THE LANDSCAPE OF ALTERNATIVE DISPUTE RESOLUTION PRACTICE AND PROGRESSION IN NIGERIA

By
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Abstract
Alternative Dispute Resolution (ADR) encompasses all legally-permitted processes of dispute resolution other than litigation. In Nigeria, ADR is historically rooted in traditional, pre-colonial African practices of Arbitration, Mediation, Negotiation, Conciliation, resolved by experienced elders and respected community leaders in resolving dispute to maintain social harmony. This paper explores the practical features, development and progression of Alternative Dispute Resolution (ADR) procedures in Nigeria and some other countries in resolving legal disputes globally. The paper traced the origin and identified various types of ADR, their relevance in contemporary legal practice. The paper made major findings with respect to Nigeria's progress in institutionalizing ADR, while also exposing areas for inclusivity in ADR efficiency, awareness and need for further legislative reforms. The paper recommended that Nigeria should enact a unified ADR Act to consolidate all the gains of previous legislative reforms which would remove inconsistencies and ensure uniform standards across all states and institutions.

Keywords: Alternative Dispute Resolution, Mediation, Arbitration, Negotiation, Progression, Multi Door Court

1. Introduction

In the face of slow administration of justice, geometric increase in caseloads, procedural logjams, complex formalities, and the high cost of litigation, the Nigerian legal system, like many others around the world, has increasingly embraced Alternative Dispute Resolution (ADR) as a viable complement to traditional court processes. The evolution of ADR in Nigeria is deeply rooted in both indigenous conflict resolution traditions and modern legal reforms. From the communal systems of pre-colonial societies to the institutionalization of ADR through multi-door courthouses, ADR institutions, and legislative frameworks, Nigeria's journey reflects a dynamic interplay between custom, law, and innovation. ADR represents a paradigm shift from adversarial justice to consensual and collaborative mechanisms for resolving disputes. It encompasses a range of alternative means of resolving disputes such as arbitration, mediation, conciliation, and negotiation, each designed to offer more flexible, efficient, and culturally sensitive pathways to justice.

The first part of the paper shall explain a few concepts peculiar to the paper in the context in which it is written. The second part shall trace the historical and legal development, and examine their progression in contemporary ADR practice. The third part aims to illuminate the transformative potential of ADR in enhancing access to justice, reducing litigation burdens, and fostering a more responsive legal system while the fourth part examine the challenges of applying ADR practice in Nigeria over the years. The fifth part shall review the legal and institutional frameworks for ADR practice in Nigeria while the sixth part shall make recommendations as appropriate to tackle the challenges associated with contemporary ADR practice in Nigeria.

2. Conceptual Clarification

2.1. Alternative Dispute Resolution (ADR): ADR refers to a range of procedures that serve as alternatives to litigation for resolving disputes, including arbitration, mediation, conciliation, and negotiation. Alternative Dispute Resolution (ADR) provides the mechanism for dispute resolution processes and techniques that falls outside of the Judicial process, which is provided by the government.

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The aim of ADR methods is to resolve commercial disputes in a timely and resource saving manner. Such methods include mediation, negotiation settlement (in an ideal win-win manner).

2.2. Arbitration: This is one of the alternatives to litigation as far as ADR as a concept is concerned. Arbitration refers to a formal process where a neutral third party delivers a binding decision. Arbitration is the fair resolution of a dispute between two or more parties by a person or persons other than by a court of law. It is the reference of a dispute by parties thereto for settlement by a person or tribunal of their own choice rather than the court. Under which the parties agreed to be bound by the decision of an arbitrator whose decision is, in general, final and legally binding on both parties. The process derived its force principally from the agreement of the parties and, in addition, from the state as supervisor and enforcer of the legal process. It is a special branch of the alternative dispute resolution process in the sense that in some respect. This is because it possesses some attributes of litigation though its informality and voluntariness still leave it in the realm of Alternative Dispute Resolution. A party's right to refer a dispute to arbitration depends on the existence of an agreement (the "arbitration agreement") between them and the other parties to the dispute that the dispute may be referred to arbitration or in some instances by operation of law.

Arbitration is a process where disputing parties agree to submit their disputes to one or more impartial third parties known as the arbitrator to hear and determine the dispute by a decision known as the arbitral award, which is usually binding. In section 91 of the Arbitration and Mediation Act 2023, Arbitration is defined to mean a commercial arbitration, whether or not administered by a permanent arbitral institution.[1]

Nigerian courts have, in a plethora of cases, defined what arbitration is. In the case of *Kano State Urban Development Board v. Fanz Construction Co. Ltd*.[2],the Supreme Court defined arbitration as: 'the reference of a dispute or difference between not less than two parties for determination, after hearing both sides in a judicial manner, by a person or persons other than a court of competent jurisdiction.' In *Statoil (Nig.) Ltd v. NNPC*[3]the Court of Appeal explained arbitration as: a process by which parties consensually submit a dispute to a neutral third party (the arbitrator) for a binding decision, which is enforceable like a judgment of a court.

In *M.V. Lupex v. Nigerian Overseas Chartering & Shipping Ltd*,[4] the Supreme Court, while emphasizing the party autonomy and finality principles of arbitration, held inter alia that Arbitration is a procedure whereby parties voluntarily submit their disputes to a neutral third party chosen by them for a decision which is final and binding.

It is worth emphasizing that arbitration as a dispute resolution mechanism has gained tremendous ground, especially in commercial arrangements in Nigeria. The increasing use of arbitration in the oil and gas, telecommunication, and finance industries, healthcare, construction, real estate, as well as the consumer goods industries has shown arbitration to be an acceptable dispute resolution mechanism. Major advantages of arbitration include the liberty and power that parties have to determine how they want their dispute to be resolved, who they want to resolve their dispute or what institution will resolve the dispute, the rules that will govern the resolution of the dispute, the confidentiality of the proceedings, and even the time within which a dispute must be concluded and how the award can be challenged. however, one of the disadvantages often cited about arbitration is that the cost of resolving disputes can be relatively higher than disputes resolved through litigation. It is also often said that in arbitration, there is no absolute bar on an unsuccessful party from challenging the arbitral award.[5]

[1] s 91 AMA 2023
[2] (1990) JELR 42963 (SC); SC.45/1988
[3] (2013) 14 NWLR (Pt. 1373) 1 at 47 (CA)
[4] (2003) 15 NWLR (Pt. 844) 469 (SC)
[5] <https://www.ibanet.org/document?id=Nigeria-country-guide-arbitration> accessed October 9, 2025

In the American case of *Gates v. Arizona Brewing Co.*[6], the court explained arbitration to be "a contractual proceeding whereby the Parties to any controversy or dispute, to obtain an inexpensive and speedy final disposition of the matter involved, select judges of their own choice and by consent submit their controversy to such judges for determination, in the place of the tribunal provided by the ordinary process of law.

Commercial contracts will commonly include a provision for how disputes relating to that contract are to be resolved. If the parties choose arbitration, the arbitration agreement will generally be part of the document recording the terms of the commercial transaction. Parties can also enter into an arbitration agreement after a dispute has arisen. By agreeing to arbitrate, the parties' consent to have an impartial body resolve their conflict and determine their respective entitlements and responsibilities.[7]

2.3. Mediation: Mediation refers to a voluntary process where a mediator facilitates settlement of issues between parties. Mediation is an ADR method where a neutral and impartial third party, the mediator, facilitates dialogue in a structured multi-stage process to help parties reach a conclusive and mutually satisfactory agreement. The aim of mediation is to find a mutually satisfactory agreement that all parties believe is beneficial.

Mediation ordinarily involves at least three persons: the parties and the mediator. The mediator is a person procured jointly by both parties to help them reach an agreement amicably. Mediation involves negotiation in part. Mediation is an Alternative Dispute Resolution (ADR) process whereby the parties to a dispute (including future interest disputes) agree to utilize the services of a neutral third party (the mediator), who then meets with the parties separately in an attempt to resolve their differences.

According to H. Brown and A. Mariot,[8] mediation is a facilitative process in which disputing parties engage the assistance of an impartial third party, the mediator, who helps them to try to arrive at an agreed resolution of their dispute. In mediation, the mediator facilitates dialogue in a structured multi-stage process to help parties reach a conclusive and mutually satisfactory agreement. The mediator and the parties follow a specific set of protocols that require everyone involved to work together. This process permits the mediator and disputants to focus on the real problems and actual difficulties between the parties.

The main aim of mediation is to assist people in dedicating more time and attention to the creation of a voluntary, functional and durable agreement. The parties themselves possess the power to control the process. They reserve the right to determine the parameters of the agreement. In mediation, the parties also reserve the right to stop anytime and refer a dispute to the court system or perhaps arbitration. In addition to business and legal skills, mediators need specialized technical training in the resolution of disputes. A mediator plays a dual role during the mediation process as a facilitator of the parties 'positive relationship and as an evaluator adept at examining the different aspects of the dispute. After analyzing a dispute, a mediator can help parties articulate a final agreement and resolve their disputes. The agreement at the end of the mediation process is a product of the parties' discussion[9]. Mediation aims to find a mutually satisfactory agreement that all parties believe is beneficial.

An agreement reached through mediation specifies times for performance and is customarily specific, measurable, achievable, and realistic. Enforceability is necessary for mediation, as an ADR process, to possess any legal strength or to impose any liability on the parties. Compliance with mediated settlement agreements is high because the parties themselves create the terms of the settlement agreement. Enforcement proceedings are relatively rare because the parties voluntarily carry out their own agreement.[10] Lastly, mediation is defined by section 91 of AMA 2023 means a process, whether referred

[6] 54 Ariz. 266, 95 P.2d 49 (1939)
[7] <https://www.stewartslaw.com/expertise/international-arbitration/arbitration-process/> accessed 9 October 2025
[8] Henry J. Brown & Arthur L. Marriott, ADR Principles and Practice, 2nd edn., Sweet & Maxwell, London, 1999.
[9] <https://jcohenmediation.com/article-quotes-reveal-essence-mediation> accessed October 10, 2025
[10] KaziAbdur Rahman, "*Mediation and Mediator Skills: A Critical Appraisal*," *SSRN Electronic Journal*, (Feb. 2012).

to by mediation, conciliation, or expression of similar report, where parties request a third person (the mediator) to assist them in their attempt to reach an amicable settlement of their dispute arising out of or relating contractual or other legal relationship but the mediator does not have authority to impose upon the parties, a solution to the dispute.

2.4. Conciliation: Conciliation refers to a type of dispute resolution option that often involves more active intervention by the conciliator. Conciliation is a dispute resolution process that involves building a positive relationship between the parties to the dispute. Conciliation is another dispute resolution process that involves building a positive relationship between the parties to the dispute. Although conciliation is sometimes defined as fundamentally different from mediation and arbitration in several respects, the Arbitration and Mediation Act 2025 define it as closely related to mediation[11]. In practice, conciliation is typically employed in labour and consumer disputes.

In conciliation, the terms of settlement accepted by the parties are binding on the parties, and they can take an action in court to enforce the same. However, where the parties rejected the terms of settlement, their respective legal rights should be affected if they decide to go to court or submit the dispute to arbitration. In the conciliation process, the conciliator is not bound by the rules of civil procedure of the various courts in Nigeria or the provisions of the Evidence Act, but is guided by the principles of objectivity, fairness, and justice.

This is the most common form of dispute resolution, and the process by which parties voluntarily seek a mutually acceptable agreement to resolve their common dispute. An indispensable step in any ADR process is negotiation. It is a fundamental key to all consensual ADR activities and, in fact, the most satisfactory method of settling disputes.

Negotiation is a problem-solving process in which two or more people voluntarily discuss their differences and attempt to reach a joint decision on their common concerns. Lee Simon et al, in their work, 'Learning Legal Skills',[12]define Negotiation as including all cases in which two or more parties are communicating, each for the purpose of influencing the other's decision. Negotiation involves only the parties to a dispute. When a dispute arises between two or more parties, they may decide to settle it between themselves without involving a third party. Negotiation may take place in both civil and criminal matters.

Every dispute involving negotiation occurs within the context of these three factors

a. Rights of the parties
b. Interest of the parties
c. Power of the parties

2.5 Hybrid Processes (Arb. Med. /Med. Arb, /Neg. Med etc)

The Hybrid processes allow the parties to commence the settlement of a dispute with one ADR process, but may have recourse to other ADR processes in the course of the settlement of the dispute. The major advantage of the Hybrid process is that it allows the parties the time to explore an ADR process to settle their dispute until they discover that a particular problem requires another ADR process. Parties are not therefore restricted to one ADR process at a time to settle their dispute.[13]

2.6 Mini-Trial

The mini trial is a non-binding process. This technique gives room for the disputes to be represented by their respective Legal Practitioners, who in turn present the matter to the representatives of their organization, who are authorized to enter into a settlement. After the Attorneys presentation, the parties' representatives negotiate, if they are not able to reach settlement the neutral members of the panel will

[11] Arbitration and Mediation Act 2023, s 91

[12] (2nd edn, London, Blackstone Press Ltd, 1994) p.140.

[13] International Mediation Institute, "Hybrid Dispute Resolution Processes," IMI Resources, <https://imimediation.org/resources/hybrid-dispute-resolution-processes/>, accessed October 13, 2025

be asked to render an opinion on the merits of the case.[14] The neutral 's opinion is generally not binding; there are no rules governing the conduct of mini-trials. The procedures are agreed upon by the parties in writing before the initiation of the process.

2.7 Early Neutral Evaluation

This is a process where a neutral expert assesses the facts and legal positions of each side early in the dispute and gives a non-binding opinion. The Early Neutral Evaluator, as a neutral expert, is required to assess the facts and legal positions of each side early in the dispute and give a non-binding opinion.

2.8 Multi-Door Courthouse: MDCrefers to legal institutions designed to offer multiple doors or pathways to resolve disputes. The goal of the Multidoor Court is to strengthen the legal framework and enhance the efficiency of the justice system in the communities by encouraging amicable dispute resolution through mediation, arbitration, or negotiation, thus relieving the traditional court system.

3. The Historical Development of Alternative Dispute Resolution Practice in Nigeria

In Nigeria, ADR predates colonial rule. It is rooted in customary practices where community elders, leaders and traditional rulers resolve disputes through mediation, conciliation, or negotiation. Dispute resolution at that time was communal, restorative in nature, and was usually aimed at preserving harmony and relationships, and not focused on punishment. Nigerian communities had well-established indigenous mechanisms for resolving disputes. For instance, among the Yoruba Communities, disputes were often resolved by family heads and community elders. In the Igbo communities, Council of Elders play a similar role, and in the Hausa-Fulani traditional systems, the Emir's palace provided dispute resolution functions.[15] These processes were majorly oral, informal, flexible, and guided by the customs and traditions of the people.

With the domination of British colonialism in Nigeria, the English common law system introduced the formal court system of litigation. This formal system of adjudication was formal, adversarial, and alien to the communities, emphasizing rights and liabilities, instead of promoting harmony and peaceful co-existence. The Native Court Ordinance of 1914 and the subsequent legislation gradually displaced the traditional dispute resolution practices in the indigenous communities and relegated them to only customary matters.[16]The Arbitration Ordinance of 1914 was Nigeria's first formal arbitration law, based on the English Arbitration Act of 1889. It was a foundational piece of legislation that remained the principal arbitration law until it was replaced by the Arbitration and Conciliation Act (ACA) of 1988.After independence in 1960, Nigeria continued to rely heavily on the English-style judicial and legal system, but as dissatisfaction grew due to delays, technicalities, and costs, ADR began to be formally recognized and encouraged, by the 1980s to 1990s, particularly in commercial and labour disputes.[17] The colonial legal system introduced formal arbitration, which was later codified in the Arbitration and Conciliation Act of 1988. The current regime for arbitration and mediation is the Arbitration and Mediation Act, 2023. This is aside other state laws.

Key stages in its evolution include its re-enactment in 1958 with regional application, its eventual replacement by the ACA which introduced a unified national framework, and most recently, its repeal and replacement by the Arbitration and Mediation Act of 2023. The Act repealed the 1988 Arbitration and Conciliation Act, providing a more unified and modern framework for both arbitration and mediation. The AMA Act introduced several innovations, including the statutory recognition of mediation as an alternative dispute resolution mechanism. Several other innovations, such as the provision for 3rd party funding, an emergency arbitrator, and the provision of the Award review

[14]<https://legalknowledgebase.com/what-is-mini-trial-in-adr> accessed on 10 October 2025

[15] Grace Umezurike, '*Traditional Society and Conflict Resolution in Nigeria: An Appraisal of Igbo* Traditional Method of ConflictResolution' (2016) 2(1*) IDOSR Journal of Current Issues in Social Sciences* 68–77.

[16]Adekola A, 'Historical Development of Arbitration in Nigeria' (2019) 63(2) *Journal of African Law* 215–230

[17]Orojo, J. O., &Ajomo, M. A. (1999). *Law and Practice of Arbitration and Conciliation in Nigeria.* p5.

tribunal (ART),[18] were also made. The history of the AMA 2023 refers to the Nigerian Arbitration and Mediation Act, 2023, which was enacted on May 26, 2023, to replace the 1988 Arbitration and Conciliation Act (ACA). The AMA was created to modernize Nigeria's arbitration framework and align it with international standards, addressing weaknesses in the old Act by incorporating provisions from the UNCITRAL Model Law. Key features include provisions for mediation, international settlement agreements, and interim measures, as well as new mechanisms like the Award Review Tribunal and the appointment of emergency arbitrators, The AMA allows for the consolidation of arbitrations and the joinder of parties.The Act acknowledges and regulates third-party funding in arbitration, Arbitration agreements can now be made in writing using electronic communication, such as emails.

Over the decades, ADR gained institutional support, with courts and legal bodies promoting its use to decongest the judiciary. Nigerian courts began to refer matters to arbitration and mediation through the rules of courts and practice directions. Professional associations such as the Chartered Institute of Arbitrators, the Institute of Chartered Mediators and Conciliators, and the Nigerian Institute of Chartered Arbitrators all helped to strengthen arbitration practice.

4. Attributes of Alternative Dispute Resolution in Nigeria

ADR has become increasingly attractive due to its practical, flexible, and people-centered approach to conflict resolution. Some of the attributes of ADR that have made it beneficial are as follows:

4.1 Voluntariness: ADR processes such as mediation, arbitration, conciliation, negotiation, etc, are generally voluntary. Parties are at liberty to choose whether they want to submit to ADR and may also determine who or the method and rules to be applicable to their dispute resolution. Such methods encourage parties' cooperation and mutual respect and empower parties to shape the outcome of the whole process.[19]

4.2. Party Autonomy: One of the major advantages of ADR processes, such as arbitration and mediation, is party autonomy. Parties retain significant control over the process, including the choice of neutrals, applicable rules, language, venue, and even the outcome (especially in mediation and negotiation). The party autonomy concept makes ADR particularly flexible and adaptable to different disputes or the specific needs of disputants.[20]

4.3. Neutral Third Party or Impartial Facilitators: In ADR methods, a neutral third party known as an arbitrator, mediator, or conciliator are appointed to guide or decide the dispute resolution process. The neutral third party ensures that there is a balanced representation of each party's interests. The neutral's role varies depending on the type of method used, from a mediator or conciliator facilitating the dispute to an arbitrator who decides on the basis of evidence presented before him/her.[21]

4.4. Flexibility: ADR processes are usually tailored to suit the specific disputes; they are less rigid than the traditional court system, allowing parties to agree on procedures that suit their needs. Flexibility avoids technicalities, focuses on substance, and adapts to cultural and commercial contexts.[22]

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[18] Abdul Jinadu, Arbitration and Mediation Act 2023 – Nigeria (Keating Chambers, September 2024) <https://www.keatingchambers.com/wp-content/uploads/2024/09/Arbitration-and-Mediation-Act-2023.pdf> accessed 10 October 2025.

[19] Ibid.

[20] Yeshnah D. Rampall and Ronán Feehily, *The Sanctity of Party Autonomy and the Powers of Arbitrators to Determine the Applicable Law: The Quest for an Arbitral Equilibrium*, (2018) 23 *Harvard Negotiation Law Review* 345–403.

[21] American Bar Association, 'Rule 2.4: Lawyer Serving as Third-Party Neutral' (2021) <https://www.americanbar.org/groups/professional_responsibility/policy/ethics_2000_commission/e2k_rule24/n> accessed October 10, 2025

[22] Alternate Dispute Resolution vs. Traditional Litigation: Comparative Analysis <https://theamikusqriae.com/alternate-dispute-resolution-vs-traditional-litigation-comparative-analysis/> accessed October 10, 2025

4.5. Confidentiality: unlike the court system which is public, ADR systems are private and confidential and helps to protect party's reputation, trade secrets, and sensitive relationships. ADR processes can also help to build trust and openness during negotiations. [23]

4.6. Cost and Time Efficiency: ADR processes are often cheaper and quicker than litigation because it avoids protracted delays and promotes efficiency by focusing on resolving the disputes directly without undue delay. By reducing legal fees, court costs, and time spent in the court proceedings, ADR methods are usually ideal for businesses and individuals seeking a quicker resolution.[24]

4.7. Preservation of Relationship: most often, ADR processes such as mediation and conciliation focus on preserving the relations by allowing parties to be collaborative rather than confrontational. Sometimes these processes emphasize a win-win outcome that preserves business, family, and community relationships.[25]

4.8. Enforceability of Outcomes: Arbitral awards are legally binding and enforceable in Nigeria under the Arbitration and Mediation Act 2023 and internationally through the New York Convention (1958). Mediation settlement agreements are also enforceable as consent judgments in court or under statutory frameworks.[26]

4.9. Enforcement of Alternative Dispute Resolution (ADR) agreements: ADR Agreement varies by the type of ADR and jurisdiction, often relying on specific national laws and international conventions like the New York Convention for arbitration. Domestic and international arbitration awards are typically enforceable through a court, Nigeria's Arbitration and Mediation Act 2023 provide a legal framework for courts to recognize and enforce arbitration awards. A party can apply to the court to enforce an award, and the court will do so subject to the law, which may require providing the award, the agreement, and certified translations if necessary. Challenges include achieving international harmonization for cross-border disputes and ensuring voluntary compliance, but legal frameworks are evolving to create more robust enforcement mechanisms. It is important to note that ADR mechanisms are not just legal tools for the benefit of access to justice; they represent a mindset shift towards resolution through dialogue, empathy, and efficiency.

5. Legal and Institutional Framework for ADR Practice in Nigeria

5.1 Legal Framework

5.1.1 National Laws

National laws are the domestic statutes enacted by a country that regulate ADR within its jurisdiction. They provide the legal foundation within a specific country, which determines many procedural and legal aspects of ADR. Many countries have adopted their modern arbitration statutes based on the UNCITRAL Model Law on International Commercial Arbitration, which promotes uniformity and predictability in arbitration practices in Nigeria.

5.1.2 Arbitration and Mediation Act 2023

In Nigeria, the Arbitration and Mediation Act 2023, which replaced the Arbitration and Conciliation Act Cap. A18, LFN 2004, currently governs the arbitration and mediation regimes. The Act provides a unified legal framework for the fair and efficient settlement of commercial disputes through arbitration and mediation. It makes applicable the Convention on the Recognition and Enforcement of Foreign

[23] Laurie Kratky Doré, *Public Courts versus Private Justice: It's Time to Let Some Sun Shine in on Alternative Dispute Resolution*, (2006) 81(2) *Chicago-Kent Law Review* 547. Available at <https://scholarship.kentlaw.iit.edu/cgi/viewcontent.cgi?article=3536&context=cklawreview> accessed October 10, 2025

[24] JibrinUbale Yahaya, "The Imperative of Alternative Dispute Resolution (ADR) in Resolving Conflicts in Nigeria," *NOUN International Journal of Peace Studies and Conflict Resolution (NIJPCR),* (Vol. 1, No. 2B, August 2021.)

[25] Guiding Counsel, "Mediation & Arbitration: Preserving Business Relations," Guiding Counsel, ,<https://guidingcounsel.com/mediation-arbitration-preserving-business-relations> accessed October 13, 2025

[26] Sections 57 and 82 of the Arbitration and Mediation Act 2023 respectively

Arbitral Awards (the New York Convention) to any award made in Nigeria or in any country that is a signatory to the convention. The Act also recognizes the application of the Convention on International Settlement Agreements resulting from Mediation, otherwise known as the Singapore Convention.[27] The Act aligns Nigeria's dispute resolution framework with International best practices and significantly modernizes the legal landscape on ADR. The Act has also consolidated the Nigerian laws on arbitration and mediation, bringing them in line with global standards such as the UNCITRAL Model Law. The Act, therefore, had made some salient provisions that were not previously in the repealed Act.

From promoting party autonomy, to providing institutional support for ADR integration and broadening the definition of mediation, to provision for the enforcement of awards and settlements, and the provision on judicial support and minimal intervention for ADR, the Act is meant to boost investor confidence and position Nigeria as a regional hub for international arbitration and mediation and to decongest the courts through amicable settlement of disputes.[28]

5.1.3 The National Policy on Arbitration and Alternative Dispute Resolution (ADR) 2024

The National Policy on Arbitration and Alternative Dispute Resolution (ADR) 2024 aims to institutionalize arbitration and ADR as a first-line mechanism for dispute resolution, especially commercial disputes, while also aligning the Nigerian ADR regime with global best practices. At the core of the Policy is to promote Nigeria's treaty obligations under conventions such as the UNCITRAL Model Law, the New York Convention, and the Singapore Convention.[29]

The policy is also to aid in reducing court congestion by encouraging ADR practices, boost investor confidence by ensuring that dispute resolution is fair, efficient, and enforceable, while also positioning Nigeria as a global hub for international commercial dispute resolution, and to enhance, build infrastructure, and capacity for ADR practitioners.[30]

5.1.4 The Regional Centre for International Commercial Arbitration Act (1999 No. 39)

The Regional Centre for International Commercial Arbitration Act is a Nigerian Act that formally establishes and governs the operations of the Regional Centre for International Commercial Arbitration, Lagos (RCICAL). This Centre operates under the auspices of the Asian-African Legal Consultative Organization (AALCO) and plays a pivotal role in promoting and administering arbitration and other forms of alternative dispute resolution (ADR) in Nigeria and the wider African region.

5.1.5 Other ADR Centres and Institutions' Rules on Arbitration and Mediation

ADR Centres and Institutional Rules play a crucial and complementary role in Nigeria's broader ADR ecosystem. These institutional rules, such as the Nigerian Chambers of Commerce Resolution Centre's (NCC-DRC) Arbitration and Mediation Rules 2019, serve as customized procedural frameworks that enhance access to justice, especially for commercial disputes. While the Arbitration and Mediation Act 2023 provides the statutory backbone, institutional rules like those of the NCC-DRC translate legal principles into practical procedures. These rules guide how disputes are initiated, managed, and resolved within the institution, ensuring consistency and predictability.[31]

5.1.6 International Laws

International conventions are treaties between countries that promote uniformity in arbitration practices, particularly in cross-border disputes. These conventions ensure that an outcome of an ADR process made in one country is recognized and enforced in another, creating global trust in ADR. Generally, International conventions aim to harmonize arbitration laws across borders and ensure the international

[27] Preamble to the AMA 2023

[28] <https://www.lawglobalhub.com/nigerian-arbitration-and-mediation-act-2023/> accessed October 10, 2025

[29] <https://strenandblan.com/wp-content/uploads/2025/02/NIGERIAS-NATIONAL-POLICY-ON-ARBITRATION-AND-ADR-2024.pdf> accessed October 3, 2025

[30] <https://strenandblan.com/wp-content/uploads/2025/02/NIGERIAS-NATIONAL-POLICY-ON-ARBITRATION-AND-ADR-2024.pdf> accessed October 2, 2025

[31] <https://nccdrc.org/> accessed October 1, 2025

enforceability of arbitration agreements and awards. The most significant of these laws, especially as it applies to Nigeria are succinctly discussed below:

5.1.6.1 UNCITRAL Model Laws

These include the Model Law on International Commercial Arbitration (1985, amended 2006) and the Model Law on International Commercial Mediation (2002). These laws influence Nigeria's arbitration and mediation frameworks respectively, especially regarding enforceability and neutrality. The UNCITRAL have shaped international ADR practice, by harmonising the laws and ensuring fairness, efficiency, and predictability in arbitral proceedings. The laws allow flexibility by allowing parties to choose the seat of arbitration or mediation, as the case may be, and recognize the essential principles in ADR.

5.1.6.2 The Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention (1958))

The Convention is to apply to the recognition and enforcement of arbitral awards made in another country. The award must have, however, arisen out of differences between persons, whether physical or legal, and applicable to awards not considered domestic in the states where their recognition is sought.[32] Nigeria is a signatory to this convention, meaning foreign arbitral awards are enforceable in Nigerian courts, subject to limited exceptions.

5.1.6.3 Singapore Convention on Mediation (2019)

This convention was formally known as the United Nations Convention on International Settlement Agreements Resulting from Mediation, adopted on December 20, 2018. It aims to provide a uniform and efficient framework for the enforcement of mediated settlement agreements in international disputes that are concluded in writing.[33] Nigeria has signed this treaty, which facilitates the cross-border enforcement of mediated settlements. The treaty complements the domestic mediation provisions in the AMA 2023.

5.1.6.4 International Centre for Settlement of Investment Disputes Convention (ICSID Convention (1965))

This is an independent, multilateral specialised institution aimed at encouraging the international flow of investment and mitigating non-commercial risks. The treaty was drafted by the executive directors of the International Bank for Reconstruction and Development and signed by member states.[34] Nigeria is a member, allowing foreign investors to resolve disputes with the Nigerian government through investment arbitration under ICSID rules.

5.1.6.5 Treaty with Asian-African Legal Consultative Organization (AALCO)

At the end of the Bandung Conference, which took place from April 18 to 24, 1955, in Bandung, Indonesia, the Asian-African Legal Consultative Organization (AALCO) was established on November 15, 1956. AALCO's primary responsibilities include helping Member States draft bilateral agreements, model laws, and constitutions upon request, as well as offering Member States knowledge and support in selecting arbitrators and other areas pertaining to arbitral proceedings, including arbitrator training. Additionally, AALCO keeps an eye on the growth of regional arbitration centres. Presenting progress reports at each annual AALCO session is mandatory for the respective directors of the centres.[35]This treaty supports Nigeria's role as a regional ADR hub and provides institutional backing for international arbitration.

5.2 Institutional Framework for ADR in Nigeria

5.2.4 Government Institutions

[32]<https://www.newyorkconvention.org/english> accessed 10 October 2025

[33]<https://uncitral.un.org/en/texts/mediation/conventions/international_settlement_agreements/> accessed 10 October 2025

[34]<https://icsid.worldbank.org/sites/default/files/ICSID_Convention_EN.pdf> accessed 10 October 2025

[35]https://www.aiac.world/AALCO- accessed October 11, 2025

5.2.4.1 The Federal Ministry of Justice

The Federal Ministry of Justice play a central role in coordinating and implementing of ADR policy. In 2024, the Federal Ministry of Justice developed the National Policy on Arbitration and Alternative Dispute Resolution, aimed at transforming the dispute resolution process in Nigeria. The Policy is to mainstream the use of ADR and arbitration into the Nigerian Justice system, thereby providing a faster, more efficient, and commercially viable justice method. The Policy is also to promote Nigeria as an internationally ADR friendly hub and a globally competitive seat of arbitration. The Policy provides administrative support for arbitration and ADR at both the Federal and State levels and across all ministries, agencies, and departments.[36]

5.2.4.2 National Courts

The Arbitration and Mediation Act 2023 provide the primary legal basis for ADR in Nigeria. The Act, however, provides the basis for judicial support for ADR in several sections.[37] Judicial support for ADR in Nigeria has grown significantly in recent times, recognizing ADR's potential to ease case backlogs and promote faster and amicable resolutions of disputes, especially in civil and commercial disputes. Similarly, most courts' High Court Civil Procedure Rules and Practice Directions encourage or require Parties to explore amicable settlement of certain disputes.

5.2.4.3 Court-connected ADR Centres and Multi-Door Courthouses

Most Courts in Nigeria, including the Supreme Court, the Court of Appeal, the Federal High Court, and State High Courts, have all established ADR centers and Multi-Door Courthouses to promote the use of ADR. These Multi-Door Courthouses offer multiple ADR options such as arbitration, mediation, negotiation, and or conciliation under one roof, but integrated into the formal Court system.

5.2.4.4 Other Government Agencies and Parastatals

Many government agencies. Ministries and parastatals have recently adopted the use of ADR in their sector-specific frameworks, for example, the National Deposit Insurance Corporation (NDIC), the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), Nigeria Electricity Regulatory Commission (NERC) have established ADR units to mainstream the use of ADR mechanisms as a first line of dispute settlement within their various industry.[38]

5.3 Professional Bodies and Industries

Professional bodies such as the Chartered Institute of Arbitrators (CIArb) UK, Nigeria Branch, Institute of Chartered Mediators and Conciliators (ICMC), the Nigerian Institute of Chartered Arbitrators (NICArb), the College of Arbitrators Nigeria (COAN), the Mediation Training Institute (MTI), and the International Alternative Dispute Resolution Training Institute (IADRI) all provide training, accreditation, and capacity building for arbitrators and mediators. Associations such as the Maritime Arbitrators Association of Nigeria (MAAN), the Association of Construction Industry Arbitrators, etc provide specialized sector-specific dispute resolution mechanisms and capacity for practitioners.

6. Progression and Modern Trends in ADR Practice in Nigeria

Over the last decade, the Nigerian dispute resolution landscape has continued to evolve as an essential tool for providing access to justice, reducing the burden of caseloads on courts, and creating a business-friendly ecosystem. Significant reforms and renovations, from the repeal of the Arbitration and Conciliation Act, to the adoption of court connected ADR institutions in some States of the federation, the increasing use of technology in dispute resolution. The developments in the Nigerian ADR environment indeed reflect the commitment of Nigeria to align itself with the global best

[36] Federal Executive Council, Nigeria's National Policy on Arbitration and Alternative Dispute Resolution (ADR) 2024 (Stren & Blan Partners, approved 15 July 2024) <https://strenandblan.com/wp-content/uploads/2025/02/NIGERIAS-NATIONAL-POLICY-ON-ARBITRATION-AND-ADR-2024.pdf> accessed 10 October 2025.

[37] Sections 5, 19, 57, 58, AMA 2023

[38] Punch Editorial, 'NUPRC Inaugurates First ADR Centre in Bayelsa' Punch Newspapers (12 September 2024) <https://punchng.com/nuprc-inaugurates-first-adr-centre-in-bayelsa/> accessed 10 October 2025.

practices, protect itself in the light of recent international developments against it, while also addressing local challenges of delayed justice, high litigation costs, and limited access by providing. Some of these are as follows:

a. The Use of Technology in Online/Virtual ADR:
Online dispute resolution (ODR) systems are internet-based platforms that enable parties to a dispute to complete the entire resolution process, from filing through formulation of an outcome, in an online environment. ODR systems offer an invaluable means of access to justice for consumers who have a dispute with a businessperson, using e-negotiation, e-mediation, and other techniques.[8]ODR is a new approach to dispute resolution.[39]

b. The National Policy on Arbitration and ADR (2024-2028)
In 2024, the Federal Ministry of Justice recently launched the Policy on ADR, aiming to encourage the use of ADR as first option in dispute resolution, especially civil and commercial disputes. The Act is also to strengthen the use of ADR by government agencies across all levels, promote the use of ADR clauses in all government contracts, improve judicial handling of ADR through capacity building, and set timelines for court proceedings and appeals in arbitration-related matters.[40] Section 19 of the Policy provided that the policy shall be implemented for five years and thereafter reviewed to accommodate the prevailing trends in arbitration and ADR practices in Nigeria and globally.

c. Multi-door Courthouses System
Since the establishment of the Lagos Multi-Door Courthouse in 2002, and the FCT Multi-Door Courthouse closely after, several other states have followed suit by establishing their own multi-door courthouses, including Kano, Plateau, Kaduna, Rivers, Oyo, Bayelsa, etc, thereby expanding the institutional framework for ADR across Nigeria.[41] Initiatives such as the settlement weeks in Lagos have been used to clear backlogs of cases and offer free or subsidized mediation and dispute resolution services.

d. **Accreditation and training for ADR Practitioners**
Implementing mandatory training, certification, and continuing education for Mediators and Arbitrators can improve the quality of ADR services. This is successfully practiced in jurisdictions like the UK and South Africa.

e. **Public sensitization campaigns**
Government and professional bodies run national awareness campaigns to promote ADR, particularly in local languages and rural communities, enhancing accessibility and trust.

7. Overview of Challenges of ADR Practice in Nigeria
In Nigeria, the practical adoption of ADR continues to face several challenges that hinder its full potential. One of the major obstacles is cultural resistance to formal ADR processes. Many litigants, particularly in rural areas, still place more faith in the conventional court system, often due to a lack of awareness or understanding of the benefits ADR offers. Shortage of skilled professionals, particularly in rural areas. Financial investment required for ADR investment required for ADR may limit access for low-income individuals or communities. Another significant limitation is the inadequate

[39]Unnaty and Aaryushi Goyal, '*The Evolution and Effectiveness of Online Dispute Resolution (ODR) Platforms: A Comprehensive Analysis of ADR in the Digital Age*' (2025) 3(5) *Indian Journal of Integrated Research in Law* <https://ijirl.com/volume-iii-issue-v/> accessed 11 October 2025.

[40] Federal Executive Council, Nigeria's National Policy on Arbitration and Alternative Dispute Resolution (ADR) 2024 (Stren&Blan Partners, approved 15 July 2024) <https://strenandblan.com/wp-content/uploads/2025/02/NIGERIAS-NATIONAL-POLICY-ON-ARBITRATION-AND-ADR-2024.pdf> accessed 10 October 2025.

[41] Charles I G Agwor, *'Evaluation of Multi-Door Courthouse Practice in Nigeria: A Case Study of Enugu and Rivers State'* (2024) *Delta State University Law Review*<https://delsulawreview.com/wp-content/uploads/2024/12/12.-Evaluation-of-Multidoor-Courthouse.pdf> accessed 11 October 2025.

infrastructure and insufficient public awareness about ADR mechanisms, which restricts their accessibility and effectiveness.

Enforcement mechanisms for ADR outcomes, particularly arbitral awards, are often weak or delayed, deterring parties from relying on these processes. Additionally, there is a fragmentation of ADR legislation in Nigeria, resulting in inconsistencies in procedures and institutional frameworks across different jurisdictions. The introduction of technological innovations in AMA 2023 is a welcome development but Nigeria is not yet there in terms of adequate electricity supply for seamless virtual hearing and electronic filing of disputes for resolution through ADR.

8. Literature Review

The scholarly discourse on Alternative Dispute Resolution in Nigeria often exhibits certain limitations when viewed through a contextual lens. Contributions from Nigerian authors such as Ajetunmobi, provide indispensable doctrinal explanations of Alternative Dispute Resolution. The author meticulously deals with the evolution of ADR outlining the history and statutory framework. Similarly, Orojo and Ajomo in their book Law and Practice of Arbitration and Conciliation in Nigeria deal little on the subject matter of ADR. However, both works dealt with the ADR in the Nigeria perspective without comparative analysis of other countries. The work did not contribute to modern ADR processes of Online Dispute Resolution which is the modern form of ADR. Furthermore, the literature has not adequately engaged with broader theoretical frameworks that could provide deeper explanatory ADR compared to other regions. There is a wide gap in the application of ADR in pre -colonial and post-colonial era of dispute resolution. Emerging model ADR process like the online and virtual ADR, has been largely absent from the literature on Nigeria's ADR practice.

Finally, there is a lack of critical comparative work that focuses on what is applicable in the western world and South Africa. This paper seeks to address these gaps by providing a holistic analysis that integrates the practice in other jurisdictions, legislation and modern ADR practice in the world.
The development and progression of ADR procedures in Nigeria have made significant strides, but several gaps still exist such as brevity of the limitation period.

i. **Limited awareness and understanding of ADR options among the public:** Individuals and organization lack awareness and understanding of ADR processes, leading to underutilization of these services.
ii. **Inadequate legislative framework:** The AMA 2023, the National Policy on Arbitration and ADR 2024, while a step in the right direction, may not fully address all the gaps in the ADR landscape due to the diversity and cultural sensitivity of Nigerians especially in terms of custom and tradition of more than 300 ethnic nationalities that constitutes the entity called Nigeria.
iii. **Limited accesses to ADR services**: most people in the rural areas cannot have access to ADR centres, most of the centres are in the urban areas.
iv. **Enforcement of ADR Agreements**: the lack of clear regulations and mechanisms for enforcing ADR agreements undermines the credibility and effectiveness of the ADR process
v. **Cultural and traditional barriers:** the preference of traditional dispute resolution methods over ADR, limits its adoption.

9. Summary of Findings

This paper seeks to examine the legal landscape of ADR in Nigeria. The analysis has furnished several key conclusions. First, each ADR processes addressed herein, Arbitration, Mediation, Conciliation, Negotiation and Hybrid processes, etc. provides important benefits to parties and may be seen as complementary to the judiciary process. Secondly, no uniform and comprehensive legislation that encompasses all the ADR types, the Arbitration and Mediation Act 2023 make provision of arbitration and mediation leaving out the other forms of ADR, we are however not unmindful of the fact that the Act in Section 91 provides for a broader definition of mediation. Thirdly, the ADR centres are mostly concentrated in urban areas, making it difficult for individuals in rural areas to access ADR Services. Fourthly, enforcement of ADR agreements is a significant challenge. Without a robust enforcement

mechanism, parties may be hesitant to engage in ADR for fear that the other party may not honour the agreement reached. Court intervention in ADR processes still remains a mirage.

10. Conclusion

ADR in Nigeria has made commendable strides, blending tradition with modern legal principles. Despite challenges, its potential to transform dispute resolution is immense. Strengthening legal frameworks, increasing public awareness, and embracing innovation will ensure ADR continues to evolve as a pillar of justice in Nigeria. ADR in Nigeria has undergone significant development and progression, offering a viable alternative to traditional litigation. ADR holds immerse promise for Nigerian Legal System, it compliments judicial adjudication and addresses the need for efficiency, cost effectiveness, and justice. Each ADR processes addressed herein, Arbitration, Mediation, Conciliation, Negotiation and Hybrid processes, provides important benefits to parties and may be seen as complementary to the judicial process. ADR is faster as there won't be need for long and unnecessary adjournments associated with Judicial process. The ADR processes is cheaper for parties. Although, some challenges to the smooth practice of some of the ADR processes are undeniably present, it is still the fastest and timeous way to dispute resolution. The practice of Mediation has been impeded in Nigeria as a result of problems inherent in parties, legal representatives' behavioral problems, mediator's behavioral problems, institutional deficiencies, privatization of jurisprudence, inequality of bargaining power, and cost. The use of ADR in the nearest future can be maximized in Nigeria if there is Government support, adoption of ADR spectrum from strictly commercial transaction to other social and domestic arrangement as obtains in England. It should be extended beyond court, greater awareness and orientation should be encouraged among Litigants, Lawyers, and Judges.

Overall, ADR offers valuable and practical alternative to litigation, providing efficient, cost-effective, and relationship-friendly solutions for a wide range of disputes. By addressing the challenges and promoting awareness, ADR can play an increasingly significant role in the Nigerian legal and justice landscape, promoting access to justice and fostering a more harmonious environment for businesses and individuals. The advantage of ADR is enormous. It is up to a party, whether to choose an ADR process or litigation to settle their dispute. For its full potential to be realized, Nigeria must invest in legislative reform, institutional support and cultural acceptance.

11. Recommendations

Opportunities abound for strengthening ADR in Nigeria. Legal reforms aimed at harmonizing and unifying ADR statutes across the Federation can create a more coherent and reliable dispute resolution framework. Furthermore, the increasing integration of technology presents an opportunity for virtual mediation and arbitration, which can improve access and reduce costs. Partnerships between government and private ADR institutions can help standardize services, and integrating ADR into legal education will cultivate a new generation of practitioners versed in non-litigious dispute resolution mechanisms. Some of the recommendations made by this study including the following:

i. **Enact a unified ADR Act to harmonize procedures**: A singular piece of legislation that consolidates all ADR laws would remove inconsistencies and ensure uniform standards across all states and institutions.
ii. **Create ADR divisions in all courts**: These divisions would help institutionalize ADR and ensure that judges and court staff are trained to encourage and manage ADR processes.
iii. **Promote public awareness campaigns**: Educating the public about the benefits of ADR through media, seminars and advocacy programs will help dispel misconceptions and build trust in ADR systems. This can increase adoption and utilization.
iv. **Fund and train ADR institutions and personnel**: Adequate resources and continuous professional training for mediators, arbitrators, and conciliation officers will enhance service quality and user confidence.
v. **Improved legislative framework**: update legislation to cover all ADR forms.
vi. **Enforcement**: provide clear ADR enforcement mechanisms and timelines, this can enhance credibility and its effectiveness.
vii. **Expanding ADR infrastructure**: establish more ADR centres across urban and rural areas and train practitioners can increase accessibility in the rural areas.
viii. **Cultural sensitivity:** ADR programs should be designed to accommodate local cultures and tradition, in creating acceptance and adoption.
ix. **Pilot programme:** the judiciary can launch an ADR pilot programme in selected regions, targeting land and commercial cases for resolution through ADR.