

Coping with the Covid-19 pandemic: A comparative study of the capabilities of the Kenyan and Nigerian insolvency frameworks

 jutajournals.co.za/coping-with-the-covid-19-pandemic-a-comparative-study-of-the-capabilities-of-the-kenyan-and-nigerian-insolvency-frameworks

February 27, 2021

Authors: Williams C Itheme and Sanford U Mba

ISSN: 2521-2575

Affiliations: Associate Professor of Law, Jindal Global Law School, India; Senior Counsel, ACAS-LAW Firm, Nigeria

Source: Journal of Corporate and Commercial Law & Practice, Volume 6 Issue 2, 2020, p. 112 – 138

<https://doi.org/10.47348/JCCL/V6/i2a4>

Abstract

The Covid-19 pandemic has undeniably ravaged the global economy and plunged many countries in Africa, including Kenya and Nigeria into an economic recession. This article departs from the premise that credit is the lifeblood of market systems. Accordingly, the credit and insolvency laws of both countries must be adjusted in certain ways during and after the pandemic, in order to enable them to cope with the dire economic challenges resulting from the pandemic. The article identifies some material defects in the Insolvency Act 2015 (Kenya) and the Companies and Allied Matters Act 2020 (Nigeria), and argues that these defects will debilitate a meaningful economic recovery from the pandemic. The paper shows the lack of suitability of their existing insolvency frameworks, as well as some aspects of the public law: it proposes a number of tailor-made recommendations that benefitted from the experiences of certain other common law jurisdictions.

[← PREVIOUS](#) [NEXT →](#)