TECH FOR THE LEGAL SECTOR IN AFRICA 2020

A report by Afriwise, Africa’s leading legal-intelligence solution.
YOUR LEGAL QUESTIONS TURNED INTO ANSWERS
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The topic of legal technology in Africa is close to my heart. I still remember as a young lawyer, leaving Freshfields in the early 2000s and arriving in Tanzania. I remember what an eye opener the Tanzanian law firm I joined was, no legal research platforms, no consolidated legislation and very few African law firms outside of South Africa had things such as a practice manager, a business development manager, or even proper time entry systems. Look at things now! Change has undoubtedly occurred. Yet, everyone we have spoken to over the last few months agrees, the continent is still behind in terms of legal tech and innovative alternative legal solutions. They also agree that COVID-19 has presented a real opportunity to turn this around, with many believing the continent could leapfrog countries globally in its adoption of technology to improve legal services.

Since March of this year we have seen rapid changes as the coronavirus has acted as an unexpected catalyst for tech adoption. In January, it would have been inconceivable that law firms across Africa would adapt to working remotely, yet many have managed to do so seamlessly. And critically, mindsets have changed too. Those who doubted the potential of technology to significantly ease business and improve productivity are now convinced of the necessity to change the way they work and digitise. We are certainly living in an exciting time, where digital transformation has imminent potential to disrupt the legal sector in Africa.

At Afriwise, we are at the forefront of converting legal texts into structured data and marrying technology with law. We have seen first-hand how technology is enabling businesses to operate more efficiently – saving organisations time and money. We know that this sort of tech tool is no longer a “nice to have” but an essential for businesses that wish to work quickly and remain competitive on the continent.
Over the last few months we have held a series of events, ran a survey and we have spoken with lawyers, including in-house counsel from across Africa. As we work with close to 100 law firms on the continent to already serve hundreds of in-house counsel and compliance officers, we are well placed to have these discussions. The findings of this survey and these discussions are embedded within this report. It has been really interesting for us to build a comprehensive picture of what is already being done and the challenges that need to be addressed in order to do more.

Our survey indicated overwhelmingly that the majority of respondents, both in-house counsel and law firms, expect COVID-19 to prompt some form of tech transformation.

Interestingly, law firms were under the impression this tech transformation would be internally led and was not being demanded by in-house counsel. Yet, in the in-house counsel survey, the majority of respondents indicated that they wanted their law firms to adopt new technology. This is something we have also gauged from conversations with in-house counsel who all suggested they would like to see the law firms they engage with using more technology. In the in-house counsel survey, 64% felt that prior to COVID-19 the legal sector was in need of transformation, with not one respondent specifying they thought it was fine as it was.

On the other hand, some law firms were clearly already making moves to digitise their operations. Indeed, a number of firms we have spoken to noted that they had multiple tech platforms in place they just were not utilising them properly; COVID-19 has impelled them to now do so. Given that more often than not getting people to start using new systems is the greatest challenge, there will already be discernible shifts in the way departments are operating.

There were great variances in how each country was prepared; in Kenya for example, court proceedings went ahead via video conferencing whereas in many jurisdictions, courts closed altogether for 3 months. Knowledge sharing between sectors and regions will be imperative. The aim of this report is to provoke conversation and debate; to act as a catalyst whereby new partnerships can be forged and to be part of a growing body of literature which shapes policy in the legal tech field. We have included some practical next steps for how we aim to do this in the final section.
An overview of data protection requirements in 10 countries can cost tens of thousands of US dollars. And these prices are for a one-off memo in a simple Word format, which could take weeks to obtain and quickly becomes out of date.

Afriwise launched in 2018 and leverages technology to empower organisations to access relevant and up to date legal information in a cost-efficient way. Afriwise works together with top law firms across the continent to transform legal texts into practical legal guidance, in a uniform and comparable manner, available 24/7 on its purpose-built online platform. This invaluable information is complemented by an underlying service for clarification requests, automatic alerts to changes in the law and direct access to top in-country legal experts.

This allows businesses to easily find the answers to legal and regulatory questions, anytime, anywhere, at a fraction of the cost they are used to. The information is current, reliable and takes into account the local practice and nuances of each particular country.

Today Afriwise covers Angola, the Democratic Republic of Congo, Kenya, Nigeria, Mozambique, Rwanda, South Africa, Tanzania, Uganda, Zambia and Zimbabwe with many other countries in the pipeline.

Afriwise offers a variety of subscription options to give you immediate access to its unique platform, as well as custom solutions to help you overcome your legal-information and compliance challenges when doing business in Africa.

WHO WE ARE

Sourcing legal and regulatory information is often cumbersome and expensive for organisations active in Africa...
We currently maintain 195 legal categories on our platform. All are being continuously kept up to date by our teams to reflect changing legislation in each country.


We also offer overviews of applicable laws and upcoming reforms and collate legal newsletters and articles from across the continent.

To understand how vast the information databases are and how fast things are changing: in September 2020 alone, our in-house legal editors are busy updating 55 of these categories to bring them in line with new legislation.

387 category updates since January 2019.

There are currently 2500 legal experts on our platform. Afriwise subscribers can contact these experts directly through the platform. Each of these experts are leaders in their legal fields and have been vetted by Afriwise in terms of professional standing and integrity.

Since January 2019, our users have logged on to our platform to retrieve vital legal, regulatory and business information 4000 times.

Afriwise has saved our subscribers an estimated 11,000 hours since we launched.
AFRIWISE’S OUTLOOK SURVEY RESULTS

Based on 80 responses from 16 countries: Angola, Cameroon, Ghana, Kenya, Nigeria, Senegal, South Sudan, Tanzania, Uganda, Guinea, Mozambique, Mauritius, Botswana, Zambia, Zimbabwe, South Africa.
IN-HOUSE COUNSEL RESULTS

Do you think that prior to COVID-19 the legal sector on the African continent was in need of some form of transformation?

- 64.3% agree
- 25% somewhat agree
- 10.7% neither agree nor disagree
- 0% disagree
- 0% somewhat disagree

Do you think that COVID-19 will lead to more transformation of the legal industry in Africa?

- 64.3% agree
- 17.9% somewhat agree
- 14.3% neither agree nor disagree
- 3.6% disagree
- 0% somewhat disagree

Afriwise
Do you expect COVID-19 to have a major impact on the work you assign to external law firms?

- Yes: 28.6%
- Agree somewhat: 14.3%
- Neither agree nor disagree: 25%
- Disagree somewhat: 3.6%
- No: 0%

Do you think that COVID-19 will see African law firms accelerate technologization of their operations?

- Yes: 46.4%
- Agree somewhat: 32.1%
- Neither agree nor disagree: 14.3%
- Disagree somewhat: 7.1%
- No: 0%

Do you want your external law firms to invest more in tools and technology?

- Yes: 67.9%
- Agree somewhat: 17.9%
- Neither agree nor disagree: 10.7%
- Disagree somewhat: 3.6%
- No: 0%
Will you look more at alternative legal service delivery models in the near future?

If yes, has this been prompted by the COVID-19 pandemic?
WHAT ARE THE KEY CHALLENGES YOU FACE AS IN-HOUSE COUNSEL?

“Trying to keep up with the evolving legislative changes and applications” SOUTH AFRICA

“Lack of access to legal information” NIGERIA

“Time constraints and lack of timely access to attorneys in African jurisdictions” SOUTH AFRICA

“Given that I work in several jurisdictions, it is sometimes difficult not having a relationship firm to sound out structuring ideas with at the preliminary stages of transactions” NIGERIA

“Lack of proper contract management systems” ZIMBABWE

“The success of using technology depends on access of the same by clients as well as a large percentage of the legal sector generally. Inadequate resource capacities to sustain long term use of online platforms as the technological alternative to traditional office work is a huge challenge” KENYA

“Providing service delivery which is more than just the law and compliance” ZAMBIA

“We need more real time updates of regulatory developments in difficult jurisdictions without paying dollar-based fees” SOUTH AFRICA

“It is difficult to obtain the required volumes of accurate and relevant large legal information from several jurisdictions in a short time to aid decisions. Managing external legal costs is also an issue” KENYA

“Lots of time taken on preparation of monotonous documentation” KENYA

“With the reduced business brought about by the pandemic, budgets are tight. This is despite, more than ever, requiring the support of external counsel for innovative ideas that the business is exploring to keep the business going. Whilst challenging, I expect outside counsel to give us good rates while keeping the legal fees at a reasonable level” KENYA

“Finding innovative solutions to help improve legal operations to internal clients within the business” SOUTH AFRICA

“Easy access to current information, changes and updates in regulation, new market and industry legal news” SOUTH AFRICA

“Realization that working from home is viable way forward and putting in systems to allow that even after COVID-19” KENYA
Do you think that prior to COVID-19 the legal sector in your country was in need of some form of transformation?

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Do you think that COVID-19 will lead to some form of transformation of the legal industry in your country in general?

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<tr>
<td>Agree somewhat</td>
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<tr>
<td>Neither agree nor disagree</td>
<td>16.3%</td>
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<tr>
<td>Disagree somewhat</td>
<td>2%</td>
</tr>
<tr>
<td>No</td>
<td>4.1%</td>
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Do you think that COVID-19 will see law firms accelerate technologization of their operations in your country?

- Yes: 53.1%
- Agree: 20.4%
- Neither Agree nor Disagree: 24.5%
- Disagree: 2%
- No: 0%

Do you expect COVID-19 to have a major impact on your workload over the next 2 years?

- Yes: 46.9%
- Agree: 30.6%
- Neither Agree nor Disagree: 18.4%
- Disagree: 4.1%
- No: 0%

Had your firm started taking steps to technologize its operations prior to COVID-19?

- Yes: 55.1%
- Agree: 16.3%
- Neither Agree nor Disagree: 20.4%
- Disagree: 2%
- No: 6.1%
Will your firm accelerate digital transformation due to COVID-19?

- **YES**: 53.1%
- **AGREE SOM Guerrero**: 24.5%
- **NEITHER AGREE NOR DISAGREE**: 10.2%
- **DISAGREE SOM Guerrer Guerrer**: 10.2%
- **NO**: 2%

Are your clients asking you to invest more in tools and technology?

- **YES**: 12.2%
- **AGREE SOM Guerrero**: 22.4%
- **NEITHER AGREE NOR DISAGREE**: 30.6%
- **DISAGREE SOM Guerrero**: 18.4%
- **NO**: 16.3%

Will your firm look at alternative legal service delivery models in the near future?

- **YES**: 38.8%
- **AGREE SOM Guerrero**: 30.6%
- **NEITHER AGREE NOR DISAGREE**: 22.4%
- **DISAGREE SOM Guerrero**: 4.1%
- **NO**: 4.1%
“Was this prompted by COVID-19?”
Some Further Thoughts From Respondents...

“They will consider advancing more technology that will allow employees to work from home more efficiently and for client interviews to be done through online platforms.” KENYA

“No. We have been using and applying updated and new technology in our daily work for several years” MOZAMBIQUE

“We do not offer legal services but work with law firms that have confirmed this trend” SOUTH AFRICA

“Lawyers in the firm are strongly encouraged to work remotely wherever possible. Lawyers will become more used to doing so, as will our clients” SOUTH AFRICA

“No really.. Our firm already had plans underway to incorporate technology tools in service delivery.” KENYA

“It is of course now imperative to invest more in ICT” ZIMBABWE

“Before Covid-19, legal services were conducted face to face or traditionally despite technology. The pandemic has caused income retardation because countries like South Sudan where I am operating lack digital service or internet services – we are not up to date compared to some countries. Therefore, the pandemic has had an economic impact in the countries with inadequate digital services” SOUTH SUDAN

“New ways of service delivery, marketing and general departure from brick and mortar.” KENYA

“It is prompted by pricing pressures and commoditisation of legal services” ZAMBIA

“No, we already had operationalized an internal mechanism and built capacity to ensure we pursue such models actively” KENYA

“No. It was already in our strategic development plan” SENEGAL

“Given the massive disruption caused by Covid-19, it is fair to say that generally, no option, for now, is off the table” NIGERIA

“Rules of evidence and court procedures need to adapt to electronic documents and evidence.” KENYA

“Yes it has been prompted by Covid-19” NIGERIA

“Yes, COVID-19 has brought a new realisation that some functions can be done remotely through use of technology” KENYA

“No, the progression to alternative models of delivery of legal services is largely driven by digitization and technological advancements in the global space which has led to a transformation in service delivery not only for the legal market but in almost all sectors of the economy” TANZANIA

“To some extent yes. While our ability to work remotely was in place before C-19, the pandemic has brought home the need to fast-track the state of readiness of our clients and business practices in general to work in this way. However, our primary constraints lie in the buy-in to the new practices both by our clients and more importantly, by the Government registries and other offices who are not moving at a pace we would like” KENYA

“It accelerated the use of digital platforms we were using, but showed clients that legal tech is effective” UGANDA

“Accelerated by the pandemic. Changes contemplated include moving to agile working and more sophisticated forms of technology allowing this. There is too much time spent physically travelling to and from work” GHANA
ON THE TOPIC OF LEGAL TECHNOLOGY IN AFRICA, RESPONDENTS FURTHER ADDED...

“The government sectors that lawyers interact with such as registries like the land registries must digitize fully without delay. Token digitisation measures are of no use. Lawyers will need to understand that technology is not a threat to their work” KENYA

“Full legal protection of authorship of templates used by a law office, to full prevention of copy and paste of others efforts” MOZAMBIQUE

“The COVID-19 induced adoption of technology essentially involves remote working technologies. This will drive increased demand for bandwidth on a more distributed basis. It’s good news for fibre-to-home suppliers but bad news for African countries that lack high-bandwidth capacity. I expect African countries to place greater emphasis on the need to increase bandwidth capacity in the short to medium term” SOUTH AFRICA

“I believe the time is ripe to implement a sustained campaign on use of technology to deliver legal services. More so, using the professional organisations in the legal sector. However, a lot of sensitization needs to be done on use of technology for professional services in general. Assurances of privacy and confidentiality and maintaining the quality of service need to be made” KENYA

“The fact that many African nations lag behind in technological advancement, and the high cost of communicating via modern modes/ platforms, will result in the slower pace of adoption of technology in the legal services sector” ZIMBABWE

“Acquisition cost and cost recovery would be a major challenge for many law firms newly wishing to loop into the use of technology to enhance their service delivery” NIGERIA

“As the law firms and legal departments evolve technology wise, it's important for the judicial institutions to grow as well” KENYA

“As far as legal services is concerned, technology is easily accepted in digitalized countries where access to internet is easy, but in countries where technology is access by 10% of population it is difficult, particularly during pandemics.” SOUTH SUDAN

“It would be important to have cross border practice and legal service delivery acceptable by the various bar associations using accepted technology” KENYA

“The digital transformation in Africa has to be further accepted by affordable internet and dependable infrastructure” UGANDA

“I think the stage has now been for LegalTech to take off in Africa, it's unfortunate that it took a pandemic to do so” KENYA

“The pace at which technology is being embraced by African law firms is uneven and this is for diverse reasons. Apparently, what is required are for some to champion this inevitable turn of events” NIGERIA

“There is a need to overcome the conservative mindset of practitioners and members of the judiciary” NIGERIA

“The legal sector appears rigid in some areas like the court systems. The pandemic has presented an opportunity for us to explore other options of working which might be even more beneficial than the traditional methods” KENYA

“The legal industry is slow to change, perhaps due to the inherent nature of attorneys. The pandemic is assisting in breaking down some of the barriers to change and will bring about greater adoption of technology in the legal industry” SOUTH AFRICA

“We need to look at speed/quality of internet at least in Ghana. Currently it is quite poor” GHANA

“One of the barriers to early adoption has been lack of tech solutions that are suitable for smaller firms and fit for the African setting. It would be important to explore or encourage the development African home-grown solutions through African legal tech hubs” ZAMBIA
THE FUTURE OF THE AFRICAN LEGAL LANDSCAPE.

For those who were unconvinced about the impact COVID-19 might have on the legal sector in Africa before the webinar, our panellists persuaded even the most conventional lawyers that some form of technological revolution could now be imminent.

In a poll floated during the webinar participants were asked...

Do you think that COVID-19 will lead to some form of transformation of the legal industry in your country in general? 94% responded “Yes”.

94% YES

When asked...

Do you think alternative legal service delivery models will succeed in Africa? 62% responded “Yes” with 35% opting for “Maybe”.

62% YES
35% MAYBE

Some of the continent’s legal tech trailblazers see a real opportunity post-COVID to build momentum and speed up changes which were only gradually beginning to take effect. This includes the Head of Technology and Innovation at Uganda’s largest law firm, KATS - Alice Namuli Blazevic - who has been listed among the most Influential Women in Legal Technology by ILTA.

During the webinar, Alice explained: “When speaking about legal technology pre COVID it was only lawyers below 35 who were willing to listen and give you an ear, not just in Uganda but right across the continent. But now, because of the pandemic, everyone is engaged and trying to work out what they can do.”

It is clear that some form of technological transformation must now happen; it is no longer simply a “nice to have”. With the expectations of clients in particular changing, firms have one option - embrace technology or fail.

And this should come as no surprise. Legal technology can improve efficiency and streamline processes, offering enhanced value at lower costs. Working with the next generation of lawyers will be critical to any form of transformation and law schools in particular were flagged as a good place to start. Introducing legal technology into the law school curriculum and aligning syllabi with the needs of law firms will better equip young lawyers with the skills necessary to drive systemic change.

There is undoubtedly appetite and with some exciting work in this field already underway, the acceleration prompted by the current pandemic could transform Africa into a global high-tech legal powerhouse. Shifting from a continent dependent on what comes from outside in terms of legal technology to one introducing, expediting and exporting solutions.

Listen to the full webinar [here](#).
I recently partook in a survey which asked respondents “what was the one thing that had the biggest impact on your company’s digital transformation. There were three options, CEO, CIO or COVID-19. The overwhelming majority opted for COVID-19.

In just a short period of time, essentially what we have seen is the drive to ensure “contactless everything”. At Webber Wentzel one of the things we had to redo very swiftly was our entire suite of meeting rooms so we could accommodate tribunals, respect social distancing and ensure that security and fidelity during the tribunals was maintained. It is exactly this “contactless everything” that we will see continue to permeate our business processes, so we are better prepared for the future. I also expect to see a whole host of new regulations around privacy and protectionism over the coming months.

In my role at Webber Wentzel, one of the most fundamental things I do is to understand the shifts in client and customer behaviour. With COVID-19, it became clear to us fairly early on that we should expect to see some very large shifts in a short space of time. For our organisation, it is critical that we develop different types of mechanisms in order to make sure that the voice of the client and customer is not just heard, but that we make sure we adjust our internal business processes and products to incorporate their points.

I think an important discussion all organisations should be having today is around how we make our business models more sustainable in the future. At Webber Wentzel, especially in our digital practices, one of the things we are looking at quite seriously is our ability to move away from the billable hour to focus on value-based contracting with our clients. The only way we have been able to do this is to implement different types of technology to allow for a significant improvement in productivity of these teams. In one of our corporate teams our core processes used to take them around 7 months to complete. Through the process of end to end digitisation, we were able to reduce the cycle time in that core practice area down to just 3 weeks. From that perspective, it not only gave us the leeway to internally transform our processes, but it also improved the benefit to our clients. This internal improvement meant that our team were able to achieve around 25% improvement in their billable revenue through moving to much more of a value-based contracting.

Blurring the line between physical and digital using herds of cows...

Defining digital is an important step for organisations trying to build business models that can survive this disruption. I have a very simple definition that I use, based on 2 prerequisites, the ability for a business to explore new business designs or new business models and the second one, which is a bit trickier, is about blurring the line between the digital and the physical. I am going to draw on an example from my tenure at Microsoft.

One of the things that we tried to do specifically in Ghana, as well as in Japan was to be able to think about how we improve herd yields in specific herds of cows. We used an approach similar to what we now practice at Webber Wentzel, to approach problems using human-centered design thinking. One of the founding principles of the methodology is to observe the phenomena that you are trying to have an influence on.

So, I went to observe cows. I saw that the cows at certain points in the month started walking faster and further and when we put a pedometer on the cows we found that we could predict the changing behaviour to a probability of 99.9%. What we then did was to do some blood tests to try and figure out why there is this change in observable behaviour, and we saw that this change coincided with when the cow started its ovulation cycle. A cow’s ovulation cycle lasts for about 8 hours, so we started to inseminate the cow during different intervals; we found that if we inseminated the cow in the first four hours, it produced cows, when we inseminated the cow in the second four hours, it produced bulls.

From a digital perspective, one of the things we are absolutely concerned about is this concept of value. This knowledge was incredible, we could significantly improve economic value. One of the things that we started doing was to vary the ratio of cows to bulls and in varying the ratio of cows to bulls we were able to increase the heard yield by 30% in those herds. This was done at no increase in input costs, value was created solely by the way we used the data.

And that for me is probably one of the other most important things we’ve learned at Webber Wentzel, that the effective use of data is critical and can significantly contribute to an organisation’s bottom line. We have adopted a process to use data in order to generate client insight, through generating this insight we are able to go back to our clients with actionable improvement on processes.
INTERVIEWS WITH THE LAWYERS

In Kenya

Known as the Silicon Savannah, Kenya’s thriving tech scene is home to the most cutting-edge start-ups on the African continent. With a 91% mobile penetration rate, the country is famed for the M-Pesa revolution, the mobile banking system that changed banking in Africa forever. M-Pesa is a phone-based peer to peer money transfer service launched by Safaricom, Kenya’s largest telecom provider, in 2007. But is the country leading in terms of the digitisation of the legal service sector and access to justice?

We spoke with in-house counsel and law firm partners in Kenya to hear their experiences of legal technology and how COVID-19 affected their operations. Here is what they had to say...

Michael Kontos

Michael Kontos joined Walker Kontos in 1992 and is the Managing Partner. Initially concentrating on property law and conveyancing, Michael’s expertise now lies principally in the fields of corporate and project finance, energy, capital markets and M&A. However, he still acts in the more complex real estate transactions.

He is recognised as a leading lawyer by Chambers Global, IFLR 1000 and Legal 500 EMEA.

Michael had been pushing for his office to become more tech independent for the last 3 years. Whilst there was some initial resistance – why change things if they aren’t broken - Walker Kontos was able to implement a fairly robust tech business model, allowing their firm to move seamlessly into a remote working capability when COVID struck.

The firm uses tech for everything using encrypted cloud-based systems whereby its teams can access the practice database wherever they are in the world. The firm is probably just one of fewer than 10 firms that have this capability in Kenya currently; many offices are lacking the cloud capability, meaning COVID-19 may have put them at a disadvantage.

Afriwise: Michael, thank you for speaking with us today for our tech for the legal sector report. How has COVID-19 impacted your operations?

Michael: We had our office open throughout but have rotated staff and kept social distancing. The only people we had working fully remotely were the fee earners. A lot of the admin component are unable to work remotely, because the services they perform in the office must necessarily be performed in the office or because they need to move from one place to the other – so their work can’t be done from home. In Kenya, in most instances, we still do not have a remote filing capability, registries require someone to go and sit in queues to get things signed. This still inhibits Kenya’s ability to transition effectively to remote working capabilities.

Afriwise: We have been speaking with lots of lawyers who have now had to find new ways to communicate with their clients, how have your clients reacted to having to change the way they interact with you and your teams at Walker Kontos?

Michael: I do get a sense that clients are reticent about using technology in order to replace meetings. In Kenya, this is largely cultural related, where there are still clients who say “look
can I come and see you”. If you are in the service industry, there is nothing better than that face-to-face time with your client; having discussions over tea and biscuits and asking about matters outside of work such as hearing how family members are is how we like to do business in Kenya and our clients prefer it. If it wasn’t just for the inconvenience of traffic, and obviously COVID, I would also always be happier to conduct meetings in person; it just gives you more of a personal touch. As much as we have massive broadband penetration here in Kenya, this technology can only go so far, and what this technological capability can do for your business has not actually moved across. The cultural preference for face to face meetings I am referring to should not in any way be seen as being in anyway stuck in traditions. Kenya has some of the most-savvy and up to speed businessmen and entrepreneurs in the world, however, willingness to raise new forms of communication is lagging behind.

Afriwise: Do you think COVID-19 will shift this mindset at all?

Michael: Whether COVID will re-address that? Probably not if I’m to be honest. I think our meeting culture will trump any impact the virus has had. I had clients even in the height of the whole lockdown asking if they could come for a meeting. As an office we had a clear moratorium on external meetings in the office so I had to say no. But the point is there is a clear preference for face to face.

Afriwise: What about Kenya’s legal and business tech capability more widely? Are a lot of your government agencies and registries fully automated?

Michael: On the government registries, the technology is there – but let’s just say it is not yet fully embraced. A lot of enabling legislation still needs to be put in place and that’s lagging behind for now.

We do have some registries that are fully online, the collateral registry for certain types of security is completely online and it is brilliant. Yet, companies and lands you still can’t register everything online (at least not yet), and it is a little infuriating!

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<td>Notice to Registrant of Cancellation Notice</td>
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Afriwise: During COVID did you have any particular issues with these registries?

Michael: One of the big issues we had with COVID arises from the stamp duty requirements on our documentation. The way stamp duty works in Kenya is that stamp duty must be physically embossed on the document by the government. This is frustrating given that as we are paying stamp duty online through a bank transfer, why then do we have to present an original ‘wet ink’ document for stamping? We should follow New Zealand’s system, where stamp duty is deemed paid if you are simply able to evidence payment. It is things like that which are needless and waste significant time.

These things are beginning to move in the right direction though, I think it will get there but some more momentum would also be good to see.

Afriwise: COVID will surely move things more swiftly in the right direction?

Michael: Any change that happens will not be because of COVID. And look, the country is moving in the right direction, as far as these things are concerned. To put it in context, the High Court’s actually raised hearings through Zoom and then subsequently through Teams during the height of the virus. I think Kenya in only one of a handful of countries to do this. And it came straightaway, within a week of the lockdown announcements.

The courts really embraced the online tech capability. To the point that a lot of advocates are saying why don’t we carry on like this?

Afriwise: And will it?

Michael: It is hard to tell presently....

Mercy Wairua
Infrastructure, Project Finance & Information Technology Lawyer, Mota-Engil

What is the long term impact of COVID-19?...

"With COVID-19 we have seen a need for much more remote collaboration. In my role, which is projects based, we are continually coordinating different teams in different jurisdictions. I think we will see a permanent decrease in travel going forward as Microsoft Teams and other tools have allowed us all to transition into more remote collaboration effectively. We haven’t introduced any new technology per se and nor are we likely to, given that large capital expenditures on new systems are unlikely to be signed off for a while now as all organisations tighten their belts. We are however using existing tech much more and we have found that we had some really good systems in place that we just were not fully utilising. We use an online tool called “Success Factors” which incorporates all performance management, training and tracking of company information. I have been with the company for nearly 3 years and hadn’t used it much until this year but will be using it all the time now.

More generally, I also think COVID has exposed gaps in the digital infrastructure of our government agencies. Their digital capacity has been tested, and in a lot of cases, it has not met the service thresholds required to operate in these times. Certain processes that are stated to be “online” still include steps that can only be done in person, or various non-digital inputs such as hard copy documents and wet-ink signatures. Without these, the processes cannot progress on the online platforms. Hopefully the virus will catalyse the closing of this circle. Notably, it is not just the law firms and legal departments that need to digitise, it is also the registries and government bodies which need to digitise their processes for the systems to work".
In South Africa...

Ruth Ward
Head Librarian at Webber Wentzel, she plays a critical role in ensuring lawyers in one of Africa’s largest law firms are equipped with the information they need to seal deals and operate quickly and efficiently.

Afriwise: Do you think COVID will have an impact on your role or the legal sector more widely?

Ruth Ward: Technology is critical to the legal sector. COVID-19 emphasised the value of our electronic access to information. It is no good having things in hard copy or manual processes, if they are not accessible 24/7. The need for technological change and digital transformation has been accelerated by COVID-19.

Afriwise: That is certainly the impression we are getting. Are you looking to get more legal information put online or have you had to change things in the short-term?

Rhoodie Dakamela
Principal Legal Counsel, ABSA, Johannesburg

Afriwise: Rhodie, South Africa has obviously had quite a strict lockdown, how did you find working from home?

Rhoodie: It has definitely been far more productive, basically it has removed the hours of traffic, giving me an extra 3 hours a day! Even though I miss my colleagues, there is no denying that you get more work done.

Afriwise: Apart from having to work from home, has there been any other major implications for your work?

Rhoodie: The implications have been more positive than negative, but it has been challenging. I sit within the shared services environment, and therefore I am not on the frontline. It has been business as usual within the legal team as our role is to advise and brief within the banking sector. It has been harder to justify our work – if you are not seen by your stakeholders they think that “these guys within the legal teams are billing us a hell of a lot of money, how can they justify that spend when we don’t even see them”. We have also moved from a billable hour kind of setup, to a project-based output kind of setup. Working from home puts pressure on us, because we need to finalise the projects but from different environments without the ability to meet in person. Our managing executives want to see deals finalised without them seeing the daily progress, which puts pressure on us.

Afriwise: Do you think COVID-19 will prompt a tech transformation?

Rhoodie: Yes, absolutely, what COVID has done it has done something that CTOs and CIOs and CEOs were not able to implement with the speed with which COVID has forced us to do.

Afriwise: Are the law firms you engage plugging into technology more?

Rhoodie: I am not seeing anything of significance; they have been doing more virtual events such as webinars, but I haven’t seen any law firms produce anything magnificent that can counter the environment that we are in now. So no, I haven’t seen anything exciting from their end.

Afriwise: Do you think there will be a transformation of the legal industry across Africa? If so, how?

Rhoodie: Yes, I think in the future, traditional law firms will struggle to exist. But your in-house counsel will strengthen in number, because in future businesses will not need the capacity of external lawyers. To brief an external lawyer and to get them to a point they understand the business has been an even greater challenge during COVID, the directness has been removed. In-house counsel is seeing work flood in, as businesses are requiring faster performance and information turned around. Your external legal counsel will have to try and mutate to remove the barrier of physical presence and also try to be extremely business savvy on each business, they may need to look at specialising to appeal more to businesses – such as focusing on just mining law for instance. I don’t see a mining Executive having time to go and sit in an office down in Cape Town to brief a law firm, going forward, they will pick up their phone and speak with their in-house counsel. Law firms will have to stay relevant by selling their particular expertise and ensuring they have the same efficiency as an in-house counsel if they are going to stay relevant. Tech adoption will be a key part of how they improve their processes and stay competitive.

Afriwise: We fortunately already had an online information strategy and we will continue to build on this going forward. One challenge for all information professionals is that some core materials are not yet available digitally. In Africa, digitisation is not a priority focus area as the need for access to older data in this market is limited and is unlikely to generate sufficiently high returns for those who undertake the task. This means we will have to rely on a mix of both hard copy and electronic resources for a long time to come.

Partnerships will be critical to digitising public, private and non-profit sectors as it is not just information that is of commercial value that needs to go online but public interest information too. The opportunity for collaboration is huge as there is a massive amount to be done; we cannot afford to duplicate efforts.

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TOMI DAVIES, NIGERIA’S TECH MASTERMIND

Tomi Davies (TD) is a Nigerian British investor, speaker, author, entrepreneur and advisor to technology companies. He is co-founder of Lagos Angel Network (LAN), a group of active local angel investors and President of the African Business Angels Network (ABAN). TD as he is called comes from a family of lawyers, making him well placed to share his thoughts for this report on legal tech in Nigeria and the tech ecosystem more generally.

My late father, Chief Hezekiah Oladipo Davies (HOD), was a Queen’s Counsel (QC) and on the defence team for Jomo Kenyatta during the Mau Mau Uprising trials in 1952-53. Two of my brothers (Sola & Bosun) and two of my sisters (Funmi & Bimbo) are also lawyers. Growing up we would hold moot courts with me usually being the offender. The prosecuting attorney would be my immediate younger sister, and her younger sister the defence attorney. We did occasionally have witnesses including our domestic servants with my dad being the judge and, on occasion, the executioner too. This made me conversant with the law relatively early, and with an eternal admiration for my late father a subject area I remain very fond of till today.

Nigeria’s tech ecosystem...

In Nigeria, we have come to realise that there is only one technology architecture that works consistently in the country, the mobile2cloud architecture, which has become the default “weapon of choice” for mass consumer interactions. This is undoubtedly different from the rest of the world, where societies use both desktop and mobiles combined often with the former being proffered. Here, we have come to terms with the fact that, whilst we do have some desktops, their use pales into insignificance when compared to the mobile offerings available. The actual challenge we face in deployment is - do we cater only for Android or do we add iOS. The cloud ecosystem is also thriving, with even Amazon now offering its Amazon Web Service (AWS) prompted by the success of cable providers like MainOne and MTN West African Cable System (WACS) which continue to ensure our connectivity is getting better. With these improvements, the systems architecture where it is mobile user interface through the internet to cloud based applications and storage has become the infrastructure of choice for a lot of the tech start-ups that are currently solving commercial grade problems in Nigeria.

There is an interesting dynamic in tech in Nigeria, where the centre of our tech universe is in the mainland area of Lagos called Yaba, where I am currently sitting for this interview. To my right you have the CcHUB, to the left, you have Facebook’S NG_HUB and just down the road is the University of Lagos. This is where the Nigerian tech ecosystem is thriving having given birth to the likes of Andela, Paga, Flutterwave and Hotels.ng just to name a few and it feels really exciting to be part of it all. That’s not to say we don’t have our challenges. Yaba for example has power problems, although everyone tells me these are insignificant compared to the rest of the country. Admittedly, with 12-16 hours a day of grid electricity, we are definitely better off than 80 – 90% of the country.
What about the legal tech ecosystem in particular...

There are entrepreneurs doing some really exciting things in legal technology currently in Nigeria. One of the most well-known is DIY Law, a leading legal tech company that is using technology to provide startups with access to simple and convenient legal services. We are also seeing other positive trends, such as an increasing number of traditional law firms introducing start up and early stage advisory units, including some of our oldest firms such as Aluko & Oyebode, Aelex and Banwo & Ighodalo. This particular trend isn’t unique to Nigeria, I know that in Egypt for example the Cairo Angels have a standardised legal offering too.

In terms of what in tech needs addressing, intellectual property is an important topic. Nigeria has had immense challenges with intellectual property rights and we have all now recognised that there has been an inordinate amount of capital lost to not protecting IP sufficiently so there is a huge amount of work being done to address this deficiency in particular.

Advice for entrepreneurs wishing to setup legal technology....

Entrepreneurs will need to understand that legal is “grey hair” territory, law and the legal profession aside from religion is one of the most conservative in Nigeria, even more so than banking; therefore, you’ve got to be fully cognisant about what you are taking on as a service provider. What I mean is that you have to have an uncanny understanding of your target market, arguably more so than any other sector. This is because, as a service, law and justice has been provided in the same way for hundreds of years evolving only at snail speed.

In addition, due to the fact that it is a very knowledge dependent sector, there is also, unsurprisingly, a lot happening with Artificial Intelligence (AI) and machine learning. As with English law, in Nigeria we have both solicitors and barristers. It is widely understood that it is the solicitor’s work (typically more expensive) that is the area coming under siege because we can teach machines to replace many elements of it. Machines can now recognise patterns and do so over a broader range than humans can. For instance, I can ask a machine to tell me the difference in commercial licensing between Nigeria, Ghana, Kenya, South Africa and Namibia and the machine will come back much faster than any human being could. And from where I sit, when it comes to commercial enterprise, this is where the opportunity is.

What of the criminal justice system...?

Things are not moving so fast in the criminal justice system. Look how long it has taken the courts to get digital recordings and to accept digital records. It is all to do with how it is structured – innovation is going to come but it will come painfully, and it will come slowly, simply because the courts are the centres for application of the law.

Will COVID-19 speed things up...?

Hope springs eternal... But I am afraid I am not as optimistic as Afriwise and others come across. Our courts have accepted to do arguments on video conferencing for now, yet even that has had a time stamp put on it, effectively indicating that this won’t be a permanent way going forward.

In terms of our judiciary and legislature, and even the presidency adopting technology as it should be doing, I don’t see it happening as fast as we would want it to. The resources are not there in the public service from a human capital standpoint to make the necessary changes. I’ve worked closely with agencies like the Bureau of Public Service Reforms (BPSR), and you can tell, unfortunately, that our civil servants while very astute in their theatres of operations, do not have the capacity to exploit technology to take us where it needs to be. It is still treated as an “exotic” possession to be consumed at a premium.

How does Nigeria fare more broadly compared to other countries in the region..?

I think our tech ecosystem is ahead simply because there is a volume market in terms of mobile technology penetration. The number of people with internet capable mobile phones is our litmus test, they are the ones with the capacity to do commercial exchanges. From that standpoint, Nigeria is still ahead of other countries in the region.
DEEP DIVE: UGANDA’S LEGAL TECH TALENT HUB

The Innovation Hub in Uganda fosters innovation in the legal profession and enhances the mode of delivering legal services and access to justice in Africa. The hub drives law tech, legal tech and civic tech to give practitioners and entrepreneurs the knowledge and opportunity to take advantage of 21st century trends and movement. The hub connects the start-up community and legal expertise to solve challenges and create solutions and opportunities for citizens. It is one of the only such legal-specific hubs operating in Africa currently.

We spoke with the hub’s founder, Alice Namuli Blazevic, to find out what motivated her to set it up and her plans for the future.

Alice Namuli Blazevic

Afriwise: Alice, could you give us some background on what led you to set up the hub?

Alice: Back in 2017, I realized that most of the legal tech products on the market were not being appreciated or embraced by legal practitioners. There was a missing link between the legal professionals for whom legal tech products are being designed or meant to serve and the technologists who design them. Most of the innovators were designing legal tech products without really understanding the needs of the lawyers or law firms intended to use the products.

To try and connect the two worlds, I thought of creating a safe space (outside of mainstream legal practice) to foster conversations at the intersection of law and technology and collaborations between legal professionals and technologists with the objective of developing legal innovations that enhance the mode of delivering legal services and access to justice.

Through such collaborations of lawyers and technologists we are increasingly witnessing legal tech products being adopted or embraced by the legal industry.

Afriwise: What has been your most memorable moment since starting out?

Alice: My most memorable moment was when Ugandan innovators were able to participate in the World Legal Summit Development sprint in 2019.

The development sprint is a biennial world legal hackathon where legal professionals and technologists from over 40 countries around the world come together for the rapid development of technologies that already are in existence or ideas that could contribute to a better global system.

Participating teams have the opportunity to work in a collaborative environment for the purpose of building legal frameworks into their technologies.
The hub had an advisory panel that closely worked with technology teams for 3 days. The winner in Uganda participated in the global round with an opportunity to be selected for the “Global Impact Award”.

The exposure of Ugandan innovators to the global stage and the opportunity to participate in global legal tech conversations was quite fulfilling.

**Afriwise:** Is there any particular innovation that has come out of the hub that has particularly struck you?

**Alice:** Bitland - a land registry application on the blockchain that maintains tamper proof, immutable land records. The platform has the potential to get rid of the major ills that the real estate industry in Africa has grappled with for a very long time, like fraud. Land title registration on the blockchain means transparent, tamper proof, fast and inexpensive transactions.

**Afriwise:** What are your future plans for the hub?

**Alice:** Foster more collaborations at the intersection of tech and the law and support tech start-ups in Africa, especially the compliance aspect of their businesses. Lack of compliance is one of the major factors that are hindering growth of tech startups in Africa.
Linda Alinda-Ikanza
Legal Innovator

Linda is a nationally recognised innovator and award-winning lawyer from Uganda who is passionate about innovating the law. She has over 12 years’ experience in commercial law practice and is a Partner & Advocate at Amber Solicitors and Advocates. Linda founded Nkola App, which provides information on employment rights using the USSD Platform. She was awarded the 2019 Best Female Lawyer in Private Practise Award by the Uganda Law Society and named among the Top 40 Ugandans under 40 for the year 2019 by New Vision, Uganda’s biggest and oldest News Agency. Linda’s greatest inspiration is to leave her four daughters a better world, for women, than she found it.

Afriwise: Why did you join the hub?

Linda: We joined the hub to test and grow our App through interacting with other innovators and business coaches.

Afriwise: Do you think COVID-19 will prompt a tech revolution in the legal sector?

Linda: Absolutely! It has broken the technological phobia which prevents the legal sector from using ICT since now it is either embrace ICT or die, literally!

Afriwise: What are the key challenges in Uganda’s legal sector you are seeking to address through tech?

Linda: Lack of convenient and customer centred affordable tools that prevent and/or resolve justice issues in the workplace by providing quick answers on workers’ rights. This turns small workplace disagreements into big access to justice problems that cannot be resolved quickly or affordably.

Afriwise: Tell us more about your innovation - what does it do, what markets is it for?

Linda: Nkola App provides information on employment rights using the USSD Platform. A user dials a code and follows the prompts to provide information after which they receive a message applying the law to their individual situation. Nkola App was among the Top 10 Global Innovations of 2019 by the Hague Institute for Innovating Law & Best Ugandan Innovation of 2020 by the Global Legal Hackthon. Nkola App costs 0.3$ to use and targets young workers in the informal sector!

Read more about Nkola App here.
Donald Maasa
Lawyer and social entrepreneur

Donald Maasa is a lawyer and social entrepreneur. He is currently CEO at LegIT Innovations Limited, a legal-tech company he co-founded that enables small businesses to generate legal documents conveniently, efficiently and affordably using an online platform.

Why did you join the hub?

The Legal Innovation Hub provides a unique platform at the intersection of law and innovation that fosters learning, networking and collaboration, which are all pivotal factors to me as a legal-tech founder.

Do you think COVID-19 will prompt a tech revolution in the legal sector?

COVID-19 has already accelerated the adoption of legal-tech solutions such as virtual hearings and electronic case file management across many jurisdictions. It has therefore already prompted the foundations of a tech revolution that is poised to disrupt the legal sector, which has historically been slow to the adoption of technology. Lawyers are now seriously considering tools like online dispute resolution and virtual law firms; this was uncommon before the emergence of COVID-19.

What are the key challenges in Uganda’s legal sector you are seeking to address through tech?

In 2015, Uganda was ranked the most entrepreneurial country in the world by the Global Entrepreneurship Monitor. However, micro, small and medium enterprises in Uganda have limited access to business development services (such as contracts and other legal documents) that are essential to their operations. Lawyers, who traditionally provide such services, are expensive and based in urban areas. The lack of these services leads to circumstances such as unlawful termination of employment, breach of contract and lack of legal protection for workers because their operations are not formalised. Moreover, a 2016 report by the Hague Institute for Innovation of Law (HiiL) notes that over 90% of Ugandans have no access to legal services.

Tell us more about your innovation...

LegIT is a self-service platform that enables micro, small and medium enterprises to generate legal documents conveniently, efficiently and affordably in three easy steps! LegIT aims to make it easy and affordable for small businesses to generate legal documents in as few as three steps, eliminating the need for lawyers and other intermediaries. This will encourage small businesses to acquire essential legal documents, which will enhance their legal protection and support, which will in turn make it easier for them to do business, thereby boosting employment and leading to increased productivity.
LAWS IMPACTING ENTREPRENEURSHIP & TECH INNOVATION IN AFRICA

Afriwise connects businesses with the information they need to operate on the continent. For this report and using our platform, we have pulled together some examples of legislation that may affect tech innovation or entrepreneurship or offer tech opportunities in some of the countries we operate. In general, a few countries have proposals in the pipeline to regulate electronic transactions and electronic signatures, such as Nigeria’s Electronic Transaction Bill, 2019 and the Democratic Republic of Congo’s Bill on Trade and Electronic Commerce.

ZAMBIA

Zambia’s Value Added Tax (Amendment) Act, No. 14 of 2019, which took effect on 1 January 2020, made the payment of VAT mandatory on revenue derived from electronic services that use the internet, mobile telecommunications networks and other electronic commerce infrastructure, whether the provider of the service has a fixed place of business in Zambia or not.

UGANDA

The National Payment Systems Act, 2020, which was passed by Parliament in May 2020, is aimed at regulating payment systems, payment service providers, the issuance of electronic money and generally provides for the oversight of payment instruments.

The Act also provides for a regulatory sandbox framework to test new technology in the financial services sector and encourage innovation.

NIGERIA

The Electronic Transaction Bill, 2019 seeks, among others, to promote and regulate eCommerce transactions in Nigeria by making provision for the security of online transactions and the validity of electronic signatures. The Bill provides the legal and regulatory framework for the protection of the rights of consumers and other parties in electronic transactions and services, as well as to make detailed provisions for the protection of personal data.
The Electronic and Postal Communications (Online Content) Regulations, 2020, which came into force in July 2020, set out rules for the regulation of online content on the internet. They apply to all content broadcasted to the public through websites, blogs, application software, forums, instant-messaging tools, online live streaming and aggregators, among others.

The regulations set out obligations for bloggers, internet cafes, online content hosts, online forums, online radio or television, social media, subscribers and users of online content, and any other online content. They also place restrictions on information disclosure and prohibit certain content that is considered undesirable.

In 2019, new regulations came into effect that widen the application of VAT to foreign suppliers of electronic services in South Africa.

Electronic services encompass any services supplied by means of an electronic agent, electronic communication or the internet for any consideration, and includes online shopping portals; web-based broadcasting; and downloading e-books, music and film; and online booking services, among others.

The Finance Bill, 2020 proposes to introduce digital services tax, payable by persons or businesses whose income arises from providing services derived from or accruing in Kenya through a digital marketplace. The tax, which is likely to be effective from 1 January 2021, will be due at the time of transfer of the payment for the service to the service provider and charged at a rate of 1.5% of the gross transaction value.

Further, the Draft Value Added Tax (Digital Marketplace Supply) Regulations, 2020 offer guidelines on the taxation of VAT on taxable supplies made through a digital marketplace. They define “digital market supply” as any supply of a service made over a platform that enables the direct interaction between buyers and sellers of services through electronic means. The scope of taxable supplies includes:

- downloadable digital content, including downloading of mobile applications, e-books and movies;
- subscription-based media, including news, magazines, journals, streaming of TV shows and music, podcasts and online gaming;
- software programs, including downloading of software, drivers, website filters and firewalls;
- electronic data management, including website hosting, online data warehousing, file-sharing and cloud storage services;
- supply of music, films and games;
- supply of distance teaching via pre-recorded medium or e-learning, including supply of online courses and training;
- supply of digital content for listening, viewing or playing on any audio, visual or digital media; and
- supply of services on online marketplaces that links the supplier to the recipient, including transport hailing platforms.
CLOSING REMARKS FROM AFRICAN LAW & TECH NETWORK’S FOUNDER, NANKUNDA KATANGAZA

Nankunda Katangaza

The African Law & Tech Network (ALT Network) is an online ecosystem at the intersection of technology and law in Africa. When we started our journey in 2017 to create an online hub for collaboration and information between the legal and the tech sectors on the continent, we did not anticipate the interest and enthusiasm that the network would receive nor the sheer range of ongoing initiatives for utilising technology to solve problems in the legal services sector and society at large.

From addressing the pressing challenges of making justice more accessible, to the legal tech that brings efficiencies to the business processes of law firms and corporate legal teams, technology is proving to be a vital tool for survival and for re-shaping the legal services landscape. Online legal services for individuals and SMEs have the potential to be transformative for African societies and economies, especially in the post-COVID era.

The adoption of legal tech in law firms globally has been largely in response to rising demand for better value from clients. Tech disruption in sectors such as financial services have inspired innovation and signalled the disruption other professional services.

African law firms tend to be smaller than their Western counterparts and can rely on a large supply of inexpensive legal talent and therefore reducing cost is less a driver for tech adoption. Despite that, however, tech adoption is increasingly a differentiator and for many firms, the ability to manage workloads and time more efficiently leads to better outcomes for clients and colleagues. Also, greater understanding and use of technology can attract clients from the tech sector looking for lawyers who understand their business. Despite concerns about technology taking work away from lawyers, rumours of the rise of ‘robot lawyers’ appear to have been wildly exaggerated!

For now, tech adoption is slow but steadily growing more so over recent months as remote working has become the norm across the globe. Greater tech innovation and the push for better value from clients is likely to characterise the post-COVID law firm and corporate legal department. Critically, African legal sector regulators will need to urgently review and consider their role to help foster a regulatory climate that supports innovation and increases access to legal services. In effect, old laws and regulations continue to stifle innovation by preserving barriers that prevent evolution in the sector.

The role of lawyers will continue to evolve to meet Africa’s severe economic and social needs post-COVID. This will inevitably include contributing to building Africa’s digital economy through facilitating regulatory reform to support tech innovation in critical sectors such as health, financial services, education, agriculture etc. Lawyers will also be needed to support tech companies as they grow their businesses nationally, regionally and across the continent when the African Continental Free Trade Agreement (AfCFTA) is implemented in 2021.
Afriwise would like to open channels of discussion and encourage pan-continental debate.

If you are interested in continuing discussions – please join our group.

**Legal Tech Innovation in Africa - 2020 and Beyond**