



Global Enforcement of Arbitral Awards: A Key Ruling and its Implications

Introduction: Landmark Decision in International Arbitration

On June 14, 2024, the Commercial Court in London granted Zhongshan Fucheng Industrial Investment authority to seize two (2) properties in Liverpool, collectively worth £1.7 million, owned by the Nigerian government. This ruling marks a significant advancement in the enforcement of international arbitral awards.

Background of the Dispute

This case originated from a joint venture established in 2013 between Zhongshan, a Chinese investor, and Nigeria's Ogun State, aimed at developing a free trade zone near Lagos. The partnership was abruptly dissolved by Ogun State in 2016, leading Zhongshan to seek arbitration. In 2021, the UNCITRAL tribunal in London found Nigeria liable for wrongfully expropriating the investment under the terms of the China-Nigeria bilateral investment



treaty, awarding Zhongshan \$55.6 million, plus interest and additional costs. Following the arbitration outcome, Zhongshan initiated enforcement actions in multiple jurisdictions including the United States of America and United Kingdom. This brings the question: can foreign arbitral awards be enforced in Nigeria too?

Local Context: Enforcement of Arbitral Awards in Nigeria

In Nigeria, the Arbitration and Mediation Act 2023 facilitates the enforcement of both foreign and domestic arbitral awards with minimal procedural hurdles:

- **Documentation Requirements:** Applicants must provide the original arbitration award or a certified copy, along with the arbitration agreement, and, if necessary, a certified translation into English.
- **Enforcement as Judgment:** An arbitral award can be enforced in the same manner as a court judgment, ensuring efficacy in the recovery process.

What This Means for Stakeholders

- **Consistent Enforcement:** The uniform application of arbitration awards across Nigeria aids

in seamless asset recovery efforts, eliminating interstate legal hurdles and streamlining the process.

- **Multiple Jurisdictions:** Claimants have the flexibility to enforce awards in multiple places at once, as long as the total does not exceed the amount awarded, optimizing asset recovery efforts.
- **Specific Jurisdiction Needs:** Legal actions must be filed in appropriate courts depending on the subject matter, which requires strategic legal planning for effective enforcement.

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Nigeria's legal framework simplifies the process of enforcing arbitral awards, enhancing the reliability and effectiveness of arbitration as a dispute resolution mechanism. At SimmonsCooper Partners, our expertise in arbitration law helps clients navigate through the enforcement of arbitral awards both within Nigeria and internationally. For more detailed assistance or to discuss how these developments might affect you, reach out to us at info@scp-law.com or visit our website at www.scp-law.com.