

## THE NEXT FRONTIER OF JUSTICE: ARTIFICIAL INTELLIGENCE AND THE EVOLUTION OF ADR IN NIGERIA

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### Abstract

Nigeria's courts remain plagued by chronic delays, backlog of cases, and prohibitive costs that weaken public trust in the justice system. Alternative Dispute Resolution (ADR) has emerged as a viable pathway to decongest courts, but ADR itself still operates within largely traditional and manual structures. This article explores how Artificial Intelligence (AI) can transform dispute resolution in Nigeria by enhancing efficiency, reducing costs, and expanding access to justice. Drawing lessons from global innovations such as Online Dispute Resolution (ODR) platforms in the European Union, China's "Smart Courts," and predictive analytics tools in the United States, the study situates these developments within Nigeria's evolving legal framework under the Arbitration and Mediation Act 2023 and the Nigeria Data Protection Act 2023. It identifies both opportunities—including decongesting courts, lowering costs, and boosting accessibility and challenges, such as legal enforceability, data security, and cultural resistance to "machine justice." By proposing policy recommendations for regulators, institutions, and practitioners, the paper contributes to emerging African scholarship on law and technology. It concludes that hybrid models, where AI supports rather than replaces human mediators and arbitrators, present the most cultural and legally sustainable path. If effectively regulated and implemented, Nigeria can not only strengthen domestic dispute resolution but also position itself as a regional hub for technology-driven ADR in Africa.

**Keywords:** Arbitration, Mediation, Artificial Intelligence, Alternative Dispute Resolution, Efficiency, International Best Practice.

### 1. Introduction

Justice delayed is justice denied, and nowhere is this truer than in Nigeria, where litigation often stretches for years, sometimes decades, before resolution.

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Despite the constitutional guarantee of fair hearing<sup>1</sup>, the lived reality for many litigants is one of endless adjournments, congested dockets, and spiraling legal costs.<sup>2</sup> Alternative Dispute Resolution (ADR) was introduced as a corrective measure, offering faster and less adversarial pathways such as arbitration and mediation.<sup>3</sup> Yet even ADR in Nigeria faces significant limitations: underutilization, limited digital integration, and slow adoption beyond commercial hubs like Lagos and Abuja.<sup>4</sup>

Meanwhile, Artificial Intelligence (AI) is reshaping how societies solve problems—from diagnosing illnesses to managing financial markets.<sup>5</sup> In the legal sector, AI is beginning to assist with case prediction, document review, online negotiations, and even AI-driven mediators. For Nigeria, the question is no longer whether ADR will expand, but whether it can harness AI to deliver justice that is fast, affordable, and trustworthy.<sup>6</sup> This article argues that the convergence of ADR and AI presents a rare opportunity for Nigeria to modernize its justice system.

## 2. The State of ADR in Nigeria

Alternative Dispute Resolution (ADR) in Nigeria has grown from a marginal practice to a recognized complement of the formal justice system. Its legal foundation is entrenched in several statutes and institutional frameworks, with recent reforms further strengthening its role.

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<sup>1</sup> Constitution of the Federal Republic of Nigeria 1999 (as amended), Section 36(1) guarantees the right to fair hearing within a reasonable time.

<sup>2</sup> See *Adeleke v. Oyo State House of Assembly* (2006) 16 NWLR (Pt. 1006) 608, where the Court of Appeal stressed that justice delayed undermines justice itself.

<sup>3</sup> Arbitration and Mediation Act, 2023 (Nigeria), s. 1, which provides that the objective of arbitration is “the fair resolution of disputes by an impartial tribunal without unnecessary delay or expense.”

<sup>4</sup> A. Adekunle, “Court Congestion and Access to Justice in Nigeria: A Case for ADR Reform” (*Nigerian Journal of Public Law*, 2021) 45-67.

<sup>5</sup> M. Zhang, “The Rise of China’s Smart Courts: AI and Judicial Modernisation” (2020) 13 *Tsinghua China Law Review* 35.

<sup>6</sup> A. O. Adepoju, “Artificial Intelligence and the Future of Legal Practice in Nigeria” (2022) *Nigerian Law and Technology Journal* 1(2), 15.

## 2.1 Legal Framework

- Constitutional Basis: Section 19(d) of the 1999 Constitution promotes settlement of international disputes by negotiation, mediation, conciliation, arbitration, and adjudication.<sup>7</sup>
- High Court Civil Procedure Rules: Many state High Courts, notably Lagos, Abuja (FCT), Rivers, and others – include rules mandating ADR exploration before cases proceed to full trial. For example, the Lagos Multi-Door Courthouse (LMDC), established in 2002, pioneered court-connected ADR in Nigeria.<sup>8</sup>
- Arbitration and Mediation Act 2023: This landmark legislation repeals the Arbitration and Conciliation Act, expanding mediation recognition, providing clearer enforcement of awards, and aligning Nigeria with global ADR standards. It codifies provisions for enforceability of settlement agreements (via Article 16 of the Singapore Convention), positioning Nigeria for cross-border dispute resolution.

## 2.2 Institutional Landscape

- Multi-Door Courthouses (MDCs): Now operating in over 15 states, these centers institutionalize ADR as a first step for disputes. Lagos remains the most advanced, handling thousands of cases annually.
- Professional Bodies: The Chartered Institute of Arbitrators (UK) Nigeria Branch (CIArb), the Institute of Chartered Mediators and Conciliators (ICMC), and the Nigerian Institute of Chartered Arbitrators (NICArb) are leading capacity development and standard-setting.
- Judicial Recognition: Nigerian courts have consistently affirmed ADR outcomes. In *Statoil (Nig.) Ltd v. NNPC* (2013) 14 NWLR (Pt. 1373) 1, the Supreme Court reinforced the binding nature of arbitral awards, underscoring judicial respect for ADR mechanisms.

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<sup>7</sup> Constitution of the Federal Republic of Nigeria 1999, s.19(d) (foreign policy objectives - promotion of settlement of international disputes by negotiation, mediation, conciliation, arbitration and adjudication).

<sup>8</sup> High Court of Lagos State (Civil Procedure) Rules 2019, Order 28 (Alternative Dispute Resolution - screening and referral of suitable matters to ADR).

### 2.3 Challenges:

Despite this progress, ADR in Nigeria faces obstacles:

- Low Public Awareness: Many litigants remain unfamiliar with ADR or perceive it as inferior to litigation.
- Enforcement Hiccups: While arbitral awards are enforceable, mediation settlements often face resistance, though the 2023 Act addresses this gap.
- Capacity and Infrastructure: Outside Lagos and Abuja, ADR infrastructure and trained professionals remain limited.
- Technology Gap: ADR processes remain heavily manual, with little integration of digital tools, leaving Nigeria behind global trends in Online Dispute Resolution (ODR).

### 3. AI's Promise in Nigeria's ADR Landscape

Globally, scholars have debated whether artificial intelligence should function as a decision-maker or as a decision-support tool within dispute resolution. In practice, the immediate value for Nigeria lies in the latter. Assistive AI systems can support mediators, arbitrators, and even disputants by streamlining administrative burdens, providing preliminary legal information, and predicting likely outcomes of disputes based on historical data.

As Scherer (2019)<sup>9</sup> observes, predictive analytics in international arbitration has already demonstrated how algorithms can examine prior disputes to forecast comparable outcomes. Applied in Nigeria, such tools could improve the efficiency of ADR by guiding parties toward realistic expectations, thereby reducing unnecessary escalation. Carneiro et al. (2014) similarly highlight how AI-powered online dispute resolution (ODR) systems expand access to justice by lowering costs and providing round-the-clock support.<sup>10</sup> This lesson resonates in Nigeria, where limited access to legal aid remains a persistent barrier for small businesses and individuals.

Concrete examples from abroad provide further guidance. The Civil Resolution Tribunal in British Columbia operates as an AI-enabled system that manages intake,

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<sup>9</sup> Matthias Scherer, 'Artificial Intelligence and Legal Decision-Making: The Wide Open Pandora's Box' (2019) 36(6) *Journal of International Arbitration* 541, 546.

<sup>10</sup> CARNEIRO, D., et al. Online Dispute Resolution: An Artificial Intelligence Perspective. *Artificial Intelligence Review* 41, no. 2 (2014): p. 211-240. [online]. [last accessed 12.09.2023]

supports negotiation, and facilitates dispute settlement (Abbott & Brinson, 2023). Likewise, platforms such as SmartSettle use algorithms to propose compromise solutions between disputants while keeping human neutrals in supervisory roles. These cases show that AI is not merely theoretical, it is already reducing costs and accelerating outcomes in comparable jurisdictions.

For Nigeria, the introduction of such systems would not only decongest the courts but also complement the objectives of the Arbitration and Mediation Act 2023, which encourages efficiency and flexibility in dispute resolution. However, any adoption must be carefully localized: infrastructure gaps, regulatory oversight, and cultural acceptance will determine whether AI tools are perceived as trustworthy aids rather than threats to human judgment. The balance, therefore, lies in treating AI as an enhancement, not a replacement, of human expertise in ADR.

### **3.1 How AI is Reshaping ADR Globally**

Across the world, Artificial Intelligence (AI) is no longer a futuristic concept -it is actively transforming dispute resolution processes. From digital negotiation platforms to predictive analytics, AI technologies are enhancing speed, reducing costs, and expanding access to justice in ways that traditional methods cannot.

### **3.2 Online Dispute Resolution (ODR) Platforms**

- European Union: The EU operates an ODR Platform for consumer disputes across borders. Parties file complaints online, and mediators/arbitrators help resolve matters digitally, often within weeks.<sup>11</sup>
- eBay and PayPal: Private platforms like eBay's Resolution Center use automated systems and AI-assisted negotiation to resolve millions of disputes annually without human judges.<sup>12</sup>

### **3.3 AI in Courts and Mediation**

<sup>11</sup> Regulation (EU) No 524/2013 of the European Parliament and of the Council of 21 May 2013 on Online Dispute Resolution for Consumer Disputes [2013] OJ L 165/1 <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32013R0524> accessed 30 September 2025.

<sup>12</sup> eBay Inc., Resolution Center - How We Help with Claims and Disputes (eBay Help, 2025) <https://www.ebay.com/help/resolution-center/resolution-center?id=4041> accessed 30 September 2025.

- China's Smart Courts: China has introduced AI-powered "Internet Courts" in cities like Hangzhou, Beijing, and Guangzhou. These courts handle e-commerce and digital rights disputes, with AI judges assisting in reviewing evidence and drafting decisions.<sup>13</sup>
- United States: In some U.S. states, AI is being piloted for predictive analytics, where algorithms forecast likely case outcomes. This helps parties decide whether to settle or proceed. For example, tools like Lex Machina analyze case law trends to predict litigation risks.
- Singapore: As a global arbitration hub, Singapore is experimenting with AI tools that help mediators analyze case data and streamline negotiations.

### 3.4 Benefits of AI in ADR

- Speed: Automated systems resolve disputes faster than traditional processes.
- Cost-Effectiveness: Digital platforms reduce expenses associated with physical hearings.
- Access to Justice: Individuals and small businesses can resolve disputes without expensive legal representation.
- Consistency: AI tools can identify trends and ensure more predictable outcomes.

### 3.5 Risks and Concerns

- Bias and Fairness: AI systems can replicate biases in the data they are trained on.
- Transparency: "Black box" algorithms may limit parties' ability to understand how decisions are made.
- Enforceability: AI-generated decisions may face challenges in jurisdictions without clear legislative frameworks.
- Ethics: The role of human judgment in sensitive disputes (family, labor, community conflicts) cannot be fully replaced by machines.

## 4. Opportunities and Challenges of Applying AI to Nigeria's ADR System

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<sup>13</sup> China IP Law Update, "Hangzhou Internet Court Decisions on AI-Generated Content and Liability" (China IP Law Update, 2024) <https://chinaiplawupdate.com/2024/07/hangzhou-internet-court-ai-cases/> accessed 30 September 2025.

The Nigerian justice sector is already straining under the weight of case backlogs, resource limitations, and high litigation costs. Integrating Artificial Intelligence (AI) into Alternative Dispute Resolution (ADR) offers a unique chance to address these issues. However, while the potential benefits are significant, Nigeria must navigate serious structural, legal, and ethical challenges.

## 4.1 Opportunities

- Decongesting Courts: By automating routine dispute resolution, especially small commercial claims, tenancy disputes, and consumer complaints, AI-powered ADR platforms can take pressure off the formal courts.
- Enhancing Accessibility: With mobile penetration above 90%, AI-driven Online Dispute Resolution (ODR) platforms can make justice available even in rural areas, reducing the need for physical appearances.<sup>14</sup>
- Reducing Costs: Digital mediation and arbitration can eliminate many costs of traditional proceedings (transport, printing, adjournments), making ADR more attractive to individuals and SMEs.<sup>15</sup>
- Capacity Building: AI tools can assist mediators and arbitrators in analyzing legal documents, identifying case patterns, and predicting likely outcomes, boosting practitioner efficiency.
- Global Integration: The Arbitration and Mediation Act 2023<sup>16</sup> has already aligned Nigeria with international best practices. Leveraging AI would position Nigeria as a competitive ADR hub in Africa.<sup>17</sup>

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<sup>14</sup> Digital 2024: Nigeria- DataReportal (reporting mobile connections equivalent to c.90.7% of the population in January 2024), showing high mobile penetration that supports ODR reach. Available at: <https://datareportal.com/reports/digital-2024-nigeria> accessed 30 September 2025

<sup>15</sup> C. Egbunike-Umegboli, “Assessing the Lagos Multi-Door Courthouse: Access to Justice and Court-Connected ADR in Nigeria” (2022) Athens Journal of Law (LMDC study demonstrating LMDC’s contribution to faster resolution and enforceability mechanisms). Available at: <https://www.athensjournals.gr/law/2022-1-X-Y-Egbunike-Umegboli.pdf> accessed 30 September 2025.

<sup>16</sup> Arbitration and Mediation Act 2023 (Nigeria), s 82(2) (mediation settlement agreements are binding and enforceable as contract/consent judgment/consent award)- anchors the “global integration” claim that Nigeria’s statute already supports enforceability of mediated outcomes. Available at: <https://www.lawyard.org/wp-content/uploads/2023/05/Arbitration-and-Mediation-Act.pdf> accessed 12th September 2025.

<sup>17</sup> International Bar Association, “The Nigerian Arbitration and Mediation Act, 2023: A Comparison with Global Practices” (International Bar Association, 2023) (practitioner note on alignment with international enforcement norms and cross-border mediation). Available at:

## 4.2 Challenges

- Legal Uncertainty: Nigerian statutes and case law are silent on AI's role in dispute resolution. Questions of enforceability arise: Will Nigerian courts recognize AI-assisted or AI-generated awards?
- Digital Divide: While mobile access is high, disparities in digital literacy and internet quality could exclude vulnerable groups from AI-driven ADR systems.
- Data Privacy & Security: AI platforms require sensitive personal and commercial data. Without robust data protection (beyond the Nigeria Data Protection Act, 2023), risks of breaches remain.<sup>18</sup>
- Trust Deficit: ADR is already underutilized partly due to public mistrust. Introducing AI may compound fears of "machine justice" unless transparency is prioritized.<sup>19</sup>
- Ethical and Cultural Barriers: Many disputes in Nigeria, especially family, land, and community-related are deeply cultural. Replacing human mediators with AI could clash with communal norms.<sup>20</sup>
- Infrastructure Weakness: Erratic electricity supply, inconsistent internet connectivity, and underfunded judicial infrastructure limit the scalability of AI solutions.

## 4.3 Balancing Promise and Risk

The Nigerian ADR system sits at a crossroads. While AI has the potential to transform justice delivery, its adoption must be carefully sequenced. Hybrid

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<https://www.ibanet.org/the-nigerian-arbitration-and-mediation-act-2023> accessed 12th September 2025.

<sup>18</sup> Nigeria Data Protection Act 2023, s 24 (obligations for data controllers/processors and requirements for technical and organisational measures). Available at: [https://cert.gov.ng/ngcert/resources/Nigeria\\_Data\\_Protection\\_Act\\_2023.pdf](https://cert.gov.ng/ngcert/resources/Nigeria_Data_Protection_Act_2023.pdf) accessed 12th September 2025.

<sup>19</sup> Dillon Reisman, Jason Schultz, Kate Crawford and Meredith Whittaker, *Algorithmic Impact Assessments: A Practical Framework for Public Agency Accountability* (AI Now Institute, April 2018) (framework for assessing public-sector AI risks- relevant to AI-ODR transparency and accountability). Available at: <https://ainowinstitute.org/aiareport2018.pdf>

<sup>20</sup> AI Now Institute, AI Now 2018 Report (Meredith Whittaker et al., 2018) (documenting algorithmic bias, accountability gaps and recommendations for public-sector AI governance). Available at: [https://ainowinstitute.org/wp-content/uploads/2023/04/AI\\_Now\\_2018\\_Report.pdf](https://ainowinstitute.org/wp-content/uploads/2023/04/AI_Now_2018_Report.pdf) accessed 17th September 2025.

models — where AI supports but does not replace human mediators and arbitrators — may provide the most culturally and legally acceptable pathway.

## 5. Policy Recommendations for Nigeria

For Nigeria to harness the transformative potential of Artificial Intelligence (AI) in Alternative Dispute Resolution (ADR), deliberate policies and reforms are required. The following recommendations outline practical steps for regulators, institutions, and practitioners.

### 5.1 Legal and Regulatory Reforms

- Amend ADR Laws: The Arbitration and Mediation Act 2023 should be expanded (or supplemented by regulations) to recognize the validity and enforceability of AI-assisted ADR processes.
- Judicial Guidelines: The National Judicial Council (NJC) should issue practice directions on how Nigerian courts will treat AI-supported mediation settlements and arbitral awards.
- Data Protection Compliance: Stronger enforcement of the Nigeria Data Protection Act 2023 must be ensured to protect sensitive dispute data.

### 5.2 Institutional Development

- Pilot ODR Platforms: Multi-Door Courthouses (MDCs) and arbitration centers should pilot Online Dispute Resolution (ODR) platforms powered by AI for small commercial and consumer disputes.
- Public-Private Partnerships: Collaborations between government, tech companies, and ADR institutions could accelerate development of indigenous AI-ADR platforms.
- Accreditation Standards: Professional bodies like ICMC, CIArb, and NICArb should establish ethical and technical standards for AI use in ADR.

### 5.3 Capacity Building

- Training for Practitioners: Mediators, arbitrators, and judges should receive training on AI tools, ensuring they understand both capabilities and risks.

- **Digital Literacy for Users:** Awareness campaigns should educate businesses and individuals on how to use ODR platforms safely and effectively.

#### 5.4 Ethical Safeguards

- **Human Oversight:** AI should support, not replace, human decision-making. Every AI-assisted outcome should remain subject to human review and consent.
- **Transparency:** Algorithms used in ADR must be explainable, with parties able to understand the reasoning behind outcomes.
- **Bias Monitoring:** Independent audits should ensure AI systems do not perpetuate gender, ethnic, or socio-economic biases.

#### 5.5 Long-Term Vision

- **National ADR-Tech Strategy:** Nigeria should develop a strategic roadmap for integrating technology into justice delivery, aligning with broader judicial reforms.
- **Regional Leadership:** By becoming an early adopter of AI in ADR, Nigeria can position itself as a hub for digital dispute resolution in Africa, attracting cross-border cases and investment.

### 6. Conclusion

Nigeria's justice system stands at a pivotal moment. The courts remain burdened by overwhelming caseloads, delays, and prohibitive costs, eroding public confidence in the rule of law. Alternative Dispute Resolution (ADR) has long promised relief, but its potential has not been fully realized due to limited awareness, uneven infrastructure, and slow institutional uptake.

Artificial Intelligence (AI) offers a rare opportunity to reimagine ADR in Nigeria. Lessons from global models from China's Smart Courts to the EU's Online Dispute Resolution platform demonstrate how AI can streamline processes, expand access, and cut costs. For Nigeria, integrating AI into ADR could mean faster, cheaper, and more transparent justice for millions of citizens and businesses.

Yet, technology is no magic wand. Questions of legality, enforceability, data security, and cultural acceptance must be carefully navigated. AI should not replace human

judgment but support it, creating a hybrid system that blends efficiency with empathy. If Nigeria invests in legal reforms, pilot programs, practitioner training, and ethical safeguards, it can leapfrog into a justice future that is both modern and inclusive.

Ultimately, the convergence of ADR and AI is more than a technological shift – it is a chance to restore faith in justice delivery and reposition Nigeria as a leader in innovative dispute resolution across Africa.