

# ARTIFICIAL INTELLIGENCE AND LEGAL SERVICES: THE PROMISE, THE PROGRESS, AND THE PITFALLS

Foluso Olusanya & Oluwatobi Akinola



# INTRODUCTION

For professionals across industries, the benefits of Artificial Intelligence (AI) are simply too powerful to ignore. From healthcare to agriculture and education, tailored AI tools are already transforming how work gets done. Now, the legal profession is discovering Generative AI — and the way legal services are delivered may never be the same again. Lawyers now stand at the edge of a major shift in how legal services are accessed, delivered, and understood.

Generative artificial intelligence (Generative AI) refers to deep-learning models (such as ChatGPT, Grok, Midjourney etc.) that can be used to create new content, including audio, code, images, text, simulations, and videos.<sup>1</sup> It makes use of advanced algorithms to organize data or prompts into specific outputs.

## *The Promise: Why AI Excites the Legal Industry*

At its core, Generative AI delivers speed, efficiency, and cost-effectiveness. It enables lawyers to perform traditionally time-consuming tasks — such as legal research, contract drafting, and document review — with remarkable ease.

For instance, a lawyer could upload a 3,600-page document to an AI tool like Google's Gemini API<sup>2</sup> and request a one-page summary, or the identification of potentially unfavourable clauses. Within minutes, the tool can deliver results that would otherwise take hours, if not days, to complete manually.

Other tools, such as PrimeGPT, are now being used to draft entire statements of claim and other court pleadings, while Case Radar offers features that deliver personalised legal advice on every area of law instantly.<sup>3</sup>

For lawyers, this translates to faster turnaround times, fewer billable hours for routine matters, and ultimately, more value for clients. Beyond this promise, the world has discovered deep concerns with the use of AI, including issues of data privacy and intellectual property violation. However, for the legal profession the concern is something far more insidious:

---

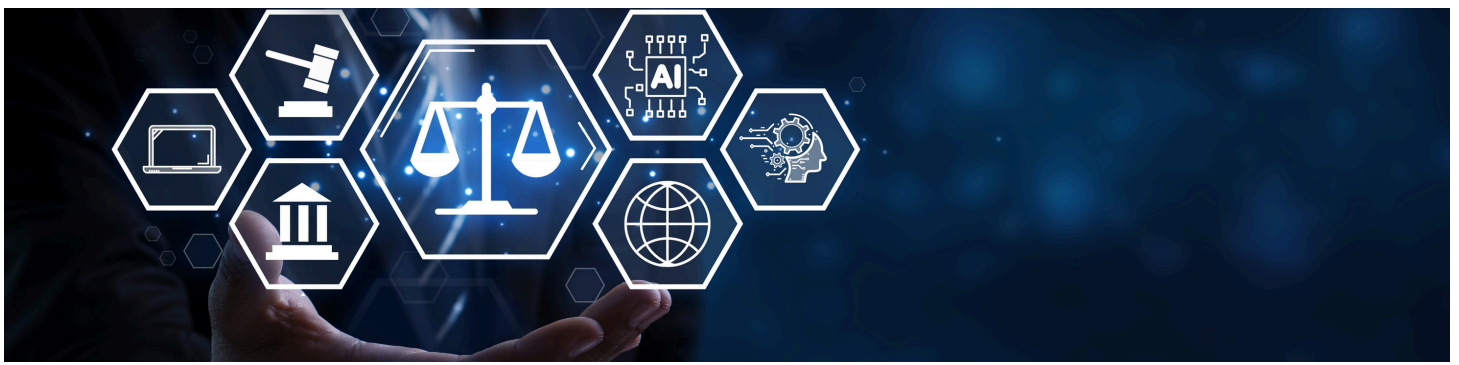
<sup>1</sup> McKinsey & Company, 'What is Generative AI?' (McKinsey & Company, 19 July 2023) <https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-generative-ai> accessed 14 April 2025.

<sup>2</sup> Google, 'Document Processing' (Gemini API Documentation) <https://ai.google.dev/gemini-api/docs/document-processing?lang=python> accessed 14 April 2025.

<sup>3</sup> Case Radar, 'Experience the Future of Law with Instant Access at Your Fingertips' (Case Radar) <https://www.caseradar.ai/> accessed 16 April 2025.







*a quiet, growing habit of over reliance on Artificial Intelligence.*

In *Mata v. Avianca, Inc.* Colombia-based Avianca Airlines sought to dismiss a federal court case in the United States in which a man, Roberto Mata, alleged he was “struck by a metal serving cart” onboard a 2019 flight and suffered personal injuries. When filing a response, Mata’s lawyers cited at least six other cases to show precedent, including *Varghese v. China Southern Airlines* and, *Shaboon v. Egypt Air*—but the court found that the cases did not exist and had “*bogus judicial decisions with bogus quotes and bogus internal citations,*”<sup>4</sup> and on 22<sup>nd</sup> June 2023, the Court fined the two lawyers and their law firm the sum of \$5,000.

More recently, on 26<sup>th</sup> March 2025, Jerome Dewald, a 74-year-old plaintiff in an employment dispute attempted using an AI-generated avatar to represent himself in court, without informing the judges. The video featured an entirely fabricated, AI-generated person who spoke on Dewald’s behalf. This left the five judges of the New York State Supreme Court Appellate Division’s First Department visibly baffled and brought the hearing to an abrupt halt.<sup>5</sup>

The Australian Bar has not been spared either. In *Valu v. Minister for Immigration and Multicultural Affairs (No. 2)*<sup>6</sup> Justice Rania Skaros referred a legal practitioner to the Office of NSW Legal Services Commissioner<sup>7</sup> for having used artificial intelligence to prepare submissions with references made to non-existent authorities.<sup>8</sup>

### *The progress; Latent issues*

In 2025, a bold milestone was reached: the authorization of the first fully regulated AI-law firm in the United Kingdom.<sup>9</sup> This development shifted the global conversation from hype to legitimacy. Generative AI is no longer a speculative tool in the legal services value chain—it is now a formally recognized means of delivering legal services under the supervision of a national regulator.<sup>10</sup>

<sup>4</sup> Forbes, ‘Lawyer Used ChatGPT in Court—And Cited Fake Cases. A Judge Is Considering Sanctions’ (Forbes, 8 June 2023)

<https://www.forbes.com/sites/mollybohannon/2023/06/08/lawyer-used-chatgpt-in-court-and-cited-fake-cases-a-judge-is-considering-sanctions/> accessed 16 April 2025.

<sup>5</sup> Times of India, ‘74-year-old man uses a younger-looking AI lawyer in court to represent him: What happened next will shock you’ (26 March 2025)

<https://timesofindia.indiatimes.com/etimes/trending/74-year-old-man-uses-a-younger-looking-ai-lawyer-in-court-to-represent-him-what-happened-next-will-shock-you-watch-viral-video/articleshow/120153490.cms> accessed 17 April 2025.

<sup>6</sup> [2025] FedCFamC2G 95 (31 January 2025)

<sup>7</sup> The OLSC operate as part of a co-regulatory system with the Law Society of NSW and the NSW Bar Association, tasked with receiving and investigating complaints about lawyers in New South Wales.

<sup>8</sup> Hearsay.org, ‘Senior Practitioner Referred to Regulator for Incorporating Fake AI Generated Decisions in Submissions’ (Issue 99: Professional Conduct and Practice, March 2025) <https://hearsay.org.au/senior-practitioner-referred-to-regulator-for-incorporating-fake-ai-generated-decisions-in-submissions/#:~:text=In%20Valu%20v%20Minister%20for%20Immigration%20and%20Multicultural,includin%20in%20their%20primary%20submission%20fake%20case%20references.> accessed 17 April 2025.



The global response to regulating AI has also been swift, led by the European Union’s landmark Artificial Intelligence Act (“EU AI Act”), which came into force on 1<sup>st</sup> August 2024. It is the world’s first comprehensive legal framework on AI by a major regulator and sets out risk-based rules for AI developers and users regarding specific application of AI across the European Union. The critical question from the increased use of AI, is no longer *if*, but *how* to align.

In Nigeria, there are currently no direct laws regulating or providing for the controlled use of Generative AI within Nigeria. However, the provisions of certain existing statutes may be interpreted to have some bearing on its application. Some of these include: (i) *Cybercrime (Prohibition, Prevention Etc) (Amendment) Act 2024*; (ii) *Nigerian Data Protection Act 2023 (NDPA)*; (iii) *Copyright Act 2022*.

However, on 16<sup>th</sup> April 2025, Nigeria launched its National Artificial Intelligence (AI) Strategy to accelerate AI development, productivity, and economic growth across sectors. The Nigerian government has also commissioned the National Centre for Artificial Intelligence and Robotics (NCAIR) as a special purpose vehicle for the promotion, research and development on emerging technologies and their practical application in areas of national interest.<sup>11</sup>

For lawyers, the Nigerian Bar Association (NBA) has issued *Guidelines for the use of artificial intelligence in the legal profession in Nigeria* to mitigate potential ethical violations by legal practitioners.

Finally, the *Control of Usage of Artificial Intelligence Technology in Nigeria Bill, 2023 (HB.942)* is also in the works and seeks to establish a definite regulatory framework for the development and deployment of artificial intelligence in Nigeria. Nonetheless, the absence of a comprehensive legal framework specifically governing AI use in legal services leaves Nigerian law firms and legal-tech startups in a state of uncertainty—looking to global precedents while navigating local regulatory ambiguity.

### *The Pitfall*

AI is undeniably part of the future, even for the legal profession. While the current lack of specific AI regulations might suggest it is premature to discuss over-regulation, caution must be exercised to avoid swinging the pendulum too far. Regulators and legal scholars must proactively address emerging risks without inadvertently stifling progress.

<sup>9</sup> Solicitors Regulation Authority, ‘SRA approved first AI-driven law firm’, <https://www.sra.org.uk/sra/news/press/garfield-ai-authorised/> accessed 3 June 2025.

<sup>10</sup> The Solicitors Regulation Authority

<sup>11</sup> IT Edge News, ‘Nigeria pushes for AI regulation amidst global concerns’ (IT Edge News, 16 April 2025) <https://www.itedge news.africa/nigeria-pushes-for-ai-regulation-amidst-global-concerns/> accessed 17 April 2025



Over-regulating AI, especially in its nascent stages, could inadvertently discourage innovation, deter much-needed investment, and stifle the creative exploration of its potential benefits within the legal and other professional contexts.

Equally important is the question of liability and accountability. The legal profession, already a strictly regulated industry - with disciplinary measures ranging from suspensions to outright disbarment - underline the importance of accountability within the field. The use of AI without clearly defined lines of responsibility in cases of error or misapplication could create significant ethical and professional dilemmas. Establishing clear frameworks for liability, encompassing developers and end-users will be essential to fostering trust and responsible adoption of AI in legal practice.

*Conclusion*

As AI becomes more embedded in legal practice, prioritising responsible use, establishing clear lines of responsibility, and fostering ongoing dialogue among legal professionals, technologists, and policymakers will be paramount. This collaborative approach will ultimately benefit both practitioners and their clients, ushering in a new era of legal services grounded in both technological advancement and enduring principles of justice.

With the right guardrails in place, Nigeria can adapt international best practices, foster a thriving legal-tech ecosystem, and deliver legal services that enhance efficiency, broaden access, inspire innovation, and build public trust—all while remaining ethically grounded.

This is not a battle between AI and the law; it is a call to responsibly harness AI in service of the law, ensuring technology advances justice rather than undermines it.

**Babalakin & Co.** possesses extensive expertise at the intersection of law and technology and remains at the forefront of advising clients on the rapidly evolving legal landscape surrounding Artificial Intelligence. For further information or enquiries on the issues discussed in this article, please contact:



**FOLUSO OLUSANYA**  
Associate  
folusanya@babalakinandco.com



**OLUWATOBI AKINOLA**  
Trainee Associate  
oakinola@babalakinandco.com

**—OFFICE LOCATIONS—**

**LAGOS OFFICE**

1261A, Adeola Hopewell Street 4  
Victoria Island,  
Lagos State.  
+234-2702802, 2718806, 2718808,  
2718711, 2718800-4, 2718700-9

**ABUJA OFFICE**

4, River Benue Street,  
Off Ibrahim Babangida Boulevard,  
Maitama District,  
Abuja,  
+234-9-2780930, 2780933-9

**PORT HARCOURT OFFICE**

3, Williams Jumbo Street,  
Old GRA, Port Harcourt  
Rivers State  
+234-703506876