



## From ESG Compliance to Agribusiness Resilience: Stakeholder Trust and Sustainability Performance in Nigeria and Brazil

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### Abstract

Environmental, Social, and Governance (ESG) compliance is becoming increasingly important in agribusiness because the sector faces growing pressure from climate risks, food security concerns, sustainability disclosure requirements, stakeholder accountability, and value-chain disruptions. However, ESG is still often treated merely as a reporting obligation rather than as a strategic pathway for strengthening agribusiness resilience. This study develops a comparative conceptual–empirical synthesis to explain how ESG compliance may contribute to agribusiness resilience through stakeholder trust and sustainability performance in Nigeria and Brazil. Drawing on verified secondary literature, previous empirical studies, and institutional analysis, the study integrates the Resource-Based View, Stakeholder Theory, and Institutional Theory. The paper argues that ESG compliance becomes relevant to resilience when it is translated into credible governance practices, trusted by stakeholders, reflected in sustainability performance, and supported by enabling institutional conditions. Brazil illustrates a pathway in which ESG is increasingly linked to circular economy practices, stakeholder collaboration, corporate reputation, sustainability orientation, and agribusiness resilience. Nigeria illustrates a pathway in which ESG relevance depends largely on trust restoration, disclosure credibility, cooperative governance, risk management, and institutional strengthening. The study contributes to management and agribusiness scholarship by proposing an ESG–trust–performance–resilience framework for agribusiness systems in emerging economies. It also provides practical and policy implications for agribusiness firms, cooperatives, regulators, investors, and sustainability stakeholders seeking to move ESG beyond compliance toward credible resilience building.

**Keywords:** ESG compliance; stakeholder trust; sustainability performance; agribusiness resilience; Nigeria and Brazil

## 1. Introduction

Agribusiness is increasingly shaped by environmental, social, governance, and institutional pressures. These pressures are no longer limited to productivity, profitability, or market access. They now include climate exposure, food-system stability, rural livelihoods, sustainability disclosure, supply-chain accountability, corporate governance, and stakeholder confidence. In this setting, Environmental, Social, and Governance (ESG) compliance has become a central concern for agribusiness firms, cooperatives, regulators, investors, development agencies, and policy institutions.

Yet ESG compliance is often framed too narrowly. In many business discussions, ESG is treated mainly as reporting, disclosure, or corporate image management. That view is weak for agribusiness because agricultural value chains are not driven by firms alone. They depend on farmers, cooperatives, input suppliers, processors, logistics actors, regulators, financiers, exporters, consumers, and host communities. If these actors do not trust ESG commitments, compliance may remain symbolic. If ESG does not improve sustainability performance, it may not support long-term value-chain stability. If institutions do not support implementation, ESG may not become resilience capacity.

This study argues that ESG becomes useful when it is translated into credible governance practices, accepted by stakeholders, reflected in sustainability performance, and supported by institutional conditions. This argument is especially important in emerging economies where sustainability pressures are rising, but institutional systems, disclosure quality, regulatory enforcement, stakeholder coordination, and agribusiness infrastructure are uneven.

Nigeria and Brazil provide a useful comparative setting for this argument. Both countries are important agribusiness contexts, but they represent different institutional pathways. Brazil has a more visible literature connecting agribusiness ESG with circular economy practices, collaborative relationships, corporate reputation, sustainability orientation, and resilience. Nigeria has a growing body of evidence on agribusiness risk, agricultural cooperative trust, sustainability disclosure, environmental accounting, governance quality, and emerging ESG regulation.

The key research problem is therefore not the absence of ESG, trust, sustainability, or resilience literature. The problem is that these concepts are often discussed separately. ESG studies often focus on disclosure or reputation. Trust studies often focus on cooperation or governance relationships. Sustainability performance studies examine environmental, social, governance, or economic outcomes. Resilience studies focus on adaptation, risk, crisis response, or value-chain continuity. What remains underdeveloped is an integrated explanation of how ESG compliance may move toward agribusiness resilience through stakeholder trust and sustainability performance in institutionally different emerging economy contexts.

Unlike prior Nigeria-Brazil ESG work that emphasizes competitive advantage, this study shifts attention to agribusiness resilience and explains stakeholder trust and sustainability performance as the pathway through which ESG may become resilience-relevant.

The aim of this study is to develop a comparative conceptual-empirical synthesis explaining how ESG compliance may contribute to agribusiness resilience through stakeholder trust and sustainability performance in Nigeria and Brazil. The specific objectives are to: examine ESG compliance in relation to agribusiness sustainability; analyze stakeholder trust as a bridge between ESG practices and sustainability performance; compare how institutional conditions shape the ESG-trust-performance-resilience pathway in Nigeria and Brazil; and propose a conceptual framework for understanding ESG as a resilience-supporting governance mechanism.

The originality of this study lies in its integration of four constructs that are often treated separately: ESG compliance, stakeholder trust, sustainability performance, and agribusiness resilience. The paper does not claim to statistically test these relationships. Instead, it develops a theoretically grounded and evidence-supported framework for future empirical research and policy discussion.

## 2. Literature Review

### 2.1 ESG Compliance and Agribusiness Sustainability

ESG compliance has become relevant to agribusiness because agricultural value chains face environmental, social, and governance pressures that are more complex than ordinary corporate reporting. These pressures include responsible land use, climate adaptation, labour standards, rural welfare, food safety, supply-chain traceability, biodiversity concerns, social accountability, governance transparency, and stakeholder engagement. In this sense, ESG in agribusiness should not be reduced to annual reports or disclosure checklists. It is part of the wider question of whether agribusiness systems can remain credible, sustainable, and adaptive.

Brazilian agribusiness literature shows a strong connection between ESG, circular economy, collaboration, and reputation. Barbosa et al. (2025) examine circular economy strategy, ESG performance, collaborative relationships, and corporate reputation in Brazilian agribusiness. Their study is important because it treats ESG as stakeholder-facing and relational, not merely internal compliance. Machado et al. (2024) also examine how ESG indicators can be used to evaluate corporate social responsibility policies in Brazil's agribusiness sector. Together, these studies suggest that ESG in Brazilian agribusiness is increasingly linked to how firms build reputation, manage sustainability expectations, and engage with stakeholders.

Nigeria presents a different institutional picture. Nigerian studies show growing attention to sustainability disclosure, environmental accounting, corporate governance, and ESG regulation, but the agribusiness context remains shaped by infrastructure gaps, finance constraints, low technology adoption, policy inconsistency, and institutional credibility challenges. Ikuemonisan (2024) identifies important constraints in Nigerian agribusiness entrepreneurship, including low technology use, poor infrastructure, and educational gaps. Awotomilusi et al. (2025) examine environmental accounting disclosure and economic value among listed agricultural firms in Nigeria, while Okoye et al. (2025) show that Nigeria's ESG environment operates through a multilayered rather than unitary legal framework.

Nigeria presents a different institutional picture. Nigerian studies show growing attention to sustainability disclosure, environmental accounting, corporate governance, and ESG regulation, but the agribusiness context remains shaped by infrastructure gaps, finance constraints, low technology adoption, policy inconsistency, institutional credibility challenges, and sustainable entrepreneurship barriers (Ikuemonisan, 2024; Ikuemonisan, 2025).

This difference matters. Brazil's ESG pathway appears more visibly connected to agribusiness sustainability systems, although it is also shaped by land-use scrutiny, deforestation-sensitive supply chains, commodity pressure, and international accountability demands. Nigeria's pathway depends more heavily on whether ESG can strengthen disclosure credibility, stakeholder confidence, and institutional coordination. Therefore, ESG compliance should be analyzed as a context-sensitive governance process, not as a universal reporting formula.

### 2.2 Theoretical Anchors: ESG as Capability, Trust as Relationship, and Institutions as Context

The Resource-Based View helps explain how ESG may move beyond compliance. From this perspective, ESG becomes valuable when it is converted into organizational and relational capabilities. Such capabilities may include governance discipline, environmental knowledge, transparent reporting, stakeholder coordination, reputational credibility, risk management, and adaptive capacity. ESG is not strategic simply because a firm discloses it. It becomes strategic when it changes how the firm manages relationships, resources, risks, and sustainability pressures. Bhandari et al. (2022) provide a useful theoretical anchor by connecting the Resource-Based View, stakeholder capitalism, ESG, and sustainable competitive advantage. Their work supports the idea that firms are embedded in ecological, social, and governance relationships. For agribusiness, this is especially important because agricultural firms depend directly on natural resources, rural communities, labour systems, regulatory institutions, and value-chain

relationships. ESG therefore becomes a possible strategic resource only when it is embedded in the real conditions of agribusiness operation.

Stakeholder Theory explains why trust is central to ESG implementation in agribusiness. ESG creates value when stakeholders see it as credible. If farmers, cooperatives, investors, regulators, communities, and consumers do not trust ESG commitments, formal compliance may not improve sustainability outcomes. Institutional Theory then explains why this process differs across countries. Nigeria and Brazil do not have identical ESG systems, regulatory conditions, disclosure cultures, or agribusiness structures; therefore, ESG cannot be expected to produce the same pathway in both contexts.

### 2.3 Stakeholder Trust, Governance, and Agribusiness Cooperation

Stakeholder trust is central to agribusiness because agricultural value chains depend on repeated cooperation among actors who face uncertainty. Farmers need to trust cooperatives, buyers, and input suppliers. Cooperatives need to trust their leadership and members. Financiers need to trust borrowers and disclosures. Regulators need to trust corporate reports. Communities need to trust environmental and social commitments. Consumers need to trust food safety and production claims. Without trust, ESG may be interpreted as symbolic or defensive.

Umar et al. (2024) provide direct Nigerian evidence by examining trust in relation to corporate governance and the performance of agricultural cooperatives. This is useful because cooperatives are relationship-based organizations. Their performance depends on governance credibility, leadership accountability, transparency, and member confidence. In this context, trust is not a soft moral idea. It is a functional governance asset.

Broader agri-food literature also supports this argument. de Vries et al. (2022) review trust in agri-food value chains and show that the field is important but conceptually dispersed. Grohmann et al. (2023) examine governance and trust in sustainability-based agri-food value chains and show how coordination arrangements can shape trust formation. These studies strengthen the argument that sustainability transitions require more than technical compliance. They require credible relationships.

For Brazil, stakeholder trust appears through collaboration, reputation, and sustainability-oriented relationships. Barbosa et al. (2025) show that collaborative relationships and ESG performance are linked to corporate reputation in Brazilian agribusiness. This suggests that ESG becomes more effective when it is visible to stakeholders as credible behaviour. In both Nigeria and Brazil, then, stakeholder trust acts as the bridge between ESG compliance and sustainability performance.

### 2.4 Sustainability Performance in Agribusiness Systems

Sustainability performance is the point at which ESG commitments become visible. It includes environmental responsibility, social accountability, governance quality, disclosure credibility, stakeholder cooperation, reputational strength, and long-term value creation. In agribusiness, sustainability performance cannot be reduced to financial indicators alone because the sector has direct effects on land, water, communities, labour, food security, and rural development.

De Sena Silva et al. (2025) show that sustainability orientation, environmental knowledge integration, and strength of ties influence sustainable performance in regulated agribusiness contexts. This is important because it shows that sustainability performance depends on both internal orientation and relational capacity. Agribusiness firms need knowledge, governance, and stakeholder networks to translate ESG commitments into real sustainability outcomes.

In Nigeria, sustainability performance is strongly connected to disclosure quality and governance mechanisms. Awotomilusi et al. (2025) focus directly on environmental accounting disclosure and economic value among listed agricultural firms. Elaigwu et al. (2024) examine sustainability disclosure quality among Nigerian listed firms, while Erin et al. (2021) link corporate governance with sustainability reporting quality. Razaq et al. (2023) also examine corporate governance mechanisms and sustainability reporting among listed non-financial firms in Nigeria. Where

Nigerian evidence is drawn from listed firms or non-financial firms rather than agribusiness-only samples, it is used cautiously to explain the broader ESG disclosure and governance environment in which agribusiness firms operate.

This paper therefore treats sustainability performance as an intermediate outcome. ESG compliance begins the pathway, stakeholder trust strengthens credibility, and sustainability performance shows whether ESG is becoming visible in behaviour, reporting, relationships, and value-chain practices.

## 2.5 Agribusiness Resilience in Nigeria and Brazil

Agribusiness resilience refers to the capacity of firms, cooperatives, and value-chain systems to anticipate, withstand, adapt to, and recover from disruptions. These disruptions may include climate shocks, price volatility, finance constraints, input shortages, logistics failures, infrastructure gaps, regulatory pressure, food safety crises, and supply-chain instability. Resilience is therefore not only a technical capacity. It is also a governance, relational, and institutional capacity.

Brazilian literature provides useful evidence on the resilience side of the argument. Monteiro et al. (2025) examine agribusiness resilience and sustainability in Mato Grosso do Sul, Brazil, using organizations representing different agribusiness supply-chain stakeholders. Their work is important because it shows that resilience is not only firm-level survival. It involves stakeholder roles, organizational adaptation, and sustainability implications. Nepomoceno and Carniatto (2023) also connect climate resilience with sustainable rural development, reinforcing the wider link between agricultural adaptation and sustainability.

Nigeria's resilience challenge is shaped by risk management, infrastructure, finance, technology, governance, and institutional coordination. Agbola et al. (2024) analyze agribusiness risk management in Nigeria and show that risk exists across food production and agricultural value-chain activities. Ikuemonisan (2024) further identifies infrastructure, technology, and capacity constraints in Nigerian agribusiness. These challenges mean that resilience in Nigeria cannot be built by ESG reporting alone. It requires trust, governance capacity, risk management, financing access, and institutional support.

The comparative insight is clear. Brazil helps show how ESG may become embedded in sustainability-oriented agribusiness systems. Nigeria shows why ESG must first overcome trust, disclosure, infrastructure, and institutional constraints before it can become resilience-relevant.

## 2.6 Synthesis of Literature Gap

The reviewed literature shows that ESG compliance, stakeholder trust, sustainability performance, and agribusiness resilience are all important in agribusiness research. However, they are often treated separately. ESG literature focuses on disclosure, reputation, corporate responsibility, or strategic value. Trust literature focuses on governance relationships and value-chain cooperation. Sustainability performance literature examines environmental, social, governance, and economic outcomes. Resilience literature focuses on adaptation, shocks, climate stress, or operational continuity.

The gap is not simply that more ESG research is needed. The sharper gap is that existing studies do not sufficiently explain the pathway through which ESG compliance may become agribusiness resilience. This study responds by proposing that ESG compliance becomes resilience-relevant through stakeholder trust and sustainability performance, and that this pathway is shaped by institutional context.

The Nigeria-Brazil comparison strengthens this contribution. Brazil demonstrates the sustainability-system side of ESG, where circular economy, collaboration, reputation, and sustainable performance are more visible in agribusiness literature. Nigeria demonstrates the institutional-repair side of ESG, where trust, disclosure quality, cooperative governance, risk

management, and regulatory development are central. This contrast provides the intellectual foundation for the study's framework.

### 3. Methodological Approach

This study adopts a comparative conceptual–empirical synthesis design. This approach is appropriate because the study does not collect primary data, conduct regression analysis, or statistically test hypotheses. Instead, it integrates verified secondary literature, prior empirical studies, regulatory evidence, and institutional analysis to explain how ESG compliance may contribute to agribusiness resilience through stakeholder trust and sustainability performance in Nigeria and Brazil. The design is comparative because it examines two emerging economy agribusiness contexts. It is conceptual because it develops an explanatory framework. It is empirical in orientation because it draws on prior empirical studies, sectoral literature, and verified institutional evidence rather than unsupported opinion. This allows the study to connect fragmented evidence across ESG, trust, sustainability performance, and resilience while avoiding unsupported causal claims. This study did not apply a PRISMA-style systematic review protocol. Instead, it used purposive evidence selection appropriate for a conceptual–empirical synthesis. Sources were included where they directly informed the study's constructs, country contexts, theoretical framework, or institutional comparison. The purpose was not to count all available studies, but to integrate traceable and relevant evidence into a coherent explanatory framework.

#### 3.1 Source Selection and Evidence Classification

Sources were selected based on relevance, traceability, and conceptual usefulness. A source was included if it addressed at least one of the following themes: ESG compliance, sustainability disclosure, corporate governance, stakeholder trust, sustainability performance, agribusiness resilience, agricultural cooperatives, circular economy, food systems, value-chain governance, or institutional context. Sources were retained only where they were traceable through DOI records, publisher pages, journal pages, official institutional sources, uploaded evidence materials, or recognized academic databases.

**Table 1: Evidence Classification Used in the Study**

Evidence category	Examples of source focus	Function in the study
Theoretical sources	Resource-Based View, Stakeholder Theory, Institutional Theory, ESG strategy	Build the conceptual foundation
Nigeria-specific agribusiness sources	Agribusiness risk, cooperative trust, environmental accounting, sustainability disclosure, agribusiness challenges	Support Nigerian institutional and agribusiness analysis
Brazil-specific agribusiness sources	ESG performance, circular economy, collaboration, reputation, sustainable performance, resilience	Support Brazilian agribusiness sustainability analysis
Agri-food trust and governance sources	Trust in value chains, hybrid governance, stakeholder coordination	Strengthen stakeholder trust argument
Institutional and regulatory sources	ESG regulation, disclosure frameworks, sustainability governance	Support comparative institutional interpretation

### 3.2 Analytical Procedure

The analysis followed five steps. First, sources were screened for relevance to ESG compliance, stakeholder trust, sustainability performance, agribusiness resilience, and institutional context. Second, the evidence was grouped into thematic categories. Third, Nigeria and Brazil were compared based on ESG maturity, sustainability disclosure, stakeholder coordination, agribusiness governance, and resilience challenges. Fourth, the selected evidence was integrated into a conceptual pathway linking ESG compliance, stakeholder trust, sustainability performance, and agribusiness resilience. Fifth, conceptual propositions were developed for future empirical testing.

This study does not claim that the proposed pathway has been statistically validated. It uses cautious analytical language such as “may contribute,” “suggests,” “indicates,” and “proposes.” This is necessary because the study synthesizes existing evidence rather than generating new primary data.

### 3.3 Ethical Safeguards

To maintain academic integrity, this study does not fabricate data, sample size, regression output, statistical findings, references, or DOI numbers. All claims are based on traceable academic literature, verified secondary evidence, and institutional interpretation. Where evidence is uneven between Nigeria and Brazil, this is acknowledged as part of the comparative limitation rather than hidden or overstated.

## 4. Comparative Analysis and Discussion

### 4.1 ESG Compliance as an Entry Point into Resilience

ESG compliance is best understood as an entry point into agribusiness resilience, not as resilience itself. Compliance may begin with sustainability reporting, environmental accounting, governance standards, circular economy initiatives, stakeholder engagement, or social responsibility policies. However, these practices become resilience-relevant only when they change behaviour, improve credibility, and strengthen value-chain coordination.

This distinction is important. A firm can disclose ESG information without becoming more resilient. It can publish sustainability reports while still having weak governance, poor stakeholder relationships, limited climate adaptation, or fragile supply-chain systems. For agribusiness, ESG matters when it improves the ability of firms and value-chain actors to manage environmental pressure, social expectations, governance risks, and disruption.

Brazil and Nigeria show different versions of this problem. In Brazil, ESG compliance is more visibly connected to circular economy, collaboration, reputation, and agribusiness sustainability. This suggests that ESG is increasingly embedded in agribusiness performance conversations. In Nigeria, ESG compliance is still more closely tied to disclosure development, environmental accounting, governance reform, and institutional regulation. This suggests that the Nigerian ESG pathway is still concerned with building credibility and formalizing sustainability practice.

The comparative point is that ESG compliance begins from different institutional locations. In Brazil, the question is how ESG deepens sustainability and resilience within a relatively more developed agribusiness ESG discourse. In Nigeria, the question is how ESG gains enough credibility, trust, and institutional support to become useful for agribusiness resilience.

### 4.2 Stakeholder Trust as the Relational Bridge

Stakeholder trust is the bridge between ESG compliance and sustainability performance. Agribusiness value chains are built on relationships among actors who must cooperate under uncertainty. If trust is weak, ESG claims may be dismissed as symbolic. If trust is strong, ESG commitments are more likely to support cooperation, information sharing, accountability, and long-term coordination.

Nigeria illustrates this point strongly. Agricultural cooperatives and agribusiness networks depend on governance credibility and member confidence. Umar et al. (2024) show that trust is directly relevant to the relationship between corporate governance and cooperative performance in Nigeria. This makes trust central to any ESG-resilience argument in the Nigerian context. ESG cannot support resilience if the actors expected to cooperate do not trust the governance systems behind it.

Brazil shows another side of the trust argument. In Brazilian agribusiness, stakeholder trust is more visible through collaboration, reputation, and sustainability-oriented relationships. Barbosa et al. (2025) connect ESG performance and collaborative relationships with corporate reputation. This suggests that ESG becomes stronger when stakeholders can see credible relational and reputational outcomes.

The analytical insight is that stakeholder trust performs different work in each context. In Nigeria, trust helps repair institutional and governance credibility. In Brazil, trust helps deepen collaboration, reputation, and sustainability orientation. In both cases, ESG requires trust before it can influence sustainability performance.

#### 4.3 Sustainability Performance as the Visible Expression of ESG

Sustainability performance is where ESG becomes observable. It is not limited to profitability. In agribusiness, sustainability performance includes environmental responsibility, social accountability, disclosure credibility, governance quality, stakeholder cooperation, reputation, and long-term value-chain stability.

This matters because ESG compliance can remain invisible or symbolic unless it produces performance signals that stakeholders can recognize. These signals may include better reporting, stronger governance, improved environmental practices, credible social responsibility, and stronger cooperation across the value chain.

Brazilian studies provide strong support for this link. De Sena Silva et al. (2025) show that sustainability orientation, environmental knowledge integration, and strength of ties influence sustainable performance in regulated agribusiness contexts. This means sustainability performance depends not only on internal policies, but also on knowledge and relationships. Barbosa et al. (2025) also connect ESG performance to reputation and collaboration, reinforcing the idea that sustainability performance is stakeholder-facing.

Nigerian studies show that sustainability performance is closely tied to disclosure credibility and governance quality. Awotomilusi et al. (2025) examine environmental accounting disclosure and economic value among listed agricultural firms. Elaigwu et al. (2024), Erin et al. (2021), and Razaq et al. (2023) further show the importance of governance and sustainability reporting quality in Nigerian listed firms. Although not all of these studies are agribusiness-specific, they provide useful institutional evidence on the disclosure and governance environment in which Nigerian agribusiness firms operate.

The comparative insight is that Brazil's sustainability performance pathway appears more relational and sustainability-system oriented, while Nigeria's pathway remains strongly tied to reporting credibility, governance mechanisms, and institutional accountability.

#### 4.4 Agribusiness Resilience as a Strategic and System-Level Outcome

Agribusiness resilience is the broader strategic outcome of the ESG-trust-performance pathway. It refers to the capacity of agribusiness firms, cooperatives, and value chains to withstand, adapt to, and recover from disruptions. These disruptions include climate shocks, market volatility, finance constraints, infrastructure gaps, supply-chain breakdowns, regulatory changes, and institutional instability.

Resilience should not be treated as simple survival. A firm may survive a shock but still lose stakeholder confidence, damage environmental systems, weaken community relations, or disrupt

supply chains. Resilience in agribusiness must therefore include adaptive capacity, governance strength, stakeholder coordination, and sustainability performance.

Brazil illustrates the stakeholder-system dimension of resilience. Monteiro et al. (2025) examine agribusiness resilience in Mato Grosso do Sul and show that resilience involves different supply-chain stakeholders. This supports the idea that resilience is not only internal to the firm. It is distributed across value-chain relationships.

Nigeria illustrates the institutional-risk dimension of resilience. Agbola et al. (2024) show that agribusiness risk exists across food production and value-chain activities. Ikuemonisan (2024) identifies infrastructure, technology, and capacity constraints in Nigerian agribusiness. These realities mean that ESG cannot become resilience-relevant unless it is linked to practical risk reduction, stakeholder trust, finance access, and institutional coordination.

The key implication is that resilience is not the automatic result of ESG compliance. It is the result of ESG becoming credible, trusted, performance-oriented, and institutionally supported.

#### 4.5 Nigeria and Brazil: Comparative Institutional Interpretation

The Nigeria-Brazil comparison is the central contribution of the paper. Both countries are agribusiness-relevant emerging economies, but the ESG-trust-performance-resilience pathway operates differently in each context.

Brazil’s pathway may be described as an ESG integration pathway. The literature shows stronger links between ESG, circular economy, collaboration, reputation, sustainability orientation, and agribusiness resilience. This suggests that ESG in Brazil is increasingly connected to agribusiness sustainability systems and stakeholder coordination. The central challenge in Brazil is not merely whether ESG exists, but how deeply it is integrated into value-chain governance, sustainability transitions, land-use debates, reputation systems, and resilience planning.

Nigeria’s pathway may be described as an ESG credibility pathway. Nigerian evidence points to agribusiness risk, cooperative governance, trust, sustainability disclosure, environmental accounting, and emerging ESG regulation. The central challenge is not only ESG adoption, but whether ESG practices can build confidence in a context affected by infrastructure gaps, financing constraints, regulatory fragmentation, governance weaknesses, and disclosure-quality concerns.

This comparison creates the sharper contribution of the study. Brazil shows how ESG can become embedded in sustainability-oriented agribusiness systems. Nigeria shows why ESG must first build trust, strengthen disclosure credibility, improve governance, and reduce institutional risk before it can become resilience-relevant.

**Table 2: Comparative Interpretation of the ESG-Trust-Performance-Resilience Pathway**

<b>Analytical dimension</b>	<b>Nigeria</b>	<b>Brazil</b>
ESG pathway	Credibility pathway	Integration pathway
Main ESG challenge	Building trust, disclosure quality, governance credibility, and institutional coordination	Deepening ESG integration into sustainability systems and value-chain governance
Stakeholder trust role	Repairs confidence in cooperatives, governance systems, disclosure, and value-chain relationships	Strengthens collaboration, reputation, stakeholder engagement, and sustainability orientation
Sustainability performance logic	Closely tied to reporting quality, environmental accounting, governance mechanisms, and institutional accountability	Closely tied to circular economy, environmental knowledge, collaboration, reputation, and sustainable performance

Analytical dimension	Nigeria	Brazil
Resilience pressure	Infrastructure gaps, finance constraints, technology limitations, institutional weakness, and agribusiness risk	Climate pressures, land-use scrutiny, supply-chain accountability, sustainability transition, and stakeholder coordination
Core lesson	ESG must become credible before it can become resilience-relevant	ESG must become deeply integrated before it can sustain resilience outcomes

#### 4.6 Conceptual Framework and Propositions

The discussion supports the proposed conceptual pathway: ESG Compliance -> Stakeholder Trust -> Sustainability Performance -> Agribusiness Resilience. Institutional context shapes the strength and direction of this pathway. In Nigeria, institutional context affects whether ESG can gain credibility and trust. In Brazil, institutional context affects whether ESG can deepen sustainability integration and resilience capacity.



#### Figure 1: Conceptual Pathway from ESG Compliance to Agribusiness Resilience

Based on the synthesis, the study proposes the following conceptual propositions:

Proposition 1: ESG compliance is more likely to support agribusiness resilience when it is embedded in credible governance practices rather than treated only as formal reporting.

Proposition 2: Stakeholder trust strengthens the movement from ESG compliance to sustainability performance by improving credibility, cooperation, and value-chain coordination.

Proposition 3: Sustainability performance provides the operational pathway through which ESG compliance becomes visible in environmental, social, governance, reputational, and relational outcomes.

Proposition 4: Agribusiness resilience is more likely where ESG practices are supported by stakeholder trust, institutional coordination, and sustainability-oriented governance.

Proposition 5: The ESG-trust-performance-resilience pathway differs between Nigeria and Brazil because their ESG maturity, disclosure systems, regulatory enforcement, stakeholder coordination, and agribusiness value-chain conditions differ.

These propositions are not statistical hypotheses. They are conceptual propositions intended to guide future empirical research.

## **5. Conclusion, Implications, Limitations, and Future Research**

### **5.1 Conclusion**

This study developed a comparative conceptual-empirical synthesis explaining how ESG compliance may contribute to agribusiness resilience through stakeholder trust and sustainability performance in Nigeria and Brazil. The analysis suggests that ESG compliance should not be treated as a final achievement. It is better understood as the beginning of a pathway that may support resilience when it becomes credible, trusted, performance-oriented, and institutionally supported.

The study shows that stakeholder trust is the relational bridge in this pathway. Without trust, ESG may remain symbolic. With trust, ESG is more likely to support cooperation, information sharing, governance acceptance, and sustainability-oriented behaviour. Sustainability performance then becomes the visible expression of ESG, while agribusiness resilience becomes the broader system-level outcome.

The Nigeria-Brazil comparison sharpens this argument. Brazil reflects an ESG integration pathway, where ESG is increasingly connected to circular economy practices, collaboration, reputation, sustainability orientation, and resilience. Nigeria reflects an ESG credibility pathway, where ESG relevance depends strongly on trust repair, disclosure quality, cooperative governance, risk management, and institutional strengthening.

The central conclusion is that ESG compliance becomes agribusiness-resilience relevant when it is converted into trusted governance practice and visible sustainability performance within a supportive institutional context.

### **5.2 Theoretical Implications**

This study contributes to the Resource-Based View by showing that ESG can be interpreted as a strategic resource only when it becomes a capability. ESG compliance alone does not create value. It becomes valuable when it strengthens governance discipline, stakeholder coordination, disclosure credibility, sustainability knowledge, and adaptive capacity.

The study contributes to Stakeholder Theory by positioning stakeholder trust as the bridge between ESG compliance and sustainability performance. In agribusiness, trust is not an optional social quality. It is a functional condition for cooperation among farmers, cooperatives, suppliers, financiers, communities, regulators, and consumers.

The study also contributes to Institutional Theory by showing that ESG outcomes differ across institutional contexts. Nigeria and Brazil are both agribusiness-relevant emerging economies, but they do not convert ESG into resilience through the same pathway. Institutional context shapes whether ESG becomes credible, integrated, performance-relevant, and resilience-supporting.

### **5.3 Practical Implications**

For agribusiness firms, the study suggests that ESG should be treated as a management and governance system, not only as a reporting exercise. Firms should connect ESG to environmental responsibility, stakeholder communication, risk management, disclosure credibility, and value-chain coordination.

For cooperatives, the study highlights the importance of trust, transparency, leadership accountability, and member engagement. Cooperative ESG practices will have limited value if members do not trust the governance structure behind them.

For investors and financiers, the study suggests that ESG assessment should go beyond published sustainability statements. It should consider governance quality, stakeholder relationships, risk exposure, environmental practice, and resilience capacity.

For managers, stakeholder trust should be treated as an operational asset. Trust can improve cooperation, reduce conflict, support sustainability initiatives, and strengthen resilience during periods of disruption.

#### 5.4 Policy Implications

For policymakers and regulators, the study shows the need to strengthen ESG disclosure quality and make sustainability reporting more credible, comparable, and useful. Disclosure should not become symbolic. It should support accountability, stakeholder confidence, and resilience planning.

The study also suggests the need for agribusiness-specific ESG guidance. Generic ESG frameworks may not fully capture agribusiness realities such as land use, smallholder livelihoods, rural communities, food systems, biodiversity, cooperatives, input markets, and supply-chain vulnerability.

In Nigeria, policy attention should focus on trust, governance credibility, disclosure quality, agribusiness financing, infrastructure, and institutional coordination. In Brazil, policy attention should focus on deepening ESG integration within sustainability transitions, supply-chain accountability, land-use governance, circular economy practices, and stakeholder collaboration.

#### 5.5 Limitations

This study has limitations. First, it does not collect primary data or statistically test the ESG-trust-performance-resilience pathway. It is therefore not presented as a causal empirical study. It is a comparative conceptual-empirical synthesis based on verified secondary literature and institutional interpretation.

Second, the evidence base is not perfectly symmetrical. Brazilian literature provides stronger agribusiness-specific discussion of ESG, circular economy, collaboration, sustainability orientation, and resilience. Nigerian literature is more concentrated around agribusiness constraints, cooperative governance, sustainability disclosure, environmental accounting, trust, and emerging ESG regulation.

Third, some Nigerian sources used for institutional support are not strictly agribusiness-specific. They are used cautiously to explain the broader ESG, governance, and disclosure environment in which agribusiness firms operate. These limitations do not weaken the conceptual value of the study. Rather, they identify where future empirical research is needed.

#### 5.6 Future Research Directions

Future research can test the proposed framework using primary data from agribusiness firms, cooperatives, farmers, regulators, ESG officers, investors, and value-chain actors in Nigeria and Brazil. Quantitative studies may examine whether stakeholder trust mediates the relationship between ESG compliance and sustainability performance, or whether institutional context moderates the ESG-resilience relationship.

Future studies may also use comparative case studies of specific value chains such as cocoa, soybean, rice, cassava, maize, coffee, poultry, or livestock. This would show how ESG, trust, sustainability performance, and resilience operate in specific agribusiness sectors.

Further research may examine how ESG regulation, sustainability reporting standards, climate policy, public-private partnerships, and agribusiness support institutions shape resilience outcomes in emerging economies.

In conclusion, the future of ESG in agribusiness lies beyond compliance. Its real value depends on whether it can build trust, improve sustainability performance, and strengthen resilience in complex institutional environments. Nigeria and Brazil show different but important lessons. Brazil shows the need for deeper ESG integration. Nigeria shows the need for stronger ESG credibility. Both contexts show that resilience is built not by reporting alone, but by trusted, coordinated, and sustainability-oriented agribusiness systems.

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