

# Ethical Governance and Corporate Social Responsibility in Circular Economy Implementation: A Conceptual Analysis of Ghana's Agribusiness Sector

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## ABSTRACT

Ghana's agribusiness sector is increasingly confronted with environmental degradation, unsustainable linear production models, and weak policy enforcement. Circular economy (CE) frameworks offer sustainable alternatives, but their implementation is shaped by ethical governance and corporate social responsibility (CSR). This conceptual paper analyzes the intersections between these three pillars within Ghana's agribusiness landscape. Using a qualitative, theory-informed approach grounded in stakeholder and institutional frameworks, the study synthesizes findings from peer-reviewed literature and policy analysis. The results identify fragmented regulatory structures, superficial CSR engagements, and limited stakeholder integration as critical barriers to CE diffusion. However, ethical governance reforms and strategic CSR alignment offer promising avenues for driving systemic sustainability. The study concludes that ethical leadership, robust stakeholder engagement, and integrated CSR policies are essential to unlocking the potential of CE in Ghana's agribusiness sector.

**Keywords:** Ethical governance, Corporate social responsibility, Circular economy, Agribusiness, Ghana, Sustainability

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## 1. INTRODUCTION

Ghana's agribusiness sector remains a cornerstone of the national economy, contributing over 20% to GDP and employing a significant portion of the rural population (Ashley & Gyekye, 2020). It forms the backbone of food security, employment creation, and industrial raw materials supply. However, persistent reliance on linear production models—characterized by extraction, production, consumption, and disposal—has led to resource depletion, environmental degradation, and increased vulnerability to climate shocks (Ofori, 2023). Waste mismanagement, particularly in agro-processing and input-intensive farming, continues to burden the sector and threatens long-term viability.

Circular economy (CE) strategies offer a restorative model based on resource efficiency, reuse, recycling, and closed-loop production systems. In agribusiness, CE practices such as composting, biogas generation, and agro-waste valorization present viable pathways to mitigate waste and improve productivity (Tulashie et al., 2023). However, despite growing international interest in CE, implementation in Ghana remains sporadic and largely unsupported by systemic frameworks (Agyapong et al., 2025).

In this context, ethical governance and corporate social responsibility (CSR) are crucial institutional drivers of sustainable transformation. Ethical governance promotes transparency, inclusivity, and regulatory accountability, fostering trust among stakeholders and enabling policy coherence (Gyabea et al., 2024). CSR, when aligned with environmental and social objectives, serves as a vehicle for voluntary business-led sustainability initiatives (Kwarteng et al., 2021). The intersection of these institutional elements with CE provides an unexplored yet promising route toward more sustainable agribusiness systems in Ghana.

Although CE principles are increasingly recognized as essential for agricultural sustainability, their adoption within Ghana's agribusiness remains nascent. Most efforts remain at the pilot stage, with limited policy enforcement, fragmented stakeholder coordination, and a lack of integrated governance mechanisms (Kuhn et al., 2024). Ethical lapses in regulatory enforcement and tokenistic CSR efforts contribute to weak CE uptake and limited innovation across value chains (Aboagyewaa-Ntiri, 2024). Moreover, prevailing research often isolates CE from institutional enablers, failing to examine the integrative roles of governance and CSR in driving system-wide transitions (Ofori, 2023; Agyapong et al., 2025). The literature lacks a coherent framework that links

ethical governance and CSR with CE in a way that reflects the policy, market, and social dynamics of the Ghanaian context.

The objective of this study is to conceptually analyze the role of ethical governance and corporate social responsibility in supporting circular economy adoption within Ghana's agribusiness sector. It addresses the following questions: What is the influence of ethical governance on circular economy implementation in Ghana's agribusiness sector? How can corporate social responsibility accelerate the adoption of circular economy practices? What systemic barriers prevent effective CE adoption in the Ghanaian agribusiness industry?

## 2. LITERATURE REVIEW

### 2.1 Conceptual Framework

The conceptual foundation of this study rests on the interlinkages between Circular Economy (CE), ethical governance, and Corporate Social Responsibility (CSR), with particular emphasis on their convergence within agribusiness sustainability transitions. The CE concept provides a strategic framework for reducing ecological degradation by closing material loops, extending product life cycles, and minimizing resource extraction. It challenges the linear "take-make-dispose" model by advocating a regenerative system that fosters long-term environmental and economic resilience (Fortunati et al., 2020; Saidani, Yannou, Leroy, Cluzel, & Kim, 2023). Within the context of agribusiness, CE manifests through waste valorization (e.g., bio-waste conversion), regenerative agricultural methods (e.g., crop rotation, agroecology), and innovations in resource-efficient supply chains. These practices enhance not only environmental conservation but also productivity and rural livelihood security.

Ethical governance complements CE by establishing the normative infrastructure that ensures transparency, fairness, and accountability in sustainability implementation. It emphasizes decision-making that is grounded in integrity and inclusivity, particularly critical in economies with historically weak institutions and governance deficits. Governance systems characterized by corruption, regulatory capture, and opacity obstruct the effective deployment of CE models (La Rocca, La Rocca, Fasano, Sánchez-Vidal, 2023). As such, embedding ethical principles into both public policy and corporate operations is necessary for securing legitimacy and stakeholder trust. In Sub-Saharan Africa, the absence of robust ethical frameworks has been a recurrent barrier to sustainable development, making the case for reform toward values-based leadership even more compelling (Makhanya, 2023).

Meanwhile, CSR operates as a practical mechanism through which organizations internalize societal and environmental considerations into their operational ethos. CSR encompasses initiatives that go beyond compliance—addressing community development, environmental protection, and equitable labor practices (Ackers, 2015). In the African context, CSR often reflects indigenous philosophies such as Ubuntu, which foreground interdependence, shared responsibility, and social cohesion. This cultural lens imbues CSR with local legitimacy, aligning business objectives with collective well-being (Amponsah-Tawiah & Dartey-Baah, 2016). When harmonized with CE, CSR not only enhances the social dimension of sustainability but also catalyzes systemic innovations—such as community-driven recycling programs, responsible sourcing, and equitable benefit sharing.

Overall, the conceptual framework illustrates that CE outcomes are contingent on the enabling roles of ethical governance and CSR. These pillars are not siloed but dynamically interrelated—where governance sets the institutional conditions, and CSR operationalizes them through tangible interventions. In this integrated model, CE emerges not only as a technical strategy but as a socio-economic paradigm, grounded in ethical accountability and collective responsibility.

### 2.2 Theoretical Framework

This study is grounded in a tripartite theoretical framework that integrates Stakeholder Theory, the Triple Bottom Line (TBL), and Institutional Theory to provide a multidimensional understanding of how ethical governance and CSR shape circular economy (CE) outcomes in Ghana's agribusiness sector.

Stakeholder Theory argues that firms are accountable not only to shareholders but to a broader set of stakeholders, including communities, governments, employees, and the environment (Gyabea, 2024). In agribusiness—where rural livelihoods, ecosystem services, and food systems are deeply interconnected—this theory reinforces the moral and strategic obligation of firms to act in the interest of diverse actors (ElGammal et

al., 2018). The theory offers a compelling rationale for ethical governance by advocating stakeholder inclusivity in decision-making processes, thus fostering legitimacy and trust necessary for CE adoption.

The Triple Bottom Line (TBL) framework further expands this logic by embedding sustainability into core business performance. It emphasizes balanced outcomes across economic (profit), social (people), and environmental (planet) dimensions. This approach aligns directly with the CE philosophy, which seeks to generate economic value while minimizing ecological harm and maximizing societal benefits. In the agribusiness context, this translates into practices such as sustainable land use, labor equity, and circular production models that reduce waste and input costs (Fortunati et al., 2020).

Institutional Theory provides critical insight into how formal regulations and informal norms shape organizational behavior. Particularly relevant in the Ghanaian context, it explains the limited institutionalization of CSR and CE due to weak enforcement, fragmented policies, and cultural inertia. The success of ethical and circular practices thus hinges on aligning external regulatory pressures with internal values and expectations rooted in local norms and practices (Gyabea, 2024; Olubunmi, 2023).

Together, these theories create an integrated framework that explains the interaction between governance structures, organizational responsibilities, and systemic transitions toward circularity.

### 2.3 Empirical Literature

Empirical studies on circular economy (CE) practices in agribusiness, particularly within Sub-Saharan Africa, remain relatively limited compared to the manufacturing and energy sectors. Nonetheless, emerging evidence underscores the potential of CE practices—such as nutrient cycling, agro-waste repurposing, organic composting, and water reuse—to significantly enhance both environmental sustainability and agricultural productivity (Fortunati et al., 2020). These practices promote closed-loop systems that reduce dependency on synthetic inputs and external resources, thereby increasing economic resilience in rural farming systems.

Despite these advantages, the adoption of CE in Africa's agribusiness sector remains sluggish. Challenges such as inadequate infrastructure, limited access to green finance, and a lack of policy coherence often obstruct implementation. In Ghana, fragmented supply chains, poor waste management systems, and regulatory gaps further hinder progress (Amponsah-Tawiah & Dartey-Baah, 2016). The absence of clear incentives for innovation, coupled with capacity deficits among key stakeholders, exacerbates this slow uptake. Moreover, agribusinesses tend to prioritize immediate profitability over long-term sustainability, reflecting a broader trend of short-termism in corporate behavior (Tuokuu & Amponsah-Tawiah, 2016).

The effectiveness of Corporate Social Responsibility (CSR) in emerging economies like Ghana is also shaped by a complex interplay of governance, cultural norms, and stakeholder expectations. CSR initiatives have achieved positive outcomes where they are embedded in broader developmental goals and driven by local engagement. For instance, in South Africa, CSR programs linked to community agriculture and environmental conservation have generated tangible impacts, especially when aligned with effective governance and stakeholder participation (Makhanya, 2023). However, CSR in many African contexts still suffers from symbolic implementation or "greenwashing," whereby firms adopt sustainability rhetoric without meaningful change (Ackers, 2015). This is especially prevalent in sectors lacking robust accountability systems or ethical oversight.

In the Ghanaian agribusiness landscape, CSR remains underdeveloped and largely disconnected from circular economy objectives. Existing CSR projects are often limited to philanthropic activities such as donations or short-term community outreach programs, rather than being integrated into core business models. This disconnect is compounded by weak ethical governance structures that fail to incentivize or enforce strategic CSR practices (La Rocca, 2023). Studies have shown that when governance systems lack transparency and inclusivity, CSR loses its transformative potential, becoming a tool for reputational management rather than a vehicle for systemic change (Makhanya, 2023).

Nevertheless, isolated cases of progress do exist. A few multinational agribusiness firms and innovative local enterprises have begun experimenting with circular initiatives—such as converting cassava peels into biofuel or integrating crop-livestock systems to reduce waste. These examples demonstrate that, under conducive institutional and ethical conditions, the convergence of CSR and CE can catalyze impactful transformation across agricultural value chains.

## 2.4 Gaps in Literature

Despite growing attention to circular economy frameworks globally, their application in Ghana's agribusiness sector remains under-researched. Most studies focus on manufacturing and urban waste systems, neglecting the rural, informal, and agri-based components of the economy. Where CE is discussed in agriculture, it often centers on technical innovations without integrating social responsibility or governance mechanisms.

Furthermore, while ethical governance is well-theorized in public administration literature, its operationalization within agribusiness—particularly within circular economic models—is poorly explored. The result is a limited understanding of how governance norms can drive or constrain CE adoption in agribusiness.

Similarly, CSR literature in Ghana tends to focus on extractive industries like mining and oil, with limited empirical coverage of agricultural firms. Studies often treat CSR as philanthropic gestures rather than integrated business strategies rooted in ethics, sustainability, and stakeholder alignment. This represents a critical oversight, given the agrarian nature of Ghana's economy and the sector's significant environmental footprint.

Most importantly, a conceptual void exists in linking ethical governance, CSR, and CE outcomes within a unified analytical framework. No comprehensive models currently examine how these elements interact to influence sustainability transitions in Ghanaian agribusiness. Without such integration, policy efforts and organizational strategies risk remaining fragmented, undermining both impact and scalability. Bridging this gap could inform evidence-based policy, improve accountability frameworks, and enable context-relevant sustainability transitions in Ghana and similar emerging economies.

## 3. METHODS

### 3.1 Research Design

This study employs a conceptual and qualitative research design to explore the interlinkages between ethical governance, corporate social responsibility (CSR), and circular economy (CE) implementation within Ghana's agribusiness sector. The conceptual nature of this study allows for the integration and synthesis of diverse theoretical and empirical perspectives to construct a coherent analytical framework (Kuhn et al., 2024). A qualitative, theory-driven approach is particularly appropriate for interrogating normative and institutional concepts—such as transparency, stakeholder engagement, and sustainability commitments—that underlie governance and CSR frameworks (Olubunmi, 2023).

Exploratory by design, the study draws from existing literature to identify thematic connections and underlying mechanisms that influence CE adoption in agribusiness. This method is effective in contexts where empirical evidence is fragmented or where multiple domains—environmental sustainability, ethics, and organizational responsibility—intersect (López Jiménez, Dittmar, & Vargas Portillo, 2021). The design facilitates critical reflection and reconceptualization of existing models, enabling the development of an integrated understanding of how ethical governance and CSR support CE transitions in Ghana's agricultural economy.

### 3.2 Data Sources

The study synthesizes secondary data from a variety of credible and authoritative sources. Peer-reviewed academic articles formed the data base, selected from English-language journals published after 2019. These databases included Consensus, Google Scholar, Scopus, Web of Science, JSTOR and Emerald. The selected articles included studies on CE in agriculture, CSR implementation in Africa, governance dynamics in Ghanaian institutions, and integrated sustainability strategies. To strengthen context-specific insights, peer-reviewed articles focusing on the Ghanaian context of the study were included.

Document inclusion was guided by relevance to the three core constructs (ethical governance, CSR, CE) and their application within agribusiness contexts. Emphasis was placed on Ghanaian and African cases to reflect contextual specificities. Each source was critically appraised for methodological transparency, institutional credibility, and contribution to conceptual clarity.

### 3.3 Analytical Strategy

A thematic content analysis was adopted to systematically examine and synthesize concepts and arguments across the selected literature. The analysis focused on identifying recurring themes, explanatory patterns, and theoretical linkages that illuminate how ethical governance and CSR contribute to CE implementation. This

involved open coding of key themes such as “transparency,” “stakeholder engagement,” “value circularity,” and “sustainability integration.”

The themes were mapped against theoretical constructs from Stakeholder Theory, the Triple Bottom Line, and Institutional Theory to uncover how normative, structural, and relational dynamics shape CE outcomes. This comparative synthesis enables the study to offer a robust conceptual model that links governance values and CSR strategies with CE performance indicators.

Furthermore, cross-case pattern matching was applied to distinguish between successful and ineffective CE-CSR integration models in Ghanaian agribusiness, drawing insights from both academic and practice-based sources. This approach ensures that the study provides practical relevance while advancing theoretical discourse on ethical sustainability transitions in developing economies.

## 4. RESULTS

### 4.1 Governance Findings

Governance remains a significant barrier to effective circular economy (CE) implementation within Ghana’s agribusiness sector. One of the most critical challenges observed is regulatory ambiguity coupled with weak enforcement. Although environmental and sustainability-oriented policies exist on paper, there is widespread uncertainty regarding their operational definitions, scope, and institutional responsibility. This vagueness results in fragmentation of regulatory mandates and overlapping jurisdictions, reducing clarity for private sector actors and discouraging long-term investment in circular strategies. Research examining CE in Ghana’s construction and oil sectors has similarly revealed that institutional fragmentation and unclear circular policy directives obstruct effective implementation (Ababio et al., 2023; Stephens, 2023). In particular, the lack of harmonized environmental standards and incentives continues to deter businesses from committing to CE transitions in a meaningful way.

Furthermore, enforcement mechanisms for existing policies remain inconsistent and often politicized. Regulatory authorities are under-resourced and face administrative bottlenecks that hinder routine monitoring, compliance audits, and penalization for environmental infractions. These enforcement gaps create a governance vacuum that enables unsustainable production practices to persist, particularly among agro-processing firms. As highlighted in governance analyses of Ghana’s securities and public administration sectors, poor ethical leadership and limited institutional accountability are systemic issues that constrain public sector efficiency and undermine sustainable economic development (Marx & Mynhardt, 2021; Fobih, 2021).

Another major governance deficit lies in the limited participation of non-state actors. While some efforts have been made to involve civil society and academia in CE discourse, the private sector—especially agribusiness SMEs—has not been meaningfully integrated into national sustainability planning. Community-level engagement is also minimal, despite rural populations being directly impacted by unsustainable agricultural practices. Similar concerns have been documented in broader CE governance studies, where the absence of multi-stakeholder collaboration limits the legitimacy and contextual relevance of policy interventions (Barbosa, Bronzo, Júnior, & de Sousa, 2025; L’Abate et al., 2024). In Ghana’s case, this governance gap not only weakens the effectiveness of public initiatives but also curtails the potential for local innovation in areas such as agro-waste reuse and composting.

Governance failures in Ghana’s agribusiness sector are typified by policy ambiguity, poor enforcement, and a lack of inclusive stakeholder engagement. These challenges restrict the enabling environment necessary for CE principles to take root and scale within the sector.

### 4.2 CSR Findings

Corporate Social Responsibility (CSR) efforts within Ghana’s agribusiness sector are present but often fragmented, inconsistent, and rarely aligned with broader circular economy (CE) objectives. Most CSR initiatives tend to focus on philanthropic activities such as school donations, borehole construction, and seasonal farming support. While these actions contribute to community goodwill, they lack integration into core business models and fall short of driving structural sustainability (Tuokuu & Amponsah-Tawiah, 2016; López Jiménez et al., 2021).

Moreover, a recurring theme in the analysis is the symbolic nature of many environmental CSR programs. Initiatives branded as “green” often prioritize reputation management over genuine ecological transformation—a



phenomenon widely referred to as greenwashing. Firms frequently publicize token activities such as tree planting or plastic recycling campaigns without embedding sustainability into procurement, production, or supply chain systems (Makhanya, 2023). This tendency aligns with findings from CSR literature in South Africa and Nigeria, where corporate disclosures emphasize social contributions without measurable environmental performance (Ackers, 2015; Olubunmi, 2023).

In Ghana, CSR is additionally constrained by an underdeveloped regulatory framework. Although the Ghana Environmental Protection Agency provides guidelines, there are no binding requirements for companies to disclose sustainability strategies or link them to circular practices. This regulatory gap fosters a voluntary and reactive CSR culture rather than a proactive and strategic one. As a result, most firms operate in compliance-oriented silos, delivering isolated projects rather than integrated CSR programs aligned with CE principles (Stephens, 2023; Agyapong et al., 2025).

Furthermore, empirical evidence suggests a weak correlation between CSR and local stakeholder empowerment. Many CSR efforts are externally driven, with minimal community participation in design or monitoring. This undermines long-term impact and risks detaching CSR from localized environmental priorities, including soil degradation, agrochemical overuse, and biodiversity loss. Conversely, cases where CSR has been aligned with community co-creation—such as farmer training on composting or sustainable irrigation—show stronger alignment with CE ideals (Barbosa et al., 2025; López Jiménez et al., 2021).

In sum, CSR in Ghanaian agribusiness exists in form but lacks functional synergy with CE. Without ethical governance anchors and stakeholder-led strategies, CSR continues to operate as a fragmented set of projects rather than a transformative sustainability mechanism.

#### 4.3 CE Implementation Insights

Despite increasing global interest in the circular economy (CE), its practical implementation in Ghana's agribusiness sector remains nascent and fragmented. However, several promising practices signal the early stages of a circular transition. Among the most prominent are organic composting, agro-waste reuse, and small-scale bioconversion techniques. These activities are typically initiated by private agribusinesses, donor-funded cooperatives, or informal community enterprises attempting to derive value from agricultural residues such as cassava peels, poultry droppings, or cocoa husks (Agyapong et al., 2025; L'Abate et al., 2024). While these initiatives indicate potential for sustainable transformation, they lack systemic support, strategic scale-up, and integration into national agricultural policy.

The study also finds that CE implementation tends to be ad hoc, driven more by economic necessity than by environmental consciousness. For instance, some agribusinesses reuse waste inputs to reduce operational costs rather than as part of a holistic CE strategy (Barbosa et al., 2025). Such reactive approaches, though beneficial in the short term, miss the broader regenerative potential of CE models that prioritize long-term resource efficiency and ecosystem resilience. Without strategic frameworks and ethical business incentives, these isolated practices are unlikely to evolve into comprehensive, scalable systems.

Another major impediment to CE advancement is the limited technical capacity among agribusiness actors. Most SMEs lack the infrastructure, knowledge, and training needed to adopt advanced circular processes such as closed-loop irrigation, anaerobic digestion, or decentralized renewable energy integration. As affirmed by comparative studies across Sub-Saharan Africa, circular innovations are constrained by a lack of investment in green technologies and inadequate access to tailored financing mechanisms (Makhanya, 2023).

Furthermore, the absence of effective monitoring and evaluation systems makes it difficult to measure the impact of existing CE initiatives. This creates a data vacuum that undermines evidence-based policymaking and impedes private sector benchmarking. Ghana's institutional actors have not yet established national CE indicators, and this lack of standardization weakens accountability, even among firms attempting to innovate (Agyapong et al., 2025).

Nonetheless, there are isolated examples of innovation that demonstrate CE's viability. Some agritech startups have begun offering circular input solutions—such as bio-fertilizers and pest control systems based on waste valorization—that combine profitability with sustainability (Fortunati et al., 2020). These instances highlight the role of entrepreneurship in accelerating CE adoption, but their proliferation is contingent on ecosystem-level reform.

In essence, while Ghana's agribusiness sector exhibits the seeds of CE activity, implementation remains fragmented and under-supported. A transition to systemic, scalable circular practices will require coordinated governance reforms, CSR integration, and institutional capacity building.

## 5. DISCUSSION

### 5.1 Ethical Governance and Circular Economy (CE)

The role of ethical governance in advancing circular economy practices within Ghana's agribusiness sector is both foundational and transformative. Ethical governance—which encompasses transparency, stakeholder inclusivity, and institutional accountability—serves as the regulatory and moral compass that enables CE adoption. It fosters policy coherence and operational trust, thereby incentivizing firms to invest in long-term sustainability (Gyabea et al., 2024; López Jiménez et al., 2021). In contrast, ethical lapses such as regulatory capture, corruption, and non-enforcement of environmental standards obstruct the adoption of circular strategies by increasing perceived risks and transaction costs (Tuokuu & Amponsah-Tawiah, 2016; Marx & Mynhardt, 2021).

As illustrated in Ghana's public and agribusiness sectors, governance failures often manifest as policy ambiguity and enforcement inconsistency. These weaken investor confidence, particularly in innovations such as agro-waste reuse and closed-loop irrigation (Fobih, 2021; Ababio et al., 2023). Without ethical leadership that prioritizes sustainability goals, CE initiatives remain peripheral or symbolic. Consequently, CE advancement requires embedding ethics at both the institutional and organizational levels to catalyze trust and mobilize resources.

### 5.2 CSR as a Catalyst for CE

Corporate Social Responsibility (CSR), when aligned with CE principles, becomes a powerful tool for transitioning agribusinesses toward sustainability. While current CSR practices in Ghana are largely philanthropic and fragmented (López Jiménez et al., 2021; Tuokuu & Amponsah-Tawiah, 2016), there is growing recognition that CSR can serve strategic functions. Integrated CSR initiatives can bridge gaps between economic performance and environmental protection by encouraging innovation in areas such as local sourcing, waste valorization, and green technology adoption (Makhanya, 2023; Barbosa et al., 2025).

However, the study shows that many CSR activities remain performative, driven by reputational goals rather than systemic environmental objectives. This reflects both a cultural orientation toward compliance-based CSR and weak institutional incentives for sustainability reporting (Stephens, 2023; Agyapong et al., 2025). When CSR lacks ethical grounding and stakeholder co-creation, it fails to support CE transformations meaningfully. Therefore, aligning CSR frameworks with CE goals—through community-led planning, lifecycle thinking, and cross-sectoral partnerships—is essential to maximizing impact.

### 5.3 Proposed Conceptual Model

This study proposes a conceptual model that integrates ethical governance and CSR as institutional enablers of CE in agribusiness. The model positions ethical governance—characterized by stakeholder inclusion, policy integrity, and institutional accountability—as the structural bedrock. CSR, defined through both social and environmental responsibility, acts as the operational mechanism.

Mechanisms of Interaction:

- *Trust-building*: Ethical governance creates legitimacy, while CSR enhances social acceptance.
- *Resource Mobilization*: Governance reform opens funding channels; CSR leverages private investments.
- *Knowledge Transfer*: Inclusive governance enables policy learning; CSR facilitates local innovation diffusion.

*Outcome*: Effective and scalable circular economy implementation in Ghanaian agribusiness.

This conceptual model identifies ethical governance and corporate social responsibility (CSR) as institutional enablers of circular economy (CE) implementation in agribusiness (Yombi, Boateng, & Tukura, 2025). Ethical governance—through stakeholder inclusion, policy integrity, and institutional accountability—provides structural legitimacy, while CSR—through social and environmental responsibility—supports operational execution. Three interaction mechanisms connect these enablers to CE outcomes: trust-building (legitimacy and social acceptance), resource mobilisation (public reform and private investment), and knowledge transfer (policy learning and innovation). Collectively, these mechanisms drive effective and scalable CE implementation in Ghanaian agribusiness.



Figure 5.1. *Conceptual Model for Circular Economy Implementation*

Legend: CE = Circular Economy; CSR = Corporate Social Responsibility

#### 5.4 Proposition Development

Based on the conceptual synthesis, the following propositions are offered:

- *Proposition 1:* Ethical governance positively influences CE adoption by enhancing accountability, reducing regulatory uncertainty, and increasing stakeholder confidence (Gyabea et al., 2024; Fobih, 2021).
- *Proposition 2:* CSR initiatives that are explicitly aligned with CE principles—such as agro-waste valorization or community composting—significantly improve operational sustainability in agribusiness (López Jiménez et al., 2021; Makhanya, 2023).
- *Proposition 3:* The synergistic integration of ethical governance and CSR enables system-wide transformation by embedding CE principles into organizational culture and policy frameworks (Barbosa et al., 2025; Ababio et al., 2023).

#### 5.5 Policy and Practice Implications

The conceptual analysis and synthesis of findings from this study offer significant policy and practical implications for strengthening circular economy (CE) transitions in Ghana's agribusiness sector. These implications relate to regulatory reform, institutional capacity, stakeholder engagement, technological integration, and human capital development—each of which is necessary to create an enabling ecosystem anchored in ethical governance and strategically aligned corporate social responsibility (CSR).



*Regulatory Framework Reform:* At the policy level, there is a compelling need for the Ghanaian government to establish an integrated national circular agriculture policy that harmonizes CE principles with ethical governance imperatives. The current policy landscape is highly fragmented, with overlapping mandates and inconsistent sustainability targets that create confusion among firms and hinder CE adoption. A unified framework—backed by statutory instruments—would provide legal clarity, standardise performance expectations, and offer clear benchmarks for agribusinesses to align their operations. Such a policy must not only outline CE-specific goals (e.g., waste valorisation, input circularity, emissions reduction) but also embed ethical obligations such as transparency, stakeholder engagement, and anti-corruption protocols in both implementation and enforcement structures.

*Strengthening Oversight and Accountability:* The effectiveness of any CE policy is dependent on institutional enforcement capacity. Regulatory bodies such as the Environmental Protection Agency (EPA), the Ghana Standards Authority, and local district assemblies must be equipped with the necessary authority, autonomy, and technical tools to enforce CE compliance. This includes developing sector-specific CE indicators, deploying sustainability auditors, and introducing firm-level circularity scorecards that capture environmental, social, and ethical performance. Transparent reporting requirements should be institutionalised through digital platforms that allow for public access and civil society scrutiny, thereby enhancing accountability and discouraging greenwashing.

Furthermore, fiscal policy tools such as green tax credits, zero-interest loans for circular investments, and preferential access to public procurement for certified circular firms should be introduced. These instruments would serve as market-based incentives that reward genuine CE-CSR integration while penalising non-compliance. By tying these benefits to verifiable performance metrics, government can promote a culture of results-based sustainability in the agribusiness sector.

*Multi-Stakeholder Collaboration and Institutional Synergy:* Effective CE transitions are multi-actor processes that require coordinated collaboration across sectors. There is a need to formalise multi-stakeholder platforms where agribusinesses, farmer associations, research institutions, NGOs, local governments, and international donors can engage in policy co-creation, joint project implementation, and shared learning. Such platforms can take the form of CE working groups or regional sustainability alliances that function as hubs for knowledge exchange, innovation diffusion, and consensus building.

These collaborative structures are critical for resolving knowledge asymmetries, aligning incentives, and building institutional trust—particularly in regions where policy legitimacy is often weak. Government agencies and development partners should invest in the long-term institutionalisation of such platforms, ensuring that they are inclusive, gender-responsive, and accountable to community interests.

*Education, Training, and CE Literacy:* Another key practical implication is the urgent need to build CE-related competencies within the agribusiness workforce. Despite the growing relevance of CE, many agricultural entrepreneurs, farm managers, and extension officers in Ghana remain unfamiliar with its concepts, tools, and benefits. To address this, CE and ethics education must be mainstreamed into national agricultural training curricula, vocational training institutes, and higher education programs.

University curricula in agriculture, business, and environmental sciences should be restructured to incorporate modules on circular systems thinking, sustainable business models, and governance ethics. Similarly, business development service providers and farmer cooperatives should integrate CE literacy into workshops, field demonstrations, and mentoring schemes. These efforts would cultivate a new generation of ethically driven and environmentally conscious agripreneurs capable of championing CE transitions.

*Leveraging Digital Infrastructure and Innovation:* Digital technologies offer new frontiers for enhancing transparency, traceability, and efficiency in circular agribusiness systems. Blockchain solutions can support ethical sourcing and supply chain transparency, particularly for products with high environmental and labour risks. Internet-of-Things (IoT) devices and remote sensing technologies can be deployed to monitor waste generation, resource use efficiency, and environmental compliance in real time.

Government policy must therefore treat digital infrastructure as a key enabler of CE and not merely a parallel innovation agenda. This implies integrating CE objectives into national digitalisation strategies, creating platforms for agro-waste exchange, and establishing digital registries for CSR and CE certification. Public-private partnerships should be incentivised to incubate CE startups, fund agritech accelerators, and establish circular innovation labs in agricultural zones.

*Building an Enabling Ecosystem:* Finally, the long-term viability of CE implementation hinges on the creation of a robust enabling ecosystem where ethical governance, strategic CSR, and institutional support systems interact

synergistically. Policy coherence, stakeholder trust, and entrepreneurial dynamism must converge to drive systemic change. This requires aligning national CE objectives with international frameworks such as the African Circular Economy Alliance (ACEA), the African Continental Free Trade Area (AfCFTA) green trade protocols, and the UN Sustainable Development Goals (SDGs).

Ghana's agribusiness sector stands at a critical juncture. To actualise the potential of circular economy models, deliberate and coordinated policy and practical interventions are needed. Ethical governance must provide the normative and institutional architecture; CSR must deliver operational integration and stakeholder legitimacy; and both must be embedded within responsive policies, inclusive platforms, and digital innovation systems. Only then can Ghana's agribusiness realise sustainable, inclusive, and resilient growth in the face of mounting environmental and economic challenges.

### 5.6 Challenges and Opportunities

The transition to a circular economy in Ghana's agribusiness sector faces several structural and institutional challenges. Chief among these is the lack of political will, reflected in inconsistent policy support, fragmented mandates, and limited prioritization of sustainability in national development strategies. Resource limitations, especially in terms of funding, technical expertise, and access to green technologies, also constrain the implementation of CE practices. Many agribusinesses operate with narrow profit margins and perceive CE-related investments as high-risk or non-essential. Furthermore, capacity gaps among regulators, farmers, and business leaders undermine effective governance and hinder the integration of CSR into core business operations.

Despite these barriers, there are considerable opportunities for transformative change. Global green finance mechanisms—such as climate adaptation funds, sustainability-linked loans, and carbon trading platforms—offer new avenues for resource mobilization. The increasing availability of digital tools and data-driven platforms presents additional opportunities for enhancing traceability, improving resource efficiency, and fostering transparency. Public awareness and consumer demand for sustainable products are also growing, creating market-based incentives for responsible production. By strategically leveraging these opportunities and addressing foundational challenges, Ghana's agribusiness sector can evolve into a circular, inclusive, and resilient economic system, with ethical governance and CSR at its core.

## 6. CONCLUSION

This study has demonstrated that ethical governance and corporate social responsibility (CSR) are not merely complementary to circular economy (CE) implementation, but constitute foundational pillars for its success, particularly within the agribusiness sector in Ghana. Ethical governance provides the institutional legitimacy, transparency, and accountability required to foster stakeholder trust and policy compliance. At the same time, CSR acts as the operational mechanism through which firms engage with environmental and social goals, driving innovation, sustainability, and community development. When combined, these two domains offer a powerful, integrated pathway for enabling circular transitions in resource-constrained and governance-challenged environments.

However, realizing the full potential of CE in Ghana's agribusiness sector requires a systemic shift. Leadership reform at both institutional and organizational levels is essential to instill values of integrity, inclusion, and sustainability. Institutional support mechanisms—including regulatory clarity, performance-based incentives, and technical training—must be reinforced. Furthermore, inclusive stakeholder engagement should be prioritized to ensure that circular initiatives are contextually relevant, locally owned, and equitably beneficial.

This study is limited by its conceptual scope and reliance on secondary data, which restricts the ability to generalize findings across the broader agricultural landscape. Future research could adopt mixed-method approaches, incorporating field-based empirical evidence, to assess the causal relationships between governance quality, CSR effectiveness, and CE performance. Comparative studies across different African regions would also enrich understanding of contextual variations and best practices. As sustainability imperatives grow more urgent, the intersection of ethics, responsibility, and circularity offers fertile ground for both academic inquiry and policy innovation.

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