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DISPUTE RESOLUTION DIGEST

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CBN Proposes Mandatory Mediation Panel for Secured Lending Disputes

The Central Bank of Nigeria (CBN) issued draft guidelines on 9th April 2026 establishing a Mediation and Dispute Resolution Panel as the mandatory first forum for resolving disputes arising from secured transactions in movable assets.

Released for stakeholder consultation, the proposed framework operationalises the dispute resolution provisions of the Secured Transactions in Movable Assets Act, 2017, by requiring creditors and borrowers to submit lending disputes to the Panel before approaching the courts. The Panel will have first-instance jurisdiction over disputes relating to the creation, perfection and enforcement of security interests in movable assets, with parties expected to consent to its jurisdiction through their lending agreements.

Under the draft guidelines, the Panel is required to conclude proceedings within 90 days of the first hearing, while parties must comply with its decisions within 30 days.

Resolutions reached through this process will be legally binding and enforceable as consent judgments upon registration at the Federal High Court. The framework also permits interim and partial awards, recognises settlements reached by parties as final awards, and restricts appeals to questions of law or mixed law and

fact. Access to the Panel will be subject to the existence of a valid security agreement, a mediation clause recognising the Panel, registration of the security interest with the National Collateral Registry, and evidence of prior good faith efforts at amicable resolution.

The proposed framework represents a significant shift towards institutionalised alternative dispute resolution in Nigeria's secured lending sector, with the objective of reducing litigation, improving the speed and efficiency of credit enforcement, and enhancing investor confidence. If adopted, lenders and borrowers will need to review their financing documentation to incorporate the required mediation provisions and ensure compliance with the eligibility requirements. The initiative also complements the CBN's broader efforts to strengthen credit discipline and promote financial system stability through more efficient dispute resolution mechanisms.

Federal High Court Restrains Police and FRSC from Imposing Insurance-Related Fines Without Court Order

On 24th April 2026, the Federal High Court, Abuja, in a judgment delivered by Justice H. J. Yilwa, in the case of Deji Adeyanju v.

Inspector-General of Police, Attorney-General of the Federation & Federal Road Safety Corps (FHC/ABJ/CS/291/2025) restrained the Nigeria Police Force and the Federal Road Safety Corps (FRSC) from imposing fines or penalties on

motorists alleged to have breached the Third Party Motor Vehicle Insurance Act without first obtaining a valid court order. The decision was delivered in a suit instituted by human rights lawyer, Mr. Deji Adeyanju. Prior to delivering judgment, the Court dismissed a preliminary objection filed by the Nigeria Police Force, holding that the originating processes had been duly served and describing the objection as an attempt to frustrate the delivery of

judgment.

In its judgment, the Court acknowledged that both the Nigeria Police Force and the FRSC possess statutory authority to enforce

compliance with the Third Party Motor Vehicle Insurance Act. However, it held that such

enforcement powers do not extend to the

unilateral imposition of fines or penalties on motorists in the absence of judicial

authorisation. The Court consequently

restrained the agencies from imposing

sanctions outside the judicial process,

reinforcing the requirement that penalties must be imposed in accordance with due process and the rule of law.

The decision underscores the constitutional limits of administrative enforcement powers and reaffirms the judiciary's role in

safeguarding due process. It serves as an

important reminder that regulatory agencies must exercise their statutory functions within the bounds of the law and cannot assume

judicial powers by imposing sanctions without court approval. The judgment is expected to

influence future enforcement practices by

ensuring greater accountability and procedural fairness in the administration of traffic and motor vehicle insurance regulations.

Supreme Court Clarifies the Scope of Arbitration Agreements

In a landmark judgment delivered on 6th March 2026, the Supreme Court in Emerging Markets Telecommunications Services Ltd v. Afdin Ventures Limited & 6 Ors (2026) LPELR-83327(SC) clarified the circumstances under which a non-signatory may be bound by an arbitration agreement and the resulting arbitral award. The dispute arose from claims instituted by Afdin Ventures Limited and another party against Emerging Markets Telecommunications Services Ltd (9Mobile) and others over the refund of funds paid in connection with a commercial transaction. Pursuant to the arbitration clause contained in the relevant agreements, the dispute was referred to arbitration, resulting in an arbitral award that was subsequently challenged before the courts on the basis that some parties were not signatories to the arbitration agreement.

Delivering the lead judgment, the Supreme Court held that a non-signatory may, in appropriate circumstances, be bound by an arbitration agreement where it claims through a signatory or is sufficiently connected with the underlying contractual relationship and transaction. The Court further held that allegations of fraud do not automatically render a dispute incapable of resolution through

arbitration, reaffirming the principles of party autonomy, minimal judicial intervention, and the enforceability of arbitral awards in commercial disputes.

The decision has been widely regarded as a significant development in Nigeria's arbitration jurisprudence, aligning the country's legal position with international commercial arbitration practice. By recognising that arbitration agreements may extend beyond formal signatories in appropriate cases, the Supreme Court strengthened the effectiveness of arbitration in complex multi-party transactions, discouraged attempts to evade arbitral proceedings through technical objections, and reinforced Nigeria's reputation as an arbitration-friendly jurisdiction.

CAS Decision on Pregnancy Discrimination Highlights Evolving Standards for Sports Arbitration and Employment Rights

On 24th June 2026, the Court of Arbitration for Sport (CAS), in Maja Göthberg v. S.S. Lazio Women 2015 A.R.L. (CAS 2025/A/11527), delivered a landmark award holding that Italian football club Lazio Women unlawfully terminated its employment relationship with Swedish footballer Maja Göthberg after learning of her pregnancy. The Tribunal further found that the club violated the player's right to medical confidentiality by disclosing her pregnancy without her consent and awarded compensation for both the unlawful termination and the infringement of her personality rights. The decision is the first CAS ruling to uphold a pregnancy discrimination claim under FIFA's enhanced maternity regulations.

In reaching its decision, CAS held that an employment relationship may exist even in the absence of a formally executed contract where the essential terms have been agreed and the parties have acted accordingly. The Tribunal also reaffirmed that pregnancy cannot lawfully be used as a basis for terminating or withdrawing employment opportunities and emphasised that pregnancy-related medical information constitutes confidential personal data deserving of legal protection.

Supreme Court Defines the Limits of a Receiver's Authority in Contested Receivership Proceedings

The Supreme Court, in Neconde Energy Limited & Nestoil Limited v. FBN Quest Merchant Bank Limited & Ors. (Appeal No. SC/CV/48/2026), delivered on 10th April 2026, clarified the extent of a receiver's powers where the validity of the receivership itself is under judicial challenge. The dispute arose from an alleged US$1.3 billion indebtedness owed by Neconde Energy Limited and Nestoil Limited to a consortium of lenders led by FBN Quest Merchant Bank Limited and FBN Trustees Limited, following which a receiver/manager was appointed over the companies' assets. The appeal challenged the decision of the Court of Appeal, which had recognised the receiver as the sole authority competent to appoint legal representation for the companies and consequently disqualified the companies' chosen counsel.

Delivering a unanimous judgment, the Supreme Court held that where the legality of a receiver's appointment is itself in issue, the receiver cannot assume the authority to appoint counsel to represent the company in the same proceedings. The Court reasoned that permitting the receiver to control the company's legal representation

in a suit challenging the very foundation of the receivership would create an inherent conflict of interest and undermine the company's constitutional right to a fair hearing. Consequently, the Court restored the companies' right to retain counsel of their choice through their boards of directors and set aside the contrary decision of the Court of Appeal.

The decision marks an important development in Nigeria's insolvency and corporate law jurisprudence by drawing a clear distinction between the powers exercisable by a receiver and the residual rights of a company whose receivership is under challenge. It reinforces the principles of fair hearing and due process, while providing valuable guidance for creditors, insolvency practitioners and corporate entities involved in contested receivership and enforcement proceedings.

Supreme Court Strengthens Justice Delivery and Digitalisation with the Mandatory Electronic Filing Practice Directions 2026.

On 30th June 2026, the Chief Justice of Nigeria, Hon. Justice Kudirat Kekere-Ekun GCON issued the Supreme Court (Mandatory Upload of Electronic Copies of Processes, Record of Appeal and Other Matters) Practice Direction, 2026 which is to take effect from 1st July 2026. The Practice Direction forms part of the judiciary's ongoing efforts to enhance administration of justice by ensuring timeliness in justice delivery and simplifying access to court records through a technology-driven case management system.

Under the Practice Direction, it is mandatory for parties to upload electronic copies of filed processes and records of appeal in the prescribed optical character recognition (OCR) enabled pdf format. The documents are to be submitted via the supreme court's online portal https://efiling.courts.gov.ng or such other portal as may from time to time may be designated by the Chief Registrar of the Court.

Another introduction amongst others is the use of legal mails to access the case management system. The Nigeria Case Management System (NCMS) can only be accessed through the legal mail system. With regards to the deadline for submission of electronic documents, the practice direction prescribes thirty days (30) days before hearing for pending matters and the hard copies are to be submitted to the registry within seven (7) days or forty-eight (48) hours before hearing.

The Supreme Court Practice Direction 2026 marks another significant milestone in Nigeria's transition towards a digitalised judiciary. The introduction of the electronic case management system would increase speed and efficiency in the hearing and determination of appeals. The reforms affirm the Nigerian judiciary's commitment to create an efficient and technology-driven justice delivery system and further aligns the Supreme Court with international best practices.

Court Reaffirms the Limits of Copyright in Walls & Gates Ltd & Anor v. MTN Nigeria Communications Plc

In a Judgement delivered by the Federal High Court, Lagos in Suit No. FHC/L/CS/1935/2021 on 6th January 2026, the Court reaffirmed the fundamental principle of copyright law that ideas, themes, and promotional concepts are not entitled to copyright protection under Nigerian law.

The Plaintiffs in this case alleged that MTN's "20 for 20" anniversary campaign infringed the copyright in their earlier promotional proposal. The Court, however, held that the proposal merely contained a marketing concept and business idea, which is not protectable under the Copyright Act 2022. On the issue of confidentiality, the court held that there was no enforceable obligation of confidentiality, as the Plaintiffs had already disclosed the proposal publicly, including through submissions to the Nigerian Copyright Commission and other entities, and there was no contractual or fiduciary relationship between the parties. It further found that there was no evidence of MTN copying any protectable expression. Hence, the claims for copyright infringement, trademark infringement and breach of confidentiality, were dismissed in its entirety by the Court.

Federal High Court Issues New Practice Directions for Pre-Election Matters Ahead of the Forthcoming Elections

On 29th June 2026, the Chief Judge of the Federal High Court, Hon. Justice John Terhemba Tsoho issued the Federal High Court (Pre-Election) Practice Directions 2026, which introduced significant reforms aimed at ensuring the expeditious and efficient determination of pre-election disputes in accordance with the Constitution of the Federal Republic of Nigeria, the Electoral Act 2026 and other applicable laws in Nigeria.

The new framework repeals the 2022 Federal High Court (Pre-Election) Practice Direction and is expected to significantly reduce the delays that have characterized pre-election matters in Nigeria and introduces several innovations to that effect. One of such is that with regards to filing of processes, Registries of the Federal High Court across all judicial divisions are now required to remain open on Saturdays, Sundays and public holidays between 10am and 2pm exclusively for the filing of pre-election matters. Additionally, virtual hearings may be adopted in the conduct of proceedings and the Chief Judge has the power to assign judges to hear pre-election cases in any judicial division and transfer matters where necessary in order to facilitate the timely disposal of dispute and effective case management. The new practice direction also prescribes strict timelines for filing of processes and the conduct of hearings. Other salient introductions include the mandatory commencement of actions by Originating Summons, limitations on adjournments, service of court notices by electronic means and encouragement of amicable settlement of disputes between parties before commencement of hearing.

The Practice Directions is a timely intervention, considering the general elections in 2027. It is a significant step towards ensuring the fair, impartial and expeditious resolution of pre-election disputes and will further strengthen confidence in Nigeria's judicial process for electoral matters.

The 2026 ICC Arbitration Rules: A New Era of Efficiency for International Dispute Resolution

On 1st June 2026, the International Chamber of Commerce (ICC) officially launched the revised 2026 ICC Rules of Arbitration, thereby marking a significant development in international dispute resolution. The new rules are targeted at creating reforms that will result in a more efficient system to match the realities of the evolving global business landscape and modern commercial disputes.

Among the most notable changes are the introduction of the electronic communication, digital case management system, abolition of the mandatory Terms of Reference, with the Case Management Conference now taking centre stage. Other features of the rules include the Highly Expedited Arbitration Provisions (HEAP) for parties requiring a final award within a significantly shorter timeframe. Under HEAP a final award must be rendered within just three months of the initial Case Management Conference. Additionally, the new rules create clearer confidentiality boundaries for arbitrators and strengthened arbitrator disclosure obligations to maintain impartiality and independence. For the purpose of early determination of disputes, parties can now apply to fast-track dismissal of claims or defences that are manifestly unmeritorious or outside of the arbitral tribunal's jurisdiction. With regards to fees,

the new rules increased the monetary threshold for the Expedited Procedure Provisions from US$3 Million to US$4 million.

Further, as part of its effort to enhance access to arbitration for smaller commercial disputes, the ICC has revised its administrative fee structure by reducing administrative costs for disputes valued at less than US$10 million. At the same time, it has introduced targeted increases in administrative expenses for higher-value disputes to reflect prevailing economic conditions.

These reforms are expected to significantly improve international dispute resolution by reducing procedural delays, lowering costs and empowering tribunals to dispose of weak claims at an early stage. The revised rules reinforce the ICC's commitment to promote efficiency, transparency and further ensure that arbitration in the ICC evolves to meet the needs of international commerce and is increasingly attractive for complex cross-border disputes.

Drawing the Line: Court of Appeal Restricts State Powers in Maritime Operations.

In a landmark decision delivered on 25th February, 2026, the Court of Appeal in Strickland Services Limited v. Akwa Ibom State Internal Revenue Service & Anor (Appeal No. CA/C/54/2024), the Court of Appeal declared the Akwa Ibom State Maritime Sector (Regulation) Law, 2017 and the Maritime Transport Vessels and Equipment Fees and Charges Regulation, 2017 null on constitutional grounds for seeking to regulate maritime activities and impose levies on marine vessels. The dispute arose after the Akwa Ibom State Internal Revenue Service demanded US$240,000 in marine vessel levies from Strickland Services Limited in respect of two fast intervention support vessels operating off the coast of Akwa Ibom State for the 2020 and 2021 fiscal years.

The Court held that maritime matters, including shipping and navigation, fall within the Exclusive Legislative List under the 1999 Constitution, making them matters within the exclusive legislative competence of the National Assembly. Consequently, the State lacked the constitutional authority to regulate or impose taxes, levies, or fees on maritime operations. The Court further reiterated that the Akwa Ibom State Revenue Court lacked the jurisdiction to entertain a criminal charge bordering on maritime matters, as such matters fall within the exclusive jurisdiction of the Federal High Court.

The decision reinforces the constitutional separation of legislative powers between the federal government and state government by affirming the limits of State authority in imposing taxes, levies, and regulatory charges on matters within the Exclusive Legislative list, such as maritime matters. It provides greater certainty for operators in the maritime and oil and gas sectors by eliminating double taxation and regulation. The judgment is expected to serve as a significant precedent in future disputes involving State attempts to regulate sectors reserved exclusively for the Federal Government.

The Status of Witness Depositions in Trial: A Case Study of Katagum v Umar & Anor

The Supreme Court has recently settled an important procedural issue concerning witness depositions in Court in Katagum v Umar & Anor (2026) LPELR-83085(SC). This case arose from a dispute over ownership of land in Abuja. The appellant in this suit instituted an action at the High Court of the Federal Capital Territory, Abuja seeking a number of reliefs including a declaration that the plaintiff is the rightful owner/title holder in respect of a certain plot all the buildings and the appurtenances therein. The 1st Respondent also filed his defence and counter claim in response. At the trial court judgement was delivered in favour of the Appellant. Upon Appeal by the 1st Respondent, the Court of Appeal overturned the decision of the trial Court. The Appellant being dissatisfied with judgement, appealed to the Supreme Court.

One of the issues for determination in this Appeal was whether the lower Court was right to have expunged PW1's written statement on oath and all exhibits tendered through him on the ground that he signed the said written statement on oath in his lawyer's office. In delivering its judgement, the Court held that once a witness in open Court takes oath as a witness and adopts his or her written statement of relevant facts sworn or not sworn, the written statement ceases to exist as a witness written

statement and transforms into the witness' oral evidence in examination in chief upon which the witness can be cross-examined. This admitted oral evidence on oath cannot be expunged as evidence on the ground of any defect in the written witness statement precedent to it.

The decision marks an important shift from excessive reliance on technicality in civil trials and reinforces the judicial preference for substantial justice over procedural defects. In the past years, litigants have frequently sought to invalidate an opponent's entire case by attacking their witness depositions, particularly where the statement on oath is alleged to have not been signed before the proper authorities or failed to comply with the applicable provisions of the Evidence Act and the Oaths Act.