

Towards a Legal Framework for Regulating Artificial Intelligence (AI) in Nigeria

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ABSTRACT

This article addresses Nigeria's current legal approach to Artificial Intelligence (AI), highlighting both its reliance on overlapping frameworks and the lack of a comprehensive, dedicated law. It compares this context with the EU's Artificial Intelligence Act and relevant international soft law, drawing out lessons for Nigeria. As AI is already integrated into key sectors such as telecommunications, health care, security, public administration, and financial services, the article advocates for a Nigerian AI Act anchored in local constitutional values, economic realities, and institutional strengths.

Keywords: *Artificial Intelligence, cybercrimes, cybersecurity and data protection*

INTRODUCTION

Nigeria's digital economy strategy acknowledges AI's transformative capacity for fostering growth, employment, and inclusivity. The government has put public institutions in charge of responsible AI adoption by publishing a National Artificial Intelligence Strategy (NAIS), but there is still no binding, horizontal AI-specific regulation.¹⁵⁷ This means that AI systems and their life cycles are subject to privacy and data protection, cybersecurity, consumer and competition law, sectoral (telecoms, capital markets, financial services), and criminal and evidential rules.¹⁵⁸

This article argues that a dedicated, risk-based AI framework is now needed to:

- (i) Clarify duties across the AI value chain,

¹⁵⁷ The National Artificial Intelligence Strategy from the Federal Ministry of Communications, Innovation, and Digital Economy was published on August 28, 2023. You can read it here: <https://fmcide.gov.ng/initiative/nais/> accessed 3 November 2025. fmcide.gov.ng

¹⁵⁸ See the following: the Nigeria Data Protection Act 2023, the Cybercrimes (Prohibition, Prevention, etc.) Act 2015 (as amended 2024), the Federal Competition and Consumer Protection Act 2018, the SEC Rules on Robo-Advisory Services 2021, the NCC Consumer Code of Practice Regulations 2024, and the CBN Risk-Based Cybersecurity Framework 2024. Central Bank

- (ii) Harmonise cross-sectoral expectations,
- (iii) Provide predictable oversight for innovators and procurers, and
- (iv) Protect fundamental rights.

Basic and Constitutional Rules

The 1999 Constitution of Nigeria guarantees the right to private and family life (s 37). This is an important value for AI governance because of the widespread use of data-driven inference, biometric surveillance, and automated profiling.¹⁵⁹ While s 37 is not specific to technology, it serves as a constitutional guide for how statutory and regulatory measures should be interpreted.

Also, general rules of legality and proportionality, which are shown through how laws are written and how courts control them, limit the use of AI by the government or private companies (like remote biometric identification or widespread content surveillance) and shape the remedies.

Privacy and Data Protection

The Nigeria Data Protection Act 2023 and the NDPC Privacy rules for different sectors. The Nigeria Data Protection Act 2023 (NDPA) establishes the Nigeria Data Protection Commission (NDPC), codifies data protection principles, and creates data subject rights, breach notification, the role of Data Protection Officers, extra-territorial reach, and enforcement powers.¹⁶⁰ In March 2025, the NDPC issued the General Application and Implementation Directive (GAID), which operationalises the NDPA (e.g., registration for controllers/processors of “major importance”, templates for DPIAs, cross-border transfer guidance) and supersedes reliance on the pre-Act NDPR as a primary legal instrument.¹⁶¹ The NDPC has begun visible enforcement (e.g., a 2024 fine against a commercial bank), signalling real regulatory bite.¹⁶²

Privacy is also a part of sectoral law, such as the National Health Act 2014 (which protects the privacy of health records) and the Nigerian Communications Commission's (NCC) telecoms-specific consumer protection codes, which were last updated in 2024. These rules are important for AI training, model deployment in e-

¹⁵⁹ The Federal Republic of Nigeria's Constitution, 1999 (as amended), s 37 (Right to private and family life)

¹⁶⁰ See the NDPC enforcement communications and press reports on fines for privacy violations for more information on the Nigeria Data Protection Act 2023

¹⁶¹ The Nigeria Data Protection Commission (NDPC) has put out the General Application and Implementation Directive (GAID) 2025 (NDPC/NDP ACT-GAID/01/2025).

¹⁶² Reuters: "Nigeria's data privacy agency fines Fidelity Bank..." (22 August 2024). Reuters

health, and data governance by licensees. What this means for AI. The NDPA already regulates any AI that handles personal data. This means that it must be lawful, fair, clear about its purpose, and have DPIAs for high-risk processing. It must also be accountable and have protections for children and other vulnerable people. Controllers that use AI for profiling or making decisions automatically must be able to show that they have legal grounds for doing so, honour requests for access or explanations when appropriate, and use privacy-by-design. Trends in enforcement show that there is more interest in algorithmic consent, cookies/SDKs, and data flows that aren't clear.¹⁶³

Cybersecurity, Criminal Law and Legal Interception

AI systems are good targets for attacks and tools for attacks. The Cybercrimes (Prohibition, Prevention, etc.) Act 2015, amended in 2024, criminalises core cyber offences and establishes investigative powers relevant to AI-enabled harms (e.g., computer misuse, identity fraud, critical infrastructure interference).¹⁶⁴ The NCC's Lawful Interception of Communications Regulations 2019, and banking-sector cybersecurity frameworks (updated by the CBN in 2024), impose governance and technical controls that touch AI-enabled services and platforms.¹⁶⁵

Law for Consumers and Competition

The Federal Competition and Consumer Protection Act 2018 (FCCPA) set up the FCCPC, which has the power to investigate unfair practices and mergers across the economy. These are tools that have been used in the digital world and can be used with platform-scale AI¹⁶⁶. The FCCPC has also worked with the NDPC on high-profile investigations into the data and consumer practices of large platforms, showing that digital harms can be enforced together.¹⁶⁷ There are also separate FCCPC rules for digital lending

¹⁶³ <http://www.ndpc.gov.ng>, accessed 03/11/2025

¹⁶⁴ The National Health Act of 2014 and the Nigerian Communications Commission's Consumer Code of Practice Regulations of 2024.

¹⁶⁵ The Cybercrimes (Prohibition, Prevention, etc.) Act 2015 and the Cybercrimes (Amendment) Act 2024.

¹⁶⁶ The Nigerian Communications Commission's Lawful Interception of Communications Regulations 2019 and the Central Bank of Nigeria's Risk-Based Cybersecurity Framework and Guidelines for DMBs and PSBs (May 2024) are both important.

¹⁶⁷ The Federal Competition and Consumer Protection Act of 2018.

AI Touchpoints by Sector

The stock market. The SEC's Rules on Robo-Advisory Services (2021) govern algorithmic investment advice, including registration, conduct, suitability, and governance.

Telecommunications

The NCC 2024 Consumer Code of Practice Regulations change what licensees have to do to be open about contracts, complaints, and other things. This is important for AI-assisted customer interfaces and network analytics.

Payments and Banking

The CBN's 2024 Risk-Based Cybersecurity Framework for DMBs and PSBs says that there must be controls in place for governance, resilience, and new technologies (like AI).

Proof and Responsibility

Section 84 of the Evidence Act 2011 deals with electronic evidence and lays the groundwork for computer-generated records to be used in court. Courts are then able to set stricter standards for authentication. As AI systems create or change evidence (like automated logs or algorithmic outputs), people who are suing must meet the requirements of s84 and talk about reliability, explainability, and audit trails.

International and Comparative Signposts

Nigeria is a member of UNESCO and follows the 2021 Recommendation on the Ethics of AI. It also takes part in global discussions based on the OECD AI Principles. The EU's Artificial Intelligence Act (Regulation (EU) 2024/1689) gives a detailed risk-based framework for AI, including what AI can't do, what high-risk systems must do, what certain AI must do to be open, and how general-purpose AI should be governed. The EU model is helpful for taxonomy, conformity assessment, market surveillance, and GPAI obligations, even though Nigeria's legal culture and administrative capacity are different.

Looking at the current patchwork in Nigeria

Strengths

- Rights anchor (Constitution s 37); horizontal data protection regime with extra territorial reach and new GAID implementation detail; visible enforcement.

- Sectoral norms that already fit well with well-known AI settings like finance, telecommunications, and health.
- A consumer watchdog and active competition with a broad scope across the economy.

Weaknesses

- There are no AI-specific definitions, duties, or life-cycle controls; duties differ by sector.
- Limited ex ante risk classification for safety-critical AI (more than what DPIAs or sector rules indirectly require).
- Oversight is split up between the NDPC, FCCPC, CBN, NCC, SEC, and others, and there aren't many formal ways for these groups to work together on AI.
- High-impact AI (biometrics, hiring, and credit scoring, social benefits) has few duties for transparency, auditability, and human oversight.
- There aren't any clear rules for how the public sector buys and uses AI (for example, open-recordability, algorithmic impact assessments, red-teaming, and bias testing).

These problems could make it hard for innovators to know what the rules are and leave individuals unprotected, especially when AI is used to get money, healthcare, or justice.

Design Options for a Nigerian AI Act

A Nigerian AI Act should be based on principles, work with different sectors, and be in line with the risks involved.

Ranges, Terms, and Classifications

- Define "AI system," "general-purpose AI (GPAI)," "foundation model," and "high-risk AI" in the context of Nigerian use cases.
- Use throughout the AI life cycle and by all parties involved (developers, importers, deployers, and AI-as-a-service providers), with an extra-territorial reach that is in line with NDPA s 2.

Obligations based on Risk

- Prohibited practices: social scoring by public authorities; untargeted remote biometric identification in public spaces (except for strictly necessary, lawful, and proportionate exceptions); and manipulative systems that significantly alter the behaviour of vulnerable individuals.

- High-risk systems (examples): AI used in medical diagnosis and triage; critical infrastructure; credit/insurance underwriting; employment and education scoring; welfare/benefits eligibility; law enforcement (forensic analytics, risk assessment); migration/border control; biometrics; and managing essential telecom services. For these, you need:
 - documented risk management; high-quality data governance; technical documentation; record-keeping and logging; human oversight; robustness, cybersecurity, and resilience; accuracy metrics; bias and disparate-impact testing; pre-deployment Algorithmic Impact Assessments (AIA) and DPIAs; incident reporting.

Limited Risk/Transparency:

Label and make clear interactions with AI (chatbots, synthetic media/deepfakes), and let people opt out when possible.

GPAI/Foundation Models:

Model cards; reporting on computing and resources; safety checks; measures of content provenance; information for deployers; protections for systemic risk models (like red-team results and incident hotlines).

Basic Rights and Protections for Children

These include 37 privacy, equality, due process, and non-discrimination; require a human review for decisions that have legal or similarly important effects; and make things safer for children and other vulnerable people (in line with NDPC GAID 'vulnerability indexes').

Aligning with Data Protection

Set NDPA compliance as a minimum: cross-reference DPIAs, breach notices, and DPO roles; require purpose-bound dataset curation, documented lawful bases, and meaningful transparency for automated decisions.

Safety, Security and Strength

Requirements for secure design, adversarial testing and model evaluation; supply-chain security (models, datasets, tools); reporting of serious incidents to a national AI authority and the appropriate sector regulators (CBN/NCC/SEC/NDPC).

Checking the Market and Making Sure it is in Line

Before a product goes on the market, it must be checked for compliance with high-risk systems (internally for some categories; externally for sensitive areas); high-risk deployments must be registered; post-market monitoring; and the ability to recall or suspend a product.

The Public Sector and Buying Things

AIAs before public deployments; open registers of government AI use; minimum explainability; accessible redress; independent audits for safety-critical or rights-impacting systems; proportional transparency for security-sensitive use.

Planning and Coordinating Institutions

- Set up a National AI Authority (or a statutory AI Coordination Council) to give advice, keep records, run sandboxes, and work with NDPC, FCCPC, CBN, NCC, SEC, and others.
- Make it a legal duty to work together and sign MoUs (for example, NDPC and FCCPC working together to look into algorithmic consumer harms; NDPC and CBN working together to look into financial profiling; and NCC and NDPC working together to look into telco data and biometrics).

Making Innovation Possible

- Regulatory sandboxes for AI with a lot of potential, fast-track approvals with safety commitments, testbeds, and the government as the main customer through responsible procurement.
- Support for small and medium-sized businesses (templates, compliance toolkits, and free audits).

Punishments and Remedies

Graduated administrative penalties based on risk and turnover, corrective orders; disgorgement; protections for whistle-blowers; representative actions; and safe harbours for reporting vulnerabilities and incidents in good faith.

Final Thoughts

Nigeria's current legal framework already addresses numerous AI risks, especially

via data protection, sectoral regulation, and consumer/competition law. But AI's speed, lack of transparency, and wide reach make a risk-based framework that aligns duties, protects constitutional rights, and encourages innovation necessary. The suggested Nigerian AI Act, which would work with the NDPA and sectoral regimes, would make things clearer for developers and deployers, give people real protections, and make it possible for the country's AI ecosystem to grow in a responsible way.

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