DISPUTE RESOLUTION IN NIGERIAN FOOTBALL: THE NEED FOR A NATIONAL DISPUTE RESOLUTION CHAMBER.

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1. Introduction

As sport has grown over the years in terms of commercial value, there has been a corresponding growth in sports-related disputes. This increased commercial significance of sport means that the stakes are higher than ever before. Not only are there heightened expectations from the on-field performance of sports men and women; there are also increasingly significant off-field obligations on all those involved in sports. Where obligations are unfulfilled, there must be a means of enforcing them. Also, when disputes arise, there must be a means of resolving them. These represent fundamental principles on which any society or industry thrives.

Traditionally, the main form of dispute resolution has been court-based legal proceedings i.e. litigation. However, in many jurisdictions, alternative dispute resolution (ADR) mechanisms have been embraced as a means to circumvent the challenges associated with litigation. These challenges are typically the inordinate length of time it takes for legal proceedings to be concluded by courts, the huge costs often incurred by litigants, as well as the acrimony that characterises such proceedings. The football world has likewise developed its own sport-specific dispute resolution mechanism, based largely on arbitration. The aim is to curtail the recourse to ordinary courts for the settlement of football-related disputes and the attendant disruptive problems associated with it. The point has often been made that where sport lacks a means within its structures to effectively and efficiently resolve sports-related disputes, seeking redress from the ordinary courts would be inevitable. This often disrupts the sports calendar and brings with it the typical challenges associated with litigation by being antagonistic, procedurally slow and relatively expensive.

In Nigeria, as with many other parts of the world, football is the most popular sport and has grown from a mere pastime to a means of economic empowerment. Based on a recommendation by the Fédération Internationale de Football Association (FIFA) in 2004, the Nigerian Football League (NFL)¹ became established as a professional football league and upon incorporation in 2006, landed its first sponsorship deal (worth ₦1.1 billion over a four year period) with Globacom Nigeria Limited.² As in other parts of the world, the number of football-related disputes in Nigeria has increased significantly in recent years and with it the ever-increasing need for an efficient football dispute resolution mechanism.

2. Dispute Resolution in Football

There is no gainsaying the advantages of alternative dispute resolution mechanisms over litigation. Basically, the benefits of speed, amicable resolution of disputes, reduced costs, etc, make ADR a preferred option. While these benefits are also apt in relation to sports disputes, that of speed appears to hold very high practical significance. One of the common problems associated with courtroom litigation is the inordinate length of time it often takes for disputes to be resolved. Even after a judgment is given in favour of one of the parties to litigation, there are often procedural exertions required to enforce such judgments. Also, there may be the added time involved in the process of appeal against the judgment by the losing party. For a professional football player, time is always of the essence, whether it is playing time or the time it takes to resolve his dispute with his club. Thus, the ability to have a dispute speedily resolved between a football

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¹ Now defunct, giving way to what is now known as the Nigerian Professional Football League (NPFL).

² B.S. Adetunji, Influence of the Nigeria Premier League on the Development of Soccer in Nigeria, (being a Thesis submitted in partial fulfillment of the requirements for the award of Degree of Master of Science (M.Sc) in Sports Management, Ahmadu Bello University, Zaria, Nigeria), September, 2011.
player and his club may be the difference between him spending his time on the pitch or in the courtroom. Although the court ruling in the landmark Marc-Jean Bosman case is celebrated by many for its impact on the free movement of football players within the European Union, the case took five years to be resolved by the court, having commenced when he was 25 years old and in his prime. Despite having won the case, the football player obviously lost at least a good portion of his career to the cause. Suffice to say that this case presents a fitting case study for the essence of dispute resolution in football.

Marc-Jean Bosman, a Belgian footballer, played for Belgian First Division team R.F.C. de Liege. Upon the expiration of his contract, his intended move to French club, Dunkerque failed because the French club failed to meet the transfer fee demanded by his Belgian club. With the football rules then allowing clubs to obtain a transfer fee for players despite expired contracts, Bosman approached the court arguing that those rules amounted to restraint of trade and violated the principle of free movement of workers established in the European Union (EU). After five years and appeals against each ruling, the case reached the European Court of Justice, where the Court agreed with this argument and issued the landmark ruling, the basic significance of which is that EU players may now move to another club without a transfer fee, upon the expiration of their contract. For Bosman, the length of time involved in finally settling the case was injurious to his professional career. Having played in the Belgian First Division prior to the trial, he moved to playing in the French lower leagues during the period of the trial, ending up at Belgian Third Division team C.S. Vise after the trial. For the football governing body, the ruling amounted to an encroachment into its sphere of regulation and resulted in a shake-up of its rules.

Without a competent means of internal dispute resolution, more and more cases would have to be referred to the courts and the tendency of court rulings (such as the Bosman ruling) to have abrupt and profound impact on sporting rules portends a relegation of the concept of self-regulation that sports governing bodies thrive on. It is to avert more of such that FIFA has taken steps to develop a comprehensive football dispute resolution mechanism. In order to stem the problems associated with the taking of football disputes to the courts and to promote the specialized dispute resolution mechanism operational in football, the rules and regulations of the world football regulatory body, FIFA stipulate that recourse to ordinary courts of law is generally prohibited. FIFA further requires its members i.e. national football associations to insert a clause in their statutes or regulations prohibiting disputes, including those involving leagues, members of leagues, clubs, members of clubs, players, officials and other association officials, from being taken to ordinary courts of law; rather provision should be made for arbitration.

Article 68(2) of FIFA Statutes generally prohibits recourse to ordinary courts of law as a means of resolving football-related disputes, providing as follows:

Recourse to ordinary courts of law is prohibited unless specifically provided for in the FIFA regulations. Recourse to ordinary courts of law for all types of provisional measures is also prohibited.

Furthermore, for the purpose of resolving football-related disputes, the FIFA Statutes expressly recognizes the jurisdiction of the Court of Arbitration for Sport (CAS) “to resolve disputes between FIFA, Members, Confederations, Leagues, Clubs, Players, Officials and licensed match agents and players’ agents.” However, with its headquarters located in Switzerland, approaching the CAS for the purpose of resolving a domestic football dispute would naturally result in significant expense and thus defeat the idea of cost efficacy. This is the reason the jurisdiction of CAS referred to in the FIFA Statutes is basically that of appellate jurisdiction – to hear appeals against decisions of FIFA legal bodies, Confederations, National Associations or leagues – after internal dispute resolution channels may have been exhausted.

With regard to the internal dispute resolution channels, especially contractual or employment-related disputes, the first point of call for an aggrieved party should be the National Dispute Resolution Chamber (NDRC). For this purpose, FIFA requires national associations to insert a clause in their statutes or regulations prohibiting football disputes from being taken to the ordinary courts of law, unless specifically provided for by FIFA regulations or binding legal provisions; rather, such disputes should be taken to a recognized independent and duly constituted arbitration tribunal or to the CAS. The NDRC is one of such

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2 Article 68(2) of FIFA Statutes, July 2013 edition.
3 Article 68(3) ibid.
4 Article 68(2) ibid.
5 Article 68(1) of FIFA Statutes, July 2013 edition.
6 Article 67 ibid.
7 Article 68(3) ibid.
8 Article 68(3) ibid.
arbitration panels. With a Dispute Resolution Chamber (DRC) already established by FIFA to cater for disputes of international dimension, FIFA has enjoined national associations to establish NDRCs to cater for disputes within their respective jurisdictions. The DRC or NDRC can simply be described as an independent Arbitration Tribunal set up by FIFA or the national football association respectively for the purpose of settling football disputes. FIFA describes its DRC as the deciding body that provides arbitration and dispute resolution on the basis of equal representation of players and clubs and an independent chairman. The scope of disputes envisaged herein is usually those relating to the status and transfer of players, employment or contractual stability disputes between clubs and players; in other words, disputes other than disciplinary proceedings.

As it is with any ADR mechanism, for a NDRC or football arbitration tribunal to acquire legitimacy, it must be independent, duly constituted and guarantee the fundamental principles of justice, including fairness and equal representation. The enforceability of their decisions is enhanced through disciplinary proceedings being instituted against the defaulting party. While affording parties the benefits of speed, expertise, reduced costs, amicable resolution, exclusivity, etc, this football-specific dispute resolution mechanism is growing in credibility and acceptance.

3. The Nigerian Experience

As stated earlier, for football-related disputes, recourse to the ordinary courts of law is generally prohibited and national associations are required to establish their own arbitration tribunals for the resolution of such disputes. The Nigeria Football Federation (NFF) is the member association recognized by CAF and FIFA as being responsible for the organization and supervision of football in Nigeria. It is for the purpose of meeting the obligation to establish a domestic dispute resolution tribunal that Articles 4(3), 72 and 73 of the NFF Statutes provide as follows:

Article 4:
3. NFF shall provide the necessary institutional means to resolve any internal dispute that may arise between Members, Clubs, Officials and Players of NFF.

Article 72:
NFF shall establish a National Dispute Resolution Chamber which shall deal with all internal national disputes between NFF, its members, players, officials, match and players agent that do not fall under jurisdiction of its judicial bodies. The Executive Committee shall draw up special regulations regarding the composition, jurisdiction, procedural rules of the National Dispute Resolution chamber, which shall been in compliance with the FIFA directive on the subject.

Article 73
1. NFF, its Members, Players, Officials and match and player’s agents will not take any dispute to Ordinary Courts unless specifically provided for in these Statutes and FIFA regulations. Any disagreement shall be submitted to the jurisdiction of FIFA, CAF, WAFU or NFF.

2. NFF shall have jurisdiction on internal national disputes i.e. disputes between parties belonging to NFF, FIFA shall have jurisdiction on international disputes i.e. disputes between parties belonging to different Associations and/or Confederations.

Presently however, the NFF is yet to establish the NDRC. This is despite several calls for its establishment in order to resolve the numerous outstanding football disputes in the country. In 2007, FIFA issued a circular to its member associations decrying the fact that only a few member associations had established a judicial body to adjudicate over employment disputes between players and clubs and advocating the establishment of NDRCs to lighten the burden on the FIFA DRC and ease the process of adjudication. FIFA has since also entrusted member associations such as the NFF with the initial responsibility for adjudicating over domestic football employment disputes. To this end, the world regulatory body approved the NDRC Standard Regulations to guide national associations in establishing and implementing their own dispute resolution mechanisms.

11 Regulations for the Status and Transfer of Players and the Rules Governing the Procedures of the Players’ Status Committee and the Dispute Resolution Chamber.
12 Albeit the Federal High Court of Nigeria, in a judgment delivered on 20th January, 2012, declared the NFF an illegal body unrecognized by the laws of the country (in Suit No. FHC/ABJ/CS/179/10: Sam Jaja v. NFF & Ors.).
Employment disputes represent a good number of the football disputes in Nigeria. Players are often at loggerheads with clubs over non-payment of financial entitlements and other contractual issues. Even at the league level, the Nigeria Premier League Rules have consistently contained provisions prohibiting contractual, employment and other football disputes from being taken to the ordinary courts of law, requiring that such disputes be referred to the national Dispute Resolution Chamber. This creates a vacuum as the local football authorities have failed to institutionalize the internal dispute resolution mechanism as recommended by FIFA.

This absence of the NDRC has resulted in many football disputes either going unresolved or being referred to the ordinary courts of law. In March 2010, a former President of the Nigerian referees Association, Dr. Sam Jaja instituted a legal action in court to challenge the decision to disqualified him from contesting for the position of Chairman of the Nigeria Premier League Board.14 In concluding the case two years later, the court arrived at the profound decision that the NFF – the recognized football governing body in Nigeria – as then constituted, was not recognized by Nigerian law and thus illegal and void. It is most likely that if recourse had been made to an available internal dispute resolution body, Jaja would most likely not have challenged the legality of the body he sought to be a part of. Instead, the legal action took the acrimonious dimension that is often part of litigation and the consequence was the judgment, which although is currently being appealed against, has already had far-reaching implications for football administration in Nigeria. It was as a result of the judgment that the top-flight football league, formerly known as the Nigeria Premier League (NPL) metamorphosed into the Nigeria Professional Football League (NPFL) and the regular elections into the management board of the league were scuttled, leading to the setting up of an Interim Management Committee, which has also metamorphosed into the current league organizers – the League Management Company.

It does appear that in the absence of the NDRC, the Players’ Status Committee has had to bear a heavy burden with respect to the resolving disputes involving the status and transfer of players, employment and contractual stability. The Players’ Status Committee is established under Article 59 of the NFF Statutes for the purpose of regulating the transfer system and status of players. In addition, there is also provision for an Arbitration Tribunal to be set up to settle disputes relating to players’ status within the Nigerian football family.15 There have indeed been occasions where disputes were referred to the Arbitration Tribunal of the Players’ Status Committee. But at a media briefing held on November 27, 2013, the Executive Secretary of the Association of Professional Footballers of Nigeria complained about the inadequacy of the Arbitration Tribunal of the Players’ Status Committee to deal with the numerous disputes as well as the non-enforcement of awards made by the tribunal. Notably, he also complained about the absence of a NDRC to efficiently resolve these disputes.16

While many disputes remain outstanding, instances of the inadequacy of the Arbitration Tribunal of the Players’ Status Committee, as complained of by APFON, are illustrated by a number of disputes involving Warri Wolves FC. The club gained promotion to the top-flight in the 2008/09 league season and typically recruited a host of players to play in the top-flight league campaign. Despite finishing fourth in the final standings, at the end of that season the club refused to renew the contracts of no less than 18 of its players. Apart from the non-renewal of their contracts, these players were aggrieved for being unceremoniously disengaged without the payment of their financial entitlements, including sign-on fees, and took their case to the Players’ Status and Arbitration Committee set up by the NFF. After days of deliberation, with the club and players duly represented, the tribunal made an award in favour of the 18 former players of Warri Wolves, directing the club to pay them a combined total of ₦716,625,000.00 as financial entitlements owed. It is a positive remark that the tribunal settings were concluded within just three days (10 - 12 May 2010) and the tribunal delivered its decision on 20 May 2010. Nonetheless, the sad reality is that while many more cases remain unresolved, this award has neither been complied with or appealed against by the club, nor enforced by the football authorities.

If this dispute resolution mechanism meets the need for speed and efficiency, what then is the value of a tribunal’s decision if it is not complied with and cannot be enforced or enjoyed by the party who obtained it? The means of enforcement of decisions of the Dispute Resolution Chamber as established by

14 Suit No. FHC/ABJ/CS/179/10: Sam Jaja v. NFF & Ors
15 Article 59(2) of NFF Statutes.
FIFA rules is institution of disciplinary proceedings against the defaulting party; this may include the exclusion from competition. It is not far-fetched that if Warri Wolves FC is faced with exclusion from participating in the league until they comply with the decision of the tribunal, they would indeed comply. This is without prejudice to the channels for appealing against the decision, if they are not satisfied with it.

4. The National Industrial Court Alternative

Historically, the National Industrial Court of Nigeria was established in 1976 as a tribunal for the resolution of trade disputes. Presently, the National Industrial Court is recognized as a superior court of record vested with exclusive jurisdiction to adjudicate over matters relating to labour, employment, industrial relations, etc. The Court was established to address the need for speedy and efficient dispensation of justice with specific regard to trade, industrial or employment-related disputes. The aim was to check the socio-economic instability occasioned by the inadequate system of resolution of industrial disputes. Many legal practitioners acknowledge that proceedings at the National Industrial Court are dispensed with faster than those in the regular courts.

Having ascertained that the scope of jurisdiction of the National Industrial Court has covers labour and employment-related matters. It is pertinent to point out that this jurisdiction includes the matters relating to the enforcement, interpretation or appeal against any award or ruling made by any tribunal or administrative body in respect of a labour or employment dispute. Obviously, the scope of jurisdiction of the National Industrial Court then ordinarily covers employment disputes between football players and their clubs, including any award, decision or ruling made by a football administrative/arbitral tribunal in respect of such disputes. An instance would be the dispute between Warri Wolves FC and its former players highlighted earlier. Indeed, this implies that the former players of Warri Wolves, who obtained an arbitral award against the club, could approach the National Industrial Court for the purpose of enforcing the award. As a matter of fact, that is what some of them did. It will be recalled that football rules and regulations generally prohibit recourse to courts; however, a practical question arises as to how tenable it is for such a requirement to be upheld in the absence of a viable mechanism to emphatically resolve disputes as well as enforce the decisions reached. It is a trite principle of self-regulation that in the absence of a proven efficient system of internal administration of justice, external intervention by the municipal system of administration of justice will become inevitable.

On May 14, 2012, two years after the arbitral award, Akpotor Power, together with eight other former players of Warri Wolves, approached the National Industrial Court to enforce the arbitral award made in their favour against Warri Wolves. Being a club owned by the government of Delta State, the nine football players joined the Delta State Football Association, the Delta State Sports Commission and the Delta State Government in the suit. Whereas proceedings at the National Industrial Court are widely acknowledged as being a faster that the other courts; they may not necessarily be free from the technicalities that clog litigation proceedings. As a result, about a year later, the only decision reached by the court was one on a preliminary objection. The court ruled on 17 June, 2013 that the added parties (Delta State Government and its agencies) should not have been joined as parties to the suit since they were not parties to the proceedings at the arbitration tribunal. Consequently, their names were struck out from the suit with Warri Wolves being left to defend the proceedings by themselves. The thinking was simple – the state government, as owner and benefactor of the club, should stand financially liable. However, the court did not see it that way, owing to one of the many technical details that go with litigation. Also, as has been reported, the occasional absence of

17 Labour sector reforms led to the promulgation of the Trade Disputes Decree of 1976; the extant statute is the Trade Disputes Act, Vol. 15, Cap. T8, Laws of the Federation of Nigeria, 2004.
19 Section 254(C)(4) of the Constitution of the Federal Republic of Nigeria (Third Alteration) Act No. 3 of 2010; sections 7(1)(c)(ii), 7(4) and 8(a) of the National Industrial Court Act, 2006.
parties that stalls court proceedings seems to be taking its toll on the case.\(^{22}\) All these have had the effect of slowing down the proceedings. Consequently, the ideal of speedy and efficient dispute resolution is lost.

Another instance where a football-related dispute was taken to the National Industrial Court is the case of Osiwa Igbuya v. Delta State Football Association.\(^ {23}\) In March 2009, Igbuya sued the Delta State Government for ceasing to fund Okpe Football Club of Sapele, claiming the sum of ₦96,219,000.00 as arrears for the overhead costs of running of the club as well as salaries of officials and players for the previous three years. On 11 June, 2012, it was the decision of the court that although the Nigeria Football Association\(^ {24}\) Act envisaged the creation of State FAs, it did not create them as juristic persons capable of suing and being sued.\(^ {25}\) The implication is that despite the fact that the State FA is responsible for football administration within the state, it cannot be sued. Consequently, the case was struck out by the court. In this instance, the futility and ineptitude of this channel of resolution of the football-related dispute is evident from the following:

i. the same NFA Act recognises each State FA as a member of the National Football Association Council; and

ii. the NFF Statutes specifically stipulates the powers and functions of each State FA, including the “authority to perform the functions of the NFF within its area of jurisdiction in the State”.\(^ {26}\)

Within an institutionalized football-specific system of dispute resolution, where a recognized regulatory body such as a State FA defaults, it would not be shielded from liability on such grounds of technicality as witnessed in the Igbuya case before the National Industrial Court. Also, the inordinate delay experienced by Akpotor Power and others in seeking to enforce the award made by the arbitral tribunal shows that the National Industrial Court may not be a viable option for the resolution of football disputes. One is constrained to draw the inference that National Industrial Court is indeed not a viable channel for the efficient resolution of football disputes or even the enforcement or arbitral awards made by football tribunals. Overall, the Nigerian experience with respect to football disputes has clearly been one of frustration and lack of reparation.

This not only adds a voice to the calls for institutionalization of dispute resolution mechanism and the establishment of the NDRC in Nigeria, it also adds credence to the arguments in favour of lex sportiva i.e. sports law jurisprudence. It emphasizes the need for recognition and development of sports law jurisprudence, including specialist quasi-judicial bodies to adequately regulate sports legal relationships and efficiently adjudicate over sports disputes, bearing in mind the specificity of sports.

5. **Recommendations/Conclusion**

It is evident that there is a dispute resolution mechanism vacuum in football administration within Nigeria. Also, the mere establishment of an arbitration tribunal would not suffice without firms steps to guarantee the enforcement of their decisions. The following recommendations are therefore made:

a) The NFF should fulfil its statutory obligation to establish the NDRC as there is dire need for an institutionalized judicial body to adjudicate over football disputes. This would curtail the administrative instability caused by court actions as well as promote the welfare of players and provide safeguards for stakeholders and investors. In an era where Nigerian football is littered with disputes, there is no denying the need for the NDRC.

b) The national and league administrators must ensure that decisions of the football judicial bodies are sacrosanct. Disciplinary proceedings must be instituted against parties that fail to comply with such decisions. For instance, it is incredible that Warri Wolves have been allowed to participate in further league seasons despite refusing to comply with the arbitral award made against them since

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\(^{23}\) Suit No: NIC/EN/32/2011.

\(^{24}\) Now known as the Nigeria Football Federation.

\(^{25}\) Section 1 of the NFA Act establishes the NFA as a corporate body capable of suing and being sued; and although section 7(2)(b) stipulates that each State FA shall be a member of the National Football Association Council, the Act does not go on to create State FAs or grant them legal personality to sue and be sued.

\(^{26}\) Article 21(3) *ibid.*
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2010. Their brazen nature of their refusal to comply with the award can be gleaned from the fact that they never appealed against it.

c) Beyond football, there is the need for the establishment of a sports-specific national dispute resolution body, which would be the national equivalent of the world sports dispute resolution body – the Court of Arbitration for Sport. In the United Kingdom for instance, Sports Resolutions UK is the national body that serves this purpose. In recognition of this need, the National Council on Sports of Nigeria endorsed the decision of the Nigerian Olympic Committee (NOC) to establish the Nigerian Court of Arbitration for Sport (NCAS) as a solution to the recurrent sports (mostly football) disputes being taken to ordinary courts. On June 9, 2011 a Planning Committee was inaugurated by the NOC to develop the legal framework/guidelines for the establishment of NCAS. The committee headed by Adokiye Amiesimaka submitted its report to the NOC during the Annual General Meeting on May 25, 2012. However, since then, it is not apparent that further steps have been taken by the NOC.

In conclusion, the relevance of the calls for an institutionalized dispute resolution mechanism for football in particular and sports in general has been aptly depicted as follows:

In the absence of an independent, neutral and reliable body in the prevailing sports structure to fairly and definitively resolve sports-related disputes, it is commonplace for athletes, administrators and other participants in sports to seek redress in civil courts. Unfortunately, the sports calendar can be easily disrupted by the usually slow litigation process which can also be relatively expensive. In addition, court action usually only fans the embers of conflict which goes against the Olympic spirit and discourages the private sector from participating in the development of sports.

Surely, when football disputes are left unresolved or allowed to escalate to the courts, the result includes frustration, acrimony, underdevelopment and stagnation. This, sadly, is the experience in Nigeria and it goes to show that the need for the institutionalization of a national football dispute resolution mechanism is indubitable.

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