ALT Insights – Legal Tech Kenya

Tell us a little bit about yourselves

Legal Technologies Kenya Limited, or Legal Tech Kenya is a legal technology start-up based in Nairobi, Kenya. We build technology products for individual legal practitioners, law firms and institutional legal departments. Our focus is on building disruptive innovations that create new markets and value networks. To this end, we have recently launched our very own web application for virtual access to legal services - Legal Point Services

You have a new initiative to create an open source community. Why did you set it up – what was the problem you were trying to solve?

We are guided by our main objective, which is to make access to legal services universal, convenient and less costly through disruptive innovations in legal technology. It is this objective that forms the foundation of our initiative to build an open-source community. We are building a community for our first open-software project, a blockchain-based land registry and property deeds software platform. The objective of this community will be to provide disruptive technology solutions for uniquely African problems and challenges.

Our focus on land and property is guided by the central role that land ownership plays in the social, political and economic life of most Africans, as well as the historical and spiritual significance of land in most African cultures. Natural resources, agriculture, real estate enterprise and other land-based activities are at the heart of livelihoods, food security and national economies for most Africans. In most African jurisdictions, land registries need to maintain records of ownership and record changes in ownership as they happen. Historically, a lot of this work is paper-based, which comes with risks such as lost documents, destroyed documents and falsified or manipulated document.

How will the tech disruption you are proposing solve these challenges?

We have chosen blockchain as the foundational technology for this project because of its fundamental property of immutability of records. What this means is that a blockchain ledger can remain unaltered and unchanged, meaning that the data stored in the blockchain can remain unaltered. Blockchain provides complete data integrity, simplifies auditing and allows for decentralization. These attributes solve a majority, if not all of the challenges faced by paper-based land registries

One of the distinguishing features of this initiative is to create a pan-African community – something we at ALT are supportive about.

Yes, we believe that valuable knowledge relating to land tenure is, however, not just limited to technology experts and legal experts but can be sourced from a multitude of other professions. For this reason, our community is open to anyone who feels that they can make a valuable contribution to this project. Further, our community is open to anyone who is native to, or is living or working in Africa. This will ensure that the community provides disruptive technology solutions for uniquely African problems and challenges.

Through this collaboration, we will identify common challenges in the land registries of various African jurisdictions and build a blockchain-based software platform to address these challenges.

Why open source?

Land ownership has been and continues to be a contentious issue in Kenya and many African countries. Open-sourcing this project will make protection of land and property rights easier, cheaper and more accessible. This collaborative approach will incorporate broad ideas from different professionals, resulting in high quality software with low ownership costs

What are your ultimate goals for this initiative?

In the short-term, we expect to gain a better understanding of land tenure in various African countries and the problems that are common to all the participating jurisdictions, as regards land registration and property deeds. This knowledge will serve as a guide for building an open-source software platform that can be applied universally within the African continent, to solve the common problems identified. We also expect to create a blueprint for local implementation in the different participating jurisdictions by providing implementation guidelines, software documentation, user guides and a detailed list of opportunities for further development.

Longer term, it is our hope that the open-source software that results from this project will be implemented in as many African countries as possible, ensuring protection of land and property rights. In recognition of the diverse languages spoken across the African continent, it is also our long-term goal that the software we create will be translated into as many languages as possible, as well as made accessible to all persons regardless of disability type or severity of impairment.

Looking at the broader legaltech environment, what regulatory and legislative environment is required to facilitate greater use of technology in the African legal sector?

In order to foster business, the technology sector requires a regulatory and legislative environment with strong institutions that have effective enforcement and monitoring powers. Where business entry and tax procedures are simplified and the law protects businesses against arbitrary expropriation, businesses have greater impetus to innovate and expand. Heavy regulation and complex tax regimes stifle innovation by making it almost impossible for fledgling start-ups to find their feet.

Further, legislative and regulatory institutions need to be agile and flexible in keeping up with changes in the technology sector. While it is near impossible to anticipate changes in technology with new technologies emerging every so often, it is possible to create structures and procedures that ensure the regulatory and legislative frameworks put in place can react to new technologies within a reasonable time. A good example of this would be having a set period of review for existing laws and regulations governing the technology sector. What this would do is to entrench predictability of legal and regulatory changes, making it possible for businesses and innovators to align their strategic goals with expected changes to the sector.

As pertains to the legal sector itself, a lot of the substantive and procedural rules of practice are derived from the colonial systems inherited by most African states after gaining independence. Some of these have not been changed over long periods of time and where change has occurred, such has been aimed at reflecting accompanying changes in substantive laws, such as promulgation of new constitutions.

The legal profession is one that is firmly rooted in procedure and while this creates certainty, order and nobility, it does not adequately serve the needs of a 21st century lawyer or their client. With the exponential growth in technology and the wide-spread sector disruptions that this has brought about, modern lawyers cannot continue to view their profession through the same lens as their predecessors. While the services at the core of the profession remain the same, the needs and expectations of clients have drastically changed.

Technology has changed the way consumers shop for goods and services. Consumers expect ease, convenience, availability of information, reliable communication, new ways of experiencing the law and a fulfilling customer experience. In today's digital world, technology is at the centre of everything. Everything is online, and the legal profession cannot afford to fall behind. The current state of legal practice that prioritizes partnership models and puts emphasis on billable hours is a key hindrance to the adoption of legaltech by most established, upcoming and new law firms.

A change in procedural regulations and legal training could go a long way towards widely modernizing legal practice. Without rigid regulations, legal practitioners can begin to move away from restrictive, older models of practice such as partnerships. The focus can then shift entirely to the needs of consumers. A practice that is built upon meeting the needs of modern-day consumers will focus on convenience in service delivery, understanding market trends, incorporating new technologies, anticipating new opportunities in different sectors through analytics, and so much more. A cultural shift from the systems and methods of practice that are currently in practice, to a client-focused approach that places technology firmly at the centre will completely revolutionize this industry not only by making legal service more accessible, but also opening up new avenues for revenue making.

How best can lawyers influence and shape the legislative and policy environment to enable the growth of the African technology sector?

While there can be no universal blueprint for this since the legislative and policy environments for different countries are dictated by a multitude of factors, here are two suggestions that are sure to gain significant traction in any jurisdiction.

The emergence and growth of the legal technology sector provides an opportunity for lawyers to interact with tech innovators at a deeper level beyond legal representation or the use of their tech products. Lawyers can themselves become innovators by translating their experiences in the legal sector into innovative tech products and services. By gaining a deeper understanding of the intricacies of operating in the technology sector, it becomes easier for lawyers to formulate legislative and policy documents that create environments which foster productivity, innovation and growth.

Legal awareness for start-up founders and tech innovators can also be an important tool in pushing for better legislative and policy environments. Lawyers can educate founders and innovators on protection of intellectual property rights and compliance for local trade and cross-border trade in intellectual property. As stakeholders in the sector, innovators and founders can then push for regulatory and policy changes that ensure sufficient protection of intellectual property rights

through creation of strong enforcement mechanisms, and that make it easier for transfer of technology and cross-border trade in intellectual property.

Join the community at https://www.legaltechkenya.com/community

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