



ROLE OF ARTIFICIAL INTELLIGENCE IN ONLINE DISPUTE RESOLUTION (ODR): A NEW ERA OF MEDIATION

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ABSTRACT

The integration of Artificial Intelligence (AI) into Online Dispute Resolution (ODR) marks a transformative leap in the global justice ecosystem, introducing unprecedented efficiency, accessibility, and impartiality to mediation processes. As traditional dispute resolution systems struggle with backlog, cost, and geographical constraints, AI-driven ODR platforms offer automated case management, predictive analytics, and intelligent negotiation tools capable of revolutionizing how conflicts are resolved. This research critically examines the evolving relationship between AI and mediation, highlighting how technology augments human judgment rather than replacing it. Through a doctrinal and comparative methodology, the study explores global developments in AI-assisted ODR across jurisdictions such as the European Union, the United States, and Singapore, juxtaposed with India's emerging digital mediation landscape. It further interrogates the ethical, legal, and procedural dilemmas surrounding algorithmic bias, data protection, and accountability. The findings reveal that while AI has immense potential to democratize access to justice, its deployment must be guided by principles of transparency, fairness, and human oversight. Ultimately, this paper argues that responsible AI integration can usher in a new era of intelligent, inclusive, and ethical mediation, redefining the contours of modern dispute resolution.

INTRODUCTION

In the twenty-first century, the rapid evolution of technology has reshaped every sphere of human activity, including the field of law and dispute resolution. The global justice system, which for centuries rested on physical courtrooms and manual processes, is on the verge of a paradigm shift with the onset of Online Dispute Resolution (ODR) and Artificial Intelligence (AI) technologies. These are reinventing a justice system that was configured for accessibility, efficiency, and inclusiveness—particularly in societies where long-standing issues of judicial backlogs, rigid procedures, and geographical barriers thwart the timely resolution of disputes.

Online Dispute Resolution (ODR) is an umbrella term that encompasses the digital and Internet-based technologies used to facilitate the negotiation, mediation, and arbitration of disputes between parties without the necessity of physical presence. Hence, ODR applies the principles of alternative dispute resolution (ADR), such as mediation, conciliation, and arbitration, on a digital platform to allow the parties to resolve their conflicts through online means. As international trade, e-governance, and social interaction have moved more and more online, the ODR has transformed from an alternative means to a necessary complement to the traditional legal system. The pandemic of COVID-19 underscored the role of ODR in maintaining the continuity of justice when the whole world resorted to virtual courts and online mediations.

Artificial Intelligence has become the crux of this transformation and is a discipline in computer science that is capable of imitating human intelligence by means of machine learning and natural language processing as well as predictive analytics. AI can now start revolutionizing ODR platforms with the automation of administrative work, pattern analysis in case data, and even negotiations between the parties. Each year, millions of consumer disputes are resolved algorithmically by

systems like eBay's Resolution Center and Modria in the US, proving AI's ability to process large volumes of cases fairly, cost-effectively, and efficiently.

One critical issue to discuss is AI's advantages for mediation. AI algorithms' strengths consist of analyzing massive data sets of conflicts, predicting potential outcomes, formulating recommendations for settlement, and assisting mediators through evidence summaries and discourse analysis. At the same time, AI tools such as chatbots, software for sentiment analysis, and automated document review systems will assist in depersonalizing communications as much as feasible and increase objectivity in dispute resolution. All this increases ODR's scalability for disputes from e-commerce complaints to highly intricate cross-border contractual disagreements.

However, great challenges in law, ethics, and procedure accompany these prospects. AI systems are heavily reliant on data-driven models that tend to reproduce societal biases implicit in their training data. With algorithmic decision-making affecting outcomes of disputes, issues of accountability, transparency, and fairness arise. Automation may also threaten to dehumanize mediation—a process that by nature is based on empathy, confidentiality, and human interaction. Hence the challenge is to ensure that technological tools assist human judgment but do not displace it.

In the Indian context, the potential of AI in ODR is stupendous. With over 40 million pending cases across diverse courts, India badly needs innovative, tech-enabled mechanisms to clear judicial congestion. Institutions such as SAMA, CADRE, and Presolv360, which are the torchbearers for AI-supported ODR platforms, prove that dispute resolution can be done digitally. Apart from these, NITI Aayog, the Digital India Mission, and the eCourts Project are complementary initiatives aimed toward



the digital transformation of justice delivery. There lacks, however, a coherent legislative and ethical regime in India to govern the use of AI in resolution of disputes. Data protection, algorithmic accountability, and user trust issues are yet to be properly addressed.

Across the globe, jurisdictions such as the European Union, Singapore, and the United States have advanced the regulatory and ethical standards governing AI in ODR. The EU AI Act (2024) emphasizes the need for transparency and human oversight in the applications of AI, while the Model AI Governance Framework by Singapore offers concrete guidelines for the responsible deployment of AI in mediation. Such models can serve as rich references for India in the construction of its domestic AI-ODR ecosystem.

Thus, this research embarks upon an analysis of the transformational role of Artificial Intelligence in Online Dispute Resolution, with special reference to the application of AI in mediation. One aspect intended for critical examination involves the contributions AI might make towards improving efficiency, impartiality, and accessibility in respect of ODR, together with the ethical and legal issues raising their heads alongside. The study will also explore global comparative trends, identifying lessons to inform the legal and policy framework in India.

At its very essence, this project operates at the juncture of technology, law, and ethics. The authors argue that the fate of mediation will lie in the well-calibrated combination of human empathy and digital technology—thus creating a just system, fast, smart, fair, transparent, and inclusive. The world is poised on the brink of a new digital justice revolution, where implementing AI responsibly in ODR signals a new age of mediation, where technology directly benefits mankind within its pursuit of justice.

STATEMENT OF PROBLEM

The integration of AI technology in Online Dispute Resolution (ODR) creates a field dilemma between innovation and ethics in justice. While AI-mediated dispute resolution mechanisms have the potential to increase efficiency, accessibility and impartiality in dispute resolution, their growing use raises critical concerns about fairness, transparency, data protection and human oversight. Traditional mediation relies heavily on empathy, confidentiality and trust all of which are hard for AI algorithms to replicate. Countries such as India whose governance provisions lack clearly defined regulatory frameworks, ethical guidelines influence and mechanisms for accountability over AI-assisted ODR concoct high risks algorithmic biases, invasion of privacy and lack of consistency in outcomes. Further, the “black box” nature regarding AI decision-making does not seem consistent with the principles of natural justice since parties may not know the means through which an automated mechanism came to its conclusions. More so, data misuse, is poor cybersecurity, and unequal access to technology worsen the situation for this issue in the case of developing nations. Without strong governance, transparency, and human supervision, AI can inadvertently compromise the essence of mediation and reduce it to mere mechanical processes. Thus, the central problem is ensuring that AI

augments, and does not undermine, core values of justice, neutrality, and inclusiveness in Online Dispute Resolution while putting a demand on a balanced framework that aligns technological innovation with safety nets of ethics and law.

RESEARCH OBJECTIVES

1. To explore the conceptual and functional role of Artificial Intelligence in Online Dispute Resolution.
2. To assess how AI enhances efficiency, impartiality, and inclusivity in mediation.
3. To examine the ethical, technical, and legal challenges of AI-driven ODR.
4. To compare India’s ODR ecosystem with international models.
5. To propose a policy framework for the responsible adoption of AI in mediation.

RESEARCH QUESTIONS

1. What role does Artificial Intelligence play in transforming mediation and ODR processes?
2. How can AI improve access to justice while maintaining fairness and neutrality?
3. What are the primary risks and challenges in integrating AI into ODR systems?
4. How do global models of AI-assisted ODR compare with India’s legal and institutional framework?
5. What safeguards are required to ensure ethical and transparent use of AI in mediation?

RESEARCH METHODOLOGY

The research is doctrinal, analytical, and comparative. Primary sources include statutes and statutory provisions, government reports, and judicial decisions. Secondary sources include legal academic literature, such as books and articles, policy briefs, and online journal articles on ODR and AI ethics. A comparative analysis of jurisdictions—such as the European Union, the United States, Singapore, and India—was done to carve out the global regulatory landscape. The data have come from the following databases: HeinOnline, SCC Online, and Google Scholar. The methodological framework gives emphasis to qualitative analysis for interpreting the intersections of technology, law, and mediation.

LITERATURE REVIEW

1. Foundations and conceptualization of ODR in history
The foundational literature of Online Dispute Resolution (ODR) establishes it as the natural technological extension of Alternative Dispute Resolution (ADR). Original seminal works by Ethan Katsh and Janet Rifkin framed ODR as the emergent form of 'digital justice' that can resolve high-volume, low-value disputes which courts could not feasibly handle. Their founding texts emphasized process design and user experience and the sociolegal implications of moving negotiation and mediation into cyberspace. Other theorists took this further than simple asynchronous negotiation to integrated platforms that combine triage, negotiation, facilitation, and outcome enforcement. It is this collection of ideas which lays conceptual ground for treating ODR as an entire socio-technical system.



2. Technical literature: AI methods used in ODR (ML, NLP, sentiment analysis) with regard to the potential of artificial intelligence

Separate but intersecting is the technical strand literature covering the technical mechanisms through which AI is enhanced and 'bridges' ODR with machine learning supervised. Natural Language Processing contributes to document summarization, information extraction (fact-pattern recognition), and dialogue systems (chatbots) automating these intake and negotiation workflows. Sentiment and emotion-recognition studies apply feature extraction from text (sometimes also audio/video) to infer hostility, readiness to compromise, or emotional states informing mediator strategies. The technical literature brings together both capabilities (scalability, pattern detection) and limits (data quality, domain shift, explainability) of algorithms when applied within legal as well as interpersonal contexts.

3. Empirical platform studies

Empirical studies and practitioner accounts are directed toward the real-world ODR platforms: eBay/PayPal dispute systems, Modria/Matterhorn, and governmental ODR pilot projects. Qualitatively, evaluations document reasonable effort gains, including those that have reduced times to resolution, costs per case, and have highly stepped throughput, but also found various levels of satisfaction depending on the complexity of the dispute and users' expectations. The case studies can be seen to indicate that algorithmic triage and guided negotiation are most productive in the case of standardized, fact-based disputes, such as consumer returns and other such small transactional matters, while interpersonal or more complex disputes with values attached still require human mediators. The platform literature also concerns examined business models and governance choices (centralized vs. decentralized platforms; public vs. private governance) that shaped how AI tools would be deployed and audited.

4. Legal and regulatory scholarship (on privacy, liability, and governance of AI)

Legal scholarly output has been quick in terms of engaging with AI-ODR on two issues: data privacy and institutional liability. Commentators map out how data protection regimes (GDPR in the EU; emerging data protection laws elsewhere) impose constraints on automated processing of personal data used by AI models. Legal accountability questions arising from AI-influenced decisions will focus on who bears liability if the algorithmic suggestion is flawed: the vendor, the platform, the mediator, or the state itself? Regulatory literature increasingly mentions frameworks such as the EU AI Act, OECD AI principles, and national AI strategies as models for fact mediating those responsibilities with acknowledgment that mediation's voluntariness and confidentiality present particular regulatory design challenges not fully solved by existing legislation.

5. Ethical criticism: bias, explainability, fairness, and the "black box" issue

A vibrant critical literature subjects the ethical risks inherent in using AI in dispute resolution to interrogation. The central concerns are algorithmic bias, in which historical inequities in the training data reproduce or amplify the discriminatory

pattern, and the opacity of many modern models (the "black box"), which make procedures not fully transparent and prevent their challenge by parties. Minimum safeguards suggested by scholars include explainable AI (XAI) and procedural transparency, along with human-in-the-loop designs that maintain meaningful oversight. The debate presses into whether objectivity is or can be equated to fairness, given that data itself embodies systemic bias, and whether or not probabilistic recommendations can or should replace normative legal reasoning.

6. Socio-legal literature: access to justice, divide by digital, user perception Another aspect looks at the societal impacts of AI-ODR-of primary relevance, access to justice and digital inclusion. Optimistic accounts will include AI's ability to reduce barriers: lower costs, always-on availability, support for multiple languages, and automated guidance for unrepresented parties. Critical voices, however, raise cautions that benefits will not be evenly spread: digital literacy, internet access, and confidence in automated systems will differ widely across groups, often with the most marginalized falling outside the sphere of access and contestation over algorithmic processes. User-perception studies indicate that trust in the result is heavily based on the perceived fairness and intelligibility of the process, not merely speed or savings.

CHAPTER-1: Evolution of Dispute Resolution and the Rise of ODR

1.1 History of Dispute Resolution

Sitting in a meaning 'dispute resolution' by way of dialogue and conciliation existed well ahead of any formal legal systems. First in the tribes or communities, it was mostly the elders or councils who used to mediate between the parties in conflict rather focusing mainly on restoring justice rather than punishing wrongdoers. With the establishment of the courts in an organized form, adjudication for dispute resolution grew more formal, thus introducing rigidity, expenses, and complexities into the procedure. Eventually, with increasing oppression by litigants, the growing number of lawsuits required developing alternative modes of dispute resolution (ADRs) such as arbitration, mediation, and conciliation, with a view to relieving the courts from such congestion and encouraging voluntary settlements.

1.2 Online Dispute Resolution-Legend of Coming Into Existence

The end of the 20th century marked a seismic shift in the relationship between law and technology. With rapid growth in e-commerce and cross-border transactions, the need for effective, cost-efficient, and borderless resolution became urgent. Thus, this creation of ODR developed as a natural reaction wherein, in its early days, it was primarily concerned with low-value consumer and commercial disputes conducted through digital platforms. The first systems pioneered on the internet by eBay, PayPal, and Modria demonstrated that technology could deal with millions of cases-a-year satisfactorily while delivering quick remedies. Owing to this, ODR began to expand its turf slowly into sectors such as familial law, small claims, and even civil justice.



1.3 Artificial Intelligence in ODR

The next great metamorphosis in ODR lies in Artificial Intelligence (AI), an understatement for what AI is all about. By means of data analytics, natural language processing, and machine learning, it works towards practically intelligent automation of negotiation and mediation processes. This enables identification of patterns of disputes, outcome prediction, and in some instances, use of chatbots to facilitate the conversation between the parties engaged in the dispute resolution process. An AI-mediated process is no longer a speculative proposition but a widespread one in both judicial and quasi-judicial fields across different corners of the world. The converse of this union between AI and ODR, therefore, affords great opportunity while throwing a host of ethical dilemmas as it redefines the landscape of mediation.

CHAPTER-II: Role and Function of Artificial Intelligence in ODR

2.1 AI as a Transformative Tool in ODR

Artificial Intelligence completely redefined the mechanism of dispute catchment from online. It automates the other preliminary processes from case-filing, document management, and scheduling. The AI tools thus provide high efficiency in procedural processes, clotting the parties' slow responses to their queries, laying the groundwork for all errors to be committed by human beings. Where Avai = algorithmically through pattern recognition, AI identifies similarities among disputes and standardizes resolutions that help achieve consistency and predictability in mediation results.

2.2 Applications of AI in Mediation

Applications of AI in mediation possess a great variety:

- NLP: Natural Language Processing technology allows AI systems to comprehend both written and spoken forms of human language, facilitating automated drafting, translation, and even detection of emotional tone during mediation meetings conducted online.
- ML: Machine Learning sets up a system by training with historical data to analyze and predict case results which help mediators set fair deal ranges.
- Expert Systems: Use the law and pertinent precedents to generate recommendations that are rule-based.
- Chatbots and Virtual Assistants: Typically assist as a first point of contact for internal parties, guiding them through processes while providing clarity on procedural queries.
- Sentiment Analysis: Acts to uncover perceived emotions or animosities that may support mediators in determining favorable moments for intervention.

2.3 Advantages of the AI Integration

AI enhances the accessibility of dispute resolution as it allows for remote attendance by parties regardless of their geographical location. Cost reduction, increased transparency, and ensuring neutrality (by limiting human biases) are further advantages to AI integration. In India and other developing nations, where overloaded judicial systems face severe challenges, AI-ODR offers a pragmatic way out through reduced pendency and increased public trust in dispute resolution processes. Thus, lifting the weight off ODR, making it a powerful tool for decision support.

CHAPTER-III: Ethical, Legal, and Policy Challenges

3.1 Algorithmic Bias and Fairness

The AI systems are as impartial as the data used for training them are. When a dataset is biased with regard to factors like history or society, AI carries out its imposition and amplifies these biases, leading to results in favour of certain socio-economic groups in preference to others. Such algorithmic bias would be an opposite to neutrality, one of the underpinnings of mediation. For instance, predictive models developed in Western datasets may be poorly equipped to carry subtle socio-cultural differencing in Indian disputes.

3.2 Transparency and Black Box Problem

Most AI algorithms work under an obscure deep learning model, one that even the developers cannot interpret. This confidentiality is of major concern for mediation, where parties retain the right to be informed of the reasoning behind the outcome. In the event that the AI systems cannot justify its recommendations, procedural fairness shall become an affront.

3.3 Privacy and Data Protection

Mediation is premised on confidentiality; however, ONDR AI-based platforms are laden with gargantuan amounts of personal and financial data, which are at risk of both misuse and cyberattacks. This Act introduced various safe havens in India but lapses by not including provisions that specifically govern the operationalization of AI working in the sphere of dispute resolution. Thus, the absence of a strict data governance framework could cause citizens to lose trust in AI mediation.

3.4 Accountability and Legal Liability

Determining accountability in AI-mediated processes is complex. If an AI system provides a biased or erroneous outcome, who bears responsibility—the developer, the platform, or the mediator who relied on it? Current legal frameworks, including India's **Information Technology Act, 2000**, provide no clear answers. This ambiguity poses ethical as well as legal risks to the legitimacy of AI-assisted ODR.

3.5 Loss of Human Connection

Mediation's success depends on empathy, active listening, and emotional intelligence—qualities inherently human. Overreliance on AI could diminish these human aspects, reducing mediation to a mechanical process devoid of compassion or cultural sensitivity. Therefore, AI should serve as an assistive rather than a substitutive tool.

Chapter IV: A Complete Legal Comparison

4.1 The United States

The United States has taken the lead in using AI as a tool for operationalizing its ODR systems. Modria, Matterhorn, and Court Innovations are the three platforms making use of this operationalization with the state court systems. In these platforms, algorithmic triage, predictive analytics, and automated negotiation can be used. There is an ethical guideline from the DOJ and the ACUS which is concerned with human oversight and accountability regarding the algorithm.

4.2 The European Union

High-Risk Systems underline the European Union's Artificial Intelligence Act (2024) as a classification scheme in which AI



tools for ODR are treated. However, it requires strict compliance with obligations on transparency and human oversight because it will be treated as such. Besides these two legislative frameworks, even the EU's ODR Regulation (524/2013) has a consumer-oriented digital mediation system. This dual-layer approach provides high technology to an ethical shield, making the European model the most balanced in the world, rather than most.

4.3 Singapore

Singapore is thus considered the leader in legal innovations. The Singapore International Mediation Centre (SIMC) and ODR Asia provide the integration of AI analytics in order to assist mediators in determining optimum settlement points with the involvement of humans. Through government policies such as the AI Ethics & Governance Framework, Singapore hopes to ensure that AI is used legally and responsibly within its justice systems.

4.4 India

Though developing, India's approach to AI in ODR is still rather nascent. Initiatives such as NITI Aayog's ODR Policy (2020) and the Mediation Bill, 2023 mark significant first steps, but India is yet to have a complete regulatory system for AI. Obstacles hindering AI integration into ODR include digital illiteracy, access to the internet, and the meager training of mediators regarding technological techniques. Without a strong and developed ethical and procedural framework, India will probably introduce technological exclusion into its society rather than empowerment.

4.5 Comparative Observations

While developed jurisdictions have put in place structures to institutionalize AI governance, India's provisions are at best fragmented and reactive. This contrast further highlights how important it is to have AI ethics guidelines and algorithmic audit systems as well as inclusive access for India to achieve multilingual and mobile-friendly platforms.

CHAPTER - V: The Way Forward- Constructing Ethical and Inclusive AI Mediating Frameworks Need for Human-Centric AI

The future of AI in mediation lies in preserving the human element in the mediation process. While AI will provide the analytical support for mediators, the important decision-making must be done by the human beings. The principle of "human-in-the-loop" must, therefore, be transformed into a law to ensure accountability and empathy.

Creating Ethics and Legal Parameters

India must frame AI Ethics Charter on Dispute Resolution which sets out principles undertaken by India, such as transparency and fairness, protection of data, and human oversight. Algorithm audits and impact assessments must be made mandatory for all ODR platforms using AI tools.

Institutional and Capacity Building

Judicial academies and mediation training institutes must specialize in integrating and providing legal-tech courses and AI modules to mediators and arbitrators. Interdisciplinary

learning between law and tech is promoted through partnerships with universities and startups.

Policy and Legislative Reforms

The Information Technology Act, 2000 and Mediation Bill, 2023 must be amended to include specific clauses dealing with the place of Artificial Intelligence in the legislative framework, as well as what should be required in terms of certification of systems, periodic reviews, and liability provisions for the technological failures.

Bridging the Digital Divide

For inclusion, there must be more investments in broadband connectivity and the government must initiate multilingual and low-cost ODR portals. Culturally adaptive AI tools should be used to consider the realities of limited digital literacy access.

Global Collaboration and Standardization

India needs to synergize with global standards like the OECD AI Principles and the UNESCO Ethical Guidelines on AI on its AI-ODR policies. This would encourage exchange of best practices and ensure that AI in mediation is an operation with universally acceptable human rights parameters.

The Future of Mediation with AI

The integration of AI and ODR has a historic opportunity to redefine justice delivery. Given ethical governance and human empathy, in very much inclusive design, AI can make mediation a much speedy, fairer, and more accessible avenue. Unregulated automation, however, carries the risk of dehumanization of justice. Hence the balance between technological efficiency and moral accountability would determine whether AI brings in a "new era" of mediation-or simply introduces a digitized replica of existing inequalities.

FINDINGS AND SUGGESTIONS

6.1 Key Findings

1. AI as a Catalyst for Change:

Artificial Intelligence has resulted in a shift in the traditional geography of mediation and dispute resolution. With automation, predictive analytics, and intelligent negotiation systems, AI can enhance the efficiency, pacing, and access of the ODR mechanism. It bridged geographical divides, reduced prolonged procedural delays, and lowered costs — particularly with benefits for low-value disputes and cross-border commercial disagreements.

2. Transformation of Mediation from Human-Centric to Hybrid Models:

The study reveals that mediation has evolved into a hybrid enterprise between human actors and AI systems, with the latter being fully modeled on hard and cold logic. Emotion and ethics still belong to the mediators, who govern the moral considerations; the AI tools assist in fact analysis, case prediction, and documentation. This fusion shows that technology is here to assist and not replace the human mediators, as common with all things that have ethical backing.

3. Ethical and Legal Ambiguities Still Exist:

AI raises many ethical questions — the nature of black box AI algorithms creates concern in the field of transparency and



explainability. Unclear lines of accountability in cases of algorithmic failure and untrustworthy output undermine user confidence. Plus, there are glaring gaps present with regard to the legal framework in the countries with a developing economy, placing these countries at high risk of applications and misuses.

4.Challenges Posed by Algorithmic Bias and Data Privacy:

The more the findings suggest that the AI systems tend to replicate whatever human and systemic biases are there in their training datasets, the more likely it is that they produce discriminatory or unreliable mediation outcomes. In addition to this, the ODR platforms gather sensitive personal data, and loose data protection laws in the emergent economies like India really put users at risk from breaches of confidentiality and information misuse.

5.Digital Divide and Technological Inequality:

Unequal access to digital resources presents yet another primary obstacle. In countries with limited internet infrastructure or low digital literacy, many potential users are excluded from AI-enabled ODR platforms. In such an environment, justice imbalance has evolved: access to technological justice becomes a privilege rather than a universal right.

6.Comparative Insights: Lessons from Other Jurisdictions:

Comparative analysis indicates that while the European Union and Singapore have successfully instituted structured governance frameworks that combine an AI innovation with an ethical oversight perspective, the United States has pursued a more flexible industry-driven delegation of AI ethics principles. Conversely, India remains in its infancy in the matter of AI regulation and ethical guidelines exclusively for ODR. The absence of one, however, creates an opportunity and challenge for the government of India to craft a more balanced and inclusive framework.

7.Potential for Judicial Reform:

If properly implemented, AI ODR can ease the burden on the judicial system in India by fast-tracking the resolution of petty civil and commercial disputes. It can further serve as an adjunct to the courts, thereby accelerating the pace of justice and lessening the burden on an already overstrained judiciary.

6.2 Suggestions and Recommendations

1.Formulate a Comprehensive Legal Framework on AI in Dispute Resolution:

India shall enact a specific AI Regulation and Ethical Use in Mediation Act or amend Bill No. 2023 to include sections with respect to AI integration in mediation. This framework would establish the parameters of the AI tools' use and provide for its hold accountability and certification for ODR platforms.

2.Ensure Algorithmic Transparency and Accountability:

The logic, data sources, and dimensions guiding the ODR providers' decision-making would have to be made public by the AI developers and ODR service providers. The relevance of algorithmic audits along with bias testing should be made obligatory by law in order to assure fairness and credibility of AI-assisted mediations.

3.Strengthening of Data Protection and Privacy:

There is a need for strict data protection. The Digital Personal Data Protection Act, 2023, should also include a section about AI data processing in a legal and mediation context. ODR platforms must abide by international best practices, such as data minimization, encryption, and consent-based data sharing.

4.Institutional Capacity Building:

Judicial academies, mediation centres, and bar associations should undertake organized programs on AI and digital mediation. Mediators should develop an understanding of technology tools, algorithmic behaviour, and ethical concerns in order to steer well-through proceedings assisted by AI.

5.Focus on Human-Centeredness ("Human-in-the-Loop" Principle):

AI should not be utilized instead of human mediators but rather it should serve as a support conversation. Final mediation must always be supervised by humans to keep the necessary human touch, moral reasoning, and context sensitivity on the part of the human mediator.

6.The Digital Divide Must Be Bridge:

Governments could bring in digital infrastructure, broadband accessibility, and public awareness programs to keep ODR equitable. All platforms should be done in multiple Indian languages and made user-friendly on mobile for the benefit of rural and remote users.

CONCLUSION

It is a major shift in the global justice delivery system that brings about a new era for mediation and ODRs. This research shows that AI, with ODR, could enhance efficiency, speed, and accessibility while blurring away all geographical and procedural lines synonymous with traditional courts. AI solutions such as natural language processing, predictive analytics, and intelligent negotiation systems can help lessen the burden on courts, assist mediators in achieving just outcomes, and strengthen the foundation of justice.

Yet this technological evolution comes with its own ethical, legal, and social complications. The fast-paced adoption of AI in dispute resolution without a binding regulatory and ethical framework, as highlighted by the study, poses a threat to the very foundation of mediation, which primarily rests on the tenets of fairness, transparency, and impartiality. The pressing need for policy intervention can therefore be drawn out from these issues of algorithmic bias, lack of explainability, privacy violations, and exclusionary digital presence. The challenge is not simply to celebrate the innovations that AI brings, but, more importantly, to ensure that its implementation sustains human values and rule of law.

A comparative analysis of global jurisdictions shows that while developed countries such as the US, the EU, and Singapore have actively developed governance mechanisms for AI in regulation, countries like India are still discussing the very first foundational documents on policy. Nevertheless, India's rising interest in ODR, backed by initiatives under the Mediation Bill, 2023, and the Digital India Mission, offers a good opportunity



for the responsible use of AI in the justice domain. For that purpose, India shall have to put in place a human-centered AI framework that stresses accountability, transparency, and inclusivity.

In conclusion, AI will not be perceived as a replacement for human intervention; rather, it is seen here as a partner able to transform into a situation where mediators are aided by AI with timely and fair outcomes. In this situation, the ethical deployment of AI can strengthen public trust in the digital justice system, thereby making mediation not only faster but also more compassionate and empathetic. Thus, the future of dispute resolution lies in a fine balance between technological efficiency and moral accountability. This balance, once achieved, will permit the entrance to the new world of mediation - intelligent, inclusive, and committed to eternal values of justice.

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