

2024 IN REVIEW TELECOMMUNICATIONS, MEDIA AND TECHNOLOGY PRACTICE GROUP



www.advocaat-law.com Advocaat Law Practice I in Advocaat Law Practice



2024 proved to be a year of remarkable growth for the Nigerian Technology, Media, and Telecommunications (TMT) sector, despite the challenging economic climate. The sector continues to evolve with innovations across various areas, from the continuing surge of innovations in Fintech and cryptocurrency to advancements in Artificial Intelligence and the burgeoning Media & Entertainment industry.

This growth was mirrored in the increasing legal complexities arising from these developments, necessitating innovative legal solutions and a deep understanding of the evolving regulatory framework. This report analyses significant legal and regulatory developments, including landmark court decisions, legislative enactments, and emerging trends that shaped the TMT sector in 2024

TECHNOLOGY

FINTECH

CBN's Enforcement of KYC on FinTechs in Nigeria

1

In 2024, the Central Bank of Nigeria (CBN) intensified its enforcement of Know Your Customer (KYC) regulations on fintechs, reflecting heightened regulatory scrutiny and broader efforts to address identified systemic financial vulnerabilities. The year was marked by a series of actions that underscored the CBN's growing concern over compliance gaps within the fintech industry and its potential impact on stability in the financial sector.

Key Regulatory Actions

- 1. Suspension of Customer Onboarding: In April 2024, the CBN directed major fintech players—Kuda Bank, Moniepoint, OPay, and PalmPay—to temporarily halt onboarding of new customers. This directive coincided with an investigation by the Economic and Financial Crimes Commission (EFCC) into unauthorized forex dealings linked to 1,146 bank accounts, 10% of which were operated by fintechs. While customer deposits and other banking activities were unaffected, the suspension highlighted concerns over lax KYC processes enabling fraudulent activities.¹
- 2. Stricter KYC Compliance Rules: Following the onboarding ban, fintechs were mandated to implement more robust KYC measures, including ID verification and physical address checks for all account tiers. This marked a shift from the 2013 three-tiered KYC system, which previously allowed customers to open accounts with minimal documentation to promote financial inclusion.

1

@ @ @

.....

and a little lit

¹ <u>https://techcabal.com/2024/04/29/exclusive-cbn-directs-four-fintechs-to-stop-onboarding/</u>



- **3. Resumption of Onboarding:** After complying with the CBN's requirements, fintechs were cleared to resume onboarding new customers **on June 4, 2024**. This decision followed a five-week freeze, during which fintechs were expected to overhaul their compliance processes to meet the regulatory standards. While the CBN did not release an official statement, affected fintechs, such as OPay and Kuda, confirmed the development in customer communications and public announcements.²
- 4. Increased Compliance Audits and Fines: In the second quarter of 2024, CBN audits led to fines of ₦1 billion each for Moniepoint and OPay, citing non-compliance with KYC and Anti-Money Laundering (AML) standards. Several other fintechs faced penalties as part of broader efforts to ensure adherence to regulatory frameworks.³

The CBN's enforcement actions signalled a paradigm shift in Nigeria's fintech landscape, from hypergrowth to compliance-driven sustainability. While these measures have helped curb fraud and bolster regulatory confidence, they also underscore the cost of scaling without robust frameworks.

CBN Launched BVN Platform for Non-Residents

To enhance economic participation among Nigerians in the diaspora, the CBN announced the launch of <u>a Non-Resident BVN Portal</u> through the Nigerian Inter-Bank Settlement System (NIBSS), scheduled for December 2024. This platform is to streamline access to banking services for Nigerians abroad, enabling them to operate local bank accounts seamlessly and fostering greater financial inclusion.

FCCPC Warns Banks Over Online Banking Disruptions

In response to widespread disruptions in online banking services, the Federal Competition and Consumer Protection Commission (FCCPC) <u>expressed concerns</u> over the inability of customers to access funds and complete transactions, resulting in significant inconvenience and financial distress. The FCCPC urged banks to prioritize restoring services, enhancing customer support, and communicating transparently about service interruptions. The Commission also emphasized that it may take further regulatory action to uphold consumer rights and ensure accountability.

CBN Reassures Public on Banking System Stability

Amid growing concerns over financial system stability, the <u>CBN reaffirmed its commitment</u> to safeguarding the Nigerian banking sector. It assured the public that deposits remain safe while highlighting ongoing efforts to enforce banking regulations and global best practices. Key measures include regular stress testing, the deployment of Early Warning Systems to detect vulnerabilities, and a Risk-Based Supervision framework targeting high-risk institutions. Additionally, the CBN emphasized its collaboration with international regulators via Memoranda of Understanding (MoUs) to ensure Nigerian bank subsidiaries abroad operate safely and in line with global standards.

² <u>https://www.inclusiontimes.com/cbn-clears-fintechs-to-resume-new-customer-onboarding/</u>

³ https://techcabal.com/2024/12/10/cbn-fines-moniepoint-and-opay/



NIGERIA'S CRYPTOCURRENCY REGULATORY LANDSCAPE IN 2024

January 2024 – Lifting of Crypto Ban and Release of Guidelines

At the start of the year, the Central Bank of Nigeria (CBN) issued <u>its first guidelines for banks opening</u> <u>cryptocurrency accounts</u>. While the ban on banks holding or trading virtual assets was upheld, the regulator permitted banks to support crypto service providers. Key stipulations included:

- Only naira-based accounts are allowed for crypto transactions.
- Restrictions on cash withdrawals and clearing third-party checks.
- Limits on quarterly withdrawals to two per account.

This marked a significant step toward integrating cryptocurrencies into Nigeria's financial system while ensuring oversight to mitigate risks highlighted by global crypto-related collapses, such as the FTX bankruptcy.

February to April – Binance and the Nigerian Government

In 2024, Binance faced significant regulatory challenges in Nigeria, marking a turbulent period for the global cryptocurrency platform in one of its largest markets. In February, <u>accusations</u> arose that Binance's Peer-to-Peer (P2P) trading feature was being used to manipulate the naira's exchange rate, prompting the platform to suspend P2P trading. Shortly after, Binance's website and other crypto platforms were blocked in Nigeria. Tensions escalated later that month when <u>two Binance employees</u> were detained by Nigerian authorities, accused of involvement in alleged financial crimes, including tax evasion and money laundering. By March, the Federal Inland Revenue Service (FIRS) formally charged Binance with tax evasion, while Nigeria demanded transaction data on Binance's top 100 users to investigate currency manipulation claims.

Due to this, Binance was forced to make operational adjustments. Despite the company's assurances of compliance and cooperation with local authorities, the Nigerian government maintained its stance, emphasizing the need to protect the economy from perceived threats posed by crypto platforms. The drama escalated in March when one detained employee escaped custody, leading to Nigeria's unsuccessful attempts in April to secure his extradition from Kenya.

June 2024 – SEC Launches Accelerated Regulatory Incubation Program (ARIP)

The Securities and Exchange Commission (SEC) launched the <u>Accelerated Regulatory Incubation</u> <u>Program (ARIP)</u> to streamline the onboarding of Virtual Assets Service Providers (VASPs). Key features include:

- Provisional licensing for applicants under strict supervision.
- Compliance with anti-money laundering and investor protection requirements.
- Penalties for non-compliance, ranging from №5 million to №20 million, with additional daily fines for continued violations.

The ARIP aims to support market integrity, enhance investor confidence, and provide clarity on crypto business models for future regulatory frameworks.



July 2024 – Introduction of 7.5% VAT on Crypto Transaction Fees

On July 8, the Nigerian government imposed a **7.5% Value-Added Tax (VAT)** on cryptocurrency transaction fees. Platforms like KuCoin announced this regulatory measure and began collecting the tax immediately. The move highlights Nigeria's efforts to generate revenue from its growing crypto sector while tightening oversight on activities like exchange rate manipulation.

August 2024 – SEC Approves Two Digital Asset Exchanges

On August 29, the SEC <u>granted "Approval-in-Principle</u>" to **Busha Digital Limited** and **Quidax Technologies Limited** under the ARIP framework. This marked a significant milestone, signalling the regulator's commitment to authorizing only compliant platforms for crypto trading in Nigeria. The SEC urged the public to avoid unregistered operators, reinforcing its drive toward a safer and more transparent cryptocurrency market.

October 2024 – Federal High Court Dismisses the Case Against Binance Executive

After several appeals to release the Binance executive whose health was allegedly failing in custody where he was remanded, the Economic and Financial Crimes Commission (EFCC) dropped the money laundering charges against the Binance executive. Thereafter, the Federal High Court in Abuja <u>dismissed the case</u> and ordered his release. However, despite the charges being dropped for the executive, the EFCC continued with its case against Binance as a company, signalling that the platform remains under investigation for alleged financial impropriety.

December 2024 – Bitcoin Reaches Record High Amid Global Developments

In December, as Bitcoin surged to a <u>record \$106,000 globally</u>, Nigeria's crypto community watched keenly. This global rise was spurred by President-elect Donald Trump's announcement of plans to create a U.S. Bitcoin strategic reserve, boosting investor confidence. The development aligned with global trends, as countries like the U.S., Russia, and El Salvador explored cryptocurrency reserves to diversify assets and reduce reliance on fiat currencies.

ARTIFICIAL INTELLIGENCE

1. AI Legislation

The **National Artificial Intelligence Regulatory Authority Bill 2024** was introduced in the House of Representatives for its first reading. This marks the third AI-specific legislative proposal in two years, reflecting Nigeria's proactive approach to addressing the ethical, legal, and societal challenges associated with AI. The proposed legislation aims to establish a clear regulatory framework to govern AI development and deployment while safeguarding privacy, promoting accountability, and fostering innovation.⁴

2. National Artificial Intelligence Strategy (NAIS)

Nigeria unveiled its draft **National Artificial Intelligence Strategy (NAIS)** for public review, signalling a major step in shaping the country's AI future. The NAIS outlines a comprehensive roadmap for

⁴ <u>https://orderpaper.ng/as-reps-process-ai-regulation-legislation-bills-</u>

board/#: ":text=The%20Artificial%20Intelligence%20Bill%20of,the%20forefront%20of%20this%20revolution.



integrating AI into key sectors such as healthcare, agriculture, education, and finance. Its primary objectives include:

- Promoting job creation, social inclusion, and sustainable development.
- Developing ethical and inclusive AI ecosystems.
- Building infrastructure and capacity to support widespread AI deployment.

Public participation was prioritized in the review process, inviting diverse feedback to refine the strategy. The NAIS emphasizes AI literacy, workforce training, and international collaborations to position Nigeria competitively in the global AI landscape. The document can be downloaded directly <u>here</u>.

3. Empowering Startups through the #100 Million AI Fund

The National Centre for Artificial Intelligence and Robotics (NCAIR), in partnership with Google, launched the ¥100 million <u>AI Fund</u>. This initiative is designed to support Nigerian startups developing AI-driven solutions. Benefits include:

- Funding of up to ₩10 million for each selected startup.
- Access to Google's AI tools, mentorship, and global networks.
- Opportunities to scale innovations beyond local markets.

The program underscores the government's commitment to fostering homegrown AI innovation and addressing local challenges through technology. Selected startups were announced in October, marking a milestone for Nigeria's startup ecosystem.

4. Continental AI Strategy and African Digital Compact

At a regional level, the **African Union Executive Council** endorsed the <u>Continental AI Strategy</u> and **African Digital Compact** in August 2024. These frameworks advocate unified national approaches to AI across member states to:

- Enhance regional and global cooperation.
- Drive sustainable development through digital technologies.
- Foster innovation and ensure digital inclusivity.

These strategies aim to position Africa as a leader in responsible AI development while building a digitally empowered continent.

INTELLECTUAL PROPERTY

1. Havells India Wins Trademark Infringement Case in Nigeria (February 2024)

The Federal High Court ruled in favour of Havells India Limited, affirming the infringement of its wellknown trademark by MDC Havels Products Limited. The judgment mandated the removal of MDC's company name from Nigeria's corporate register and awarded Havells N50 million in damages. This decision highlights Nigeria's commitment to enforcing IP laws and combating counterfeiting in critical industries, especially with regards to the protection of well-known marks.

2. Adoption of a Landmark WIPO Treaty on Genetic Resources (May 2024)

<u>WIPO introduced a groundbreaking treaty</u> addressing the interface of IP with genetic resources and traditional knowledge. For the first time, patent applicants are required to disclose the origin of genetic resources used in their inventions, promoting transparency and recognizing Indigenous Peoples' contributions. However, criticism persists regarding the treaty's lack of provisions for compensating these communities. It will come into effect after ratification by 15 member states. It must be noted that Nigeria is yet to ratify this treaty.

3. Progress on Nigeria's National IP Policy and Strategy (NIPPS) (October 2024)

The Federal Ministry of Art, Culture, and Creative Economy, in collaboration with other government bodies, held a pivotal forum to <u>finalize recommendations</u> for the National Intellectual Property Policy and Strategy. The revised draft emphasizes updated legislation, technology-driven solutions, IP education, commercialization, and capacity-building for professionals. A detailed roadmap for implementation, including institutional restructuring and funding, was developed to strengthen IP protection and enforcement.



4. Approval of Creative Economy Development Fund (CEDF) and IP Monetization Pilot (October 2024)

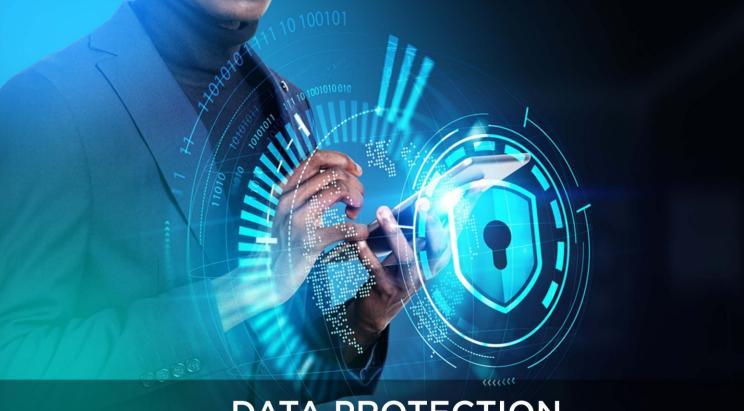
The Federal Executive Council <u>approved the CEDF</u> and an IP Monetization Pilot aimed at empowering creatives through innovative funding mechanisms. The CEDF will provide access to finance through securitization and collateralization of IP assets. Developed in collaboration with the AfDB, this initiative underscores the economic potential of Nigeria's creative industry, fostering IP valuation standards and investor confidence.

5. Adoption of the Riyadh Design Law Treaty by WIPO Member States (November 2024)

<u>WIPO member states</u> adopted the Riyadh Design Law Treaty, streamlining global design protection processes. The treaty simplifies filing procedures, introduces e-filing systems, and establishes technical assistance for developing countries. Importantly, it interfaces design protection with traditional knowledge, encouraging the integration of cultural expressions in design IP frameworks. Nigeria has not signed nor ratified this treaty.

6. Copyright Infringement Lawsuit Against Gospel Artist Sinach (November 2024)

Renowned gospel singer Sinach is facing <u>a N5 billion lawsuit filed</u> by producer Oluwole Michael (Maye), who claims co-authorship of her hit song *Way Maker*. Maye alleges his role in production entitles him to earnings from the track, while Sinach maintains ownership, citing his contribution as limited to paid studio engineering. The case, involving one of Nigeria's most celebrated songs, will resume in 2025.



DATA PROTECTION

1. International Commitments:

• African Union Convention on Cyber Security and Personal Data Protection (Malabo Convention): Nigeria has made a landmark step in its commitment to data security by ratifying and signing the Malabo Convention. This treaty, adopted in 2014, addresses critical issues surrounding data protection, cybersecurity, and electronic transactions across Africa. The ratification signifies Nigeria's intent to enhance regional collaboration and align with continental standards for data protection.

2. Regulatory Developments:

- General Implementation and Application Directive (GAID): The Nigerian Data Protection Commission (NDPC) has released <u>the GAID</u> to operationalize the Nigeria Data Protection Act (NDPA). Key provisions include:
 - Mandatory semi-annual data protection audits for organizations.
 - Expanded scope of Data Protection Impact Assessments (DPIAs), ensuring broader compliance.
 - Increased obligations for data controllers and processors to adhere to the NDPA's requirements.

Following its publication, the NDPC held a validation workshop to incorporate stakeholder feedback, highlighting a commitment to inclusive regulatory development.



3. Judicial Decisions:

- Federal High Court (FHC) Rulings:
 - **KYC Obligations and Social Media Handles:** The FHC upheld the Central Bank of Nigeria's (CBN) regulation requiring financial institutions to collect customers' social media handles as part of Know-Your-Customer (KYC) protocols. The <u>court ruled</u> that this directive does not infringe on individuals' privacy rights since social media handles are considered public information.
 - Unauthorized Data Use: In a separate case, the FHC <u>ruled against a financial</u> <u>institution</u> for unlawfully using a customer's data to open a domiciliary account without consent. The court awarded NGN 7.5 million in damages, reinforcing the importance of obtaining informed consent in data processing activities.

4. Regional and Continental Efforts:

- a. African Union Child Online Safety and Empowerment Policy: The AU has introduced a comprehensive policy to safeguard children's rights in the digital environment. It provides a framework for national regulators and ICT providers to mitigate risks associated with children's use of digital technologies while maximizing the benefits of ICT tools. The policy also emphasizes capacity building to ensure all stakeholders are equipped to prioritize children's safety online.
- b. ECOWAS Revised Supplementary Data Protection Act: ECOWAS released a draft of its updated data protection framework aimed at harmonizing data governance practices within the region. The draft focuses on protecting individuals' rights during personal data processing and fostering secure cross-border data flows. <u>Stakeholder consultations</u> are ongoing to refine the draft.

5. Notable Penalties and Enforcement Actions:

- a **Meta Fined \$220 Million:** After a 38-month investigation, Nigeria's Federal Competition and Consumer Protection Commission (FCCPC) and the NDPC imposed <u>a \$220 million fine on Meta</u> for violating local data protection and privacy laws. The violations included:
 - Appropriating Nigerian users' data without consent.
 - Enforcing exploitative privacy policies.
 - Providing discriminatory treatment to Nigerian users compared to other jurisdictions with similar regulations.
- b. Fidelity Bank Fined NGN 555.8 Million: The <u>NDPC fined Fidelity Bank</u> for processing personal data without informed consent and for using non-compliant third-party processors. The fine followed an investigation triggered by a complaint from a data subject whose personal data was unlawfully collected to open an account. Despite opportunities to address the Commission's concerns, the NDPC found that the bank failed to present a satisfactory remediation plan. The bank contested the findings, stating that internal investigations contradicted the NDPC's conclusions. However, the NDPC emphasized the importance of



transparency and compliance in digital data processing practices.

c. The Nigeria Data Protection Commission (NDPC) <u>fined four banks and three companies a total</u> of NGN 400 million for breaches of citizens' data rights, including unauthorized data processing and non-compliance with the Nigeria Data Protection Act (NDPA) 2023. These enforcement actions reflect NDPC's commitment to ensuring accountability and safeguarding personal data across sectors. As a result, compliance levels have improved, with the private sector achieving 55% compliance, up from 49%, and the public sector rising from 4% to 15%.

6. Industry Investigations:

- The NDPC initiated an investigation into a digital finance platform for deploying "privacyinvading" technologies to facilitate marketing, credit scoring, and other financial services.
- The NDPC reported that it was <u>investigating</u> 17 major data breaches across multiple sectors, including finance, technology, education, logistics, consulting, lottery, and gaming. These investigations are part of over 1,000 complaints received, of which 50 had been verified, and NGN 400 million in penalties have already been generated through remedial actions.



MEDIA & ENTERTAINMENT

1. Federal High Court Nullifies Provisions of the Nigerian Broadcasting Code

In the determination of the suit between *Media Rights Agenda v. The Nigerian Broadcasting Commission*, the Federal High Court on the 17th of January 2024 nullified the provision of the Nigerian Broadcasting Code empowering the National Broadcasting Commission to impose fines on broadcast stations in Nigeria for alleged breaches of the Code and ruled that administrative and regulatory bodies could not exercise judicial powers.⁵ In the suit between the parties, the Commission imposed fines of NGN5 million each on a television station and three pay-TV platforms in 2022 for allegedly undermining national security by broadcasting documentaries on banditry in Nigeria. In delivering her judgement, Hon. Justice Rita Ofili-Ajumogbobia held that the NBC was not a court of law and acted outside the scope of its powers by imposing fines and granted an order of perpetual injunction restraining the Commission or anyone from acting on its behalf.⁶

2. Journalists' Safety and Harassment

The Committee to Protect Journalists (CPJ) reported an increase in attacks and harassment against journalists in Nigeria, particularly those covering sensitive topics like corruption and politics. In Nigeria, at least 29 journalists have faced legal charges under the cybercrime law since its implementation in 2015.⁷ The CPJ cautioned that despite years of advocacy by human rights groups and CPJ, the February amendments to the law still left journalists susceptible to prosecution due to an overly broad definition of criminal offences.

⁷ <<u>Nigeria police charge 4 journalists with cybercrimes for corruption reporting - Committee to Protect Journalists</u>>

⁵ <<u>Court nullifies broadcasting codes empowering NBC to fine media houses - Vanguard News</u>> accessed 11th December 2024.

⁶ Ibid.

Accessed 12^{th} December 2024.



3. Broadcast License Renewals and Conditions

The National Broadcasting Commission (NBC) has stiffened the process for broadcast license renewals. New conditions were imposed, including stricter adherence to local content quotas and ethical broadcasting standards.⁸

4. Instagram Introduces "Teen Accounts" to Protect Underaged Users

Instagram, a Meta platform, has introduced Teen Accounts, a new feature designed to safeguard under-18 users by restricting contact and content exposure. This new teen protection initiative aims to address growing concerns about the potential negative impacts of social media on teenagers. Meta announced that all accounts belonging to under-18 users will be automatically transitioned to private Instagram Teen Accounts. These accounts will have strict privacy settings, limiting direct messaging and tagging to approved contacts. Additionally, sensitive content settings will be automatically set to the most restrictive options. Meta has also provided parents with a range of tools to monitor their children's activity and manage their app usage.⁹

5. WHO Collaborates with TikTok to Combat Health Misinformation

The World Health Organization (WHO) has partnered with TikTok for a year-long initiative aimed at promoting health literacy, encouraging healthy behaviours, and countering the use of the platform to spread misinformation.¹⁰ This collaboration has been viewed to reflect social responsibility on the part of TikTok. By partnering with a global health authority like the WHO, TikTok demonstrates its commitment to using its platform for positive social impact and prioritizing user well-being.

6. Court Authorizes CBN to Request for Social Media Handles as part of KYC

The Federal High Court, in the case of *Chris Eke v. CBN*,¹¹ upheld the validity of Section 6(a)(iv) of the CBN (Customer Due Diligence) Regulation, 2023. This provision authorizes the CBN to require customers to provide their social media handles as part of the Know-Your-Customer (KYC) process. The Court reasoned that a social media handle is comparable to an email address or phone number, serving as a means of contact and verification for potential bank customers.¹²

¹¹ Suit No: FHC/L/CS/1281/2023

⁸ National Broadcasting Commission (NBC), "Broadcast License Renewal Guidelines,"

<<u>https://services.gov.ng/apply-or-renew-license-and-permits/</u>> accessed 11th December 2024.

⁹ <<u>Instagram rolls out 'Teen Accounts' globally amid concern over social media effect</u> - <u>Nairametrics</u>> accessed 12th December 2024.
¹⁰ <<u>WHO and TikTok to collaborate on more science-based information on health and well-being</u>> accessed 12th December 2024.

¹² <<u>Judge rules CBN can ask for social media handle as part of KYC, "same genre as the provision of email address, phone number"s</u>-Nairametrics> accessed 12th December 2024.

TELECOMMUNICATIONS

The telecom sector reportedly accounted for 16% of the Gross Domestic Product (GDP) in 2024, continuing its consistent contribution and importance to the Nigerian economy. There was however a notable decline in foreign investments in the sector, dropping from \$113.42 million in the second quarter to \$14.4 million in the third quarter of 2024. The sector continues to face significant operational challenges ranging from the impact of currency devaluation and inflation, high energy costs, multiple regulation and taxation.

- A. Business Rules on the Registration of Communications Subscribers Regulation 2024: This document, issued in April 2024 as a first amendment to the August 2022 version, outlines the business rules for registering communication subscribers in Nigeria. It focuses on the mandatory use of a National Identity Number (NIN) for SIM card registration and related activities. The document includes requirements for the self-service Know Your Customer (KYC) system, a glossary of terms, and service level requirements. It covers processes for SIM registration, activation, and mobile number portability (MNP), with specific rules for different subscriber categories like foreigners, diplomats, and corporate entities. It also details data retention policies, NIN verification procedures, and guidelines for handling mismatched subscriber information.
- B. A landmark development was the Federal High Court's affirmation of the Federal Competition and Consumer Protection Commission (FCCPC) as the primary authority over competition and consumer rights in telecoms, ending years of jurisdictional ambiguity with the Nigerian Communications Commission (NCC). This ruling empowered the FCCPC to pursue anticompetitive investigations, including its high-profile probe into MTN Nigeria.
- C. The year also saw intensified enforcement of the <u>SIM-NIN linkage policy</u>, with the NCC mandating telecom operators to bar over 40 million non-compliant subscribers by March



2004. While this move was to bolster national security and digital identity frameworks, it sparked debates over its exclusionary impacts

- D. During the year, the protracted MTN-Glo interconnect debt dispute resurfaced, threatening service disruptions for millions. Though the NCC mediated temporarily, the companies have since agreed to resolve the interconnection dispute, leading the NCC to withdraw its approval plan to disconnect Globacom.
- E. Starlink, the satellite internet service provider owned by SpaceX, also made headlines in 2024 with its attempt to <u>double subscription prices in Nigeria</u>. The company announced a 97% increase in monthly fees, raising the standard residential plan from N38,000 to N75,000, while the mobile global roaming service surged to N717,000 monthly1913. This move, attributed to rising inflation and operational costs, sparked concerns about affordability. The NCC initially rejected the price hike in October 2024 due to a lack of regulatory approval, forcing Starlink to temporarily suspend the increase and issue refunds. However, the NCC has since approved a price increment in tariffs, giving Starlink the legal ground to undertake the increment.
- F. Cuts to <u>undersea cables off West Africa disrupted internet access across Nigeria and 12 other</u> <u>nations.</u> The \$8 million restoration effort highlighted the sector's dependence on fragile subsea networks, prompting calls for diversified infrastructure investment and localized data hubs. These cuts led to a network blackout which lasted about 2-3 weeks.

During the year, President Bola Tinubu signed the <u>Designation and Protection of Critical</u> <u>National Information Infrastructure Order, 2024</u>, which classified telecom infrastructure, including submarine cables, fiber optic networks, and data centres, as critical national assets. This move was a response to frequent vandalism and cable cuts, which cost operators billions of naira in losses. The order imposed strict penalties for tampering with these assets, aiming to enhance service reliability and protect Nigeria's digital economy.

- G. The NCC announced a <u>temporary suspension of the issuance of new MVNO licenses</u> in May 2024, to conduct a thorough review of market dynamics, competition levels, and market saturation. This suspension applies to new applications, but does not affect pending applications, which will continue to be evaluated on their merits
- H. <u>The NCC and the FCCPC signed a Memorandum of Understanding (MoU</u>) to tackle longstanding issues like poor service quality, unfair pricing, and consumer rights violations. This collaboration creates a unified front to ensure telecom operators prioritize transparency and meet strict Quality of Service (QoS) standards.
- I. Quality of Service (QoS) Business Rules 2024: This document, issued in August 2024, outlines the quality-of-service business rules in accordance with the Quality-of-Service Regulations in Nigeria. It aims to ensure that licensees provide and maintain an acceptable quality of service for consumers across all networks and technologies. It covers various aspects of telecommunications service quality, including network performance, reporting requirements, and key performance indicators (KPIs). The <u>document</u> specifies targets for different KPIs,



procedures for reporting data, and definitions of technical terms. It also outlines an escalation matrix for major outages and addresses external environmental interference.

- J. **Draft Guidelines on Corporate Governance:** This <u>draft document</u> from September 2024 provides guidelines on corporate governance for communications companies in Nigeria. It aims to ensure efficient management practices to achieve the goals of the licensee, safeguard investments, and provide quality services to customers. It covers the roles and responsibilities of the board of directors, board committees, shareholders, and stakeholders. It also addresses risk management, internal control, reporting, and related party transactions. The guidelines emphasise the importance of a skilled and experienced board with a diverse composition, ethical conduct, and effective communication with shareholders.
- K. Consumer Code of Practice Regulations: These <u>regulations</u>, published on 29th July 2024, establish a consumer code of practice for communications services in Nigeria. They aim to protect consumer interests and ensure the provision of quality services in a competitive environment. The regulations define the scope and objectives of the code, procedures for handling consumer complaints, and requirements for advertising and service provision. They cover key aspects like service contracts, billing, fault repair, and operator assistance. The document also emphasises data protection, consumer information principles, and services for consumers with disabilities.
- L. NCC Quality of Service Regulation 2024: Published on 31st July 2024, these <u>regulations</u> set standards for the quality of communications services in Nigeria. They aim to ensure the protection and promotion of consumer interests against unfair practices related to the quality of communication services. They define objectives related to consumer protection, service quality measurement, reporting, and investigation procedures. The regulations cover aspects like the use of parameters, reporting periods, and combined reporting areas. They also include a schedule of fines for contraventions of the quality-of-service standards.
- M. NCC Type Approval Regulations 2024: Published on 29th July 2024, these <u>regulations</u> establish a framework for the type approval of communications equipment in Nigeria. They aim to promote interoperability, protect the integrity of networks, and ensure efficient spectrum use. They outline the objectives, scope, and application procedures for type approval, including provisions for provisional approvals. The regulations aim to facilitate the availability of quality equipment and support the development of the communications sector through the use of qualified equipment.
- N. NCC Draft Dispute Resolution Guidelines 2024: This draft document from March 2024 outlines guidelines for dispute resolution in the Nigerian communications sector. It aims to provide a mechanism for the inexpensive and expeditious resolution of disputes between service providers and consumers in the telecommunications industry. It covers procedures for arbitration, mediation, and the handling of unresolved issues from negotiations. The document includes a code of conduct for arbitrators and guidelines for good practice, emphasizing fairness, impartiality, and diligence in the dispute resolution process.



O. NCC Draft Guidelines on Procedure for Granting Approval to Disconnect 2024: This <u>draft</u> <u>document</u> outlines guidelines for the NCC in approving disconnecting telecom operators due to indebtedness. It aims to regulate disconnections and provide a framework for resolving interconnect debt fairly and transparently. It covers procedures for application, response, decision-making, and pre-disconnection notices. The document also highlights alternative remedial steps and addresses the disconnection of interconnecting exchange licensees.

AUTHORS



ADEYEMI OWOADE adeyemi.owoade@advocaat-law.com



OLUWATIMILEHIN ILORI oluwatimilehin.ilori@advocaat-law.com



TEMITUOPE KEKEMA temituope.kekema@advocaat-law.com



AMARACHUKWU NWOSU

amarachi.nwosu@advocaat-law.com



INIMFON EKPENYONG inimfon.ekpenyong@advocaat-law.com

CONTACTS



ROTIMI AKAPO rotimi.akapo@advocaat-law.com



ADEYEMI OWOADE adeyemi.owoade@advocaat-law.com

LAGOS OFFICE

35A Raymond Njoku Street Off Awolowo Road Ikoyi Lagos Nigeria.

ABUJA OFFICE

Nigerian National Merit Award House Enspire 1st FloorRoom 3 Plot 22 Aguiyi Ironsi Way Maitama Abuja Nigeria.

CALABAR

Akom Building 15 Murtala Mohammed Highway Calabar Cross River State

TELEPHONE (LOS)+234 02014547932, (ABJ)+234 7061847205

EMAIL: info@advocaat-law.com

WEBSITE: www.advocaat-law.com