



How adequate and efficient are regulations on corporate social responsibility and social reporting? Evidence from the Nigeria telecommunication industry

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Abstract

Retrospectively, agitation by multiple stakeholders in Nigeria for increased social involvements from multinational oil companies (MNOCs) and deregulation policy brought corporate social responsibility (CSR) and social reporting (SR) to limelight. In spite of these two critical issues, theoretical and empirical studies on adequacy and effectiveness of regulations on CSR and SR are few. Consequently, this exploratory paper examines the adequacy of regulations on CSR and SR in the Nigerian telecommunication industry. Judging by the focus of the paper, the legitimacy theory provides underpinning for the discourse. The authors employ qualitative research method strictly relying on documentary/archival sources. The findings indicate that Nigeria has adequate regulations (direct and indirect) on CSR and SR, and there are adequate regulatory agencies created to ensure compliance. Furthermore, the regulations are efficient based on evidence of social reporting of CSR programmes and projects in the annual reports and websites of the telecommunication companies. The paper concludes that these findings are tentative and require empirical investigation for their validity.

Keywords: Corporate social responsibility, Nigeria, regulations, social reporting

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Introduction

Agitation for increased social involvements by multinational oil companies (MNOCs) operating in Nigeria has been a contentious issue in the Niger-Delta region of Nigeria for years (Natufe, 2011; Moen, 2012; George *et al.*, 2012). The environmental abuse by the MNOCs has attracted global attention and concern because of its negative impacts on lives of humans, animals, flora and fauna in the region (Friends of the Earth, 2004; Raimi and Adeleke, 2010). According to Raimi *et al.* (2013), environmental abuse by Shell, Chevron, Exxon Mobil, Total Fina Elf and Nigerian Liquefied Natural Gas persists in the country because of ineffective enforcement of regulations and award of sanction to defaulters. The lawless state of affairs allows “gas leakages directly into the atmosphere causing fire incidents and heating up the atmospheric air.... pipelines have been reported to have leaked and caught fire in several communities, which burned uncontrollably for days destroying plants and animals living in the affected areas and communities” (p. 244). The horrific situation created by the MNOCs has been described as corporate social irresponsibility (George *et al.*, 2012) or socially irresponsible corporate behaviour (Campbell, 2007).

While the agitations for increased social involvements and transparent social reporting are gaining momentum in Nigeria, the government deregulated the telecommunication industry after a long history of nationalisation. Consequently, the deregulation policy accorded CSR and SR greater attention in the Nigerian academic and business circles. Research and awareness by corporations have since increased sequel to these two events (Niger-Delta agitation and deregulation policy).

Deregulation in Nigeria means appropriating to the private-sector dominant role in the economy because the private sector offers efficiency in the delivery of products/services and possesses workable ideas and approaches for sustainable development (Mitlin *et al.*, 2007). Deregulation policy became expedient because of the need to reduce exclusive control of the economy by the government and its agencies (Dappa and Daminabo, 2011). The Nigerian telecommunication industry since its deregulation has enjoyed financial gains and fortunes judging by the growth in the number telephone companies, customers and performance indicators. According to Hassan (2011), deregulation policy in the nation’s telecommunication industry led to “a tremendous growth of subscription base from 508,316 in 1999 to 81,931,223 in 2010 representing over 16000% growth...teledensity (telephone penetration) rose from 0.45 in 1999 to 58.52 in 2010.” Beyond economic gains, the policymakers felt there was a need for all corporations to act responsibly within the ambit of the extant laws promulgated to protect property rights, citizens’ wellbeing, enduring investment and the environment in line with international best practice

(Braithwaite and Drahos, 2000). This realisation calls for a sound legal and regulatory framework, which was swiftly put in place by the government for the overall interest of all the stakeholders in the Nigerian economy. Government fortified old laws and enacted new ones to strengthen the regulatory environment. Several of these regulations prescribe minimum socio-economic obligations and demands social/environmental reporting, from corporations thereby averting corporate excesses, abuse of the operating environment and other corporate misbehaviours widely reported in developed economies. The literature is full of several reckless executive misconducts of corporations (Campbell, 2007).

In the CSR literature, there are three domains of regulations, viz: self-regulation, government regulation and international regulations (Tombs, 2005; Hart, 2012; UN Global Compact, 2014). Self-regulation expects voluntary compliance by corporations on social involvements and reporting (Hart, 2010). The governmental regulations take the form of intervention by the states by formulating laws to compel corporations to comply with extant laws on health & safety, labour standards, consumer protection, host community rights, sustainable business operations, environmental reporting & stakeholder management et cetera (Parker, 2007, Wells, 2010). The international regulations are policies, protocols, conventions and at times laws made by institutions like ILO, UN et cetera to elicit compliance from corporations on international standards and best practice on business. The United Nations for instance developed minimum ethical standards for corporations called 10 Principles of UN Global Compact which strengthen UN goals (Leisinger, 2006; UN Global Compact, 2014).

With specific reference to Nigeria, the Environmental Law Research Institute (2011) explored the nation's laws and identified at least twenty-seven (27) extant socio-environmental regulations, which provide direct and indirect support for CSR and SR in the country. In spite of these regulations, there are allegations of low quality services, questionable products, deceptive marketing, doubtful promotional practices, hidden charges, sloppy services and poor telephony services. Based on the foregoing, this paper intends to provide answer to the poser: Are regulations on CSR and SR adequate and efficient in Nigeria?

The paper is divided into five parts. Part I provides a background discussion on the research problem. Part II discusses the conceptual and theoretical issues. Part III discusses methodology, data analysis and presentation of qualitative findings from extant laws. Part V concludes with summary of findings and implication for further research.

Conceptual and theoretical issues

Corporate social responsibility

The term CSR has a long history with presence in several cultures across the globe (Carroll, 1999; Roy, 2010). It has assumed global relevance in the academia as well as the real world of business. In view of the focus of this paper, CSR shall be conceptualised and discussed from legal and social contract perspective. According to Jamali and Mirshak (2007) CSR is ‘a set of management practices’ that corporations observe in order to meet the ‘public expectations’ beyond the boundaries of the law, while at the same time maximising positive benefits. Mordi *et al.* (2012) define CSR simply as “the moral obligation to promote viable societal values for the generation of a peaceful atmosphere within a given society by the firms carrying out their lawful operations in that society.” Similarly, Buhmann (2006) state that “CSR functions as informal law, and those important principles of law function as part of a general set of values that guide much action on CSR.”

The thematic emphasis of all the definitions above is that CSR represents fulfilment of legal or social contract that corporations owe the society. Compliance attracts long-term economic benefits especially social and economic licenses, while default attracts social and economic sanctions from the public and the governments. At international level, the need for international regulation on CSR and its reportage informed the inclusion of seven core elements of ISO 26000 standards, viz: organizational governance, human rights, labour practices, the environment, fair operating practices, consumer issues, community involvement and development as part of the meaning of CSR (Valmohammadi, 2011).

Since CSR is a legal obligation that corporations owe the society, Mordi *et al.* (2012) identified three modes of expressing social concerns and reporting, viz: (a) Philanthropic, (b) Economic Support and (c) Compensatory. Operational-wise, philanthropic mode focuses mainly on “humanitarian and charitable service”; the economic support entails provision of social amenities for schools, hospital and public places; while the compensatory CSR mode is designed as palliatives to compensate and appease host communities that suffer the impact of environmental degrading activities of corporations. The medium by which these three modes of CSR are communicated to the multiple stakeholders is social reporting. Tsang (1998) explains that corporate social reporting represents the medium through which corporations communicate the social and environmental impacts of their operations to diverse or specific stakeholders within the society as required by laws.

Besides, enabling regulations on CSR and SR could be stringent and liberal with regards to compliance and reporting of CSR. The American perspective of CSR often called explicit framework is liberal as it merely encourages corporations in the United States of America to embrace philanthropic initiatives or volunteering programmes on a voluntary basis as part of their management policies. However, the legal requirement for compliance is stringent in Europe/UK with implicit framework, where social involvements and reporting are seen as legal responsibilities of corporations as corporate citizen (Matten and Moon, 2004). Researchers contend that in Europe-UK axis, the legal system assigned to corporations: ‘an agreed share of responsibility for society’s interests and concerns’ (Matten and Moon, 2004). Moreover, law guides but cannot elicit genuine compliance. There are limitless instances of apparently good CSR involvements by corporations, but the same corporations exhibit “socially irresponsible corporate behavior, such as deceiving customers, swindling investors, exploiting and even brutalizing employees, putting consumers at risk, poisoning the environment, cheating the government” (Campbell, 2007). The next sub-section examines the theoretical foundation for the paper.

Legitimacy theory

Regulations are made to guide the interactions of multiple stakeholders in the business-society relationships (BSR). From legitimacy perspective, the corporations are expected to comply with rules and regulations in line with their social contract with the society for approval of its business objectives, gain rewards and enjoy enduring survival from the public and government (Tsang, 1998). According to Suchman (1995), the term legitimacy connotes “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.” Furthermore, legitimacy draws its basis from legal responsibility of firms especially compliance with enabling laws of the land as well as prevailing norms of the society (Bather and Tucker, 2011, Tilling, 2004); a view conceptualised by Carroll (1999) as a legal obligation of business (Jamali and Mirshak, 2007). In retrospect, Carroll (1999) identifies four dimensions of social responsibility, namely: economic, legal, ethical and philanthropic. CSR as legal obligation entails operating businesses within the ambit of the regulatory framework and norms of the society. On the strength of the explanations above, the legitimacy theory emerged as a response to the environmental pressures and avoidance of sanction from several stakeholders including influential social, political and economic forces such as civil societies, NGOs, host communities, Media, regulatory bodies et cetera prevailing on corporations to “playing by the rules of the game” thereby averting social sanctions (Jamali and Mirshak, 2007). According to Gunningham *et al.* (2002), when corporations operate within the legal realm, they earn ‘social licence (SL)’, that is, they become acceptable to the host

communities, interests groups within the business environment and the society at large. With the rationale for legitimacy explained, what then is legitimacy theory?

Mathews (1993) states that “[Legitimacy theory explains that}...Organisations seek to establish congruence between the social values associated with or implied by their activities and the norms of acceptable behaviour in the larger social system in which they are a part. In so far as these two value systems are congruent we can speak of organisational legitimacy. When an actual or potential disparity exists between the two value systems there will exist a threat to organisational legitimacy.” In other words, legitimacy theory looks for a balance between organisational actions, legal expectations as well as stakeholders’ perception of actions seen as appropriate and desirable in the society (Deegan, 2002).

The implication of legitimacy theory is that every corporation embraces CSR or develops CSR programmes to give the impression that it respects the legislation and societal frameworks for doing business. Following from the definitions above, Tilling (2004) identified two levels of legitimacy in typical corporations, namely: (a) Institutional level legitimacy (macro-theory of legitimacy), and (b) Organisational level legitimacy (micro-theory of legitimacy). The former explains how the governmental structure relates with the society to gain acceptance, while the latter relates to how individual organisation relate with its host community/society to gain acceptance while respecting the laws. Legitimacy is properly embedded and seen to be done when organisations meet the expectations of the society on the basis of equity and fairness (Gibson, 2009).

In spite of the inherent sound basis of legitimacy theory, it suffers the same criticisms as instrumental theory. It is argued that legitimacy theory does not offer any real insight into the voluntary disclosures of corporations (Tilling, 2004), it does not really enforce compliance and disclosures. Besides, the theory is viewed as mere theoretical construct difficult to prove in reality. Put differently, how does a company prove its legitimacy and compliance with expectations of the society?

Another criticism similar to the above is the ability to define what are the legitimate actions or otherwise. This constraint is contained in the remark of Suchman (1995) that “Many researchers employ the term legitimacy, but few define it” [p. 572]. Similarly, Hybels (1995) queries the legitimacy theory, thus: “As the tradesmen of social science have groped to build elaborate theoretical structures with which to shelter their careers and disciplines, legitimation has been a blind man’s hammer” (p. 241). Put different, legitimacy theory as useful as it is in social science

fields, it has been grossly abused (Mazza, 1999). On the strength of the foregoing conceptual and theoretical discussions, three propositions have emerged.

Proposition 1: *Inadequacy of regulations on CSR and SR is likely to occur when a nation has limited extant laws prescribing guideline on minimum standards and practice expected from corporations.*

Proposition 2: *Ineffectiveness of regulations on CSR and SR is likely to occur when regulatory agencies do not enforce compliance with guideline on minimum standards and practice expected from corporations.*

Proposition 3: *Ineffectiveness of regulations is likely to occur when corporations are not embracing CSR and SR in line with extant laws.*

Methods & materials

This research adopts a qualitative research method. The qualitative data were sourced from extant laws, annual reports, website information, journal articles and other relevant online resources. The data were subjected to content analysis on the basis of which the three propositions were investigated. This approach aligns with known research methodology (Cooper and Schindler, 2003; Saunders *et al.*, 2012).

Finding from qualitative data analysis

A content analysis of the law archives reveals that Nigeria has adequate laws and regulatory agencies to enforce extant laws as well as guide, control and protect the public as well as other stakeholders in the business environment from harm, peril, exploitation and unethical behavioural conducts while doing legitimate business activities. The extant laws and associated regulatory agencies that are relevant to CSR and SR include:

Nigerian communications act 2003, LFN

The extant law enacted by the National Assembly to guide the Nigerian telecommunications industry is the Nigerian Communications Act 2003 (Nigerian Communication Commission, 2013).

In order to ensure that the provisions of the law are justiciable and enforceable, the Act also approves the establishment of a regulatory body called National Communication Commission

(NCC). The Act, Chapter II, Part 1, Section 3.—(1) states unequivocally that; “There is established a Commission to be known as the Nigerian Communications Commission with responsibility for the regulation of the communications sector in Nigeria”. Aspects of NCC Act (2003) that are relevant to CSR and SR are contained in Chap. 1, Section 1, Sub-section (b, c, e, g and h) are listed hereunder:

- “(b) Establish a regulatory framework for the Nigerian communications industry and for this purpose to create an effective, impartial and independent regulatory authority;
- (c) Promote the, provision of modem, universal, efficient, reliable, affordable and easily accessible communications services and the widest range thereof throughout Nigeria;
- (e) Ensure fair competition in all sectors of the Nigerian communications industry and also encourage participation of Nigerians in the ownership, control and management of communications companies and organisations;
- (g) Protect the rights and interest of service providers and consumers within Nigeria;
- (h) Ensure that the needs of the disabled and elderly persons are taken into consideration in the provision of communications services.”

Telecom consumer parliament (TCP)/ NCC act 2003

In furtherance on Nigerian Communication Act 2003, the regulatory authority established the Telecom Consumer Parliament (TCP) in 2003 as a conflict resolution forum under its Consumer Affairs Bureau. The Bureau was charged with the responsibility of Protecting, Informing and Educating (PIE), the Nigerian telecoms Consumers. The parliament by design brings together representatives of the telephone service providers and members of the public on a round-table to iron out contending issues on pricing/service charges, quality of services, resentments on promotional issues, audibility of networks et cetera. The NCC as the regulator does the moderation of the proceedings and come with amicable resolutions ‘without compromising the rights of every party to fair and dignified treatment’ (NCC, 2003). The Commission notes that TCP “has enable operators to clarify issues pertaining to service delivery for the benefit of their subscribers and also to publicly give account of their stewardship to the people.”(NCC, 2013:4). Based on feedbacks from TCP, the NCC as the regulatory authority formulates relevant policies and programmes to redress all operational and service-oriented problems (NCC, 2008).

Consumer protection council act 1992, LFN

In a bid to safeguard the consumer’s rights, tastes and preferences with regards to consumption of physical products and intangible services, the Federal Government of Nigeria promulgated the Consumer Protection Council Act, Chapter C25 (Decree No. 66 of 1992), Laws of the Federation of Nigeria. For full implementation of the CPC Act, the government established the Consumer

Protection Council (CPC) as a regulatory authority empowered to carry out the mandate of protecting the rights of the consumers. The provisions of law are in tandem with the CSR principles as they relate with consumer and members of the public. Bello *et al.* (2012) note that CPC Act was enacted to protect Nigerians as consumers of array of products and services from being inundated with substandard goods and services, a phenomenon called consumerism in modern time.

Fundamental provisions of the CPC Act 1992, which place powers on CPC to support public wellbeing and ensure corporate social reporting include: (a) ensuring speedy solutions to public complaints on corporations through reconciliations, (b) removal from the market hazardous products/services, (c) publication from time to time, list of local and foreign products declared unfit for public consumption, (d) compelling corporations to protect, compensate, provide relief and safeguards people and communities from adverse effects of technologies that are harmful, injurious, violent or highly hazardous, and (e) providing awareness to the public on their rights.

National environmental standards and regulations enforcement act of 2007

NESREA Act 2007 LFN represents the most comprehensive law on environment in Nigeria. To ensure that the law is active, the National Assembly made provision for the establishment of a regulatory agency known as National Environmental Standards and Regulations Enforcement Agency. The agency's mandates as stated in the NESREA (Establishment) Act 2007, Part II, Section 7, Sub-section (a) to (m) are to enforce all extant environmental laws, guidelines, policies, standards and regulations in the country, as well as ensuring compliance by those concerned with all international agreements, protocols, conventions and treaties on the environment to which Nigeria is a signatory. The NESREA Act, 2007 replaced the Federal Environmental Protection Agency Act Cap F 10 LFN 2004 (Environmental Law Research Institute, 2011; Ogbonna, 2012). Federal Ministry of Environment as the supervisory ministry maintains oversight functions over (NESREA). The Constitution of the Federal Republic of Nigeria (1999) is the highest legislation on issue bothering on environment and its endowed natural resources including humans. The 1999 Constitution, Section 20 reads:

“The State shall protect and improve the environment and safeguard the water, air and land, forest and wild life of Nigeria.”, and

Section 34 reads: *“(1) Every individual is entitled to respect for the dignity of his person, and accordingly - (a) no person shall be subject to torture or to inhuman or degrading treatment; (b) no person shall be held in slavery or servitude; and (c) no person shall be required to perform forced or compulsory labour.”*

Besides, the Environmental Law Research Institute (2011) identified twenty-seven (27) extant laws in Nigeria which provide guidelines on environmental protection, control and sustainable management. These include:

- i. The Constitution of the Federal Republic of Nigeria (1999);
- ii. National Environmental Standards and Regulations Enforcement Agency (NESREA) Act 2007;
- iii. Associated Gas re-injection Act 2004;
- iv. Oil Pipelines Act 2004;
- v. Environmental Impact Assessment Act 2004;
- vi. The Land Use Act 2004;
- vii. The Endangered Species Act 2004;
- viii. Sea Fisheries Act 2004;
- ix. Nigerian Mining Corporation Act; 2004
- x. Exclusive Economic Zone Act 2004;
- xi. Harmful Waste (Special Criminal Provisions) Act 2004;
- xii. Hydrocarbon Oil Refineries Act 2004;
- xiii. Petroleum Products and Distribution (Management Board) Act 2004;
- xiv. Territorial Waters Act 2004;
- xv. Nuclear Safety and Radiation Protection Act 2004 ;
- xvi. Petroleum Act; Quarantine Act 2004;
- xvii. River Basins Development Authority Act 2004;
- xviii. Pest Control of Production (special powers) Act 2004;
- xix. Agricultural (Control of Importation) Act 2004 ;
- xx. Animal Diseases (control) Act 2004 ;
- xxi. Bees (Impact Control and Management) Act;
- xxii. Civil Aviation Act 2004;
- xxiii. Factories Act 2004;
- xxiv. Water Resources Act 2004;
- xxv. Hides and Skins Act 2004 ;
- xxvi. Federal National Park Act 2004; and
- xxvii. Niger-Delta Development Commission (NDDC) Act 2004.

Standards organisation of Nigeria act of 1990, LFN

Nigeria demonstrates its commitment to the quality assurance and standards with the passage into law of Standards Organisation of Nigeria Act, Chapter 412, Laws of the Federation of Nigeria 1990. The legislation provides for the establishment of Standards Organisation of Nigeria (SON) as the sole regulatory agency vested with the mandate to standardise, regulate and certify the

quality of all manufactured products in Nigeria. SON is also a member of International Organisation for Standardization (ISO), which ensures that all guidelines, protocols and conventions of ISO are followed strictly by SON. Some of the key functions of Standards Organisation of Nigeria that relate to social concerns and reporting in line with SON Act 1990, Chap. 412, Section 4, Sub-section 1 (a) to (f) include:

- (a) To organise tests and do everything necessary to ensure compliance with standards designated and approved by the Council;
- (b) To undertake investigations as necessary into the quality of facilities, materials and products in Nigeria, and establish a quality assurance system including certification of factories, products and laboratories;
- (c) To ensure reference standards for calibration and verification of measures and measuring instruments;
- (d) To compile an inventory of products requiring standardisation;
- (e) To compile Nigerian standards specifications;
- (f) To foster interest in the recommendation and maintenance of acceptable standards by industry and the general public;

Corporate social responsibility bill 2008 (Aborted)

To compel corporations operating in Nigeria to be more environmentally responsive and socially responsible to the society, the National Assembly attempted to pass a law on CSR to checkmate corporate excesses and executive abuse. According to National Assembly Journal (2008) “[The corporate social responsibility] bill seeks to provide for comprehensive adequate relief to communities which suffer the negative consequences of the industrial and commercial activities of companies operating in their areas. The Bill seeks to create a specific body for the execution of this highly important social responsibility. It also provides for penalty for any breaches of corporate social responsibility.”

The bill was rejected by Corporate Nigerians under the aegis of Nigerian Employers Consultative Association (NECA) and Organised Private Sector (OPS) groups on the ground that globally CSR is a voluntary obligation and that it is driven by self-regulation as opposed to coercion as contained in the provision of the proposed CSR bill. The bill was described as addition imposition of tax on corporations, which consequently would increase the cost of doing business in Nigeria despite the endemic operational challenges of infrastructural decay and amenities facing business organisations (Uba, 2009). More importantly, Part III, Section 1, Sub-sections (a), (b), (c), (d) (e), (f), (g) and (i) state clearly that CSR Bill seeks to create a standard for CSR that organisations must imbibe or face sanction from government. The bill also request

corporations to earmark annually not less than 3.5% of their gross annual profit to CSR initiatives.

Economic and financial crimes act 2002, LFN/ EFCC (Establishment) act 2004

To curb financial corruption and anti-social practices related to crimes in Nigeria thereby safeguarding the financial interest of the public and other stakeholders, the National Assembly promulgated Economic and Financial Crimes and matters connected therewith on 14th December 2002. The EFCC as a watchdog agency was established by another Act in 2004, with powers and mandates to investigate financial crimes such as advance fee fraud (419 frauds) and money laundering in Nigeria. This commendable initiative was in response to condemnation by international investors (as external stakeholders) of Nigeria's financial dealings as well as pressure from the global Financial Action Task Force on Money Laundering (FATF), which named Nigeria as one of the twenty-three (23) countries with weak legislation on money laundering and related issues (EFCC Act, 2002). Furthermore, Ribadu (2006) stated that the EFCC Act 2004 was purposely promulgated to ensure financial accountability and embed zero tolerance for corruption and corrupt practices in Nigeria. EFCC as the watchdog agency is empowered by law to investigate "money laundering, embezzlement, bribery, looting and any form of corrupt practices, illegal arms deal, smuggling, human trafficking, and child labour, illegal oil bunkering, illegal mining, tax evasion, foreign exchange malpractices including counterfeiting of currency, theft of intellectual property and piracy, open market abuse, dumping of toxic wastes, and prohibited goods" (EFCC Establishment Act, 2004).

Companies and allied matters act chapter 59, 1990 LFN (CAMA)/corporate affairs commission (CAC)

In Nigeria, formal approval of registration and incorporation of companies rest with the Corporate Affairs Commission (CAC) in line with Part I, Section 1, Sub-section 1 of CAMA Act 1990. With regards to social reporting and obligations to owners and regulatory agencies, Part XI and XII of the Act demand for Financial Statement of Audit and Annual Returns respectively. Part XI (Accounting records), Provision 331 states:

- (1) Every company shall cause accounting records to be kept in accordance with this section."
- (2) The accounting records shall be sufficient to show and explain the transactions of the company and shall be such as to (a) disclose with reasonable accuracy, at any time, the financial position of the company; and (b) enable the directors to ensure that any financial statements prepared under this Part comply with the requirements of this Act as to the form and content of the company's statements. Part XII (Annual returns), Provision 370 states: Every company shall,

once at least in every year, make and deliver to the Commission an annual return in the form, and containing the matters specified in sections 371, 372 or 373 of this Decree as may be applicable. For non-compliance, the extant law imposes strict reprimand on defaulters in Provision 333, Section (1) which states: If a company fails to comply with any provision of section 331 or 332(1) of this Act, every officer of the company who is in default shall be guilty of an offence unless he shows that he acted honestly and that in the circumstances in which the business of the company was carried on, the default was excusable.

Investments and securities decree no 45 of 1999, LFN/securities and exchange commission (SEC)

Regulations relating to CSR Ethics and Social Reporting are contained in Part II, Provision 8, Sections j and n, and Part X gave the mandate to monitor sales of companies' shares and securities dealings to the Securities and Exchange Commission (SEC). With regards to the public wellbeing, Part II, 8(j) states: "[The Commission shall] act in the public interest having regard to the protection of investors and the maintenance of fair and orderly markets and to this end to establish a nationwide trust scheme to Compensate investors whose losses are not covered under the investors protection funds administered by Securities Exchanges and Capital Trade Points". It is further reinforced by Section (n) which reads: "[The Commission shall] act as a regulatory apex organisation for the Nigerian Capital market including the promotion and registration of self-regulatory organisations and capital market trade associations to which it may delegate its powers."

On social reporting and transparent disclosures, Part X (Trading in Security), Section 83 states "No person shall make a statement, or disseminate information, which is false or misleading in a material particular and is likely to induce the sale or purchase of the securities by other persons or is likely to have the effect of raising, lowering, maintaining or stabilising the market price of securities if, when he makes the statement or disseminates the information."

Independent corrupt practices and other related offences act 2000 LFN (ICPC)

The ICPC was established with the same objective as EFCC. According to the ICPC Act (2000), the agency was created by the Federal Government of Nigeria purposely to fight and curb all forms of corruption that has permeated all strata of the Nigerian society, from public to private sectors, and which has eroded the nation's economic base thereby hindering sustainable development. The Act expects corporations to act transparently and disclose their operations as required by law to its shareholders, investors, creditors and relevant government agencies like CAC, SEC, CBN et cetera. Fraudulent disclosures and dishonest reporting are issues before ICPC.

From the review of extant regulations and associated agencies above, it is obvious that the nation has in place adequate laws that prescribes directly and indirectly compliance with CSR as well as stipulates SR. Furthermore, there are relevant regulatory agencies established to enforce compliance by corporations with minimum standards and quality in production, services delivery, preservation of the environment/ecosystem, employee relations, minimum wage & salary, occupational safety & health management (OHSM), labour laws & compensation, stakeholder engagement, client/customer satisfaction, respect for rights of host communities and rights of shareholders. The effectiveness and efficiency of these agencies and extant legislations are open to debate. This is an issue for empirical investigation.

With regards to social reporting (SR), a content analysis of the annual reports and website information on CSR reporting of dominant telecommunication companies in Nigeria indicate that these companies are embracing CSR, and there are evidences of social reporting as shown in Table 1 below. The findings on positive link between regulations on CSR and social reporting aligns with Buhmann’s (2006) finding “that aspects of law in the abstract as well as in the statutory sense and as self-regulation influence the substance, implementation and communication of CSR, and that the current normative regime of CSR in terms of demands on multinational corporations may constitute pre-formal law.”

Table 1: CSR Programmes and social reporting by the telecommunication companies

SN	Telecommunication company & CSR programmes
1.	Airtel Nigeria Limited has received several commendations such CSR Awards for Excellence and Exhibition for its philanthropic support for education especially the underprivileged students under the Adopt-a-School initiative in Lagos State and several other community initiatives (Owonibi, 2012). The CSR programmes of Airtel Nigeria in the education sector cover hygiene and sanitation, de-worming and screening of pupils and staff of the public school, provision of school uniforms, furniture, books and school bags, general health check, eye screening, cardiovascular checks and weight check for both teachers and the pupils (Ibe, 2012).
2.	Etisalat Nigeria impacts on the host community in a number of ways with its CSR programmes. The organisation’s CSR targets Education, Health and Environment and building meaningful relationships with the stakeholders through engagement (CSR Report, 2010). The CSR activities of Etisalat on Education, Health and Environment are designed around the following community-oriented programmes: Adopt-a-School Program (AASP); Career Counselling for Students; Etisalat Scholarship Awards; Teacher Training Programme; Etisalat Centre for CSR; Fight Malaria Initiative; Environment-friendly ECO-SIM cards (CSR Report, 2010:13-20).
3.	MTN Nigeria is a leading telephony company in Nigeria. The vision of MTN is “to be the leading provider of telecommunications services in Nigeria with a mission to provide 1st class network quality, customer service and value.” (MTN, 2012). The company’s CSR programmes as published on its website and publications cover: (a) health, (b) economic empowerment, (c) education and (d) environment. The performance of MTN with respect to CSR has earned it a good reputation and appellation of “The No .1 CSR telecoms company” in the Nigerian telecommunication landscape. In the realm of

- environmental sustainability, it claimed that MTN's recharge cards are bio-degradable and do not pose danger to the ecosystem (Ibid.).
4. **Globacom Nigeria Limited** is a mobile telephone company which often provides sponsorship for cultural activities, historical events and sporting events. CSR initiatives of the company had benefited the Nigerian National Football Teams, FIFA U-17 World Cup, Supporters Club Sponsorship, Manchester United Football Club Sponsorship, Glo Ambassadors, GLO Naija Sings, African Handball Championship, Glo-CAF Awards, GLO International Half Marathon, Funds Glo People Police Marathon, Nigerian Premier League, Nigeria Football Federation, Eyo Festival, Glo Sponsors African Voices On CNN, Ojude Oba Festival, Confederation of African Football African Player programmes (Gloworld.com/events_sponsorships.asp, 2013).
 5. **Visafone Nigeria** is involved in CSR in different ways. The company has specialised telephone packages designed to reduce cost of calls for corporate organisations as well as the Small & Medium Scale Enterprises.(Visafone Communication Limited, 2013). Its CSR initiatives include donation of 200 protective helmets and reflective jackets to motor-cyclists in Lagos metropolis. Partnership with a notable NGO – Arrive Alive, to create maximum awareness on safety and responsible driving on the highways by motor-cyclists (Nigeria Bulletin, 2008).
 6. **Starcomms Nigeria Limited** maintains commitment to long-term sustainability and relationship with its stakeholders through its CSR activities, which include: (a) Co-sponsorship for the Nigerian Society for The Blind's SME Project, Professor Wole Soyinka's Award for Investigative Reporting, African Telecomm Development Lecture, Calabar Carnival, Lagos Lawn Tennis Club 2007 Gala Night, Stars-on- the-runway Fashion show, 2007 Red Ribbon Awards on HIV/AIDS, Entrepreneurship scheme called "Be On Your Own", Provision of 1,000 brand new highly subsidized Virtual Private Network (VFN) lines to the police for crime fighting efforts, Donation of a computer set with one year internet access to the Nigeria Police, empowerment for 100 indigent Nigerians and Donation to Pacelli School of blind & partially sighted (Starcomms.com/csr, 2013).
 7. **Multi-Links Telecommunications** is a telephone service provider in Nigeria. Osemene (2012:153) identified the CSR initiatives of Multilinks to include "distribution of wheel-chairs to the physically challenged; silver sponsor of West African ICT congress (2009); scholarship to students and various sales promotion efforts whereby lucky Nigerians win items such as cars, television sets, among others." The company also provided sophisticated medical equipment valued at about N6 million to the Pediatrics Department of the University of Ilorin Teaching Hospital (UITH), as well as a way of giving back to the society (Aginam. 2010).
 8. **Zoom Nigeria Limited** is another active player in the fixed wired and wireless segment of the Nigerian Telecommunication industry (Zoom Mobile, 2012). There are no significant mention of the corporate social responsibility initiatives of Zoom Mobile on its website and available archives.
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Source: Authors

Conclusion

This exploratory research provides beneficial findings that Nigeria at present has adequate and efficient regulations on CSR and SR. The regulatory agencies are also adequate. The paper recommends that extant laws on CRS need to be enforced by relevant regulatory agencies in order to enhance quality of lives and wellbeing of the citizens. Furthermore, the research

highlighted some major CSR programmes/projects reported by the Nigerian telecommunication companies. The published annual reports and website information show clearly that the Nigerian telecommunication companies are socially responsible and voluntarily disclose their CSR programmes/projects.

Implication for further research

The next stage of this research is to subject the exploratory findings to empirical testing. For this feat to be achieved a survey shall be conducted using structured questionnaires to elicit the opinions of telephone subscribers as end-users. The present exploratory findings and the outcomes of the proposed empirical study shall be compared on the basis of which sound conclusions on the three propositions shall be made.

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