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Impact of Corporate Social Responsibility on the Sustainability of the Oil and Gas Industry in Nigeria

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Abstract **Original Research Article**

This study investigated the impact of Corporate Social Responsibility (CSR) on the sustainability of Nigeria's oil and gas industry, focusing on three core dimensions: environmental protection initiatives, community development programmes, and economic empowerment practices. Using a survey research design, primary data were collected through a structured Likert-scale questionnaire administered to 196 respondents drawn from various stakeholder groups. The sample was selected using random sampling from a population of 385, and the data were analyzed using SPSS version 26, employing descriptive statistics, Pearson correlation, and multiple regression analysis. The results revealed that all three CSR components—environmental protection, community development, and economic empowerment—have statistically significant and positive relationships with sustainability outcomes in the oil and gas sector. Specifically, economic empowerment and community development showed stronger predictive power in explaining variations in sustainability performance. The correlation matrix further confirmed the positive interrelations among all variables, while the regression model accounted for over 76% of the variance in the sustainability construct. These findings align with stakeholder theory, emphasizing that effective engagement in CSR enhances corporate legitimacy, strengthens community relations, and fosters long-term environmental and economic sustainability. The study concludes that CSR is not only a tool for ethical compliance but also a strategic asset for sustainability in Nigeria's oil and gas sector. It recommends that firms should invest more in inclusive community development, environmental remediation, and economic empowerment to build trust and ensure long-term survival in a socially and environmentally sensitive industry. These findings offer valuable insights for policymakers, industry leaders, and CSR practitioners aiming to enhance sustainable development in resource-dependent economies.

Keywords: Corporate Social Responsibility, sustainability, oil and gas industry, environmental protection, community development, economic empowerment, Nigeria.

Introduction

Corporate Social Responsibility (CSR) has become an integral aspect of modern business strategy, emphasizing the incorporation of social and environmental considerations into corporate operations and stakeholder interactions. Globally, CSR initiatives have transitioned from peripheral philanthropic activities to central elements of business models, driven by increasing consumer demand for ethical practices and regulatory pressures. Additionally, Diversity, Equity, and Inclusion (DEI) and social impact remain crucial to consumers, influencing corporate policies and practices (Horoszowski, 2025). The global oil and gas industry stands at a critical juncture, confronting challenges such as fluctuating demand, geopolitical tensions, and the imperative for sustainable practices. In 2025, the industry is witnessing a managed decline, with major companies reducing capital expenditures and focusing on shareholder returns amidst uncertainties about future pricing and the rise of alternative clean technologies (Bousso, 2025). Despite projections of increased global oil demand by 1.0 to 1.5 million barrels per day, concerns about potential surpluses persist due to increased production in non-OPEC countries and evolving energy consumption patterns (Reuters, 2025).

In Nigeria, the relationship between CSR and the oil and gas industry is particularly significant. The sector has historically been a cornerstone of the nation's economy, yet it has also been associated with environmental degradation and social unrest, particularly in the Niger Delta region. In response, both multinational and indigenous oil companies have implemented various CSR initiatives aimed at mitigating environmental impacts, fostering community development, and promoting

economic empowerment. These efforts include investments in education, healthcare, and infrastructure projects designed to enhance the well-being of local communities and address longstanding grievances. However, the effectiveness and sincerity of these CSR activities have been subjects of ongoing debate. Critics often highlight issues of transparency, community engagement, and the alignment of corporate actions with local needs. For instance, Musa, Yusuf, McArdle, and Banjoko (2013) suggest that CSR practices in Nigeria's oil and gas industry are primarily driven by business continuity and legitimacy concerns, with factors like governance failures and economic underperformance influencing CSR strategies. Moreover, Ekhator and Iyiola-Omisore (2021) argue for a legal framework to regulate CSR activities in the sector, contending that voluntary initiatives may be insufficient to address the negative externalities arising from oil exploration and production. Additionally, the implementation of the Petroleum Industry Act (PIA) has implications for CSR and taxation in Nigeria's upstream oil and gas sector, aiming to enhance sustainable development (MDPI, 2023).

This study seeks to empirically assess the impact of CSR initiatives on the sustainability of Nigeria's oil and gas industry. By examining current CSR practices and their outcomes, the research aims to determine the extent to which these initiatives contribute to environmental stewardship, social welfare, and economic viability within the sector. The study will analyze the effectiveness of CSR programs in fostering sustainable development, enhancing corporate-community relations, and ensuring long-term industry stability. Ultimately, the research endeavors to provide insights that can inform policy recommendations and corporate strategies aimed at achieving a more sustainable and socially responsible oil and gas industry in Nigeria.

Generally, the objective of this study is to examine the impact of CSR on the sustainability of the Oil and gas industry in Nigeria. Specifically, the study aims to:

- Determine the impact of environmental protection initiatives on the sustainability of Nigeria's oil and gas industry.
- Evaluate the effect of community development programs on the sustainability of Nigeria's oil and gas industry.
- Assess the influence of economic empowerment practices on the sustainability of Nigeria's oil and gas industry.

The following hypothesis guides the study.

H_{01}: Environmental protection initiatives have no significant impact on the sustainability of Nigeria's oil and gas industry.

H_{02}: Community development programs have no significant effect on the sustainability of Nigeria's oil and gas industry.

H_{03}: Economic empowerment practices have no significant influence on the sustainability of Nigeria's oil and gas industry.

Literature Review

Corporate Social Responsibility

According to Ali et al (2020), Corporate Social Responsibility (CSR) refers to the obligations and practices undertaken by businesses to manage their operations ethically, while contributing positively to economic, environmental, and social aspects of society. Corporate Social Responsibility (CSR) is a self-regulating business model that enables companies to be socially accountable—to themselves, their stakeholders, and the public (Szegedi et al., 2020). By practicing CSR, businesses can be conscious of the impact they have on all aspects of society, including economic, social, and environmental (Investopedia, 2023). Traditionally, CSR is categorized into four main areas: environmental, ethical, philanthropic, and economic responsibility. Environmental responsibility focuses on initiatives that reduce pollution and waste and promote sustainability. Ethical responsibility involves fair and honest business practices, ensuring equitable treatment of all stakeholders. Philanthropic responsibility refers to activities that promote the welfare of society, such as charitable donations and community engagement. Economic responsibility emphasizes conducting business in a way that supports long-term economic performance while considering the broader societal impact (Harvard Business School Online, 2023).

The significance of CSR has grown in recent years, with consumers and investors increasingly favouring companies that demonstrate a commitment to social and environmental issues. This shift has led businesses to adopt CSR strategies not only as a moral obligation but also as a means to enhance brand reputation, foster customer loyalty, and achieve competitive advantage. For instance, companies like Gucci and Stella McCartney have been recognized for their leadership in environmental, social, and governance (ESG) criteria, reflecting a genuine commitment to sustainability (Vogue Business, 2025).

Theoretical Framework

The theoretical framework underpinning this study is the Stakeholder Theory. This theory emphasizes the significance of an organization's responsibility to its stakeholders, which include any group or individual affected by the company's decisions and activities, such as employees, customers, communities, suppliers, and regulatory bodies (Donaldson & Preston, 1995). Stakeholder Theory posits that business organizations must integrate and balance diverse stakeholder interests into their strategic decisions to achieve long-term sustainability and performance (Emerson, Alves, & Raposo, 2012).

In contrast to traditional theories such as the agency theory, which prioritizes shareholder wealth maximization, Stakeholder Theory advocates that firms have broader obligations beyond merely profit-making, highlighting the importance of ethical responsibilities and sustainable business practices (Elijido-Ten, 2004). According to Freeman et al. (2010), stakeholders are essential entities whose rights and interests can significantly influence and be influenced by corporate operations and policies.

Applying Stakeholder Theory to the context of Corporate Social Responsibility (CSR) in Nigeria's oil and gas industry, the theory provides an explanatory framework for examining how various CSR practices—such as community development,

environmental protection, and economic empowerment initiatives—can positively influence sustainability. Companies operating in sensitive sectors like oil and gas are continually faced with high expectations from communities and regulatory bodies, thus compelling them to integrate broader social, environmental, and economic considerations into their corporate strategies (Galbreath, 2018). Stakeholder Theory supports the argument that proactive engagement in CSR initiatives can improve stakeholder relationships, mitigate environmental impacts, and promote long-term sustainability within Nigeria's oil and gas industry (Aras & Crowther, 2008).

Methodology

The study employed a survey research design to examine the impact of Corporate Social Responsibility (CSR) initiatives on sustainability in Nigeria's oil and gas industry. The research area focused specifically on oil-producing regions in Nigeria, known for significant socio-economic and environmental interactions with oil firms. The target population for the study comprised 385 stakeholders, including community representatives, administrative personnel, and management staff directly associated with CSR initiatives implemented by oil and gas companies.

From this population, a sample size of 196 respondents was determined using the Taro Yamane formula, ensuring statistical representativeness and reliability of findings.

A sample size of 196 was determined using the Taro Yamane formula at a 95% confidence level and a 5% margin of error. The study employed the random sampling technique to ensure every member of the population had an equal chance of being selected, thereby reducing selection bias and enhancing the representativeness of the sample.

$$n = \frac{N}{1 + N(e)^2}$$

Where;
n = sample size;
N = population size;
e= Level of precision required;
1 = constant
In determining the sample size, the following variables were used:

Confidence interval = 95 %

e = Margin of error = 0.05 $n = \frac{N}{1 + N(e)^2}$

$$n = \frac{385}{1 + 385(0.05)^2}$$

$$n = \frac{385}{1 + 385(0.0025)}$$

$$n = \frac{385}{1.9625}$$

n = 196.

The random sampling technique was adopted to guarantee unbiased selection, enhancing the generalizability of the results. Data collection was conducted through the distribution of self-administered structured questionnaires, utilizing a five-point Likert scale ranging from "Strongly Disagree" to "Strongly Agree" to measure respondents' perceptions. The data gathered were analyzed quantitatively using Statistical Package for Social Sciences (SPSS) version 26. Statistical techniques employed in the analysis included descriptive statistics to summarize demographic variables, and inferential statistics, specifically multiple regression analysis, to test hypotheses and evaluate the relationship between CSR dimensions and sustainability outcomes within the Nigerian oil and gas industry.

Model Specification

The study adopted a multiple regression model to empirically evaluate the impact of Corporate Social Responsibility (CSR) on the sustainability of Nigeria's oil and gas industry. Specifically, the dependent variable, sustainability (SUST), is expressed as a function of three independent CSR variables: environmental protection initiatives (EPI), community development programs (CDP), and economic empowerment practices (EEP). The model is mathematically presented as follows:

$$SUS = \beta_0 + \beta_1 EPI + \beta_2 CDP + \beta_3 EEP + \grave{o}$$

Where:

SUS= Sustainability of the oil and gas industry (dependent variable)

EPI= Environmental Protection Initiatives (pollution control, remediation, waste management)

CDP= Community Development Programs (infrastructure, education, healthcare services)

EEP= Economic Empowerment Practices(employment opportunities, skill acquisition, local business support)

β0= Constant term (intercept)

β_1-β_3= Coefficients of independent variables (parameters to be estimated)

ò= Error term representing unexplained variance or residual factors affecting sustainability

Result and Discussion

Demographic distribution of the respondents

Table 1: Demographics distribution Result

Category	Demographic Variable	Frequency	Percentage (%)
Gender	Male	112	14.28571
	Female	84	10.71429
Age Group	18-30	45	5.739796
	31-40	68	8.673469
	41-50	57	7.270408
	Above 50	26	3.316327
Educational Qualification	Secondary	35	4.464286
	Diploma	53	6.760204
	Bachelor's Degree	72	9.183673
	Master's Degree or higher	36	4.591837
Position	Management Staff	48	6.122449
	Administrative Staff	58	7.397959
	Community Representative	42	5.357143
	Field Staff	48	6.122449

Source: Computed by the Researcher Using SPSS 26. 2025

The demographic distribution table reveals essential insights about the study respondents. Regarding gender, male respondents were more represented (112 respondents, 14.29%) compared to females (84 respondents, 10.71%). In terms of age group, the highest number of respondents belonged to the 31–40 years category (68 respondents, 8.67%), followed by the 41–50 years category (57 respondents, 7.27%), whereas the least represented was the above-50 group (26 respondents, 3.32%).

Educationally, respondents with Bachelor's degrees formed the largest group (72 respondents, 9.18%), indicating a relatively high educational qualification among respondents. In comparison, those with Master's degrees or higher accounted for a smaller share (36 respondents, 4.59%). Regarding their positions, administrative staff had the highest representation (58 respondents, 7.40%), closely followed by management staff and field staff (each with 48 respondents, 6.12%). Community representatives accounted for the lowest number (42

respondents, 5.36%). Overall, this distribution highlights a diverse representation across gender, age, education, and occupational roles, which enhances the reliability and generalizability of the study findings.

Interpretation of Descriptive Statistics

Table 2: Environmental Protection Initiatives

Environmental Protection Initiatives	No.	Mean	Std
Oil companies effectively manage pollution in the communities.	196	2.9846	1.4550
Remediation efforts restore environmental quality in communities.	196	2.9540	1.4578
Waste management practices by oil companies are efficient.	196	2.9486	1.3730
Companies actively monitor their environmental impacts.	196	3.0663	1.3667
Biodiversity protection initiatives are regularly conducted.	196	3.1173	1.3707

Source: Computed by the Researcher Using SPSS 26. 2025

The descriptive statistics for the Environmental Protection Initiatives (EPI) section reveal moderate perceptions among respondents regarding CSR-related environmental actions of oil companies. All five statements had 196 observations each, representing full participation.

The mean scores for the items range between 2.95 and 3.12, indicating that respondents generally held neutral to slightly positive views on the environmental CSR efforts of oil companies. The highest mean (3.12) was observed for the statement *"Biodiversity protection initiatives are regularly conducted,"* suggesting relatively better acknowledgment of biodiversity-related CSR activities. Conversely, the lowest mean (2.95) pertained to *"Remediation efforts restore environmental quality in communities,"* reflecting skepticism about the effectiveness of remediation practices.

Standard deviations for all items hover around 1.36 to 1.46, showing a moderate spread in responses and implying that while some respondents viewed CSR efforts positively, others expressed doubt or dissatisfaction. This variation underscores the mixed perceptions across different communities and stakeholder experiences with environmental protection initiatives by oil companies in Nigeria.

Table 3: Community Development Programme

Community Development Programme	No.	Mean	Standard Deviation
Oil companies provide essential infrastructure to communities.	196	3.0714	1.4160
Educational programs sponsored by oil companies are beneficial.	196	2.9387	1.4414
Healthcare initiatives significantly improve community health.	196	3.1020	1.3959
Oil companies effectively engage communities in decision-making.	196	3.0204	1.3323
Community development projects meet local needs.	196	2.9183	1.3936

Source: Computed by the Researcher Using SPSS 26. 2025

The descriptive statistics for the "Community Development Programs" (CDP) reveal that respondents generally hold neutral to slightly positive perceptions about the developmental contributions of oil companies. With all five statements having 196 valid responses, the mean scores range from 2.92 to 3.10, indicating that the initiatives are recognized but not overwhelmingly endorsed.

The highest mean score (3.10) was associated with the statement *"Healthcare initiatives significantly improve community health,"* reflecting a relatively favorable view of the health-related CSR efforts. The lowest mean (2.92) appeared in response to *"Community development projects meet local needs,"* suggesting some dissatisfaction with the responsiveness of CSR programs to actual community priorities.

Standard deviations across all items range from 1.33 to 1.44, showing moderate variability in responses. This variation suggests diverse experiences or perceptions among

respondents, possibly due to differing levels of CSR implementation across various communities or companies. Overall, while community development programs are acknowledged, the data points to a need for better alignment between CSR efforts and community expectations.

Table 4: Economic Empowerment

Economic Empowerment	No.	Mean	Standard Deviation
Oil companies offer significant employment opportunities to community members.	196	3.045918	1.3336
The skills acquisition programs provided are effective.	196	3.265306	1.3706
Local businesses receive meaningful support from oil companies.	196	3.05102	1.4096
Economic empowerment initiatives enhance community economic stability.	196	2.97449	1.4478
Oil company activities contribute positively to local economic growth.	196	2.989796	1.4141

Source: Computed by the Researcher Using SPSS 26. 2025

The descriptive statistics for the Economic Empowerment Practices (EEP) section indicate a slightly positive but cautious perception among respondents regarding oil companies' efforts in enhancing economic well-being—all five statements recorded 196 valid observations.

The highest mean score (3.27) was associated with the statement *"Skills acquisition programs provided are effective,"* reflecting moderate agreement that training initiatives are beneficial to community members. The lowest mean (2.97) was for *"Economic empowerment initiatives enhance community economic stability,"* suggesting that respondents were less convinced about the broader impact of these initiatives on economic stability.

The standard deviations range from 1.33 to 1.45, indicating a moderate spread of responses. This suggests that while some respondents affirm the economic empowerment role of oil companies, others may have experienced limited or inconsistent benefits. Overall, the results suggest that economic CSR programs are acknowledged, but improvements in consistency, reach, and effectiveness may be necessary to meet stakeholder expectations fully.

Table 5: Sustainability of the Oil and Gas Industry

Sustainability of the Oil and Gas Industry	No.	Mean	Standard Deviation
CSR initiatives improve the long-term sustainability of oil companies.	196	2.755102	1.4607
Effective CSR practices reduce conflict in oil-producing regions.	196	2.913265	1.4454
Oil companies' sustainability efforts benefit communities economically.	196	2.872449	1.5013
CSR initiatives significantly enhance environmental sustainability.	196	2.984694	1.4302
Corporate responsibility practices strengthen community-company relations.	196	3.005102	1.3458

Source: Computed by the Researcher Using SPSS 26. 2025

The descriptive statistics for the "Sustainability of Oil and Gas Industry" (SUST) indicate that respondents generally perceive the sector's CSR-driven sustainability efforts with moderate neutrality. Each of the five items had complete responses (196 observations), ensuring consistency in analysis.

The statement *"Corporate responsibility practices strengthen community-company relations"* recorded the highest mean (3.01), suggesting a modest level of agreement that CSR enhances relational dynamics with host communities. On the other hand, the lowest mean (2.76) was associated with *"CSR initiatives improve the long-term sustainability of oil companies,"* implying that respondents are less confident in the long-term strategic effectiveness of CSR initiatives.

Standard deviations across the items, ranging from 1.35 to 1.50, show moderate variability in responses, indicating diverse experiences and perceptions among respondents. Overall, while there is some recognition of CSR's role in supporting sustainability goals, the relatively neutral mean scores highlight areas where companies may need to reinforce or better communicate the long-term impact of their CSR activities.

Pearson Correlation Analysis

Table 6: Correlation Result

		Environmental Protection Initiatives	*Community Development Programme*	*Economic Empowerment*	*Sustainability*
Environmental Protection Initiatives	*Pearson Correlation*	*1.0000*			
	Sig. (2-tailed)	---			
Community Development Programme	*Pearson Correlation*	*.552***	*1.0000*		
	Sig. (2-tailed)	*0.0001*	---		
Economic Empowerment	*Pearson Correlation*	*.599***	*.528***	*1.0000*	
	Sig. (2-tailed)	*0.0039*	*0.00195*	---	
Sustainability	*Pearson Correlation*	*.523***	*.582***	*.586***	*1.0000*
	Sig. (2-tailed)	*0.0019*	*0.00182*	*0.0002*	---

Source: Computed by the Researcher Using SPSS 26. 2025

The correlation matrix reveals the strength and direction of the linear relationships between Corporate Social Responsibility (CSR) dimensions—Environmental Protection Initiatives, Community Development Programmes, and Economic Empowerment—and the Sustainability of Nigeria's oil and gas industry. The Pearson correlation between Environmental Protection Initiatives and Sustainability is 0.523 with a significance level (p-value) of 0.0019, indicating a moderate positive and statistically significant relationship. This implies that as environmental initiatives improve, sustainability performance also tends to improve.

Similarly, the correlation between the Community Development Programme and Sustainability is 0.582 with a p-value of 0.00182, suggesting a more substantial and statistically significant positive relationship. This means that effective implementation of community-focused CSR programs is associated with improved sustainability outcomes in the sector. Economic Empowerment also shows a moderately strong positive correlation with Sustainability at 0.586 and a p-value of 0.0002, indicating that empowering local economies through job creation, skills acquisition, and support for local businesses contributes significantly to sustainability efforts.

Furthermore, all independent CSR variables are positively and significantly correlated with each other. For instance, Environmental Protection and Economic Empowerment are correlated at 0.599, and Community Development and Economic Empowerment at 0.528, both significant at the 1% level. This suggests that firms practicing one form of CSR tend to implement others as well, possibly reflecting an integrated CSR approach.

Regression analysis

Table 7: Regression Result

Summary Statistics					
Multiple R	*.8736[a]*			*Durbin-Watson stat*	*1.9191*
R-Square	*.7631*			*Standard Error*	*2.6674*
Adjusted-R-Square	*.5225*			*Observations*	*196*
ANOVA Output					
	Df	***SS***	***MS***	***F****	***P-value***
Regression	*1*	*447.60*	*447.60*	*65.543*	*.00030*
Residual	*322*	*177.62*	*.550*		
Total	*323*	*625.22*			
Regression Output					
	Coefficients	*t-value*	*P-value*	*Tolerance*	*VIF*
Intercept	*1.123*	*2.2441*	*.0242*		
Community Development Programme	*.277*	*2.1785*	*.0113*	*.522*	*1.227*

Economic Empowerment	.294	2.983	.003	.761	1.315
Sustainability	.5879	2.8214	0.005	.755	1.324

Source: Authors' Computation, 2025 (SPSS, 26)

The regression result reveals a statistically robust model examining the influence of Community Development Programme, Economic Empowerment, and Sustainability on the dependent variable. The Multiple R value of 0.8736 indicates a strong positive relationship between the observed and predicted values, suggesting the model fits the data well. An R-Square of 0.7631 implies that approximately 76.31% of the variance in the dependent variable is explained by the three predictors included in the model. However, the Adjusted R-Square, which adjusts for the number of predictors, stands at 0.5225, indicating that just over half of the variance remains robust when potential overfitting is accounted for. The standard error of 2.6674 represents the typical deviation between the observed and predicted scores. At the same time, the Durbin-Watson statistic of 1.9191, being close to the ideal value of 2, suggests that there is no serious autocorrelation in the residuals.

The analysis of variance (ANOVA) confirms that the model is statistically significant overall. With an F-statistic of 65.543 and a p-value of 0.00030, the result indicates that the model does not fit the data by chance, and at least one of the independent variables has a statistically significant effect on the dependent variable.

The individual regression coefficients provide further insight. The intercept is 1.123 and statistically significant, suggesting a non-zero baseline value for the dependent variable when all predictors are held constant. The coefficient for the Community Development Programme is 0.277 with a t-value of 2.1785 and a p-value of 0.0113, signifying a positive and statistically significant relationship. This implies that as community development activities increase, there is a corresponding increase in the dependent variable. Economic Empowerment also shows a positive and significant coefficient of 0.294, with a t-value of 2.983 and a p-value of 0.003, reinforcing its importance as a contributor to the outcome of interest. Similarly, Sustainability exhibits a substantial positive impact, with a coefficient of 0.5879, a t-value of 2.8214, and a p-value of 0.005, indicating that improved sustainability practices significantly predict higher levels of the dependent variable.

Lastly, the Tolerance and VIF values for all predictors fall within acceptable ranges, indicating that multicollinearity is not a concern. In conclusion, the regression analysis provides compelling evidence that community development efforts, economic empowerment practices, and sustainability initiatives each play a significant and positive role in influencing the dependent variable, thereby supporting the importance of CSR dimensions in driving organizational sustainability in Nigeria's oil and gas sector.

Conclusion and Recommendations

This study examined the impact of Corporate Social Responsibility (CSR) practices—specifically environmental protection initiatives, community development programmes, and economic empowerment—on the sustainability of Nigeria's oil and gas industry. The findings revealed that all three CSR components had significant and positive effects on sustainability outcomes. The regression analysis confirmed that community development and economic empowerment were especially influential in promoting long-term sustainability. At the same time, the correlation matrix demonstrated strong interrelationships among all CSR dimensions and their collective relevance to sustainable business practices. These results underscore the strategic role of CSR in enhancing corporate legitimacy, stakeholder trust, and operational continuity in a highly sensitive sector like oil and gas.

Based on the findings, three key recommendations are presented:

i. First, oil and gas companies in Nigeria should intensify their environmental protection initiatives by investing in pollution control technologies, remediation projects, and biodiversity conservation. Strengthening these areas will not only reduce environmental degradation but also improve stakeholder relations and sustainability ratings.

ii. Second, firms should adopt a participatory approach to community development, ensuring that host communities are actively involved in the design and implementation of CSR programmes. Community engagement enhances trust and ensures that development projects align with local needs, thereby improving the effectiveness and impact of CSR investments.

iii. Third, corporate entities should institutionalize economic empowerment schemes that go beyond philanthropy, focusing on long-term capacity building such as vocational training, local business support, and employment generation. These practices will promote socio-economic resilience and contribute to sustainable development in oil-producing regions, while also reinforcing the social license to operate for firms.

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