

Necessity and Challenges for Online Dispute Resolution System in Pakistan; A Comparative Perspective

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ABSTRACT

Online dispute resolution in its simplest form is the use of technology to settle the conflicts between parties. Technology is playing its role in all fields be it health, education, business so the field of Judiciary must also take benefit from it to speed up judicial efficiency and justice. In this research effort is made to study ODR in such a manner that it can be introduced in Pakistan. Therefore, the key research question is to address the issues which may halt the development of ODR in Pakistan and propose the solution for its future development. The main content of this research is divided into four parts. In the first part, the overview of ODR is given comprising of its types and how ODR works. In the second part comparative study of ODR is done where analysis of the legal framework of ODR in Canada has been made. This paper points out strategies and a roadmap of introducing online dispute resolution in Pakistan. The research provides the legal strategies by which Online Dispute resolution can be successfully initiated in Pakistan. The paper suggests that Pakistan should introduce a tribunal which could be connected with ODR. The law should be made for working of this tribunal and ODR. The law must overcome the drawbacks in the existing laws. The rules and policies to run its apparatus successfully are required to advance ODR development. The auxiliary measures are also very important such as tribunal connected mechanism, legislation enactment, judicial personnel training, public choice of ODR.

Keywords: Online Dispute Resolution, Legislation Enactment, Digital Revolution, Judicial Personnel Training

INTRODUCTION

The digital revolution has influenced the world in a way which no one had anticipated. It was rightly said that as there are opportunities provided by technology so are the calamities attached to it (Rasul et al., 2024). Presently there is no field of life where technology is not playing its role. However specifically referring to developing countries such as Pakistan when it comes to justice system; the legislators still hesitate to incorporate technology in the already existing judicial systems (Khan et al., 2024). Pakistan has recently passed the law for the Alternate Dispute Resolution system, but with the development of technology the era of Online Dispute Resolution will be coming (Kaya et al., 2022).

In its earlier stages ODR was thought to be the electronic version of ADR, meaning thereby the Online Dispute Resolution was considered to do perform e-negotiation, e-mediation and e-conciliation (SIVADAS et al, 2025). Later on, with the newer approach ODR presented a broader view of Online Dispute Resolution which enlarged domain system altogether. However, the latest approach of ODR allows many types of disputes under its resolving mechanism which includes offline trials, disputes

emerging from online activities, e commerce disputes, cybercrime issues, family disputes, guardian and will issues and the contractual agreements which are done beyond borders between the private entities (Rabinovich-Einy et al., 2021).

Online Dispute Resolution is the updated and much more most suitable medium to resolve the conflicting situations for those who want to get their disputes resolved by easily staying where they are just with the help of their laptops and mobiles (Rainey et al., 2021). The qualities like cost effectiveness for users, time proficient system, comfortably casual and confidential and trustworthy privacy settings, a process not dependent upon the baseless documentation, an incorporated tech-enabled solution, having neutral facilitators and settlements with consent of the parties at issue make ODR the first and prime choice of the persons who live in digital era (Casarosa et al., 2024).

ODR will prove to be a very effective step in the progress of e-commerce in Pakistan. ODR presents some unique remedies especially for e commerce. Commerce disputes are usually to be solved in terms of monetary agreements (Akhtar et al., 2022). Thus, the ODR systems integrate technological game-theory strategy and negotiation analyses which focus on interests of parties and help them to seek solutions within the Zone of Possible Agreements (Zhang et al., 2021).

Moreover, for low monetary value cases it is very expensive to follow the high cost methods of dispute resolution for example the fees of the dispute resolvers and the costs for travelling from one place to the place of dispute resolution becomes very expensive in a case where the case value is little (Kaya et al., 2024). On the other side in Online Dispute Resolution the process is automated one in which matters are filed online, heard online, negotiated online. So ODR is essential to e-commerce because large online marketplaces and merchants must provide their users with fast and fair redress processes (Patel et al., 2025).

This research will focus upon the problems in the existing platforms of dispute resolution in Pakistan. Providing current situation about the short comings which are prevalent in Alternate Dispute Resolution in Pakistan the research purposes at the solutions to those problems. For this purpose, the research has resorted to do the comparison of the successful Online Dispute Resolution systems in Canada and China (Guo et al., 2020). These countries are well equipped with technological advancements and are also financially stronger to keep the system well versed with the newer developments in the field (Feijóo et al., 2020). The comparative analysis of the development stages in these countries will prove to be guiding star for incorporating Online Dispute Resolution in Pakistan. of this research will prove to be very productive for Pakistan in many ways (Shoukat et al., 2025). The purpose of this writing is to provide a plan for the successful implementation of ODR in Pakistan. The future of Pakistan will be bright with this new development in its infrastructure. With ODR there will be more commercial growth, there will be more opportunities for the benefit of society and the business simultaneously (Wang et al., 2024).

The courts in Pakistan are not providing adequate relief to people. So, the people are looking for out of court settlement to resolve their disputes (Khan et al., 2020). Therefore, this research will be very rewarding because it will provide the drawbacks of all the existing modes of dispute resolution and will show a new way to satisfy the public. Another practical value of this work is that the legislators of Pakistan will focus upon the drawbacks and efforts will be made to overcome the impediments in way of justice.

LITERATURE REVIEW

Researched on the security requirements for electronic ADR applications. The need of standards of security were discussed induce trust of the users. Privacy and authentication of emails needed to be secured (Enaizan et al., 2020).

The existing consumer protocol and highlighted the needs of online consumer dispute resolution. She suggested that there should be a new ODR protocol addressing the issues about the nature of online dispute resolution program, its accessibility and cost standards (Ballesteros et al., 2024).

The Online Dispute Resolution is an ever-evolving field as it is not only a solution for e commerce disputes or the online transactions rather this is the new face of the traditional ADR system. He assessed that the techniques used in ODR are not merely for e commerce rather they need to be utilized in the modes of alternate dispute resolution as well (da Silveira Zanin et al., 2022).

It is studied the role of fourth party and examined the existence of technology as an important party during the settlement proceedings. Technology has its own risks and opportunities which it brings with itself. Both of them highlighted the importance of technology for ODR but they did not focus upon the issues which are attached to technology-based software of dispute resolution (Rainey et al., 2022).

It is discussed the current status of ODR in China and highlighted the obstacles in running the ODR mechanism. In June 2004, first ODR center was established in China to promptly resolve e-commerce disputes. Discussing the updating of technology regularly, the protection of privacy and security of the online communication are challenges for ODR. Making ODR trustworthy for the people was also a challenge at that time. The macro control regulation by the government required to promote ODR (Zheng et al., 2020).

It was assessed that technology is broadening people's expectations in respect of how disputes should be resolved. People are attracted towards a system where they can make complains without the constraints of time and place and get their disputes settled in a short span of time. Moreover, the transparency and effectiveness are also kept in preference while resolving the disputes through an online medium. The technology has been speedily changing our lives and making us distant from the old platforms of dispute settlement (Furlong et al., 2020)

It was found in his research that since there is an abrupt rise in the quantum of the people who have online approaches in the activities they perform. As there is growth in the activities so naturally there is increase in the quantity of disputes having various variety. These newly emerging class of disputes are so distinct and unique in their nature that the old methods of offline settlements are not efficacious and satisfactory. Moreover, the disputes which arise only from the online activities then the most feasible and natural mode to resolve them should also be the online forum (Beretta et al., 2024). So far, the scholars accepted the value of technology and the role it could play for dispute resolution but there wasn't much work how to bring it in contact with the public judicial system of the country so that the justice could be accessible for all.

It was discussed online tribunal which was integrated with the Judicial system. She made comparison of private and public ODR and then described the working of that Tribunal in detail. She presented the opportunities like leveraging technology, integrating justice with public and challenges (Valchuk et al., 2024)

Coming towards Pakistan Kaya, S., & Khan, M. D. (2022) while writing their paper have specifically referred to online dispute resolution system for Pakistan. The authors assessed that the growth of e-commerce has boost up the economy of the country. The study of their research shows that although e-commerce is growing but the customers are not satisfied with the online trading system. The customers get to face many issues when it comes to the e contracts. As there is no platform for resolution of such disputes, hence hampering online business. For the authors the only way to remove this obstacle and

make the online business flawless is the introduction of online dispute resolution system in the country (Munim et al., 2024).

It was illustrated all the short comings in the existing alternate dispute resolution system in Pakistan. The country still lags behind while having ADR law the reason being that there are many obstacles and hurdles for common man to access the mechanisms of ADR. The author elaborated in detail about different provisions of law which are an impediment for the implementation of ADR. From his work it is concluded that although Pakistan has the law for ADR, but it is in weak position to provide the relief to the clients which is the upmost agenda of the system itself (Usmani et al., 2025).

METHODOLOGY AND JUSTIFICATION

The research methodology, which is to be utilized in this research work, for achieving the goals of identifying the necessities of online dispute resolution in Pakistan, is Comparative Legal Research methodology. Along with that historical study is also to be made to develop an intellectual awareness about the growth of online dispute resolution in digital world. A historical assessment of the short comings in the existing dispute resolution models is to be carried out to enunciate the importance of incorporation of technology in dispute resolution mechanisms.

Since it is not empirical research rather it is desk-based research, so the research is designed to be comprising of an introductory section having the literature review and then rest of the research contains comparative analysis and argumentations to meet the objectives of the research.

The Comparative Study: In comparative legal research comparison with other laws and the legal system beyond borders is drawn because this comparison enables the improvement of the legal system with some deficiencies. Analysis of domestic and foreign scientific literature, comparative foreign legal analysis of the steps taken by the other countries is to be made. This comparative study is significant the purpose of tackling the emerging issues regarding the object of research which is to introduce ODR in Pakistan, and the methods of legal modeling. In the method of comparative legal analysis, development progress and current situation of online dispute resolution specifically in Canada and China were taken as a basis for comparison which were used as a conclusive approach to be applied in the domestic legal sphere of Pakistan. These countries incorporated technology in their dispute resolution techniques, to advance the remedial purposes.

The historical study is to be in made in this research to understand the development of online dispute resolution in different countries. Furthermore, historical research is significant to study the background reasons which will make a way for ODR in Pakistan. Historical study of ADR in Pakistan is also of paramount importance because it helps in understanding the dynamics and needs of the country with respect to dispute resolution methodologies besides formal litigation.

Combining the historical and the comparative research techniques this research work establishes the narrative that the existing models of dispute resolution have become redundant and ineffective in this modern technologically advanced world. Therefore, the need of the hour is to include technology as a main feature in dispute resolution mechanisms as being successfully done in the compared countries.

Concept of Online Dispute Resolution

Before exploring the concept and features of the Online Dispute Resolution (ODR) system, it is essential to define it first. The ODR framework emerged alongside the rapid evolution of the internet, which began in 1969 but gained commercial momentum in the 1990s. As online commercial activities expanded, disputes arising from digital interactions necessitated a new mechanism for resolution. Ethan Katsh, a

pioneer in the field, in his book *Resolving Disputes in Cyberspace* (2001), emphasized that technology should not only generate disputes but also be used to resolve them (Arslan et al., 2024). Thus, ODR represents the virtualization of dispute resolution reducing reliance on physical presence and enabling disputants to interact through digital platforms. It is generally considered an advanced extension of Alternative Dispute Resolution (ADR), strengthened by technological tools that make the process more efficient, accessible, and cost-effective. ODR platforms such as Modria, Cybersettle, ClickNsettle, and SmartSettle have demonstrated how technology can facilitate negotiation, mediation, and arbitration across geographical boundaries (Chern et al., 2023). Fundamentally, ODR allows parties to resolve disputes online by leveraging communication technologies, enhancing confidentiality, reducing costs, and ensuring faster outcomes, while serving as a bridge between e-commerce and justice (Singh et al., 2023).

The integration of technology into dispute resolution has introduced what theorists call the “fourth party” technology itself which assists or even replaces human facilitators in certain processes. This “fourth party” concept highlights that technology is not a mere tool but an active participant that records proceedings, maintains confidentiality, and can automate negotiation or mediation tasks (Wing et al., 2021). ODR has evolved from simple online mediation to encompassing a broad range of cases, including tenancy disputes, small claims, tax and traffic violations, matrimonial cases, intellectual property disputes, and e-contract issues (Njwayo et al., 2023). Its voluntary, user-friendly nature gives disputants the freedom to choose negotiation, mediation, or conciliation as per their convenience. The digital transformation of society spanning online business, education, and governance has made ODR not only desirable but necessary for modern justice systems. By combining legal principles with communication technologies such as video conferencing, data storage, and automated platforms, ODR offers a flexible, accessible, and cost-efficient alternative to traditional litigation. As technology continues to advance, ODR is poised to become an indispensable part of the global justice infrastructure, capable of addressing the challenges of the digital age through innovation, inclusivity, and efficiency (Abedi et al., 2025).

Types and working of Online Dispute resolution

The features of ODR are same as to the features of alternate dispute resolution but in a much-advanced form. The innovative characteristics of online dispute resolution influence upon the working of ADR (Rynkowska et al., 2020). If the example of Mediation is considered it comprises of a written record or transcript to save the nonverbal communication. However, online dispute resolution takes a forward step by focusing upon the use of technology as its principal characteristic. Online dispute resolution has a unique set of characteristics which render its influence upon the already existing forms of alternate dispute resolution. Although there are various features of ODR but there are two approaches to it (e Silva et al., 2025). One is adjudicative and the other is collaborative. The former kind is more like an electronic version of the already existing alternate dispute resolution, mainly arbitration as the judge renders a binding decision. However, the latter one is more systemized. There is strong engagement between the parties as they make biddings through technological infrastructure. The collaborative ODR has further classifications which include an online form of negotiation with automation, blind bidding features either double or visual, negotiation with assistance (Ballesteros et al., 2024).

Automated Negotiation

Automated negotiation is one such feature of online dispute resolution in which the characteristics and working mechanisms are taken over by the technology in negotiation. Commonly used term for such practices provided by online dispute resolution is termed as blind bidding. In this particular feature those matters are settled which have economic issues of settlement. The uniqueness of this technique is that it resembles auction. Just like in auction there are biddings similarly in the economical disputes the bids are

made by the negotiators to the parties although, these biddings are kept hidden from the opposing parties. Furthermore, types of these automated negotiations are double blind bidding and visual blind bidding. There are two types of automated negotiation; one is the double-blind bidding while the other is visual blind bidding. The former one deals with one party at while the later one includes more than one party (Simkova et al.,2021)

Double Negotiation

In the procedure of double negotiation, it is a blind bidding where an offer made to one party and a demand to the other party which is not disclosed throughout the negotiations. This type of negotiation starts when either party makes an invitation to another party for making negotiations upon a certain amount. In case the other party has shown any inclination towards the acceptance of the amount made in the negotiations then the process enters into the bidding stage in which the offeree and the offeror start making their secret bids. Those secret bids are disclosed only when some standard requirements are accepted by both the parties. Generally, the parties can provide their desired amount ranges thrice and if the offers made by both parties' match at a point, then it would be finalized. Subsequently the technology itself resolves the dispute in the medium range of the both demands. This method is of a simple nature, but it inspires the parties to negotiate by determining the common ratio of bidding offers which in result amicably splits the differences when the amounts are revealed (Baarslag et al., 2024).

Single Negotiation

Single negotiation in the form of visual blind bidding gets an upper edge in a way that when the parties are using it then the system speeds up the negotiations by rewarding generosity. The major difference in visual proceedings is that this relies upon keeping the bidding a secret. The tricky part is that in conventional bidding of double-blind procedure, any demand or offer made to the parties are kept secretly hidden from each other. This unique type of method can be efficaciously implemented in both the simple cases with single value type of negotiations and they may also occur with the negotiations of complex nature. Visual blind bidding proceedings begin after the consensus has been taken from all the parties that they are ready for negotiating with each other. Subsequently prima facie opportunistic proposals are exchanged which later help in determining the range (Schumann et al., 2023).

Assisted Negotiation

As the title used the word assisted so it clearly means that technology will play the role of an assistant during the proceedings of negotiation and mediation. There is a certainty in the procedure which is ensured by the technology. In addition to this it can also provide the parties with specific suggestions after doing evaluation. The mediators appointed in this department are supposed to be skilled enough and possess the skills to manage the disputes through an online platform. Similarly, the conciliators have the potential and position to give remedies to the parties which they can think on before they take any final step towards final decision. The most important function is performed by the technology in assisted negotiation (Ayeleso et al., 2023).

The procedure of online dispute resolution varies from country to country. However, the notes of UNICITRAL have described the process of ODR that it mainly comprises of three stages. The negotiation stage, the facilitated settlement stage and the third final stage. So, in the first step technology enabled negotiations begin where the parties tend to negotiate directly with one another using the platform of online dispute resolution. Subsequently, if those negotiations fail the parties enter the second phase which is the facilitated settlement in which a third neutral party is assigned by the online dispute resolution which provides help to the parties to reach settlement. However, if the facilitation settlement stage also

fails with any reason or if either of the party has made a request to enter the third stage where the online dispute resolution administrator informs the parties about the possible solutions which the parties can choose. Online dispute resolution needs a platform so that it may generate, send, receive, store and exchange all the communications (Bakhramova et al., 2022).

The unique feature of ODR is that it provides the facility of transferring messages directly to the concerned party via technology without being interfered by any other person. In this manner the feature of technology empowers the practitioners to train the concerned parties about the additional fixation of statements. The existence of fourth party comprises with the access of computerized programming in which all the procedures are carried through software of online dispute resolution leading to the decisions (Pandey et al., 2021). The systems featuring assisted negotiation and mediation tends to provide the opinions of the experts which helps the parties to get to know all important recommendations before they could reach on one decision. For this purpose, the system may ask to the client numerous queries regarding the disagreement to facilitate a precise explanation which can help the clients later on. Thereafter, the online program will utilize all the laws and regulations which can be applied in the respective facts to articulate a solution by thoroughly complying with the laws and policies (Benedikt et al., 2020).

The benefit is that this information provides the parties at an issue all the access to the necessary legal information. All the relevant information which is necessary for the probable outcome is disclosed to the clients. In the jargon of law this is termed as BATNA i.e. best alternative to a negotiated agreement. Thus, it encourages a more suitable and adequate suggestion to the clients from their lawyers. So, as a result, there are chances of more resolutions of a dispute and the justice will also be served. This will be beneficial specially for the people who do not have lawyers to represent their case. Another advantage for users of online dispute resolution is that this software empowers the parties to make review of their statements enables participants to make a revision of their statements so far made so that the parties can be brought at a unified agenda, as they have been recorded (Adedeji et al., 2024).

The role of technology is the most important one because initially ODR was just copying the already existing ADR by simply using a different medium. However, this is not the limit because the fourth party has played an immensely significant part in the creation of a special platform for ODR. Now it can be rightly said that the electronic medium has improved and modified the already existing system. It would not be wrong to say that ODR has the tendency to become the most suitable mode of dispute resolution because of its extreme facilitation for the users and minimizing the hindrances which usually make the other dispute resolution modes complicated and difficult (Goyal et al., 2023).

Table 1: Comparative Study of Online Dispute Resolution (ODR) Frameworks in Canada and China

Aspect	Canada	China
Initial Development	The Civil Resolution Tribunal (CRT) established under the <i>Civil Resolution Tribunal Act; 2012</i> (amended 2015) first fully online public tribunal integrated with national justice system.	The first ODR Center launched in 2004 by <i>Beijing Deofar Consulting Ltd.</i> , aimed at resolving e-commerce disputes.
Model Type	Public ODR system integrated into judicial process; operates as a government-established tribunal.	Private–enterprise-led ODR model supported by government policy and technological infrastructure.
Primary Focus	Small claims, property disputes, traffic	E-commerce, consumer protection, and

Areas	accidents, strata disputes, and minor civil claims.	online transaction disputes (e.g., Alibaba, Taobao).
Legal Framework	Governed by <i>Civil Resolution Tribunal Act (2012, amended 2015)</i> ; procedures set by law and government policy.	Operates under China ODR Authentication Protocol and government-issued guidelines (<i>Several Opinions on Accelerating E-commerce Development, 2005</i>).
Process & Mechanism	Stepwise system: <i>Solution Explorer</i> → <i>Negotiation</i> → <i>Facilitation</i> → <i>Tribunal Decision</i> . Accessible via computer or mobile.	Web-based <i>online negotiation</i> and <i>online mediation</i> with expert mediators; uses chat rooms, electronic evidence, and e-signatures.
Technology Integration	Fully digital platform within public justice network; allows parties to file, negotiate, and resolve entirely online.	Uses integrated digital tools (video conferencing, e-mail) for evidence exchange and mediation.
Government Involvement	High Ministry of Justice and British Columbia government oversight; ensures rule-based transparency.	Moderate Government provides macro-regulatory support, encourages enterprise-led models, and promotes trust-building initiatives.
Strengths	Legally binding decisions; high accessibility; cost-effective (average cost CAD 200, ~90-day resolution).	Rapid resolution of e-commerce disputes; builds consumer trust; enhances international trade efficiency.
Challenges	Limited jurisdiction (minor disputes); reliance on digital literacy and access.	Trust deficit in online systems; varying standards among private ODR providers.
Outcome/Impact	Successfully reduced small-claims backlog; serves as global model for public-sector ODR.	Strengthened consumer confidence in e-commerce; influenced Asia-Pacific ODR developments.

The comparative analysis of Canada and China reveals two distinct yet complementary trajectories in the evolution of Online Dispute Resolution (ODR). Canada's model exemplifies a public-sector integration of technology into formal justice, ensuring legal enforceability and accessibility through the Civil Resolution Tribunal (CRT) (Framework et al., 2024). Its government-led approach emphasizes transparency, affordability, and procedural fairness. In contrast, China's ODR development stems primarily from the private sector, particularly in response to the rapid growth of e-commerce platforms such as Alibaba and Taobao. While both systems leverage technology to promote efficiency, Canada prioritizes institutional legitimacy and legal consistency, whereas China focuses on market-driven innovation and trust-building mechanisms. Together, these models illustrate how varying political and economic environments can shape the implementation of ODR while sharing the common goal of enhancing access to justice in the digital age (Roberge et al., 2019).

Roadmap for developing Online Dispute Resolution in Pakistan

Proposing legislation for Introducing ODR

The biggest step for the development of ODR in Pakistan can be initiated by legislating. If the already existing law is not enough to include the new dimension, then there is need of a new legislation. However, if the previous relevant law can be amended either partially or fully then the new clauses can work for the new system. The law existing already is ADR. If that law can be amended, then there can be incorporation of new mode of dispute settlement (Khan et al., 2023).

When the legislation is to be made for online dispute resolution then the first question that should be addressed would be the determination of one definition. This is the situation in all the countries where laws were made for online dispute resolution that what exactly is ODR. Whether it should cover broad array of fields or should be limited to be clearly understandable and enforceable. The word online can have several meanings and that must be interpreted by the law itself so that it could not be misused later on. The scope of online dispute resolution can be debatable if the law fails to address it clearly. So, the legislator is supposed to make legislation with a strong definition free from the ambiguities attached to it about its scope and connotations. The legislators must break the term of ODR and specify that what will be included in online and which disputes are supposed to be transferred to ODR. The legislator should try its best to make the terminology understandable and not subject to further interpretations (Mania et al., 2015).

Another important point which should be kept in mind by the law makers is to decide that what would be the jurisdiction of the online dispute resolution. The law should specify that which kinds of disputes can be entertained by it and which are not permissible to be redressed through it. For example, the criminal cases should not be allowed to be dealt through online dispute resolution as there is requirement of the physical presence for the cross examination of witnesses by the judge. Moreover, the cases of greater grievances demand the presence of skilled lawyers to handle the situation better. Online dispute resolution in Pakistan can be suitable for smaller value claim, family disputes, matrimonial issues, the disputes arising from online activities like E-business (Bilal et al., 2023).

There is no law made especially for the cross-border disputes or the conflict of laws in Pakistan. Therefore, when a private party enters a contract with a party residing out of Pakistan and results in a dispute then the party residing within Pakistan has to face a lot of trouble. Online dispute resolution can play a vital role to tackle this issue. The ODR can specify one branch of its portal to specifically resolve such disputes which arise from cross border relations and transactions. In this digital world there are no geographical boundaries to limit the people for anything. The trends of cross border transactions were mostly at governmental level earlier in Pakistan. However, now the situation has changed as the private entities are also doing cross border contracts for various purposes. These international exchanges of activities have given rise to cross border disputes (Roberge et al., 2019). Unfortunately, Pakistan has no specific laws to address the cross-border disputes. It is a very complicated process to resolve a dispute between parties who belong to different jurisdictions with different laws altogether. As their distance is cut short by internet and the contractual relations between cross border parties increases but the nature of disputes arising from such relations is even more complex than the domestic ones. To resolve the disputes involving cyberspace the dispute resolution system must be well designed and skilled to address all the possible issues (Bakhramova et al., 2022).

Technology has changed the interpersonal relations of society. Technology has made the world smaller and reduced the gaps. The advantages brought by online dispute resolution while dealing with cases of parties who are at different times zones and different jurisdictions make the system promising for cross border relations. Therefore, ODR is the most practically efficient method of dispute resolution in the conditions where distances and time are problematic (Benedikt et al., 2020).

The purpose of integrating the online dispute resolution in the judicial system of the country is to benefit the public at large. In this manner it can be ensured that everyone can participate. Although it would be complex for the judicial system to develop it, but it would have to provide access to services to its clients. This can be facilitated by specialized training of the staff. Moreover, applying administrative laws on technological software can be challenging as the provisions of due process must be kept in consideration. The promising feature of ODR which aims at the increased access of justice cannot be realized if it is not amalgamated with the public justice system of the country (Goyal et al., 2023). The first and the foremost

step for any development would be the policy making. Legislation on ODR should be done by the government body legislators who can take help of the jurists and research scholars as there is need of a legislation of a unique type. The legislations and policies so formed would bring forward the roadmap of executing the agendas behind such legislations. The guidance from them proves to be a directory map for the law enforcing bodies. Only legislation can open the doors for the proper authorization of a policy for further operation of the laws. Same should be done for online dispute resolution if it has to be launched as a proper system. Hence the value of legislation cannot be undermined. So far in Pakistan there has been legislation on alternate dispute resolution which failed to include any regulatory provision about dealing the case with online procedures (Schumann et al., 2023).

Addressing Legal Issues in E-Commerce Dispute

Over the world, electronic commerce is the subject which has received most of the benefits by online dispute resolution. The beginning of ODR is somewhere connected with the online trading. China and US are the apt examples which initiated their online dispute settlement systems after facing myriad of issues in the electronic trading. Electronic trading knows no boundaries. People sitting in different parts of world do online business by their mobiles and computers. Huge transactions are made via technology. This has promoted online business, but this remains disturbing in a place where there is no remedy available for the disputes arising from such online businesses. Pakistan has been doing electronic business in the form of online shopping, online placements of orders, inline contracts, online marriage contracts, online transaction of money, online banking and so on. However, the alarming aspect of e-commerce in Pakistan is that if any dispute emerges from abovementioned activities, then the parties have to take the route of the conventional litigation proceedings to seek remedy (Blythe et al., 2006).

The traditional litigation has many turmoil's and turbulences. One of the issues is concerning the disputes between sellers and buyers. Consumer protection is perceived to be weak with the impression that buyers may have little recourse available in case of payment disputes. That's where ODR can be launched to act as a savior for the struggling e commerce in Pakistan. It is more convenient for both the businessmen and the consumers to seek relief of their grief by doing wonders for the online working community. The legal issues arising from e commerce would be directly taken to an online portal. The world has acknowledged that the best place to resolve online disputes is an online forum. All the records of evidence are present in online form so they can be submitted in ODR as evidentiary material (Akhtar et al., 2022). The software in the ODR can help in the detection and authentication of that material. the people who are doing online business are too busy to likely go to the courts to pursue a claim. For them time is the most precious thing as they make business in minutes. In this short-lived time people want a mechanism as easy and convenient as doing online business (Rowe et al., 2022).

The legislature in Pakistan needs to shed light upon the developing e-commerce and understanding the difficulties faced by the ones who do online business. The lawmakers should not ignore the fact that the legal issues faced by the people having disputes about e commerce are not the same as the other offences. As the nature of conducting business has changed, the nature of dispute settlement should also modify and update according to the changing dynamics of society. Online dispute resolution can come up with solutions for such problems. No matter where the parties are located, they can come online to settle their dispute. The online dispute settlement should have the potential to provide probable solutions of a dispute to the parties. Parties can make evaluation of those solutions and make decisions either by themselves or by proceeding further and taking help of the mediators. This can save the time and cost of the users of e commerce (Rule et al., 2020).

Similarly, in ecommerce it is important that the merchants have a sound mechanism for dispute settlement so that they may attract more and more customers. The customers can trust the online business if they

provide them with the clause that in case of dispute, they can resort to the online dispute resolution system. Resolution of e commerce disputes through ODR would give independence to parties by helping them in setting fixed deadlines and plead (Zheng et al., 2020).

Making ODR Secure and Reliable

Trust and security pose the biggest threat to the development of online dispute resolution. Emphasizes should be laid upon the urgency of establishing trust in public. It is a cyclic process if someone trusts the system then it will make other people trust as well. One person having a good experience can spread the notion of trust in others and thus it will become a self-reinforcing cycle and as a result the whole system will become trustworthy. There should be security standards which must be regulated by all the online dispute resolution center (Adedeji et al., 2024). The general principles of law must be made mandatory to ensure justice. This will encourage people to resort to online dispute resolution preferably more than any other mode. In ODR there are two types of technologies synchronous and asynchronous. In former there is use of technology in real time while in the latter the parties can store the data which can be used later. If both these are combined, then there will be blended solutions by integrating video teleconferencing and websites and emails (Pandey et al., 2021).

If Pakistan wants to establish online dispute resolution in its complete entirety, then it must address the challenges like trust and security concerns of the users of the system. Confidentiality means to respect the privacy of someone. At a professional level confidentiality is very important especially in the field of law and medicine where they are specifically guided not to leak any information of their clients and patients respectively (Ayeleso et al., 2023). Similarly, online dispute resolution users expect that the information that they are providing to the online forum must kept intact and not leaked in any case, unless the users allow. The fiduciary relation based upon confidentiality holds prime importance in the development of online dispute resolution. The protection of the data of the users is covered under the principle of confidentiality. On the other side, the concept of privacy focuses upon the protection of the personal information which is closely linked to the principle of confidentiality. Both the information data and the personal information should be given the utmost importance in the features of online dispute resolution. For the promotion of ODR it is highly important that the system should ensure that the private information of the parties would stay safely hidden. Any material that they may publish on the portal of ODR would not be leaked or mishandled. It is a huge task for the ODR to keep an equitable balance between the right to privacy of their clients and the fairness of the system (Simkova et al., 2021).

Now the question is that what can be the security measures to make ODR a reliable system. Research shows that if the online dispute resolution system seeks to be secure and reliable it must create some guidelines regarding the ethics of privacy in their system. These guidelines should be sanctioned by damages if violated. It's like before proceeding with online dispute resolution there should be some terms and conditions which should be signed electronically by the parties. The parties must be made aware of those ethical guidelines ensuring the privacy concerns of the parties so that in later stages the parties may not be dissatisfied. Similarly, there should be terms and conditions for the neutrals and the members of the ODR system who would sign the privacy provisions stating the obligation upon them to keep the information of the clients confidential. In case of violating such conditions there should be sanctions of damages for them (e Silva et al., 2025).

The next step which can make online dispute resolution system a trustworthy one is that if the cases are to be published then it should be done so by non-identifying the original information of the parties. This means that the real name and real facts of the cases should be kept hidden. There should be summaries of the cases anonymously. Only the information in statistical form should be made open for the public to view and nothing else (Abedi et al., 2025).

To protect the software help must be sought by the information technology department to secure the content. The communication should be encrypted and no chance of leakage of that information should be left. The IT expertise can enable the programming of software to be safe and secure (Rynkowska et al., 2020).

Security is the first major area where minimum substantive standards are needed to ensure the Privacy of the parties and the neutrals as well. The messages and emails should only be handled by the relevant authorities. There are sensitive documents attached containing material of evidentiary value so it must not be treated casually and should be given utmost protections (Wing et al., 2021).

The communication between the client and the neutral should not be encroached by others. There should be set filters which could detect that whether the information so reached to the recipient has been tampered in the way or has reached directly. There should be integrity of data which would verify the transparent transmission of information from one end to the other (Chern et al., 2023).

Another important factor which should be ensured by the online dispute resolution is that the neutral must as well be treated with fairness. The documents and information sent to him should not be forged one and must contain the real information. The recipient should be aware of the sender of the message. To strengthen this phenomenon there should be guarantee given to the recipient that he can take the matter to the court if it finds any illegality concerning the transmission and content of the message (Njwayo et al., 2023).

Training of AI Lawyers and Judicial Personnel

The daunting factor leading to hamper the development of online Dispute Resolution system in Pakistan is the lack of knowledge, skill and training in the respective field. It is very essential to train the lawyers, judges and other required personnel who must do online mediation, negotiation and conciliation. If the legislature enacts legislations for ODR but there is no training for its smooth working, then the system cannot result into success. The training programs must not be limited to the mediators and faculty members rather the ones who plan to use such system must also be given knowledge about the respective field. The advantages and disadvantages of the online dispute resolution which the parties may have to bear as consequence must be made known to them before they go for any claim (Feijóo et al., 2020).

Hence it is of prime importance that the public should be given all necessary information about the assertion of their rights for an online redressal. the opponents of online dispute resolution usually come up with dismal belief in the system as it is a very novel concept in Pakistan, so to maintain the trust in the general public is very much needed. If the public can trust the system, then they can make the most use of it. The people of Pakistan are not even fully aware about the prospects of alternate dispute resolution let alone the online dispute settlement system (Patel et al., 2025). There is necessity to install training programs to spread awareness for the use of the alternate dispute resolution and later online dispute resolution when it is launched in the country. Once ODR is brought into working the next step would be the specialized training sessions to make the system successful. Apart from this another important factor is the professional responsibility on part of all of the personnel who are involved in the online dispute resolution to be faithful. In America the bar association enacted the model code of conduct of professionals. This involved provision of faithfulness, truthfulness while making statements to other. Similarly, in Pakistan there should be the clauses dealing with the conduct of those who act as mediators, conciliators and those who manage the technological system by keeping the records and transferring the information. There should be a duty of good faith on all the persons who are engaged (Guo et al., 2020).

In order to develop the online dispute resolution centers in Pakistan it should be made accessible for everyone. For that matter there should be support of government to provide funds to run the institution. The personals to run the system must be skilled enough to professionally manage the system (Wang et al., 2024).

ODR is a new and promising form of dispute settlement. Although, it develops in cyberspace, but it strongly requires government support to develop fully so that the gap between its actual use and potential could be minimized. Online dispute resolution requires trust which can be provided through control which is in the hands of government. It is of inevitable necessity to establish control of ODR in order to increase confidence in the system. People will trust online dispute resolution if government intervenes and makes the system fairer (Pathak et al., 2024).

For ODR to get a success at state level there must be support of government. The government should create coordination with private bodies to install this system. Providing the infra-structure, funding and legislation and making the online dispute system a reality the government should play its role.

Without the support of government, it is not possible to develop ODR fully. For that matter the institution of information technology should be facilitated by the ministry of law and justice so that the judiciary can enjoy the benefits of IT as well. With the help of information technology, the unnecessary delays in the proceedings of the courts can also be catered. The system can be made transparent by technology which would result in reduction of corrupt and malpractices (Blythe et al., 2006). The online dispute resolution can extend a helping hand to the class of people who are unable to seek remedies of their grievances by relying on courts. Since, they can find solution through ODR they would not have to make extra ordinary efforts to approach courts and get their issues redressed. The whole procedure being online can save their time as well. In this way ODR can prove successful in low value claims, family disputes, cross border claims, online trading issues and cybercrimes as well (Rule et al., 2020).

One important bone of contention can be the funding system as the whole infrastructure of ODR can be a costly step for those who are at the managing end of the program. however, there are many means of getting finances to run the apparatus of ODR. Once concept is of the funding by the government and the other is the funding by the private bodies. Government through the ministry of law and justice can fix an amount for the running of ODR and the private bodies can come in various forms.

CONCLUSION

Online Dispute Resolution (ODR) has become a necessity for Pakistan's justice system, given the rising population and growing backlog of court cases. While Alternate Dispute Resolution (ADR) has been accepted as a faster and more affordable alternative, existing laws remain limited and need revision to meet contemporary needs. To modernize access to justice, Pakistan must integrate ODR within the judicial system by establishing specialized tribunals under a comprehensive legislative framework passed by Parliament. Such tribunals should operate under clear procedural rules, ensure transparency and data security, and guarantee the enforceability of decisions equivalent to court orders. Drawing on international models particularly Canada's integration of ODR into public justice. Pakistan can design an effective hybrid system where technology supports legal efficiency. A well-implemented ODR mechanism will not only ease the burden on traditional courts but also enhance trust, accessibility, and confidence in the justice process. Ultimately, the successful adoption of ODR will benefit citizens through affordable, timely justice, support businesses through faster e-commerce dispute resolution, and strengthen the judiciary's capacity to focus on complex litigation.

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