

## FEDERAL COMPETITION AND CONSUMER PROTECTION ACT SIGNED INTO LAW IN NIGERIA



The Consumer Protection Council Act (CPCA) came into force in Nigeria on 23<sup>rd</sup> November, 1992 and provided for the establishment of the Consumer Protection Council (CPC) and matters connected therewith. However, upon being signed into law by President Muhammadu Buhari on 6<sup>th</sup> January, 2019, the Federal Competition and Consumer Protection Act (FECPA) came into effect and has, amongst

other things, repealed the CPCA. Under the FECPA, a new body known as the Federal Competition and Consumer Protection Commission (the Commission) has been established to replace the CPC. Some of the other key highlights of the FECPA include:

- The establishment of the Consumer Protection Tribunal which shall, amongst other things, hear appeals against decisions of the Commission.
- The repeal of sections 118-128 of the Investment and Securities Act 2007, which relate to mergers of companies. The FECPA contains its own provisions on mergers.
- Provisions aimed at the elimination of monopolies and promotion of competitive trade in Nigeria by, amongst other things, prohibiting certain agreements in restraint of competition, or which contain certain exclusionary provisions, etc.
- Empowering the President to regulate the prices of certain goods and services on the recommendation of the Commission.
- The introduction of sanctions for non-compliance by companies, which may be as much as an amount up to 10% of the company's annual turnover in the preceding business year.

The scope of application of the FECPA is broad, as it applies to all undertakings and all commercial activities within or having effect within Nigeria. The FECPA has widened the regulatory landscape for consumer protection and related matters in Nigeria, as a result of which, persons to which the Act applies may find it necessary to audit their positions to ensure that they remain in compliance with consumer protection laws.