

A NEED OF A COMPULSORY CORPORATE SOCIAL RESPONSIBILITY IN TANZANIA: AN ANALYSIS OF LAWS AND PRACTICES

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ABSTRACT

Corporate social responsibility is the corporate practice to contribute to the surrounding society. It can simply be termed as bringing back the part of the business profit to the society. The CSR practices in Tanzania are more charitable community support projects by the business entities rather than being legal. In Tanzania exists various economic sectors like entertainment, industry, tourism, manufacturing, agriculture, transport, communication, sports, fishing, ports and so many other sectors. However, over all these sectors it is only in the mining and petroleum sector where the CSR programmes are legally recognised. This infers that it is only the provisions of the Mining Act of 2010 and the Petroleum Act of 2015 which considers the compulsory implementation of corporate social responsibility programmes. On the other economic sectors the implementation of the programmes are not addressed at all in the provisions of the law. Hence, the performance of the CSR programmes is left at the business entities' discretion. Some of the business didn't implement any CSR programme at all in the surrounding community. Therefore there is no sign of these businesses of bringing back a fraction of what they have acquired from the community. In this sense therefore, there is a need of amending the existing legal regime (s) or else to enact new law (s) which will recognises the compulsory implementation of CSR by all entities operating in all economic sectors in Tanzania. This will help the community to remain with the positive sign for the investment fixed in their areas as well as to raise the company reputation.

INTRODUCTION

Corporate social responsibility is a broader notion and more complex one.ⁱ This is due to the diversity of the area of corporate social responsibility which covers social, ethical, legal and economic perception. Due to that fact, there is also no commonly accepted definition of the term corporate social responsibility. There are number of definitions of the concept as stipulated under different literatures. Considering the scope of the concept itself this paper addresses a need of having compulsory corporate social responsibility in Tanzania.

CSR is principally the corporate responsibility towards the society or community. The responsibility of the corporate can be social responsibility, economic, cultural, ethical or legal responsibility. For that matter what is social responsibility practice for one entity may not seem responsible practice to other corporate body. This is because each corporate body has its specific social goals that may provide benefit to the society as well as entity itself in a form of enhanced reputation, market value, supportive communities, increased customers loyalty, improved quality and productivity, and greater employee loyalty and retention.ⁱⁱ So generally speaking, the corporate social responsibility practice is for the benefits of the corporate body itself and for the benefits of the society surrounding an entity.

In Tanzania the corporate social responsibility is seems to be voluntarily practice. The legal regimes in Tanzania do not recognise the implementation of compulsory corporate social responsibility plans in many economic sectors in the country. In the extractive industry however, the Tanzania Extractive Industries (Transparency and Accountability) Act,ⁱⁱⁱthe Mining Act^{iv}and Petroleum Act^vrecognised for the compulsory CRS. The said laws required that any person holding a right of dealing with natural resources has to prepare and implement a corporate social responsibility plan. The CSR plan has to be prepared by the company jointly with the relevant local government authority.^{vi} The plan has to take into account environmental, social, economical and cultural activities of the host community. When it comes to other economic sector the laws are toothless on the implementation of CSR programmes.

The laws and practices in the extractive industry have to be a model for other economic sectors. There must be recognised an implementation of a compulsory CSR programmes in all other economic sectors in Tanzania. There are many entities which make massive profit on their investment. The said investments are in economic sectors like telecommunication, manufacturing, agriculture, banking, insurance, aviation, tourism, transportation and fishing in Tanzania. The legal regimes governing these economic sectors did not recognise the

compulsory performance of CSR. The rationale behind CSR plan is not to punish an entity. Ideally CSR is aimed at improving the living standard of the community and at the same time adding value and maintaining the profitability of the business.

AN OVERVIEW OF THE CONCEPT CORPORATE SOCIAL RESPONSIBILITY

The CSR is not a new idea in today's world. It has been practiced by some large entities for quite number of centuries now. The concept can be traced back during the 18th C particularly at the time of industrial revolution.^{vii} At this time there was a rise of factory system especially in England. The industrial system was considered the source of social problems. It was contented that the industrialization leads to social problems like poverty, environmental pollution, child labour and strikes.^{viii} The said social problems consequently lead to the decline of factory productivity due to bad social bond between the factories and the surrounding society.^{ix} The businesses started to practice social responsibility programs in order to maintain its bond/or reputation within the society.^x Further, in order for the factories to rescue it from the social problems they started implementation of CSR plan. Thus the factories started giving workers welfare funds, health programs at work place, as well as charitable projects in the community. The rationale behind corporate responsibility at that point was to maintain the ties between the entities and the surrounding community. This enhances the flourishing of the business as it increased the acceptance from the community. It's stipulated that;

“If men are responsible for their actions, business responsibility must include the known results of business dealing whether these have been recognised by law or not. Thus the companies have both social and economic purpose”.^{xi}

In 1950's the modern CSR gained a new momentum in the globe. It was the time which marked the raise of the modern CSR. Howard R. Bowen who was regarded a father of the Modern CSR tried to define CSR in the year 1953. The concept CSR was defined in his landmark book titled “Social Responsibilities of the Businessman”. According to Bowen CSR means an obligation of the businessmen to practice the business policies, to make decisions and to act in terms of the objectives and value of the society. He said that the business must not only concentrate on profit making but should also consider that they have the utmost responsibility towards the

society. This simply means that the businessmen are responsible to their business, to the surrounding environment and the society.

During the cold war the large companies used CSR action as a tool of spreading the ideological and political rivalry of their countries. The companies aligned their business interest with the social interests and expectations. The rationale behind is to ensure the protection of the market and to ensure the acceptance of the business by the surrounding society. It was during the cold war were the companies expanded business corporate social responsibility.

In the year 2000 the UN Global Compact was formed. The instrument called up the business corporation in the globe to take up sustainability and socially responsible measures. The companies were required to do the business responsibly to meet their main objectives as well as advancing the societal goals. This set out by complying with 10 principles of the UN Global compact which are aligned with the subjects related to human rights, labour, environment, and anti-corruption.^{xii}

Despite being the concept developed many years back still there is no commonly accepted definition of the concept. Most of the laws in Tanzania are unvoiced on the designation of the concept. There are many business entities in place that cut across diverse sectors but still the laws are silent on the need of compulsory corporate social responsibility except in the extractive industry where the concept is slightly addressed. The entities reap huge profit from their business surrounded by the community. However, majority of these entities are unwilling to return back a handful of what they have acquired from the community. Other entities give back a very least amount compared to what were responsible to give back to the society. This practice by the corporate bodies needs the intervention of the new legal regime which will recognise the compulsory implementation of corporate social responsibility.

It has to be noted that the corporate social responsibility practice is not for the benefit of the local community only or rather for the entity detriments. Conversely, it has to be understood that CSR practice is of paramount for the entity business to flourish and grasps root over the surrounding community. In that sense, CSR implementation is of most importance for the enhancement of the corporate performance as well and acceptance of its business in the community. In order to make CSR practicable and reliable there is the need for it to be recognizes in the stanzas of the law in it is wider phase. It needs to be made compulsory for any corporate investment over or under water, on the land and on the air as well. This needs to be so for the benefits of the corporate body itself and for the benefits of the host community.

THE NATURE AND STATUS OF CORPORATE SOCIAL RESPONSIBILITY IN TANZANIA

The concept of corporate social responsibility is not legally recognised by most of the laws in Tanzania. Commonly CSR is recognised as charitable projects in Tanzania. This is against the modern global business setting necessity. This is due to the absence of the applicable regulatory framework in place for CRS which cut across all economic sectors. Generally, the applicable legal regime in Tanzania ranges from common law, written law, customary laws, case laws, customary law and international law. It is only under three statutes where the compulsory implementation of CSR programme is recognised.

The industry where the compulsory implementation of CSR is legally recognised is the Tanzania extractive industry (An industry dealing with natural resources). Other legal regimes operating in other economic sectors are silent on the implementation of CSR plan. This entail that the development of CSR in Tanzania is still at it is infancy. Although proved to have magnificent contribution to the economy, still CSR is not officially recognised largely by the laws of Tanzania. This makes the CSR to be considered of lesser weight by most the business entities in the country.

Constitutional Recognition of the Corporate Social Responsibility

In the Constitution of the United Republic of Tanzania^{xiii} there is no specific provision which speaks about the CSR programmes. However, the constitution imposes the duty to the society to participate in works. Article 25 of the Constitution imposes duty to the public to participate in work so as to create material wealthy within the community. According to the Constitution it is the duty of every person in Tanzania to participate in lawful and productive work. This has to be done so by observing work disciplines and strive to attain individual and collective production targets desired by law.^{xiv} Generally, the provision imposed the duty to the society to work to create material wealth. However, the Constitution of 1977 does not recognise the CRS programmes.

The Constitution further provides for the right to work.^{xv} It is clearly stipulated that every person has the right to work. The main reason for a person to work is to create material wealthy to individual person and the society in general. In that sense most of the business are established and based in the community to fashion the material wealth. It can be said that the business must be advantageous to the business holder but also to the community surrounding this business

must not be excluded to get some benefit from the said business. The business must be the source of wellbeing of the people surrounding that particular business. Ideally one of the devices used to ensure the benefit to people is through the implementation of compulsory CSR programmes. So, that being the case now there is the need for constitution to recognise the compulsory implementation of corporate social responsibility in Tanzania.

Furthermore, the constitution delegated the powers to the legislative authority to make the laws of the land.^{xvi}The responsible authority has to use this power given by the Constitution of 1977 to enact the laws which will recognise the compulsory implementation of CSR programmes in all economic sectors. Through the virtue of the said provisions of the Constitution, the parliament is allowed to enact the law (s) and/or amend the existing law (s) to accommodate change. Further, the constitution confers the power to make regulations to other departments of the government.^{xvii}It is opined to the responsible institutions to use this vacuum to ensure for the compulsory CSR in Tanzania.

CSR in an Extractive Industry in Tanzania

Extractive industry means the industry dealing with natural resources in Tanzania.^{xviii}The Tanzania Extractive Industries (Accountability and Transparency) Act^{xix} was the first law in Tanzania to recognise legal CSR in Tanzania. This Act among other things provides for the establishment of the extractive industries (transparency and accountability) committee.^{xx} The role of the committee is to ensure transparency and accountability in extractive industries. The Act makes it mandatory for each extractive industries company to implement corporate social responsibility. The company is required to submit the report on an annual basis to the committee.^{xxi} The term extractive industry company is defined to mean a private or state owned company engaged in the exploitation of minerals, oil, natural gas and includes any other company engaged in the natural resources exploitation.^{xxii}

It is an offense in case the person failed to furnish or implement CSR program as required by the law. The law provides that for a person who failed to furnish information or refuses to comply with requirement under the law commits an offence. However, the law does not provide the extent that the extractive industry company will donate when implementing CSR. This required to be addressed by the law for the compulsory implementation of CSR to be effective in Tanzania. Implementation of CSR programmes are said to be ineffective in the extractive industry because the law does not provides on how much to be utilized by the company.

Corporate Social Responsibility in the Mining Sector

The Mining Act,^{xxiii} recognised the implementation of compulsory corporate social responsibility. The plan is made compulsory in the provisions of the mining law. For that matter, any entity holding a mineral right in Tanzania has to undertake CSR programme. Previously the CSR programs were not recognized under the Mining Act of 2010. In the year 2017 the Act was amended through the Written Laws (Miscellaneous Amendment) of 2017.^{xxiv} The amendment introduced the compulsory corporate responsibility in the mining sector. CSR is mandatory to be undertaken by a mineral right holder in Tanzania.

It is stipulated that the entity shall have to prepare as CSR plan. An entity holding a mineral right is required to prepare a plan jointly with the relevant local government authority in consultation with the minister responsible for Local government and the minister responsible for finance.^{xxv} That means after a long wait the Mining Act addressed regarding the CSR plan. However, it's considered that the CSR is not yet effectively addressed under the law.

It is the trite law that the CSR plan to be prepared on annual basis.^{xxvi} The plan has to take into consideration the factors like social, economical, environmental and cultural activities of the host community.^{xxvii} Further, the CSR plan has to be submitted to the mineral right holder and the local government authority for approval and consideration.^{xxviii} The Mining Act mandated the local government authority among other thing to prepare the guideline for CRS in their localities, to oversee the implementation of the plan and to provide the public awareness on projects on their areas.^{xxix}

The rationale behind introducing the CSR provisions in the Mining Act is to ensure that the host community benefits from the mining operations undertaken in their area. Principally the programmes led to development of infrastructure, social services, ethical and other economic activities in the area. It is witnessed in many areas that there is development of services like schools, health, water and electricity due to the compulsory implementation of corporate social responsibility in the mining legal regime. However, the implementation of the programme are still not effective due to the fact that the law does not clearly state how much could the business contribute to social development. This gap needs to be addressed so as to ensure effective and comprehensive implementation of the CSR programmes in the community.

CSR in the Petroleum Sector

The Petroleum Act^{xxx} imposes a legal requirement for any holder of a petroleum licence prepare CSR plan. So, it is an obligation that a licence holder in petroleum sector and a contractor to prepare a credible corporate social responsibility plan on an annual basis.^{xxxi} The CSR plan must be prepared and agreed jointly between the licence holder and the relevant local government authority or authorities whatever the case may be.^{xxxii} The law requires a holder of any petroleum licence to undertake CSR to bring back to the community a part of the profit of their investment.

It is the trite law that the CSR plan prepared by the holder of a licence shall take into account environmental, social, economical and cultural activities based on local government priorities of host community.^{xxxiii} For instance, an entity can prepare plans related to environmental protection like planting trees, provides different services including infrastructures, health, education, cultural protection and other related activities in the community. The corporate social responsibility plan made by the licence holder shall be submitted by a licence to a local government authority for consideration and approval.^{xxxiv}

Additionally, it is the duty imposed under the Petroleum Act^{xxxv} for every local government authority to prepare guidelines for corporate social responsibility within their localities; to oversee the implementation of corporate social responsibility action plan; and provide awareness to the public on natural gas projects in their areas.^{xxxvi}

Despite the fact that there is recognition of the CSR programme in the petroleum sector, there is still a gap on how much has to be contributed by the respective entity. This makes the holders of a licence to do less than what they are required to do. This led to the poor implementation of the CSR programme hence make its ineffectiveness. This further makes the host society not benefiting from the natural resources harnessed in their areas.

Considering the fact above as well as the practical aspect of CSR programmes in Tanzania, there is need of having effective law in all sectors including petroleum sector which recognises comprehensive and credible implementation of CSR programmes. The effective implementation of social responsibility by the entities is required so as to ensure that the community benefits from the investment done in their areas and not only the holder of the investment.

Corporate Responsibility in other Economic Sectors in Tanzania

There are diverse economic sectors in Tanzania. The economic sector principally ranges from tourism sector, agricultural sector, transport and communication, fishing sector, trade and industry, ports, investment, sports and entertainment sector. There are a lot of entities conducting their business and making huge profit in these economic sectors alongside the country. The implementations of CSR programmes are noiseless in these sectors despite having the said business. The legal regimes do not recognise the functioning as well as the implementation of the CSR programmes in these other economic sectors than mining and petroleum. The programme is more optional in these other economic sectors which are normally done at the desire and aspiration on the entities invested in these other economic sector.

It is undisputable that the economic sectors have a great impact to the country economy. On the other hand, the economic sectors yield profit to the investment which are based in the community. However, there is no legal recognition of the implementation of CSR plan in these other economic sectors. That being the case, the compulsory implementation of CSR programmes is inevitable to be included in the verses of the legal regime applicable in the respective sectors. This must be so to ensure that the community get something back for the investments fixed and carried out in their areas. It is practically unreasonable for the corporate bodies to benefit from their ventures based on the community and on the same time left the surrounding community empty handed.

CSR in Agricultural Sector

Agriculture is the backbone of Tanzanian economy. It's approximate that agriculture represents more than 30% of the country's GDP. It is further estimated that more than three quarter of the country workforce involved in it.^{xxxvii} This being the case agricultural sector is considered to be largest and most important sector in the country economy.^{xxxviii} Agriculture includes both cultivation of crops and rising of livestock. Tanzania is reach in both commercial crops and food crops. In the country there is also number of livestock both for profit or pleasure. Tanzania is famous among African countries rich in livestock keeping.

Despite the contribution of this sector in the country economy still the legal regimes in this sector does not recognise the compulsory implementation of CSR. There are number of entities both local and foreign entities invested in the agricultural sector in Tanzania. The contribution

of this sector in the country economy demanded the law that will recognise the compulsory implementation of CSR programme. This will make the company to take back to the community the part of the fruits yield from the investments that are surrounded by the community.

CSR in Tourism Sector

Tourism is another sector largely contributing to the national GDP in Tanzania. It is from this sector where the country generates the billions of revenues. Tanzania has allocated more than 25% of its area for wildlife national parks.^{xxxix} In Tanzania there are 16 National Parks, 28 Game Reserves, 44 Game Controlled Areas, conservation areas and 2 Marine Parks.^{xl} This makes the tourism sector to be one among the largest economic sector in Tanzania. Despite the investment made in this sector still the laws are silent on the implementation of CSR programmes by the companies. There is the need to ensure that there is a compulsory recognition of CSR plan in the economic sector in Tanzania.

CSR in Banking and Insurance Sector

The banks in Tanzania have a number of approaches to CSR. However, CSR still remains to be charitable action instead of it being legally recognised. Like other countries in the world Tanzania faced number of environmental issues. Given this situation the commercial banks in Tanzania play a key role in protecting the interest of the community by distributing financial support to the community programmes which sustain the community, environment and their populace.^{xli}

Despite having largest banking and insurance entities in Tanzania motionless there is no law giving a greater concern to CSR in the sectors. CSR is an optional practice the banks and insurance companies. The entities are self-conscious of the business activities with a mind of protecting their image and their brand.^{xlii} It is hereby proposed to have a framework that will ensure implementation of CSR in this sector.

THE NEED OF COMPULSORY CSR IN TANZANIA

There is the need for effective, credible and a compulsory implementation of corporate social responsibility in Tanzania. Programmes must be recognised by the legal regime in all economic

sectors in Tanzania instead of being recognised in some economic sectors and not recognise in other economic sectors. As it is now the programme is required to be compulsorily implemented in two sectors which are the mining and petroleum sector. On the other economic sector the programme remain to be optional which will be undertaken at the wish of the entity itself. Herein under are the reasons for the need of compulsory implementation of CSR programmes:-

To Ensure the Development of the Community

The compulsory implementation of CSR is for the utmost benefit of the society. For instance when the business implemented CSR projects to the community it will enhance the community development. This will be in terms of community infrastructure, health services, education, water and so forth. Some of the entities also opted for the plans that provide economic support to the community. In that sense the financial support to the community will generally leads to the development. Further, the CSR is normally implemented to ensure that the surrounding community will accept the business.

Reputation and Image Brand of an Entity

On the other hand the CSR plan is also for the greatest benefit of the business. The entities are advised to implement CSR plans for the purposes of creating attractive image of the business to the public; for the purposes of building or increasing the brand awareness and recognition to the society, hence the company can get long term success; CSR is also for the purposes of boosting the employees morale and lead to greater productivity in the workforce especially for those actions that in one way or the other affects the interest of the employees of the entity. Social responsibility actions also lead to the good relation of the business and the customers of the business as well as the community surrounding the business.

It is also advantageous to practice the social responsible actions in order to protect the market position of the business. The extent in which the entity is detached to it is stakeholder is to the same extent where it protects its market position. The practice proves that the entities implementing CSR actions mostly protect their superior positions in the markets in Tanzania. Moreover, the responsibility action provides new business opportunity to the entity. This is due to brand awareness to the surrounding community. The responsible actions plan lead to entity

branding hence new opportunity in the business in the sense that other stakeholder will be attracted to engage the business.

CHALLENGES FACING OF CSR TO FLOURISH IN TANZANIA

There are number of challenges facing the development of compulsory CSR in Tanzania. The said challenges extended from the provisions of the law, practice of the responsibility action by the entity and the stakeholders. The said challenges are as examined herein under;-

a. Sound Legal Regimes

In Tanzania there are three laws which provides for the compulsory implementation of responsible plans. The said laws mainly provides for the implementation of the CSR action in an extractive industry. The term extractive industry is defined to mean an industry dealing in natural resources. The laws providing for the CSR among others includes the Mining Act of 2010 Cap 123 [R. E 2019], the Petroleum Act No 21 of 2015 and the Tanzania Extractive Industries (Transparency and Accountability) Act No 23 of 2015. There is no legal regime that recognises the CSR plan for all other economic sectors. There is a need to have an effective law that will recognise and regulate CSR plan in all other economic sectors.

b. Role of the Government

The government did not advocate for the implementation of corporate social responsibility actions. The officers of the government from different ministry are responsible to create awareness of the entities so that they can implement compulsory CSR. Further the government has never create any policy on CSR and by this there is lack of emphasize when it comes to CSR in Tanzania. This position affects the seriousness of the practice of CSR by corporations.

c. Definition of What is CSR and How it Should be

There is no commonly agreed definition of the concept CSR. The extractive industry laws obligated for CSR but there is no definition of the concept in the provisions of the law. This leads to the difficult in the implementation because it is not clear of what it is. The concept is defined by various authors. The definitions of the concept are on ethical obligation, voluntary obligation, legal obligation, voluntary obligation, and/or social obligation. It is debatable among corporate scholars especially on what really amount to CSR or which programme can be termed as CSR programme. The absence of agreed definition of the term CSR is a challenge facing development of CSR in Tanzania.

d. Awareness

When it comes to implementation of CSR the involvements of the people are of much important. That is to say the people are supposed to participate in design of the social projects through their local government authorities. CSR in Tanzania have faced a wall when it comes to effective implementation. Lack of awareness as being termed to be among the reasons hinder the implementation of CSR this is due to that the local community and local government authorities are unaware of their rights towards the corporations. This position affects the implementation of CSR in local community since the local government authorities are ineffective when it comes to approaching the corporations toward participating in CSR programs since the local government authorities are unaware of their rights toward corporations as well as the duty of corporations toward the host community.

e. Conflicting Interest Between the Company and the Society

There is a conflicting interest between the primary role of the business and legitimates expectation of the stakeholders. It is undisputed that the primary purpose of the company is to carry out business and to maximise the profit to it is shareholders. It is also requirement for the company to implement CSR plan. So it is sometimes difficult for the company to meet the interest of both sides. Some authors believed that it is almost impossible for company to maximize it is own profit and on the same time to implement CSR programme to meet the legitimate expectation of the surrounding community. The existing conflicting interest hinders the development of the CSR in Tanzania.

RECOMMENDATIONS

The current legal position of CSR in Tanzania is not sufficiency enough to ensure effective implementation of CSR in both extractive sector and non-extractive sectors. Therefore as a way to improve legal recognition of CSR and ensure effective implementation of the principle the below recommendations are of effect;

Amendment or Enactment of Law Governing CSR in Tanzania

CSR is legally recognized only in extractive sectors via the three laws which are the Tanzania Extractive Industries (Accountability and Transparency) Act,^{xliii} the Mining Act,^{xliv} and the Petroleum Act.^{xlv} This Acts they only provide for recognition of CSR in extractive sectors but

they are not providing for full governing scale when it comes to effective implementation of CSR. Thus as a way to ensure effective implementation of CSR in Tanzania extractive sector there is a need to amend this laws to include the manner of implementing CSR, as well as to indicate the specific amount to be contributed by corporations toward social projects.

Non-extractive sectors in Tanzania are in the dark zone when it comes to CSR since there is absence of legal recognition by the governing parent laws. Hence there is a need to amend or enact the governing laws in non-extractive sectors to recognize CSR in their respective sectors as well as to provide the manner on how to effectively implement CSR.

There is a need of amending the laws or else to enact new laws which recognises the compulsory implementation of corporate social responsibility in Tanzania. The relevant law like the Companies Act^{xlvi} must have a provision which recognise compulsory recognition of CSR programmes in Tanzania. This will ensure the effective participation of the registered business ventures in social responsibility which is beneficial to the host community. It will also help the host community to benefit from the investment based in their areas.

The need of enacting or amending the sectoral based laws to recognise the compulsory CSR. All economic sector based laws must recognise the compulsory CSR programmes in the sector. For instance the laws on tourism, transport and communication, ports, sports, entertainment, industries, and so many other sectors should have compulsory implementation of CSR programme. It helps the government and the host community to benefit the most from the business ventures. It will also avoid one sided benefits especially the huge benefits made by the corporate bodies and left the community at shoddy.

Expand Knowledge to the Local Government Authorities on CSR

The local government authorities have granted powers to monitor direct and regulate the implementation of CSR in their respective host communities.^{xlvii} Most of the local government officers are unaware of CSR, and by this they lack courage to confront corporations to participate in social projects as a way to support community development. Hence there is a must to educate the local government officers concerning CSR as a way to give them ability to regulate effective participation of corporations in ensure the CSR projects are conducted effectively basing on the needs of the host community.

To Spread Knowledge of CSR to the Community

CSR is designed to support the development of the community in different aspects such as economic, social, environment and other relevant communal aspects basing on the needs of the society. There is a need to educate the society about CSR as a way to ensure their participation towards CSR since from the community raises the presentation of social projects facing the host community. Hence the community should be well knowledgeable on CSR as a way to ensure that it fully participates towards the CSR.

To regulate and Monitor the Local Government Authorities on Implementation of CSR Projects

There are some corporations which contribute towards CSR as proposed by the local government authority. The funds are given to the local government authorities but there a number of claims from the corporations and the community concerning the miss use of CSR funds. The local government officers are misuse the fund and use them for their own interest instead of using the funds for host community development. Hence there is a need to regulate and monitor the funds which are contributed as CSR funds to ensure they are involved in social projects which were intended to be conducted and not otherwise.

CONCLUSION

Corporate social responsibility being an international principle which directs corporations to participate in community development, when well implemented it will support community development in different aspects. Tanzania being a developing country still it faces a number of social problems such as poverty, unemployment, poor infrastructure, poor water and electricity supply and many other problems. Corporations' being a member of the community has a duty to play a positive role in the community by support the development of the community through CSR. Hence the legal recognition and governance of CSR in Tanzania will improve the implementation and practice of CSR in result to social development.

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- ^{xvi} Article 97 of the CURT of 1977 which vest the parliament with the power to make legislation.
- ^{xvii} Article 97 (5) of the Constitution of 1977.
- ^{xviii} Section 3 of Act No 23 of 2015.
- ^{xix} Act No. 23 of 2015.
- ^{xx} Long title to Act No. 23 of 2015.
- ^{xxi} Section 15 of Act No 23 of 2015.
- ^{xxii} Section 3 of Act No 23 of 2015.
- ^{xxiii} Cap 123 [R E 2019].
- ^{xxiv} Section 28 of the Act No. 7 of 2017.
- ^{xxv} Section 105 (1) of Cap 123 [R E 2019].
- ^{xxvi} Section 105 of Cap 123 [R E 2019].
- ^{xxvii} Section 105 (2) of cap 123 [R E 2019].
- ^{xxviii} Section 105 (3) of Cap 123 [R E 2019].
- ^{xxix} Section 105 (4) of Cap 123 [R E 2019].
- ^{xxx} Act No. 21 of 2015.
- ^{xxxi} Section 222 (1) of Act No. 1 of 2015.
- ^{xxxii} Loc. cit.
- ^{xxxiii} Section 222 (2) of the Act No. 21 of 2015.
- ^{xxxiv} Section 222 (3) of the Act No. 21 of 2015.

^{xxxv} Act No. 21 of 2015.

^{xxxvi} Section 222 (4) of Act No. 21 of 2015.

^{xxxvii} <https://www.trade.gov/country-commercial-guides/tanzania-agriculture-and-agricultural-processing> - accessed on April 8, 2022.

^{xxxviii} *Ibid.*

^{xxxix} <https://www.tanzaniainvest.com/tourism> - accessed on May 29, 2022.

^{xl} <https://www.tanzaniainvest.com/tourism> - accessed on May 29, 2022.

^{xli} NANDONDE Felix and SACHS Paul, (2017), Commercial Banks Corporate Social Responsibility in Tanzania; see also https://www.researchgate.net/profile/Paul-Sachs/2/publication/312420754_Commercial_Bank_Corporate_Social_Responsibility_Practices_in_Tanzania/links/59f0ffb5a6fdcc1dc7b8f57d/Commercial-Bank-Corporate-Social-Responsibility-Practices-in-Tanzania.pdf?origin=publication_detail – accessed on 29th May 2022.

^{xlii} https://www.researchgate.net/profile/Paul-Sachs/2/publication/312420754_Commercial_Bank_Corporate_Social_Responsibility_Practices_in_Tanzania/links/59f0ffb5a6fdcc1dc7b8f57d/Commercial-Bank-Corporate-Social-Responsibility-Practices-in-Tanzania.pdf?origin=publication_detail accessed on 29th May 2022.

^{xliii} Act No 23 of 2015.

^{xliv} Cap 123.

^{xliv} Act No 21 of 2015.

^{xlvi} Cap 212

^{xlvii} Section 15 of Act No 23 of 2015.