscores the need to address the overall issue of human rights violations through a renewed commitment to justice for victims of human rights violations around the world.

SHELL IN NIGER DELTA: A LEGACY OF CONFLICT

The oil spillage caused by multinational oil companies like Shell since the 1950s, Shell's oil-exploitation operations in Nigeria's Niger Delta have been devastating the local ecosystem and way of life. Some local communities have shifted their focus to UK courts after years of fighting for justice through Nigeria's legal system. One of the richest biodiversity areas in West Africa is the Niger Delta. It is home to numerous ethnic groups, such as the Ogonis and the Gokanas, who rely on the natural resources of the area for their continued existence. It is rich in fish resources and diversified in flora and fauna. Since discovering of oil on the Ogoni

[6] *International Center for Transnational Justice, Exxon Mobil in Indonesia: a Trail of Profit and Protest [ICTJ 2009].*

territory in the Niger Delta in the 1950s, Shell, with the backing and support of the Nigerian government, has been exploiting oil at the expense of the environment and the populace. The general population has been demonstrating to demand compensation for the damages since the 1990s, and in 1993 the international community became aware of the movement.

The essential need of Shell to be in a UK court over charges of oil spills in Nigeria

For numerous years, Shell has been associated with an ongoing Nigerian oil disaster action in English courts. *Bille & Ogale vs Shell plc* and Renaissance Africa Energy Company involves claims against Renaissance (which was previously The Shell Petroleum Development Company of Nigeria Limited (SPDC), the owners and operators of the facilities where oil spills are alleged have actually occurred. In 2025, Shell sold SPDC to Renaissance Africa Energy Holding, which renamed it Renaissance Africa Energy Company (Renaissance).[7]

Latent effect of oil spill caused by Shell in Niger delta

Under the direction of writer and activist Ken Saro Wiwa, the Movement for the Survival of the Ogoni People (MOSOP) began nonviolent protests in 1990 to oppose environmental contamination and demand compensation from Shell for the damages. Nevertheless, Shell's operations were unaffected by the demonstrations. Shell continued their operations even though gas flaring is illegal in Nigeria. There was a lack of transparency in the conditions under which the Nigerian government allowed the oil company to continue burning gas. The Nigerian government ignored Shell's harmful activities and allowed it to get beyond the country's environmental laws because of the significant economic impact that oil has on Nigeria. When 300,000 Ogonis came together to protest Shell's actions in 1993, the dispute took on fresh perspectives. Due to the MOSOP's nonviolent tactics and prominent leader Ken Saro Wiwa, the movement received international recognition and was able to garner support. In an effort to stop the movement from spreading to neighboring areas, the government persecuted and killed Ogonis, which was condemned by a number of international organizations.

Residents claim to have personally witnessed the curse of oil, which has deprived them and their ancestors of the true meaning of life, more than 60 years after commercial oil was first discovered in the region. Water, for example, has been discovered to contain a cancer-causing chemical at levels 900 times higher than those suggested by the World Health Organization in

[7] *Climate Diplomacy, Niger Delta, Nigeria: Shells Pollution [Climate Diplomacy].*

certain places. However, the locals depend on this water for drinking. According to UNEP, it could take up to 30 years to clean up the area and return safe water to the locals. Fishing is the primary source of income for more than 80% of the people. However, a place that was once teeming with aquatic life is now a shell of its former self, with many oily swamps and polluted coastlines that have deprived them of their means of subsistence and forced them to beg. Rippling effects have resulted from this. If they are fortunate enough to find fish, people in the Niger Delta must drink, cook, and wash in contaminated water; they also eat fish tainted with oil and other toxins.

In the riverine settlements, fishmongers, farmers, and traders have been forced to close their businesses, which has minimized their earnings. “When they are unable to make ends meet, they withdraw their kids from school, which leads to a host of other issues, The locals continue to find themselves at a crossroads as they pay a premium price for an activity they know little about, never enjoy the fruits of, and that has changed the rest of their lives. This is because the oil companies have pledged to remain put, the government is still depending on the delta to generate more revenue, and militia groups are evolving into deadlier forces and promising more terror. “The poverty and conflict that have plagued the Niger Delta will continue as long as there is impunity for violations of human rights and the environment.[8]

Judgement and decision of the court

United Kingdom (UK) court ruled in the communities’ favor in the month of January 2015 and ordered Shell to reimburse the Bodo community £55 million for the two oil disasters that wrecked their way of life. Justice has not been served to every community in the area; the Bodo population is just one example among many. But after years of leniency for Shell, this trial represents an important and historic moment. The ruling sets an example and encourages similar rulings throughout the Delta. It comes in the year of Ken Saro-Wiwa20th execution anniversary. Cleanup efforts in the Niger Delta may accelerate as a result of the combined effect. Thirty years would be required to guarantee ecosystem recovery, according to the UNEP EIA assessment (UNEP, 2011). In conclusion, one ethnic group, the Bodo, has made history by appealing to UK justice to resolve the protracted dispute with Shell after years of fighting for justice. This ends years of unchecked pollution in the area and may lead to a quicker pace

[8] *Bob Koigi, The Hidden Cost of Shell Oil Spill in Niger Delta, Fair planet, December 2023.*

of cleanup efforts in the Delta.[9]

CHEVRON-ECUADOR: A TOXIC LEGACY AND CRUIDE INJUSTICE

The Chevron-Ecuador case study is one of the landmark cases in transnational tort law which exemplifies the systemic issues of prevailing against multinational corporations in relation to environmental degradation and human rights abuse. The course of the case what was in the first Aguinda v The filing of the multibillion dollar RICO and BIT arbitrations and subsequent Lago-Grijalva ruling of New York by Texaco is a revelation of an inherent lack of accountability in the legal doctrine itself, wherein the doctrine is frequently used to protect the liability of a corporate entity by any possible method.

1. Environmental Negligence and the Law Vacuum.

The concept of corporate liability in this regard commences with the importance of the environmental violation. Under its reign as operator (1964-1992), Texaco mined almost 1.5 billion barrels Amazon crude over a period of twenty years, produced colossal tones of toxic waste and left 339 wells in a million acres of rainforest. Also built Trans Ecuadorian pipe line system for transporting oil from Amazon forest region to across mountains. Focal to the cause of action is the intentional dumping of about 19.3 billion gallons of oil field brine into the environment, which polluted the fresh water sources that were vital to the local populations. This case shows how companies can use an environment law gap in the developing countries. Even though the Ecuadorian law had standardized environmental stipulations since 1971, Texaco self-policed, which established inadequate standards that overlooked the risks of crude oil. The systematic negligence is also contributed by the case of Trans-Ecuadorian pipeline, which released more than 19 million gallons of crude, almost twice the size of the Exxon Valdez, without further remediation and damages.[10]

2. Inappropriate forum and Judicial Avoidance.

One of the legal obstacles in proving that corporat.ions are liable is the doctrine of forum non conveniens, The U.S. District Court of Aguinda dismissed the case, but based on an assumption

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[9] *PA Media, 'Nigerian Communities to take Shell to high court over oil pollution' The Guardian [20th June 2025].*

[10] *Judith Kimerling, Lessons from the chevron Ecuador litigation: The proposed intervenors perspective {2013} 1 standford journal of complex litigation 241,245.*

that the case had all to do with Ecuador and nothing to do with the United States. This opinion was held based on unsure premise that no material determinations on the pollution were undertaken in the U.S. But the sources say that Ecuador operations were very tightly controlled by Latin America or West Africa Division of Texaco in Coral Gables, Florida, where significant contracts and technical specifications were passed. The strategic placement of FNC enables companies to relocate the litigation to jurisdictions with weaker discovery regulations or more politicized courts, and then subsequently to subsequently attack the same courts as ineffective when a negative verdict is delivered.

3. Violation of Human Rights and the Ethnocidal Policy.

The human rights aspect is highlighted by the fact that the Huaorani people whose ancestral territories were considered terra nullius, vacant land working towards oil extraction, the state, Texaco and missionaries, SIL or WBT cooperated, in a systemic, ethnocidal, public policy, to pacify and resettle the Huaorani. Through the planes provided by Texaco, missionaries forced the native communities into remote Christian camps, breaking the link to the generous rainforest and causing them to become dependent, diseased and eroding their cultures. This was not just an accidental consequence but a planned endeavor in order to free up the concession to be extracted. Whereas, the litigation process in itself is a symptom of a representing crisis. The corporation, as well as the legal team engaged by the plaintiffs, tended to marginalize indigenous voices, considering them as the symbol of justice, in other words, as the parties that can only be represented by their representatives but not personally. This case highlights the point that corporate liability can be very easily evaded by segregating parent companies, the subsidiaries and the inclusion of state-level remediation agreements to block third-party claims. The shield was the 1995 Remediation Agreement of Texaco and Ecuador that supposedly freed the company of the state actions and which was alleged to release the company of the popular actions of the common citizen to create generalized environmental harm.[11]

Eventually, the Chevron-Ecuador litigation is a reminder that the present international legal system encourages delivery of justice without seeking it. Multinational corporations could proceed to operate with a culture of impunity in the oil frontier in the globe until U.S. and

[11] *Paul Paz y Mino, 'Chevron's Environmental Crimes: 13 Years of Evasion and Escalation' [Amazon Watch, 14th February 2024].*

international courts refuse to apply doctrines such as FNC to deprive foreign plaintiffs their right to a day in court.

CONTROVERCIAL ROLE OF TOTAL ENERGIES IN UGANDA: FUELING INEQUALITY AND EXPLOITATION.

In addition to running the Tilenga oil fields and owning a 62% share in the East African Crude Oil Pipeline (EACOP), a 1,443 km heated pipeline that will carry crude oil from Hoima, Uganda, to the Tanzanian port of Tango for export, Total Energies is the principal developer of Uganda's oil projects surrounding Lake Albert. The 5 billion dollars project is intended to transport roughly 216,000 barrels of oil per day in collaboration with China National Offshore Oil Corporation (CNOOC), Uganda's Uganda National Oil Company (UNOC), and Tanzania's Tanzania Petroleum Development Corporation (TPDC).The project has drawn harsh criticism due to environmental risks, greenhouse gas emissions, displacement, insufficient compensation for impacted communities, and challenges obtaining international financing because of environmental, social, and governance (ESG) concerns, even though the Ugandan government promotes it as a source of economic growth and revenue. After a 2022 Final Investment Decision, construction is already underway, and production and exports are anticipated later this decade.

Large-scale infrastructural development, environmental preservation, and the changing legal landscape of corporate accountability all come together in the historic Total Energies case in Uganda. In addition to managing the Tilenga oil resources and owning a 62% majority share in the East African Crude Oil Pipeline (EACOP), Total Energies is the principal developer of the Lake Albert oil projects. The 1,443-kilometer heated pipeline is intended to carry 216,000 barrels of crude oil daily from Hoima, Uganda, to the port of Tango in Tanzania. The $5 billion project has become a global hotspot for environmental, social, and governance (ESG) problems, despite the Ugandan government and its partners, CNOOC, UNOC, and TPDC, framing it as a driver for national economic reform.

The legal drama started in June 2019 when a group of non-governmental organizations, including Survie, AFIEGO, and Friends of the Earth France, formally notified Total Energies. They contended that the company's "vigilance plan" was essentially insufficient in accordance with the French Duty of Vigilance Law, neglecting to address the threats to delicate ecosystems and the displacement of about 100,000 people. In its original reaction, Total Energies refuted these allegations, claiming that adequate mitigation measures were in place. This led to a multi-year dispute over jurisdiction. In 2020, the Nanterre Judiciary Court ordered the case to a commercial court. However, in 2021, the Court of Cassation overturned this decision, confirming that civil courts have the jurisdiction to consider cases related to the Duty of Vigilance Law.

The Tribunal Judiciaire de Paris first rendered rulings in favour of Total Energies in 2023, but these rulings were quickly contested. On September 18, 2025, however, the procedural trajectory underwent a dramatic change. The plaintiffs contended during the appeals process that they needed access to internal corporate records in order to establish Total Energies' responsibility. They requested the release of Ugandan authorities' valuation assessments, audit reports on land acquisition, and minutes from the Human Rights Steering Committee. Total Energies objected, arguing that these records were critical to business, belonged to subsidiaries, or were confidential.

The Tribunal Judiciaire de Paris' 2025 decision constituted a watershed moment. The court disregarded the "corporate veil" defence, stating that Total Energies, as the main firm, is required to disclose records from its subsidiaries because its vigilance strategy specifically covers their actions. The judge ordered complete disclosure of critical material, including the Atacama and New plan compensation studies and the 2021 flood study, with a €1,000 per day penalty for noncompliance. This set a significant precedent: if a company cites specific studies or audits to justify its vigilance plan in court, it can't later suppress such records under the guise of business confidentiality. This decision contrasts sharply with the 2023 La Poste case. In that case, the court blocked La Poste from providing a complete list of thousands of subcontractors, deeming it commercially sensitive and superfluous for evaluating the vigilance plan. However, the Total Energies verdict underlines that where particular proof is required to assess the credibility of a company's human rights claims, the "right to information" takes precedence over "trade secrets." It demonstrates that the responsibility of vigilance is inextricably linked to the parent company's control over its global activities.

Analytically, this decision suggests that French courts are adopting a more rigorous understanding of corporate responsibility. The French government has occasionally wavered on the European Corporate Sustainability Due Diligence Directive (CSDDD), however the judiciary is filling the void. By requiring the disclosure of internal audits and subsidiary data, the court has changed the Duty of Vigilance Law from a political declaration to a genuine legal tool. It ensures that victims of corporate abuse have access to the evidence required to sue multibillion-dollar corporate. This decision suggests that French courts are adopting a more rigorous understanding of corporate responsibility. The French government has occasionally wavered on the European Corporate Sustainability Due Diligence Directive (CSDDD), however the judiciary is filling the void. By requiring the disclosure of internal audits and subsidiary data, the court has changed the Duty of Vigilance Law from a political declaration to a genuine legal tool. It ensures that victims of corporate abuse have access to the evidence required to sue multibillion-dollar corporations.

Finally, the Total Energies Uganda case serves as a reminder to international firms that "vigilance" entails more than just high-level documentation. The current development of the EACOP and Tilenga projects is still physically on schedule with the 2022 Final Investment Decision, but the legal underpinning is under great pressure. This case demonstrates that transparency is the new standard; organizations can no longer transfer risks to subsidiaries while reaping the benefits at the parent level. As production and exports prepare to begin later this decade, the worldwide legal community's attention remains focused on Paris, where the boundaries of corporate accountability are being redefined.[12]

HOW CARBON EMISSIONS BY CORPORATES PLAYING VITAL ROLE IN ENIVIRONMENTAL DEGRADATION

Corporate generated carbon emissions are still considered to be one of the most decisive factors in the modern environmental degradation and recent statistics presented in the Carbon Majors Database empirically prove this connection. A total of 34.7 GtCO2e emissions were emitted in 2024 by 166 largest producers of fossil fuel and cement, about 80 percent of the total scale of fossil fuel and cement related CO2 emissions worldwide. This focus points to a structural fact, which is that environmental degradation is not scattered, but can be really accredited to a fairly small population of corporate participants.

One of the major aspects of such degradation is the escalation of climate change. The Copernicus Climate Change service affirmed that 2024 became the first year of the global temperature that surpassed 1.5degC above the pre-industrial temperature. This is a critical

[12] *Begum Kilimcioglu, Moving the Needle: Reflecting on The Total Uganda Decision of 18 September 2025, [BHRJ Blog, 26 September 2025].*

threshold since exceeding this heightens the intensity and frequency of extreme weather conditions, such as heatwaves, floods and droughts.[13] It has been scientifically proven with Carbon Majors data that heatwaves throughout history have been virtually impossible without the contribution of a few large companies, which has directly attributed the actions of corporations to the resultant disasters that have been caused by climate change. The problem of environmental degradation is increased by the fact that the emission is concentrated in the hands of a limited number of players. By 2024, only 32 companies accounted for more than half of the fossil CO2 emissions in the world, which was less than 38 companies in 5 years after. This merger is an indication of not only mergers but also further growth of fossil fuel production. The leading 10 emitters contributed 27.6 percent of the total global emissions,[14] of which they were all state owned businesses.[15] This concentration increases the ecological harm since large-scale mining and burning operations increase the rate of carbon buildup in the atmosphere, which in turn exacerbates global warming with its related environmental impacts.

State-owned enterprises are another important element that is critical and contributed to about 54 percent of emissions in 2024. Most of the state-owned companies had more output compared to many investment owned companies in which more than half of the companies reduced their emissions. The trend highlights the dominance of economic priorities of the countries related to energy security and industrial advancement over environmental aspects. This can be seen in the further growth of coal production especially in Asia where coal is already a major contributor to regional emissions. The environmental impacts are many-dimensional. An increasing greenhouse gas level is the cause of rise in sea-levels, loss of biodiversity, and ecosystem destabilization. According to the recent studies, it is almost one-third of global sea-level rise and nearly half the current temperature increases which are caused by the emissions of large producers of fossil fuels. They are not only ecological implications but socio-economic implications, which lead to the displacement of the population, loss of livelihoods, and higher adaptation costs to the vulnerable groups.

Recent legal and policy trends refer to an increased appreciation of corporate responsibility. An example is the climate litigation, i.e., Lliuya v. RWE has developed that companies can in theory be held liable in climate-related harm founded on attribution of the emissions.[16] Equally,

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[13] *Intergovernmental Panel on Climate Change, Sixth Assessment Report: Synthesis Report [IPCC 2023].*

[14] *Influence Map, Carbon Majors Report: Historical Emissions of Major Fossil Fuel Producers* (2024/2025).

[15] *Influence Map, Carbon Majors: 2024 Data Update [21 January 2026] accessed 29 March 2026.*

[16] *Lliuya v RWE AG [Higher Regional Court of Hamm, Germany, 28 May 2025].*

efforts at the legislative level such as the New York Climate Superfund Bill are soliciting billions of damages on fossil fuel companies based on the Carbon Majors statistics of pinpointing responsibility.[17] To sum up, corporate carbon emissions are a main source of environmental degradation, which is high concentration, growing production by large producers and even serious ecological effects. The increasing capacity to track emissions to particular actors is not only enhancing the scientific knowledge of the climate change issue but also the emerging frameworks of legal and policy practices designed to reduce damage and hold actors financial, corporate, and state accountable to climate change. The Global Trends in Climate Change Litigation: the report underscores how litigation is no longer a haphazard environmental action but a patterned and strategic process of holding actors financially, corporate, and state ally accountable in the face of climate change.

RAISE OF CLIMATE LITIGATION

There is the accelerating growth and diversification of climate litigation, which is a characteristic trend. At least 226 new cases were filed in 2024 alone, which put the total worldwide at nearly 3,000. Such cases are not a prerogative of governments anymore, but are now directed more often at corporations, even financial institutions, and even professional service providers. Most newly-emerging cases were directly corporate in nature, indicating a trend of making corporate entities accountable to their role in the climate change. This growth is also geographical in nature as the litigation is spreading around 60 countries and is gaining momentum especially in the Global South such as India, Brazil and South Africa.[18]

The other important development that is critical is growing participation of apex courts. More than 360 cases have been brought before supreme or constitutional courts all over the world suggesting that climate change is being approached as being a fundamental legal and constitutional concern. These courts are making a significant contribution to the definition of the legal duties on climate action, as well as the responsibilities of states and corporations. Nevertheless, the inability of cases to reach the highest courts due to jurisdiction in federal systems can often serve as a limiting factor of the potential to adjudicate the climate, which outlines the complexity of procedures in climate adjudication. Corporate liability is a theme which is a central but dynamic theme. Milieudefensie v. Ab cases are landmark cases. Shell

[17] *Influence Map, Carbon Majors: 2024 Data Update [21 January 2026] accessed 29 March 2026.*
[18] *Claudia Harper and Sarah Martin, Insights from the Global Trends in Climate Change Litigation: 2025 Snapshot Report [30 June 2025].*

and Lliuya v. RWE have confirmed that businesses can (in theory) be responsible of harming climate. Although it has been admitted that there is a general duty of care, the courts are wary of setting certain emissions reduction targets. Such judicial forbearance indicates continuing evidentiary and methodological difficulties, particularly in the task of assigning individual corporate emissions actual injury. However, these cases have provided the foundation to subsequent litigation over the establishment of corporate standards of care particularly in high emitting industries.[19]

Another issue highlighted in the report is the increasing role of transparency and disclosure, especially in relation to Scope 3 emissions. Cases including the *Finch v. Surrey 2024* case by the UK Supreme Court. Surrey County Council, have pointed to the need to include downstream emissions in environmental impact assessment. This is a milestone towards the holistic accountability so that emissions of the entire lifecycle of the projects are taken into account in the regulatory decision-making.[20] One of the popular strategies has remained climate-washing litigation, where corporations and governments are being challenged on their false claims about environmental performance. Even though this is somewhat smaller in volume, they are still influential as can be seen in the jurisdictions such as Australia, where regulators have been able to implement penalties. Meanwhile, there has been an issue of greenhouse gas in which companies might report inconsistently on sustainability activities lest they face legal action.[21]

One of the new dimensions of interest is that of climate litigation overlapping with wider Environmental, Social, and Governance [ESG] discussions. About a quarter of emerging cases are challenging ESG-congruent decisions, especially in the United States. Such cases tend to claim that climate-conscious investment policies are in breach of fiduciary obligations or competition regulations, as an emerging ideological and legal dispute in the areas of ESG frameworks.

Conclusion- the Shifting frontier of the oil companies in corporate accountability

The days of oil companies operating illegally in other countries are quickly coming to an end.

[19] *Carlo Vittorio Giabardo, 'Climate Change Litigation and Tort Law: Regulation through Litigation? [2020] SSRN Electronic Journal.*

[20] *R [ON the application of Finch on behalf of the World Action Group] v Surrey County Council [2024] UKSC 20.*

[21] *Zero Carbon Analytics, 'Big Oil in Court-The Latest Trends in Climate Litigation against Fossil Fuel Company [September 2024].*

The transition from voluntary corporate social responsibility to mandatory legal accountability signifies a profound change at the nexus of international law, human rights, and environmental protection, as this article has looked into. The implementation of tortious liability, especially the duty of care due by parent companies, has proven to be an effective tool for vulnerable groups seeking remedies, even though the path to justice is still blocked by many jurisdictional obstacles and the so-called corporate veil.

The historic litigation against Shell in Nigeria, ExxonMobil in Indonesia, and Chevron are more than just warning tales; they serve as legal models for future accountability. These cases show that when environmental harm and human rights breaches coincide, the judiciary is increasingly likely to look beyond administrative borders. These stories demonstrate that although the legal door is open, the hallway leading to a final verdict is frequently purposefully made to be inaccessible to people with low incomes and marginalized communities.

Hence, the primary focus must shift from reactive litigation to a worldwide system of required human rights due diligence if the legal landscape is to genuinely transform itself. Despite being novel, current reliance on tort law frequently takes a post-mortem approach, seeking damages after lives are lost or the soil is contaminated. Under a proactive legislative framework, oil companies would have to recognize and reduce risks before they become human rights abuses.

The focus must shift from reactive litigation to a worldwide system of required human rights due diligence if the legal landscape is to meaningfully evolve. The UN Binding Treaty on Business and Human Rights must thus be finalized and approved immediately by the international community. By establishing an established universal norm that calls for oil majors to recognize and reduce risks before they become human rights breaches, such a pact could narrow the separation between national authorities.[22]

In a nutshell the global community is no longer prepared to accept external factors as a valid explanation or justification for the exploitation of environmental stability or human dignity. This is an unambiguous signal to the extractive industry. The corporate veil is weakening, the standard is set, and liability theories are becoming more sophisticated. In the end, these legal disputes aim to create a society in which corporate profit is never given priority over the

[22] *UN Office of the High Commissioner for Human Rights, Guiding Principles on Business and Human rights: Implementing the United Nations "Protect, Respect and Remedy" Framework [2011] UN Doc HR/PUB/11/04.*

fundamental and basic rights of people and the world that they live on.