EDITORIAL

The Challenge of Keeping Environmental Law Dynamic

1. INTRODUCTION

Transnational Environmental Law (TEL) emerged at a critical juncture in the evolution of systems of environmental law. At the time of TEL’s first issue, in April 2012, the global community was in the throes of assessing the viability and future of the international climate change regime as the first compliance phase of the Kyoto Protocol drew to a close. At around the same time, an international negotiating committee was preparing to meet in order to finalize the terms of a new multilateral environmental agreement to address the problem of mercury pollution. Meanwhile, at the regional level, the European Union (EU) was in the process of winding down the second phase of the EU Emissions Trading System (EU ETS) – the largest international trading system for pollution allowances – and preparing to launch a third phase with revised rules and procedures built upon lessons learned during the first two phases. Across the Atlantic, the United States (US) Environmental Protection Agency was in the early phases of implementing advanced greenhouse gas (GHG) emissions controls for vehicles and developing new GHG emissions controls for stationary sources of pollution. Systems of environmental law were in flux. They were evolving in response to new problems, improved understanding of environmental challenges, and changing political and legal ideas about how to address them.

Within this dynamic environment, TEL emerged as a new vehicle for critical explorations of the past, present, and future of environmental law. Through its articles, commentaries and editorials, TEL contributes to vital conversations over how to address persistent environmental problems that pose collective challenges and that require innovative legal solutions. In key part, TEL’s transnational focus creates a lens through which we can process environmental challenges in a world where human influence over the planetary system is so pervasive as to create conditions in which radical instability and radical interconnectedness define the parameters of our interactions. As a global community, we find ourselves confronting a problem that

2 See, e.g., R.K. Craig, ‘Becoming Landsick: Rethinking Sustainability in an Age of Continuous, Visible and Irreversible Change’, in J. Owley & K. Hirokawa (eds), Rethinking Sustainable Development to Meet the Climate Change Challenge (Environmental Law Institute, forthcoming 2015), arguing to ‘view constant change as the norm, not as an aberration to be ignored, avoided, or resisted’ and that adapting to climate change ‘is most fundamentally about coping with continual, and often unpredictable, change’.
defies planetary boundaries and, in doing so, challenges the resilience and appropriateness of conventional legal boundaries. Systems of environmental law thus operate within a context that does not afford the luxury of mapping out the field in a period of quiet contemplation and developing a comprehensive strategy for addressing environmental problems in a joined-up way. Rather, pre-existing and rapidly worsening environmental degradation mean that policy makers and scholars alike must continually and simultaneously think, act, assess, and evolve.

Environmental law is by necessity dynamic. The sense of urgency invited by contemporary environmental challenges drives innovation and encourages experimentation, yet also demands careful attention to procedural safeguards and systems for self-assessment in order to ensure that resulting systems are effective and legitimate.

The articles in this issue, while varied in their subject matter, revolve around the challenges associated with the dynamic nature of environmental law. More specifically, they share a common theme: the challenges associated with keeping systems of environmental law dynamic and effective through ongoing processes of critical self-evaluation and continuous innovation.

We begin by considering the importance of self-assessment for the development of systems of environmental law. Within this context, articles evaluate the effectiveness of environmental targets, regional legal regimes, and market-based implementation systems. We then consider the ways in which self-assessment facilitates institutional improvement and innovation, including refining compliance systems, developing new funding mechanisms, and filling governance gaps.

2. LEARNING BY DOING: EXPERIMENTATION AND EVALUATION IN A DYNAMIC FIELD

In her contribution, Delphine Misonne discusses the requirement to achieve a ‘high level of environmental protection’ (HLP requirement) in the EU. In key part, Misonne considers how this requirement, which appears in the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU), has the potential to inform and enhance the legitimacy of environmental decision making across the EU.


6 Ibid.
After tracking the emergence of the HLP requirement through the evolving system of EU treaties she explores, in turn, the degree to which this target may be used as a ‘sword’ and as a ‘shield’ in the context of environmental protection. According to Misonne, the HLP requirement serves as a sword when it provides a direct basis for challenging the legitimacy of a measure or petitioning to annul a measure that does not guarantee a high level of environmental protection. Conversely, the HLP requirement is used as a shield when it is invoked to enhance the legitimacy of a measure or defend a measure against a legal challenge. After reviewing the few cases in which the HLP requirement has been used as a sword, in contrast to the extensive case law in which the requirement has been used as a shield, Misonne concludes that the shield is mightier than the sword. This conclusion should not surprise, she suggests, since ‘[t]he concrete level of ambition deemed acceptable for society in a specific EU act, in areas such as the environment or health protection, results from a complex political choice which lies with the competent authority and not with the Court’ and, thus, ‘establishing that an institution did not commit an evident error or exceed its powers, is easier than doing the opposite’.7

Despite the challenges inherent in using it as a proactive as opposed to a defensive tool, Misonne argues that the HLP requirement has substantive value. She suggests that an emerging body of case law of the Court of Justice of the European Union demonstrates that reference to the HLP requirement can both ‘support the legitimacy of bold decisions’ and ‘prevent a manifest disregard of the requisites of environmental protection’.8

Ultimately, she concludes that the true value of the HLP requirement rests in its ability to function as an overarching target for larger patterns of EU law and policy making and in its ability to ‘guide the reasoning of the judge in order to avoid diluting interpretations that would weaken EU law’.9

Misonne’s analysis reveals the pervasive difficulty of institutionalizing environmental protection as a determining factor in governmental decision-making processes, but it also sheds light onto how the gradual integration of environmental targets into primary systems of law can help to establish a symbolic and substantive floor upon which future regulatory efforts can be built.

In his article, Adam Byrne shifts the focus from unpacking the implications of a single phrase within a treaty to examining the effectiveness of a treaty regime in its entirety.10 Byrne analyzes the effectiveness of the legal regime established by the 1979 Geneva Convention on Long-Range Transboundary Air Pollution (CLRTAP).11

Byrne’s analysis, while focused on the substantive achievements of the CLRTAP regime, is grounded in a larger interest in learning and ‘think[ing] critically about how

---

7 N. 4 above, at p. 33.
8 Ibid., at p. 12.
9 Ibid., at p. 30.
the effectiveness of regimes is assessed’. Throughout his analysis of the effectiveness of the CLRTAP regime, he engages in a thoughtful critique of the different tools that are used to assess the effectiveness of environmental law agreements. To this end, Byrne looks to previous analytical approaches used by Peter H. Sand and Daniel Bodansky. He then seeks to integrate their approaches with his own to evaluate the legal, institutional, and normative effectiveness of the CLRTAP regime, ultimately concluding that ‘compliance, institutional, and normative effectiveness can be measured reasonably well’.

With specific reference to the CLRTAP regime, Byrne concludes that while it ‘faces significant challenges concerning participation, implementation procedures, empowerment of domestic stakeholders, and funding’, overall ‘the regime has helped states to reach agreement on contentious issues and achieve results’ in air pollution reduction levels. To support his conclusion, he offers specific examinations of legal effectiveness, institutional effectiveness, and normative effectiveness. Throughout each of these discussions, Byrne meticulously frames the analysis so that the information is useful beyond the context of the CLRTAP regime. From the discussion of the value of binding and non-binding instruments, to the discussion of implementation and financing mechanisms, to the discussion on procedural rules and the distribution of responsibilities, the three core analytical sections provide frameworks and substantive lessons that will prove useful in analyzing other regional and multilateral environmental regimes.

In their contribution, Christopher Arup and Hao Zhang provide a comparative analysis of domestic, regional, and international efforts to create carbon offset markets. They frame their analysis around the importance of learning and emphasize that ‘when new markets are constituted, continuous learning is crucial to the success of the regulation’. Systems of environmental law increasingly rely on market-based mechanisms to achieve environmental objectives. As a result, exploring how and why existing market-based programmes succeed and fail is essential for improving existing systems and developing new systems. Arup and Zhang thus characterize their comparative analysis as a ‘study of lessons learnt and improvements made in the regulation of carbon offset markets’.

With an eye towards learning, Arup and Zhang review the experiences with carbon offset markets in different contexts, including the United Nations Clean Development Mechanism (CDM), the EU ETS, and domestic emissions trading in China and the US (focusing on the Regional Greenhouse Gas Initiative and the

---

12 N. 10 above, at p. 38.
15 N. 10 above, at p. 64.
16 Ibid.
18 Ibid., at p. 70.
19 Ibid., at p. 69.
emerging California trading scheme). The authors emphasize the importance of offsets as a tool for increasing compliance options and providing ‘incentive[s] for others to mitigate emissions, which may make an activity such as renewable energy generation or the preservation of native forests economically competitive with polluting activities’. In exploring the different offset markets, they observe that regulators must respond to ‘disparate demands for success, namely, commercial viability, environmental sustainability and political legitimacy’. As is experienced in other areas of environmental law, these multifaceted demands create ongoing challenges in structuring and refining the regulatory instruments. The complex and often conflicting demands placed on these instruments make it difficult to structure the regulatory frameworks and assess them as they evolve.

The need for self-assessment and revision has informed the evolution of the two oldest and most active frameworks, the CDM and the EU ETS. Arup and Zhang observe that within these frameworks ‘regulators apply learning to improve the functioning of the offset markets’ leading to tightening of the offset markets with respect to four key areas: ‘the shares, sources, sectors and standards of offsets’. More recent efforts to structure offset markets have benefited from the self-evaluation taking place in existing markets, with regulators such as the California Air Resources Board adopting more stringent regulation from the outset, at least partially in response to lessons learned elsewhere.

Arup and Zhang ultimately conclude that, despite ongoing learning and resulting system refinements, offsets ‘remain unreliable as instruments to mitigate climate change’ and additional controls are needed in order to ensure that markets are legitimate and functioning. Their piece highlights the inevitable challenges associated with using market-based mechanisms that seek to harmonize economic and environmental goals – an underlying theme in transnational environmental law.

3. WHERE WE GO FROM HERE: MAINTAINING INNOVATION AND EVOLUTION IN A DYNAMIC FIELD

The end goal of self-assessment is to find ways to improve upon existing systems. In her contribution examining the role of expert review teams (ERTs) in the compliance system for the Kyoto Protocol, Anna Huggins does just that. Her thoughtful analysis of the under-explored climate compliance system reveals that efforts to ‘depoliticize compliance’ have been complicated and potentially undermined by ERTs exceeding their original mandate. ERTs are tasked with coordinating external verification and review of national emissions inventories. In practice, however, ERTs have engaged in ‘ad hoc diplomatic and facilitative

---

20 Ibid., at p. 71.
21 Ibid., at p. 70.
22 Ibid., at p. 100.
23 N. 1 above.
practices’ that have raised questions about ‘the reliability and consistency of the compliance process’.25

Huggins’ piece offers critical insight into the structure and functioning of the climate change compliance regime and the role of the ERTs therein. The author ‘examines the extent to which the ideals of insulating compliance processes from undue political influence were achieved in practice’ and emphasizes the normative desirability of ‘depoliticizing compliance and increasing reliance on formal, arm’s length and rule-based procedures’.26 The use of ERTs in the Kyoto Protocol compliance system sets the regime apart from other environmental regimes and creates opportunities to enhance the legitimacy of compliance systems in international environmental law. Yet, Huggins’ careful review of the compliance process demonstrates how the ERTs have engaged in ‘sensitive political negotiations […] behind the scenes’,27 resulting in what is ostensibly a technical review of state compliance being ‘strongly influenced by facilitative compliance politics’.28

Given that expert review is likely to remain a prominent feature in the international climate regime, reform is needed in order to ensure the legitimacy of the compliance process. The author advocates reforming the ERTs by limiting them to technical and procedural roles or, if this fails, by developing more comprehensive rules and procedural safeguards to guide their work.

Huggins provides both a critical analysis of the Kyoto Protocol compliance system and a set of constructive critiques designed to improve the system in moving forward. Similarly, Rosemary Lyster’s article focuses on improving the existing climate change regime.29 In her contribution, she advocates the establishment of a new fossil fuel-funded climate disaster response fund under the Warsaw International Mechanism for Loss and Damage Associated with Climate Change (the Loss and Damage Mechanism).

Lyster offers an innovative approach to compensating victims in developing countries for the ‘residual risk’ of climate disasters. She highlights the emerging threats posed by climate disasters and the anticipated economic loss associated with these disasters – an increasingly important theme in transnational environmental law. Responding to this challenge, in 2013, the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC)30 created the Loss and Damage Mechanism as a tool for coping with the loss and damage that cannot be avoided through adaptation and risk management efforts. Lyster argues that limitations to existing financing institutions (namely government, insurance, and civil liability) demand the creation of a new

---

26 Ibid., at p. 103.
27 Ibid., at p. 115.
28 Ibid., at p. 113.
mechanism to compensate the victims of climate disasters, particularly in developing countries.

In the face of looming climate disasters, Lyster urges transferring the financial risks of climate disasters upstream to the top 200 fossil fuel companies. She supports her proposal by reviewing analogous schemes that have proven effective in similar contexts. Looking to alternative regulatory and compensation regimes in the areas of hazardous waste, oil pollution, asbestos, and nuclear disaster, the author examines past experiences with upstream taxes and complex compensation funds to advocate a similar approach in the climate disaster context. She then presents preliminary suggestions as to how to design a fossil fuel fund, proposing that the levy be applied to the top 200 listed companies by estimated reserves of fossil fuels, and offering framing thoughts on the potential pool of claimants, the formulae for developing the levy, as well as potential limitations, exclusions, and categories of compensable damages.

Lyster’s proposal is grounded in the need for change and innovation in the international legal regime at the intersection between climate change and disasters. Her contribution demonstrates the shortcomings of existing systems, the need for new approaches, and the challenges inherent in structuring new systems, particularly when these systems sit at the intersection of the public and private sectors and require collective agreement among a group of nations with disparate interests and needs.

The last full article in this issue, by Cordelia Bähr, also proposes regulatory innovation in the climate change context.31 Here, however, the focus is on expanding GHG mitigation efforts in a ‘relatively unregulated’ sector – meat production. In common with Lyster, Bähr advocates using a tax to achieve the desired result. Whereas Lyster proposes levying an upstream tax on the primary sources of pollution in the guise of the 200 largest global fossil fuel producers, Bähr suggests using a downstream tax on meat consumption in the EU.

Over the past decade, the EU has been a leader both in promoting global action on climate change and in developing an expansive range of internal policies aimed at addressing climate change. The EU has codified its commitment to addressing climate change;32 it has developed the world’s largest carbon market (as discussed in the article by Arup and Zhang),33 and it has adopted a sweeping set of complementary laws and policies designed to reduce GHG emissions.34 These measures cover a diverse range of sectors, including energy, land use, transportation, and agriculture. However, although ‘meat production and the transport sector contribute almost equally to global warming’,35 neither the EU nor other major economies have taken steps to regulate meat production. Filling

---

32 Art. 191(1) TFEU, n. 5 above (emphasis added).
33 N. 17 above.
34 For an overview of the depth and variety of EU climate change laws and policies see http://ec.europa.eu/clima/about-us/climate-law/index_en.htm.
35 N. 31 above, at p. 153.
this regulatory gap could allow the EU to achieve significant and relatively rapid reductions in GHG emissions.

Assuming that a tax would be the most effective way in which to achieve emissions reductions in the meat production sector, Bähr explores potential legal barriers to taxing consumption of domestic and imported meat. She assesses the compatibility of a consumption tax with international climate change law, trade law, human rights law, and EU law, and ultimately concludes that it is technically possible to develop a meat consumption tax that is consistent with all of these legal regimes. Her multi-regime analysis eloquently illustrates the inherently transnational dimension of environmental lawmaking in the 21st century: environmental measures must be developed and implemented within a context in which state, regional, and international laws interact in diverse and complex ways. Whether conceived at the national level or beyond, proposed measures will intersect with diverse bodies of law at multiple jurisdictional levels.

In the final contribution to this issue of TEL, Cymie Payne36 analyzes the recent judgment of the International Court of Justice (ICJ) in the Whaling in the Antarctic case.37 Payne’s Commentary moves the focus away from critical self-assessment and regulatory innovation to explore the role that traditional institutions of public international law play in shaping the field. In one of the most significant international environmental law decisions to date, involving a challenge brought by Australia against Japan under the International Convention for the Regulation of Whaling (ICRW),38 the ICJ found Japan in violation of three provisions of the ICRW and ordered it to halt its whaling programme in the Southern Ocean.

Although the case centred on the details of Japan’s scientific whaling programme, Payne emphasizes that it was driven by ‘conflicting attitudes towards whaling and also towards global common spaces’ and is ‘at least as important for the Court’s approach to scientific issues as for the effect it will have on Japan’s whaling practices’.39 For many years, the parties to the ICRW have been engaged in an ongoing debate over the fundamental purpose of the ICRW and the corresponding role of the International Whaling Commission (IWC).40 The ICRW began as a conservation-based treaty designed to manage whale stocks. As whale stocks declined and environmental awareness grew, the regime’s focus shifted from management to conservation. Among the parties to the treaty, there is a split

39 N. 36 above, at p. 181.
between those states that favour maintaining a moratorium on commercial whaling and those that advocate resuming commercial whaling based on an agreed management regime.

The dispute between Australia and Japan implicitly raises wider questions regarding the purpose and future of the whaling regime. As Payne demonstrates, while the ICJ’s judgment addresses the issue at hand, it does little to resolve fundamental differences in perspective over broader questions of oceans and whale management. The judgment does not and could not ‘resolve the fundamental cultural conflict between those nations that believe whales should not be hunted and those that are willing to restrict hunting as part of a wildlife management programme’.41 Rather, the decision confirms that the ICRW is oriented ‘towards both conservation of whale stocks and management of the whaling industry’ and notes that ‘to the extent that there is no other international law that prohibits killing whales … it is up to the parties to the ICRW, acting together, to determine when and how whales can be killed’.42

In the wake of the decision, Japan stated that it would abide by the ICJ’s judgment and began to revise its whaling programme according to its interpretation of the judgment – an interpretation that differs from that of Australia and New Zealand, the other parties to the dispute. Japan’s current proposal maintains high levels of lethal take, raising the possibility that it too will be subject to challenge.

Payne’s commentary reveals the normative differences that divide the parties to the ICRW and, ultimately, limit the practical effect of the ICJ’s judgment as a tool to help to resolve the macro-level questions that define contemporary whaling law and policy. Her analysis, however, also highlights the progress that the ICJ has made in handling complex scientific questions; progress that is significant given the degree to which contemporary questions of environmental law are inherently interlinked with complex scientific questions.

4. CONCLUSION

In keeping with TEL’s mission to deepen scholarly dialogue on emerging issues in transnational environmental law, the articles and the commentary in this issue engage with important questions concerning the dynamic evolution of environmental law. From examining the influence of environmental targets on the larger process of lawmaking, to evaluating the effectiveness of existing legal regimes and the success of market-based mechanisms, to exploring the value of coupling systems of environmental law with continuous learning processes, to advocating innovative regulatory approaches, each contribution in this issue helps to imbue environmental law with the dynamic spirit that it needs to thrive in the age of the Anthropocene.

41 N. 36 above, at p. 193.
42 Ibid., at p. 194.
5. TEL EDITORIAL BOARD DEVELOPMENTS

As TEL enters its fourth year in existence, the time has come for several hellos and goodbyes. Most importantly, we wish to extend our sincere gratitude to Joanne Scott, who, after a three-year term as Editor, will move to our Advisory Board. She will be joined by Louis Kotzé, who will step down as Assistant Editor. Both Joanne and Louis made invaluable contributions to TEL in its early years, and we are delighted that they will remain closely affiliated with TEL in the years to come as members of our Advisory Board. Newly joining them on the TEL Advisory Board are Ed Couzens and Tseming Yang. It is also with gratitude that we say goodbye to parting Advisory Board members Jonas Ebbesson, Francesco Francioni, and Yoshiko Naiki.

We also have the pleasure of welcoming several new faces to our Editorial and Advisory Boards. We are delighted that Wil Burns has agreed to join our team of Editors. We also warmly welcome our three new Assistant Editors: Megan Bowman, Bruce Huber, and Josephine Van Zeben. In addition, editorial assistance will be provided by Leslie-Anne Duvic-Paoli. Finally, Don Anton and Rakhyun Kim have jointly taken on the role of Book Review Editors.

We are grateful and proud to have such a strong team of editors and advisers working with us at TEL.

Editors-in-Chief
Thijs Etty
Veerle Heyvaert

Editors
Wil Burns
Cinnamon Carlarne
Dan Farber
Jolene Lin