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DEVELOPING 'CORE PRINCIPLES AND PRESCRIPTIONS' ESTABLISHED IN ODR UNDER THE UNITED NATIONS SYSTEM IN THE NIGERIAN LEGAL REGIME

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Abstract

Online Dispute Resolution is increasingly being recognized as an important tool for enhancing access to justice in the subsisting digital economic era. As a matter of fact, there is need to analysis the principles and prescriptions of the UN Technical Notes on ODR, the guidelines and resolutions, and consequently but possibly, the identify best practices that may be adopted and adapted for the development of an ODR system in Nigeria's evolving digital dispute resolution landscape. As ODR begins to make a gradual but steady appearance in the Nigerian digital economic regime as well as dispute resolution space, significant legal and infrastructural challenges remain. Against this background, the paper examined the core principles and prescriptions for a legal framework on ODR under the United Nations (UN) system, highlighting key principles such as impartiality, independence, efficiency and effectiveness amongst others. The authors by drawing lessons from the principles embodied in the UN Technical Notes on ODR, recommends that Nigeria should develop a comprehensive ODR legislation which embodies certain core principles, invest in digital infrastructure, and ensure enforcement of ODR outcomes. The authors therefore maintained that these steps are essential for Nigeria to harness the benefits of ODR in promoting efficient, cost-effective, and inclusive dispute resolution in an increasingly digital society.

Keywords: Online Dispute Resolution, International Trade Law, Technical Notes on ODR, Dispute Resolution, Legal Reform, access to Justice.

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1. Introduction

ODR refers to the use of digital platforms to facilitate dispute resolution through *inter alia* negotiation, mediation, conciliation, arbitration or adjudication. It offers cost-effective, timely, and convenient alternatives to traditional court-based litigation, especially in cross-border disputes.[1] Electronic commerce has transformed how transactions are conducted worldwide, but it has also posed significant challenges to traditional dispute resolution methods. Physical court processes often prove slow, expensive, and geographically limiting, while online disputes require faster, accessible, and technologically integrated resolution mechanisms. ODR emerges as a critical innovation, leveraging digital tools to resolve disputes arising from e-commerce and other online interactions. ODR is an emerging field in dispute management, integrating technology to resolve conflicts efficiently without the need for physical presence. As digital interactions proliferate, the importance of ODR has gained recognition globally. The rise of e-commerce, remote work, and digital service delivery necessitates legal structures that support ODR as a formal dispute resolution mechanism. The UN has played a pivotal role in identifying and formulating principles that should underpin legal frameworks that govern ODR, emphasizing impartiality, independence, effectiveness, efficiency and many more. This article explores the principles and prescriptions of the UN Technical Notes on ODR which are non-binding, but may contribute significantly to the development of ODR systems to enable settlement of disputes arising from cross-border low value sales or service contracts concluded using e-communications[2]. Nigeria is a developing country which is currently navigating digital transformation in its judicial and administrative systems and may draw useful lessons from the UN Technical Notes on ODR. For Nigeria, with its expanding internet penetration and increasing reliance on digital platforms, developing an ODR framework guided by United Nations Technical Notes on ODR as recommended by the UN General Assembly resolution of 13 December, 2016, could address inefficiencies and backlog in dispute resolution,

[1] Katsh E & Rifkin J, Online Dispute Resolution in Cyberspace. Jossey-Bass, 2011.
[2] Resolution adopted by the General Assembly of the UN on 13, December 2016.

particularly in e-commercial and consumer disputes. Umeadi-Onyedika[3] captures the situation aptly as follows:

> The traditional justice system in Nigeria is fraught with high costs, delays and huge backlogs. With a rapidly evolving digital landscape, the need for a more efficient, cost effective and accessible dispute resolution mechanism has arisen. ODR refers to the use of technology to resolve disputes outside of traditional dispute resolution systems. It integrates ADR with digital tools, enabling parties to resolve conflicts virtually.[4]

The article examines the principles underpinning the UN Technical Notes on ODR and its prescriptions and considers how Nigeria can adapt these principles and prescriptions to develop a practical legal framework for practice and procedure of ODR in Nigeria bearing in mind her socio-legal environment.

2. Understanding ODR and Its Global Importance

ODR has emerged as a transformative tool in modern legal systems, offering a digital alternative to traditional dispute resolution methods such as litigation, arbitration, and mediation. By leveraging technology, ODR enables parties to resolve conflicts efficiently without the need for physical presence, thereby reducing cost, time, and procedural complexity. Its global relevance has grown significantly with the rise of cross-border transactions, e-commerce, and remote service delivery, which often involve parties from different jurisdictions who require a fast and accessible means of resolving disputes.

International organizations, including the United Nations through UNCITRAL, have recognized the critical role of ODR in promoting access to justice, particularly in contexts where traditional court systems are overburdened or inaccessible. ODR is especially vital in consumer protection, international trade, and small-value claims, where conventional litigation may be disproportionate or impractical. Furthermore, the COVID-19 pandemic underscored the necessity of digital justice systems, accelerating the global adoption of ODR platforms across courts, administrative bodies, and private institutions. As the world becomes increasingly digitized, the global importance of ODR lies not only in its

[3] N. Umeadi-Onyedika, Online Dispute Resolution as a means of resolving disputes in the digital age, Business Day, February 27, 2025.
[4] *Ibid.*

convenience but in its potential to democratize justice and enhance legal certainty in the digital age.

3. The UN's Role in Promoting ODR

A few years ago, UNCITRAL noted the sharp increase of online cross-border transactions and the need for mechanisms for resolving disputes arising from these online transactions[5]. UNCITRAL recognized the potential of ODR as one such mechanism "which can assist the parties in resolving the dispute in a simple, fast, flexible and secure manner, without the need for physical presence at a meeting or hearing."[6] UNCITRAL further observed that "ODR encompasses a broad range of approaches and forms (including but not limited to ombudsmen, complaints boards, negotiation, conciliation, mediation, facilitated settlement, arbitration and others and even the potential for hybrid processes). As such, ODR represents significant opportunities for access to buyers and sellers concluding cross-border commercial transactions both in developed and developing countries.[7] Thus, in 2010, at its 43rd session, UNCITRAL decided to undertake work in ODR. To this end, it established Working Group III on ODR to develop a non-binding descriptive document that may be adapted by Member States for use in disputes arising from cross-border low-value sales or service contracts concluded using electronic communications. In fulfilment of its mandate, the Working Group III on ODR developed the UNCITRAL Technical Notes on Online Dispute Resolution (Technical Notes). UNCITRAL proceeded to adopt the Technical Notes at its 49th session in 2016.

It is important to note that the UN Technical Notes on ODR are not exhaustive or exclusive nor are they to be used as rules for any ODR proceeding[8]. Rather, they reflect the main elements of an ODR process[9] and are intended to be a tool to assist States in

[5] Official records of the General Assembly, Sixty-fifth Session, Supplement No. 17 (A/65/17), para 257
[6]Section 1(2) UN Technical Notes on ODR; Nadine Lederer (Hogan Levells) January 11, 2018; https://arbitrationblog.kluwerarbitration.com/2018/01/11newfound-emphasis-institutional-arbitration-india/ Accessed on 19th of June 2025.
[7] *Ibid.*
[8] Para 6 of the Technical Notes on ODR
[9] Sections III, VII, VIII and IX.

developing an ODR system. The Resolution of the UN General Assembly on 13 December 2016 buttresses this fact as follows:

> …The Technical Notes are expected to contribute significantly to the development of systems to enable the settlement of disputes arising from cross-border low-value sales or service contracts concluded using electronic communications.[10]

Further:

> … The Technical Notes will significantly assist all States, in particular developing countries and States whose economies are in transition, online dispute resolution administrators, online dispute resolution platforms, neutrals and the parties to online dispute resolution proceedings in developing and using ODR systems.[11]

And furthermore:

> Recommends that all States and other stakeholders use the Technical Notes in designing and implementing ODR systems for cross-border commercial transactions;[12] Requests all States to support the promotion and use of the Technical Notes.[13]

An analysis of the core principles and prescriptions of the UN Technical Notes on ODR show that they provide an important guide to the principles and key features on which States can base and develop a legal framework for the practice and procedure of ODR. They provide a non-binding, practical framework that assists States, Institutions, and Stakeholders in designing and implementing effective ODR systems. They provide detailed guidance on the design and implementation of ODR systems, emphasizing core principles of impartiality, independence, effectiveness and efficiency amongst other prescriptions which we shall now examine.

[10] Resolution of the UN General Assembly on 13 December 2016.
[11] *Ibid*
[12] 62nd Plenary meeting, 13 December, 2016
[13] *Ibid*

3.1 Core Principles of the UN Technical Notes on ODR

The UN Technical Notes on ODR aim to foster the development of ODR and are designed to assist ODR administrators, ODR platforms, neutrals and the parties to ODR proceedings[14]. To this end, they reflect approaches to ODR systems that embody the core principles of impartiality, independence, efficiency, effectiveness, due process, fairness, accountability and transparency[15] amongst others examined below.

(a) Impartiality[16]

ODR mechanisms must treat all parties equally and fairly, without bias or favouritism. The design and operation of ODR systems should ensure that the decision-maker or system (if automated) does not favour one party over another based on status, identity or resources. It must ensure that ODR systems and neutrals operate free of bias or favouritism. ODR decisions must be based purely on merits, not influenced by pre-existing relationships, algorithmic favour, or repeat-user advantage.

(b) Independence[17]

ODR systems must be free from undue influence or control by any party, including the platform provider, developers or one of the disputing parties. This helps to build trust in the process and ensure that decisions are based solely on the merits of the case. Neutrals must remain autonomous and disclose any conflicts or external pressures. They must avoid undue influence from parties or the platform when making decisions.

(c) Efficiency[18]

ODR processes should resolve disputes in a timely and cost-effective manner. Efficiency is particularly important in cross-border or low-value disputes, where traditional court processes may be impractical or prohibitively expensive. Streamlined scheduling, deadlines, and administrative routines are encouraged to reduce delays and unnecessary cost.

[14] Section 3 of the UN Technical Notes on ODR
[15]Section I, para 4 of the Technical Notes at page XII; Section II para 7; Resolution adopted by the General Assembly of the UN on 13 December 2016; Decision by UNCITRAL adopting the Technical Notes on ODR at page 10 of UNCITRAL Technical Notes on ODR.
[16] Section I, para 4 of the UN Technical Notes.
[17] Section 1, para 4 of the UN Technical Notes
[18] *Ibid.*

(d) Effectiveness[19]

An ODR system must produce outcomes that are enforceable and respected by the parties. It should also be capable of addressing the disputes it is designed for, with clear procedures and reliable communication channels. The system must actually resolve disputes, achieving meaningful outcomes for the parties. Focus is on functionality and successful resolution, not just procedural completion.

(e) Due Process[20]

The principle of due process requires that legal matters be resolved according to established rules and principles and that individuals be treated fairly. It is a principle that ensures procedural and legal integrity throughout the dispute resolution process. The process must include procedural safeguards such as notice, opportunity to respond, neutral review etc.

(f) Fairness[21]

ODR must preserve procedural fairness, including the right to be heard, to present evidence and receive a reasoned decision, impartiality of the arbitrator or mediator, and confidentiality safeguards[22]. But we should also add that fairness goes beyond procedure to include substantive justice. The system should ensure equitable treatment, access, and outcomes, especially considering the digital divide or imbalances in technological literacy or resources among users.

(g) Accountability[23]

ODR providers and system operators must be accountable for the performance and governance of the system. There should be mechanisms to address complaints, correct errors, and ensure that system failures or misconduct are rectified. ODR providers and administrators must be answerable to stakeholders, including users, legal frameworks, and regulators. There should also be mechanisms to appeal or challenge decisions, challenge neutrals, and obtain redress for procedural flaws.

(h) Transparency[24]

ODR processes should be open and understandable to users. This includes clear information about rules, procedures, and decision-making criteria. Transparency fosters trust and allows parties to assess whether justice has been served. All aspects of the ODR process—rules, decision-making criteria, conflict disclosures, and process data—should

[19] *Ibid.*
[20] Section 1, para 4 and section II, para 7 of the UN Technical Notes.
[21] *Ibid.*
[22] E. Katsh & J. Rifkin, supra
[23] *Ibid.*
[24] *Ibid.*

be openly available. This openness helps build trust and enables users to evaluate system integrity and decision fairness.

(i) Data Security[25]

Data protection and privacy are central concerns in ODR. Section V, para 26 of the UN Technical Notes prescribes that "an ODR process requires a system for generating, sending, receiving, storing, exchanging or otherwise processing communications in a manner that ensures data security". There must be secure handling of case data in order to build trust in ODR mechanisms. Data security involves protecting information exchanged during the ODR process from unauthorized access, loss, or corruption. ODR platforms must implement strong security protocols, including encryption, authentication, and secure storage. Confidentiality and privacy of parties must be respected and protected throughout the ODR process. Platforms should have clear policies on data usage, retention, and disposal. Security obligations extend to third-party service providers used in ODR processes. Data collection should comply with data protection laws[26].

Although our focus is on the principles embodied in the UN Technical Notes, we observe that the General Data Protection Regulation (GDPR) made by the European Parliament and Council of the European Union also offers valuable lessons on data protection. GDPR prescribes certain principles to be complied with by companies handling personal data from 25 May 2018 namely: lawfulness, fairness, transparency, purpose limitation, data minimization, accuracy, storage limitation, confidentiality and accountability[27]. These are ethical and legal requirements and non-compliance results in fines, financial consequences and loss of reputation.[28]

In Nigeria, by virtue of section 51 of Nigeria Data Protection Act (NDPA) 2023, a data subject who suffers loss as a result of violation of the Act may recover damages. This provision is laudable and its enforcement should be strengthened.

(j) Enforcement

Enforceability refers to the capacity of ODR outcomes such as settlements, decisions, or awards to be recognized and enforced in a legal framework. ODR mechanisms should aim to produce outcomes that are binding and legally enforceable where appropriate. The process should mirror the enforceability standards of traditional offline dispute resolution mechanisms such as arbitration. Cross-border enforceability is a priority, particularly in international B2B[29] and B2C[30] transactions. Integration with national legal systems is

[25] Section V, para 26 of the UN Technical Notes.
[26] In Europe, the framework for data protection, the General Data Protection Regulation (GDPR) sets out the requirements for how organizations need to handle personal data from 25 May 2018.
[27] https://www.dataprotection.ie
[28] Ismail Ozkan, Data Protection Principles: The 7 principles of GDPR Explained, Cyberpilot.io
[29] Business to Business
[30] Business to Consumer

encouraged to support recognition and enforcement of ODR outcomes particularly awards in online arbitration.

(k) Accessibility[31]

The UN Technical Notes stress the need for user-friendly and accessible platforms. Accessibility ensures that all users can effectively use the ODR platform. Section II, para 12 of the Technical Notes states that "all relevant information should be available on the ODR administrator's website in a user-friendly and accessible manner." Clear instructions, guidance, and support should be provided, particularly for non-expert users. Efforts should be made to bridge the digital divide so that marginalized or less tech-savvy users are not excluded. Costs should be affordable and proportionate to the dispute's value.

An effective legal framework for ODR should reflect these core principles embodied in the UN Technical notes and enumerated above in order to ensure that ODR, especially in cross-border and low-value e-commerce cases, meets the expectations of justice, credibility, and accessibility aligned with the aims of UNCITRAL. These principles will ensure that ODR systems are fair, reliable, and accessible. In developing a legal framework for ODR, Nigeria can draw lessons from these core principles and ensure that these principles are embodied in the legal framework for the practice and procedure of ODR. This is more so now that the Nigerian economy is becoming digitized and ODR platforms are gradually being established in the country.

3.2 Requirements of the UN Technical Notes for the practice and procedure of ODR

The UN Technical Notes on ODR comprise of sections I – XII dealing with Principles to be embodied in a legal framework for ODR, Stages of ODR proceedings, Commencement of ODR proceedings, Negotiation, Facilitated Settlement, Final Stage, Appointment, Powers and Functions of the neutral, Language and Governance amongst others. Having earlier examined the principles, we shall now proceed to examine the requirements below.

(a) Appointment, Powers and Functions of the Neutral under the UNCITRAL Technical Notes on ODR[32]

Section X of the UN Technical Notes[33] prescribes that:

> to enhance efficiency and reduce costs, it is preferable that the ODR administrator appoint a neutral only when a neutral is required for a

[31] Section II, para 12 of the UN Technical Notes on ODR.
[32] Section X of the UNCITRAL Technical Notes on ODR.
[33] Para 46 of section X.

> dispute resolution process in accordance with any applicable ODR rules. At the point in an ODR proceeding at which a neutral is required for the dispute resolution process, it is desirable that the ODR administrator "promptly" appoint the neutral (i.e., generally at the commencement of the facilitated settlement stage of proceedings). Upon appointment, it is desirable that the ODR administrator promptly notify the parties of the name of the neutral and any other relevant or identifying information in relation to that neutral[34].

The Technical Notes also prescribe that it is desirable for neutrals to have the relevant professional experience as well as dispute resolution skills to enable them to deal with the dispute in question[35]. However, subject to any professional regulation, ODR neutrals need not necessarily be qualified lawyers.

i. With regard to the appointment and functions of neutrals, it is desirable that:[36]

(a) The neutral's acceptance of his or her appointment operates to confirm that he or she has the time necessary to devote to the process;

(b) The neutral be required to declare his or her impartiality and independence and disclose at any time any facts or circumstances that might give rise to likely doubts as to his or her impartiality or independence;

(c) The ODR system provides parties with a method for objecting to the appointment of a neutral;

(d) In the event of an objection to an appointment of a neutral, the ODR administrator be required to make a determination as to whether the neutral shall be replaced;

(e) There be only one neutral per dispute appointed at any time for reasons of cost efficiency;

(f) A party be entitled to object to the neutral receiving information generated during the negotiation period; and

(g) If the neutral resigns or has to be replaced during the course of the ODR proceedings, the ODR administrator be required to appoint a replacement, subject to the same safeguards as set out during the appointment of the initial neutral[37].

[34] *Ibid.*
[35] Para 47 of section X.
[36] Para 48 of section X.
[37] Para 48 of section X.

ii. In respect of the powers of the neutral,[38] it is desirable that:

(a) Subject to any applicable ODR rules, the neutral be enabled to conduct the ODR proceedings in such a manner as he or she considers appropriate;
(b) The neutral be required to avoid unnecessary delay or expense in the conduct of the proceedings;
(c) The neutral be required to provide a fair and efficient process for resolving disputes;
(d) The neutral be required to remain independent, impartial and treat both parties equally throughout the proceedings;
(e) The neutral be required to conduct proceedings based on such communications as are before the neutral during the proceedings;
(f) The neutral be enabled to allow the parties to provide additional information in relation to the proceedings; and
(g) The neutral be enabled to extend any deadlines set out in any applicable ODR rules for a reasonable time[39].

While the process for appointment of a neutral for an ODR proceeding is subject to the same due process standards that apply to that process in an offline context, it may be desirable to use streamlined appointment and challenge procedures in order to address the need for ODR to provide a simple, time-, and cost-effective alternative to traditional approaches to dispute resolution.[40]

(b) Language of the ODR proceedings[41]

Para 51 of section XI:

> Technology tools available in ODR can offer a great deal of flexibility regarding the language used for the proceeding. Even where an ODR agreement or ODR rules specify a language to be used in proceedings, it is desirable that a party to the proceedings be able to indicate in the notice or response whether it wishes to proceed in a different language, so that the ODR administrator can identify other language options that the parties may select.

(c) Governance of ODR platforms and administrators[42]

Para 52 of section XII prescribes that it is desirable for guidelines (and/or minimum

[38] Para 49 of section X.
[39] *Ibid.*
[40] Para 50 of section X.
[41] Section XI UNCITRAL Technical Notes on ODR.
[42] Section XII UNCITRAL Technical Notes on ODR.

requirements) to exist in relation to the conduct of ODR platforms and administrators.

Para 53 prescribes further that it is desirable that ODR proceedings be subject to the same confidentiality and due process standards that apply to dispute resolution proceedings in an offline context, in particular independence, neutrality and impartiality.

(d) Practice and Procedure of ODR under the UNCITRAL Technical Notes

1. The process of an ODR proceeding may consist of the following stages: negotiation; facilitated settlement; and a third (final) stage.
2. When a claimant submits a notice through the ODR platform to the ODR administrator, the ODR administrator informs the respondent of the existence of the claim and the claimant of the response. The first stage of proceedings — a technology-enabled negotiation — commences, in which the claimant and respondent negotiate directly with one another through the ODR platform.
3. If that negotiation process fails (i.e. does not result in a settlement of the claim), the process may move to a second, "facilitated settlement" stage. In that stage of ODR proceedings, the ODR administrator appoints a neutral, who communicates with the parties in an attempt to reach a settlement.
4. If facilitated settlement fails, a third and final stage of ODR proceedings may commence, in which case the ODR administrator or neutral may inform the parties of the nature of such stage.

(e) Commencement of ODR proceedings under the UNCITRAL Technical Notes[43]

Para 33 of section VI prescribes that to begin an ODR proceeding, it is desirable that the claimant provide the ODR administrator a notice containing the following information[44]:

(a) The name and electronic address of the claimant and of the claimant's representative (if any) authorized to act for the claimant in the ODR proceedings;
(b) The name and electronic address of the respondent and of the respondent's representative (if any) known to the claimant;
(c) The grounds on which the claim is made;
(d) Any solutions proposed to resolve the dispute;
(e) The claimant's preferred language of proceedings; and
(f) The signature or other means of identification and authentication of the claimant and/or the claimant's representative[45].

ODR proceedings may be deemed to have commenced when, following a claimant's communication of a notice to the ODR administrator, the ODR administrator notifies the

[43] Section VI.
[44] Section VI, para 33(a – f).
[45] *Ibid.*

parties that the notice is available at the ODR platform.[46]

It is desirable that the respondent communicate its response to the ODR administrator within a reasonable time of being notified of the availability of the claimant's notice on the ODR platform, and that the response includes the following elements:[47]

(a) The name and electronic address of the respondent and the respondent's representative (if any) authorized to act for the respondent in the ODR proceedings;
(b) A response to the grounds on which the claim is made;
(c) Any solutions proposed to resolve the dispute;
(d) The signature or other means of identification and authentication of the respondent and/or the respondent's representative; and
(e) Notice of any counterclaim containing the grounds on which the counterclaim is made[48].

As much as is possible, it is desirable that both the notice and response be accompanied by all documents and other evidence relied upon by each party[49], or contain references to them. In addition, to the extent that a claimant is pursuing any other legal remedies, it is desirable that such information also be provided with the notice.

(f) Three Recommended Stages of ODR proceedings under the Technical Notes

(i) Negotiation[50]

Para 37 of section VII prescribes that the first stage may be a negotiation, conducted between the parties via the ODR platform.

The first stage of proceedings may commence following the communication of the respondent's response to the ODR platform and:

(a) Notification thereof to the claimant; or
(b) Failing a response, the lapse of a reasonable period of time after the notice has been

[46] Para 34.
[47] Para 35.
[48] Para 25.
[49] This enables the parties know the totality of the case against them and the procedure is akin to the frontloading concept in civil litigation under the High Court of the FCT Civil Procedure Rules 2023 and High Court of Lagos State Civil Procedure Rules 2019 amongst others.
[50] Section VII.

communicated to the respondent[51].

It is desirable that, if the negotiation does not result in a settlement within a reasonable period of time, the process proceed to the next stage[52].

(ii) Facilitated settlement under the Technical Notes[53]

Para 40 prescribes that the second stage of ODR proceedings may be facilitated settlement, whereby a neutral is appointed and communicates with the parties to try to achieve a settlement.

That stage may commence if negotiation via the platform fails for any reason (including non-participation or failure to reach a settlement within a reasonable period of time), or where one or both parties to the dispute request to move directly to the next stage of proceedings[54].

Upon commencement of the facilitated settlement stage of proceedings, it is desirable that the ODR administrator appoints a neutral, notify the parties of that appointment and provide certain details about the identity of the neutral.

In the facilitated settlement stage, it is desirable that the neutral communicate with the parties to try to achieve a settlement.

If a facilitated settlement cannot be achieved within a reasonable period of time, the process may move to a final stage[55].

(iii) Final stage under the Technical Notes[56]

If the neutral has not succeeded in facilitating the settlement, it is desirable that the ODR administrator or neutral informs the parties of the nature of the third/final stage, and of the form that it might take[57].

In developing a legal framework based on these UN Technical Notes, member states, including Nigeria, can determine what provisions are suitable for inclusion particularly within their own socio-economic and cultural context. The UN Technical Notes are merely guides, couched in fluid terms and are not mandatory. They lend themselves to adaptation but are neither exhaustive not exclusive.

[51] Para 38 of section VII.
[52] Para 39.
[53] Section VIII.
[54] Para 41 of section VIII.
[55] Para 44.
[56] Section XI.
[57] Section XI, art 45.

3.3 UN Guidelines on Consumer Protection 2015

It is noteworthy that some of the core principles of ODR contained in the UN Technical Notes earlier discussed such as fairness, effectiveness, transparency, impartiality, accessibility, and etcetera, are also contained in the United Nations Guidelines on Consumer Protection (2015) in respect of dispute resolution and redress. This no doubt underscores the importance of these core principles in dispute resolution, be they offline or online. We observe that although the UN Guidelines on Consumer Protection did not expressly mention ODR[58], some of the Guidelines may well be applicable to ODR. Article 37 of the Guidelines provides:

> Member States should encourage the development of fair, effective, transparent and impartial mechanisms to address consumer complaints through administrative, judicial and alternative dispute resolution, including for cross-border cases. Member States should establish or maintain legal and/or administrative measures to enable consumers or, as appropriate, relevant organizations to obtain redress through formal or informal procedures that are expeditious, fair, transparent, inexpensive and accessible. Such procedures should take particular account of the needs of vulnerable and disadvantaged consumers. Member States should provide consumers with access to remedies that do not impose a cost, delay or undue burden on the economic value at stake and at the same time do not impose excessive or undue burdens on society and businesses.[59]

Our focus however is on the UN Technical Notes on ODR and how Nigeria may draw lessons to enable her develop a legal framework for ODR.

4. Nigeria's Current ODR Landscape

Nigeria, with its burgeoning digital economy and growing e-commerce sector, has started exploring ODR. Awareness about ODR is gradually growing. The Nigerian judiciary has made some strides, including pilot projects for virtual court hearings and a few ODR platforms affiliated to some Multi-Door Courthouses. We agree with the observation of Adelodun and Nurudeen[60] that the outbreak of the COVID-19 led some courthouses to

[58] Part V, section F, article 37
[59] United Nations Guidelines on Consumer Protection (2015).
[60] *Op. cit.*

adopt ODR as part of its dispute resolution system although a few had, prior to the outbreak of Covid-19, already established ODR platforms.

Lagos State judiciary established an ODR platform affiliated to its Lagos Multi-Door Courthouse (LMDC). LMDC deploys ODR that allows a party, counsel or an organization file a case at the LMDC no matter where they are.[61] All participants are required to enable their video settings of the ODR platform upon signing into the online mediation session.[62] Alabi and Ezenwa[63] recount that a cross-border energy sector dispute between a Nigerian oil and gas company and a foreign service provider was resolved at the LMDC by effectively conducting arbitration entirely online via video conferencing and secure document sharing platforms. According to the authors, the approach enabled parties to "navigate complex jurisdictional issues and logistical challenges."[64]

In 2021, Edo State judiciary positioned itself to reap the benefits of ODR in the State with its launch of Edo State judiciary ODR platform alongside the creation of Edo State Multi-Door Courthouse (EMDC) website as part of its laudable judicial reforms.[65] According to Acha the Edo State ODR platform is suitable for commercial disputes and will enable disputants to clearly elucidate their interests, giving the dispute resolution specialist/ neutral party a more lucid and speedier path to assist them reach resolution and simultaneously enhance the enforcement of contracts in Edo State.[66] Furthermore, Edo State also embarked on a large scale training programme of 100 persons in ODR under the auspices of the Germany Agency for International Development in the Pro-Poor Growth and Promotion of Employment in Nigeria Programme (SEDIN GIZ). This programme no doubt was aimed at providing trained personnel for the ODR platform.

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[61]https://lagos multidoor.or.ng Visited 22nd June 2025; https://wwwlinkedin.com; https://www.facebook Accessed on 22nd June 2025.
[62] *Ibid.*
[63] S Alabi and I Ezenwa, 'The Impact of Technology in Dispute Resolution: Virtual Mediation and Online Arbitration in Nigeria,' https://oal.law Last accessed on 16 December 2025.
[64] *Ibid.*
[65]Nigerian Tribune, 8th October, 2021, 'Edo Judiciary Launches Multi-Door Court Website, ODR Platform,' https://tribuneonlineng.com/edo-judiciary-launches-multi-door-court-website-odr-platform/[https://perma.cc/5KWV-CCV6].
[66]Joe Itsebaga Acha, Chief Judge, Edo State High Court of Justice, from 6th October – 19th May 2023, Nigerian Tribune, 8th October 2021, *supra.*

The private sector is not left out as Jumia, an online marketplace in Nigeria, recently initiated Jumia's Pay Dispute Resolution System platform.[67] Jumia's dispute resolution policy is intended to resolve disputes involving merchants and customers and it is a step towards implementing ODR solution tailored for specific disputes.[68]

Institute of Chartered Mediators and Conciliators (ICMC)[69] also established the ICMC ODR platform/centre in Nigeria with a view to providing ODR services.[70] Stanley-Idum[71] reports that the ICMC ODR mechanism and platform is professionally designed to help persons from all over the world who have vested interests in Nigeria to file any dispute, concern or challenge they may encounter.[72] The ICMC ODR process uses a pro-active process called "Nip in the Bud" concept in dispute resolution.[73] This pro-active process stops a concern from growing into a crisis. It suggests that people do not need to wait for a problem to become a crisis before they file their issues at the ICMC ODR.

Consequently, Alabi and Ezenwa listed other key platforms for online arbitration in Nigeria as including Lagos Court of Arbitration ODR portal, ADR Notable and the Chartered Institute of Arbitration Online Services.[74] It is clear in the light of the foregoing that some strides have been made in ODR in Nigeria, however, there are challenges and we shall now proceed to discuss these challenges below.

5. Challenges Facing ODR in Nigeria

There are numerous challenges confronting the ODR regime in Nigeria. These challenges include the following:

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[67]Maureen Stanley-Idum, Towards a Legal Regime for ODR in Nigeria; Lessons from other Jurisdictions, Unpublished Ph.D thesis, University of Abuja, November 2025, citing <https://pay.jumia.com.ng>cms>cu Last visited on 24 October 2024.
[68] *Ibid.*
[69]ICMC is a professional body that trains and certifies people to be mediators, conciliators and peace builders. It was established in 1999 to promote the use of mediation and conciliation as a way to resolve disputes and access justice.
[70] Odr.icmcng.org. Last accessed on 6th of December 2024.
[71] Maureen Stanley-Idum., *op. cit.*
[72] *Ibid.*
[73] *Ibid.*
[74] *Op. Cit.*

I. Lack of a comprehensive legal framework for ODR

The Arbitration and Mediation Act, 2023 is the extant law on arbitration in Nigeria, but there is no specific legislation specially addressing ODR or electronic dispute resolution modalities. The Arbitration and Mediation Act 2023 is not fully adapted to digital contexts and does not provide for ODR. Nigeria is one of the largest economies in Africa and the lack of a specific legal framework for ODR is a draw back for the widespread adoption of ODR in the country, because the public may lack confidence in utilizing ODR to resolve disputes. Courts may also be reluctant to uphold and enforce ODR outcomes due to the lack of statutory backing.

II. Infrastructure deficits

Limited internet access and poor internet connectivity is a problem that hinders broad adoption of ODR, particularly in the rural areas. Some regions in Nigeria still suffer from unreliable or slow internet, limiting access to digital dispute resolution platforms. Low digital literacy in rural areas is also another challenge. A significant portion of the population lacks the skills to use online platforms effectively. Inadequate power supply is also a challenge. Frequent power outages hinder consistent use of digital devices necessary for ODR. Limited access to technology is yet another challenge. Some potential users and institutions may lack access to computers, smartphones or the necessary software infrastructure. Another challenge is underdeveloped ODR platforms. There are few indigenous and accessible ODR platforms tailored to Nigerian legal and cultural contexts**.**

III. Enforcement gaps

Uncertainty about the enforceability of ODR outcomes, awards and agreements reduces confidence among parties. There are challenges in enforcing ODR outcomes, awards and agreements, especially if not recognized under local law. Courts and enforcement agencies may not be fully equipped or willing to support ODR-related enforcement without statutory backing. In international or cross-border disputes, enforcement becomes more complex due to differences in legal systems and lack of harmonization. Absence of procedural guidelines for enforcement of ODR decisions in Nigerian courts creates legal

uncertainty. Users may be reluctant to adopt ODR due to doubts about the effectiveness of enforcement mechanisms.

IV. Dearth of ODR professionals and service providers

One of the primary challenges facing the growth and effectiveness of ODR in Nigeria is the lack of trained professionals and credible service providers in the field. ODR is a relatively new and evolving area within the Nigerian legal and alternative dispute resolution (ADR) landscape. As such, there is a limited pool of individuals with the technical and legal expertise required to facilitate ODR processes effectively. This shortage includes not only mediators and arbitrators with sufficient digital literacy but also IT experts capable of developing and managing secure and user-friendly ODR platforms. Most legal practitioners and ADR professionals in Nigeria are still more comfortable with traditional, in-person methods of dispute resolution, and many are yet to receive formal training in ODR or digital ADR tools or remote case management systems. Furthermore, the few existing ODR service providers often lack adequate infrastructure or scalability to support high volumes of users or complex disputes. This restricts access to ODR services and diminishes trust in their reliability. Without a critical mass of skilled professionals and dependable platforms, the expansion and acceptance of ODR in Nigeria remain significantly constrained.

V. Data Protection

Data protection is another major hurdle for the widespread adoption of ODR in Nigeria. ODR processes inherently involve the collection, storage and transmission of sensitive personal, commercial and legal information online. In a country where cybersecurity laws and enforcement mechanisms are still developing, concerns about data privacy and the risk of data breaches are highly valid. Although Nigeria enacted the Nigeria Data Protection Act (NDPA) 2023, implementation and public awareness remain limited. Many users of digital platforms are unaware of their data rights, while ODR platforms may not fully comply with international best practices such as data protection standards under the General Data Protection Regulation (GDPR). This creates vulnerabilities that malicious actors can exploit. Moreover, disputes involving commercial secrets or

confidential settlements demand the highest levels of data security. Enforcement of our data protection legal frameworks must be strengthened to encourage parties—particularly corporate entities and international investors— to trust ODR systems in Nigeria. Unless strong data governance structures are enforced, and ODR providers can guarantee secure handling of information, the trust necessary for the success of ODR may remain elusive.

6. Recommendations and Lessons for Nigeria

It is recommended the following as basic lessons derivable from the United Nations legal regime.

i. Enact Specific and Comprehensive Legal Framework for ODR

The National Assembly should design and develop a dedicated legal framework guided by the principles and prescriptions of the UN Technical notes on ODR. The legal framework should explicitly recognize electronic processes, signatures, and digital evidence. Aligning with UN guidelines, Nigeria can develop an ODR system for e-commerce disputes, thereby fostering trust in digital markets. Nigeria should pass laws that recognize and regulate ODR processes, platforms, and outcomes to ensure legal certainty and enforceability.

The Judiciary can introduce guidelines to support the use of ODR in Multi-Door Courthouses for mediation and arbitration amongst other ODR mechanisms. In a laudable move, Edo State judiciary launched its Edo State judiciary ODR platform alongside the creation of Edo State Multi-Door Courthouse website as part of its judicial reforms in 2021[75]. In order to assist with the provision of regulatory oversight, institutions such as the Nigerian Communications Commission (NCC) and National Information Technology Development Agency (NITDA) can be empowered to set standards for ODR platforms in line with the prescriptions of UN Technical Notes. National Orientation Agency can be mandated to create greater public awareness of ODR while legal professionals and the public can be educated on the validity and process of ODR to build confidence and

[75] Nigerian Tribune, 8th October, 2021, *Edo Judiciary Launches Multi-Door Court Website, ODR Platform,* https://tribuneonlineng.com/edo-judiciary-launches-multi-door-court-website-odr-platform/[https://perma.cc/5KWV-CCV6]. Last accessed on 3rd March, 2026.

acceptance. Digital literacy campaigns should be launched nationwide and digital training programs provided especially for mediators, arbitrators, lawyers, and court officials.

ii. Investment in Digital Infrastructure

Increased investment in digital infrastructure such as reliable high-speed internet, secure cloud storage, and user-friendly online platforms is essential to support the delivery of ODR services, especially in underserved or rural areas. Digital Infrastructure should be enhanced. Internet penetration should be improved. Broadband access should be expanded, especially in underserved areas, through public-private partnerships and policies that reduce data costs. User education is also essential to ensure inclusive ODR platforms, reducing the digital divide. There should be provision of ODR-friendly infrastructure in courts.
Courts, Multi-Door Courthouses and Institutions that offer ADR services should be equipped with video conferencing tools, secure servers, and digital filing systems to support hybrid or full ODR. The development and creation of indigenous ODR platforms and Nigerian-based ODR platforms that are affordable, culturally relevant and accessible to local users should be encouraged. There should be effective and fruitful investments in power infrastructure to improve electricity supply. The use of alternative power sources such as solar energy can be explored to ensure uninterrupted access to ODR platforms.

iii. Creation of Enforcement Procedures

Legislative clarity on the enforceability of ODR awards and agreements will boost confidence and usage. Enforcement of ODR outcomes can be guaranteed by integrating courts and multi-door courthouses with ODR. Courts can be empowered to formally refer appropriate cases to ODR and to recognize ODR outcomes as binding and enforceable, similar to court judgments or arbitral awards, but at a much cheaper cost bearing in mind that ODR deals with low value e-commerce disputes. Enforcement procedures for ODR outcomes should be created.
Clear, streamlined procedures for registering and enforcing ODR settlements, awards, or agreements in Nigerian courts should be developed. Lawyers should also encourage

parties to comply with ODR outcomes. There should be international cooperation such as the signing and implementation of treaties to facilitate cross-border enforcement.

iv. Capacity Building and Training Programmes for ODR Professionals and Service Providers

To overcome the shortage of ODR professionals and service providers in Nigeria, a multi-stakeholder approach is essential. There should be training of judicial officers, legal practitioners, ADR and ODR practitioners on ODR principles, practice and procedure in order to ensure procedural fairness and technical competence. There is a pressing need for structured training and certification programs in ODR, incorporating both legal and technological components. Universities, Law School and professional bodies like the Nigerian Bar Association (NBA), the Institute of Chartered Mediators and Conciliators (ICMC), and the Chartered Institute of Arbitrators (CIArb) Nigeria Branch should introduce and promote ODR modules in their curricula and continuing professional development (CPD) courses. Judges and court registrars should be equipped with the knowledge to handle ODR-related matters and also enforce outcomes appropriately. Collaboration between government agencies, tech companies, and ADR institutions can accelerate the development of scalable ODR platforms. The government can incentivize private sector involvement through grants, tax reliefs, or innovation hubs focused on legal technology (legaltech). The National Judicial Council (NJC) should provide clear policy frameworks encouraging the adoption of ODR. This includes integrating ODR into court-connected ADR centres, particularly under the Multi-Door Courthouse system.

v. Enhancing Data Protection in ODR Systems

Securing data privacy and confidentiality is vital to building trust in ODR. In order to achieve this, effective enforcement of the Nigeria Data Protection Act (NDPA) 2023 is crucial. Regulatory bodies like the Nigeria Data Protection Commission (NDPC) should ensure that all ODR platforms comply with data protection obligations, including user consent, data minimization, and transparency. ODR service providers should be subject to routine data protection audits and required to submit Data Protection Impact Assessments (DPIAs) for approval before deployment of new platforms. These

assessments help identify and mitigate privacy risks early. ODR platforms should adopt global best practices and international standards like the General Data Protection Regulation (GDPR) and ISO/IEC 27001 for information security management. These frameworks provide guidelines on encryption, secure access and breach response protocols. Users of ODR platforms—especially individuals and small businesses—should be educated about their rights under the NDPA 2023 and how to exercise them. Legal practitioners and ODR professionals must also be trained in basic cyber security and data privacy principles. ODR platforms must integrate end-to-end encryption, multi-factor authentication, and blockchain-based record-keeping to safeguard sensitive data. Ensuring technological robustness will increase user confidence in the system's integrity.

7. Conclusion

The UN's approach to ODR provides a valuable blueprint for Nigeria. Nigeria can develop a legal framework for ODR by adopting and adapting the principles, guides and prescriptions of the UN Technical Notes on ODR. This way, Nigeria can develop a robust, secure, and accessible ODR ecosystem that is both trusted by users and aligned with global standards. This will not only expand access to justice but also support the broader goal of digital transformation in the legal sector. By embracing these principles and prescriptions, Nigeria can develop an effective ODR system to improve access to justice, reduce litigation costs, and enhance the efficiency of its judicial system in the digital age. The principles embodied in the UN Technical Notes on ODR underscore the need for a balanced approach that respects due process while embracing technological innovation.

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