

# Corporate Environmental Reporting: Emerging Trends in Environmental Management. An Analysis of Cameroonian Legislation and Practice

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## Abstract

*Since independence, the drive has been directed towards development, with part of the strategy being industrialisation through putting in place measures to attract and maintain corporate institutions. Today, Cameroon has emerged as a host to a wide number of companies, different in size, nationality, and nature of activities. Unfortunately, the strive to achieve economic development has not been proportionately matched with the urgency to protect the environment. Evidence shows that little or no consideration has been given to the social and environmental effects of corporate activities, even when the government's primary obligation has been to safeguard social and environmental safety and mitigate environmental damages. When social and environmental problems have surfaced, they have been qualified to be the "business of the state", exempt from the private sector. Consequently, corporate environmental reporting or disclosure (CER) has never been featured as a priority on the agenda of the state, or corporate bodies. The repercussion has been the maintenance of CER at the embryonic stage as corporations continue to perpetrate conduct that is negligent of the relevance of environmental reporting, even when the state has taken measures through regulations to set minimum standards of CER in an attempt to regulate corporate conduct that contributes to environmental degradation. While we commend the efforts of the few companies that embraced and observed the concept, we argue that this has taken place within the ambit of passive and near absence of regulatory articulation on CER. Its legality is left to inference as the provisions of the law fail to expressly*

*articulate the concept, while its applicability lies at the discretion of companies that chose to embrace it. Most companies ignore the practice either because they are unwilling to do so, see it as a trap, or do not have a story to tell, as corroborated by the near absence of corporate environmental reports. This calls for reforms if CER must serve its role as a preventive mechanism to mitigate environmental degradation.*

**Keywords:** *Corporate Environmental Reporting, Emerging, Trends, Environmental Management, Analysis, Cameroonian, Legislation, Practice.*

## Introduction

The pursuit of development through industrialisation in post-independent Cameroon has had a negative consequence for the environment. Although the effects of different industrial activities vary enormously, it is incontestably right to state that damage is being done to the environment.<sup>i</sup> Cameroon is a country heavily endowed with natural resource deposits, consequently, the country depends principally on revenue generated from these resources to pilot its developmental projects. Since the country was released from the pangs of colonialism, the focus has been on development through industrialisation and resource exploitation. Efforts towards this have centred on creating an enabling environment that permits companies to effectively play their role as promoters of economic development<sup>ii</sup> and maximisation of revenue from the exploitation of its rich resource endowments.<sup>iii</sup> Two techniques are discernible to this effect: the desire to establish a favourable legal environment and the demarcation of territories to host industries.

Talking of putting in place a favourable legal environment that would attract foreign investments (FDI)<sup>iv</sup> and encourage home industries on the one hand, the government, amongst other things, promulgated the Investment Code<sup>v</sup> and ratified the treaty creating the Organisation for the Harmonisation of Business Laws in Africa (OHBLA)<sup>vi</sup>. On the other hand, regarding the provision of territorial space to accommodate these companies, the government, through the Industrial Zones Management Authority, has demarcated industrial free zones.<sup>vii</sup> These efforts have since seen a considerable increase in the number of industries hosted by Cameroon, with the majority of them located in the chief town of the littoral region.<sup>viii</sup>

The quest to attract and maintain these companies in order to permit them to effectively play their role as catalysts for much needed development has unfortunately failed to consider the social and environmental consequences of corporate activities. The regulation of corporate environmental conduct was never featured as a priority on the agenda of the state. Consequently, the excessive conduct of companies enthused by the intensification of economic activities only proliferates the danger of environmental degradation which is already evident in multiple forms.<sup>ix</sup> Documentary evidence posits that Cameroon already suffers from the effects of environmental degradation visible in all socio-economic sectors, especially in the areas of agriculture, climate<sup>x</sup>, energy, livestock, health<sup>xi</sup>, and biodiversity<sup>xii</sup>, to name a few.

Traditionally, the government has singlehandedly assumed the responsibility for ensuring environmental management and has focused on preserving a safe environment. Consequently, when environmental problems surfaced, the government independently carried the charge of mitigating the environmental damage. The reason for this is that environmental management in Cameroon has been considered to be “in the public interest” and external to private life.<sup>xiii</sup>

Cognizant, however, of the indescribable sufferings environmental degradation brings and the noticeable reality of social and environmental challenges caused by the excessive activities of corporate institutions, measures the state of Cameroon has taken action to set standards that would mitigate the execution of corporate activities that increase environmental degradation. One of the most identifiable amongst these measures is the active involvement of companies and other private actors, by way of legislation, in environmental management through corporate reporting or disclosure. In order for firms to be beneficial to the society in which they operate, corporate environmental reporting has become a requirement. It has become crucial in today’s corporate reporting. Thus, corporate bodies are compelled to make disclosures of their social and environmental undertakings. Therefore, corporate reporting refers to the practice of companies making environmental information available to stakeholders as proof that they are responsible for their actions and the resulting environmental effects.<sup>xiv</sup>

Unfortunately, despite the instrumental role corporate environmental reporting may play as a preventive measure in mitigating environmental damage orchestrated by corporate

activities, its application remains unclear and its impact insignificant. The state of the environment in the country has yet to experience any marked improvement. This is evident by the near absence of corporate environmental reports. In this light, therefore, the question that tends to provoke this study is: why has this measure failed to address the declining environmental conduct perpetrated by companies? Is it that it is a novel concept that companies are still grappling with? Is it because these companies haven't adopted and followed the environmental reporting strategy? or the inability of the state through the legislator to effectively elaborate, push through, and hold violators of the strategy responsible? Support for this is lent by the near absence of corporate environmental reports in addition to the passive attitude of the legislator, who fails to capture in express provisions this strategy, but rather leaves it to inference. A critical assessment of these commitments reveals a tendency towards complying with international demands on environmental protection rather than addressing the issue. Not only has the law failed to specify the standard of companies required to practice environmental reporting nor the method to be used, but companies that decide to practice it discretionarily apply voluntary disclosure, which leaves them with the latitude to decide the information to disclose.

In line with the foregoing, the principal objective of this paper will be to establish develop a thorough comprehension of the concept of corporate environmental reporting with a focus on its applicability, which will serve as a yardstick for measuring its contribution to regulating corporate environmental conduct and as a guarantee to environmental protection. To better address these pertinent issues, this paper will specifically:

- critically assess the current corporate environmental reporting requirement in Cameroon in order to determine if it is far reaching enough;
- evaluate the practical application of corporate environmental reporting since the propriety of every law is not only how the law is made but also how it is applied, to ascertain its contribution to environmental protection; and
- Tender policy recommendations that will enhance the standards of Cameroon on issues of environmental reporting.

## An Overview of Corporate Environmental Reporting

Growing understanding of the scope and complexity of environmental issues has been observed throughout the final decades of the 20<sup>th</sup> century.<sup>xv</sup> As awareness of ecosystems has grown, worries about how production methods, product performance, and business practices affect the environment have grown. Following the 1992 United Nations-sponsored Earth Summit in Rio de Janeiro, businesses were held more accountable for the environmental effects of their operations,<sup>xvi</sup> and many began to realise that comprehensive environmental information was essential for making informed decisions.<sup>xvii</sup> It has also become an international phenomenon, and consequently, more and more companies, particularly those with a significant public presence or perceived environmental impact, feel compelled to report externally to stakeholders on their environmental performance.<sup>xviii</sup> Finally, businesses around the world have begun including environmental disclosures in their yearly reports. Presently, as affirmed by Hepple<sup>xix</sup>, the International Investment Guidelines, meant for international oil and gas industries, provide that they should disclose every detail about their social and environmental performance to the public and their host governments.

A considerable amount of literature exists on corporate environmental reporting. Unfortunately, focus has been directed on the accounting standards of reporting, with little interest in its legal guarantee and applicability.<sup>xx</sup> The concept of corporate environmental reporting has been defined as *“the process through which companies often disclose environmental information to their stakeholders to provide evidence that they are accountable for their activities and the resultant impact on the environment.”*<sup>xxi</sup>

According to Alok Kumar et al., corporate environmental reporting *“describes various means by which companies disclose and communicate their environmental performance and environmental activities to the users”*.<sup>xxii</sup> They go on to say that corporate environmental reporting is also the process through which a company informs a range of stakeholders, such as employees, local communities, shareholders, customers, the government, and environmental organizations, about the scope of its environmental activities. Whatever the case, this new responsibility requires that companies disclose their environmental performance to their stakeholders, who are of varied categories.

In recent years, a number of voluntary reporting efforts and general mandatory disclosure requirements have emerged, illustrating the shift towards environmental

reporting. Speaking of compulsory disclosure, as part of national pollutant inventory schemes, several countries mandate that corporations report on the emission and transfer of different potentially dangerous or harmful polluting substances.<sup>xxiii</sup> However, in spite of these mandated disclosure programs, the majority of environmental reporting activities are voluntary programs run by intergovernmental organisations (IGOs), non-governmental organisations (NGOs), and industry associations. The European Commission's EMAS serves as an example, with one of its goals being to encourage public companies that voluntarily take part in the program to maintain their environmental performance. To accomplish this, the companies must draft an environmental statement tailored to each site, have it independently confirmed by a recognised environmental validator, and then make the verified statement available to the general public. This environmental statement is required to contain:

- a description of the activities of the site;
- an evaluation of all the important environmental problems;
- a statistical summary of energy, water, noise, raw material, waste, and pollutant emission; and
- a demonstration of the company's environmental policies and initiatives.<sup>xxiv</sup>

If one were to use the particular instance of environmental reporting and disclosure in the global oil industry, the Oil Sector Report was created by the UK - based group sustainability in collaboration with the United Nations Environmental Program (UNEP).<sup>xxv</sup> In an assessment of environmental disclosure in this sector, the report integrates the present initiatives for social and environmental disclosure for top oil firms with suggestions for further advancement in these fields. According to the report, the majority of individual corporations make some form of environmental information publicly available, and environmental reporting is quickly becoming standard practice among large international oil companies.

The literature of the Oil Sector Report indicates that several oil industry associations have started to produce environmental health and safety reports at an aggregate level, in addition to the reporting efforts of individual oil corporations. Initially, the Open Government Partnership (OGP) created standards and procedures for gathering data for a series of environmental performance metrics related to exploration and exploitation at the industry level. The OGP then started using these publicly available aggregate statistics in an annual

environmental report.<sup>xxvi</sup> Similarly, the Petroleum Industry Environmental Performance Annual Report, released annually by the American Petroleum Institute (API), provides statistical data regarding the environmental and safety performance of the US petroleum industry in eight areas.<sup>xxvii</sup> It is anticipated that the first environmental performance summary statistics will be made available from the environmental incidents database that the Australian Petroleum Production and Exploration Association (APPEA) built. The Norwegian Oil Industry Association, UK Offshore Operators Association Limited, and Canada's Petroleum Communication Foundation are more organizations that generate aggregate statistics of some kind.<sup>xxviii</sup>

Despite the acknowledgement of the existence of corporate environmental reporting, research findings on current reporting practices in most of the cases equally conclude that environmental reporting is not satisfactory at all.<sup>xxix</sup> The oil sector report reveals that four primary categories of non-reporters – state-owned companies, smaller companies, upstream-only companies, and project-based consortia – downplay the overall rate of environmental reporting, despite evidence that the oil industry is taking the reporting agenda seriously.<sup>xxx</sup>

### **Guarantee and practice of corporate environmental reporting in Cameroon**

Over the past 20 years, corporate environmental disclosures have grown in scope and complexity worldwide, albeit there are variances among countries in different regions. For example, mandated disclosures have been introduced in many developed countries' reporting requirements; nevertheless, in underdeveloped countries, voluntary efforts of the reporting companies continue to play a significant role. For instance, several studies show that corporate social and environmental disclosures have grown over time in the United States.<sup>xxxi</sup> Similar circumstances can be seen in Australia, New Zealand, and the United Kingdom.<sup>xxxii</sup>

Cameroon's environmental legal instruments neither expressly mention corporate reporting nor provide a definition of the concept. Consequently, one can only infer from the provision of the Environmental Code<sup>xxxiii</sup> on the right of citizens to environmental statistics, that corporate environmental reporting is a legal obligation. Section 7 of the Code stipulates that: *"all persons shall have the right to be informed on the negative effects of harmful activities on man, health, and the environment, as well as on the measures taken to prevent or compensate for these*



effects.”<sup>xxxiv</sup> With regards to the responsibility to make public environmental information, Section 16 of the Environmental Code is instructive. According to the provision of this section, Cameroon’s environmental administration is required to prepare a bi-annual report on the country’s environmental situation every two years and submit it for approval to the inter-ministerial committee on the environment. This report is to subsequently be published and widely disseminated.<sup>xxxv</sup> Even more specific is the corroboration provided by Section 10(1) in its paragraph 6, according to which *“the government shall prepare environmental policies and coordinate their implementation. To this end, it shall publish and disseminate information on environmental protection and management.”*<sup>xxxvi</sup> It becomes abundantly clear that the law expressly places on the government the responsibility to inform the public on environmental issues.

The worrying question that ensues is whether corporate institutions equally have the mandate to enlighten and regularly update the public on their social and environmental activities, or whether it remains the primary duty of the government. The answer to this can partially be drawn from the provisions of Section 6(1), which states that *“public and private institutions shall, within the context of their competence, sensitise all the populations on environmental problems.”*<sup>xxxvii</sup> The use of the term “private institutions” could be interpreted as inclusive of corporate bodies. It may not be wrong, therefore, to conclude that companies in Cameroon have a duty to report, considering that they play a key role in environmental degradation. Further justification for this can be advanced from two perspectives: first, the law provides that certain projects can only be executed after establishing a simple or detailed environmental impact report, depending on the type of project.<sup>xxxviii</sup> The procedure for the establishment of an environmental impact assessment requires participation as well as disclosure to the local population the social and environmental effects expected from the execution of the particular project.<sup>xxxix</sup> Secondly, the fact that the Ministry of Environment and Nature Protection (MINEPDED) through the Brigade d’Intervention Environnementale (BIE)<sup>xl</sup> can execute inspection missions, requires that corporate bodies keep appropriate records regarding their environmental activities.<sup>xli</sup> To effectively enforce the right to environmental information, it is imperative for corporate institutions whose activities impact the environment to report on a regular basis, their environmental activities, the effects of such activities, and the measures taken to mitigate and compensate for any harm.



The practice seems to be more specifically guaranteed by Article 11 of the Prime Ministerial Decree.<sup>xlii</sup> This article stipulates that “*the realisation of EIA must be done with the participation of the population concerned through consultation and public audience in order to obtain the opinion of the population on the project.*”<sup>xliii</sup> Subsection 2 further provides that “*public consultation shall refer to meetings held during the study in towns concerned by the project. As for the public audience, it shall aim at advertising the study, recording possible oppositions to the project, and enabling the population to give their say on the findings of the study.*”<sup>xliv</sup> It is evidently clear that the participation of the population will disclose information relating to the project in question, the social and environmental implications of the project, and the measures taken to mitigate them. EIA is only complete when the public effectively participates.

Possibly, another guarantee of corporate reporting practice in Cameroonian is the OHADA Uniform Act Relating to Commercial Companies and Economic Interest Groups.<sup>xlv</sup> All listed businesses and, in some cases, their unlisted subsidiaries are required by law to publish their financial and accounting statements in a legal journal.<sup>xlvi</sup> Support for this is provided by the Uniform Act on OHADA Accounting Law which also instructs that all Public Limited Companies incorporated in any of the Member States of the OHADA publish their financial statements.<sup>xlvii</sup> The annual financial statement discloses to the stakeholders the financial health of the company and, most importantly, its social and environmental commitment. This information is disclosed to the public annually.

### ***Types of CER practiced in Cameroon***

Corporate environmental reporting can be classified into three categories, namely: compulsory disclosure, involuntary disclosure and voluntary disclosure. Information about a company’s environmental activity that is disclosed without consent or against the company’s will is known as involuntary disclosure.<sup>xlviii</sup> Conversely, mandatory disclosure refers to the legally mandated sharing of information regarding a company’s environmental operations. Lastly, voluntary disclosure refers to material that is disclosed voluntarily. Voluntary disclosures can be interpreted from two perspectives: confidential and non-confidential voluntary disclosures. Confidential voluntary disclosures are those that are not publicly available but are needed by banks, insurers, clients, and joint venture partners. Almost any

environmental information that a company willingly communicates to the public is considered a non-confidential voluntary disclosure.

In Cameroon, the most noticeable categories of disclosures are compulsory and voluntary disclosures. Speaking of mandatory disclosure, there is no current legal instrument that expressly stipulates corporate environmental reporting. Instead, available legislation clearly identifies the right to environmental information.<sup>xlix</sup> Consequently, the duty of companies to disclose can only be inferred from certain provisions of the law. For example, Article 11 of the Prime Ministerial Decree requires the proponent to investigate the environmental impact of the project with the affected people through public meetings and consultations in order to gather opinions.<sup>1</sup> This article further stipulates that *“public consultation shall refer to meetings held during the study in towns concerned by the project. As for the public audience, it shall aim at advertising the study, recording possible oppositions to the project, and enabling the population to give their say on the findings of the study.”*<sup>li</sup>

The populations' involvement through public consultations no doubt discloses information relating to the project in question, the social and environmental implications of the project, and the measures taken to mitigate same. It may be argued that EIA is incomplete without the consultation and participation of the public. In order to increase accountability and transparency in the decision-making process, as well as to raise public awareness of environmental issues and support for the decisions made, effective public participation allows the public to voice their opinions and the decision-maker to consider options and concerns that may be pertinent to those decisions. Worth noting is the fact that once the environmental impact assessment is accepted to have gone through the required stages, it is disclosed to the public.

Perhaps the law that seems to expressly provide for mandatory corporate reporting is the OHADA Uniform Act Relating to Commercial Companies and Economic Interest Groups.<sup>lii</sup> This however, is not without limitations. Although corporate reporting is made compulsory, under no portion of this law are companies mandated to include environmental information in their corporate reports. This law stipulates that: *“all listed companies and, in certain circumstances, their unlisted subsidiaries, must publish their accounting and financial statements in a legal journal.”*<sup>liii</sup> This is emphasised by the Uniform Act on OHADA Accounting Law, which equally requires that all public limited companies incorporated in any of the

Member States of the OHADA publish their financial statements. Unless it is the first year of the company's existence or the company is in liquidation, annual financial statements must be issued for each fiscal year, which must correspond with the calendar year.<sup>liv</sup> A balance sheet, a statement of profit and loss, a financial table that details the sources and uses of funds, and an annex that includes any information not readily apparent in the other financial documents but that could materially affect the company's assets, financial status, or financial outcomes make up the annual financial statement.<sup>lv</sup> The importance of the annual financial statement, among other things, is that it discloses to the stakeholders the financial health of the company and, most importantly, the social and environmental commitment of the company. This is because financial statements provide detailed information on the social and environmental activities engaged by the company and the costs incurred in their execution. This information is disclosed to the public annually. It is worth stating that, not all financial statements have social and environmental aspects of the company incorporated within them. For some companies, the social and environmental activities and expenditures are reported in a separate document, for others, it is contained in the director's report; and yet for others it is contained in their social and environmental responsibility page.

As stated above, the UACCEIG specifically mandates listed companies to prepare financial statements. An important concern that remains to be addressed is the position of companies that do not fall within this category but whose activities negatively affect the environment. It is worth stating that the choice of the word "listed or public limited companies" does not *ipso facto* conclude that other companies that do not fall within this category should not prepare financial statements. This lacuna in the provisions of Articles 846-853 of the UACCEIG is covered by the wide scope of application of the Uniform Act on OHADA Accounting Law. According to this Uniform Act, the following kinds of businesses are required to maintain financial records: businesses subject to commercial law<sup>lvi</sup>; cooperatives, public, para-public, and semi-public companies, and, more broadly, any organisation that produces or manufactures marketable or non-marketable goods and services, provided that organisation regularly engages in economic activity (whether for profit or not) and whether the activity is its primary activity or only a supporting one.<sup>lvii</sup> The difference between a listed company and others is that other companies are not under any obligation to make their financial statements public. Environmental activities executed by

these companies, as well as expenditures made to that effect, are usually documented. Documenting environmental information is of essence, especially as it may serve as proof of the company's environmental commitment during the control missions conducted by competent administrative institutions.

Apart from mandatory reporting, another form of reporting that is increasingly gaining visibility in Cameroon is voluntary environmental reporting. Some companies in Cameroon today, although public limited companies in most cases, voluntarily disclose their social and environmental activities and expenditures. The content of these disclosures most often constitutes the social and environmental activities realised by the company for the benefit of local communities, the financial burden incurred from their realisation, social and environmental projects currently ongoing and those earmarked for future execution, and the finance involved. These disclosures for some of the companies are made online on the company's website.<sup>lviii</sup> The reasons for this disclosures, it must be stated, are most often not related to the fact that they are required by law to do so. Some of the reasons why these companies voluntarily report their social and environmental activities include amongst others:

- It gives people the knowledge they need to hold companies responsible and involves stakeholders more thoroughly in the corporate goal-setting process;
- It enables the investor to use the capital market's strength to support and guarantee environmentally friendly corporate activities;
- It enables the company and its stakeholders to assess how well the company is adhering to the guidelines established in its environmental principle statement as well as its goals and objectives;
- Reporting can assist in identifying environmental hazards and their potential locations, so averting reputational harm from unfavorable publicity surrounding an environmental matter.

The shortcoming of voluntary reporting is doubts about the truthfulness of the information disclosed. Most often, with voluntary disclosure, the company discloses only information that is favourable to its business, what may be termed partial disclosure, to gain public approval.

### ***The nature and content of information to be reported***

There is no gain-saying that the main objective for operating a business, especially companies limited by shares, is profit maximisation. Consequently, it is expected of the management of the company to prepare a statement that details every activity engaged on behalf of the company, especially if the company's resources were directed to the execution of that activity. Traditionally, this information is either contained in the financial statement or the directors' report. Current practice has however, shown that, sometimes, environmental information may be prepared in an independent document. Whatever the case, it is our submission that the nature and content of the information to be reported will be determined by the form of reporting adopted. As stated earlier, where the form of reporting adopted is mandatory, every piece of information about the company's rate of emissions and other environmental activities is of the essence. On the contrary, if the method of reporting is voluntary, then there is a high probability that the information disclosed will be very selective. The disadvantage of voluntary reporting is that the company will only report information it is willing to disclose.

Available regulations require quoted companies to disclose the amount of greenhouse gases they emit from the activities they oversee. From a general perspective, corporate bodies are obligated to disclose their activities, effect of these activities on the environment, the measures taken to minimise harm to the environment and communities concerned, and the activities initiated by the company to raise the socio-economic standards of the concerned communities. Experience drawn from the practices of some companies reveals that most often, companies that adopt voluntary reporting focus on disclosing activities initiated to improve the environmental as well as the socio-economic standards of local communities in their corporate social responsibility schemes.<sup>lix</sup> In certain sectors in Cameroon, most especially the chemical industry, the petroleum and gas sector, the mining sector, and other heavily polluting areas, the responsibility to report is incorporated into the concession license. This is rooted in the fact that Cameroon has ratified the United Nations Framework Convention on Climate Change (UNFCCC) as well as the Kyoto Protocol for the implementation of the UNFCCC. The GHG Protocol Corporate Standard and ISO 14064-1 are two examples of Green House Gas (GHG) Accounting Methodologies that many companies have adopted for their reporting practices.<sup>lx</sup> These companies ought to ensure that emissions from actions for which

they have responsibility are covered by their current GHG accounting methods. The second step is to think about the directors' report requirements, since this is where information about greenhouse gas emissions is reported. Information about operations covered by the consolidated financial statement can be found in the directors' report.<sup>lxi</sup>

### ***Persons to whom to report or disclosed***

There have been divergent stances regarding the particular group of persons to whom a company's interest should be directed. These conflicting opinions have been manifested in the development of different theories in this regard, the most important being the shareholder versus stakeholder theory. Generally speaking, it is common knowledge, as supported by the stakeholder theory, that, since the company's existence depends on varied groups of people, the company's report should be made public. This way, the different stakeholders of the company will have access to the company's report since they have an interest in the company. Whatever the case, the audience to whom a company's report should be directed is determined by the type of report.

If the disclosure is involuntary, it indicates that details on a company's environmental operations are shared not only against the company's desire but also without its consent. In such a circumstance, the information may either be disclosed to the entire public or to a specific institution, as the case may be. Involuntary disclosures may be made during court investigations, press and media exposés and environmental initiatives. If the disclosure is made during environmental campaigns, then it is directed to the community, the target of the campaigns. This can be considered a disclosure to the public. In the same light, disclosures referred to as press and media exposes, are directed to the entire public. This is most evident in name-and-shame situations.<sup>lxii</sup> Finally, involuntary disclosure may equally be the result of court investigations. If, in its effort to gather evidence, the court orders an investigation, it is incumbent on the company to release such data to the court. In this case, the court may disclose such details to the general public without the company's permission and against the will of the company concerned.

Regarding mandated disclosure, a company must comply with legal requirements to provide information regarding its social and environmental operations. The audience to whom the disclosure is made is determined by the law in question. The law may provide that the disclosure should be made to the public or a specific institution, such as the national

commission on environmental control. In light of this, publicly traded corporations and, in some cases, their unlisted subsidiaries must disclose their financial and accounting statements in a legal journal.<sup>lxiii</sup> This is corroborated by the Uniform Act on OHADA Accounting Law, which equally requires all public limited companies incorporated in any OHADA Member States to publish their financial statements. This requirement is specific to public limited companies because they have a wider shareholder audience and can make public calls for capital. Since these are companies whose securities are traded in the capital market, it is incumbent on the management to prepare and disclose a financial statement each year. This will help shareholders, creditors, consumers of the company's products, the government, and investors get information on the company's financial situation. The importance of the annual financial statement is that it discloses to the stakeholders the financial health of the company and, most importantly, the company's environmental and social commitment. This information is disclosed to the public on an annual basis.

Finally, when it comes to voluntary disclosure, information is shared voluntarily, typically with the general public. When companies reveal their environmental and social initiatives and commitments on their websites, such information is meant for anyone in the public who decides to visit the company's website. It is worth noting that voluntary disclosure can equally be directed to a specified institution. Whether it is directed to the public or a specific body, depends on the type of voluntary disclosure.<sup>lxiv</sup> It is crucial to emphasise that confidential voluntary disclosures are typically not made public and are mandated by banks, insurers, clients, and joint venture partners. In contrast, any environmental information that a company willingly makes public is considered a non-confidential voluntary environmental disclosure. Companies should be prepared to make non-confidential information, such as raw statistics, readily available to the public, considering that it gives them the latitude to choose what type of information to release to the public.

### ***When the corporate activity should be reported***

In the Cameroonian context, quoted companies are those whose equity share capital is officially listed on the Douala stock exchange. The term quoted within the present dispensation should be interpreted as public limited companies since only a few companies that make public calls for capital are listed in the Douala stock exchange market. Companies that fall under this category as provided by regulation must adhere to this requirement. It is



advised that companies that are exempt from these rules voluntarily provide reports in accordance with the voluntary accounting and reporting guidelines. Quoted companies may also decide to follow the optional reporting and accounting guidelines, in addition to meeting the regulatory requirements.

Companies should ideally report on emissions and other social and environmental activities for the time frame that corresponds to the company's fiscal year. However, drawing from the British experience, companies may choose to report emissions for a period of twelve months other than their fiscal year, but they must indicate this in the directors' report.<sup>lxv</sup> For example, company A's financial year runs from April to March, yet they have typically reported emissions statistics on a calendar-year basis. Company A might choose to report emissions on a financial year in this scenario, or it could continue to report emissions on a calendar basis. According to Cameroonian law, "*all publicly traded companies and, in some cases, their unlisted subsidiaries are required to publish their financial and accounting statements in a legal journal*".<sup>lxvi</sup> This is further clarified by the Uniform Act on OHADA Accounting Law.<sup>lxvii</sup> Unless it is the company's first year of existence or it is in liquidation, annual financial statements must be issued for each fiscal year, which must correspond with the calendar year.<sup>lxviii</sup> International groups whose fiscal year differs from their calendar year may have various hassles due to the legal necessity to adhere to a single date for the fiscal year. For companies with headquarters in the US or the UK, which typically have a fiscal year that ends in June, this might be the case. Drawing from this, it is evident that reporting is supposed to be done on a calendar year basis.

However, where disclosure is voluntary, it can be made whenever the company deems fit, especially if the company wishes to keep the public abreast of a number of social or environmental activities executed by the company. Furthermore, disclosure of specific environmental information may be made at any time if, for some reason, it is required by a competent constitutive authority such as the court or a government regulatory institution. Again, in the case of developmental projects whose execution could have a detrimental impact on the environment and consequently the local community, it would be required of the corporate institution executing that project to disclose before the commencement phase, when the project is ongoing and at the end of the project.

### ***Methods of disclosure of environmental and social information***

It is common knowledge that the attitudes of companies negatively affect the environment and their host communities. As a result, communities today are more interested in companies that channel some resources towards environmental and social activities. Presently, in order to gain a large market share and garner community support, many companies are now willing to voluntarily disclose to the public their social and environmental commitments. As affirmed by Zéghal<sup>lxxix</sup> and tilt<sup>lxxx</sup>, Print media, including annual reports, independent environmental reports, independent corporate social responsibility reports, press releases, news media, adverts, glossy booklets, newsletters, internal magazines, and brochures, have traditionally been used by companies to provide environmental information. Today, with the internet gaining wide popularity, companies now disseminate environmental material on their corporate websites.<sup>lxxxi</sup> This is because of the advantages the internet has over print media. According to Lymer and Tallberg,<sup>lxxxii</sup> there are several benefits that the internet has over conventional print media. To begin with, due to its well-established network structure, the internet provides a low-cost solution for everyone to access company data. When compared to paper versions, it provides customers with immediate access to data at convenient times. It also provides dynamic updating potential and has less restriction on the flexibility of presentation than conventional paper versions.<sup>lxxxiii</sup>

Due to these diverse advantages, many large companies, with the help of the internet, use their websites to disclose their environmental commitments. This should not, however, imply that print media is no longer in use. It is important to clarify here that the method adopted by a company to disclose its environmental information is most often determined by the target stakeholders the information is destined for. If, for instance, the environmental information is required by a regulatory body, then it will be made available in the format required, which will most often be in printed form. On the other hand, if the information is directed to a wider public, one or more of the above mentioned forms may be adopted. Settling on the particular case of Cameroon, very few companies disclose their environmental commitments online on their corporate website.

## Challenges to CER Practice in Cameroon

Numerous obstacles impede the effective practice of corporate social and environmental reporting. Continuity, comparability, and credibility are the three phrases that best describe today's significant challenges. By using the same performance indicators over time, defining goals and reporting on achievement, and regularly publishing environmental reports, continuity may be guaranteed. The best way to accomplish comparability, on the other hand, is to use environmental performance measures that have been standardised and normalised. Enhancing comparability will also be achieved through mandatory disclosure in the financial statements and annual report. Finally, transparency and a fair tone in the report are key to credibility. Having conversations with stakeholders is a crucial step in the procedure.

From a global perspective, developing environmental reporting as a practical instrument for environmental management and as a way to give stakeholders reliable information about their environmental performance is the challenge facing the business sector.

The development of indicators in this field is thought to be extremely challenging, and there is currently little consensus on how to assess and track social performance. However, a few significant indication clusters are starting to appear in oil corporations' practices.<sup>lxxiv</sup> The trend toward social reporting is anticipated to pick more steam in the coming years. Although the society benefits from the shift to corporate social responsibility, which includes the evaluation and reporting of social and environmental performance, there are also several issues with it. One of the most important amongst these, is the question of whether and to what degree the board of shareholders may integrate social goals into the company's operations while preserving the corporation's long-term profitability for the sake of its financial stability.

Reverting to our Cameroonian narrative, evidence posits that environmental reporting is currently lacking in both quality and quantity. The calibre and substance of corporate environmental reports amongst companies demonstrate significant differences. Because different organisations employ different indicators, definitions, measurement and estimating methods, and geographic coverage of operations, the reports' quality and usefulness are compromised. Human rights violations, unequal cost and benefit distribution, poor environmental management and pollution among local communities, indigenous

communities' traditional land rights and the right to self-determination, workplace discrimination, occupational health and safety, and corruption are the main issues that the public is concerned about in this area. There are three main and related categories that account for the poor status of corporate social and environmental reporting: absence of a well-established environmental reporting regulation<sup>lxxv</sup>, unwillingness to report<sup>lxxvi</sup>, and unwillingness to be environmentally responsible<sup>lxxvii</sup>.

To begin with regulatory limitations, environmental reporting, which involves keeping track of, preparing, and disseminating information on corporate activities and their effects on the community and environment, lacks a well-established environmental reporting regulation. The inexistence of express legal provisions on environmental reporting has kept the exercise in Cameroon at the embryonic stage, as companies are left with the discretion to determine whether or not to embrace the practice. In the absence of express elaboration of the concept by Cameroon's environmental legal instruments, inference from the provisions of the Environmental Code becomes the sole option to guarantee its practice. This is why recourse is made to citizens' right to environmental records, to ascertain its legality.<sup>lxxviii</sup> This renders application difficult since it requires expert interpretation to determine the legal necessity. Even where recourse is anchored on the OHADA Uniform Act Relating to Commercial Companies and Economic Interest Groups as the legal basis for corporate reporting practice in Cameroonian<sup>lxxix</sup>, its application is still not guaranteed. This is because even with the requirement of an annual financial statement, companies still have the discretion to disclose only if such activities have financial implications on them.

Another limitation to the practice of CER in Cameroon is unwillingness to report. The explanations for why substantial environmental disclosure is lacking in companies are, amongst others: the near absence of pressure from government; a lack of perceived advantage, namely in terms of standing with customers or the business community; and a belief that the company has little environmental influence. One of the factors most likely to bring about a revolution in practice is the government's directive to disclose environmental information. Consequently, the snail pace of reporting on social and environmental issues in Cameroon is partly due to government's lack of initiative on the one hand and fear by companies that initiatives pertaining to environmental reporting could be a means of identifying and penalising those who fall behind. Given this state of affairs, the reluctance of companies

demonstrate transparency and the command and control posture of the government seem to be the perfect arguments for the poor state of environmental reporting.

In Cameroon, public pressure to hold companies accountable to society is quite low. This is completely different from public accountability in some developed countries such as the UK, where businesses are heavily pressured by NGOs and advocacy organisations to disclose their environmental performance. The practice of CER requires that companies share with external parties, information about their environmental performance. Regrettably, the culture of Cameroon does not value openness and transparency. Additionally, CER comes with extra financial and time expenses. Companies are unlikely to do it unless they have a compelling motive to do so, given the uncertainties surrounding its reception. Although they can be spotted, the drivers in Cameroon are currently not as strong as those in Europe and the US.

Another challenge to effective CER is the lack of desire to practice environmental responsibility. The lack of information to report could be one of the reasons for non-disclosure. Companies who don't talk much about a certain subject are frequently giving the impression that they are not accomplishing much and don't have anything interesting to say. This makes rational sense because Cameroonian companies that do cover environmental issues usually only highlight positive developments. It is our submission that companies in Cameroon have little to report. It may be argued that CER, as part of corporate social responsibility, has been slow in Cameroon for three main reasons. First, Cameroonian companies focus more on maximising profits and business success, even though several scholarly investigations show that sound environmental performance and increased profits go very well together. Cameroon has seen very little government retreat from social and environmental obligations, in contrast to the United States and Western Europe. As a result, businesses exhibit an insignificant degree of social and environmental responsibility.

## **Conclusion**

If one were to evaluate from the perspective of regulations and practice, it would be safe to state that, as a country, Cameroon has fared relatively poorly in corporate environmental reporting. It is true that laws have compelled local businesses to meet a

minimal level of environmental responsibility, but they do not require them to notify external stakeholders of this responsibility. Consequently, the efforts of the few companies that have embraced the concept, laudable as they may be, have taken place within the ambit of passive and near absence of regulatory articulation on CER –a situation that calls for modification. The determination of its legality is left to inference since the concept is not clearly stated in the foundation law on environmental management's provisions. Even the OHADA law, that seems to mandate corporate reporting, delimits its scope to a narrow group of companies, while its applicability lies at the discretion of companies that choose to embrace the concept. It implies that people in Cameroon are unaware of how local businesses' operations impact their natural surroundings, including the quality of the water and air they ingest. It appears that businesses believe all they have to do is persuade the authorities that they are following the law. It is possible that the general public does not require confirmation from the corporation through corporate environmental reporting because they assume that the authorities will strictly enforce the environmental responsibility of businesses.

It is hence our humble submission that if environmental degradation has to be effectively managed at a supportable level by regulating the activities of corporate bodies through corporate environmental reporting, environmental policy, and law reform, as well as the active involvement of the state and the willingness of corporate bodies to embrace and comply with the environmental disclosure strategy. The former requires, amongst other things, the institution of appropriate framework law in the truest sense of the word, articulating environmental reporting as part of corporate environmental responsibility in Cameroon, or alternatively, Cameroon's environmental management framework law of 1996, should clearly and expressly elaborate corporate environmental reporting, the development of parameters to serve as a yardstick for measuring corporate reporting, the introduction of draconian sanctions in the environmental laws and policies so that they can effectively deter violators, the introduction of incentives to serve as encouragement for companies that align, and a booster for lagers. As for the latter, we suggest a change in the government's attitude from a passive partner to an active one, summoning the will to push through irrespective of external pressure. Industries in Cameroon should be advised and encouraged on the benefits of embracing the practice of reporting their environmental activities and/or forced to embrace

and practice same where necessary, and the people should be educated on their ability to mount pressure on companies in order to get direct confirmation of their environmental commitments.

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<sup>i</sup> Emeka, O., Adedoyin R., and Adeola D, (2008), "Environmental issues and Corporate Social Responsibility. The Nigerian Experience", *Kamla-Raj Journal of Human Ecology*, 23(2), p. 101-107.

<sup>ii</sup> Some of the structures that were set up by the state in the early years of its independence to serve as institutional framework for the implementation of industrial development strategies include: The Cameroon Investment Bank (CBD), created in 1961, to finance investments; The National Investment Corporation (NIC), established in 1964, to manage state owned enterprises, examine public investment projects, orientate the national investment policy and finance investments; The National Standardisation Committee (ISC) of 1968, charged with monitoring the implementation and follow up of issues related with standards; Centre for the Promotion of and Assistance to Small and Medium-sized enterprises (CAPME) created in 1970, to conduct studies on, and provide assistance to small and medium-sized ventures; The Investment Code Management Unit (ICMU), to monitor the implementation of the Investment Code, to name a few. Unfortunately, some of these structures no longer exist.

iii Cameroon possesses a rich potential of natural resources amongst which are: aluminium, bauxite, cobalt, diamonds, gold, iron ore oil and gas, timber, petroleum products and many others with petroleum constituting the principal source of revenue for the state.

iv Most of which comes in the form of multinational companies

v The Investment Code referred to here is the Investment Code of 1960. This Investment Code of 1960 was instituted by Law N° 60/64 of 27 June 1960. The 1960 Code was first amended in 1964 by Law N° 64/LEF/6 of 6 April 1964 and Law N° 66/LF of 10 June 1966. The second Investment Code was that of 1984, instituted by Law N° 84/003 of 4 July 1984. In 1990, the third Investment Code was instituted by Law N° 90/7 of 8 November 1990, ratified into law by Law N° 90/71 of 19 December 1990 as amended. In 1994, there was another Investment Code instituted by Ordinance N° 94/003 of 4 January 1994. The Fourth and current Investment Code applicable in Cameroon is that of 2002. The rationale for this Code known as the Investment Charter is clearly spelt out in the explanatory statement of Bill No 714 to institute the Investment Charter. This makes a total of four investment laws enacted by Cameroon since it gained independence in 1960.

vi The Organisation for the Harmonisation of Business Laws in Africa (OHBLA) known in its French acronym as OHADA was created by the Port Louis Treaty in 1993. The OHADA was born by the desire of Heads of States of some African countries to create a uniform and favourable environment for the exercise of business activities.

vii An industrial zone is a piece of land, geographically demarcated and developed to receive industries. The handling and treatment of industrial waste is of capital importance in the development of the zone. The Industrial Zones Management Authority (MAGZI) was created by Decree No 71/DF/95 of March 01 1971 to Acquire, Develop and Manage Industrial Zones and put at the disposal of manufacturers and other economic operators developed land for the implantation of industrial or commercial enterprises throughout the national territory. MAGZI is presently operating in six regions of Cameroon, notably Adamawa, West, North, Centre, Littoral, and South West.

viii Douala is the chief town of the Littoral administrative region which is the main industrial hub accounting for up to 80 percent of industrial plants in the country and 20 percent distributed in the other industrial zones.

ix Available literature reveals that Cameroon suffers from the nefarious effects of environmental degradation. The recent rapid and extensive changes in climate have been demonstrated to be intimately linked to variations in human-induced changes in atmospheric carbon and other greenhouse gases (Intergovernmental Panel on Climate Change). (IPCC), (2001a), Climate change 2001: The scientific basis. Report of Working Group I of the Intergovernmental Panel on Climate Change, Geneva, available at <http://www.ipcc.ch>, (Accessed 6 April 2020). (Intergovernmental Panel on Climate Change (IPCC), (2001c), Climate Change 2001: Mitigation, Report of Working Group III of the Intergovernmental Panel on Climate Change, Geneva, available at <http://www.ipcc.ch>, (Accessed 6 April 2020). These effects are noticeable on many other socio-economic sectors especially sensible ones like agriculture (Molua, Ernest L., Lambi, Cornelius M., 'The Economic Impact of Climate Change on Agriculture in Cameroon', (2007), Policy Research Working Paper; No. 4364, p. 19, World Bank, Washington, DC, available at <https://openknowledge.worldbank.org/handle/10986/7362>, (Accessed on the 27/4/2022), livestock rearing (Njong A. M., "Climate Change and Livestock Farming in Cameroon: Impacts and Implications for Poverty Reduction", (2011), International Journal of Current Research, Vol. 3, Issue 3, p. 115 -126, ISSN: 0975-833X), water availability (Tume S. J. P., "Impact of Climate Change on Domestic Water Accessibility in Bamenda III Sub - Division, North West Region", (2021), Journal of the Cameroon Academy of Sciences, Vol. 17, No. 2, P. 131-145), health (Peter Nde-Fon and J.C.N. Assob, (2013), "The Human Health Chapter of Climate Change and Ozone Depletion", Journal of the Cameroon Academy of Sciences, Vol. 11, No. 2&3, P. 123-129), to name but these. Meanwhile, though Cameroon has apparently not contributed to the current level of global carbon emissions, it is likely in the future, to become a major source of pollution. The cause has been linked to extreme emission of GHG by companies. Statistical data conducted on the rate of emission of GHG into the atmosphere in Cameroon, reveal that, companies rank as the third largest emitter of GHG after the energy and agricultural sectors. (Youssaou, *Les Question Environnementaux sur la Désertification au Cameroun. Atelier sur le statistique de l'environnement*, (MINEP 2011), Yaoundé, p. 34. These figures were said to increase with the growth of the economy and the tides estimated to be altered in favour of industries becoming the highest emitter. In addition, while the southwestern coastline and rainforest regions have seen an increase in periods of extended rainfall that have caused floods, the northern region is seeing a rise in drought and desert expansion that has scorched vast swaths of land. Moreover, most companies predominantly sited along water courses and coastal wetlands discharge untreated effluents into these water bodies in gross pollution of these media.

x Data conducted on the rate of emission of Greenhouse Gasses (GHG) into the atmosphere in Cameroon, reveal that, companies rank as the third largest emitter of GHG after the energy and agricultural sectors, recording 387.03Gg for Carbon dioxide (CO<sub>2</sub>), 0.19Gg for Oxides of nitrogen (NO<sub>x</sub>), 11.77Gg for Carbon monoxide (CO) and

1.38 for Sulphur dioxide (SO<sub>2</sub>). See Youssaou, (2011), *Les Question Environnementaux sur la Désertification au Cameroun. Atelier sur le statistique de l'environnement*, MINEP, Yaoundé, p. 34.

<sup>xi</sup> Available literature overwhelmingly reveal that Cameroon faces accelerated loss of biodiversity as the status of its major ecosystem increasingly deteriorate, with corporate bodies as principal contributors. Statistics shows that out of about 9,000 species of plants in Cameroon, some 355 are threatened with extinction; of the estimated 613 species of fish, 112 are threatened with extinction; out of 119 amphibians, 53 are under threat of extinction and of the 968 species of birds 30 face threat of extinction. Republic of Cameroon, "National Biodiversity Strategy and Action Plan Version II MINEPDED" (2012), available at <http://www.cbd.int/doc/world/cm/cm-nbsap-v2-en.pdf>, (accessed on the 2/03/2024). République du Cameroun, "Cinquième Rapport National du Cameroun a la Convention de la Diversité biodiversité, MINEPDED," (2014), available at <http://www.cbd.int/doc/world/cm/cm-nr-05-fr.pdf>. As regards the drivers, Eyebe A., et al, notes that the main drivers of biodiversity loss are habitat destruction, agricultural practices, deforestation and forest degradation, desert encroachment, climate change, pollution, land use, poaching, erosion and landslides. See generally Eyebe A., Simeon A. E., Angu K. A., and Endamana D., (2012), "Integrating Biodiversity Conservation into National Development Policy: A Case Study of Cameroon," IIED Poverty and Conservation Learning Group Discussion Paper, No. 09. See also Onang T. Egute., Eike A., Abugiche S. Ajonina, (2015), "The Legal Protection of Biodiversity in Cameroon", *Journal of Environment and Human*, ISSN (Print): 2373-8324 ISSN (Online): 2373-8332, p. 2.

<sup>xii</sup> Norrington-Davies G., (2011), "Climate Change Financing and Aid Effectiveness: Cameroon Case Study", OECD, p. 3, available at [www.agulhas.co.uk](http://www.agulhas.co.uk), visited on the (3/18/2024). Molua E. & Lambi C., (2006), "The Economic Impact of Climate Change on Agriculture in Cameroon", *CEEPA Discussion Paper* N0.17, CEEPA, University of Pretoria. See also, Munang T., Rivington M., Bellocchi G., Azam-Ali S., Colls J., (2008), "Effects of Climate Change on Crop Production in Cameroon", *Climate Research*, Vol. 36: 65- 77; [Yong D.](#), (2013), "Agriculture and Climate Change in Cameroon: An Assessment of Impacts and Adaptation Options," Routledge, p. 85-94.

<sup>xiii</sup> Roland Njieufack & Cyprain Mbou M., (2019), "Corporate Social Responsibility, Multinationals and Climate Change in Cameroon", *University of Buea Journal of Applied Social Science*, Vol. XII, No. 2, P. 79-104 at 83.

<sup>xiv</sup> Lodhia S., (2005), "Legitimacy Motives for World Wide Web (www) Environmental Reporting: An Exploratory Study into Present Practices in the Australian Minerals Industry", *Journal of Accounting and Finance*, Vol. 4, p. 1-15.

<sup>xv</sup> Sahay, A., "Environmental Reporting by Indian Corporations", (2004), *Corporate Social Responsibility and Environmental Management*, Vol. 11, p. 12-22.

<sup>xvi</sup> Belal, A. R., "Environmental Reporting in Developing Countries: Empirical Evidence from Bangladesh", (2000), *Eco-Management and Auditing*, Vol. 7, No. 3, p.114-21.

<sup>xvii</sup> DEAT, "Environmental Reporting", (2005). *Integrated Environmental Management Information Series* 17, Department of Environmental Affairs and Tourism (DEAT), Pretoria.

<sup>xviii</sup> Alok K. Pramanik, Nikhil C. Shil, & Bhagaban Das, (2008), *Corporate Environmental Reporting: An Emerging Issue in the Corporate World*, *International Journal of Business and Management*, Vol. 3, No. 12, p. 148.

<sup>xix</sup> See Hepple B., (1999), "A Race to the Top? International Investment Guidelines and Corporate Codes of Conduct" 20 *comp labour Law and policy* J. P. 347.

<sup>xx</sup> Deegan, C. and Gordon, B. (1996). A Study of the environmental disclosure practices of Australian Companies. *Accounting and Business Research*, 26(3), 562- 683; Imam, S. (1999). *Environmental Reporting in Bangladesh*. *Social and Environmental Accounting*, 19(2), 12-14.

<sup>xxi</sup> Lodhia S., (2005), *op cit*, note 14.

<sup>xxii</sup> Alok Kumar Pramanik, Nikhil Chandra Shil, Bhagaban Das, (2008), "Corporate Environmental Reporting: An Emerging Issue in the Corporate World", *International Journal of Business and Management*, Vol. 3, No. 12, p. 148.

<sup>xxiii</sup> For example, Australia's National Pollutant Inventory, Canada's National Pollutant Release Inventory, the UK'S Chemical Release Inventory and the USA's Toxic Release Inventory.

<sup>xxiv</sup> Hepple B, *op cit*, note 19, p. 349. The Global Reporting Initiative, developed by the US-based Coalition for Environmentally Responsible Economics (CERES), which published sustainability reporting guidelines in June 2000, the US Company-led public environmental reporting initiative, and the sustainability engaging stakeholders program are additional instances of voluntary reporting programs. In addition, environmental reporting is a component of the Confederation of British Industry's Environmental Forum, whose members are dedicated to submitting an annual public report on their environmental performance, and the International Chamber of Commerce's (ICC) Business Charter for Sustainable Development, principle 16, which calls on companies to periodically provide pertinent environmental information to the Board of Directors, shareholders, employees, authorities, and the public.

<sup>xxv</sup> See Hepple B, *ibid*, p. 350.



xxvi *Ibid*, p. 350.

xxvii These areas include: Work place safety, chemical releases, refinery residuals (by products), oil spills in US waters, underground storage tanks, used motor oil, gasoline vapour controls and US environmental expenditures.

xxviii Hepple B., *op cit*, note 79, p. 351.

xxix Lodhia, S. K. (2002), Social and environmental Reporting in Fiji: A Review of Recent Corporate Annual Reports, Social and Environmental Accounting, 20(1), 15 –18.; Gray, R., Javad, M., Power, D. and Sinclair, C. D. (2001). Social and Environmental Disclosure and Corporate characteristics: a Research Note and Extension. Journal of Business Finance & Accounting, 28(3) & (4), 327 – 356.; Shil, N. C. and Iqbal, M., (2005), Environmental Disclosure - a Bangladesh Perspective. The Cost & Management, 33(4), 85-93.

xxx See Babalola Olabisi A., ‘Seminar paper on Energy and Natural Resource Law’, (University of Lagos, Faculty of Law, 2006), p.31.

xxxi Adams C.A., Hill W.Y., Roberts C.B., (1998), “Corporate Social Reporting Practices in Western Europe: Legitimizing corporate behaviour,” British Accounting Review, Vol. 30, p.1-21.

xxxii Tilling M. V., (2004), “Some Thoughts on Legitimacy Theory in Social and Environmental Accounting”, Social and Environmental Accounting Journal, Vol. 24, No. 2, p.3-7.

xxxiii Law No 96/12 of 5 August 1996 Relating to Environmental Management in Cameroon. (Hereinafter referred to the Environmental Code).

xxxiv See Section 7(1), *ibid*.

xxxv See generally Section 16 (1) and (2), of the Environmental Code.

xxxvi Section 10 (1) paragraph 6, *ibid*.

xxxvii See Section 6(1) of the Environmental Code.

xxxviii See the following: Article 2 of Decree No. 76/372 of 2 September 1976 Regulating Establishments Classified as Dangerous, Unhygienic and Obnoxious; Order No. 0070/MINEP of 22 April 1970, fixing the Different Categories of Projects Submitted to Environmental Impact Assessment; Article 6 of Decree No. 2005/0577/PM of February 2005, fixing the Modalities for the Realisation of Environmental Impact Assessment; Article 17 of Law No 96/12 of 5 August 1996 Relating to Environmental Management in Cameroon.

xxxix See Article 11(1) & (2) of Decree No. 2005/0577/PM of February 2005, fixing the Modalities for the Realisation of Environmental Impact Assessment.

xl Loosely translated in English as Environmental Intervention Brigade.

xli

xliv Decree No. 2005/0577/PM of February 2005, fixing the Modalities for the Realisation of Environmental Impact Assessment.

xlvi See Article 11(1) of the Prime Ministerial Decree of 2005.

xliv *Ibid*, Article 11 (2).

xlvi Hereinafter abbreviated as UACCEIG.

xlvi See Articles 846-853 of the Uniform Act Relating to Commercial Companies and Economic Interest Groups.

xlvi Article 4 of the OHADA Uniform Act on Accounting Law.

xlvi Court investigations, newspaper and media exposures, and environmental movements are a few instances of involuntary disclosures.

xlvi The 1996 Environmental Code.

<sup>1</sup> See Article 11(1) of the Prime Ministerial Decree of 2005.

li *Ibid*, Article 11 (2).

lii Hereinafter abbreviated as UACCEIG.

lii See Articles 846-853 of the Uniform Act Relating to Commercial Companies and Economic Interest Groups.

lii Article 4 of the OHADA Uniform Act on Accounting Law.

lii *Ibid*, Article 8.

lii Whether they are corporate entities or natural persons.

lii See Articles 1 and 2, *ibid*.

lii A case in point is MTN Cameroon SA.

lii Taking the particular example of MTN Cameroon SA, offering of gifts and technical support to persons with disabilities, sponsorships of football championships, promotion of social entrepreneurship programs etc.

lii See Regulations 2013, paragraph 19 of the 2006 Companies Act (Strategic Report and Directors’ Reports). It is worthy to note that Cameroon is a signatory to the ISO which by implication means that the ISO standards are applicable in Cameroon.

lii It should be noted that the word “operations” is used here to refer to any type of business activity, regardless of its organisational, governing, or legal framework.

lxii Name and shame refers to situations where companies that violate environmental regulations are named and disgraced (shamed) in public.

lxiii See Articles 846-853 of the Uniform Act Relating to Commercial Companies and Economic Interest Groups.

lxiv Voluntary disclosure in this context can either be confidential or non-confidential.

lxv See Companies Act 2006, *op cit*, note 96.

lxvi *Ibid*, p. 30.

lxvii See Article 1 and 2 of the Uniform Act on Accounting Law. The adoption of the Uniform Act on OHADA Accounting Law took place in Yaoundé on the 24<sup>th</sup> March 2000. It lays down the harmonised accounting system for enterprises located in the member nations.

lxviii *Ibid*, Article 4.

lxix Zéghal, D., Ahmed, S. A., "Comparison of Social Responsibility Information Disclosure Media Used by Canadian Firms", (1990), Accounting, Auditing and Accountability Journal, Vol. 3 No.1, p.38-53.

lxx Tilt, C. A., "Environmental Disclosure by Australian Companies: What is Happening Outside the Annual Report?", (2001), A Paper presented at the Asia Pacific Interdisciplinary Research in Accounting (APIRA) Conference, Adelaide, South Australia.

lxxi MTN Cameroon is a typical example.

lxxii Lymer, A. and Tallberg, A., "Corporate Reporting and the Internet – A Survey and Commentary on the use of the www in Corporate Reporting in the UK and Finland", (1997), Paper presented at the European Accounting Conference (EAA), Graz, April, available at: <http://www.lymer.co.uk/articles/lymereaa.htm>. (Retrieved: 30/09/2016).

lxxiii Other advantages of the internet include: it offers access to greater volumes of data than previously possible; it facilitates hypermedia delivery of data (using the inter-linking of information capabilities of the World Wide Web); it allows users to export data for manipulation to name but these.

lxxiv To mention a few, it provides users with access to larger amounts of data than were previously feasible, enables hypermedia data transmission (by utilising the World Wide Web's interlinking of information capabilities), and lets users export data for manipulation. The Oil Sector Report established eight reporting categories, one of which is impacts on local communities. The following are possible areas for indicator development in this category: adherence to international operating standards; independent statements from the most impacted groups; use of community advisory committees; compensations and compensation policies for local environmental damage; impact on local economies and community health; transfer of skills and technology; cultural sensitivity; and management systems that address indigenous issues.

lxxv Regulatory insufficiency.

lxxvi This illustrates a scenario in which companies may be environmentally conscious but hesitant to disclose. In other words, companies do not want to share a compelling tale.

lxxvii The sluggish adoption of environmental reporting and corporate social responsibility (CSR) in Cameroon may be the cause of this. In other words, there isn't a compelling tale to tell, which is why there isn't any corporate environmental reporting.

lxxviii See Section 7(1) of the Environmental Code which stipulates that: "All persons shall have the right to be informed on the negative effects of harmful activities on man, health, and the environment, as well as on the measures taken to prevent or compensate for these effects".

lxxix This law instructs in Articles 846-853 that all publicly traded corporations publish their financial and accounting statements in a legal journal, as do their unlisted counterparts in some cases.