

2 October 2025

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TEMPLARS ThoughtLab

The Flight Disruptions Puzzle: A Guide to Passenger Rights and Airline Obligations

Introduction

In the Nigerian fast-evolving aviation landscape, flight disruptions, whether due to cancellations, delays, or overbooking, carry serious implications for airlines and passengers alike. Quite apart from the inconveniences that follow flight disruptions, such disruptions could also result in substantial financial and emotional distress for passengers who may then seek redress in the form of monetary compensation, refund, or other form of sanctions against the defaulting airlines or carriers. In consequence, the airlines expose themselves to scrutiny in the context of passengers' rights to refund and regulatory compliance.

This article outlines key responsibilities that airlines must uphold, provides a helpful guide for managing refund/compensation claims efficiently. It also offers some insights into the remedies that may be available to passengers in cases where their rights are compromised. The thought piece also highlights that compliance with refund protocols and communicating compensation procedures to passengers is not merely optional but obligatory for airline operators. It further underscores the reason airlines ought to maintain robust internal compliance mechanisms and customer service protocols to mitigate legal and reputational risks.

Obligations of Airlines and Passenger Rights on Airfare Refunds

The regulatory environment for airline refunds in Nigeria is covered under Part 19 of the Nigerian Civil Aviation Regulations, 2023 (NCAR), and the Federal Competition and Consumer Protection Act 2018, (FCCPA). The NCAR is a regulation issued by the Nigerian Civil Aviation Authority (NCAA) pursuant to its regulatory powers under the Civil Aviation Act 2022.

Part 19 of NCAR establishes baseline rights for passengers facing cancellations, delays, or denied boarding. It requires airlines to offer timely refunds, practical re-routing options, or fair compensation whenever disruptions occur. In a similar vein, the FCCPA also plays a significant role in reinforcing these rights by mandating transparency, fairness, and recourse mechanisms for consumers (which include passengers) across all service sectors, including aviation. Together, these laws require airlines to disclose refund and compensation policies with full transparency, apply fair and consistent procedures and maintain accessible recourse mechanisms for consumers/passengers to file complaints.

The laws serve as regulatory safeguards, ensuring that airlines remain accountable to their customers/passengers. Specifically, Part 19 of NCAR outlines instances where airline operators are required to issue refunds or compensation to passengers in certain well-defined circumstances. Such circumstances which may warrant full or partial refund, include:

Flight Disruptions



- 1) **Denied boarding:** If a passenger is involuntarily denied boarding, perhaps due to overbooking, such a passenger is entitled to reimbursement, compensation, re-routing, or other assistance from the airline under NCAR.¹ Noncompliance is likely to result in sanctions or civil claims against the airline.
- 2) **Flight delays:** Flight delays², which is most common in the Nigerian aviation climate, trigger different levels of support from airlines, including providing refreshments after two hours for domestic flights,

¹Section 19.5.1.4 of NCAR 2023. "Other assistance" includes providing hotel accommodation where relevant, water, soft drinks, confectioneries/snacks as well as providing care to persons with reduced mobility and any persons accompanying them, unaccompanied minors, and families. See Sections 19.10; 19.11; and 19.12 of NCAR 2023.

² For cargo carriage damage, delay or loss, the carrier's liability is limited to 26 Special Drawing Rights (SDR) per kilogram for international travel and \$20 or its equivalent in Naira for local travel except if the passenger makes a special declaration as the value of the cargo or baggage. Liability for baggage delays or loss is generally capped at 1,519 SDR per passenger for international travel and \$1000 or its equivalent in Naira for local travel and in cases where delays specifically lead to damage, liability can rise to a maximum of 6,303 SDR per

reimbursements and re-routing after three hours,³ and accommodation for overnight delays.⁴ For extended delays more than six hours beyond schedule, passengers are entitled to compensation of at least 25 % of the fares or passenger ticket price for all flights within Nigeria.⁵ International flights have similar protective measures under the NCAR⁶ and the Montreal Convention 1999.⁷ However, notwithstanding the clear statutory provisions on sanction, for civil liability claims to succeed against an airline for flight delays, passengers are required to prove that they suffered actual damage as a result of the delay⁸.

- 3) **Flight cancellations:** If an airline cancels a confirmed flight reservation, passengers are, under NCAR, entitled to receive a reimbursement (refund) of the unused portion of their ticket. Although advance notice may mitigate the airline's obligation to provide additional compensation, flight cancellation always triggers either a refund or re-routing offer.
- 4) **Downgrading:** In instances where an airline reassigns a passenger to a travel class lower than the class originally booked or paid for, the passenger is entitled to a reimbursement reflecting the proportional difference in fare corresponding to the downgrade.⁹
- 5) **Miscellaneous Grounds:** Other scenarios like aircraft changes, safety-related cancellations, and significant schedule changes can also justify refunds or compensation claims against airlines.¹⁰ In general, where there is noncompliance with the provisions of NCAR and FCCPA, airlines may face regulatory sanctions and/or civil liability claims from affected passengers. Penalties for non-compliant airline operators/carriers usually include monetary fines, operational constraints, public accountability/reprimand, and court action.¹¹

However, airlines' liability for compensation is not absolute when delays or cancellations arise from factors outside their control. Events such as severe weather, airspace closures ordered by regulators for security, and other "extraordinary circumstances"¹² typically relieve carriers from paying monetary compensation while still triggering duties of care such as timely information, rebooking, meals, accommodation and reasonable assistance to affected passengers.

passenger for international travels and \$4150 or its equivalent in Naira for local travels. Note that these limits are not mandatory, meaning that airlines can argue for lower payouts when passengers file claims. See *2024 Revised Limits of Liability under the Montreal convention 1999, made subject to Sections 21 and 25 of the Montreal Convention and see article 22 of the second schedule of the Civil Aviation Act 2022*. However, where it can be proven that a party intended to cause harm, was negligent, and knew that damage was a probable cause of its actions, the party will be precluded from exercising the right to limit its liability. See *Mekwunye v. Emirates Airlines* (2019) 9 NWLR (pt. 1677) 191.

³ Section 19.9.1.1 (a) and (b) of NCAR 2023.

⁴ Sections 19.10.1.1(c) and 19.10.1.1 (d) of NCAR 2023.

⁵ Section 19.8.1.1 (a) of NCAR 2023.

⁶ Section 19.6.2.1 of NCAR 2023.

⁷ Article 19 of the Convention for the Unification of Certain Rules for International Carriage by Air (1999), the "Montreal Convention" makes airlines liable for damages caused by delay in the carriage of passengers, baggage, or cargo. This Convention applies only to international flights because Article 1.1 of the Convention excludes local/domestic air carriage from the Convention's scope. However, it is important to note that Section 55 of the Nigerian Civil Aviation Act 2022 incorporates liabilities under the Montreal Convention into Nigerian law.

⁸ Article 17, 18 and 19 of the Montreal Convention 1999.

⁹ Section 19.11.1.1 (a) of NCAR 2023

¹⁰ Section 19.6.4 of NCAR 2023.

¹¹ It is instructive to note that claims for delays are typically considered outside the realm of aviation matters because there is no carriage when all that has happened is a passenger being checked in at the checking-in counter and so fall under the jurisdiction of the State High Court. However, if a return ticket is purchased and only one leg of the journey has been completed, with a delay occurring during the second leg, the nature of the contract shifts from a simple contract to an aviation contract. The passenger must have embarked on the aircraft to bring the action within the jurisdiction of the Federal High Court.

¹² Section 19.1.2.1 of NCAR for "Extra Ordinary Circumstances", defined to mean any mechanical, technical, operational, climatic, socio-political, or any other conditions beyond the actual control of the party involved.

NCAR, therefore, distinguishes between compensable operational failures within the carrier's control and non-compensable regulatory or force-majeure events, while preserving passenger rights to assistance and to pursue remedies where the carrier's conduct or lack of mitigation is unreasonable.

For international flights, treaty rules incorporated into Nigerian law (Montreal principles) similarly recognize carrier defences for events beyond control but require carriers to demonstrate that such circumstances could not have been avoided even if all reasonable measures had been taken.¹³ This position has been judicially approved in Nigeria. Thus, in the case of **Mr. Abiodun Rufai v. Arik Air Limited**,¹⁴ the Court of Appeal considered circumstances where an airline carrier will not be liable for damages occasioned by delay. The plaintiff, Mr. Rufai's case was that he fulfilled his contractual duty by presenting himself to Arik Air at the scheduled time for transport, but Arik Air breached the contract by failing to depart Lagos as scheduled. However, Arik Air successfully relied on extraordinary circumstances in its defence by claiming that there were adverse weather conditions resulting in its delayed departure on a 7:30am flight from Lagos to Port Harcourt. As a result, the plaintiff's case was unsuccessful.

In practice, passengers should expect assistance from airlines for weather or regulator-ordered closures but will rarely obtain compensation unless the carrier failed to meet its information, care or mitigation obligations, or the delay was caused by a controllable airline act or omission. Overall, airlines must ensure the fair treatment of all passengers by prohibiting discriminatory practices and providing transparent communication during delays or cancellations.¹⁵ Carriers are required to accommodate special needs,¹⁶ offer clear grievance procedures with prompt resolutions, and uphold consistent service standards.

In addition to NCAR obligations, the FCCPA requires airline operators to honour refund claims arising from unfulfilled advance bookings or reservations¹⁷. Specifically, where a flight is cancelled or a booked service is not rendered, passengers are entitled to receive a prompt and full refund. The FCCPA also imposes a duty of fair dealing on all service providers, including airlines. Consequently, any failure to issue refunds in such circumstances may constitute an unfair practice and a breach of passenger rights under Nigerian law.¹⁸ It is therefore imperative that airlines avoid conducts that could be construed as deceptive, misleading, or exploitative.

Furthermore, airlines are required to ensure that all refund policies and service terms are transparently communicated to customers prior to purchase¹⁹. If promotional fares or special pricing conditions limit refund eligibility, such limitations should be clearly disclosed at the point of sale²⁰. Noncompliance may equally expose the airline to regulatory scrutiny and enforcement action. The Federal Competition and Consumer Protection Commission (FCCPC) usually monitors compliance and has demonstrated its willingness to intervene. A recent example is the FCCPC's summons of Air Peace following consumer complaints regarding non-refunded ticket fares.²¹

¹³ Section 19.6.1.2 ; Section 19.7.1.3 of NCAR 2023.

¹⁴ (2019) LPELR-48009(CA).

¹⁵ Section 19.12 NCAR 2023.

¹⁶ Section 19.12.3.1 of NCAR 2023.

¹⁷ Section 130(2)(b) of the FCCPA.

¹⁸ Section 124 of the FCCPA.

¹⁹ Section 130(2)(b) of the FCCPA.

²⁰ Section 130(2)(b) of the FCCPA.

²¹ See [FCCPC SUMMONS AIR PEACE OVER NON-REFUND OF TICKET FARES - Federal Competition & Consumer Protection Commission](#) accessed 15 September 2025.

Timeframe and Considerations for Refund Processing

Airlines are subject to strict timelines for processing passenger refunds to prevent undue financial burden on passengers. For instance, for domestic flights, airlines are required to provide immediate reimbursement for tickets purchased with cash, and in other cases, within fourteen (14) days from the time of the flight disruption. For international flights, refunds are required within fourteen (14) days by the original payment channel, including bank transfers, cards, or electronic wallets.²² This means that the practice of imposing 14-28 working days by some airlines for refund on cancelled domestic flights is a violation of NCAR²³ and may expose the airline to regulatory sanctions or civil liability²⁴.

Need for a Proactive Approach

With respect to procedure, while refund processing procedures may vary across carriers²⁵ and booking scenarios, it is imperative that airlines adopt a structured and legally sound approach to ensure compliance with Part 19 of NCAR and by extension, mitigate exposure to civil liability complaints from passengers or sanctions. Essentially, airlines should, in processing refunds, take the following essential points into consideration:

- a. Conduct a preliminary review of the flight disruption against the refund-eligible scenarios outlined in Part 19 of NCAR, including cancellations, denied boarding, and significant delays. This will enable the airline to confirm whether the passenger(s) received advance notice of the disruption (e.g., cancellation emails, SMS alerts, or boarding pass rejection notices), as this may affect refund obligations and timelines.
- b. Establish clear customer engagement protocol that enables passengers to effectively initiate refund requests.
- c. Maintain a refund tracking system to monitor response times and ensure compliance with the processing timeframe mandated under NCAR. This is because, where refunds are not processed within the stipulated timeframe, passengers are entitled to escalate complaints to the NCAA which may expose the airline to regulatory sanctions. To defend such complaints, however, airlines can tender comprehensive records of passenger interactions, evidence of attempted resolution, and internal logs of refund processing timelines.

Passenger Claims and Sanctions/ Risk Management

To mitigate sanctions from regulators or liability from passenger claims, airlines should maintain transparent communication with passengers and establish efficient grievance redress mechanisms that align with statutory obligations. For instance, advance notice of a flight cancellation before the scheduled time of a flight departure eliminates the obligation on an airline to provide additional compensation to passengers. Also, maintaining proactive compliance with NCAR and consumer protection regulations, while promptly seeking legal advice in situations involving liability, would help

²² Section 19.9.1.1 of NCAR 2023.

²³ The NCAA has emphasized strict adherence to these deadlines. A recent statement from the NCAA confirms that airlines face penalties if refunds exceed the fourteen-day window. See [Flight cancellations: Local airlines refund passengers over N1bn in 3 months - Businessday NG](#) accessed 15 September 2025.

²⁴ This is so irrespective of whether it is the company's policy. Companies cannot issue policies that contradict the provisions of a statute/parties cannot contract outside statute. See *Abdulraheem v Olufeagba (2006) 17 NWLR (Pt. 1008) 280*.

²⁵ Carriers are typically airlines that passengers fly with or that consignors use to register their cargo for transport from the departure point to the destination.

to guard against or minimize risk. And where there is a dispute, airlines can engage with the passengers with a view to reaching a mutually acceptable solution.

The NCAA actively monitors compliance with NCAR and consumer protection regulations and has, in recent times, increased its enforcement searchlight on airlines²⁶. The NCAA is statutorily empowered to suspend or restrict routes for airlines that repeatedly ignore regulatory mandates.

The judiciary through the courts, also plays a vital role in upholding the regulatory standards to ensure that passenger rights in the aviation ecosystem are enforced. In *Emirates Airline v. Ngonadi*²⁷ for instance, a passenger, Ms. Ngonadi arrived at the airport on 17 December 2007 to board her flight from Dallas-Houston-Dubai-Lagos and had a valid, confirmed ticket, but was inexplicably denied boarding. The airline, Emirates, offered no legitimate reason for turning her away and the Court held that the unexplained refusal to board Ms. Ngonadi amounted to a breach of the carriage contract²⁸. This means that passengers who may be wrongfully denied boarding are entitled not only to a full refund of their ticket but also to compensation for any additional costs or losses they incur²⁹. To avoid such liability, airlines must not arbitrarily refuse boarding and, where it is unable to fulfil carriage obligations, must promptly offer re-routing or issue a swift refund to passengers.³⁰

However, as demonstrated above, where the airline can show that the breach of the carriage contract resulted from extraordinary circumstances, it would not be held liable to pay compensation³¹.

Conclusion

While flight disruptions are a part of the operational realities of the aviation industry, they need not expose airline operators to excessive financial liability or reputational risk. Under Part 19 of the Nigerian Civil Aviation Regulations, and the Federal Competition and Consumer Protection Act, passengers are granted specific legal entitlements including timely refunds and compensation when their travel plans are adversely impacted, so that where these rights are not upheld by a carrier, the carrier would be under the searchlight of regulatory scrutiny and/or civil liability.

Therefore, it is critical for airline operators to adopt proactive compliance strategies. By ensuring that internal protocols align with these statutory obligations, operators can manage passenger expectations effectively, reduce the likelihood of liability claims, and demonstrate good faith in dispute resolution. Clear communication and timely redress will not only mitigate exposure to liability but will also reinforce an operator's seriousness with regulatory compliance.

DISCLAIMER: The information provided in this article is for general informational purposes only and does not constitute legal advice. If you require legal advice on how to navigate NCAR regulations, enforce or defend passenger claims, or process flight refund/compensation under Nigerian law, kindly contact us.

²⁶ The NCAA's enforcement efforts in the second quarter of 2025, yielded a total of ₦1,038,000,000 (One Billion, Thirty-Eight Million Naira), reflecting increased regulatory enforcement and improved carrier responsiveness. See [Flight cancellations: Local airlines refund passengers over N1bn in 3 months - Businessday NG](#) accessed 16 September 2025.

²⁷ (2014) 10 NWLR (Pt. 1413) 506 (No.2)

²⁸ i.e., the contract of carriage which is created by flight tickets or air waybill for cargo transport.

²⁹ For instance, if an action is instituted against the airline in court. The airline may be compelled to make full refund, pay compensation to the passenger, general damages and/or interest on the withheld funds.

³⁰ See *Cameroon Airlines v. Otutuizu* (2005) 9 NWLR (Pt. 929) 202 where it was held that if a carrier fails to carry at all or carries a passenger to the wrong place, the carrier is liable in damages to the passenger.

³¹ See Sections 19.6.1.2 and 19.7.1.3 of NCAR. "Extra Ordinary Circumstances" is defined under Section 19.1.2.1 of NCAR to mean any mechanical, technical, operational, climatic, socio-political, or any other conditions beyond the actual control of the party involved.