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CORPORATE GOVERNANCE IN THE DATA REGIME: HOW NIGERIA'S DATA PROTECTION ACT IS RESHAPING COMPLIANCE

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In today's digital economy, data is no longer just a by-product of a business, it is the business. From mobile banking apps tracking transactions to telecoms managing millions of customer records, personal data drives innovation, growth and competitive advantage. Yet with this power comes responsibility. The Nigeria Data Protection Act (NDPA 2023) is a wake-up call, signaling that corporate governance in Nigeria must evolve. Beyond mere compliance, it challenges organizations to rethink boardroom accountability, strengthen internal controls, ensure transparency and build trust with customers which are all critical to thriving in a data-driven market.

The NDPA represents a major shift in how companies should view data privacy, elevating it from a technical IT matter to a strategic responsibility for boards and executives. CEOs and directors must now ask essential questions: who has access to customer data, why it is being collected, how long it is retained and with whom it is shared. In this new landscape, silence or ignorance is no longer acceptable, and compliance is no longer optional, it has become a central pillar of effective governance.

Organizations are expected to implement robust internal controls, including appointing qualified Data Protection Officers, conducting regular data protection impact assessments and ensuring employees understand the importance of privacy. This is not just about ticking regulatory boxes; it is safeguarding reputation, mitigating legal risk and protecting investor confidence. A single breach can result in heavy fines, reputational damage and lost trust, making the stakes higher than ever in the digital age.

The transition, however, comes with challenges. Many Nigerian companies, especially SMEs, may lack the systems or expertise to fully comply, while data intensive sectors like fintech, healthcare and telecoms face particularly heavy demands. Yet the cost of inaction is far greater. With cyber threats increasing and data scandals erupting overnight, organizations that fail to prioritize privacy risk being left behind or worse, exposed to serious legal and financial consequences.

Ultimately, the NDPA is more than just a law, it is a guide to thriving in a data driven market. Companies that embed data protection into their governance and demonstrate accountability will earn the trust of customers and investors alike, turning compliance into a competitive advantage. Those that neglect it may struggle to survive in the very future they are trying to build. In the age of data, responsible governance is not just a regulatory requirement, it is a strategic imperative.
