

# Federal High Court Clarifies ARCON's Powers Over Outdoor Advertising: What the Decision Means for Your Business

# ADVERTISING

## Introduction

The Federal High Court of Nigeria has, in a landmark judgment **delivered on 7 November 2025** in *Messilia Motors Limited v. Advertising Regulatory Council of Nigeria* (**Suit No: FHC/L/CS/1044/2025**) resolved a long-standing constitutional conflict between the Advertising Regulatory Council of Nigeria (ARCON) Act and the Constitution of the Federal Republic of Nigeria (as amended). The judgment provides much-needed clarity on the regulatory boundaries between federal agencies and Local Government Authorities, particularly concerning outdoor advertising.



### The Court's Decision: Resolving the Conflict Between ARCON and the Constitution

At the heart of the judgment is the constitutional allocation of powers regarding outdoor advertising. The Fourth Schedule, Paragraph 1(k)(i) of the Constitution expressly places the regulation and control of outdoor advertisements under the authority of Local Governments.

The Court held that certain provisions of the ARCON Act (Sections 2(2)(a), 8(a), and 9(f), (p), (q), (t) and (u)) which sought to extend ARCON's regulatory authority to all forms of advertising, including outdoor advertising were inconsistent with the Constitution. As a result, those specific portions of the Act were declared unconstitutional, null, and void to the extent of the inconsistency - Sections 1(1) and 1(3) of the Constitution of the Federal Republic of Nigeria 1999 (as amended).

This decision effectively limits ARCON's authority and reinstates the exclusive constitutional role of Local Governments in outdoor advertising regulation.



## Implications for ARCON's Regulatory Powers

Following the Judgment, ARCON no longer has the legal mandate to regulate, control, or interfere with matters relating to outdoor advertising. ARCON cannot enforce compliance, issue directives, or impose sanctions in relation to outdoor advertising. Also, any actions taken by the Advertising Standards Panel, including issuing citations or referring individuals or organisations to the Advertising Offences Panel are invalid to the extent that they relate to outdoor advertising.

This marks a significant shift in the regulatory landscape, curbing ARCON's reach in a key sector of the advertising industry.

### What This Means for Your Business Operations

The judgment offers notable relief and clarity for businesses engaged in outdoor advertising activities. The key takeaways include:

1. Businesses' regulatory obligations now lie exclusively with the Local Government agency responsible for outdoor advertisement control.
2. Any previous or ongoing compliance requirements, payments, or engagements with ARCON regarding outdoor advertising are no longer enforceable going forward.
3. The judgment stands as the current legal position unless overturned by a higher court.

For businesses, this means simplified compliance, reduced regulatory duplication, and the elimination of previously overlapping obligations.

## Cautionary Notes and Recommended Next Steps

While the decision is favourable to businesses, it is important to proceed with awareness of the broader legal landscape:

1. The judgment only applies to outdoor advertising. Other categories such as digital, broadcast, social media, and print remain squarely within ARCON's regulatory powers pending further judicial interpretation from pending suits.
2. ARCON may still exercise its right to appeal the judgment to a superior court. The outcome of such an appeal is uncertain.
3. Businesses may consider applying to join the appeal (if any) as an interested party, should they wish to support maintaining the Federal High Court's interpretation.

## Conclusion

The judiciary has once again performed its constitutional role of interpreting the laws of the land. We anticipate more judgments in relation to the wide powers given to ARCON under the ARCON Act, 2022 based on the volume of litigation currently pending in the Federal High Court's docket. This will provide more clarity and a sense of direction to Nigerians on the issue of Advertising.

## AUTHOR

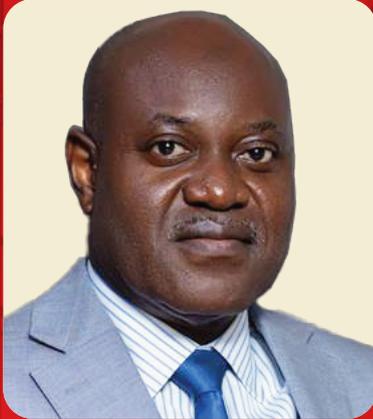


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