

CHALLENGES AND PROSPECTS OF THE ENFORCEMENT OF INTERNATIONAL ARBITRAL AWARD IN INTERNATIONAL COMMERCIAL ARBITRATION IN NIGERIA*

Abstract

This article is focused on the challenges and prospects of the enforcement of international arbitral award in the practice of international commercial arbitration in Nigeria. The article analyzed the various challenges and prospects affecting the laws and practice in the Enforcement of International Arbitral Awards in Nigeria; Enforcement of International Arbitral Award is the procedure where award is granted by arbitral tribunal in an arbitration process. In an enforcement of international arbitral award there must be a dispute of a commercial nature involving other nationals or countries. The main objectives of this article is to examine the challenges and prospect of the enforcement of International Arbitral Awards in an International commercial arbitration in Nigeria and to recommend the various ways to address the challenges. The article adopted doctrinal method of research where it focused on the primary and secondary sources, i.e. Statutes, case laws and other legal materials. The article found out that international commercial arbitration emerged as the best method for resolving disputes with international elements between states, individuals and corporations. The article further found out that despite the reforms and prospects in the practice of International Commercial Arbitration in Nigeria, there are more to be done in the areas of enforcement of arbitral awards in the aviation sector, oil and gas sector, investment sector, etc. It is therefore recommended that there is the need to Strengthening the Legislative and Policy Framework governing the enforcement of arbitral award in Nigeria, Judicial Capacity Building and Specialized training for judges to enhance their understanding of arbitration law. It is further recommended for Institutional Strengthening of Arbitral Bodies, Promotion of Arbitration Awareness and Professionalism and Government Commitment and Respect for Arbitral Awards. In conclusion, there is the need for reforms in the enforcement of International Arbitral Awards in the practice of International Commercial Arbitration in Nigeria.

Keywords; Challenges, Prospect, Arbitral, Awards, International, Commercial, Arbitration

1. Introduction

Notwithstanding the advantages of Commercial Practice in international arbitration, the recognition and enforcement of the arbitral award is usually a huge problem to reckon with especially where one of parties decides to oppose the enforcement of the award. The implication of this provision is that the fact that an award has been set aside at the place of arbitration is a ground for the award for recognition and enforcement of the award to be refused in other countries where it is sought to be confirmed. This is one of the underlying issues in the case of *Process and Industrial Developments Ltd v Federal Republic of Nigeria*.¹ In this case, parties did not provide for the place of arbitration. But they agreed that the Arbitration and Conciliation Act of Nigeria was to be the governing law while the venue of arbitration will be in London. After the arbitral award was given in London against Nigeria, issues arose as to which country between Nigeria (whose law was agreed by parties to govern the arbitration) and London (which the parties agreed to be the venue) is the seat of arbitration so as to determine which court that has the primary jurisdiction to enforce or set aside the award. The Nigerian argued that since the Nigerian law was agreed by parties to govern the arbitration, it is the Nigerian court that has the primary jurisdiction. Therefore, it went ahead and obtained an order from a federal high court in Lagos vacating the arbitral award. The English company maintained that London was the seat of arbitration. It therefore went ahead to obtain an order from an English court enforcing the award against Nigeria. The English has now approached the U.S District Court seeking to confirm the award, but Nigeria has challenged the jurisdiction of U.S District Court to entertain the application and we still await the final outcome of the case. In any case, a careful reading of beginning part of Article V (1) of the New York Convention shows that the court has the discretion even where it is shown that the award has been vacated at the place of arbitration, to refuse to recognize and enforce the award. In other words, it is not mandatory that the court must refuse to enforce the award based on the ground that it has been vacated at the place of arbitration. This position is in line with the case of *Chromalloy Gas Turbine v. Arab Republic of Egypt*.²

2. Non-Arbitrability of Certain Matters

The major concern of this research work is to take a look at the challenges faced in the recognition and enforcement of arbitral awards and proffer suggestions towards a better practice of arbitration in the Country. While examining these challenges, it is pertinent to note that not all awards are enforceable because it is not all disputes that can be settled through arbitration. Therefore, the issue of non-arbitrability of certain matters is a major constraint in the practice of arbitration in Nigeria and elsewhere. A matter that is not arbitrable cannot be recognized nor enforced even where award is given or won. The first test of recognition and enforcement is the test of arbitrability. Idormigie³ described 'Arbitrability' as the quality of a matter being capable of resolution by arbitration. He went further to identify certain matters that are not arbitrable to include;

- i. Tax matters
- ii. Fraud And Other Criminal Matters
- iii. Void And Illegal Contracts
- iv. Matters That Have to Do with Public Policy
- v. Matters Concerning Bills of Exchange
- vi. Bankruptcy And Attachment

*By Parida ABE-DAVID, LLB, BL, LLM, PhD Candidate, Faculty of Law, Bingham University, Karu; Senior State Counsel, Ministry of Justice, Nasarawa State, Email: paridadavid@gmail.com

¹ No. 18-cv-00594-CRC (DDC filed March 16th 2018)

² 939 F. Supp 907 (DDC 1996)

³ O. P. Idormigie, *Commercial Arbitration Law and Practice in Nigeria* Lord Publication, 2015, 7.

3. Lack of Enforcement Power by Arbitral Panel

It is instructive to note that while the decision of an arbitral panel is legally binding on all parties that agree to arbitrate, the panel has no role to play in the recognition and enforcement of arbitral awards. An arbitral panel completes its assignment at the point of making its decision, referred to as awards. Where there is no voluntary compliance to the decision of an arbitral panel by the party that loses, the onus lies on the successful party to make moves to enforce his award. Describing this in the words of the learned author, C. A Mordi, a major characteristic of arbitral awards is that they are binding on the parties. However, in the practice of arbitration, the arbitral tribunal has nothing to do with the recognition and enforcement of an arbitral award. This is because once the award has been given, the arbitrators are deemed to be *functus officio*; that is, the arbitrators cease to have jurisdiction in the matters of dispute and also, the arbitral tribunal does not have the authority to compel parties to comply with its decisions neither does it have the power to sanction a defaulting party. Consequently, the recognition and enforcement of arbitral awards are done through the national courts.⁴ The inability of an arbitral panel to compel compliance constitutes a major setback to the advantage derivable from the practice of arbitration as a means of alternative dispute solution. With this situation, arbitration cannot be said to be an absolute alternative to litigation. Idornigie succinctly captures the situation when he poses that, 'It is trite that arbitration agreements do not oust the jurisdiction of the courts but merely postpones it.'⁵ The onus therefore lies on the party that wins an award to take steps to claim it. According to Olushola Abiloye and Jamiu Akolade,⁶ the first thing a successful party at the arbitration has to do is to decide which of the different enforcement regimes he wishes to adopt in having the award enforced. They identify five ways through which an arbitral award may be enforced in Nigeria. Though their concern is majorly on the enforcement of foreign awards in Nigeria, the methods are not less relevant if the awards are domestic. They include:

- i. Enforcement by court action upon the Award
- ii. Enforcement under the Reciprocal Enforcement of Judgment Ordinance 1958
- iii. Enforcement under the Arbitration and Conciliation Act, 2004
- iv. Enforcement under the New York Convention on Recognition and Enforcement of Arbitral Awards 1958
- v. Enforcement under the International Centre for the Settlement of Investment Disputes (ICSID) Convention

We shall not go into details of these since the scope of this research work is limited to examining the challenges encountered in recognition and enforcement of arbitral award in Nigeria.

4. Interference by National Courts

The beauty of arbitration is not only in the fact that it is final and binding on all the parties and their privies or that it is based on parties' agreement but also that the award is enforceable. Although as noted earlier, recourse to court for enforcement would not have been necessary where parties promptly comply with the award given but this is usually not the case as one of the parties may be reluctant in complying with the award hence the need to apply to court for enforcement. Although the former Act⁷ regulating arbitration in Nigeria which was repealed in 2023⁸ forbids the court from interfering in matters governed by the Act and it also says that an award is not appealable. The Act also gives the courts the power to enforce arbitral award subjecting arbitration process to the same court proceeding which is laden with technicalities, high monetary cost, time wastage and inefficient process. Ironically, Parties to arbitration agreements have used court intervention to frustrate arbitral proceedings either at the point of commencement of the tribunal or when the decision of the tribunal is pending. This delays determination of the matter as well as watering down the perceived advantages of arbitration and ADR in general.

5. Restriction of Jurisdiction to Certain Courts

The issue of jurisdiction of Court to hear matters coming from arbitral tribunal is yet another constraint in the recognition and enforcement of arbitral awards. As simple and cost effective as the arbitration process is, one will expect that application to the court for the enforcement of awards will be that simple and that any court close-by can give such enforcement order or give an order for specific performance of awards. This is not the case, as only a superior court of note like the High Court has the authority and capacity to adjudicate in matters coming from arbitral tribunal.

6. Delay in the Enforcement of Awards

One of the major challenges encountered in the attempt to enforce an award is the long process that is involved. Whereas, quick dispensation of justice remains one of the advantages derivable from going into arbitration instead of litigation, the delay that is being faced due to the long process to be followed before a successful party can claim the dividend of his/her success is of major concern to the practitioners of arbitration in Nigeria. A party seeking enforcement will come by *ex parte* application and for leave via originating motion. This method was confirmed by the Supreme Court in the case of *S. O. & Allied Products Ltd v. Kaju Trading Co. Ltd.*⁹ The Courts will normally direct that the motion be on notice to the other party while it feels there is

⁴ A. Chinwe, An Analysis of National Courts Involvement in International Commercial Arbitration; Can International Commercial Arbitration Be Effective Without National Courts? *Open Journal of Political Science*, 06, 95-104. doi:10.4236/ojps.2016.62009

⁵ Idornigie (Ibid)

⁶ O. Abiloye and J. Akolade., 'Challenges in the Recognition and Enforcement of Foreign Arbitral Awards in Nigeria', a paper presented at the 1st International Chamber of Commerce (ICC) African Regional Arbitration Conference held in Lagos, Nigeria, 19-21 June, 2016; <www.google.com/searchengine> accessed on 23rd November 2023.

⁷ Section 34 of the Arbitration and Conciliation Act

⁸ Arbitration and Mediation Act

⁹ 1956) 3NWLR 244234

need to give fair hearing to the other party.¹⁰ The application is supported by an affidavit supported by the following documents: a) Duty authenticated original award of certified true copy; b) The original arbitration agreement or a duly certified true copy. The court will ordinarily grant the above application except where there is a counter to it the opposing party asking the court to refuse recognition. This is provided for in section 32 of the Act. Some of the grounds are set out below under setting aside of an arbitral award.

7. Prospect in the Enforcement of International Arbitral Award in Nigeria

Repeal of ACA by Arbitration and Mediation Act 2023:

Arbitration has over the years gained prominence as a preferred method for dispute resolution especially for cross-border commercial disputes due to the fact that parties want to resolve their dispute in privacy and obtain an enforceable award as soon as possible. International Commercial Arbitration arises in the context of international business transactions with the aim of providing an alternative to traditional court litigation and its applicability in Nigeria is determined by the agreement of the parties involved. The parties must have a written arbitration agreement, which may be in the form of an arbitration clause in their contract or in a separate complete agreement stipulating that any dispute arising from the contract will be resolved through arbitration¹¹ so as to ensure enforceability and to also avoid potential challenges to the arbitration process. In Nigeria, the current arbitration legislation is the Arbitration and Mediation Act 2023 which repealed the Arbitration and Conciliation Act¹² to cushion the defects in the repealed act and became the unified legal framework for the fair and efficient settlement of commercial disputes by arbitration and mediation which is an adaptation of the 1985 version of the UNCITRAL Model Law on International Commercial Arbitration (Model Law, 1985). There are many gains, prospects as well as challenges involved in the application of International Commercial Arbitration in Nigeria. Such gains and prospects of the application of International Commercial Arbitration Laws in Nigeria include the following;

Enforceability of Arbitral Awards

One of the essential advantages of international commercial arbitration is the enforceability of arbitral awards. The New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards provides a framework for the recognition and enforcement of arbitral awards in over 160 countries. This means that an arbitral award rendered in one jurisdiction can be enforced in another, offering a level of enforceability that is not always guaranteed in court judgments. An arbitral award shall be recognized as binding irrespective of the country or state it is made and upon a written application to the court be enforced by the court.¹³ The party relying on an award or applying for its enforcement shall supply the original or certified copy of an award, the arbitration agreement and a certified translation of the award or arbitration agreement where it is not made in English language.¹⁴ A party to the arbitration agreement may however, request the court to deny recognition or enforcement of an arbitral award only if certain criteria are met which includes incapacity of a party, invalidity of the arbitration agreement, lack of proper notice, disputes exceeding the scope of arbitration, non-compliance with tribunal composition or procedure, non-binding status of court setting aside of the award, subject matter not being arbitrable under Nigerian laws or violation of public policy; and in cases where an award is being challenged, the court can postpone its decision and request security from the party seeking recognition or enforcement.¹⁵ Additionally, parties can apply for a review of an arbitral award before an award review tribunal if stipulated in their arbitration agreement.¹⁶ Where the recognition and enforcement of any award made in an arbitration in a country other than Nigeria is sought, the New York Convention on the Recognition and Enforcement of Foreign Awards applies provided that the country is part of the New York convention and the dispute whether contractual or not is considered commercial under the laws of Nigeria.¹⁷

Enhancement of Foreign Investment

The likelihood of perceived bias in national courts made international commercial arbitration a viable option for cross-border commercial transaction¹⁸. One of the hallmarks of an arbitrator is impartiality as an arbitrator is expected to hold the scale evenly between the parties. A significant advantage of international commercial arbitration in Nigeria based on the principle of impartiality and neutrality is that it promotes diversity and ensures that the arbitrator's nationality does not bias the outcome of the arbitration as individuals from any nationality can act as arbitrators unless the parties agree otherwise¹⁹. Business people will be more inclined to enter into transnational commercial transactions if they feel confident that potential disputes will be settled in a forum more neutral than the other party's court. An arbitrator must disclose to parties any circumstances likely to give rise to justifiable doubts as to his impartiality or independence and he shall also disclose to parties any relevant circumstances not within their knowledge throughout the arbitral proceedings²⁰ Although an arbitrator is appointed by a party,

¹⁰ *Kotoye v CBN* (1989) 1 NWLR (pt. 98) 419 and section 36 of 1999 constitution as amended

¹¹ Arbitration and Mediation Act, 2023. s.2

¹² Cap A18 Laws of the Federation of Nigeria, 2004.

¹³ Arbitration and Mediation Act 2023. s.57(1)

¹⁴ Arbitration and Mediation Act 2023. s.57(2)(a)(b)(c)

¹⁵ Arbitration and Mediation Act 2023. s.58(1)(2)(3)

¹⁶ Arbitration and Mediation Act 2023. s.56(1)

¹⁷ Arbitration and Mediation Act 2023. s.60(a) (b)

¹⁸ O. Aje-Famuyide, N. Akano, 'Challenges of Nigeria as a Preferable Seat of International Commercial Arbitration' <<https://czasopisma.marszalek.com.pl/images/pliki/rop/18/rop1801.pdf>> accessed 23 April 2025.

¹⁹ Arbitration and Mediation Act 2023. s.7(1)

²⁰ Arbitration and Mediation Act 2023. S.8(1) (2)

once he is duly appointed, he must not allow his judgment be influenced by his appointor and he must also maintain a judicial approach.²¹ In this connection, it has been said that an independent and impartial arbitrator must not engage in any *ex parte* communication with the parties regarding the merits of the case during the course of proceedings.²² By promoting impartiality and neutrality in the appointment of arbitrators, international commercial arbitration in Nigeria offers a forum where parties from different jurisdictions are encouraged to choose Nigeria as a seat for their arbitration thereby promoting diversity, enhancing Nigeria's reputation as a reliable and neutral venue for resolving international commercial disputes and also leading to increased foreign investment.

Increase in the Participation of Nigerians

The increased involvement of parties in the resolution of their dispute is one of the major positive gains of party autonomy in international arbitration. Generally, the practice of arbitration is fast growing and gaining acceptance in Nigeria.²³ International commercial arbitration provides flexibility and party autonomy in resolving commercial disputes. Party autonomy as a concept, involves a notion of party activism as against party passivism in the dispute resolution process. With the highly participatory nature of international arbitration, Nigerians would be able to involve in virtually all the stages of their dispute resolution process. The Principle of International Commercial Arbitration enables parties to participate in the selection of their decision-makers. The parties involved in an arbitration agreement can agree on the number of arbitrators²⁴ who are independent experts in the relevant field from any particular jurisdiction, they also have the freedom to agree on the procedure of appointing arbitrators to constitute an arbitral tribunal²⁵. Where parties are unable to agree on the number of arbitrators and the procedure of appointing arbitrators, the appointing authority, arbitral institution or the court shall intervene to ensure an impartial selection process thereby contributing to the overall fairness and neutrality of the arbitration²⁶. Article 11 (3) of the UNCITRAL Model Law²⁷ also provides that parties are free to agree on the procedure of appointing the arbitrators.²⁸ The parties have the freedom to choose the rules and procedures that will govern the arbitration process, tailoring it to suit their specific needs and circumstances. This flexibility allows the parties to select a location, language, and applicable laws that are most convenient and appropriate for their dispute. The Arbitration and Mediation Act has eased the principle of flexibility and party autonomy by taking cognizance of the modern realities of communication, thereby permitting the conduct of Electronic Arbitration and Mediation between parties. Furthermore, the Act recognizes a written Arbitration Agreement to include electronic communications.²⁹ Electronic communication, as defined by the Act,³⁰ means any communication that the parties make by means of data messages, that is, any information generated, sent, received or stored by electronic, magnetic, optical or similar means, including electronic data interchange, electronic mail, telegram, telex or telecopy. Parties can also effectively participate in determining the choice of law applicable to the determination of their case.³¹ International Commercial Arbitration also extends the involvement of the parties to the discipline of the decision maker. Parties can challenge the appointment of an arbitrator and seek his removal at the time the tribunal is constituted or later, if new facts come to light.³² Overall, when Nigerian businesses or individuals are involved in international commercial arbitration, it showcases Nigeria's active engagement in the global business community which can attract international parties to choose Nigeria as the seat for their arbitration and increase their confidence in the arbitration process within the country and thus lead to the development and growth of the arbitration field both domestically and internationally.

Confidentiality and Privacy

Confidentiality is a crucial aspect of international commercial arbitration. International commercial arbitration in Nigeria provides parties with a private forum to resolve their disputes thereby protecting the reputation and business interests of the parties involved which is unlike court proceedings that is open to the public. Unlike court proceedings, arbitration proceedings are private and confidential. Confidentiality and privacy in International Commercial Arbitration in Nigeria is ensured by inserting a confidentiality clause in the arbitration agreement, by upholding the rules and guidelines established by international arbitration institutions which regulates International Commercial Arbitration to underscore the importance of confidentiality and privacy in arbitration proceedings. The Act explicitly addresses the principle of confidentiality which is not absolute as there are instances where disclosure is required³³. The parties involved can keep the details of their dispute such as documents, evidence and other information shared during the arbitration process confidential, thereby protecting sensitive business

²¹ J. Olakunle Orojo and M. Ayodele Ajomo, *Law and Practice of Arbitration and Conciliation in Nigeria* (Mbeyi & Associates Nigeria Limited, 1999)

²² *ibid*

²³ O. Oshasore and B. Salihu 'The Seat of Arbitration – Approach to Arbitral Proceedings' <<https://mondaq.com/Nigeria/x/753532/Arbitration+Dispute+Resolution/The+Seat+Arbitration+Approach+To+Arbitral+Proceedings>> accessed 23 April 2025

²⁴ Section 6(1) Arbitration and Mediation Act 2023.

²⁵ Section 7 (2) Arbitration and Mediation Act 2023.

²⁶ Arbitration and Mediation Act 2023. s.6(2), 7(3)(4)(5)

²⁷ Article 11 (3) of the UNCITRAL Model Law

²⁸ G. Born, 'International Commercial Arbitration' *Kluwer Law International*, the Netherlands, (2009) 1 (81).

²⁹ Arbitration and Mediation Act 2023. s.2 (3) (4) (a)

³⁰ Arbitration and Mediation Act 2023. s.91

³¹ Article 28 of the UNCITRAL; In *W. A. Engineering v. Brifina Nig. Ltd.* LD/75/2003, the arbitral tribunal applied the Nigerian arbitration law because the parties had agreed that the difference arising out of their agreement shall be arbitrated in accordance with the Arbitration and Conciliation Act, Laws of the Federation of Nigeria.

³² Articles 12 and 13 of the UNCITRAL Model Law.

³³ Section 76 Arbitration and Mediation Act 2023

information and trade secrets. This aspect is particularly valuable for commercial entities that prefer to avoid public disclosure of their disputes.

Time Management & Efficiency in Granting Award

Arbitration is generally known for its efficiency and speed compared to court litigation. The arbitration process is streamlined and focused, with strict timelines for the submission of evidence and arguments. The use of international arbitration has dramatically increased worldwide in the last decades consolidating its nature as the most cost effective and expeditious way of alternative dispute resolution, particularly in business and commercial contexts.³⁴ A written Arbitration agreement in Nigeria now includes electronic communication which should easily be accessed and subsequently referred to.³⁵ Electronic communication has been defined by the Act as exchange of data messages by parties being information generated, sent, received or stored by electronic, magnetic or optical or similar means including data interchange (EDI), Electronic mail, telegram, telex or telecopy³⁶. The speed of the arbitral process has been cited as one of the greatest advantages of international arbitration.³⁷ By contrast, delay has been severally cited as a major bottleneck of litigation in Nigeria.³⁸ The new Arbitration Act particularly with respect to the computation of time in Arbitral proceedings provides that arbitral proceedings shall commence on the date a written request for the dispute to be referred to arbitration is received by the respondent unless otherwise is agreed by the parties.³⁹ The Act also provides that Statutes of Limitation now applies to arbitral proceedings.⁴⁰ It specifies the period to enforce an arbitral award and excludes the commencement of the arbitration and the date of the award.⁴¹ This provides an extra layer of protection for arbitral and mediation proceedings. Furthermore, an arbitral tribunal may consolidate arbitral proceedings or hold concurrent hearings upon an agreement of the parties and the tribunal may not consolidate arbitral proceedings if not expressly agreed to by the parties.⁴² Where there is an arbitration agreement between parties, unless the agreement is void, inoperative or incapable of being performed, the court has a mandatory obligation to refer parties to arbitration. The absence of procedural formalities often associated with court proceedings allows for a more expeditious resolution of disputes. The parties have the advantage of selecting arbitrators with expertise in the subject matter, which can contribute to a faster and more efficient decision-making process. By way of enhancing efficiency and time-saving, the International commercial arbitration allows parties to avoid technicalities of national courts procedures. Disputes are resolved by neutral and impartial arbitrators who are independent of any State and party. The process is flexible; it is not subject to stringent laws and procedures.

8. Conclusion and Recommendations

In conclusion, while Nigeria has made notable strides in establishing a legal framework that aligns with international standards for the enforcement of arbitral awards, significant challenges continue to undermine the efficiency and reliability of such enforcement. The enactment of the Arbitration and Mediation Act 2023 represents a commendable step toward harmonizing domestic arbitration laws with global best practices, especially in line with the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, 1958.⁴³ However, issues such as judicial interference, delays in court proceedings, inadequate institutional capacity, and inconsistent application of arbitral principles persist, thereby discouraging foreign investors and weakening Nigeria's attractiveness as a seat of arbitration.⁴⁴ Despite these challenges, the prospects remain promising, as the Nigerian judiciary increasingly adopts an arbitration-friendly approach and stakeholders advocate for greater autonomy and efficiency in arbitral processes.⁴⁵ Therefore, sustained legislative reform, judicial education, and institutional strengthening are essential to ensuring that the enforcement of international arbitral awards in Nigeria achieves the certainty, finality, and predictability envisioned under international commercial arbitration practice.⁴⁶ In view of the identified challenges affecting the enforcement of international arbitral awards in Nigeria, several recommendations are proposed to strengthen the legal and institutional framework and align Nigeria's practice with international best standards:

Strengthening the Legislative and Policy Framework

First, there is a compelling need to further strengthen the legislative and policy framework governing the enforcement of arbitral awards in Nigeria. Although the Arbitration and Mediation Act 2023 has modernized several aspects of Nigerian arbitration law, continuous review and harmonization are necessary to ensure consistency with the UNCITRAL Model Law on

³⁴ V. K. Bhatia, N. C. Christopher & M. Gotti, *Discourse and Practice in International Arbitration: Issues, Challenges and Prospects* (England Ashgates Publishing Ltd, 2013) 45.

³⁵ Arbitration and Mediation Act 2023. s.2(4)(a)

³⁶ Arbitration and Mediation Act 2023. s.91(1)

³⁷ C. R. Drahozal & R. W. Naimark, 'Towards a Science of International Arbitration: Collected Empirical Research' *Kluwer Law International*, (2005) 20.

³⁸ *Nwadiogbu v. Nnadozie* (2002) 12 NWLR (Pt. 727) 318 and *Onoguruwa v. Akinrenmi* (2001) 13 NWLR pt 729, 38 where the matters lasted up to 23 years and 21 years respectively.

³⁹ Arbitration and Mediation Act 2023. s.33

⁴⁰ Arbitration and Mediation Act 2023. s.34 (1) (2)

⁴¹ Arbitration and Mediation Act 2023. s.34 (4)

⁴² Arbitration and Mediation Act 2023. s.39(1)(a)(b) (2)

⁴³ New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, adopted 10 June 1958, 330 UNTS 3 (entered into force 7 June 1959).

⁴⁴ O. Orojo and M. Ayoola, *Commercial Arbitration in Nigeria* (Law Development Centre Press, 2022) 45.

⁴⁵ M. A. Ozekhome, 'The Future of Arbitration in Nigeria: Prospects and Challenges' (2021) *Nigerian Bar Journal* Vol. 18(2), 67–89.

⁴⁶ G. A. Oyeboode, 'Judicial Attitude to the Enforcement of Arbitral Awards in Nigeria' (2020) *Arbitration International Review* Vol. 36(1), 112–128.

International Commercial Arbitration (1985, as amended in 2006) and the New York Convention (1958).⁴⁷ Lawmakers should periodically update the Act to address emerging global trends such as online dispute resolution, third-party funding, and virtual hearings, which have become integral to international arbitration.⁴⁸ Clearer provisions should also be enacted to limit excessive judicial intervention in arbitral proceedings and enforcement, ensuring that the principle of party autonomy is upheld.

Judicial Capacity Building and Specialization

Secondly, the capacity of the Nigerian judiciary to handle arbitration-related matters requires substantial improvement. The judiciary plays a critical role in either facilitating or frustrating the enforcement of arbitral awards.⁴⁹ Therefore, specialized training programs and workshops should be institutionalized for judges at both the federal and state levels to enhance their understanding of arbitration law, international best practices, and the importance of minimal court interference.⁵⁰ Establishing **special arbitration divisions or commercial courts**, similar to those in jurisdictions such as Singapore and the United Kingdom, will also expedite enforcement proceedings and promote consistency in judicial decisions.

Institutional Strengthening of Arbitral Bodies

Thirdly, arbitral institutions in Nigeria-such as the Lagos Court of Arbitration (LCA) and the Regional Centre for International Commercial Arbitration, Lagos (RCICAL)-should be further empowered and adequately funded to improve administrative efficiency, transparency, and credibility.⁵¹ Strengthening these institutions will promote confidence among local and foreign investors, reduce reliance on foreign arbitral centers, and ensure that awards rendered in Nigeria meet international enforceability standards. Collaboration with global arbitration bodies such as the International Chamber of Commerce (ICC) and the London Court of International Arbitration (LCIA) will also foster knowledge exchange and elevate Nigeria's arbitration profile.

Promotion of Arbitration Awareness and Professionalism

Fourthly, there is a need to promote arbitration awareness among legal practitioners, corporate entities, and government agencies. Many disputes still proceed to litigation due to limited understanding of the benefits of arbitration.⁵² Professional associations such as the Chartered Institute of Arbitrators (UK), Nigeria Branch, and the Nigerian Bar Association (NBA) should increase public sensitization and professional certification programs to cultivate a culture of arbitration and respect for arbitral outcomes. Academic institutions should equally integrate arbitration law and practice into legal education curricula to build future capacity.

Government Commitment and Respect for Arbitral Awards

Finally, the Nigerian government must demonstrate unwavering commitment to respecting arbitral awards, especially those involving the state or its agencies.⁵³ Cases where government entities have resisted or delayed compliance with arbitral awards undermine Nigeria's reputation as an arbitration-friendly jurisdiction. Hence, public officials should be held accountable for deliberate non-compliance, and government policies should reinforce respect for finality and enforcement of arbitral decisions. This commitment will reassure investors and reinforce Nigeria's standing in the international arbitration community. Overall, effective enforcement of international arbitral awards in Nigeria depends on a combination of strong legislation, judicial efficiency, institutional credibility, and governmental integrity. With sustained reform, capacity building, and respect for the rule of law, Nigeria can overcome its enforcement challenges and position itself as a leading arbitration hub in Africa.

⁴⁷ UNCITRAL Model Law on International Commercial Arbitration (1985, amended 2006), United Nations Commission on International Trade Law.

⁴⁸ O. Orojo, & M. Ayoola, *Commercial Arbitration in Nigeria*. Lagos: Law Development Centre Press, (2022).

⁴⁹ M. A. Ozekhome, 'The Future of Arbitration in Nigeria: Prospects and Challenges.' *Nigerian Bar Journal*, 18(2), 67–89, (2021).

⁵⁰ G. A. Oyebo, 'Judicial Attitude to the Enforcement of Arbitral Awards in Nigeria.' *Arbitration International Review*, 36(1), 112–128, (2020).

⁵¹ T. Aina, 'Institutional Arbitration in Nigeria: Challenges and Opportunities.' *Journal of African Law and Practice*, 7(3), 55–72, (2019).

⁵² B. Fubara, 'Legal Education and the Future of Arbitration in Nigeria.' *Nigerian Law Review*, 14(1), 102–120, (2020).

⁵³ K. Adebayo, 'The Role of Government in Promoting Arbitration and Rule of Law.' *African Journal of Legal Studies*, 9(2), 88–103, (2021).