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BELO-OSAGIE

MARITIME LAW UPDATE

# THE BEIJING CONVENTION ON THE JUDICIAL SALE OF SHIPS ENTERS INTO FORCE: IMPLICATIONS FOR NIGERIA'S MARITIME AND ADMIRALTY PRACTICE

Authors:



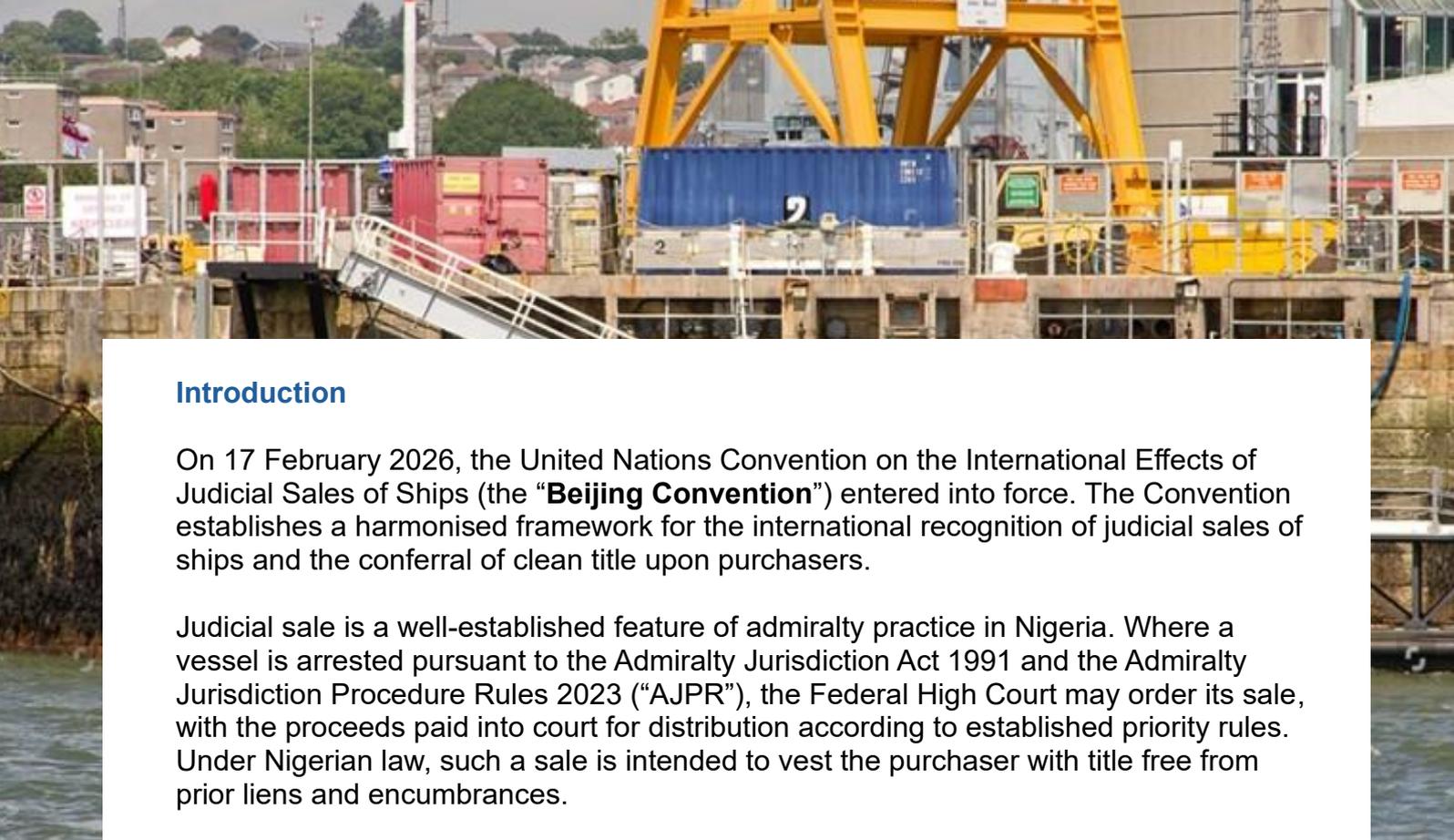
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## Introduction

On 17 February 2026, the United Nations Convention on the International Effects of Judicial Sales of Ships (the “**Beijing Convention**”) entered into force. The Convention establishes a harmonised framework for the international recognition of judicial sales of ships and the conferral of clean title upon purchasers.

Judicial sale is a well-established feature of admiralty practice in Nigeria. Where a vessel is arrested pursuant to the Admiralty Jurisdiction Act 1991 and the Admiralty Jurisdiction Procedure Rules 2023 (“AJPR”), the Federal High Court may order its sale, with the proceeds paid into court for distribution according to established priority rules. Under Nigerian law, such a sale is intended to vest the purchaser with title free from prior liens and encumbrances.

However, while domestic law recognises the “clean title” effect of judicial sales conducted by a competent Admiralty Court, cross-border recognition has not always been uniform. In certain jurisdictions, vessels sold under judicial process elsewhere have faced re-arrest based on pre-sale maritime claims. This has historically created commercial uncertainty, depressed sale values, and increased risk for purchasers, financiers, and mortgagees.

The Beijing Convention addresses this problem by creating a structured international recognition regime. This update outlines the key features of the Convention, its interface with Nigerian admiralty practice, and the practical implications for shipowners, mortgagees, financial institutions, and maritime stakeholders.

## The Special Nature of Judicial Sale

Where a vessel is arrested *in rem* within Nigeria, the Federal High Court may order its sale in the exercise of its admiralty jurisdiction under section 251(1)(g) of the Constitution, the Admiralty Jurisdiction Act 1991, and the Admiralty Jurisdiction Procedure Rules 2023. Judicial sales commonly arise in mortgage enforcement proceedings, where owners fail to provide security for release, or in situations involving abandoned vessels and escalating liabilities.

Upon sale, the vessel is transferred to the purchaser pursuant to an order of court, and the proceeds are paid into court for determination and distribution in accordance with established priority rules. Interested parties may apply against the sale proceeds under Order 16 of the AJPR 2023.

While Nigerian law treats such sales as conferring title free of prior liens and encumbrances, practical challenge has historically arisen where the vessel sails beyond Nigerian jurisdiction. In the absence of a harmonised international recognition regime, purchasers have faced the risk of re-arrest in foreign ports based on pre-sale claims.





## **The Historical Problem: Recognition Beyond the Forum State**

Prior to the coming into force of the Beijing Convention, there was no uniform international regime governing the recognition of judicial sales of ships. Although a sale conducted by a competent Admiralty Court was treated as conferring clean title within the forum State, recognition of that title abroad was not always assured.

In certain jurisdictions, vessels sold under judicial process elsewhere were susceptible to re-arrest based on pre-sale maritime claims. This lack of harmonisation created significant commercial risk. Purchasers faced exposure to fresh litigation in foreign ports, vessels sold under court process were often discounted to reflect title uncertainty, and creditors' recoveries were correspondingly reduced. The absence of predictable cross-border recognition also introduced inefficiencies into ship finance and mortgage enforcement structures.

The need for a harmonised recognition framework therefore became increasingly evident in an era of globalised shipping operations.

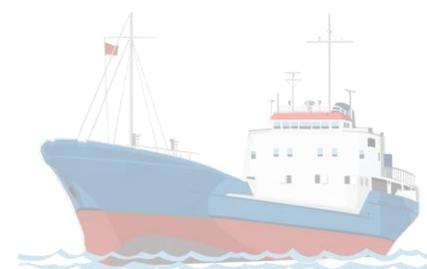
## **The Beijing Convention: What Has Changed**

The Beijing Convention, adopted by the United Nations General Assembly in December 2022 and now in force as of 17 February 2026, addresses the long-standing problem concerning cross-border recognition of judicial sales of ships.

The Convention establishes an automatic recognition regime under which judicial sales conducted in accordance with its provisions must be recognised by all State Parties. It affirms the clean title effect of such sales, ensuring that a purchaser acquires the vessel free and clear of prior mortgages, liens, and encumbrances, with such claims attaching instead to the proceeds of sale.

The Convention also introduces mandatory procedural safeguards. At least 30 days' notice must be given to interested parties prior to sale, and the vessel must be physically present within the State of sale pursuant to a court order at the time of the judicial sale. To facilitate transparency and international verification, notices and certificates of judicial sale are to be recorded through the International Maritime Organization's Global Integrated Shipping Information System (GISIS) platform.

Recognition may be refused only on limited grounds, including where the sale has been set aside in the State of origin or where legal proceedings are pending to challenge its validity.





## Nigerian Law: Areas of Alignment and Adjustment

Nigeria's existing admiralty framework is broadly compatible with the Convention. However, certain procedural refinements may be required to ensure full compliance and secure international recognition of judicial sales conducted in Nigeria.

With respect to notice, Order 16 Rule 2 of the Admiralty Jurisdiction Procedure Rules 2023 currently prescribes a minimum notice period of 21 days prior to sale. The Convention requires at least 30 days' notice to interested parties. In practice, the Federal High Court may need to align sale orders with the 30-day threshold to ensure that judicial sales meet Convention standards.

The Convention also emphasises structured notification to interested parties. Nigerian practice may therefore require clearer procedures for service, publication, and documentation of notice, particularly where foreign mortgagees or lienholders may be affected.

In addition, effective implementation would necessitate administrative coordination between the Federal High Court, the Nigerian Ship Registry, and the International Maritime Organization's reporting mechanisms for the issuance and recording of notices and certificates of judicial sale. Such coordination would be central to ensuring that Nigerian judicial sales receive recognition under the Convention framework.

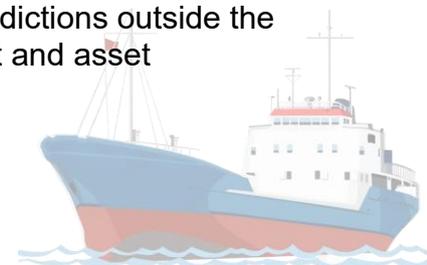
## Strategic Implications for Nigeria

Nigeria remains one of the most active maritime jurisdictions in West Africa, with significant vessel traffic through its major ports and a sizeable caseload of ship arrest and enforcement proceedings. Judicial sales arise in a range of contexts, including crew wage claims, bunker supply disputes, charterparty defaults, mortgage enforcement actions, and abandoned vessel scenarios.

The Convention has the potential to enhance commercial certainty in this area of admiralty practice. By providing predictable international recognition of judicial sales, it may improve purchaser confidence, reduce title-related discounting in court-ordered sales, and strengthen recoveries for secured creditors and lienholders. It would also reduce the risk of re-arrest in foreign jurisdictions for liabilities incurred prior to sale.

If Nigeria signs and ratifies the Convention, judicial sales conducted by the Federal High Court would benefit from automatic recognition in other State Parties, reinforcing Nigeria's credibility as a jurisdiction for maritime enforcement and mortgage realisation.

Conversely, as more maritime States accede to the Convention, jurisdictions outside the regime may face relative disadvantages in cross-border enforcement and asset recovery.





## A Broader Policy Consideration for Nigeria

Nigeria has in recent years undertaken significant reforms in its commercial dispute resolution framework, including the enactment of the Arbitration and Mediation Act 2023. These reforms reflect a broader effort to modernise Nigeria's legal landscape and enhance its attractiveness as a venue for dispute resolution and cross-border commercial activity.

Accession to the Beijing Convention would align with this reform trajectory. It would integrate Nigeria into a harmonised international regime governing the recognition of judicial sales of ships and reinforce predictability in maritime enforcement and ship finance transactions involving Nigerian assets.

## Conclusion

Judicial sale has long been a fundamental feature of admiralty jurisdiction. The Beijing Convention does not alter the underlying doctrine. Rather, it harmonises its international effects. By establishing a structured recognition regime, enhancing transparency, and reinforcing the clean title effect of court-ordered sales, the Convention strengthens certainty in maritime commerce and creditor enforcement.

Under Nigerian law, judicial sales conducted by the Federal High Court are intended to confer title free of prior encumbrances. The Convention extends that assurance across State Parties, subject to its procedural safeguards.

As additional maritime jurisdictions accede to the Convention, Nigeria's position with respect to adoption will carry practical implications for ship finance, cross-border enforcement, and the broader competitiveness of its maritime sector.

## DISCLAIMER

*This update is authored by **Festus Onyia, FCARB, FCIARB (UK)** and **Michael Ugah, FCIARB (UK)** of Udo Udoma & Belo-Osagie's Dispute Resolution Team.*

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