

# A.I. and Law: Scope and Possible Challenges in Nepal

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## Abstract

*This paper attempts to explore the interlink between law and artificial intelligence, focusing on its scope and challenges. Artificial Intelligence has galloped since its establishment, aiming to replicate the human mind into the machine. The biggest neighboring country has moved a step forward by developing the first lawyer robot, but in Nepal, its scope has yet to be researched and talked about. Thus, this paper looks into the rising scope and challenges of Artificial Intelligence in the legal sector in Nepal. It analyzes the scope of A.I. in the legal field to find out its importance in areas of law like legal research, case law management, e-discovery, document preparation, contract review, evidence evaluation, and many more. Despite having ample scope in the legal field, it faces numerous challenges, including the problem of costly implementation. There is a need for more knowledge among policymakers about AI-based tools to develop the nation. This paper concludes that implementing A.I. and law-based tools in Nepal is difficult despite having ample scope. Proper research should be carried out to implement the AI-based tool to replace the old traditional mechanism in the Legal field.*

**Keywords:** *Artificial Intelligence, Law, Legal Field, AI-based tools*

**So we won't experience 100 years of progress in the 21st century- it will be more like 20,000 years of progress."- Ray Kurzweil**

## I. Introduction

Artificial Intelligence has drawn world attention through its amazing inventions in various fields<sup>1</sup>. It has rapidly developed as it pervades every aspect of our lives. In the last few decades, A.I. has been found everywhere, such as Siri in mobile phones, self-driving cars, drones, video games, and many others. In the paper, the author explores the link between artificial intelligence and law along with the scope and challenges of applying A.I. in Nepalese Legal Field.

Artificial Intelligence (A.I.) means the software/tools developed that can imitate

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<sup>1</sup> Robert Walters & Marko Novak, 'Cyber Security, Artificial Intelligence, Data Protection and Law', *Springer Nature*, 2021, p.39.

human mental skills, such as pattern identification, understanding natural language (N.L.P), and adaptive learning from experience, strategizing, or logic.<sup>2</sup> A.I. in the legal sector refers to the use of such AI-based software and its application in the legal field. It includes all the sector that works in the implementation of law including bodies like the judiciary, lawyers, and firms that represents the lawyer. The legal field, in general, includes and refers to all the bodies engaged in the receiving and discharging legal service and its interpretation. The application of A.I. in the Nepalese Legal Field refers to the working areas in which AI-based tools can be used. The challenges of such an AI-based tool, include the practical complications it imposes during its implementation in Nepal.

'A.I. and Law' is a concept which is in a galloping phase of development. The concept of A.I. was coined by Professor John McCarthy, in the year 1956. Since then, the concept of A.I., has been developing at a rapid speed. Various theorists have also discussed and talked about its relevance. In 1996, Professor Richard Susskind's book "Future of Law," also discussed the major AI predictions. He stated that the lawyer and client communication would be via email. Today, after years of prediction, lawyers use email, Zoom meeting conferences, and various other AI-based machinery to advise clients through email and online conferences. Lawyers advise their clients by using various AI-based machinery<sup>3</sup>.

Likewise, we can see A.I. used in various ways in sectors such as legal, robotics, planning, rule-based expert systems, artificial vision, etc. A tremendous new concept has emerged with the development of A.I., like case-based reasoning, logic, and even document modeling. *Dena Dervanovic*, in his article 'I, Inhuman Lawyer: Developing Artificial Intelligence in the Legal Profession', discusses the A.I. lawyer. From this, we can see the rapid development of tools that use artificial intelligence for communication, such as A.I. lawyers.

Against these backgrounds, the present study has the following objectives i) 'To assess the relationship between A.I. and Law and ii) 'To identify the scope and challenges of the application of A.I. in the Nepalese legal field. As the study's objectives clearly indicate, the research tends to see the link between A.I. and Law and see the application of the A.I. tools/software and its scope and challenges in Nepal.

To undertake this study, this paper has been designed descriptively and analytically. The resources required for the study are of both primary and secondary nature. It was initially designed to collect first-hand data through an empirical study, particularly through the structured interview with twenty lawyers to see their perception towards A.I. in general and in particular, their assessment of the scope and challenges of A.I. in the legal field of Nepal. However, in the pilot survey among 20 lawyer's interviews, 19 interviewees showed their ignorance to the A.I. and were resistant to speak about its

<sup>2</sup> Stephan De Spiegeleire, Matthijs Maas & Tim Sweijjs, 'What Is Artificial Intelligence?: Artificial Intelligence and The Future of Defense', *Hague Centre for Strategic Studies*, 2017, pp. 25–42.

<sup>3</sup> Chirs Chambers Goodman, 'A.I./Esq.: Impacts of Artificial Intelligence in Lawyer-Client Relationships', *Oklahoma Law Review*, volume 72:1, 2019, p. 37.

scope and challenges. Finally, the study's design has been changed to doctrinal research, which includes data only obtained through secondary sources like books, research articles, and many more.

## II. Relation between A.I. and Law

In common understanding, A.I. means to make the machine as intelligent as a human. It is assumed to replicate the skill and reasoning capacity of a human being to a machine, such as reasoning, recognition, and natural language. In the broadest sense, artificial intelligence (A.I.) has been described as an area that studies computer science. It emphasizes the creation of intelligent machines that make it conceivable to perceive, reason, and performance<sup>4</sup>. There are three kinds of A.I.: 1. Weak A.I. or Narrow A.I. 2. Strong A.I. and 3. Super A.I. Weak A.I. is the ability of the A.I. to perform dedicated tasks<sup>5</sup>. It is also termed as weak A.I., as it came to fail unpredictably. An example, example of weak A.I. is I.B.M.'s Watson supercomputer, playing chess, and self-driving. Strong or Deep AI has the generalized ability like a human. The machines can think and perform tasks like human beings. Researchers are focusing on developing a machine with human cognition, but no such significant success exists. Super A.I. can be defined as A.I. having more capability than humans and can be assumed to perform any task better than humans. The development of Robert is an example of building Super A.I. It assumes that A.I. is more intelligent than a human. There are also four other types of A.I.: Reactive machine, Limited memory, Theory of mind, and Self-Awareness<sup>6</sup>.

A.I. in the present world can be traced as a service-based system. It allows individuals and companies to test for various business purposes and sample multiple platforms before committing. For example, Popular A.I. cloud offerings include Amazon A.I. services, I.B.M. Watson Assistant, Microsoft Cognitive Services, Google A.I. services, etc. are the most famous examples of service-based A.I. The latest development in A.I., Alpha Go, is based on Google Deep Mind and has challenged the world winner of the Chinese board game, Lee Sedol of South Korea, to a series of five games in which the machine conquered the human four-to-one<sup>7</sup>. One of the potential areas that experts have been researching is the law and legal field. The law requires deep learning to justify the point with moral reasoning skills, which skeptics often answer to be nonreplicable. However, *Casey* and *Niblett* have made the vision of allowing lawmakers to write, creating a better law AI-based software<sup>8</sup>. Non-lawyer services like Rocket Lawyer and Legal Zoom are online services that allow clients to create their

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<sup>4</sup> Sweijs (n 2).

<sup>5</sup> Ibid.

<sup>6</sup> 'Understanding the Four Types of Artificial Intelligence', *Government Technology*, available at <https://www.govtech.com/computing/Understanding-the-Four-Types-of-Artificial-Intelligence.html>, accessed on 20 April 2021.

<sup>7</sup> Shashi Shekhar Vempati, 'India and The Artificial Intelligence Revolution', *Journal Storage*, 2016, available at <https://www.jstor.org/stable/resrep12855>, accessed on 18 July 2020.

<sup>8</sup> Benjamin Alarie., Anthony Niblett, & A. H Yoon, 'Law In The Future', *The University of Toronto Law Journal*, volume 66:4, 2016, pp. 423-428. J

legal documents and forms.<sup>9</sup>

A.I. and law has been an interesting topic of discussion for the last fifty years, and this has brought a new variety of technology tools and systems. It has imposed challenges and questions about whether A.I. can replace the legal sector. This is an ongoing debate, and it provides a new opportunity for legal service delivery and ensures the development of A.I. Yet, the role of the lawyer, clients, judges, and policymakers working within the legal system plays a pivotal role in the struggle over how society evolves<sup>10</sup>. Law is regarded as one of the important tools for regulating the society. The sociological school of thought theorist<sup>11</sup> also pointed out the relevance of the law in the society. With the interference of the AI-based tool in the law, societal perspectives are another concern. Can A.I. in days to come, play the role of the regulator? Even ethical concerns has been raised due to the misuse of such technology for personal benefit. Here, we can see how A.I. is influencing the day to day life. Hence, AI has become one of the emerging topics in the world.

With the involvement of various AI-based machines in our day-to-day lives, various countries have to amend the Act relating to it. For example, during the 115<sup>th</sup> Congress, the U.S. introduced thirty-nine bills with the word A.I. in the text.<sup>12</sup> Similarly, in 2018, a High-Level Expert Group on Artificial Intelligence (AI HLEG) from the European Commission, released a draft of A.I. Ethics Guidelines<sup>13</sup>, which aims to regulate the dynamic technological domains, which are challenges. In the year 2021, U.S.A. introduced the 'A.I. Bills of Rights'. It is called the blueprint for the AI Bill of Rights<sup>14</sup>. These laws work for the regulation of A.I.

A.I. and Law interface is seen in the practice of administering justice via the use of Judges and Lawyers. It can be seen as performing multiple legal tasks<sup>15</sup> like counseling clients, drafting contracts, and many other activities. Thus, A.I. and Law relation is first A.I. is regulated by various legislation that obligates companies to abide by such laws. Secondly, Law formulation is facilitated by A.I. and vice-versa.

### III. Scope and Challenges of A.I. in Law Practice

Artificial Intelligence has been one of the competitive fields of study<sup>16</sup>. It is a new and helpful subject for every sector, like the legislature and government. It has a broader

<sup>9</sup> Blair Janis, 'How Technology Is Changing the Practice of Law', *GP Solo*, volume 31:3, 2014, pp. 10–13.

<sup>10</sup> Mariano Florentino Cuellar, 'A Common Law for the Age of Artificial Intelligence', *Columbia Law Review*, volume 119:7, 2019, p. 1777.

<sup>11</sup> Yubaraj Sangroula, *Jurisprudence: The Philosophy of Law*, Lex and Juris Publication, 3<sup>rd</sup> edition, 2020, p.260.

<sup>12</sup> Novak (n 1) p.42.

<sup>13</sup> Ibid.

<sup>14</sup> 'The White House release Blueprint for an AI Bill of Right', *Eversheds Sutherland*, 20 October 2022, available at <https://us.eversheds-sutherland.com/NewsCommentary/Legal-Alerts/254159/The-White-House-releases-its-Blueprint-for-an-AI-Bill-of-Rights>, accessed on 15 November 2022.

<sup>15</sup> Ibid.

<sup>16</sup> Harry Surden, 'Artificial and Law an Overview', *Georgia State University Law Review*, volume 35:4, 2019, p.1306.

scope in the legal sector. The legal field can be seen in various facets like the Judiciary sector, law firms, research, management of the legal service, and many more.

Tools like Kira efficiently help with case management and save the data properly. In every aspect, the legal field can benefit from AI-based tools and software. Nepal has been gradually growing and enhancing its system toward online medium<sup>17</sup>. Amid various problems, there is more extensive scope for implementing AI-based tools in Nepal as a developing country. We can see the use of robots in the medical field and hospitality fields. S.B.I. Bank uses the Robot as the receptionist<sup>18</sup>. China and the U.S.A. have already developed robots to provide consultations like lawyers. This shows the broader scope of A.I., which Nepal can adopt in various sectors.

Likewise, Nepal has been shifting its traditional pattern<sup>19</sup> of practice from paper-based work to computer-based work. The Supreme Court of Nepal has launched the Supreme Court app, which is a positive trend for the technologically friendly<sup>20</sup>. In the context of Nepal, we can find many inconsistencies in similar cases, and major decisions collide with each other. With such AI-based technology in Nepal, the workload can be easier, faster, and more convenient.

The legal sector can be useful for government attorneys and police departments to track down cases. For example, traffic accident cases can be managed by using A.I. to track down the culprit of the case. Another relevant area of implementing A.I. is finding the databases of the all-cases judgment. The government can use the Kira system for case management as the burden of cases is high.

Law firms can implement AI-based tools for legal research and case document analysis. A.I. can be helpful for the implementation of the case. In addition, A.I. can help by providing various legal assistants. Following are a few areas where A.I. can play a crucial role:

#### a. Judicial Analytics Platforms<sup>21</sup>

China has developed the tools for easy analysis of the available precedent to the judges to smooth the judgment analysis. Likewise, Nepal can use A.I. for Judicial analysis. There is a different judgment for similar cases<sup>22</sup> in Nepal.

<sup>17</sup> 'Supreme Court of Nepal Mobile App Launched', *Nepali Telecom*, available at <https://www.nepalitelecom.com/2017/08/supreme-court-of-nepal-app-launched.html>, accessed on 2 May 2021. It is one of the examples where the court is proactive in developing and changing the system to a based system. Details of the case can be found by surfing the Supreme Court website.

<sup>18</sup> 'Using A.I. for better customer experience', *My Republica*, available at <https://myrepublica.nagariknetwork.com/mycity/news/using-ai-for-better-customer-experience>, accessed on 19 November 2022.

<sup>19</sup> Tara Prasad Sapkota, Shila Kunwar, Mahima Bhattarai & Shreya Poudel, 'Artificial Intelligence That Are Beneficial for Law', *US-China Law Review*, volume 17:5, 2020, p.221.

<sup>20</sup> 'Supreme court of Nepal mobile app launched', *Nepali Telecom*, available at <https://www.nepalitelecom.com/2017/08/supreme-court-of-nepal-app-launched.html>, accessed on 2 May, 2021.

<sup>21</sup> Surden (n 16).

<sup>22</sup> Jinting Deng, 'Should the Common Law System Welcome Artificial Intelligence: A Case Study of China's Same Type Case Reference System', *Georgetown Law Technology Review*, 2018, p.17. Nepal follows the common law legal system where state decisions have important validity as the law. Nepal can adopt the trend of using a similar reference case type in China using A.I.

Various inconsistencies exist in the Nepalese Judiciary, which can be solved by A.I. software that can quickly analyze the issue. In a single touch, judges can find the judgment of similar cases. Such judgment-keeping software should be developed, and a separate app should be introduced for the judges to maintain privacy.

**b. Legal Research Intelligent<sup>23</sup>**

A.I. tools and software have been helping in the legal research for both judges and parties of the case. The best and most intelligent search can assist in quick justice delivery. It requires a long hour and dedication, which can get monotonous. With the help of legal research, law research can finish the given deadline in the exact time, which can also produce an effective and efficient result. AI-based legal analysis can help to get the product in a single touch. ROSS Intelligence is one of the A.I. in practice for legal research.<sup>24</sup>

**c. E-Discovery**

The legal sector is one area where research and discovery should be maintained. Finding relevant documents takes both time and money, and discovery of such would help eliminate duplicate records.

AI-based tools are capable of predictive coding. This will help the A.I. in terms of time and cost. In the lowest period, law firms can gain the most significant advantage using AI-based discoveries. In the U.S., mostly, A.I. legal research tools are used by Lawyers. *WestSearch*, also known as *WestlawNext*<sup>25</sup> is regarded as the best search product designed to mimic the behavior of expert research and action like selecting, folding, sharing, or printing.

**d. Document Management and Analysis of Legal Documents<sup>26</sup>**

Law fields and files are the combinations of several documents. The legal file can efficiently operate using software to gather essential and valuable information. A.I. has transformed the legal field by predictive document coding for large documents using *Lex Machina* and providing analytics.<sup>27</sup> Similarly, it can be an example for Nepal, where the large files can be managed, and the work of the document predicative can be easily handled using such a system. A.I. technology can work together for the advanced form of document management in Nepal. AI-based tools help maintain the accuracy of legal documents as they

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<sup>23</sup> Ibid.

<sup>24</sup> Marcos Eduardo Kauffman and Marcelo Negri Soared, 'A.I. in Legal Services: New Trends in AI-Enabled Legal Services', *Institute for Future Transport and Cities*, 2020, available at <https://pureportal.coventry.ac.uk/en/publications/ai-in-legal-services-new-trends-in-ai-enabled-legal-services>, accessed on 1 December 2022.

<sup>25</sup> Paige E. Kohn, 'How Artificial Intelligence is Revolutionizing Legal Practice', *Journal Storage*, available at <https://www.jstor.org/stable/10.2307/26402008>, accessed on 1 December 2022.

<sup>26</sup> Ibid.

<sup>27</sup> Ibid.

help analyze the available documents, including maintaining a proper record, contract review, and evidence analysis.<sup>28</sup>

#### e. Litigation Analysis

A.I. tools have been developed to find the accurate analysis of the given documents via analyzing the provided documents and reasoning. Various A.I. has been designed for a similar purpose in the U.S.A. *HYPO*<sup>29</sup> was the research carried out by Kevin Ashley to model case-based reasoning as exemplified by appellate style argumentation with precedent. It relates to how the A.I. can help in litigation.

#### f. Contract Preparation and Review<sup>30</sup>

In Nepal's context, there is no consistent format for the contract. There is not even a system to review such a contract. However, we can find the A.I. software that automatically generates the contract and reviews such agreement. As per the client's demand, AI-based software can prepare the document and even review the errors. Therefore, Nepal can introduce such AI-based technology to get advancement and design the contract with the preference of the client.

#### g. Client Counselling Service<sup>31</sup>

The broader scope of AI-based tools and technology is client-lawyer counseling. Japan Government Attorney uses<sup>32</sup> the services where the computer discusses the legal provisions and remedies available online. The modern form of client counseling includes the delivery of service online, which can be resolved using modern AI-based technology. A lawyer can quickly provide the remedy with AI-based tools and software.

#### h. Evidence Evaluation<sup>33</sup>

One of the major uses of the A.I. can be seen in data analysis. To properly check the valid information and patterns in the case, evidence evaluation plays

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<sup>28</sup> Poudel (n 19).

<sup>29</sup> Edwina L. Rissland, 'Artificial Intelligence and Law: Stepping Stones to a Model of Legal Reasoning', *The Yale Law Journal*, volume 99: 8, 1990, p. 13.

<sup>30</sup> 'Three Ways Law Firms Can Use Artificial Intelligence', *Law Technology Today*, 19 February 2019, available at <https://www.lawtechnologytoday.org/2019/02/three-ways-law-firms-can-use-artificial-intelligence>, accessed on 1 December 2022; Philip Hacker, Ralf Krestel, Stefan Grundmann & Felix Naumann 'Explainable A.I. under contract and tort law: Legal incentives and technical challenges', *Artificial Intelligence and Law*, volume 28:4, 2020, pp. 415–439.

<sup>31</sup> Goodman (n 3). In this article, the writer explains how A.I. can be used for the client's best interest, which has expanded the scope of A.I. in the legal sector. Further, the paper questions its challenges, like decision-making, credibility assessment, fairness, and justice perceptions.

<sup>32</sup> Artificial Intelligence (A.I.) in Japan- Statistics and Facts, *Statista*, 2022, available at <https://www.statista.com/topics/8396/artificial-intelligence-in-japan/#topicOverview>, accessed on 1 December 2022.

<sup>33</sup> Jyoti Dabass & Bhupender Singh Dabass, 'Scope of Artificial Intelligence in Law,' *Research Gate*, 2018, available at [https://www.researchgate.net/publication/326202085\\_Scope\\_of\\_Artificial\\_Intelligence\\_in\\_Law](https://www.researchgate.net/publication/326202085_Scope_of_Artificial_Intelligence_in_Law), accessed on 1 December 2022.

a crucial role. It examines all uploaded data and provides the exact information relevant to the cases.

From the above, we can find some potential areas where Nepal can explore the A.I. based tool and implement it in Nepal. If Nepal introduces such advanced forms of AI-based tools, then the work of law practitioners, judges, and those involved in the administration of the law can be faster and easier. Nevertheless, there should be a policy review and discussion about using AI-based tools in the legal sector. Nepal lacks proper data protection. There should be use of knowledge and inquisition to change the present system in the policymaker. We can gradually advance the legal system and create consistency in the legal system by developing strategic plans and policies from the Judiciary and other sectors.

Under the Foreign Investment and Technological Transfer Act (FITTA), we can transfer technology with the assistance of the big nations. This act expands the horizon for using the A.I. based tool and technology in the context of Nepal. The big nation can transfer various A.I. based software as support to developing countries like Nepal to enhance its performing capacity.

#### IV. Challenges of A.I.

We can see the possible challenges in A.I. and the Legal sector interface in various areas. Especially in developing countries like Nepal, we can see emerging challenges while implementing new AI-based software. In various parts of Nepal, computer-based working practice has not been developed. This brings bigger challenges. For using A.I. based tools, data is a must, and electronic accessibility is a must.

AI-based tools and software help the lawyer finish the legal task assignment, help in finding new precedents, and many more. However, with the significant challenges of a large amount of data, we need more places to keep the more critical data.<sup>34</sup> Another challenge in the legal sector is not that the use of A.I. based system practice in the world is in English language; meanwhile, we use most of the laws in our native language. In addition, the A.I. based system cannot incorporate various new factors that affect the justice system, like societal values, norms, morality, personal bias, and many more. Furthermore, misuse of A.I. for surveillance, automated suspicion<sup>35</sup>, prediction of foreign agents, arbitrary and capricious reviews can also devalue the trust towards A.I. based systems.

Apart from these, some of the challenges that we can trace are as follows:

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<sup>34</sup> Ibid.

<sup>35</sup> Ashley Deeks, 'The Judicial Demand for Explainable Artificial Intelligence,' *Columbia Law Review*, volume 119:7, 2019, p.1848; Mariano-Florentino Cuéllar, 'A Common Law for the Age of Artificial Intelligence: Incremental Adjudication, Institutions, and Relational Non-Arbitrariness', *Columbia Law Review*, volume 119: 2, 2019, p.1789.

**a. Not Accepted by Legal Professionals**

There is a lack of acceptance among legal professionals about the scope and importance of A.I. A.I. is not accepted by law firms and society as there is a misconception among legal professionals that A.I. can replace the lawyer<sup>36</sup>. This myth has created a huge challenge for accepting A.I. in the field. Further, the mixed system is difficult for the professional and creates resistance toward the changing socio-legal system.<sup>37</sup> In addition, there needs to be more proper human resources to address the importance of A.I. in the legal sector in Nepal.

**b. Lack of proper data collection and data sharing**

Nepal is far behind in the storage of data. The development of keeping data in the cloud has recently been prevalent but has yet to be effectively used. This is another challenge ahead for implementing A.I.

**c. Low investment and costly**

Few startup companies<sup>38</sup> in Nepal have started to work in A.I., but the working field is not specialized. It has not been able to invest in the legal field. There needs to be an investment in a few areas, which is costly.

**d. Lack of Proper Advancement in Technology**

Nepal is currently lagging behind in technology. This is the main hindrance to the enhancement of A.I. in Nepal. Moreover, Nepal is developing a phase to introduce various online platforms, including protecting cloud data. So, the use of A.I. in this sector is challenging Nepal, as per the global innovation index, is in the weakest position with 22.5 index<sup>39</sup>. This shows how Nepal lacks and should learn from the developed countries.

**e. No concept of A.I. as a legal personality<sup>40</sup>**

Various articles now discuss the personality of the AI-based vehicle due to the accident that occurred because of it. However, in the context of Nepal, such practice does not exist, and that can be a big challenge in the days to come.

<sup>36</sup> Noah Waisberg, Alexander Hudek, *AI for Lawyers, How Artificial Intelligence is Adding Value, Amplifying Expertise and Transforming Careers*, John Wiley & Sons, 2021, p.16.

<sup>37</sup> Tim Wu, 'Will Artificial Intelligence Eat The Law? The Rise of Hybrid Social Ordering System,' *Columbia Law Review Association, Inc.* volume 119: 7, 2019, p.2004; Cuéllar (n 35), pp. 2001- 2028.

<sup>38</sup> 'Artificial Intelligence Companies in Nepal 2023', *Tech Behemoths*, available at <https://techbehemoths.com/companies/artificial-intelligence/nepal>, accessed on 19 November 2022.

<sup>39</sup> 'Nepal Global Innovation Index', *Knoema*, available at <https://knoema.com/atlas/Nepal/topics/World-Rankings/World-Rankings/Global-innovation>, accessed on 1 December 2022.

<sup>40</sup> Simon Chesterman, 'Artificial Intelligence and The Limits of Legal Personality', *International and Comparative Law Quarterly*, volume 69:4, 2020, pp. 819–844. In the article, the writer questions the concept of the personhood that the A.I. based Robert holds. A.I. can fill the gaps of the juridical personality in the legal system.

**f. Ethical Considerations and Reliability<sup>41</sup>**

It is still challenging to accept that A.I. can be considered in the legal sector. It is not easy to handle and might not be trustworthy. Data safety is still a huge question. Firstly, basic rules and guidelines should be drafted for ethical consideration in A.I. research.

After studying, some of the findings are as follows:

- A.I. is used to improve work efficiency. Without the interference of humans, the error is reduced, and the chance of accuracy is increased.
- In our day-to-day life, we use Artificial Intelligence in many applications like Apple's Siri, Windows's Cortana, and Android's Google Now are intelligent digital personal assistants.
- A.I. has been helping them to make faster decisions and act quicker. In addition, A.I. systematized information helps by providing exact facts and figures, which helps service delivery in the legal sector.
- A.I. has made the most of the legal work easier and faster with the help of various tools like Kira System, Alpha Go. It helps to manage the legal work efficiently.
- It will help to work conveniently. Its scope can result in the various legal sectors as it helps in e-discovery, research, document management, and systematic analysis.
- A.I. helps in the legal sector, like the Judiciary, Administration, and many more. In court, A.I. helps management like in China, where cases can be managed in a single touch<sup>42</sup>. It helps in the search for precedents and can be managed chronologically.
- In managing the cases, law firms can be quickly assisted by AI-based technology like the KIRA System, and CCLIPs. This easily supports and reviews the documents required for assistance in the cases.
- A.I. helps in the management, and the contract review by automatic contract review A.I. Such AI helps solve the problem of unsystematic contract know-how, and clients themselves can draft agreements with the help of the system.
- In developed countries, discussion can be seen as a separate personality. Automatic machine vehicles are likely to cause an issue of individual personality in legal adjudication. However, It is not in developing countries. We are in the phase of introducing AI-based tools as they help enhance the justice system.

Following are the potential areas where the A.I. can be helpful in the legal sector:

**a. Court**

Nepal still has many unresolved court cases, and this is causing a lot of work

<sup>41</sup> 'Artificial Intelligence and Corporate Legal Departments', *Thomson Reuters*, available at <https://legal.thomsonreuters.com/en/insights/articles/artificial-intelligence-ai-report>, accessed on 1 May 2021.

<sup>42</sup> Jinting Deng, 'Should the Common Law System Welcome Artificial Intelligence: A Case Study of China's Same Type Case Reference System', *Georgetown Law Technology Review*, 2019, p.223.

for the Supreme Court and other courts. Despite having various plans and policies, the number of cases remains high. When advanced AI technology, like the Kira system, is introduced into the courtroom, it can efficiently handle case management tasks. China also uses the same type of Case Reference System<sup>43</sup> which helps in finding a similar case. Under China's plan, it has been the system to synchronize the court decisions to maintain consistency in similar cases of the exact nature<sup>44</sup>. The court can introduce an automatic learning system to manage the dates to be present in the court, also known as *Tarik* and *pesi*. The court can advance the service by developing a system for precedent management, which can be made available to the Judges and law profession effortlessly. The present system has yet to categorize the precedent as per the topic. This can be introduced and practiced in Nepal. The court can use speech recognition AI-based tools for typing and deciding to be fast and translated easily<sup>45</sup>.

#### **b. Government Office**

Research can be efficiently carried out with AI-based tools, essential in the legal field. The law drafting sector needs such advancements the most. Further, an attorney can use AI-based tools to make service delivery more accessible and faster. They can provide their client with services about the laws and regulations based on the A.I. talking tools.

#### **c. Law Firms**

Law firms can install various AI-based tools and technology as it helps the clients with service delivery efficiently. They can provide the service fast with the help of various research-related tools. Law firms can get the help of AI-based tools in client contract reviews and contract drafting.

Thus, we can discuss the potential areas where A.I. can be helpful in the legal field. AI-based tools help in the fastest delivery system and help to reduce the burden from the Judiciary. Nepal can use AI-based tools for the most rapid delivery system. The old system could have been more efficient as the court has a lot of case burden. Similar judgment systems and making the system efficient for judgment can be advanced using A.I. tools developed by China. Nepal has not been able to advance the justice delivery system, which can sort out the use of modern tools and systems.

### **V. Recommendations**

Thus, lack of budget and ignorance is seen as the basic problem for enforcing A.I.

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<sup>43</sup> Ibid.

<sup>44</sup> Ibid.

<sup>45</sup> 'Could A.I. Transform China's Legal System?', *Caixin Global*, available at <https://www.caixinglobal.com/2017-12-11/could-ai-transform-chinas-legal-system-101183154.html>, accessed on 1 December 2022.

tools. *Firstly*, data collection and cloud are significantly less in Nepal. *Second*, Nepal needs modern ways of service delivery in the legal system. *Third*, there needs to be more knowledge of modern tools and technology among legal professionals. Still, they believe in the traditional method of service delivery, which is another challenge. *Fourth*, there are only a few startup companies in Nepal that work in the field of AI-based tools. These are also not specialized in the legal sector. They are focused on bringing A.I. into any area. *Fifth*, there is a lack of advanced concepts among legal professionals regarding the use A.I. tools. Nepal still lacks knowledge about A.I., and there is no concept of the legal personality, which discourse has already been established in the U.S.A. and other developed countries. AI-based tools ought to develop legal reasoning like lawyers. Such discourse is out of the horizon in Nepal. All these discussions have to be brought to the discourse, then only A.I.

A.I. is an emerging subject, but still, in developing countries like Nepal, more things need to be improved. A.I. is a technology developed by humans who are more intelligent than humans, which helps in legal service delivery. The Supreme Court of Nepal has advanced by introducing the smart app. Still, only an app is not enough, as that should be maintained and updated on a regular basis. A separate system must be developed to make the judgment more accessible, manage the legal documents, and research the law practitioner. The world has been researching to bring legal reasoning lawyer robots. Similarly, the situation does not exist in Nepal. Therefore, Nepal must form a system to advance from the traditional approach to getting the new efficient tools to advance Justice delivery.

AI-based tools have more importance in the legal sector. It can be helpful in many ways, like research, consistency in the case, and many more. These can be life-changing tools for many law practitioners and can change the present scenario. The Judiciary can adopt various new tools to provide justice faster and more efficiently. Tools can be inserted in the courtroom where the lawyers' arguments and reasoning can be automatically transcribed in the written format. These will help the government officials and help them to do the job efficiently. The app has already been developed, which helps automatically translate the words. iFlytek is one of the companies in China developing tools for direct voice translation.<sup>46</sup> Under the Foreign Direct Investment and Technology Transfer Act, Nepal can request technology transfer and assistance from the developing country to advance the natural translation system in the Supreme Court in Nepal.

Likewise, the Supreme Court of Nepal and other courts face the problem of uncertain client dates and court times of presence. It is very uncertain as the court cancels a given date and time of presence anytime. This can be sorted out by the faster service delivery app and A.I. tools, which help manage the case with the help of A.I., like the KIRA system and Alphago. Nepal can use a lot of advanced tools for handling cases.

<sup>46</sup> 'Big Data, AI and China's Justice: Here's What's Happening', *China Justice Observer*, available at <https://www.chinajusticeobserver.com/a/big-data-ai-and-chinas-justice-heres-whats-happening>, accessed on 30 April 2021.

Law firms can also use AI-based technology for contract drafting. Contract review is a developing subject as many new startup companies are developed and working with the other big companies. Law firms can develop their contract review AI-based system to provide the review to the client and even draft the content of the contract paper. Nepal can use the technology as per the Technology Transfer Act. Tech startup companies can develop new apps so that new and advanced tools can be used in practice to provide the fastest service delivery. Pending cases in the Supreme Court is the major problem, and people cannot receive justice faster.

A.I. can be helpful for the legal sector, and from the countries' practices, we can also analyze a broader horizon for implementing AI-based tools and technology. Thus, Nepal can advance in the legal sector using AI-based advanced tools and technology.

However, Nepal needs to implement the following recommendations before implementing AI-based technology.

- i. The lawyer should increase the knowledge via networking and introduce AI-based tools in the law firm to do the work faster.
- ii. Nepal should introduce the committee to see the possibility of A.I. in the legal system to make it a yearly plan, including all the mandates making the legal system advanced.
- iii. Nepal needs a strong legal framework for developing and enforcing AI-based tools and technology. FITTA is the only Act that allows for technology transfer, but it is unclear regarding the legal system.
- iv. Policymakers are unaware of the wider scope of A.I. in Nepal and are not interested in changing the present system. Therefore, strong laws should be drafted to encourage policymakers to draft laws to support AI-based tools as it can be easier for policymakers to research.
- v. The budget should be separated for this sector to develop and advance the system. In addition, the separate legislation should address cloud and data protection issues.
- vi. Encouraging innovation, policies, and processes should address ethical, privacy, and security implications and ensure the safety of human life.