



## GLOBAL TRENDS ON ALTERNATIVE DISPUTE RESOLUTION AND POTENTIAL FOR A RESILIENT SPORTS ECONOMY IN NIGERIA

Ondale Akor\*

### Abstract

*The National Sports Policy 2022 is the road map for sports administration, with the ambitious plan of creating an economically viable and investment climate in Nigeria. However, the policy fails to provide for the framework on the administration of sports justice that focuses on Alternative Dispute Resolution (ADR) model. The objective of the study is to examine emerging global trends on ADR and how it can effectively promote dispute resolution and facilitate a resilient sports economy in Nigeria. Adopting the doctrinal method of research, the study relies on primary and secondary data. Nigeria has a population of more than two hundred million people, with over 70% constituted by youths. This demography shows a rich sports profile capable of impacting positively on the Nigerian economy within the framework of an efficient dispute resolution mechanism. The absence of a robust ADR model in the national sports policy can undermine the ambitious plan for an economically viable sports enterprise in Nigeria. Global trends indicate that ADR remains the preferred mechanism for the administration of justice in the sports industry with prospects for promoting investment, addressing infrastructural deficit and changing the economic trajectory in Nigeria. What is required is a robust national policy on ADR in the administration of sports justice as precursor towards a viable sports economy in Nigeria.*

**Keywords:** Global trends, dispute resolution, sports economy, national policy, Nigeria

### 1. Introduction

Alternative Dispute Resolution (ADR) refers to a set of processes that are applied to manage disputes without resorting to adversarial method such as litigation. This method has a wide set of non-court dispute resolution mechanisms that include negotiation, mediation, arbitration, conciliation, adjudication, expert determination, early neutral evaluation, and Traditional Dispute Resolution Mechanisms (TDRMs). The incorporation of ADR into the legal framework of international organizations eloquently testifies to the universal appeal and influence it commands.

The United Nations (UN) charter sets out the legal foundation for ADR mechanisms<sup>1</sup> at the global plane. Regional bodies have followed this trend by including ADR in their respective dispute resolution structures. For instance, the African Continental Free Trade Agreement (AfCFTA) is an economic bloc with the single largest market in the world. The AfCFTA provides for a wide spectrum of choices in her dispute resolution preferences including consultations, mediation, adjudication and arbitration<sup>2</sup>. In a similar vein, states have also incorporated the application of ADR as a viable means of dispute resolution, owing majorly to the inherent characteristic associated with this dispute resolution model<sup>3</sup>.

The Nigerian constitution<sup>4</sup> provides for the application of ADR in the resolution of disputes. The dispute model is also provided within the framework of other sector specific regulatory legislations

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\*Ondale Akor, PhD, Research Fellow at the Department of Minerals, Petroleum, Energy Economics and Law University of Ibadan Nigeria; Member Nigerian Association of Energy Economics; Member Nigerian Energy Institute. Email; Princeondale@gmail.com. Phone No: 08065921274.

<sup>1</sup> Article 33 (1) of the UN Charter.

<sup>2</sup> Article 20 of the AfCFTA 2017

<sup>3</sup> Article 159 (2) (c) Constitution of Kenya, 2010.

<sup>4</sup> Section 19 CFRN 1999.

like the Petroleum Industry Act 2021<sup>5</sup> and the Electricity Act 2023<sup>6</sup> respectively. Both legislations which provide the major regulatory framework in the energy sector, recognize and recommend for the adoption of ADR mechanism in the resolution of investment and commercial disputes under circumstances as agreed by the parties or as provided by extant laws. In the same vein, the application of ADR is allowed in the resolution of diverse investment disputes including maritime disputes in Nigeria<sup>7</sup>.

The global sports industry is a multi-billion-dollar enterprise perceived to be a source of investment and economic development. As a haven of investment, sports related undertakings assume legal flavor that entail the utilisation of legal and economic tools in the execution of contracts. These contracts create specified rights and obligations, breach of which may inevitably give rise to disputes that need to be resolved. Therefore, as an evolving global enterprise, the devisement of an effective dispute resolution mechanism for sports related activities has become imperative. Increasing global perception about the conventional dispute resolution procedure which is characteristically adversarial, with concomitant drawbacks like unnecessary delays, capable of undermining economic investments, underscores the need for ADR as a more efficient and sustainable means of resolving disputes in the sports industry.

The need for an evaluation of the legal and institutional framework on ADR in the Nigerian sports industry and how it can impact in establishing a resilient and economically viable sports economy, with a corresponding impact on the socio economic lives of Nigerian forms the major thrust of this study. The study is divided into six sections. The second section is on the global trends on Alternative Dispute Resolution. Section three focuses on international regime on ADR in the sports industry. Section four appraises the national sports policy in Nigeria while section five evaluates the role of ADR in the promotion of a resilient sports economy in Nigeria. Section six forms the concluding part of the study with conclusion recommendations.

## **2. Emerging Trends and Development of ADR in the Global Sport Industry**

The historic development of ADR in the sports industry evolved in response to the unique challenges and complexities of resolving sports disputes universally. While ADR methods can be traced back to ancient times, applying these principles, specifically in sporting contexts, has witnessed significant development in the 20<sup>th</sup> and 21<sup>st</sup> centuries.<sup>8</sup> Prior to the formal establishment of ADR mechanisms, informal dispute-resolution methods were often utilised in resolving sports conflicts. Primarily, mutual mediation and arbitration within sports teams or communities are said to have been a common practice in conflict resolution<sup>9</sup>. As organized sports grew in popularity, the need for standardized dispute-resolution mechanisms became expedient. This led to the emergence of Sports governing bodies such as the International Olympic Committee (IOC) and various national sports organizations that began implementing internal dispute resolution processes to resolve conflicts between athletes, teams, and officials<sup>10</sup>.

Owing to the evolving nature of sports related disputes, the dispute resolution trend has in recent years, observed the emergence of specialised brokerage services tailored towards the sports industry<sup>11</sup>. These services often include professionals with expertise in ADR and sports law, allowing for the exponential growth and utilisation of industry-specific conflict resolution. The

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<sup>5</sup> Section 76(1) (f).

<sup>6</sup> Section 151.

<sup>7</sup> Ondale Akor 'An Appraisal of the Legal Regime on Arbitration and Prospects for Investment Security in the Nigerian Maritime Sector' (2021) 13 *University of Ilorin Law Journal*, 175.

<sup>8</sup> N Shlok, 'The Use of Alternative Dispute Resolution and Mediation in the Sports Industry', (2024) 9(4) *International Journal of Novel Research and Development*.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

ADR mechanisms adopted by these specialised bodies were arbitration, mediation, settlement or negotiations. The preferences were based on the circumstances of the case or discretion of the parties involved.

The International sports community established the court of Arbitration of sports (CAS) at Lausanne, Switzerland in 1984. The CAS has universal jurisdiction and mandate to settle sports related disputes in accordance with established procedures. The CAS has a total of about 300 arbitrators from 87 countries, with specialized knowledge of arbitration and sports law. Interested parties can, with the leave of CAS, resort to mediation if they so choose. The Court of Arbitration for Sports (CAS) decisions have global recognition and provide a standardized and respected avenue for conflict resolution in the sporting community<sup>12</sup>. The legal basis of Alternative Dispute Resolution (ADR) in sports largely extends to national and international legislations that contribute in facilitating the enforcement of arbitration agreements and awards. It has also been stated that the limited grounds for judicial review has underpinning for preserving the autonomy ADR processes, such that the intervention of courts becomes necessary only under exceptional circumstances<sup>13</sup>. By recognizing the different sensitivities and characteristics of the sports industry, the legal framework for ADR does not only facilitate effective dispute resolution, but also preserves the reputation and stability of sports organizations. It promotes an environment where disputes can be resolved quickly, fairly, and in a manner consistent with the principles of sportsmanship and fair play, which ultimately contributes to the overall success and credibility of the sports community.

Emerging trends have shown increasing dependence on the legal and institutional framework ADR provides in resolving sports related disputes globally. The Court of Arbitration for Sport (CAS) is a famous and leading international body on sports arbitration and mediation around the world. The National Sports Arbitration Centre of India (NSACI) is a non-profit organization founded in 2021, and provides a forum for resolving sports disputes in India. Others nations like France, Germany, Sweden and Egypt have taken hint of the global trend, and have established arbitration tribunals in their respective jurisdictions for the resolution of sports related disputes. Globally recognized institutions like the International Association for Sports Law (IASL), the Sports Dispute Resolution Centre (SDRC) and the World Anti-Doping Agency (WADA) provide technical and institutional support base to countries and organizations in the drive towards entrenching an effective arbitration process in the resolution and management of sports related disputes.

In Nigeria, the policy framework for the formal regulation of the sports industry began with the enactment of decree 34 of 1973. The decree was intended to unify, manage and coordinate the various sporting activities under the relevant agencies of government. Subsequent policies aimed at providing an efficient framework for sports administration in Nigeria have been introduced. A major policy initiative was the national draft sports policy of 2020 which projected the sports industry beyond the confines of recreation and entertainment to the realm of an economic industry that promotes investment, with prospects for impacting on the socio economic lives of Nigerians. Reclassified and considered as a sustainable sector for investment as against the hitherto circumscribed leisure activity, the industry has been conferred with a broad based description that focuses on sports as a leveler for the multifaceted functions of facilitating social cohesion, promoting health and sustainable economic development. The draft policy was adopted in 2022 by the federal executive council and subsequently by the present federal government led by president Bola Tinubu. Notably, the extant policy on sports administration has set the stage for robust investment and development in the Nigerian sports industry,

The prospects for private sector engagement in the sector can provide the enabling environment for the maximally harnessing the sports profile in Nigeria. This would not only impact on the socio

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<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

economic lives of the teeming Nigerian population, but also on the infrastructure and human capital development. A major setback to realizing these ambitious aspirations in Nigeria is the absence of an efficient dispute resolution mechanism in the national sports industry. This study argues that the sports industry is a complex one in terms of dispute resolution and the need for a mechanism to resolve potential disputes in this emerging industry has become expedient. Therefore, in view of the overwhelming impact of the industry on the people, the incorporation of the ADR model as a conflict management strategy in the administration of sports related justice has become a political and economic imperative.

### **3. International Regime on Alternative Dispute Resolution in the Sports Industry**

The International regime on ADR in the sports industry includes the legal and institutional framework on ADR at the international plane, as well as the statutory provisions on sports related ADR mechanism adopted by national authorities. The specific case laws and pronouncements made by the various ADR institutions in the resolution of sports related disputes also forms part of the study under this section. The legal basis of Alternative Dispute Resolution (ADR) in sports largely extends to national and international legislations and contributes in facilitating the enforcement of arbitration agreements and awards. It has also been stated that the limited grounds for judicial review has underpinning for preserving the autonomy ADR processes, such that the intervention of courts becomes necessary only under exceptional circumstances<sup>14</sup>.

There are plethora of land mark decisions on sports related disputes that have been resolved through the application of ADR globally. These ADR methods adopted mediation, arbitration or settlements through the intervention of ADR institutions. For instance, in the case of Oscar Pistorius and International Association of Athletics Federations<sup>15</sup>, the South African sprinter Oscar Pistorius had appealed to the Court of Arbitration for Sport (CAS) after the International Association of Athletics Federations (IAAF) ruled that his prosthetic limbs gave him an unfair advantage. CAS mediated the dispute and the ruling allowed Pistorius to compete at the 2012 London Olympics. This scenario has highlighted the role of ADR in resolving eligibility and technical disputes. In Lance Armstrong and United States Anti-Doping Agency Cyclist<sup>16</sup>, Lance Armstrong faced doping charges from the United States Anti-Doping Agency (USADA). Armstrong challenged the charges through arbitration before an independent panel. The Commission's decision to strip Armstrong of his Tour de France titles further illustrates the use of ADR mechanisms in resolving major anti-doping disputes.

Similarly, there is the case between Ray Rice and the NFL.<sup>17</sup> After a video surfaced showing Baltimore Ravens player, Ray Rice involved in a domestic violence incident, the National Football League (NFL) suspended him indefinitely. Rice appealed the suspension, and the case came before the arbitration panel. The National Football League (NFL) and The National Football League Players Association (NFLPA) later entered mediation to settle the issue. Ultimately, the indefinite suspension was lifted, and Rice was reinstated. In Sean Avery and the NHL<sup>18</sup>, Sean Avery, a professional hockey player, faced disciplinary action by the National Hockey League (NHL) after making inappropriate comments. He was suspended indefinitely. Avery and the National Hockey League (NHL) negotiated to resolve the dispute. A mediation process led to a settlement, and Avery's suspension was reduced. In Ryan Lochte and the US Olympic Committee,<sup>19</sup> Swimmer Ryan Lochte faced disciplinary action after fabricating a story about being robbed during the 2016 Rio

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<sup>14</sup> Ibid

<sup>15</sup> 2008 3(1) *Australian and New Zealand Sports Law Journal* 145

<sup>16</sup> <<https://www.google.com/search?client=firefox-b-d&q=https>> accessed 30 April, 2025

<sup>17</sup> <<https://abcnews.go.com/Sports/ray-rice-appeal-cite-edited-tape/story?id=25656777>> accessed 20 April 2024

<sup>18</sup> Shlok (n 8).

<sup>19</sup> <<https://www.africanews.com/2016/09/08/ryan-lochte-handed-10-month-suspension-by-us-olympic-committee/>> accessed 20 April 2024.

Olympics. The US Olympic Committee took action against Lochte and the US Olympic Committee negotiated to resolve the disciplinary matter. The mediation process resulted in a suspension for Lochte but allowed for a compromise between the parties. Another case worth referencing is one involving Chelsea FC and Dr. Eva Carneiro.<sup>20</sup> In this case, Dr. Eva Carneiro, the former Chelsea FC team doctor, was involved in a dispute with the club after being publicly criticized by then manager José Mourinho. Carneiro left the club and filed a constructive dismissal case. The case went for mediation, where a settlement was reached. The settlement terms were not disclosed, but mediation played a role in resolving the labor dispute.

The foregoing shows the intervention or decisions reached by different bodies involved in the resolution of sports related disputes through the application of ADR models. However, it is observed that the international sports arbitration in Switzerland extensively exercises appellate jurisdiction over sports related decisions. It is submitted that the concentration of appellate jurisdiction in Switzerland is a trend that cannot stand the test of time. Inevitable global changes that are bound to occur with the effluxion of time dictate the need for the decentralization of the arbitration body. Therefore, the need for Regional arbitration centers has become imperative as they potentially offer a more cost effective and practical alternative for sports disputes. The peculiarities of each region can influence the adoption of an approach that is unique to the regional and needs of the disputing factors as against the universal jurisdictions exercised by the CAS in Switzerland. Ideally, as the sports industry grows bigger and complex sport related disputes emerge, there is need for the enunciation and application of rules that may have global flavor but are related to home grown means of dispute resolution and resonate with the philosophy of the concerned state or regional laws.

Some states, in apparent recognition of this fact have established arbitration tribunals with the mandate to resolve sports related disputes in their respective jurisdictions. For instance, the sports Arbitration center in India was inaugurated in 2021<sup>21</sup> to serve as an independent body mandated to fast track disputes in the sports sector. The SACI is provided with all legal backing by the Ministry of Law and Justice. The establishment of SACI has far-reaching impact for the sports sector of India. Similarly, since December 2020, the operation of sports arbitration in France was introduced under the aegis of the Arbitration Chamber Arbitral du Sport<sup>22</sup>. In the same spirit, the German Court for Sport Administration<sup>23</sup> is a private and Independent dispute settlement body that is mandated to settle sports related disputes and plays a significant role in the aspects of anti-doping sanctions and review of decisions rendered by decision making bodies within the sports associations.

The German Court of Arbitration for Sport acts independently of sports associations and clubs, athletes and other sports organizations and players. Therefore, it is a proper arbitration court according to the German Code of Civil Procedure. The German Court of Arbitration for offers a set of arbitration rules created specifically for the settlement of disputes related to sports. There are many advantages to these administered arbitrations as they apply to a wide variety of disputes ranging from doping offenses, disputes in connection with sport events, transfer disputes, license agreements, sponsorship agreements, sport club disputes, etc.

Similarly, the use of arbitration as a dispute resolution mechanism is an intricate part of the Swedish sports sector<sup>24</sup>. According to the relevant Swedish law on the administration of sports, sport disputes

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<sup>20</sup> Shlok (n 8).

<sup>21</sup> <<https://currentaffairs.adda247.com/kiren-rijiju-inaugurates-indias-first-sports-arbitration-centre-in-gujarat/>> accessed 20 April 2025.

<sup>22</sup> <<https://wdassocies.com/en/sports-justice-in-france>> accessed last visited 20 April 2024.

<sup>23</sup> <<https://www.dis-sportschiedsgericht.de/en/the-court>> accessed 20 April 2024.

<sup>24</sup> <<https://www.lexology.com/library/detail.aspx?g=4799e893-ddd2-45d2-ac5c-a95f922cd18b>> accessed 20 April 2024.

between athletes and clubs are bound to be resolved vide arbitration.<sup>25</sup> Each dedicated sports federation has her own arbitration board with the supreme sports tribunal as the final instance, dealing with appeals against sports related rulings and decisions, as well as carrying out disciplinary sanctions handed down by the sports federation. The supreme sports tribunal also serves as the second instance of appeal for decisions made by the Doping panel made pursuant to the Anti-Doping Regulations.

The Egyptian Sports Settlement and Arbitration Centre was established within the Egyptian Olympics Committee, with the mandate of resolving sports related disputes in accordance with the Egyptian law<sup>26</sup>. The Sports Arbitration Centre is mandated to, among other things, resolve sport disputes through arbitration, spread the culture of sports arbitration, strengthen relations with competent authorities concerned with sports arbitration internally and externally etc. The jurisdiction of the Egyptian Sports and Arbitration Centre is wide and include disputes arising from the application of the provisions of the law and provisions of the laws regulating the Olympic Committee; the Egyptian Paralympic Committee; sports clubs and federations; members of the general assemblies of these federations as well as disputes that arise due to the interpretation or execution of contracts in the sports directory.

In the Nigerian state, the regime for the resolution of sports disputes is very weak and scanty, while the institutional framework for the resolution of sports related disputes has never been established. The only reference to the resolution of sports disputes is the Nigerian Football Federation (NFF) Statute which provides that the federation shall provide necessary institutional means to resolve any internal dispute that may arise between member, clubs, officials and players of the NFF<sup>27</sup>. The scant reference to the application of arbitration in the NFF Statute provides that NFF shall create an arbitration tribunal which shall deal with all internal national disputes between NFF, its members, players, officials, match and players and agents<sup>28</sup>. While NFF exercises disputes over internal disputes between her members, the statute provides that the Federation of International Football Association (FIFA) shall exercise jurisdiction in the event of any dispute between parties belonging to different associations or confederations<sup>29</sup>. NFF Statute further confers the right of appeal with respect to any final decision by the FIFA on the Court of Arbitration for Sports in Switzerland<sup>30</sup>, with exception that CAS shall not however, hears appeals on the violation of the laws of the game, suspension of up to four matches or up to three months, or decision passed by an independent and duly constituted arbitration tribunal of an association or confederation.

#### **4. Nigerian Sports Policy under Review**

The formal enunciation of a national policy to regulate the Nigerian sports industry commenced with the promulgation of Decree 34 of 1971, which established the then National Sports Commission. The objective of unifying all sporting activities under one umbrella and co-ordinating the governance, administration, operations and management of sports under the various national regulatory agencies in the country formed the cardinal philosophy behind the policy framework. The objective was to develop a sports industry that can propel socio economic development and facilitate the realization of the sustainable Development Goals for the teeming Nigerian population. The Nigerian population has potential for the sports industry if there is a coherent and enforceable policy framework that can galvanize the vibrant and energetic population. However, the sector has been beleaguered by weak governance structure, poor regulatory framework and lack of adequate funding. There have been several sports policies designed to

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<sup>25</sup> Ibid.

<sup>26</sup> Article 67 of the Egyptian Sports Law

<sup>27</sup> Article 4(3) of the NFF Statute

<sup>28</sup> Article 68 *ibid.*

<sup>29</sup> Article 68(2) *ibid.*

<sup>30</sup> Article 70 *ibid.*

promote sports development in the country. The first was the first National Sports Policy in 1989 which was revised in 2003 and 2009 respectively. Several reports and advisory committees have also contributed to create a vibrant sports sector.<sup>31</sup> The new National Sports Industry Policy was adopted by the federal government of Nigeria in 2022. Fundamentally, the policy has reclassified sport as an economically viable sector with capacity to attract foreign investment and impact on the national economy. As against the erstwhile impression about the sector as merely a compendium of leisure activity, the new sport policy has transitioned the industry into a hub of investment. This has changed the perception about the industry that is now regarded as a leveler for social cohesion, health promotion, economic development and international cooperation.

The policy also included Several investment incentives in the political economy of sport administration to include: Tax exemption and rebate for a period of 5 years for investment in the sports value chain; Land provision and waiver for certain fees on lands meant for sports; reduced interest rates of loans for corporate organizations and private individuals investing in the sports value chain; Independent government grant for the establishment of an independent fund from which athletes representing the country can draw support for education and training. The application of existing “Renovate Operate Transfer” (ROT), “Build Operate and Transfer” (BOT) funding schemes and any other innovative Public Private Partnership (PPP) financing model for the provision and rehabilitation of sports facilities, in close collaboration with the Ministry of Finance, Budget and National Planning and full operationalization and application of the Sports Code of Governance is one of the investment incentives provided by the national sports policy.

Regrettably, notwithstanding the ambitious plan for a robust sports industry under an economic framework that promotes private sector participation and investment in sports, there is the clear absence of a dispute resolution system in resolving sports disputes according to the ADR model. The study argues that this lacuna can serve as a disincentive to the optimal exploitation of the policy, and capable of undermining the ambitious plan for an economically viable sports industry in Nigeria.

## **5. ADR Mechanism and Development of a Resilient Sports Economy in Nigeria**

Globally, the sport industry has potential to impact on the global economy in the coming years. As an emerging industry where the potential have not been optimally harnessed, the sport industry is evolving as a complex sector that requires a formidable and result oriented means of dispute resolution that would meet the needs of the disputing parties. Therefore, the ADR model of dispute settlement comprising of arbitration, mediation and in some instances negotiation can be relied upon based on the preferences of the parties. Arbitration is a process where parties to a dispute agree to have a neutral third party, called an arbitrator, resolve the dispute. The arbitrator makes a binding decision that is enforceable in court. Mediation on the hand is a process that involves parties to a dispute working with a third party neutral called a mediator, to reach a mutually satisfactory solution, which outcome is mutually acceptable to the disputing parties. The mediator does not make decision but midwifes the process of communication between the parties to arrive at an outcome. The negotiation process is quite distinct from the other two processes discussed; negotiation often involves parties in dispute engaging themselves directly with or without the presence and assistance of any third party. It is about the simplest and most human friendly means of resolving disputes.

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<sup>31</sup> 2003 President Obasanjo Sports Policy 2003; Review Report Vision 2010 ; Sports Development Strategy Report 2009; Presidential Advisory Committee on Sports Report Vision 2020; Sports Development Strategy Report 2014; National Physical Education and School Sports Policy 2016; Ministerial Report on Sports Development the most recent sports policy was developed in 2020 known as the Draft National Sport Policy. The policy took into consideration and reviews preceding sport policies and brought to fore a comprehensive national sports policy that was adopted by the Buhari administration in 2023.

The Constitution of the Federal Republic of Nigeria provides for unfettered access of all Nigerians to the courts<sup>32</sup> for the determination of any dispute between a person and government, or between an individual and a corporate entity, or between individuals. Regrettably, the conventional court system of resolving disputes is beleaguered by series of challenges which has made the resolution of disputes protracted, cumbersome and tainted with unnecessary delays. This has made court method of resolving disputes become unattractive to potential investors who may be interested in sports investment in Nigeria. Observed constraints in the conventional dispute resolution system have influenced the preference for alternative dispute resolution the choice of resolving disputes for present and potential investors in Nigeria, with emphasis on arbitration and mediation. The efficient resolution of these disputes is critical to the optimal and sustained cross border investment in the sports industry, and could serve as a measure for ensuring stability in the sector.

The arbitration and mediation procedures are simple and not given to undue technicalities. The method has inherent characteristics and advantages of speedy resolution of disputes, not susceptible to external influence in the making of awards. Arbitration and mediation have been accorded international recognition on grounds that unlike conventional national courts, arbitrators and mediation processes are not subject to national prejudices and sentiments in the determination of awards against foreign investors. By reason of the international flavor associated with the ADR method of dispute resolution, the application of arbitration or mediation in the Nigerian sports sector has propensity for not only facilitating quick resolution of disputes, but also promoting national and foreign investment in the sports industry, with prospects for encouraging foreign direct investment in the sector and impacting on the national GDP. This is because an efficient dispute resolution mechanism has a solid correlation with increased investment and economic growth globally. It has a nexus with economic justice and growth such that its importance is emphasized to influence corporate investments, especially in developing countries where the absence of effective and reliable dispute resolution mechanism has characteristically become a recurrent development<sup>33</sup>. Therefore, the operation of an effective justice delivery system that may impact on many dimensions of development and economic growth becomes necessary.<sup>34</sup>

Trends in globalization and international investment have shown that efficiency in dispute resolution can attract more investment. Available data supports the foregoing premise. For instance, a study in Argentina and Brazil found that firms located in provinces with effective dispute resolution system have greater access to credit facilities.<sup>35</sup> Another study in Mexico shows that states with better Court systems have larger and more efficient firms.<sup>36</sup> In the state of India, research shows that firms and Industries that are capital intensive tend to locate to regions with good contract enforcement mechanisms, that resolve cases with dispatch, and that are predictable and accessible to the public without hindrance<sup>37</sup>. Such a system has the propensity of expanding trade, improving business climate<sup>38</sup> and attracting direct foreign investments as well securing revenue for the state. In a similar pattern, firms in Brazil, Peru and the Philippines report their willingness to invest more in areas where they have greater confidence in the dispute resolution system.<sup>39</sup> Available data

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<sup>32</sup> Section 6 CFRN 1999.

<sup>33</sup>Marilene Lorizioa and Anthonia Rosa Gurreria, 'Efficiency of Justice and Economic Systems', (2014) 17 *Procedia Economics and Finance*, 104-112.

<sup>34</sup> Ibid.

<sup>35</sup>World Bank development Report 2005; A Better Investment Climate for Everyone. New York Oxford Press.

<sup>36</sup>ibid

<sup>37</sup> K Dam, 'The Judiciary and Economic Development' in John M Olin, Law and Economics working paper 287(second series) university of Chicago Law School, Chicago.

<sup>38</sup>Islam, Roumen, 'Do More Transparent Governments Govern Better?' Policy Research Working Paper 3077, World Bank, Washington. DC.

<sup>39</sup>Castelar-Pinheheiro, Armando and Celia Cabral, Credit Markets in Brazil: The Role of Judicial Enforcement' In Marco Pegano and Oracio Attansio, Deffusing Default; Incentives and Institutions (2001) Inter-American Development bank, Washington DC.



further indicates that transitioning economies of Eastern Europe and the former Soviet Union between 1992 and 1998 reveals that reforms in corporate bodies notwithstanding, when the institutional framework are not functional or ineffectual, they do not avail much<sup>40</sup>. In 2012, The United Nations General Assembly adopted a resolution noting that “the rule of law and development are strongly interrelated and mutually reinforcing, that the advancement of the rule of law at the national and international levels is essential for sustained and inclusive economic growth, sustainable development, eradication of poverty and hunger and the full realization of all human rights and fundamental freedoms, including the right to development”.

Sports investments, like energy and maritime investments are transnational in nature, such that the mechanism adopted in the resolution of sports disputes should possess universal appeal. Among other compelling factors, arbitration transcends the prejudices that may be associated with national courts, with advantages to include confidentiality; less reliance on technicalities; quick dispensation of justice; availability of experts as arbitrators with perfect grasp over the subject matter arbitrated upon; flexibility in the conduct of arbitral proceedings; cross border enforcement of arbitral awards and autonomy of parties. Same is applicable to mediation which is not adjudicatory in nature but tailored towards engaging respective parties reach an amicable and mutually beneficial settlement process to meet their peculiar needs. Nigeria has a population of more than two hundred million people, with the youths constituting over 70% of the entire population. The state has a sports economy that is underutilised, owing majorly to poor funding, lack of infrastructure, poor method of dispute resolution and the absence of robust investment in the sector. These have served as constraints to the effective harnessing of the potential in the Nigerian sports industry. There is need to encourage domestic and international investors in the sports economy in Nigeria which is still growing, with potential for diverse investments that would maximally on national development. However, as earlier stated, an effective dispute resolution mechanism is critical to international sports investments in Nigeria.

## **6. Conclusion and Recommendations**

The dominance of the Nigerian population by a vibrant and energetic youth is indicative that the Nigerian sports industry has a rich human resources profile, with potential for economic development. This has influenced the articulation of a policy framework geared towards the establishment of an integrated and coordinated sport industry that promotes sports administration and recreation. The Draft National Sport Policy of 2022 introduced a unique trajectory in the administration of sports in Nigeria by transitioning it from the realm of mere recreation into a hub of economic investment.

The policy was adopted by the Federal Executive Council and has become the extant policy on sports administration in Nigeria. By this policy, the stage is set for a sport clime that is a hybrid of entertainment, education, tourism, recreation and investment. This promises to impact meaningfully on the national GDP with positive effect on the socio economic and political development of the Nigerian state. Like every human endeavor, the emerging sports industry is complex and fraught with inevitable eruptions of disputes that must be resolved. The conventional method of resolving disputes cannot be utilised in settling sports disputes due to perceived institutional and adjudicatory weaknesses. This underscores the preference for Alternative Dispute Resolution (ADR) model in the resolution of sports disputes globally.

The established court of Arbitration of sports (CAS) at Lausanne, Switzerland in 1984 has universal jurisdiction and mandate to settle sports related disputes in accordance with established procedures. The CAS has a total of about 300 arbitrators from 87 countries, with specialised knowledge of arbitration and sports law. The establishment of sports arbitration tribunals by nations like France,

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<sup>40</sup>Pistor, Kathrina, Martin Raiser and Stanislaw Geifer, ‘Law and Finance in Transition Economies’(2000) 8(2) *Economics of Transition*, 325-68

Germany, Sweden, India and Egypt further gives credence to the imperatives of the ADR model in the administration of sport justice. In the Nigerian context, despite the avalanche of policies to regulate the industry, there has been the absence of an of ADR model as a conflict resolution mechanism in the sports industry.

In appreciation of the global trends on ADR in the administration of sport justice, the study has explored the international and national regime on ADR, the study identifies the rich sports profile in Nigeria and the role of ADR in promoting a resilient sports economy in Nigeria. Dispute settlement is very critical and has a correlation with any investment regardless of the jurisdiction. To that extent, the study finds that the ambitious plan for transforming the sports industry in Nigeria into a haven of investment and economic development can be undermined in the absence of a functional dispute resolution mechanism tailored after the ADR model as is obtainable in other jurisdictions.

The global community is moving towards the entrenchment of ADR in the administration of sports. Justice. The study therefore recommends the articulation of a national sports policy that provides for a vibrant and functional framework for the administration of sports justice in Nigeria. The establishment of a National Sports Arbitration and Mediation Tribunal is strongly recommended by the study. The tribunal should be vested with the mandate to exercise jurisdiction over all sports related disputes in Nigeria. The tribunal should be conferred with powers to exercise original and appellate jurisdictions over sports disputes in certain aspects while the right for appellate jurisdiction conferred on the FIFA and the Court of Arbitration (CARS) should be exercised only at the discretion and mutual consent of the parties concerned. The policy intervention that grants discretion on disputing parties over appeals to the CAR is in tandem with the principle of party autonomy which is a core feature of arbitration.

Finally, in view of the potential in the Nigerian sport industry that is yet to be optimally harnessed, an efficient and reliant dispute resolution mechanism in the sports would act as an incentive for sports investment and governance in Nigeria. The diversification of the Nigerian economy through sports and the attendant impact on the national GDP are major incentives that should motivate the adoption of the recommendations as provided by this study. Bearing this in mind, the need for the restructuring of the justice system in the administration of sports in Nigeria has become a political and economic imperative.