

Systematic Review of Potential Statutory and Policy Frameworks for Corporate Social Responsibility (CSR) Enforcement in Ethiopia: International and Local Experience

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Abstract

Purpose: This article aims to identify the existence of local and international legal and policy frameworks that can be used to commence structured CSR practice and establish comprehensive legal and policy frameworks in Ethiopia and the rest of the developing countries. The penultimate purpose of this study is also to ascribe the legal and policy frameworks that support Internal and/or External CSR. These all are the major foci of the contribution of this research article.

Design/methodology/approach: National and international legal and policy documents related to CSR were reviewed. The study adopts a qualitative approach through a systematic review and meta-analysis was used to meet its research objectives.

Findings: The findings depict that various legal and policy documents can contribute as a foundation for the laws, policies, and guidelines of CSR that will be established in Ethiopia, thus it helps to ensure the effective implementation of CSR. However, most of the legal and policy resources are emphasised on ICSR than ECSR. Moreover, the finding supports the existence of a significant gap in CSR orientations between developed and developing nations.

Practical Implications: This study provides insight into the legal and policymakers that endeavor to bridge the gaps through establishing comprehensive law and policy frameworks. This will result in corporate businesses to consider CSR compulsory and that promotes societal well-being.

Originality: The study has unique features compared to prior research. The researchers were focused on the CSR operational activities in certain industries. Therefore, this study focuses on exploring the legal and policy infrastructure that can be profound in establishing independent, institutionalised, and consistent CSR in Ethiopia.

Keywords: ICSR, ECSR, CSR, Statutory framework and; Policy Framework

1. Introduction

Corporate social responsibility (CSR) lacks a unified, agreed-upon definition (Ene, 2018). Before dealing with the CSR definitions provided by various scholars, the study would like to say something about social responsibility. Social responsibility entails caring for the living things in and around the area in which the company operates. According to (Abdulkadir, 2021), social responsibility is manifested as being accountable for those affected by the positive and negative practices of a business, the employees, the supply chain actors, customers of our products, and the community in general. There are various definitions of CSR in different contexts. CSR in terms of actors is believed that as an integrated effort of stakeholders. In the broadest sense, CSR demands the holistic intervention of corporates, government, and individual citizens (Crowther & Aras, 2008).

The majority of kinds of literature and scholars in the field argue that CSR is a company's voluntary action to improve community welfare (EU 2002, Carroll 1997, 2008, UNRISD, 2018). This earlier concept was ruined over time because companies were reluctant to consider CSR practices in their strategic documents (Ronald, 2014). The process culminates in the passage of legislation to make CSR mandatory and to ensure effective and efficient administration. It makes CSR practice not to be a mere window-dressing act of corporate businesses (Ronald, 2014). A legislative or regulatory approach aimed at promoting CSR provides living legitimacy and legal ground to company agents, who should not hesitate to decide on CSR activities that enable the large community's sustainable development (Zhao J., 2021).

Nowadays there are pieces of literature that insight into the concept of CSR under the legal framework in various countries' contexts. This is because the government is obliged to protect the benefit of the community by undertaking and availing legal and policy frameworks (Sukmono, Adolf, Haq, & Hirsanu Ddin, 2018). The other reason to adopt CSR legal framework is related to MNCs. These large companies can determine positively or negatively the economic and social context of a given nation through their large-scale resources (Ene, 2018). Multi-National Companies (MSNs) need to be under the scrutiny and guidance of the state to perform their social responsibility with the maximum due care. State intervention is necessary when the MNCs don't have a concern for their reputability in the industry and no public pressure to get engaged in the provision of public goods to the community through the CSR practice (Tanja A. Bortez, Jana H and Christian R. Thauer, 2012).

As a result, nations have included CSR in their jurisdictional documents. Most countries in the European Union, the US, India, and Australia are exemplary nations that have established

well-founded legal infrastructure to enforce CSR conventions in action. In developing nations, it is not yet thoroughly understood and implemented by most companies (UNDESA, 2007). In most African countries, CSR is at an infant stage (Iatridis, 2011). In addition, in Ethiopia, there is no comprehensive CSR guideline, policy, or a legal document (Demamu, Alemayehu, 2020). It appears fragmented, embedded in, and with different legal infrastructures (Tilaye, 2019).

Therefore, this article reviews and compiles the fundamental legal infrastructure that would contribute to CSR commencement and practice in Ethiopia. These legal frameworks would have mentioned CSR practices in their articles and clauses. Among these documents are the 1994 FDRE constitution, the 2022 revised commercial code, the revised Labor Proclamation, the Industrial Park Establishment Proclamation, the ECCSA (Ethiopian Chamber of Commerce and Sectorial Association) Model Code of Ethics for Ethiopian Business 2014, and the Environmental Protection Law, all of which discussed in this article. In addition, the foundational international legal and policy documents were also reviewed thoroughly. Moreover, the study provides scholars in the area of how and where to focus in adopting and formulation of comprehensive CSR law, policy, and guidelines.

2. Theoretical Framework

2.1 Legal and Policy Frameworks to CSR Practicability

A legal framework is a system maintained by a given nation by incorporating various laws, regulations, and rules for an extended period. The legal framework of a given country can be manifested through its constitutions, legislations, and contracts (Benjamin, 2023; Aleksandar & Zafer, 2019). In addition, countries with more detailed laws and policies have the upper hand not to bargain with lean contracts in favor of corporations at the expense of the community (Reader, 2015).

Like the legal framework, the other imperative condition that this paper needs to address regarding the practicability of CSR is the policy framework. The policy framework is also related to political commitment and documentation. The policy framework is also named as the governing policy; that encompasses different documents that are intermingled between holistic high-level policies and different procedures and guidelines that are prepared as relevant and clear to its intent (Coast, 2023). Therefore, these two types of frameworks have the effect to enforce the implementation of specific issues amongst the different stakeholders.

2.1.1 Legal Framework and CSR

For different reasons, a significant number of countries takes a step to have a legally binding CSR practice by launching more regulatory documents (Halkos & Nomikos, 2021). This implies that the importance of law and order in the implementation of the CSR practice is becoming inevitable. According to research conducted by (Iloka, 2021); to mitigate the consequence that poses by companies over the employee's human rights and labor exploitation implementation of lawful CSR practice is unquestionable. The other supportive

disclosure has been mentioned by another scholar (Perry, 2019); the establishment of a legislative system to administer CSR should not be underestimated. The other view of scholars is using both approaches to make effective CSR practices. This approach accommodates legitimizing CSR along with the volunteer CSR practice (Zhao J., 2017). Therefore, CSR enforcement and implementation is tending to have structured legal infrastructure to pull the companies into strategic and consistent CSR practice.

2.1.2 Policy Framework and CSR

Policy framework allows the government to be involved legitimately as one of the major stakeholders in CSR implementation (Kimberly & Tamar, 2009). This might determine the companies to act more socially responsibly and less responsibly (Scott & Kesten, 2013). Despite its importance to CSR implementation; most of the developing countries are yet to root CSR policy framework (Martin, Henry, & Roberta, 2015). Amongst these countries, Ethiopia is the one yet failed to enact a policy and legal framework to enforce the concept of CSR in corporate companies in a consistent and institutionalized manner. However, there are various laws, regulations, and contracts in Ethiopia. These can maintain the legal and policy framework of CSR in Ethiopia (Hagos, 2022). Therefore, this article will be tried to depict all the international, national, and organizational legal and policy frameworks that will help to set consistent and contextualized CSR policy and legal framework.

2.1.3 CSR in Ethiopia

CSR is still in its infancy in Ethiopia, as it is in other developing countries. According to (Solomon, 2018), like in other developing countries, the CSR practice and policy frameworks have a huge gap. The CSR practice of Ethiopian companies is fragmented, and its priorities are different from global trends (Bushera, 2019). One of the many reasons for not carrying out the CSR concept to standard is a lack of legal infrastructure and a policy framework. Even if social responsibility is familiar to Ethiopians and manifested through philanthropic and charity activities, no law expressly requires CSR standards and thresholds (Demamu Y. A., 2020). Besides this, some companies engage in CSR practices within their framework. Therefore, the legal and policy frameworks available in Ethiopia are not yet structured, and it is crucial to pull the CSR practice onto the right track.

2.2 *The Objective of the Study*

This study strives to achieve the following major objectives. The first most objective is to identify the foundational legal and policy documents of CSR in Ethiopia. The other objective of these documents is to understand contribution of ICSR and ECSR. Finally, this study need to address the legal and policy framework gap between Ethiopia and CSR experienced countries.

2.3 *Materials and Methods*

This article used an exploratory research design through a qualitative research approach. The study used various secondary data sources to address its objective. Therefore, this study relied upon national and internationally; published legal and policy materials from Ethiopia

and across the globe that focus on the CSR practice. The other criterion to include the document in the review process is its acceptance in Ethiopia as a law of the land. Moreover, the systematic review excludes documents not available in English or Amharic languages and have not yet been published.

The study has followed four stages in the research process. These are identifying, evaluating, analyzing, and systematizing the relevant documents. The secondary data were analyzed through a systematic review. It's a systematic qualitative approach to analyzing literature from various sources by setting specific criteria for the data gathered (Impellizzeri & PT, 2012).

The study depends upon the predetermined research objectives that are supposed to be answered through a thorough meta-analysis of the available literature. This approach allows the researcher to synchronize the qualitative results from the literature in a quantitative approach by using tables and statistical tools. For this specific article, tabular analysis is used.

3. Foundational International Declarations for CSR

3.1 United Nations Declaration of Human Rights (UNDHR)

There are international declarations that can be considered milestones for CSR practices. The United Nations Declaration of Human Rights (UNDHR), Organization for Economic and Community Development (OECD), International Labor Organization Convention (ILO), ISO 26000, United Nations Global Compact, and United Nations Norms, are the major ones. Here, under these documents, they are synthesized and summarized.

Table 1. United Nations Human Rights Declarations (UNHRD), Source: Researcher Model, 2023

S.N.	Document Name	Article Theme	Implication on CSR	
			ICSR	ECSR
UNDHR Articles				
1	Article# 1	Right to Equality	Employee Human Right	
2	Article# 2	Freedom from Discrimination	Work Place Diversity	
3	Article#5	Freedom from Fortunate and degrading Treatment	Employees Human Right	
4	Article#13	Right to Free Movement in and Out of the Country	Employee Work-life Balance	
5	Article#20	Right to Peaceful Assembly and Association	Employee Labor Union	
6	Article#23	Right to Desirable Work and Join Trade Union	Employee labor Union, Descent Work Environment, Work Place Diversity, Wage/Salary, Employee Termination	
7	Article#24	Right to Rest and Leisure	Work-Life Balance	
8	Article#25	Right to Adequate Living Standard	Health and Safety	
9	Article#26	Right to Education	Training and Development	
10	Article#27	Right to Participate in the Cultural Life of the Community	Work-Life Balance	
11	Article#29	Community Duties Essential to Free and Full Development		Sustainable Development

3.2 International Labor Organization (ILO)

The other crucial international declaration that contributed to CSR policy, the legal framework, and practice is the International Labor Organization (ILO) Foundation Convention. This final draft incorporates various conventions in the history of the organization. This document consists of the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87); the Right to Organize and Collective

Bargaining Convention, 1949 (No. 98); the forced labor convention, 1930 (No. 29); the abolition of forced labor, 1957 (No. 105); the minimum age convention, 1973 (No. 138); the worst forms of child labor, 1999 (No. 182); the equal remuneration convention, 1951 (No. 100); and the discrimination (employment and occupation) convention, 1958 (No. 111) (ILO, 2003).

Table 2. International Labor Organization (ILO), Source: Researcher Model, 2023

S.N.	Document Type: ILO Foundation Convention	Articles	Article Theme	Implication on CSR	
1.	Freedom of Association and the Effective Recognition of the Right to Collective Bargaining	Article#1 to Article# 13, 16, & 21	Ensure the rights declared by various international organizations and maintain the benefit of the employees	Establish trade unions, associations, and active involvement to ensure the rights of the employees.	EC SR
2.	Elimination of all Forms of Forced and Compulsory Labor.	Article#1 to Article#33 and Article#1 to Article#10	Alienate adverse assignments to the employees.	Protect employees from forced labor and maintain a work-life balance in the employee domain.	
3.	Elimination of Discrimination in Respect of Employment and Occupation	Article#1 to Article#14 and Article#1 to Article#14	This is to protect employees from any discrimination based on their physical, emotional, and political orientations.	Workplace diversity, training and development, wage and salary, and termination	
4.	ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up	The overall purpose, annual follow-up, global report, and understandability	To ensure imparting the conventions to the stakeholders through follow-up and evaluation to meet the objectives of ILO and the convention.	All ICSR issues addressed by the ILO Convention	

3.3 Organization of Economic Co-operation and Development (OECD) and International Organization for Standardization (ISO) 26000

The Organization for Economic Co-operation and Development guidelines for multinational enterprises were first adopted in 1976 and updated in 2011 for most of their contents, i.e., human rights, employment and industrial relations, environment, combating bribery, consumer interest, science and technology, and competition (OECD, 2011). On the other hand, ISO 26000 guidance on social responsibility was published in November 2011. ISO 26000 provides detailed guidance for organizations willing to implement the OECD guidance (Soderberg, Kroder, & Natale, 2017). OECD and ISO 26000 guidelines are eager to assist organizations in making the best possible contribution to sustainable development. The OECD guideline focuses on the effort that multinational companies can make to economic, environmental, and social progress and minimizes the adverse effects. The ISO 26000 standard covers three aspects of sustainable development. These are economic, social, and environmental aspects. The following tabular presentation will depict some of the most noted guidelines from the OECD and; ISO 26000 that the study believes have a strong attachment with CSR.

Table 3. Organization of Economic Cooperation and Development & ISO 26000, Source: Researcher Model, 2023

SN	Theme	ISO 26000 Articles	OECD Articles	Implication on CSR
1.	Human Right	*Issue 1: Due diligence *Issue 2: Human rights *Issue 3: Avoidance of compliance *Issue 4: Resolving grievances *Issue 5: Discrimination and vulnerable groups *Issue 6: Civil and Political rights *Issue 7: Economic, social and Cultural rights *Issue 8: Fundamental principles and rights at work	*States are responsible to protect human rights, the enterprises are also obliged to respect and act per international declarations and law of the land.	*Employee's human rights, workplace diversity
2.	Labor Practices / Employment and Industrial Relations	*Organizations and Labor Practice *Labor practices and social responsibility *Employment and employment relationships *Conditions of work and social protection *Social Dialogue *Health and safety at work	*Respect the freedom of association*workers right to collective bargaining *contribute to the elimination of all forms of forced or compulsory labor *practice non-discrimination *ensure workers' occupational health and safety *employ local workers and provide training *give appropriate notice before the final decision.	*Labor unions, health, and safety, training, and development, work-life balance
3.	The Environment/ Environment	*Issue 1: Prevention of Pollution *Issue 2: Sustainable resource use *Climate change mitigation and adaptation *Protection of the environment, biodiversity, and restoration of natural habitats.	*Establish and maintain an environmental management system, provide information to the public and workers about the potential impacts, engage in adequate and timely communication and consultation with the communities affected by environmental, health, and safety policies, don't compromise environmental damage with cost, maintain contingency plans for environmental and safety damage, continually seek to	*Environmental protection and communication platform

			improve corporate environmental performance at the level of enterprise and its supply chain, provide adequate education and training to workers in environmental health and safety matters, contribute to the development of environmentally meaningful and economically efficient public policy.	
4.	Community development	*Issue 1: Community Involvement *Issue 2: Education and Culture *Issue 3: Employment creation and skill development *Issue 4: Technology development and access *Issue 5: Wealth and Income Creation *Issue 6: Health *Issue 7: Social Investment *Contributing to community development	1: *Encourage local capacity building through close cooperation with the local community, 'human capital formation' in particular by creating employment opportunities and facilitating training opportunities for employees, employing local workers, and providing training to improve the level of skill. 3:	*Work-life balance*Employment opportunity, *Social infrastructure, *Income diversification

3.4 UN Global Compact

The United Nations Global Compact (UHGK) is a document established by incorporating the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Right at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption (Gonzalez-Perez & Leonard, 2017). The UN Global Compact structure is into four pillars and ten principles. The four pillars are human rights, labor, environment, and anti-corruption (UN Global Compact 2011). The ten principles are listed from 1 to 10 (Wynhoven & Wendland, 2007). The tabular summary of the document is depicted below.

Table 4. United Nations Global Compact; Source: Researcher Model, 2023

S.N	UN Global Compact		Article Themes	Implication on CSR	
	Band	List of Principles		ICSR	ECSR
1.	Human Right	Principle 1	*Every business enterprise is supposed to support, protect and respect all human rights proclaimed in various international declarations.	* Employee Human Rights	
		Principle 2	*Every business enterprise needs to be sure that no compromise in human rights abuses.		
2.	Labor	Principle 3	*Business enterprises are supposed to ensure freedom of association and the effectiveness of collective bargaining.	* Labor/Trade Union and collective bargaining	
		Principle 4	* Businesses need to eliminate all forms of forced and compulsory labor	* Work-life balance	
		Principle 6	*Businesses should avoid discrimination against employees and occupation	* Workplace diversity	
3.	Environment	Principle 7	* Businesses are expected to be proactive in environmental issues	* Employee health and safety	*Environmental Protection
		Principle 8	*Take the initiatives to excel in environmental protection and conservation		
		Principle 9	* Adopt technologies that are compatible with the environment		
4.	Anti-Corruption	Principle 10	*Businesses should stand against any form of corruption	* Corruption at the workplace	* Corruption against the community

3.5 CSR Legal Framework Experience of Various Nations

CSR practices are thought to be imposed by the state or the ethical norms of society. According to (Friedman, 1970) defines CSR as the process of confirming stakeholder desires that are stated by law and in ethical terms while enabling the industry to make more profit, not for the sake of profit but to promote social desire. In addition, the OECD describes its recognition of stakeholders established by law or by the mutual agreement of business and society. According to Macassa et al. (2017), employment and social policies advocate for employees' legal and human rights and integrate with CSR practice, which considers the interests of employees and their health and safety.

Most developed countries consider philanthropic activities and CSR practices as mandatory activities. It is carried out by corporate business enterprise enterprises. Philanthropic responsibility in Europe and the US tends to be compulsory, and ethical responsibility is prioritized by Europeans (Kishimbo, 2016).

In developed nations, the concept of CSR has supported by a legal framework maintained by governmental agencies and authorities. According to Patel (Kalpeshkumar L Gupta & Ritesh K. Patel, 2014), the various legal frameworks, governmental initiatives, and alliances institutionalize the CSR practice. This formalization changed the companies' attitudes toward CSR, sustainability, and corporate governance reporting. It has presented numerous opportunities for businesses to engage in CSR practices to create value for themselves and others. It will ultimately have positive implications for a sustainable and fair future for all (Camilleri, 2016).

Table 5. List of Nations that have CSR in their Legal Framework; Source: Researcher Model, 2023

List of Nations	Legal or Policy themes	Government agencies	Year ordain
USA	<ul style="list-style-type: none"> - Guidelines - Partnership - Promote and foster sustainable development 	US Department of State (EB, INL & ENR)	2000 G.C.
UK	<ul style="list-style-type: none"> - CSR reporting - Corporate managers are obliged to give special attention to CSR. 	New Deal for Communities Government Sustainability Development Strategy	2004 G.C.
Canada	<ul style="list-style-type: none"> - Dissemination of information and awareness creation - Adoption of CSR policies, regulations, and guidelines 	Industrial Canada(IC) and the Department of Foreign Affairs and International Trade (DFAIT)	20014 G.C.
Germany	<ul style="list-style-type: none"> - Key guidelines that should be followed by corporate enterprises to enable them to contribute to sustainable development. 	Advisory Council for Sustainable Development	2001/ 2005 G.C.
India	<ul style="list-style-type: none"> - Obligate the corporate business enterprises to follow the CSR guides and reporting standards, threshold contribution (2%) - Standards and guidelines that govern the practice of CSR practices - List of areas should businesses focus on in their CSR practices 	Government of India Ministry of Corporate Affairs High-Level Committee on Corporate Social Responsibility	2013 G.C.
Indonesia	<ul style="list-style-type: none"> - The Limited Liability Law #40 and Investment Law #25 The State Own Enterprises Law #19 		- 2007 G.C. - 2003 G.C.

As a result, CSR activity is required by law because most businesses that engage in corporate social responsibility activities receive more goodwill from the public than they give rather than contribute to the community's social development (Fajar, 2018). Therefore, the government is the appropriate actor for adapting laws and orders to foster a harmonious relationship with non-state actors (Okoye, 2012).

3.5 Legal Framework on CSR Practice in Ethiopia

CSR thinking and practice exist in Ethiopian business enterprises (Mezgebo, 2013). However, rather than a formal intervention by the government, this is maintained by the extension of informal social culture in Ethiopia. It is supported by (Kellow & Kellow, 2021); CSR policies, rules, and laws are vague and disorganized. There is no structured policy framework induced into the corporate business environment to enhance and help the implementation of CSR. For this reason, CSR practices and concepts do not inculcate in the policy framework of Ethiopia as part of a document that promotes sustainable development (Kassa, 2018). This article would like to see first the supreme and fundamental law of a country; it's the 1995 FDRE Constitution.

Table 6. Ethiopian Federal Democratic Republic (EFDRE) Constitution Source: Researcher Model, 2023

S.N.	EFDR Constitution		Article Themes	Implication on CSR	
	Chapter/ Part	List of Articles		ICSR	ECSR
1.	Chapter Three/ /Part One/ Human Right	Article 15	Right to life, security of person, and liberty	Employees' human rights and free from abuse and inhuman acts.	Protect the human rights of the community in and around the catchment. It might be through their, intent, act, and policies.
		Article 16	The right of security of a person		
		Article 17	Right to liberty		
		Article 18 (1) & (3)	Prohibition against inhuman treatment		
		Article 24 (1) Article 25	Right to honor and reputation Right to equality		
2.	Chapter Three / Part 2/ Democratic Rights	Article 31	Freedom of Association	Labor/Trade Union Workplace diversity Work-life balance, not discrimination Employment Opportunity Union, salary or wage, work environment, Work-life balance, health, and safety. Descent work environment/ Greenery	Infrastructures, Income diversification Avail conducive environment to the displaced community members.
		Article 32	Freedom of movement		
		Article 35 (5, a) & (8)	Right of Women		
		Article 41 (1, 2, 3, 4, 6, 7)	Economic, Social, and Cultural Rights		
		Article 42 (1) (a) & (2)	Rights of Labor		
3.	Chapter Ten National Policy Principles and Objectives	Article 44 (1) & (2)	Environmental Rights	Employment Opportunity Social security Work-life balance and decent work Descent work environment/ Greenery	Equal opportunity, fair distribution of wealth, and gender equality protect the health and safety of the community. Public health, education, clean water. Housing, food and social security. Promoting cultural events in the community Protection and conservation of the environment.
		Article 89 (1, 2, 3, 6,7, 8)	Economic Objectives		
		Article 90 (1)	Social Objectives		
		Article 91 (1)	Cultural Objectives		
		Article 92 (1), (2), & (3)	Environmental Objectives		

However, various documents contain the concept of CSR (Demamu, Alemayehu, 2020). The following tabular presentation depicts the major proclamations and directives issued by the state. The synthesis has shown the legal and policy framework that contributes towards the practicability of CSR in the Ethiopian context.

Table 7. Author's Analysis of Environmental Law (Source: Proclamations 299-300/2002, and 513/2007)

S.N.	Themes	Name of proclamation	Emphasis area
1.	Environmental Protection Law	Environmental Impact Assessment Proclamation /Proclamation #299/2002/	<ul style="list-style-type: none"> According to Article 5 of this law, every project shall be subject to environmental impact assessment. Furthermore, a project is duty-bound to conduct an Environmental Impact Assessment, identify the likely adverse impacts of the project, and submit to the relevant Authority.
		Environmental Pollution Control Proclamation /Proclamation #300/2002/	<ul style="list-style-type: none"> This law is promulgated to protect the environment from the pollution that will inflict harm to the environment. As per Article 3 of this law, any person is prohibited from polluting or causing any other person to pollute the environment.
		Establishment of Environmental Protection Organs /Proclamation#292/2002/	<ul style="list-style-type: none"> The objective of establishing the Authority, to formulate policies, strategies, laws, and standards, that enhance the welfare of humans so that the above laws are implemented properly.
		Solid Waste Management Proclamation /Proclamation #513/2007/	<ul style="list-style-type: none"> Solid Waste Management Proclamation Even though this law aims at preventing the adverse effects and enhancing the benefits resulting from solid wastes, it has laid the following duties.

Table 8. Author's Analysis of Labor Law (Source: Various Proclamations 1156/2019&182/2020)

S.N.	Themes	Name of proclamation	Emphasis area
2.	Labor Law	Labor Proclamation /Proclamation#1156/2019/	<ul style="list-style-type: none"> This proclamation aims to regulate worker-employer relations in a way that ensures the rights of the employee, the employer, and society at large. One of the obligations is to safeguard the health and safety of his employees.
		Occupational Health and Safety Directives /Directives#182/2020/	<ul style="list-style-type: none"> Make sure by inspection that materials and pieces of machinery are fit enough to give the service they are meant for; Deliver or provide protective safety materials for the employees and workplace has standard ventilation; Make sure that in every workplace safety guideline are respected;

Table-9. Author's Analysis of Social Security Law (Source: Proclamations 714-15/2012)

S.N.	Themes	Name of proclamation	Emphasis area
3.	Social Security	Public Servants' Pension contribution /Proclamation#714/2012/	<ul style="list-style-type: none"> This law is promulgated to enhance the social security system so that it contributes to social justice, industrial peace, poverty reduction, and development. This law obliges the public office to contribute 11 percent of the monthly salary civil servants and for a military or police officer the contribution will increase to 25 percent.
		Private organization employees' Pension Proclamation /Proclamation#715/2012/	<ul style="list-style-type: none"> With the same token as the public servants' pension proclamation, this law is meant to serve the same purpose. The employer is duty-bound to contribute 11 percent of the monthly salary of the employee to the pension fund.

Table 10. Author's Analysis of ECCSA Model Code of Business Ethics (Source: Proclamations 714-15/2012)

S.N.	Themes	Name of proclamation	Emphasis area
		Relationship with Employees	<ul style="list-style-type: none"> A company should impart all relevant information that affects the welfare of employees; protect them from any type of abuse and harassment; should protect their safety, health, and dignity, and treat employees with respect and dignity
		Relationship with suppliers	<ul style="list-style-type: none"> Companies need to protect each other by enjoying the legal playground, integrating to set guidelines and procedures to ensure healthy competition, and protecting the physical and intellectual rights of other companies.
		Relationship with Communities	<ul style="list-style-type: none"> A company is expected to act harmoniously for the better life of the community and to strive enhancing health, education, workplace safety, and socio-economic well-being.

4. Summary of the Systematic Review

Based on the above analysis, the study has identified the following pivotal findings: These findings are categorized into two parts. These are the findings of a systematic review of international documents and experiences and the findings of a review of Ethiopian legal and policy documents. This summary helps the study reach relevant and appropriate conclusions.

- As per the results of the systematic review, the results from UNDHR consist of eleven articles that support the ICSR practice of organizations. As far as is known, most ICSR practices are human-centered (employee-centered) CSR activities. Amongst the ICSR activities supported by the UNDHR are employees' human rights, workplace diversity (equal opportunity), labor unions, employee health and safety, work-life balance, etc.
- The ILO Convention is one of the foundational legal documents under the systematic review of this study. Like the UNDHR, it also emphasized ICSR practices. The synthesis of the document revealed four themes and six sub-themes. These themes and sub-themes address and provide foundational legal insight to organizations to ensure ICSR activities.
- Unlike the UNDHR and ILO Conventions, the OECD and ISO 26000 gave ECSR issues and concepts more prominence. These documents incorporate standards and; legal frameworks that support both ICSR and ECSR activities. These documents emphasize environmental protection, social infrastructure, income diversification, and consumer protection. Moreover, ICSR activities are addressed from a bird's eye view.
- The UN Global Compact comprises four pillar themes. These are human rights, labor, environment, and anti-corruption. Principles 1 to 6 focus on ICSR practices, and principles 7 to 10 focus on both ICSR and ECSR practices. Therefore, this document is also concerned with both CSR activities.
- According to the investigated pieces of literature, various nations have adopted and adopted laws, policies, guidelines, and procedures to ratify CSR and ensure its practicability.

These countries not only established the documents; but tried to institutionalize the CSR practice by availing resources. Amongst these nations, the UK, USA, France, Germany, and Canada are developed nations, and India and Indonesia are developing countries. Therefore, the issue of CSR is not only for developed nations and should not be considered a luxury concept.

- The second part of this section depicts the legal and policy documents of Ethiopia. The first and foremost document is the FDRE constitution. This document is considered the supreme law of a country. According to the analysis, the EFDR constitution has been categorized into three vital parts. These are chapter three of the Constitution (Part One: Human Rights), chapter three of the Constitution (Part Two: Democratic Rights), and Chapter ten of the FDRE Constitution (National Policy Principles and Objectives). The FDRE constitution is the general legal document of a country, and contains various issues but not in a detailed manner. In this document, both ICSR and ECSR concepts get attention. For example, Articles 15 and 16 focus on ICSR practice specifically concerning human rights. The FDRE constitution, part two of chapter three, in its Article 41 (1, 2, 3, 4, 6, and 7) dictates that ECSR is achieved through employment opportunity and income diversification. Several policy-related issues in Chapter 10 provide insight into the CSR concept. In this section of the document, the following concepts get attention: Equal opportunity, equitable distribution of wealth, gender equality, health and safety of the community, protection, and conservation of the environment, and promoting the culture and heritage of the community. Therefore, the EFDR constitution provides the most significant and foundational issues regarding the development of the CSR policy and specific legal documents.

- This article's systematic review includes six additional documents. These are environmental protection law, labor law, social security law, a model code of ethics for Ethiopian businesses, and the revised commercial code. Among the above-listed legal documents of Ethiopia, environmental protection, social security, the commercial code, and consumer protection received more emphasis to ground ECSR concepts. The labor law is more concerned with ICSR practices in the workplaces of the employees.

5. Conclusions

This article addresses different countries' CSR legal and policy structures, international declarations, and soft laws to enforce CSR in the business environment. Based on the review of the documents, the study reaches the following imperative conclusions:

As a result, compared to the countries mentioned in the article, Ethiopia's CSR legal framework is soft, fragmented, and influenced by other laws. However, most legal documents instill CSR issues and provide insights that can guide CSR practice in Ethiopia. It might show the concept of CSR practice is considered significant and necessary by the state.

Another critical point is that most successful CSR countries have institutionalized the concept rather than simply enacting laws and policy frameworks. Therefore, CSR needs to get a department or office concerned with its practicability.

The study revealed that most of the law of a country focuses on internal corporate social responsibility (ICSR) and places less emphasis on external corporate social responsibility (ECSR), except for environmental law. Most internationally established soft laws consider CSR for multinational companies (MNCs).

Furthermore, the legal infrastructure and documents established by the local government and international organizations can consider the foundation for the establishment of the policy framework and CSR-specific legal documents, as well as the beginning of integrated CSR practice in Ethiopia.

6. Contribution

Based on the review, the study is willing to recommend two potential solutions. The first one is to amend and strengthen the existing legal documents. It makes things easy to manage and can be used as a benchmark for the next step. The second is a policy issue regarding CSR practice. As per the review, most nations set CSR laws simultaneously with their policy frameworks. As a result, along with the legal frameworks; it is preferable to establish a consistent and all-encompassing policy framework. The other important issue that needs to be considered is the extensive work required on external corporate social responsibility (ECSR). According to the study, existing laws prioritize internal corporate social responsibility (ICSR) practice. As per the review, the CSR policy and law for MNCs are better treated in different packages. The companies are already aware of the CSR requirements, and they might be negligent in doing so.

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Ethical Consideration

The study adheres to the ethical standards of the journal by ensuring that the article doesn't involve any human and/or animal by the author.

Competing Interest

No one has any conflict of interest concerning this research article.

Author Contribution

All the research processes have been accomplished by the researcher. The researcher was responsible for identifying, analysing, compiling, and writing up the results.

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Data Availability

The local data was obtained from the Abyssinia law database and it is available at <https://www.abysinnialaw.com/>. And the others are available in open-access databases.

Disclaimer

All the results and insights mentioned in this article belong to the author, not any institution.

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