CONSUMER PROTECTION IN NIGERIA'S E-COMMERCE SECTOR: LEGAL GAPS AND REGULATORY STRATEGIES FROM A COMPARATIVE ANALYSIS OF SELECTED JURISDICTIONS

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Abstract

The rapid expansion of e-commerce has positively affected global trade and investments. The growth of digital commerce has also generated significant consumer protection challenges, particularly in developing economies where legal and regulatory frameworks have struggled to keep pace with technological innovation. Although consumer protection laws have contributed to strengthening consumer rights, important regulatory gaps remain in relation to platform accountability, digital contract governance, cross-border transactions, and enforcement effectiveness. This paper examines the adequacy of Nigeria's consumer protection framework in regulating e-commerce transactions through a comparative analysis of the regulatory approaches adopted in the United Kingdom and South Africa. The paper employs a doctrinal and comparative legal methodology, drawing upon statutes, case law, regulatory instruments, and academic literature. It argues that while Nigeria has made significant progress in modernising consumer protection law, existing frameworks remain largely rooted in traditional commercial assumptions and inadequately address the distinctive realities of digital markets. The paper finds that the United Kingdom and South Africa have adopted more coherent and technologically

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responsive approaches to regulating e-commerce by providing clearer rules on digital content, platform liability, consumer disclosure rights, and online dispute resolution. The paper concludes that strengthening consumer protection in Nigeria requires comprehensive legislative reform, enhanced institutional coordination, improved enforcement mechanisms, and the adoption of technology-driven consumer redress systems.

Keywords: Consumer Protection; E-Commerce; Digital Markets; Platform Liability; Regulatory Reform; Nigeria; United Kingdom; South Africa

1.0 INTRODUCTION

The emergence of digital technologies has fundamentally transformed commercial transactions worldwide. Electronic commerce (e-commerce) has evolved into a dominant mode of trade, driven by increased internet connectivity, mobile technologies, digital payment systems, and data-driven business models. These developments have reshaped traditional patterns of production, distribution, and consumption by providing consumers with faster and more convenient access to goods and services.[1]

In Nigeria, the growth of internet penetration, smartphone adoption, and financial technology has accelerated the expansion of the digital economy, with online retail platforms, digital payment systems, ride-hailing services, and social commerce becoming integral to everyday commercial transactions.[2] While these developments have expanded consumer choice and improved market access, they have also exposed consumers to risks such as fraud, misleading representations, defective products, privacy violations, and inadequate dispute resolution

[1] UNCTAD, *Digital Economy Report 2024* (United Nations 2024) 15–32.

[2] Nigerian Communications Commission, *2024 Subscriber Statistics*; Central Bank of Nigeria, *Payments System Vision*; UNCTAD, *Digital Economy Report 2024* 34–46.

mechanisms.[3] These risks arise because traditional consumer protection laws were developed for physical markets and are often ill-equipped to address the complexities of platform-mediated and cross-border digital transactions.[4]

Beyond conventional issues of product quality and contractual performance, e-commerce raises complex legal questions relating to platform liability, electronic contracts, personal data protection, cybersecurity, digital content, and cross-border enforcement.[5] These developments have prompted jurisdictions worldwide to modernise their consumer protection regimes to reflect the realities of digital commerce.

Nigeria has responded through significant legislative reforms, particularly the enactment of the Federal Competition and Consumer Protection Act 2018 (FCCPA), which established a unified framework for consumer protection and competition regulation, and the Nigeria Data Protection Act 2023, which strengthened legal safeguards for personal data processing.[6] Nevertheless, concerns remain regarding the adequacy of these frameworks in addressing the distinctive challenges posed by e-commerce and emerging digital business models.

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[3] Geraint Howells and Stephen Weatherill, *Consumer Protection Law* (2nd edn, Ashgate Publishing 2017) 25–38.

[4] Iain Ramsay, *Consumer Law and Policy* (4th edn, Hart Publishing 2012) 43–51.

[5] Julie E Cohen, *Between Truth and Power: The Legal Constructions of Informational Capitalism* (Oxford University Press 2019) 94–112; Brian Craig, *Cyberlaw: The Law of the Internet and Information Technology* (Pearson Education 2013) 421–430.

[6] Federal Competition and Consumer Protection Act 2018; Nigeria Data Protection Act 2023.

Comparative analysis provides a useful basis for evaluating Nigeria's regulatory framework. The United Kingdom has developed a comprehensive regime through the Consumer Rights Act 2015, while South Africa complements its Consumer Protection Act 2008 with the Electronic Communications and Transactions Act 2002 to regulate online transactions and digital consumer rights.[7] These jurisdictions offer valuable lessons for strengthening Nigeria's legal framework.

This article critically examines the adequacy of Nigeria's consumer protection framework in regulating e-commerce through a comparative analysis of the legal and institutional approaches adopted in the United Kingdom and South Africa. It identifies existing legal and regulatory gaps and proposes reforms aimed at enhancing consumer protection, improving regulatory effectiveness, and promoting confidence in Nigeria's rapidly expanding digital economy.

2.0 LITERATURE REVIEW

The growth of e-commerce has generated significant scholarly interest in the relationship between technological innovation and consumer protection. While digital commerce has expanded market access and economic opportunities, scholars generally agree that it has also created new forms of consumer vulnerability that challenge traditional regulatory frameworks.

Ramsay argues that consumer protection law exists to correct structural inequalities arising from information asymmetry, unequal bargaining power, and market failures.[8] His analysis remains relevant to digital markets, where technology often intensifies these

[7] Consumer Rights Act 2015 (UK); Consumer Protection Act 68 of 2008 (South Africa); Electronic Communications and Transactions Act 25 of 2002 (South Africa).

[8] Iain Ramsay, *Consumer Law and Policy* (4th edn, Hart Publishing 2012) 43–51.

imbalances. Similarly, Geraint Howells and Stephen Weatherill contend that consumer protection promotes both market efficiency and fairness by safeguarding consumers in increasingly complex commercial environments. They argue that digital transactions require legal frameworks capable of addressing issues such as transparency, informed consent, and contractual fairness.[9] Chris Willett likewise maintains that modern consumer protection should extend beyond classical contractual principles to ensure substantive fairness, particularly where consumers are bound by non-negotiable standard-form agreements commonly used in online transactions.[10]

Scholars examining digital commerce have identified additional regulatory challenges. Brian Craig argues that e-commerce raises issues relating to anonymity, cybersecurity, jurisdiction, and electronic contracting that cannot be effectively addressed through traditional legal doctrines.[11] Julie Cohen and Daniel Solove further demonstrate that the commercial exploitation of personal data has blurred the distinction between consumer protection and data protection, making privacy an essential component of modern consumer welfare.[12] Martin Ebers similarly advocates clearer legal standards governing the responsibilities and liability of digital platforms, recognising their increasing influence over online transactions.[13]

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[9] Geraint Howells and Stephen Weatherill, *Consumer Protection Law* (2nd edn, Ashgate Publishing2017) 25–38.

[10] Chris Willett, *Fairness in Consumer Contracts* (Ashgate Publishing 2007) 83–97.

[11] Brian Craig, *Cyberlaw: The Law of the Internet and Information Technology* (Pearson Education2013)421–433.

[12] Julie E Cohen, *Between Truth and Power: The Legal Constructions of Informational Capitalism* (Oxford University Press 2019) 94–112; Daniel J Solove, *Understanding Privacy* (Harvard University Press 2008)98–121.

[13] Martin Ebers,'Liability for Online Platforms'(2020)11 *Journal of European Consumer and Market Law*102, 103–110.

Comparative scholarship identifies the United Kingdom and South Africa as leading examples of legal adaptation to digital commerce. Beale and Howells observe that the United Kingdom's Consumer Rights Act 2015 provides greater legal certainty by expressly recognising digital content and defining consumer remedies.[14] Papadopoulos likewise argues that South Africa's Electronic Communications and Transactions Act 2002 modernised consumer protection by regulating electronic contracts, supplier disclosure obligations, and online consumer rights.[15]

Nigerian scholars generally agree that the country's legal framework has not fully adapted to the realities of e-commerce. Nwauche and Adejumo argue that although the Federal Competition and Consumer Protection Act 2018 significantly strengthened consumer protection, important challenges remain regarding enforcement, platform accountability, and consumer redress.[16] Afolayan and Akomolede further attribute these challenges to the absence of a comprehensive legal framework governing electronic transactions and digital consumer rights.[17] Duruigbo, Ojukwu, Olawoyin, Umeche and Okorie similarly emphasise weaknesses relating to institutional capacity, data

[14] Hugh Beale and Geraint Howells, *Consumer Law and Policy*; Consumer Rights Act 2015 (UK).
[15] S Papadopoulos, *Electronic Communications and Transactions Law*; Electronic Communications and Transactions Act 25 of 2002 (South Africa).
[16] E S Nwauche, 'Consumer Protection and Digital Commerce in Nigeria' (2021) 65 *Journal of African Law* 213, 220–231; T Adejumo, 'Regulating Consumer Protection in Nigeria's Digital Economy' (2023) 14 *Nigerian Journal of Commercial Law* 88, 95–106.
[17] A Afolayan, *Electronic Commerce and the Nigerian Legal Framework*; Akomolede, 'Legal Regulation of Electronic Transactions in Nigeria'.

governance, regulatory coordination, platform regulation, and cross-border enforcement within Nigeria's evolving digital economy.[18]

Despite these valuable contributions, an important gap remains in the literature. Existing Nigerian scholarship largely examines consumer protection, data protection, and digital regulation as separate fields of inquiry, with limited comparative analysis of Nigeria's framework alongside the more developed regulatory regimes of the United Kingdom and South Africa. In addition, insufficient attention has been paid to platform liability, online dispute resolution, and institutional coordination as essential components of effective consumer protection in digital markets.

This paper addresses these gaps by undertaking a comparative analysis of Nigeria, the United Kingdom, and South Africa, with a view to identifying deficiencies in Nigeria's legal framework and proposing context-sensitive reforms informed by comparative best practices.

3.0 NIGERIA'S LEGAL AND INSTITUTIONAL FRAMEWORK FOR CONSUMER PROTECTION IN THE E-COMMERCE SECTOR

Consumer protection in Nigeria's e-commerce sector is governed by a combination of consumer protection, data protection, cybercrime, and electronic transaction laws rather than a dedicated e-commerce statute. Although, these instruments collectively provide a legal basis for regulating digital transactions, the absence of a comprehensive e-commerce framework has resulted in regulatory fragmentation,

[18] Emeka Duruigbo, writings on consumer protection and regulatory enforcement; Ojukwu, writings on fintech regulation; Olawoyin, writings on data governance; Umeche, writings on digital consumer protection; Okorie, writings on e-commerce regulation.

overlapping institutional mandates, and uncertainty regarding the application of existing laws to emerging digital business models.[19]

3.1. The Federal Competition and Consumer Protection Act 2018:
The Federal Competition and Consumer Protection Act 2018 (FCCPA) is the principal legislation governing consumer protection in Nigeria. Replacing the Consumer Protection Council Act 1992, it establishes consumer rights, prohibits unfair commercial practices, and creates a unified competition and consumer protection regime.[20] The Act guarantees consumers the right to quality goods and services, accurate information, protection from hazardous products, and access to redress, rights that are generally applicable to digital transactions.[21]
The FCCPA also regulates unfair, unreasonable and unjust contractual terms. Sections 120–125 empower the Federal Competition and Consumer Protection Commission (FCCPC) to intervene where contractual terms operate unfairly against consumers, providing an important basis for scrutinising standard-form online contracts and digital platform agreements.[22]

Despite these strengths, the Act was not specifically designed for e-commerce. It contains no express provisions on electronic commerce, digital content, online marketplaces or platform liability, creating uncertainty regarding the regulation of digital products and platform-mediated transactions.[23] Unlike the United Kingdom's Consumer Rights Act 2015, which expressly recognises digital content as a

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[19] Federal Competition and Consumer Protection Act 2018; Nigeria Data Protection Act 2023; Cybercrimes (Prohibition, Prevention, etc.) Act 2015.
[20] Federal Competition and Consumer Protection Act 2018.
[21] FCCPA 2018, pts XV–XVI.
[22] FCCPA 2018, ss 120–125.
[23] T Adejumo, 'Regulating Consumer Protection in Nigeria's Digital Economy' (2023) 14 *Nigerian Journal of Commercial Law* 88, 95–106.

distinct category of consumer supply, the FCCPA largely reflects traditional commercial relationships involving physical goods and identifiable suppliers.[24]

Enforcement also presents significant challenges. Although the FCCPC has undertaken enforcement actions against unfair business practices, effective regulation of digital markets remains constrained by technological complexity, jurisdictional limitations, and resource constraints.[25]

3.2. The Role of the Federal Competition and Consumer Protection Commission:

Established under section 3 of the FCCPA, the Federal Competition and Consumer Protection Commission (FCCPC) is the primary agency responsible for enforcing consumer protection law in Nigeria. It possesses broad investigative and enforcement powers, including the authority to receive complaints, conduct investigations, issue compliance directives, negotiate settlements, and institute legal proceedings against businesses that violate consumer rights.[26]

The Commission has increasingly extended its regulatory oversight to digital markets, investigating complaints involving online service providers, digital lending platforms, telecommunications operators and other technology-driven businesses. These interventions demonstrate the Commission's growing recognition of the consumer protection challenges associated with the digital economy.[27]

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[24] Consumer Rights Act 2015 (UK), ss 33–47.

[25] Federal Competition and Consumer Protection Commission, *Annual Report* (2024); E S Nwauche, 'Consumer Protection and Digital Commerce in Nigeria' (2021) 65 *Journal of African Law* 213, 226–231.

[26] FCCPA 2018, ss 3, 17–18.

[27] FCCPC, *Annual Report* (2024).

However, the effectiveness of the FCCPC remains constrained by limited technical expertise, inadequate resources, and the increasing complexity of platform-based and cross-border digital transactions. Scholars therefore advocate strengthening the Commission's technological capacity, establishing specialised digital market units, and improving collaboration with sector-specific regulators to enhance enforcement within Nigeria's evolving digital marketplace.[28]

3.3 Nigeria Data Protection Act 2023 and Consumer Protection:
Data protection has become an integral aspect of consumer protection in digital markets because e-commerce platforms increasingly rely on the collection and processing of personal data. Consumer harm therefore extends beyond defective products to include privacy violations, unauthorised data sharing, profiling, and algorithmic manipulation.[29]

The Nigeria Data Protection Act 2023 significantly strengthens Nigeria's digital regulatory framework by establishing enforceable rights, including rights to information, access, rectification, erasure, restriction of processing, and data portability.[30] It also imposes obligations on organisations processing personal data, thereby promoting transparency and accountability within digital markets.[31]

Despite these advances, regulatory fragmentation remains a significant challenge. While consumer protection falls primarily within the jurisdiction of the Federal Competition and Consumer Protection Commission (FCCPC), data governance is administered by the Nigeria

[28] T Adejumo (n 5) 101–106; E S Nwauche (n 7) 228–231.
[29] Julie E Cohen, *Between Truth and Power: The Legal Constructions of Informational Capitalism* (Oxford University Press 2019) 94–112.
[30] Nigeria Data Protection Act 2023.
[31] Nigeria Data Protection Act 2023, pts II–VI.

Data Protection Commission. The absence of an integrated enforcement framework may result in overlapping mandates and inconsistent regulatory responses where consumer harm involves both commercial misconduct and privacy violations.[32]

3.4 Cybersecurity, Electronic Transactions and Consumer Protection

Nigeria's e-commerce framework is further supported by legislation governing cybersecurity and electronic transactions, particularly the Cybercrimes (Prohibition, Prevention, etc.) Act 2015. The Act criminalises identity theft, phishing, computer-related fraud, unauthorised access, cyberstalking, and electronic payment fraud, thereby contributing indirectly to consumer protection by safeguarding digital transactions.[33]

However, the Act adopts a predominantly criminal justice approach and provides limited mechanisms for compensating consumers who suffer losses arising from cyber-related misconduct.[34] In addition, Nigeria still lacks a comprehensive Electronic Commerce Act comparable to South Africa's Electronic Communications and Transactions Act 2002. This legislative gap creates uncertainty regarding electronic contracts, supplier obligations, platform liability, consumer rights, and cross-border digital transactions.[35] Consequently, scholars advocate the enactment of a comprehensive Electronic

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[32] Nigeria Data Protection Act 2023; Federal Competition and Consumer Protection Act 2018.

[33] Cybercrimes (Prohibition, Prevention, etc.) Act 2015.

[34] ibid.

[35] Electronic Communications and Transactions Act 25 of 2002 (South Africa).

Commerce Act to harmonise existing laws and provide greater legal certainty for participants in Nigeria's digital economy.[36]

4.0 JUDICIAL APPROACHES TO CONSUMER PROTECTION AND DIGITAL TRANSACTIONS IN NIGERIA

Although Nigerian case law on e-commerce remains limited, the courts have developed principles relevant to digital consumer transactions. In *Orient Bank (Nigeria) Plc v Bilante International Ltd* and *Larmie v D.P.M.S Ltd*, the Supreme Court reaffirmed the principle that parties are generally bound by freely negotiated contractual terms.[37] While these decisions reinforce contractual certainty, their application to non-negotiable online contracts raises concerns regarding consumer protection in digital markets.

Conversely, in *Sonnar (Nig.) Ltd v Partenreedri M.S. Nordwind*, the Supreme Court recognised that contractual freedom is subject to statutory intervention and public policy, providing a basis for judicial scrutiny of unfair terms in electronic consumer contracts.[38] Nigerian courts have also adopted a purposive approach when interpreting legislation enacted to protect consumers, an approach that supports the effective application of the FCCPA to evolving digital transactions.[39]

Judicial oversight is nevertheless constrained by the limited number of reported e-commerce disputes, reflecting the cost and complexity of litigation, particularly for low-value consumer claims.[40]

[36] T Adejumo, 'Regulating Consumer Protection in Nigeria's Digital Economy' (2023) 14 *Nigerian Journal of Commercial Law* 88, 101–106.
[37] *Orient Bank (Nigeria) Plc v Bilante International Ltd*; *Larmie v D.P.M.S Ltd*.
[38] *Sonnar (Nig.) Ltd v Partenreedri M.S. Nordwind*.
[39] Federal Competition and Consumer Protection Act 2018.
[40] E S Nwauche, 'Consumer Protection and Digital Commerce in Nigeria' (2021) 65 *Journal of African Law* 213, 228–231.

Notwithstanding this limitation, *Kubor v Dickson* and *Dickson v Sylva* confirmed the legal recognition of electronically generated evidence and digital communications, providing an important jurisprudential foundation for the enforcement of rights arising from electronic transactions.[41] The continued absence of judicial authority on issues such as platform liability, digital content, algorithmic decision-making, and cross-border transactions underscores the need for legislative clarification and regulatory guidance.

5.0 COMPARATIVE OVERVIEW OF CONSUMER PROTECTION FRAMEWORKS IN THE UNITED KINGDOM AND SOUTH AFRICA

Comparative legal analysis provides valuable insights into the strengths and weaknesses of Nigeria's consumer protection regime. The experiences of the United Kingdom and South Africa are particularly instructive because both jurisdictions have adopted more explicit and technologically responsive approaches to regulating e-commerce transactions.

In United Kingdom, consumer protection within digital markets is principally governed by the Consumer Rights Act 2015, the Consumer the Contracts (Information, Cancellation and Additional Charges) Regulations 2013, and data protection legislation.[42] The Consumer Rights Act is especially significant because it expressly recognises digital content as a separate category of consumer supply and provides consumers with clearly defined remedies where digital products fail to meet statutory standards.[43]

[41] *Kubor v Dickson* (2013) 4 NWLR (Pt 1345) 534; *Dickson v Sylva* (2017) 8 NWLR (Pt 1567) 167.

[42] Consumer Rights Act 2015 (UK); Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013.

[43] Consumer Rights Act 2015 (UK), ss 33–47.

The United Kingdom's regulatory framework also imposes extensive disclosure obligations on online traders and grants consumers cooling-off rights in distance contracts. Furthermore, regulatory agencies such as the Competition and Markets Authority have adopted proactive approaches towards digital market regulation, online platform conduct, and consumer enforcement.[44] These developments reflect a deliberate effort to adapt consumer protection law to the realities of digital commerce.

South Africa has similarly developed a relatively sophisticated framework for regulating e-commerce. The Consumer Protection Act 2008 establishes broad consumer rights relating to fair marketing practices, consumer information, contractual fairness, and access to redress.[45] These protections are complemented by the Electronic Communications and Transactions Act 2002, which specifically addresses electronic contracting, supplier disclosure obligations, and consumer rights in online transactions.[46]

A particularly notable feature of the South African framework is its explicit recognition of electronic transactions and the detailed obligations imposed upon suppliers operating through digital platforms. The legislation provides consumers with cooling-off rights, mandatory disclosure protections, and remedies specifically tailored to online transactions.[47]

The comparative experiences of these jurisdictions demonstrate that effective consumer protection in e-commerce requires more than the

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[44] Competition and Markets Authority, *Online Platforms and Digital Advertising Market Study* (CMA 2020).
[45] Consumer Protection Act 68 of 2008 (South Africa).
[46] Electronic Communications and Transactions Act 25 of 2002 (South Africa).
[47] ECTA 2002, ss 43–49.

extension of traditional consumer rights into digital environments. Rather, it requires targeted legislative intervention, institutional coordination, platform accountability, and specialised enforcement mechanisms designed to address the distinctive characteristics of digital markets.

The comparative lessons derived from the United Kingdom and South Africa provide an important foundation for evaluating Nigeria's existing framework and identifying reforms capable of enhancing consumer protection within its rapidly expanding digital economy.

6.0 LEGAL GAPS AND REGULATORY FAILURES IN CONSUMER PROTECTION WITHIN NIGERIA'S E-COMMERCE SECTOR.

Although Nigeria has strengthened consumer protection through the Federal Competition and Consumer Protection Act 2018 (FCCPA), the Nigeria Data Protection Act 2023, and the Cybercrimes (Prohibition, Prevention, etc.) Act 2015, significant legal and institutional gaps continue to undermine consumer protection in the digital marketplace. These statutes provide a useful foundation but were not enacted specifically to regulate e-commerce. Consequently, important issues relating to platform liability, digital contracts, consumer redress, cross-border transactions and regulatory coordination remain inadequately addressed.

6.1 Absence of Explicit Statutory Recognition of E-Commerce and Digital Transactions:

A major weakness of Nigeria's legal framework is the absence of legislation specifically regulating e-commerce. While the FCCPA applies generally to consumer transactions, it does not define electronic commerce, digital content, online marketplaces or platform-mediated transactions. This creates uncertainty regarding the rights and remedies available to consumers purchasing digital products or services. Unlike the United Kingdom's Consumer Rights Act 2015, which expressly recognises digital content as a separate category of consumer supply, Nigerian law continues to rely on traditional contractual principles that were developed for physical transactions. The absence of clear statutory standards undermines legal certainty and consumer confidence in digital markets.[48]

6.2 Uncertainty Regarding Platform Liability:

Platform liability remains one of the most significant regulatory challenges in Nigeria's e-commerce sector. Online platforms facilitate transactions, process payments and influence consumer decisions but generally characterise themselves as mere intermediaries to avoid liability for defective products, misleading advertisements or fraudulent third-party sellers.

The FCCPA does not define the circumstances in which platforms may incur direct or secondary liability, leaving consumers uncertain about whom to sue where harm occurs. By contrast, developments in the United Kingdom and the European Union increasingly recognise that platforms exercising substantial control over transactions should bear corresponding consumer protection obligations.[49]

This approach is consistent with the reasoning in *Best (Nig.) Ltd v Blackwood Hodge (Nig.) Ltd*, where the Supreme Court emphasised that legal responsibility should be determined by the substance of commercial relationships rather than their formal description.[50]

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[48] Federal Competition and Consumer Protection Act 2018; Consumer Rights Act 2015 (UK).

[49] See developments under the Consumer Rights Act 2015 (UK) and comparable European Union digital consumer protection legislation.

[50] *Best (Nig.) Ltd v Blackwood Hodge (Nig.) Ltd*.

Legislative clarification of platform obligations is therefore necessary to ensure effective consumer protection.

6.3 Inadequate Regulation of Digital Contracts and Standard-Form Agreements:

Digital commerce is dominated by click-wrap and standard-form agreements that consumers rarely read or negotiate. Although Nigerian contract law emphasises freedom of contract, consumers in digital markets typically possess limited bargaining power and little opportunity to negotiate contractual terms.

While the FCCPA prohibits unfair contractual terms, it does not adequately regulate automated contracting systems or practices such as unilateral contract modification, automatic subscription renewals, mandatory arbitration clauses and opaque data-processing provisions.[51] These deficiencies weaken informed consent and expose consumers to unfair contractual practices.

6.4 Weak Consumer Redress and Dispute Resolution Mechanisms:

Effective consumer protection depends upon accessible remedies. In *Nigerian Bottling Co Plc v Ngonadi*, the court recognised that legal rights have limited practical value where effective enforcement mechanisms are unavailable.[52]

Despite the FCCPA, consumer redress in Nigeria remains heavily dependent on conventional litigation, which is often expensive, slow and disproportionate to the value of many e-commerce claims. Consequently, consumers frequently abandon legitimate claims. Although alternative dispute resolution mechanisms exist, specialised

[51] Federal Competition and Consumer Protection Act 2018, ss 120–125.
[52] *Nigerian Bottling Co Plc v Ngonadi*.

Online Dispute Resolution (ODR) systems remain largely undeveloped, unlike in several advanced jurisdictions where technology-driven dispute resolution has become central to digital consumer protection.

6.5 Challenges Associated with Cross-Border E-Commerce:

Cross-border transactions have significantly expanded consumer choice but have also complicated the enforcement of consumer rights. Jurisdiction, applicable law and enforcement of judgments remain difficult where foreign traders or multinational platforms operate outside Nigeria's regulatory reach.

In *A.G. Rivers State v A.G. Akwa Ibom State*, the Supreme Court emphasised the importance of jurisdictional certainty where multiple legal interests intersect.[53] Although decided outside the e-commerce context, the principle illustrates the jurisdictional complexities associated with cross-border digital commerce.

The FCCPA provides limited guidance on international consumer transactions, leaving consumers without effective remedies in many cross-border disputes. Strengthening international cooperation and developing clearer jurisdictional rules therefore remain essential.

6.6 Regulatory Fragmentation and Institutional Coordination Challenges

An additional weakness within Nigeria's consumer protection framework is the fragmentation of regulatory responsibilities across multiple institutions. Consumer protection issues arising from e-commerce transactions frequently intersect with competition

[53] *A.G. Rivers State v A.G. Akwa Ibom State*.

regulation, telecommunications regulation, financial regulation, cybersecurity governance, and data protection law.[54]

The Federal Competition and Consumer Protection Commission, Nigeria Data Protection Commission, Central Bank of Nigeria, Nigerian Communications Commission, and law enforcement agencies all exercise varying degrees of regulatory authority over aspects of digital commerce. While such specialisation offers certain advantages, it may also create overlapping mandates, inconsistent regulatory approaches, and coordination difficulties.

The absence of formalised inter-agency cooperation mechanisms may result in gaps in enforcement, duplication of regulatory activities, and uncertainty regarding institutional responsibility. Furthermore, regulatory fragmentation may impose compliance burdens upon businesses while simultaneously reducing the effectiveness of consumer protection measures.

Effective regulation of digital markets requires coordinated oversight, information sharing, joint investigations, and harmonised enforcement strategies capable of addressing the increasingly interconnected nature of consumer harm in digital environments.

6.7 Concluding Observations

Nigeria's consumer protection framework provides an important legal foundation but has not kept pace with the realities of digital commerce. The absence of dedicated e-commerce legislation, uncertainty regarding platform liability, inadequate regulation of

[54] Nigeria Data Protection Act 2023; Nigerian Communications Act 2003; Central Bank of Nigeria Act 2007.

digital contracts, weak consumer redress mechanisms, cross-border enforcement difficulties and fragmented institutional oversight continue to undermine effective consumer protection. Addressing these deficiencies requires comprehensive legislative reform, stronger institutional coordination and regulatory approaches that reflect the evolving nature of digital markets. The next section considers comparative reforms capable of strengthening consumer protection in Nigeria's e-commerce sector.

7.0 REGULATORY STRATEGIES AND REFORM PROPOSALS FOR STRENGTHENING CONSUMER PROTECTION IN NIGERIA'S E-COMMERCE SECTOR.

The preceding analysis demonstrates that Nigeria's consumer protection framework has not adequately adapted to the realities of digital commerce. Although the Federal Competition and Consumer Protection Act 2018 (FCCPA) and related legislation provide a legal foundation, significant deficiencies remain regarding digital transactions, platform accountability, consumer redress, and regulatory coordination. Drawing on the experiences of the United Kingdom and South Africa, this section proposes reforms aimed at strengthening consumer protection within Nigeria's digital economy.

7.1 Legislative Recognition of E-Commerce and Digital Consumer Rights

Nigeria should enact a comprehensive Electronic Commerce Act to complement the FCCPA. Existing legislation does not adequately regulate digital content, online platforms, electronic contracts or platform-mediated transactions, leaving important legal questions unresolved.

A dedicated statute should define electronic transactions, digital products, online platforms and consumer rights, while establishing uniform standards for online disclosures, digital content quality, electronic payments, cancellation rights and dispute resolution. The United Kingdom's Consumer Rights Act 2015 provides a useful model by expressly recognising digital content as a distinct category of consumer supply and prescribing remedies for defective digital products.[55] Similarly, South African jurisprudence, particularly *National Consumer Commission v Vodacom (Pty) Ltd*, demonstrates the importance of interpreting consumer legislation to promote transparency and fairness in digital markets.[56]

7.2. Clarification of Platform Liability and Accountability:

Legislation should establish clear rules governing the responsibilities of digital platforms. Platforms exercising significant control over advertising, payment systems, supplier verification or dispute resolution should bear corresponding obligations towards consumers, including duties relating to supplier verification, complaint handling, transparency and regulatory cooperation.

A risk-based framework, under which regulatory obligations increase according to the degree of control exercised by a platform, would provide greater certainty while encouraging innovation. Comparative developments in the United Kingdom and Europe demonstrate that clearer liability standards improve consumer protection without discouraging technological development.[57] The decision in *Office of Fair-Trading v Ashbourne Management Services Ltd* further illustrates

[55] Consumer Rights Act 2015 (UK).

[56] *National Consumer Commission v Vodacom (Pty) Ltd*.

[57] Comparative developments under the Consumer Rights Act 2015 (UK) and European digital consumer protection legislation.

the willingness of courts to invalidate contractual arrangements that operate unfairly against consumers.[58]

7.3 Reform of Digital Contract Regulation

Digital consumer contracts frequently rely on standard-form terms that consumers neither negotiate nor fully understand. Although the FCCPA regulates unfair contractual terms, additional safeguards are necessary to address automated contracting and online subscription models.

Legislation should require key contractual terms to be presented clearly before purchase, including cancellation rights, automatic renewal provisions, dispute resolution procedures and data-processing practices. It should also prohibit unfair terms such as unilateral contract modifications, excessive exclusion clauses and misleading subscription arrangements. These reforms would strengthen informed consent and contractual fairness in digital transactions.

7.4 Establishment of Online Dispute Resolution Mechanisms:

Effective consumer protection requires accessible remedies. Conventional litigation remains costly and time-consuming, particularly for low-value e-commerce disputes. Nigeria should therefore establish a specialised Online Dispute Resolution (ODR) system under the supervision of the Federal Competition and Consumer Protection Commission (FCCPC). Such a platform would facilitate online negotiation, mediation and adjudication, enabling consumers to resolve disputes quickly and at lower cost. International

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[58] *Office of Fair Trading v Ashbourne Management Services Ltd* [2011] EWHC 1237 (Ch).

experience demonstrates that ODR significantly improves access to justice and consumer confidence in digital markets.[59]

7.5 Strengthening Institutional Coordination and Regulatory Capacity

Consumer protection within the digital economy requires closer cooperation among the FCCPC, the Nigeria Data Protection Commission, the Nigerian Communications Commission, the Central Bank of Nigeria and relevant law enforcement agencies.

Formal mechanisms for information sharing, joint investigations and coordinated enforcement should be institutionalised to reduce regulatory overlap and improve enforcement efficiency. In addition, regulators should receive specialised training in digital markets, cybersecurity, artificial intelligence and platform governance to strengthen institutional capacity.

7.6 Integration of Consumer Protection and Data Protection Regulation

The increasing commercial value of personal data requires closer integration between consumer protection and data protection regulation. Consumer harm in digital markets frequently results from both unfair commercial practices and unlawful processing of personal information.

Although the Nigeria Data Protection Act 2023 represents significant progress, greater coordination between the FCCPC and the Nigeria Data Protection Commission is required. Joint investigations, harmonised compliance standards and coordinated enforcement would

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[59] See international practice on Online Dispute Resolution (ODR) in consumer protection.

provide more effective protection for consumers while reflecting the growing convergence between consumer rights and informational privacy.[60]

7.7 Consumer Education and Digital Literacy

Legislative reform alone cannot ensure effective consumer protection. Consumers must possess sufficient digital literacy to recognise online risks, understand their legal rights and utilise available complaint mechanisms.

Government agencies, educational institutions, civil society organisations and private sector stakeholders should collaborate to promote public awareness of consumer rights, cybersecurity, data protection and online fraud. Improved digital literacy will reduce consumer vulnerability and strengthen confidence in Nigeria's digital marketplace.

7.8 Concluding Observations

The future development of Nigeria's digital economy depends significantly upon the establishment of a regulatory environment capable of protecting consumers while simultaneously encouraging innovation and investment. The analysis undertaken in this chapter demonstrates that meaningful reform requires a holistic approach combining legislative modernisation, institutional strengthening, technological innovation, and consumer empowerment.

Comparative experiences from the United Kingdom and South Africa illustrate that effective consumer protection in digital markets requires explicit recognition of e-commerce transactions, clear allocation of platform responsibilities, accessible redress mechanisms, and

[60] Nigeria Data Protection Act 2023.

coordinated regulatory oversight. By adapting these lessons to its domestic context, Nigeria can develop a more resilient and responsive consumer protection framework capable of addressing the challenges of contemporary digital commerce.

Such reforms are essential not only for protecting consumers but also for promoting trust, legitimacy, and sustainable growth within Nigeria's rapidly expanding digital economy.

8.0 SUMMARY OF FINDINGS

This study examined the adequacy of Nigeria's legal and institutional framework for consumer protection in the e-commerce sector through a comparative analysis of the regulatory approaches adopted in the United Kingdom and South Africa. It found that Nigeria has strengthened consumer protection through the Federal Competition and Consumer Protection Act 2018 (FCCPA), the establishment of the Federal Competition and Consumer Protection Commission (FCCPC), and the enactment of the Nigeria Data Protection Act 2023.

Despite these reforms, significant deficiencies remain. The study found that Nigeria lacks a comprehensive legal framework specifically regulating e-commerce; the liability of online platforms remains uncertain; digital contracts and standard-form agreements are inadequately regulated; consumer redress mechanisms remain weak due to the absence of effective online dispute resolution; cross-border e-commerce presents jurisdictional and enforcement challenges; and regulatory fragmentation reduces the effectiveness of consumer protection.

The comparative analysis showed that the United Kingdom and South Africa have adopted more technologically responsive frameworks through clearer regulation of digital content, electronic transactions, platform accountability and consumer remedies. These experiences demonstrate that effective consumer protection requires legislative clarity, coordinated regulation and continuous adaptation to technological developments.

9.0 CONCLUSION

The expansion of e-commerce has transformed consumer transactions and created new regulatory challenges that traditional consumer protection laws were not designed to address. Although Nigeria has made important legislative and institutional advances through the FCCPA and the Nigeria Data Protection Act 2023, its legal framework remains insufficiently adapted to the realities of digital commerce.

This study has shown that gaps relating to platform liability, digital consumer rights, electronic contracting, dispute resolution, cross-border enforcement and institutional coordination continue to undermine consumer confidence and regulatory effectiveness. Comparative lessons from the United Kingdom and South Africa demonstrate that effective regulation requires clear legislative standards, coordinated institutional oversight and technological adaptation.

Accordingly, strengthening consumer protection should remain a regulatory priority. A modern legal framework capable of responding to emerging digital business models will not only protect consumers but also promote confidence, investment and the sustainable growth of Nigeria's digital economy.

10. RECOMMENDATIONS.

To strengthen consumer protection within Nigeria's e-commerce sector, this study recommends:

i. Enact a comprehensive Electronic Commerce Act regulating digital transactions, online platforms, electronic contracts and consumer rights.
ii. Expressly recognise digital content, digital services and platform-mediated transactions within consumer protection legislation.
iii. Establish clear statutory rules governing the liability and responsibilities of online platforms.
iv. Develop an Online Dispute Resolution (ODR) system under the FCCPC to facilitate efficient resolution of e-commerce disputes.
v. Strengthen the technical, financial and institutional capacity of the FCCPC, including the creation of specialised digital market units.
vi. Improve coordination among the FCCPC, Nigeria Data Protection Commission, Nigerian Communications Commission, Central Bank of Nigeria and other relevant regulators through formal cooperation mechanisms.
vii. Enhance international cooperation to improve enforcement in cross-border e-commerce disputes.
viii. Promote consumer awareness and digital literacy through public education on digital rights, cybersecurity and complaint mechanisms.
ix. Integrate consumer protection and data protection enforcement where commercial misconduct involves the unlawful processing of personal data.
x. Provide for periodic review of digital market legislation to ensure that consumer protection keeps pace with technological developments.