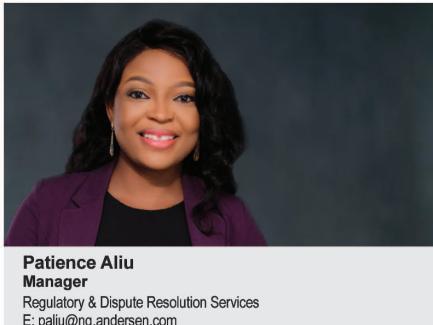


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GAID 2025 Takes Effect: A New Data Privacy Compliance Era for Nigerian Businesses

When the Nigeria Data Protection Commission (NDPC) issued the General Application and Implementation Directive (GAID) on 20 March 2025, it marked a decisive step in the evolution of Nigeria's data protection regime. On 19 September 2025, GAID came into effect, transforming abstract rights into concrete obligations. For Nigerian businesses, this is not a soft recommendation but a binding directive that reshapes governance, operations, and even customer relations. In an economy increasingly driven by digital services, GAID 2025 sets the tone: accountability, transparency, and enforceability are now the rule, not the exception.

This Article discusses the specific compliance obligations introduced by the GAID 2025, the pivotal role of Data Protection Compliance Organisations (DPCOs) in supporting businesses to meet these obligations, and the penalties that the NDPC may impose for non-compliance. It highlights what these developments mean for organisations across sectors and how they reshape the governance of personal data in Nigeria's digital economy.

From Regulation to Directive: The Evolution of Data Protection in Nigeria

Nigeria's journey to GAID has been gradual but deliberate. In 2019, the Nigeria Data Protection Regulation (NDPR) introduced by the National Information Technology Development Agency (NITDA) was the country's first attempt to recognise data privacy as a distinct concept. It created awareness but lacked robust enforcement, leaving many businesses uncertain about the depth of their obligations.

The Nigeria Data Protection Act (NDPA) 2023 was the second step. By enacting a federal law and establishing the NDPC as an independent regulator, Nigeria signalled its intent to take data protection seriously. Still, the Act was largely principle-based. It spoke of lawful processing, consent, and the rights of data subjects but did not spell out day-to-day obligations for businesses.

GAID 2025 completes the trilogy. It converts broad legal principles into specific compliance actions, timelines, and reporting requirements. For the first time, Nigerian organisations know not just what the law requires, but how to achieve it and the penalties if they fail.

The Specific Compliance Obligations under GAID 2025 GAID lays out detailed duties for organisations handling personal data. These obligations are comprehensive and apply across all sectors.

1. Registration with the NDPC

Data controllers and processors are required to register with the Commission. Registration is the foundation of accountability: it identifies who is processing personal data, in what sector, and under whose authority. Organisations that fail to register may be in automatic breach of GAID and risk sanctions.

2. Classification of Controllers and Processors

GAID introduces a tiered system of categorization of data controllers and processors: Ultra-High, Extra-High, and Ordinary-High. Classification is based on the volume and

sensitivity of data processed, and the systemic impact of the organisation. For instance, banks, telcos, and hospitals are likely to fall in the Ultra-High categories. Classification determines certain reporting obligations, audit frequency, amongst others.

3. Appointment of Data Protection Officers (DPOs)

Data Controllers and Processors of major importance must appoint a DPO with suitable qualifications. The DPO must report to senior management and ensure compliance across the Organisation.

4. Compliance Audits and Returns

Controllers and processors in higher tiers must conduct audits and file annual Compliance Audit Returns (CAR) with the NDPC through licensed DPCOs. CARs must cover data processing activities, risk assessments, breach incidents, staff training, and remedial actions. Organisations must maintain audit trails and provide them to regulators on request.

5. Record-Keeping and Documentation

GAID requires detailed documentation of data activities: categories of personal data, lawful bases for processing, retention periods, data sharing practices, and security safeguards. Organisations must maintain semi-annual monitoring reports and incident logs.

6. Data Subject Rights

Businesses must provide mechanisms for individuals to exercise their rights to access, rectify, erase, port, or object to data processing. Consent must be obtained transparently, stored lawfully, and withdrawn easily. Privacy notices must be written in clear, accessible language.

7. Breach Notification

Where a breach occurs, organisations must notify the NDPC promptly, and affected individuals if their rights are at risk. Reports must specify the breach, categories of data affected, and steps taken to mitigate harm. Silence is no longer an option; transparency is mandatory.

8. Cross-Border Data Transfers

Personal data transfers outside Nigeria require safeguards: adequacy decisions by the NDPC, standard contractual clauses, binding corporate rules, or explicit consent of the data subject. This directly impacts multinationals, cloud service users, and cross-border fintech platforms.

9. Training and Capacity Building

Staff who handle personal data must receive regular training. GAID emphasises that compliance is a corporate culture, not just a legal requirement. Documentation of training programmes is mandatory.

10. Governance and Accountability

Boards must take responsibility for data governance. Privacy by design is expected in new products and services. The NDPC requires demonstrable governance structures that embed accountability into corporate operations.

The Role of Data Protection Compliance Organisations (DPCOs)

A unique feature of Nigeria's framework is the recognition of DPCOs, licensed firms accredited by the NDPC to support compliance.

DPCOs serve several critical functions:

- Conducting audits and preparing Compliance Audit Returns on behalf of clients.
- Advising on classification, registration, and lawful processing.
- Drafting privacy policies, consent forms, and data transfer agreements.
- Providing outsourced DPO services ("DPO-as-a-service"), particularly for SMEs and startups.
- Training staff and embedding compliance practices within organisations.

For businesses, DPCOs offer professional assurance. For regulators, they provide capacity. By outsourcing audits and compliance functions to DPCOs, the NDPC ensures that businesses have expert help in meeting obligations while allowing the Commission to focus on enforcement.

In practice, this creates a compliance ecosystem. Businesses, DPCOs, and the NDPC interact in a cycle of oversight, reporting, and enforcement. For SMEs, especially, working with DPCOs offers an affordable path to compliance, reducing the risk of inadvertent violations.

Penalties for Non-Compliance

GAID makes non-compliance costly. The NDPC has broad enforcement powers, ranging from fines to operational restrictions.

Sanctions include:

- Administrative fines of up to 2% of the Annual Gross Revenue of the organisation. The fines are calibrated to the size and classification of the organisation. For large

entities, these may run into millions of naira.

- Corrective measures, such as suspension of data processing activities or mandatory adoption of remedial steps.
- Public reprimands, which can tarnish reputations and erode consumer trust.
- Civil liability, as individuals harmed by breaches or unlawful processing may sue for damages.

Consider an example: a fintech that fails to notify a breach exposing customer banking data. Under GAID, the NDPC may impose fines, suspend certain operations, and publish its non-compliance, while affected customers pursue lawsuits. The financial and reputational consequences could be crippling.

The penalties are not designed as revenue tools but as deterrents. They reflect the principle that data protection is a fundamental right, and violations will not be treated lightly.

Balancing Costs with Opportunities

Compliance imposes real costs: DPO salaries, DPCO fees, staff training, legal reviews, and technology upgrades. For SMEs, these costs may be heavy. Yet the risks of non-compliance such as fines, litigation, reputational loss, and even operational shutdown are far greater.

On the positive side, compliance offers opportunities:

- Trust as currency. Businesses that protect data will win consumer loyalty.
- Investor confidence. Compliance reassures international partners and investors.
- Cross-border legitimacy. Nigerian firms that meet GAID standards are better positioned for global partnerships and digital trade.

Looking Ahead

The NDPC has indicated a risk-based enforcement model: strict oversight for high-volume processors, supportive guidance for smaller entities. Yet businesses should not expect leniency. The six-month window between issuance in March and enforcement in September was the grace period. That period has ended.

Going forward, GAID will define Nigeria's data economy. If implemented effectively, it could elevate Nigeria's digital reputation across Africa and beyond. The Directive places Nigeria in closer alignment with global frameworks like the European Union's General Data Protection Regulation (GDPR), making the country a more attractive partner in cross-border trade and investment.

Conclusion

The issuance of the GAID and its enforcement from 19 September 2025 mark a watershed in Nigerian regulatory history. GAID operationalises the NDPA with precision and authority.

For organisations, the obligations are unambiguous: register, classify, appoint DPOs, conduct audits, file returns, maintain records, protect rights, notify breaches, regulate transfers, and train staff. The role of DPCOs provides vital professional support, while the penalties for non-compliance ensure the regime has teeth.

GAID 2025 transforms data protection from a compliance afterthought into a pillar of corporate governance. Businesses that embrace this transformation will not only avoid penalties but also build trust, attract investment, and thrive in Nigeria's evolving digital economy. In a world where data is the new currency, GAID ensures Nigeria's enterprises can compete globally with credibility and confidence.

Disclaimer: The purpose of this article is to provide information and comments on developments within the Nigerian business and regulatory space. This article does not constitute professional advice or opinion and may not be relied upon as such. Please seek the services of a business adviser should you require professional advice or opinion on the issue.

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