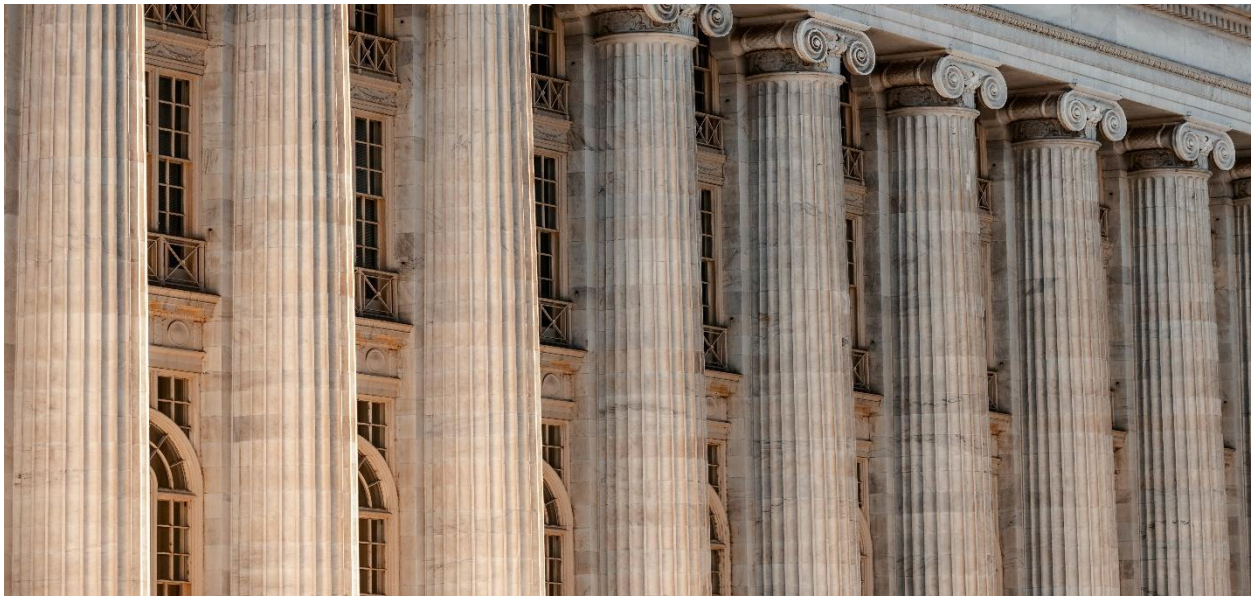
SP LP SMITH & PARTNERS LAW PRACTICE

2026 Dispute Resolution Outlook: 2025 Court Decisions



INTRODUCTION

The year 2025 marked a defining phase in Nigeria's judicial landscape, with several decisions clarifying unsettled areas of law, testing institutional boundaries, and revealing evolving trends in judicial reasoning. Across admiralty, criminal, constitutional, commercial, and regulatory disputes, the courts increasingly balanced established legal doctrine with pressing socio-economic and governance realities.

These developments carried significant implications for the Nigerian legal system and the administration of justice, making 2025 a particularly instructive year for the team at Smith and Partners LP ("**SPLP**").

Against this backdrop, and as 2026 unfolds, we have undertaken a focused review of dispute resolution practice in Nigeria. This outlook reviews key judicial decisions and litigation developments from 2025 and assesses their likely impact in 2026. Rather than merely cataloguing cases, it highlights doctrinal shifts, procedural signals, and practical implications for litigants, counsel, and institutions, with a view to anticipating their influence on litigation strategy and dispute resolution practice in the year ahead

HIGHLIGHTS OF 2025

CRIMINAL LITIGATION

1. ***FEDERAL REPLUBLIC OF NIGERIA* v. *PROFESSOR CYRIL NDIFON & BARRISTER SUNNY ANWANWU* (SUIT NO: FHC/ABJ/CR/511/2023): Criminal Accountability for Sexual Harassment in Academic Institutions**

One of the most consequential criminal decisions of 2025 was the conviction of Professor Cyril Ndifon, the suspended Dean of the Faculty of Law, University of Calabar, by the Federal High Court, Abuja. In a judgment delivered by **Honourable**

Justice James Omotosho on November 17, 2025, the court found Prof Ndifon guilty on two counts bordering on sexual harassment and cyber-enabled misconduct and sentenced him to **five years' imprisonment**, with sentences to run concurrently.

The prosecution, led by the Independent Corrupt Practices and Other Related Offences Commission (ICPC), alleged that Prof Ndifon, while occupying a position of academic and administrative authority, sexually harassed female students by demanding pornographic and indecent photographs via WhatsApp. Central to the prosecution's case was the testimony of a female student, anonymised as **TJK**, alongside three other witnesses. The charges also extended to cybercrime-related conduct and obstruction of justice, although the latter count did not succeed against the co-defendant, **Barrister Sunny Anwanwu**, who was discharged and acquitted.

Prof Ndifon's defence, which rested heavily on challenging the credibility of witnesses and the sufficiency of digital evidence, was rejected. The court held that the prosecution had established its case **beyond reasonable doubt** on two counts, relying on testimonial and forensic evidence.

From an outlook perspective, the decision is significant on several fronts. First, it signals a clear judicial willingness to treat sexual harassment as a serious criminal offence, rather than a matter for internal disciplinary processes within educational institutions. Second, the acceptance and evaluation of digital communications and forensic evidence in establishing culpability points to a maturing jurisprudence on cyber-enabled sexual offences. Third, the conviction of a senior academic figure underscores the courts' growing intolerance for the abuse of institutional power and professional standing.

As Nigeria moves into 2026, this decision is likely to influence both prosecutorial strategy and institutional compliance frameworks. Regulatory bodies and law enforcement agencies may be emboldened to pursue similar cases, while universities and professional bodies may face increased pressure to strengthen reporting mechanisms and preventive safeguards. More broadly, the case marks an important shift in the judicial treatment of gender-based misconduct, with implications which could extend to the workplace and public sector.

2. *FRN* v. *NNAMDI KANU* (FHC/ABJ/CR/383/2015): Terrorism, Fair Trial, and the risks of Self-Representation

The conviction and life sentence imposed on **Nnamdi Kanu**, leader of the proscribed Indigenous People of Biafra ("**IPOB**"), stands as one of the most consequential criminal decisions to close out Nigeria's 2025 legal year. After a decade-long prosecution, the Federal High Court, Abuja, presided over by **Honourable Justice Omotosho**, found Kanu guilty of terrorism-related offences and sentenced him to life imprisonment, bringing an end to one of the most politically charged trials in recent Nigerian history.

From an outlook perspective, the case is significant for both its outcome and its procedural and jurisprudential signals it sends going into 2026.

(a) First, the decision reinforces the courts' firm stance that offences must be tried under the law in force at the time of commission, notwithstanding subsequent repeal or amendment, and that pending proceedings survive

legislative transitions. The rejection of the oft-repeated "show me the law" refrain underscores judicial intolerance for arguments that conflate political grievance with settled principles of criminal legality and procedure.

(b) Secondly, the case is a cautionary authority on the risks of self-representation in complex criminal trials. The court's repeated indulgence of the defendant, including granting adjournments, warning against self-defence, and offering legal assistance, was later decisive in insulating the judgment from fair hearing challenges. The foreclosure of the defence, following the defendant's refusal to open his case, highlights the judiciary's growing emphasis on procedural discipline and finality.

(c) Thirdly, the judgment affirms the continuing legal effect of the order of Honourable Justice Abdul Abdu-Kafarati of the Federal High Court delivered on 15 September 2017, and subsequently affirmed by the Court of Appeal, proscribing the activities of the Indigenous People of Biafra (IPOB) in Nigeria. By necessary implication, the failure to set aside or successfully challenge such proscription orders sustains significant criminal exposure for conduct associated with the proscribed organisation. The decision therefore carries broader implications for ethnic and political movements operating at the margins of lawful dissent, particularly as regards compliance with existing court orders and the legal boundaries of agitation.

Looking ahead to 2026, FRN v. Kanu is likely to shape prosecutorial strategy in terrorism and national security cases and serve as a reference point on balancing fair trial rights with public order considerations. Beyond the courtroom, it also illustrates the limits of courtroom theatrics in an era where Nigerian courts appear increasingly determined to separate legal process from political spectacle

ADMIRALTY LAW & LITIGATION

3. *MT. ORYX TRADER & ANOR V. WRIST SHIPPING SUPPLY* (2025) 13 NWLR (PT. 2001) 171: Distinction between Caveat against release of a vessel and Arrest of a vessel

The Supreme Court's decision in **MT. Oryx Trader & Anor v. Wrist Shipping Supply** is poised to become a leading authority on the doctrinal distinction between a caveat against the release of a vessel and an arrest of a vessel under Nigerian admiralty law. By affirming the concurrent decisions of the Federal High Court and the Court of Appeal, the Apex Court has provided long-awaited and much-needed clarity on an area of practice that had, until now, been susceptible to conceptual conflation.

Clarifying the Nature of Caveats in Admiralty Practice

At the core of the decision is the Supreme Court's firm rejection of the argument that the filing of a caveat against the release of a vessel amounts, in law or in effect, to an arrest of that vessel. The Court's reasoning, anchored on **Order 8 Rule 7 of the Admiralty Jurisdiction Procedure Rules, 2023 (AJPR)**, reinforces that a caveat is merely a procedural safeguard designed to preserve notice and priority in respect of an already arrested vessel. It is not a coercive judicial act capable of grounding liability for wrongful arrest.

Going into 2026, this distinction will significantly shape maritime litigation strategy.

Claimants who elect to file caveats rather than pursue fresh arrests are now insulated from exposure to expansive damages claims predicated on loss of use, charter hire, or trading profits, provided the caveat is properly entered and supported by the requisite undertaking.

Limits of Damages and Wrongful Arrest Claims

The Court's reasoning implicitly narrows the scope of **Section 13 of the Admiralty Jurisdiction Act (AJA)** in the context of caveats. By holding that damages under the AJA require a finding that an arrest was *unreasonable and without good cause*, the Supreme Court has effectively foreclosed attempts to stretch liability to parties who merely entered caveats against release, where the vessel was already under arrest.

This clarification is likely to curtail speculative claims for massive commercial losses against caveators and refocus future disputes on whether an arrest itself, rather than ancillary procedural steps, was wrongful. However, the Court left open the possibility that a mala fide caveat may still attract liability, a caveat (pun intended) that will continue to demand prudence from creditors.

Practical Implications for Maritime Creditors and Shipowners

From a practical standpoint, the decision recalibrates the risk assessment for maritime creditors. Entering a caveat against release is now judicially affirmed as a legitimate, low-risk alternative to multiple arrests, particularly in congested admiralty dockets where vessels are already under detention.

Although not fully resolved, the Supreme Court's endorsement of the lower court's view that both natural and artificial persons may file caveats lends persuasive authority to a broad interpretation of "person" under the AJPR. Unless and until squarely determined by the Apex Court, this interpretation is likely to guide admiralty practice in 2026.

Outlook Going Forward

In 2026, practitioners can expect courts to rely heavily on this authority when determining liability for detention-related losses, particularly in complex, multi-claimant vessel arrests. Ultimately, the judgment reinforces a simple but critical proposition: not every act that prolongs detention constitutes an arrest, and not every detention gives rise to compensable wrongdoing.

4. *GLENYORK (NIG.) LTD & ANOR V. PANALPINA W.T. (NIG.) LTD* [2025] 8 NWLR (PT. 1992) 363

The Supreme Court's decision in **Glenyork (Nig.) Ltd v. Panalpina W.T. (Nig.) Ltd** represents a critical recalibration of the scope of admiralty jurisdiction in Nigeria. While affirming that admiralty jurisdiction does not automatically terminate upon the discharge of cargo from a vessel, the Court has drawn a clear and principled boundary: jurisdiction depends not on physical continuity of movement, but on contractual unity.

Facts

In 1993, Glenyork (Nig.) Ltd imported a diesel power engine from the United

Kingdom and engaged Panalpina W.T. (Nig.) Ltd to clear the goods at the Port Harcourt seaport and transport them to Glenyork's project site in Calabar. Panalpina subcontracted the inland haulage to a third-party transporter, during which the engine was damaged. Following a joint inspection, Glenyork's insurer, Royal Re-Insurance, compensated the loss and professional fees.

Glenyork and its insurer thereafter sued Panalpina at the High Court of Lagos State for breach of contract and negligence. Panalpina denied liability and challenged the court's jurisdiction, contending that the claim fell within the exclusive admiralty jurisdiction of the Federal High Court under the Admiralty Jurisdiction Act. The High Court dismissed the objection and entered judgment for the claimants. On appeal, the Court of Appeal overturned the decision, holding that the claim fell within admiralty jurisdiction, prompting a further appeal to the Supreme Court.

The Supreme Court allowed the appeal and restored the decision of the High Court of Lagos State, holding that it had jurisdiction to entertain the claim, which was properly founded on negligence and breach of contract arising from inland transportation.

The Court clarified that section 1(2) of the Admiralty Jurisdiction Act applies only where the carriage of goods from overseas to the consignee, including any land transportation, is undertaken pursuant to a single, continuous contract. In such circumstances, the carrier remains responsible for the goods from shipment abroad until final delivery, and the Federal High Court would have admiralty jurisdiction over disputes arising therefrom.

However, in the instant case, the Court found that the sea carriage from the United Kingdom had been fully completed upon delivery of the engine to the Customs warehouse in Port Harcourt, after which a separate and independent contract was entered into for the inland haulage to Calabar. As the loss occurred under this distinct inland transport arrangement, the claim fell outside the scope of admiralty jurisdiction under the Act.

Effect

As courts and practitioners move into 2026, this decision is likely to become a reference point for resolving jurisdictional contests at the intersection of maritime carriage and inland logistics.

From "Tackle-to-Tackle" to Contractual Coherence

Historically, Nigerian admiralty jurisprudence oscillated between two extremes:

- a restrictive "tackle-to-tackle" approach that confined admiralty jurisdiction strictly to sea carriage, and
- an expansive interpretation that risked pulling all post-discharge logistics into the orbit of the Federal High Court.

In Glenyork, the Supreme Court charted a middle course. The Court reaffirmed that Section 1(2) of the Admiralty Jurisdiction Act (AJA) can extend admiralty jurisdiction beyond the ship's rail, but only where inland transportation forms part of a single, continuous contract of carriage originating overseas.

The key takeaway for 2026 is that continuity of movement is insufficient without

continuity of contract.

Outlook for 2026

As Nigeria's maritime and logistics sectors continue to integrate sea and land transport, **Glenyork** will serve as a cautionary authority: parties cannot assume that the maritime character of goods or their origin at sea will automatically confer admiralty jurisdiction.

In 2026, the decisive question will remain this: **Was the loss suffered under a single, continuous contract of carriage, or under a separate inland arrangement?** The answer will determine not only liability, but the very court before which that liability is adjudicated.

ARBITRATION CLAIMS

5. *EUROFINANCE v. AMCON* (FHC/L/CS/1767/2020): Enforcement of Arbitral Awards, Procedural Objections, and the Enduring Delay Risk

The decision of the Federal High Court in **Eurofinance v. AMCON**, delivered in 2025 but arising from arbitral awards issued as far back as 2018, offers a sobering insight into the practical realities of arbitral award enforcement in Nigeria. The case underscores the persistent gap between the theoretical efficiency of arbitration and the procedural realities of post-award litigation before Nigerian courts.

Facts

This suit concerns an application by Eurofinance Services Inc. before the Federal High Court, Lagos, seeking the recognition and enforcement of arbitral awards made in London, England, against the Asset Management Corporation of Nigeria ("**AMCON**").

The dispute arose from a Memorandum of Agreement (MOA) dated March 23, 2016 for the sale of the vessel *MV MONGOLIA*, which contained an arbitration clause referring disputes to arbitration under the London Maritime Arbitrators Association (LMAA) Rules. Although AMCON partly satisfied the arbitral awards, it failed to fully discharge its obligations despite repeated demands.

Consequently, Eurofinance commenced enforcement proceedings pursuant to sections 51, 52, and 54 of the Arbitration and Conciliation Act ("**ACA**"), the New York Convention, and the applicable Federal High Court (Civil Procedure) Rules, 2019, seeking to fully enforce the awards as judgments of the court and to recover outstanding sums, accrued interest, tribunal costs, and costs of enforcement.

AMCON responded by filing a Notice of Preliminary Objection, urging the court to strike out the suit for lack of jurisdiction. The objection, as well as AMCON's substantive response, was premised on the following grounds:

- Failure to obtain the consent of the Attorney-General of the Federation under section 19(3) of the AMCON Act;
- Failure to issue and await a valid 90-day pre-action notice pursuant to section 43(2) of the AMCON Act;
- Non-compliance with section 51(2) of the ACA on the basis that duly authenticated or certified copies of the arbitration agreement and awards

were not supplied; and
- Wrong mode of commencement and failure to obtain leave of court

In its decision, the Court held that, in compliance with sections 51 and 52 of the ACA, Eurofinance had provided the duly authenticated originals of the First and Second Awards, a certified copy of the Third Award, all issued in London, as well as a copy of the MOA containing the arbitration clause. The Court further noted that it had already resolved the preliminary objection in favour of Eurofinance, and that AMCON's defence merely rehashed arguments previously considered and dismissed.

Accordingly, the Court held that the arbitral awards were recognizable and enforceable under Nigerian law and in compliance with the New York Convention as domesticated in Nigeria. The Originating Motion was found to be meritorious, and all reliefs sought by Eurofinance were granted.

Delay as a Structural Feature of Enforcement Proceedings

A central feature of Eurofinance v. AMCON is the five-year period spent by the award creditor before the Federal High Court to obtain recognition and enforcement of the arbitral award. This case demonstrates that, in practice, enforcement proceedings may become protracted, particularly where jurisdictional and procedural objections are aggressively pursued.

Going into 2026, this case reinforces the reality that arbitration in Nigeria is only as efficient as its enforcement stage, and that award creditors must factor in litigation-level timelines when assessing enforcement risk.

Tension Between Finality and Due Process

At a doctrinal level, Eurofinance v. AMCON exposes the unresolved tension between two competing objectives:

- the finality and enforceability of arbitral awards, and
- the constitutional right to fair hearing, often invoked through jurisdictional and procedural objections.

Unless appellate courts adopt a firmer stance on when procedural objections are deemed sufficiently considered or spent, enforcement proceedings may continue to attract prolonged appellate intervention, undermining confidence in arbitration as an effective alternative to litigation.

As Nigeria seeks to consolidate its position as an arbitration-friendly jurisdiction, Eurofinance v. AMCON serves as a cautionary tale rather than a repudiation of arbitration. The case signals that the battleground in arbitral disputes usually shifts during the enforcement phase, and that procedural discipline, both by counsel and by the courts, will be decisive in determining whether arbitration delivers on its promise of efficiency in 2026 and beyond.

6. *ANENE V MTN NIGERIA COMMUNICATIONS PLC* (2025) 16 NWLR (PT 2010): Consumer Protection, Telecom Liability, and Judicial Activism

Facts

Mr. Anene Ezugwu, a subscriber of MTN Nigeria Communications Plc, commenced an action before the High Court of the Federal Capital Territory, Abuja, alleging unauthorised deductions from his airtime for caller tune services to which he never subscribed. Although MTN initially acknowledged the complaint and refunded the sum of Seven Hundred Naira (₦700.00), the alleged deductions persisted.

Consequently, Mr. Anene sought declaratory and injunctive reliefs, a refund of all unlawful deductions, Fifty Million Naira (₦50,000,000.00) as general damages, and One Million Naira (₦1,000,000.00) as costs of litigation. The trial court found in his favour and awarded Five Million Naira (₦5,000,000.00) as general damages and Five Hundred Thousand Niara (₦500,000.00) as costs against MTN.

Aggrieved, MTN appealed to the Court of Appeal, which upheld the finding of liability but reduced the quantum of general damages to Four Hundred Thousand Naira (₦400,000.00) and the cost of litigation to One Hundred Thousand Naira (₦100,000.00) on the ground that the sums awarded by the trial court were excessive.

Dissatisfied with the reduction, Mr. Anene further appealed to the Supreme Court. The apex court allowed the appeal, set aside the decision of the Court of Appeal, and restored the judgment of the trial court. In addition, the Supreme Court awarded Three Million Naira (₦3,000,000.00) as costs of appeal, thereby ordering MTN to pay a total sum of Eight Million, Five Hundred Thousand Naira (₦8,500,000.00) for the violation of the appellant's consumer rights

Outlook for 2026

The decision of the Supreme Court in **Anene v. MTN Nigeria Communications PLC (2025)** marks a decisive turning point in Nigeria's consumer protection jurisprudence, particularly within the telecommunications sector. Going into 2026, the case is likely to recalibrate the balance of power between telecom operators and subscribers by signalling a stricter judicial intolerance for unauthorised deductions, opaque billing practices, and systemic neglect of consumer complaints.

First, the restoration of substantial general damages by the Supreme Court underscores a clear policy direction: consumer rights violations are no longer to be treated as trivial or nominal wrongs. The Court's willingness to uphold punitive-level damages against a dominant market operator reflects an emerging judicial posture that views consumer protection not merely as compensatory, but as a deterrent mechanism against recurring corporate misconduct. In 2026, telecom operators can expect heightened exposure where breaches reveal patterns of negligence or abuse rather than isolated errors.

Secondly, the decision strengthens the practical enforceability of the FCCPA and the Nigerian Communications Act, affirming that regulatory obligations owed to consumers are justiciable and capable of grounding significant monetary liability. This is particularly important in a sector historically characterised by high-volume, low-value consumer infractions, where service providers have often relied on the inertia or financial constraints of individual subscribers. The case signals that courts are prepared to intervene decisively, even where regulatory agencies may appear overstretched.

Thirdly, *Anene v. MTN* is likely to embolden consumer litigation and public-interest driven claims in 2026. The affirmation of a consumer's right to pursue and obtain

meaningful redress against a telecom giant may catalyse increased reliance on judicial remedies alongside regulatory complaint mechanisms. This, in turn, may compel telecom operators to invest more aggressively in compliance systems, transparent billing architectures, and effective internal dispute resolution processes to mitigate litigation risk.

Finally, at a broader level, the case reflects a growing judicial sensitivity to the realities of Nigeria's digital economy, where telecommunications services are no longer ancillary but essential. As digital inclusion deepens and reliance on telecom infrastructure expands, the courts appear poised to play a more interventionist role in ensuring that market dominance does not translate into consumer exploitation.

In sum, Anene v. MTN sets the tone for 2026 as a year in which consumer protection, particularly in regulated, high-impact sectors like telecommunications, will attract firmer judicial scrutiny, higher damages exposure, and a renewed emphasis on corporate accountability.

Outlook for 2026

As Nigeria moves into 2026, the dispute resolution landscape is expected to be shaped by a combination of legislative reforms, electoral dynamics, and continuing procedural innovations within the judiciary. The following developments are anticipated to feature prominently in the year ahead:

(a) **Increased Taxation-Related Disputes:** We anticipate a rise in taxation disputes arising from the current implementation and interpretation of the Nigeria Tax Reform Acts 2025 and the controversy regarding discrepancies between the versions passed by the National Assembly and the officially gazetted laws. These disputes are likely to test the scope of statutory compliance, statutory certainty, administrative discretion, and taxpayers' rights.

(b) **Pre-Election Litigation and Judicial Timelines**: The approach of the 2027 general elections is expected to result in an increase in pre-election disputes, with attendant pressure on court dockets. This may affect the speed of adjudication in commercial and other non-electoral matters, as judicial resources are redirected towards time-sensitive election-related litigation.

(c) **Continued Evolution of Appellate Practice**: The Supreme Court Rules 2024 are expected to continue reshaping appellate practice in 2026.

(d) **Increased Reliance on Arbitration and ADR Mechanisms**: Considering anticipated congestion in the courts, particularly due to election-related cases, parties are likely to increasingly resort to arbitration and other alternative dispute resolution mechanisms. The Arbitration and Mediation Act 2023 will remain central in this regard, reinforcing ADR as a viable and efficient alternative for resolving commercial disputes.

Overall, we anticipate further improvements in the administration of justice under the present administration, particularly in its continued commitment to the rule of law and judicial reform.

Author

SP
LP

SMITH & PARTNERS
LAW PRACTICE

LAGOS
24, Ebun Street
Yaba
Lagos State, Nigeria

Tel.: +234 913 808 6836
Email: enquiries@splp-law.com
https://www.splp-law.com/