LEGAL PATHWAYS FOR ENFORCING CORPORATE SOCIAL RESPONSIBILITY FOR SUSTAINABLE DEVELOPMENT IN WEST AFRICA'S EXTRACTIVE SECTOR

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Abstract

Corporate Social Responsibility (CSR) has become an important mechanism for addressing the social, environmental, and developmental impacts of extractive activities in West Africa. Despite the vast natural resource wealth of Nigeria, Ghana, and Guinea, extractive operations in these countries continue to generate environmental degradation, host community conflicts, poverty, displacement, and weak infrastructural development. This situation reflects the inadequacy of existing CSR enforcement frameworks, which remain largely voluntary and weakly implemented. This paper examines the legal pathways for enforcing CSR for sustainable development in West Africa's extractive sector. It aims to evaluate the effectiveness of existing legal and institutional frameworks governing CSR and to identify enforceable mechanisms capable of strengthening corporate accountability and sustainable development within the region. The study adopts a doctrinal methodology through the examination of statutes, regional and international instruments, journal articles, and policy documents relating to CSR and extractive governance. The paper finds that although CSR initiatives have supported certain community development projects, CSR practice in the selected countries remains insufficiently regulated and ineffective in achieving sustainable development objectives. Weak institutions, inadequate community participation, and other challenges continue to undermine corporate accountability. The study recommends

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the adoption of mandatory CSR laws, stronger environmental liability regimes, among others.

Keywords: Corporate Social Responsibility (CSR), Extractive Sector Governance, Sustainable Development, Legal Enforcement, West Africa

1. INTRODUCTION

The extractive industry remains one of the major drivers of economic growth and foreign investment in several West African states,[1] particularly Nigeria, Ghana, and Guinea, which are richly endowed with crude oil, natural gas, gold, bauxite, and other mineral resources. The operations of multinational extractive corporations have significant impacts on environmental protection, infrastructure development, employment, and community welfare.[2] As a result, Corporate Social Responsibility (CSR) has increasingly emerged as an important mechanism through which extractive companies are expected to contribute to sustainable development and mitigate the adverse social and environmental effects of their activities within host communities.[3]

Despite the enormous wealth generated from extractive activities, many resource-producing communities across many African countries continue to suffer from poverty, environmental degradation,

[1] Djeynaba G Ba and Jeffrey B Jacquet, 'Local Content Policies in West Africa's Mining Sector: Assessment and Roadmap to Success' (2022) 9 *The Extractive Industries and Society* 101030 https://doi.org/10.1016/j.exis.2021.101030 accessed 9 May 2026. see also Pius Siakwah, 'Extractive Industries in Africa' in Pádraig Carmody and James T Murphy (eds), *Handbook of African Economic Development* (Edward Elgar Publishing 2024) ch 14, 199.

[2] Ibid.

[3] Asaah Sumaila Mohammed, Ishmael Ackah, Francis Xavier Tuokuu and Susana Abane, 'Assessing the Corporate Social Responsibility Interventions in the Ghanaian Oil and Gas Industry: Perspectives from Local Actors' (2022) 12 *The Extractive Industries and Society* 101145 https://doi.org/10.1016/j.exis.2022.101145 accessed 3 May 2026.

displacement, poor infrastructure, and social unrest.[4] Oil exploration in Nigeria's Niger Delta[5] and mining activities in Ghana[6] and Guinea[7] have generated concerns relating to pollution, land degradation, weak community participation, and inequitable distribution of resource benefits. These challenges have intensified debates concerning the effectiveness of CSR initiatives and the inadequacy of existing legal and institutional frameworks regulating corporate conduct within the extractive sector.[8] Although international and regional frameworks such as the Sustainable Development Goals (SDGs),[9] the United Nations Guiding Principles on Business and Human Rights,[10] and ECOWAS instruments promote responsible business conduct,

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[4] Gavin Hilson, 'The Africa Mining Vision: A Manifesto for More Inclusive Extractive Industry-Led Development?' (2020) 41(3) *Canadian Journal of Development Studies / Revue canadienne d'études du development* 417 https://doi.org/10.1080/02255189.2020.1821352

[5] OO Fayomi, O W Adigun and Z A Zubair, 'New Models for Eradicating Unsustainable Exploitation of Extractive Resources and Its Impact on the Host Communities in Nigeria' (2024) 15(3) *The Journal of Sustainable Development Law and Policy* 197 https://doi.org/10.4314/jsdlp.v15i3.8

[6] Richard Komla Nyamador, Patrick Boakye, Sampson Oduro-Kwarteng and Esi Awuah, 'Ghana's Mining Legislation: An Overview of How the Small-Scale and Large-Scale Mining Environment-Related Regulations Compare' (2026) 398 *Journal of Environmental Management* 128503 https://doi.org/10.1016/j.jenvman.2025.128503

[7] Alejandro Badel and Rachel Fredman Lyngaas, *Mining Revenues and Inclusive Development in Guinea* (IMF Working Paper No 2023/090, International Monetary Fund 2023) https://doi.org/10.5089/9798400240621.001.A001 accessed 9 May 2026.

[8] Abigail Hilson, Gavin Hilson and Suleman Dauda, 'Corporate Social Responsibility at African Mines: Linking the Past to the Present' (2019) 241 *Journal of Environmental Management* 340 https://doi.org/10.1016/j.jenvman.2019.03.121

[9] The Sustainable Development Goals (SDGs), also known as the Global Goals, are a set of 17, interlinked, universal objectives established by the United Nations in 2015. They serve as a shared blueprint for 2030, aimed at ending poverty, protecting the planet, and ensuring peace and prosperity for all.

[10] The UN Guiding Principles on Business and Human Rights (UNGPs), endorsed in 2011, are the authoritative global standard for preventing and addressing human rights risks linked to business activities

enforcement within many West African states remains weak and largely dependent on voluntary corporate compliance.

This paper examines the legal pathways for enforcing CSR for sustainable development in West Africa's extractive sector, with particular reference to Nigeria, Ghana, and Guinea. The study critically evaluates existing legal and institutional frameworks governing CSR and appraises the challenges undermining effective enforcement, including weak institutions, regulatory fragmentation, and the voluntary nature of CSR obligations.

2. CONCEPTUAL AND THEORETICAL FRAMEWORK

2.1 Conceptual Framework

2.1.1 Concept of Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a concept that describes the obligation of corporations to conduct their business activities in a manner that upholds economic growth while also protecting societal interests, environmental sustainability, and the welfare of stakeholders.[11] Traditionally, corporations were primarily viewed as entities established for profit maximization; however, the increasing social and environmental impacts of corporate activities have expanded expectations regarding the responsibilities of businesses within society. CSR therefore reflects the idea that corporations should not focus solely on profit generation, but should also consider the effects of their operations on employees, consumers, host communities, governments, and the environment.[12] The concept has evolved from philanthropic and charitable activities into a broader

[11] Sanil S Hishan, Suresh Ramakrishnan, Lim Boon Keong and Arslan Umar, 'The Concept of Corporate Social Responsibility (CSR)—A Review of Literature' (2017) 23 *Advanced Science Letters* 9287 https://doi.org/10.1166/asl.2017.10072

[12] M van Marrewijk, 'Concepts and Definitions of CSR and Corporate Sustainability: Between Agency and Communion' (2003) 44(2–3) *Journal of Business Ethics* 95 https://doi.org/10.1023/A:1023331212247

framework of corporate accountability, ethical governance, and sustainable development.

The concept of CSR has been defined differently by scholars, institutions, and international organizations. Archie Carroll conceptualized CSR through his well-known CSR Pyramid, which identifies four major corporate responsibilities: economic, legal, ethical, and philanthropic responsibilities.[13] Similarly, stakeholder theorists argue that corporations owe obligations not only to shareholders but also to all stakeholders affected by corporate operations.[14] In the context of extractive industries, CSR has become particularly important due to the environmental and socio-economic consequences associated with resource extraction. Extractive corporations are often expected to undertake community development projects, provide employment opportunities, protect the environment, and contribute to infrastructure development within host communities.[15] However, CSR in many developing states, including those in West Africa, remains largely voluntary and inadequately regulated, thereby limiting its effectiveness in addressing corporate misconduct and promoting sustainable development.

2.1.2 Concept of Sustainable Development

Sustainable development is a multidimensional concept that seeks to balance economic growth, environmental protection, and social welfare in a manner that meets present needs without compromising

[13] Archie B Carroll, 'Carroll's Pyramid of CSR: Taking Another Look' (2016) 1(1) *International Journal of Corporate Social Responsibility* 3 https://doi.org/10.1186/s40991-016-0004-6

[14] R Edward Freeman, *Strategic Management: A Stakeholder Approach* (Pitman 1984).

[15] Marie-France Turcotte and Annie Lachance, 'Towards a Repertoire of Corporate Social Responsibility (CSR) Practices in the Extractive Industries' (2023) 15 *The Extractive Industries and Society* 101316 https://doi.org/10.1016/j.exis.2023.101316

the ability of future generations to meet their own needs. The concept gained global recognition through the 1987 Brundtland Report titled *Our Common Future*,[16] which defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." Sustainable development therefore emphasizes the responsible utilization of natural, economic, and social resources to ensure long-term human well-being, environmental sustainability, and intergenerational equity.[17] It reflects the understanding that development should not focus solely on economic expansion but must also address environmental conservation, poverty reduction, social inclusion, and human development.

The concept of sustainable development is generally built upon three interconnected pillars: economic sustainability, social sustainability, and environmental sustainability. International instruments such as the Rio Declaration,[18] Agenda 21,[19] and the Sustainable Development

[16] World Commission on Environment and Development, *Our Common Future: Report of the World Commission on Environment and Development* (Oxford University Press 1987)

[17] Ogbu Nneamaka Augustina and Emmanuel Okey Awa, 'The Concept of Sustainable Development' (2025) 5(1) *International Journal of Advanced Multidisciplinary Research and Studies* 813 https://www.multiresearchjournal.com/admin/uploads/archives/archive-1738922461.pdf Justice Mensah, 'Sustainable Development: Meaning, History, Principles, Pillars, and Implications for Human Action: Literature Review' (2019) 5(1) *Cogent Social Sciences* 1653531 https://doi.org/10.1080/23311886.2019.1653531

[18] United Nations Conference on Environment and Development, *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3–14 June 1992* UN Doc A/CONF.151/26 (Vol I, 12 August 1992).

[19] United Nations Conference on Environment and Development, *Agenda 21: Programme of Action for Sustainable Development* (United Nations 1992).

Goals (SDGs)[20] have reinforced the importance of integrating these pillars into national and international development policies. Sustainable development has therefore become a central principle guiding environmental governance, corporate accountability, and resource management globally.

In the context of extractive industries, sustainable development requires that natural resource exploitation contributes meaningfully to long-term socio-economic development while minimizing environmental harm and protecting the interests of host communities.[21] Extractive activities such as oil exploration and mining often generate significant revenues for states but may also result in pollution, land degradation, displacement, and social conflicts if not properly regulated. Consequently, sustainable development within the extractive sector demands effective legal frameworks, environmental safeguards, corporate accountability, community participation, and responsible resource governance.

2.1.3 Extractive industries

Extractive industries refer to industries involved in the exploration, extraction, processing, and commercial exploitation of natural resources from the earth. These resources include crude oil, natural gas, coal, gold, diamonds, bauxite, iron ore, limestone, and other

[20] United Nations General Assembly, *Transforming Our World: The 2030 Agenda for Sustainable Development* UNGA Res 70/1, UN Doc A/RES/70/1 (21 October 2015) https://undocs.org/A/RES/70/1 accessed 29 July 2026.

[21] Fabien Muhirwa, Lei Shen, Ayman Elshkaki, Hubert Hirwa, Gloriose Umuziranenge and Kgosietsile Velempini, 'Linking Large Extractive Industries to Sustainable Development of Rural Communities at Mining Sites in Africa: Challenges and Pathways' (2023) 81 *Resources Policy* 103322 https://doi.org/10.1016/j.resourpol.2023.103322

minerals of economic value.[22] Extractive activities are generally carried out through mining, quarrying, drilling, and other forms of resource exploitation undertaken by both state-owned and multinational corporations. The extractive sector plays a crucial role in the economies of many developing countries, particularly in Africa, by contributing to government revenue, foreign exchange earnings, industrial development, employment generation, and infrastructural growth.[23] In West Africa, countries such as Nigeria, Ghana, and Guinea rely heavily on extractive industries for economic development and international trade.

The nature of extractive industries is characterized by intensive exploitation of natural resources, high capital investment, technological complexity, and significant environmental and social impacts. Extractive operations are often undertaken in resource-rich communities where local populations depend on land, water, and natural ecosystems for survival. As a result, extractive activities frequently generate environmental challenges such as oil spills, deforestation, water pollution, gas flaring, soil degradation, and loss of biodiversity.[24] In addition to environmental concerns, extractive industries sometimes produce social and economic consequences including displacement of local communities, labor disputes, human

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[22] Gavin Hilson, 'Corporate Social Responsibility in the Extractive Industries: Experiences from Developing Countries' (2012) 37(2) *Resources Policy* 131 https://doi.org/10.1016/j.resourpol.2012.01.002

[23] Fabien Muhirwa, Lei Shen, Ayman Elshkaki, Hubert Hirwa, Gloriose Umuziranenge and Kgosietsile Velempini, 'Linking Large Extractive Industries to Sustainable Development of Rural Communities at Mining Sites in Africa: Challenges and Pathways' (2023) 81 *Resources Policy* 103322 https://doi.org/10.1016/j.resourpol.2023.103322

[24] Uwafiokun Idemudia, Francis Xavier D Tuokuu and Marcellinus Essah, 'The Extractive Industry and Human Rights in Africa: Lessons from the Past and Future Directions' (2022) 78 *Resources Policy* 102838 https://doi.org/10.1016/j.resourpol.2022.102838

rights violations, insecurity, and unequal distribution of resource wealth.[25] Another important feature of extractive industries is their strong connection with corporate governance, state regulation, and sustainable development. Because extractive activities involve the exploitation of finite natural resources and often generate enormous profits, governments and international organizations increasingly demand greater corporate accountability and responsible business conduct from extractive corporations. Consequently, concepts such as Corporate Social Responsibility (CSR), environmental sustainability, host community development, transparency, and resource governance have become central to extractive industry regulation.[26]

2.2 Theoretical Framework

2.2.1 Stakeholder Theory

Stakeholder Theory is one of the major theories underpinning CSR and corporate governance. The theory was popularized by R Edward Freeman[27] who argued that corporations owe responsibilities not only to shareholders or investors, but also to all individuals and groups affected by the activities of the corporation. These stakeholders include employees, customers, suppliers, host communities, governments, creditors, civil society organizations, and the environment. The theory challenges the traditional shareholder-oriented model which views profit maximization as the primary objective of corporations, and instead promotes a broader approach

[25] Ibid.

[26] Emmanuel Marfo, Li Chen, Xu Hu and Benjamin Ghansah, 'The Antecedents of Corporate Social Responsibility for Extractive Industries in the Governance Systems in Africa' (2016) 24 *International Journal of Engineering Research in Africa* 181 https://doi.org/10.4028/www.scientific.net/JERA.24.181

[27] R Edward Freeman, *Strategic Management: A Stakeholder Approach* (Pitman 1984).

that considers social, ethical, and environmental interests in corporate decision-making.

The central idea of Stakeholder Theory is that long-term corporate success depends on the ability of corporations to balance and protect the interests of various stakeholders.[28] According to the theory, corporations operate within society and therefore have obligations to contribute positively to social welfare, environmental sustainability, and economic development. Stakeholder Theory emphasizes principles such as accountability, fairness, participation, transparency, and ethical business conduct. It further suggests that corporations that responsibly manage stakeholder relationships are more likely to achieve legitimacy, stability, and sustainable growth. In the context of CSR, the theory provides a justification for corporate involvement in community development, environmental protection, labor welfare, and human rights protection beyond mere legal compliance.

Stakeholder Theory is particularly relevant to extractive industries because the activities of oil, gas, and mining corporations significantly affect host communities and the environment. In countries such as Nigeria, Ghana, and Guinea, extractive operations often generate environmental degradation, displacement, and social conflicts, thereby making stakeholder engagement essential for sustainable development.

2.2.2 Carroll's Pyramid Theory

Carroll's Pyramid Theory is one of the most influential theories explaining the concept and dimensions of Corporate Social Responsibility (CSR). The theory was developed by Archie B Carroll and presents CSR as a four-layered framework of responsibilities

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[28] Henk Hummels, 'Organizing Ethics: A Stakeholder Debate' (1998) 17 *Journal of Business Ethics* 1407

which corporations owe to society.[29] According to Carroll, corporate responsibilities are arranged in the form of a pyramid consisting of economic, legal, ethical, and philanthropic responsibilities. The theory argues that corporations are not merely profit-making entities but social institutions that must balance economic objectives with legal compliance, ethical conduct, and societal expectations. Carroll's Pyramid has become widely accepted as a foundational model for understanding the scope and nature of CSR in both developed and developing economies.

At the base of the pyramid are economic responsibilities, which represent the primary obligation of corporations to be profitable, productive, and economically sustainable. Corporations are expected to provide goods and services, create employment opportunities, and generate returns for investors. The second layer consists of legal responsibilities, which require corporations to operate within the framework of laws and regulations established by the state. This includes compliance with labor laws, environmental regulations, tax obligations, and corporate governance standards. The third layer is ethical responsibilities, which extend beyond legal compliance and require corporations to act fairly, honestly, and responsibly towards stakeholders and society. At the top of the pyramid are philanthropic responsibilities, which involve voluntary contributions to community development, education, healthcare, charity, and social welfare initiatives aimed at improving societal well-being.

Carroll's Pyramid Theory is particularly relevant to extractive industries because of the significant economic, environmental, and social impacts associated with oil, gas, and mining operations. In

[29] Archie B Carroll, 'Carroll's Pyramid of CSR: Taking Another Look' (2016) 1 *International Journal of Corporate Social Responsibility* 3 https://doi.org/10.1186/s40991-016-0004-6

countries such as Nigeria, Ghana, and Guinea, extractive corporations are expected not only to generate profits and comply with regulatory requirements but also to address environmental degradation, community welfare, and sustainable development concerns. The theory therefore provides an important framework for evaluating the extent to which corporations fulfil their broader social obligations.

3.1 LEGAL AND INSTITUTIONAL FRAMEWORKS GOVERNING CSR IN THE SELECTED COUNTRIES

This section of the paper examines the international, regional and national laws (soft and hard) regulating CSR in the selected jurisdictions.

3.1.1 International Soft Law Regime on CSR

The international soft law regime on CSR consists of non-binding principles, guidelines, and standards developed by international organizations to promote responsible corporate conduct globally. These instruments, such as the United Nations Guiding Principles on Business and Human Rights,[30] the Organization for Economic Co-operation and Development Guidelines for Multinational Enterprises,[31] and the International Labor Organization Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy,[32]

[30] United Nations Human Rights Council, *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework*, UN Doc A/HRC/17/31 (21 March 2011). They were developed by the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises.

[31] Organization for Economic Co-operation and Development (OECD), *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct* (OECD Publishing 2023) https://doi.org/10.1787/81f92357-en

[32] The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) is the main instrument providing voluntary, comprehensive guidance on social policy for enterprises, governments, and workers' organizations. Originally adopted in 1977, it has been amended, with the latest revision in 2022

provide normative frameworks encouraging businesses to respect human rights, protect the environment, ensure fair labor practices, and contribute to sustainable development. Although these instruments are not legally binding, they influence national laws, corporate governance practices, and international business standards by setting widely accepted benchmarks for ethical and socially responsible corporate behavior. The United Nations Guiding Principles on Business and Human Rights, for instance, establish the "Protect, Respect and Remedy" framework, which emphasizes the responsibility of states to protect human rights and the duty of corporations to respect those rights and provide remedies for violations. Similarly, the OECD Guidelines promote transparency, environmental responsibility, and stakeholder engagement among multinational enterprises, while the SDGs integrate corporate responsibility into global sustainable development objectives. In the extractive sector, these soft law frameworks have become particularly important because of the significant environmental and social consequences associated with oil, gas, and mining activities.

3.1.2 Regional Soft Law Regime on CSR

The Economic Community of West African States (ECOWAS) framework on CSR is primarily reflected through regional instruments, policies, and protocols aimed at promoting sustainable development, environmental protection, human rights, and responsible resource governance within member states. Although ECOWAS does not presently have a single comprehensive binding CSR treaty specifically dedicated to corporate social responsibility, several of its legal and policy instruments contain principles that indirectly regulate corporate conduct and encourage responsible business practices, particularly within the extractive sector.

a. ECOWAS Vision 2050[33]: this represents the long-term strategic development framework of ECOWAS aimed at transforming West Africa into a peaceful, prosperous, and inclusive region driven by sustainable development, good governance, regional integration, and human capital development. Although the Vision does not expressly focus exclusively on CSR, it strongly promotes principles closely connected to CSR, including environmental sustainability, responsible resource governance, social inclusion, human rights protection, private sector accountability, and community development. The framework emphasizes the need for sustainable exploitation of natural resources, equitable distribution of economic benefits, and stronger participation of the private sector in achieving development goals across the region. In the context of extractive industries, it indirectly reinforces CSR obligations by encouraging corporations to operate responsibly, protect host communities and the environment, support infrastructure and social development, and align business operations with the SDGs. The Vision therefore provides an important regional policy foundation for advancing stronger CSR practices and sustainable development-oriented corporate governance within West Africa.

b. The ECOWAS Regional Climate Strategy (RCS) and Action Plan 2022–2030[34] promotes sustainable environmental governance and climate resilience across West Africa. The framework encourages responsible corporate conduct, particularly in environmentally sensitive sectors such as oil, gas, and mining. It reinforces CSR

[33] Economic Community of West African States (ECOWAS), *ECOWAS Vision 2050: "ECOWAS of the Peoples: Peace and Prosperity for All"* (June 2022) https://ecowas.int/wp-content/uploads/2022/09/Vision2050_EN_Web.pdf accessed 20 July 2026

[34] A regional framework adopted on July 1, 2022, in Accra, Ghana, to drive climate adaptation, mitigation, and climate finance mobilization across West Africa, https://disasterdisplacement.org/wp-content/uploads/2022/10/ECOWAS-Regional-Climate-Strategy_FINAL_compressed.pdf

principles by emphasizing environmental protection, sustainable resource management, reduction of pollution, and community resilience against climate change impacts. The Strategy also advocates collaboration between governments, private corporations, and local communities in achieving climate sustainability goals. Consequently, the RCS strengthens the regional policy foundation for integrating CSR into sustainable development and environmental accountability within West Africa's extractive industries.

c. ECOWAS Directive on the Harmonization of Guiding Principles and Policies in the Mining Sector[35] seeks to promote transparency, environmental sustainability, community participation, and equitable benefit-sharing in mining activities across member states. The Directive encourages mining companies to undertake social and environmental responsibilities towards host communities while requiring member states to adopt policies that ensure responsible exploitation of mineral resources.

3.1.3 National legal Framework for CSR

1. Nigeria

The legal framework for CSR in Nigeria is derived from a combination of statutory laws, regulatory policies, and governance codes that impose social, environmental, and ethical obligations on corporations. Although CSR is largely considered voluntary in Nigeria, several laws indirectly regulate corporate conduct and encourage responsible business practices. Key among these is the

[35] Economic Community of West African States (ECOWAS), *Directive C/DIR.3/5/09 Relating to the Harmonization of Guiding Principles and Policies in the Mining Sector* (adopted 27 May 2009) https://ecowas.int/wp-content/uploads/2024/08/Ecowas-Directive-and-policies-in-the-minning-sector.pdf accessed 29 July 2026.

Companies and Allied Matters Act 2020.[36] Section 279 (4)[37] establishes corporate governance standards, fiduciary duties of directors, and requirements for responsible management of companies. The Act encourages transparency, accountability, and stakeholder consideration in corporate decision-making, thereby supporting CSR principles within corporate governance structures.

Environmental responsibility is another important dimension of CSR regulation in Nigeria. Laws such as the Environmental Impact Assessment Act[38] require companies to assess and mitigate the environmental consequences of their projects before implementation. In addition, the National Environmental Standards and Regulations Enforcement Agency (NESREA) Act[39] empowers regulators to enforce environmental standards and ensure that corporate activities do not harm ecosystems or public health. The NESREA Act provides for the standards of compliance with environmental protection. It also provides for offences and corresponding punishment as it relates to the environment. Sections 20 to section 29, states the expected standards of ensuring environmental protection. Section 20 particularly relates air quality of the environment. Section 27 deals with the discharge of hazardous substances and related offences. Section 30 provides for the powers of the Officers of the Agency to enter premises, take sample, investigate and even exercise right of seizure. Sections 31 and 32 provide for the offences. These laws promote corporate environmental responsibility and sustainability, particularly in sectors such as construction, manufacturing, and infrastructure development.

[36] Companies and Allied Matters Act No. 3 of 2020. Cap. C20, Laws of the Federation of Nigeria, 2004
[37] Ibid.
[38] Environmental Impact Assessment Act, Cap E12, Laws of the Federation of Nigeria (LFN), 2004
[39] National Environmental Standards and Regulations Enforcement Agency (Establishment) Act, 2007 (Act No. 25).

CSR is also reinforced through sector-specific legislation, particularly in industries with significant community and environmental impacts. For instance, the Petroleum Industry Act 2021 introduced provisions requiring oil and gas companies to establish Host Community Development Trusts to support social and economic development in host communities. Section 235 (1) and (4) provides that the settlor shall incorporate the Host Community Development Trust (HCDT) for the benefit of the host communities with a board of trustees to oversee the affairs of the host communities. The main objective of the HCDT is to finance and execute projects for the benefit and sustainable development of the host communities; to undertake infrastructure development of the host communities; facilitate economic empowerment opportunities; advance and propagate educational development; support healthcare development, enhance environmental protection etc.[40] Section 240 (2) of the PIA provides that each settlor shall make an annual contribution to the applicable Host Communities Development Trust Fund (HCDTF) of an amount equal to 3% of its actual annual operating expenditure of the preceding financial year in the upstream petroleum affecting the host communities. In addition, the Act stipulates a penalty for failure to comply with host community obligations, including revocation of license.

Furthermore, corporate governance codes and international standards influence CSR practice in Nigeria. Instruments such as the Nigerian Code of Corporate Governance issued by the Financial Reporting Council of Nigeria[41] encourage companies to integrate sustainability,

[40] Section 239 (3) of the Petroleum Industry Act 2021

[41] The Financial Reporting Council (FRC) of Nigeria is a federal government agency established by the Financial Reporting Council of Nigeria Act, No. 6, 2011. The Financial Reporting Council (FRC) of Nigeria Act No. 6, 2011 (amended in 2023) mandates high-quality financial reporting and corporate governance, which includes the integration of sustainability and Corporate Social Responsibility (CSR)

stakeholder engagement, and ethical conduct into their business strategies. Although many of these frameworks operate as soft regulatory mechanisms, they collectively shape corporate behavior and promote socially responsible business practices across different sectors of the Nigerian economy.

2. Ghana

CSR in Ghana is still an evolving process regulated by corporate rooted ideologies and policies. In other words, CSR reflects a corporate self-regulatory method, as opposed to government-led methods where corporate CSR decisions are guided by national legislation.[42] CSR laws have not been explicitly enshrined in any national legislation, however, CSR legal framework in Ghana is shaped by a combination of constitutional provisions, environmental laws, mining regulations, corporate governance principles, and international standards aimed at promoting responsible business conduct and sustainable development.[43] Although Ghana does not have a single comprehensive statute specifically dedicated to CSR, several laws indirectly regulate corporate obligations towards host communities and the environment, particularly within the extractive sector. Key frameworks include the Constitution, Minerals and Mining Act 2006 (Act 703), the Environmental Protection Agency Act 1994, the Minerals and Mining Policy, labor laws, and environmental regulations which require mining companies to undertake

disclosures. The FRC ensures compliance with international standards to enhance transparency, accountability, and ethical business practices.

[42] ames Baba Abugre, 'Managerial Role in Organizational CSR: Empirical Lessons from Ghana' (2014) 14(1) *Corporate Governance* 104 https://doi.org/10.1108/CG-10-2011-0076

[43] Mavis Amo-Mensah, 'Corporate Social Responsibility in Contemporary Ghana: A Literature Review' (2021) 9(5) *International Journal of Business and Management Review* 78 https://doi.org/10.37745/ijbmr.2013

environmental impact assessments, land reclamation, community engagement, and compensation for affected persons.

In safeguarding the stability of order in the country, the Constitution of Ghana dictates and promotes some CSR standards within the country. It ensures that the basic rights and freedoms of individuals are expressly recognized and protected by the Constitution against arbitrary interference or violation by the State or other persons.[44] The Constitution by this declaration mandates both natural and legal persons to respect the rights of human beings. These rights include the right to life, dignity, liberty and freedom from any sort of slavery or forced labor.

The Constitution also acknowledges registered companies as legal persons according to article (12) section (1) hence qualifying them for some sort of protection as well as making them legally obliged to fulfil their responsibilities enshrined in the law. The companies and firms legally operating within the state will have to comply and desist from any actions that would infringe on the civil, political, economic, cultural and social rights enshrined within the constitution. The firms who are found liable for violation of any of these codes as proven in the high courts by an applicant stand to be punished.[45] The Constitution also provides other CSR supportive legislature in other sectors as well by ensuring that no single entity's actions or practices will be to the detriment of national development and sustainability. In the field of mining, the Article 257 (6) of the constitution emphasizes that any mineral in its natural state that is found within the defined territories of Ghana, be it sea or land, is fully owned by the Republic of Ghana irrespective of who owns the land.

[44] Article (12) section (2) of chapter 5 of the 1992 Constitution of Ghana.
[45] Ibid, Article 33.

The CSR standards within the labor sector ensure both employer and employee satisfaction by instilling a high essence of respect and mutual agreement. There is a very strong presence of international conventions on labor by virtue of the existence of the International Labor Organization since 1919 via the Treaty of Versailles. Ghana however has ratified only seven of the international labor codes postulated by ILO. The seven ratified codes have informed the domestic labor codes that are in operation in the country currently.[46] The Labor Act,[47] commemorates the establishment of a National Labor Commission that is to ensure the promotion and sustenance of a peaceful atmosphere within the labor force. The commission is to ensure peace co-existence between employers and employee through practices of mutual respect and fulfilment of responsibilities. The Labor Act in its sections (9) and (10) informs the duties of an employee and the rights of a worker respectively. These requirements ensure that any form of inhumane actions is eliminated and the rights of the human being are respected.

Ghana's principal mining law, the Minerals and Mining Act[48] does not explicitly use the term "Corporate Social Responsibility" or impose strict, legally binding general CSR mandates. Instead, statutory obligations focus on environmental and compensation rules, leaving broader community development initiatives largely voluntary or tied to specific local agreements.

Ghana’s CSR framework is further strengthened by corporate governance guidelines, the influence of international soft-law standards, and stakeholder participation in mining governance.

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[46] Olivia Anku-Tsede and Eric Worlanyo Deffor, 'Corporate Responsibility in Ghana: An Overview of Aspects of the Regulatory Regime' (2014) 3(2) *Business and Management Research* 31 https://doi.org/10.5430/bmr.v3n2p31
[47] Labor Act, 2003 (Act 651)
[48] Minerals and Mining Act, 2006 (Act 703)

However, despite relatively stronger institutional structures compared to many West African states, CSR in Ghana remains largely voluntary and continues to face challenges relating to illegal mining, environmental degradation, inadequate enforcement, and uneven distribution of extractive benefits among host communities.

3. Guinea

The legal framework for CSR in Guinea is largely driven by sectoral regulations, particularly in the mining industry, rather than a single overarching national CSR law. In Guinea, mining companies often operate under local community development agreements and are expected to secure a "social license to operate.

The CSR legal framework in Guinea is primarily regulated through its mining laws, environmental regulations, investment policies, and international obligations aimed at promoting responsible resource governance and sustainable development within the extractive sector. The principal legislation is the Guinean Mining Code,[49] particularly the 2011 Mining Code as amended in 2013, which imposes certain obligations on mining companies relating to environmental protection, community development, local content participation, and social investment in host communities. The framework requires extractive corporations to conduct environmental and social impact assessments, establish community development funds, and undertake rehabilitation of mining sites after operations. Guinea is also influenced by international CSR soft-law standards such as the United Nations Guiding Principles on Business and Human Rights and the Extractive Industries Transparency Initiative (EITI), which promote transparency and corporate accountability. However, despite these legal provisions,

[49] Minning Code Law No. L/2011/006/CNT, amended and updated by Law No. L/2013/053/CNT

CSR enforcement in Guinea remains weak due to corruption, inadequate institutional capacity, poor regulatory monitoring, limited community participation, and the continued dominance of multinational mining corporations within the extractive sector.

4.1 OVERVIEW OF EXTRACTIVE INDUSTRIES DEVELOPMENT AND ENFORCEMENT CHALLENGES IN WEST AFRICA

The extractive industries constitute a significant component of economic development in West Africa, owing to the region's substantial deposits of petroleum, natural gas, gold, bauxite, iron ore, diamonds and other mineral resources.[50] Countries such as Nigeria, Ghana and Guinea have developed major extractive sectors that contribute to government revenue, export earnings, employment and infrastructure development. Nevertheless, the developmental benefits of resource extraction have often been accompanied by environmental degradation, displacement of local communities, livelihood disruption and concerns over equitable distribution of resource revenues termed as "Natural Resource Curse".[51] These challenges have increased attention to CSR, environmental protection, community participation and sustainable development as important components of extractive-sector governance. Accordingly, national legislation is increasingly complemented by regional and international frameworks aimed at encouraging responsible corporate conduct and ensuring that resource exploitation contributes to long-term social and economic development.

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[50] Pius Siakwah, 'Extractive Industries in Africa' in Pádraig Carmody and James T Murphy (eds), *Handbook of African Economic Development* (Edward Elgar Publishing 2024) 199 https://doi.org/10.4337/9781800885806.00023

[51] Ibid. see also Richard M Auty, 'The Political Economy of Resource-Driven Growth' (2001) 45(4–6) *European Economic Review* 839 and Alan H Gelb, *Oil Windfalls: Blessing or Curse?* (Oxford University Press 1988).

Despite these developments, effective enforcement remains a major challenge across West Africa. Regulatory institutions frequently contend with inadequate institutional capacity, fragmented mandates, weak monitoring mechanisms, limited resources and difficulties in securing corporate compliance with environmental and social obligations.[52] The problem is compounded by the continuing reliance of some CSR initiatives on voluntary corporate commitments, which can create a gap between corporate promises and legally enforceable responsibilities. Although Nigeria, Ghana and Guinea have adopted various statutory and regulatory mechanisms governing extractive activities, inconsistencies in implementation, limited community access to remedies, and difficulties in holding multinational corporations accountable weaken their effectiveness. Strengthening the contribution of extractive industries to sustainable development therefore requires moving beyond predominantly voluntary approaches towards clearer legal obligations, stronger regulatory institutions, transparent enforcement mechanisms and effective remedies for communities adversely affected by extractive operations.

5.1 LEGAL PATHWAYS FOR ENFORCING CSR FOR SUSTAINABLE DEVELOPMENT

Effective enforcement of CSR for sustainable development in West Africa's extractive sector requires the adoption of stronger and more enforceable legal and institutional mechanisms capable of ensuring corporate accountability. One important legal pathway is the enactment of mandatory CSR legislation imposing clear social, environmental, and community development obligations on extractive corporations. Such laws should require companies operating in sectors

[52] Jasper Ayelazuno, 'Oil Wealth and the Well-Being of the Subaltern Classes in Sub-Saharan Africa: A Critical Analysis of the Resource Curse in Ghana' (2014) 40 *Resources Policy* 66 https://doi.org/10.1016/j.resourpol.2013.06.009

such as oil, gas, and mining to undertake environmental protection measures, community development projects, local content participation, and periodic social impact reporting. Governments in Nigeria, Ghana, and Guinea should also strengthen environmental liability regimes by imposing stricter sanctions, compensation mechanisms, and remediation obligations for environmental harm caused by extractive activities. In addition, mandatory Environmental and Social Impact Assessments (ESIAs), enforceable Community Development Agreements (CDAs), and corporate disclosure obligations can further enhance transparency, stakeholder participation, and sustainable resource governance within the extractive sector.

Another important pathway involves strengthening institutional enforcement mechanisms and regional cooperation within West Africa. Regulatory agencies responsible for environmental protection, mining governance, and corporate compliance should be adequately funded, independent, and empowered to monitor extractive activities and enforce compliance with CSR obligations. Judicial institutions should also provide accessible remedies for host communities affected by environmental degradation, displacement, and human rights violations resulting from extractive operations. At the regional level, ECOWAS can promote harmonized CSR standards and adopt stronger regional instruments capable of imposing minimum corporate accountability obligations on multinational extractive corporations operating across member states. Furthermore, integrating international frameworks such as the United Nations Guiding Principles on Business and Human Rights and the Sustainable Development Goals (SDGs) into domestic legal systems can strengthen sustainable development-oriented governance within the extractive sector. These legal pathways collectively support the transformation of CSR from a voluntary corporate practice into an enforceable mechanism for environmental protection, social justice, and sustainable development in West Africa.

6.1 SUMMARY OF FINDINGS

The study finds that although Nigeria, Ghana and Guinea have legal and institutional frameworks addressing corporate responsibility in the extractive sector, CSR enforcement remains largely weak, disjointed and dependent on voluntary corporate compliance. Major challenges include weak regulatory institutions, inadequate monitoring, limited community participation and difficulties in holding multinational corporations accountable.

The study therefore finds a need to move from predominantly voluntary CSR towards clear and enforceable legal obligations**.** This should include mandatory CSR requirements, stronger environmental liability, enforceable community development agreements, improved regulatory and judicial enforcement, greater access to remedies for host communities, and harmonized regional CSR standards through ECOWAS to strengthen corporate accountability and sustainable development in West Africa.

7.1 CONCLUSION AND RECOMMENDATIONS

The study concludes that although Nigeria, Ghana and Guinea have developed various legal and institutional frameworks relevant to CSR in the extractive sector, enforcement remains weak and largely dependent on voluntary corporate compliance. This limits the effectiveness of CSR in addressing environmental degradation, protecting host communities and promoting sustainable development. There is therefore a need to transform CSR from a predominantly voluntary practice into a clearer and more enforceable framework for corporate accountability.

The study recommends the adoption of stronger and enforceable CSR obligations, improved environmental liability and remediation mechanisms, effective Community Development Agreements, greater host-community participation, and stronger regulatory and judicial institutions. It further recommends that ECOWAS promote harmonized regional CSR standards and encourage the integration of relevant international frameworks into domestic laws. These measures would strengthen corporate accountability and enhance the contribution of extractive industries to sustainable development in West Africa.