

The International Bar Association (IBA) Legal Agenda 2023/2028



Purpose

The International Bar Association (IBA), as the global voice of the legal profession, seeks to provide up-to-date information on the most critical legal issues for its members, for the broader legal community and for society generally. The IBA is uniquely placed to provide thought leadership, raise awareness and create or improve best practices on legal matters.

For these reasons, the IBA – as one of its Presidential Priorities for the term 2023–2024 – has sought to identify the most important issues facing the legal profession in the next five years. This IBA Legal Agenda has selected the most pressing legal challenges from three perspectives: substantive law developments; issues faced by the legal profession; and legal issues affecting the entire society. Having identified these primary concerns, the IBA will work to develop and promote common solutions to the challenges. The IBA also provides this Legal Agenda to its law society and bar association members, its individual members and its group member law firms to assist them in focusing attention on these critical issues.

The initial IBA Legal Agenda was constructed based on the discussions held with representatives of leading international and national law firms in in-person meetings and in individual consultations, including meetings held concurrently in New York and London in June 2023. The topics below form the IBA Legal Agenda for the five-year term from 2023–2028.

This draft is not inclusive of other relevant legal issues for the IBA and its members, nor does it refer to ongoing projects or other activities covering different matters.

The IBA intends to review the IBA Legal Agenda on a yearly basis to ensure that it is up to date.

- intelligence (AI) 1. Artificial has consistently identified as the important issue, both in terms of the substantive law developments and in terms of the challenges posed to the legal profession and to society as a whole. Al development and adoption will likely outpace any regulation; its impact will be vast, multi-faceted and difficult to predict; its data summaries and conclusions can have an unreliable relationship with the truth; and its deployment can too easily send confidential data into the public domain. It therefore ranks at the top of the IBA Legal Agenda.
 - a) Already, we are seeing a disparity of regulations applicable to AI across the world. The use of AI in the EU will be regulated by the AI Act, the world's first comprehensive AI law, with a first draft dated April 2023 currently before the Parliament. The US has a blueprint for an AI bill of rights, while policymakers and law-makers have recognised the need for a regulatory framework to address its potential risks and ensure responsible use of AI. Other jurisdictions have similar regulatory ambitions.
 - b) Such disparity creates a need for convergence or harmonisation of regulations. Given the broad number of initiatives and the speed at which such regulations are expected to need modification, international regulatory cooperation is essential. The IBA can assist this process as it has done in antitrust and other fields by bringing together regulators from many jurisdictions and creating a mechanism for continuing consultation.
 - c) The IBA can also assist by identifying and advocating for common principles and best practices or guidelines, including thought leadership on the many ethical questions raised by AI's application.

- d) Awareness of the different AI regulations affecting different sectors across the world is essential. Given the global nature of many businesses and legal practices, easy identification of legislation and regulations enacted by different countries will prove necessary. Therefore, the IBA will carefully assess the possibility of setting up an accessible repository of AI regulations. Given the breadth and experience of the IBA's membership, it is well-placed to create such a database.
- e) AI will have a significant impact on the legal profession itself. Further assessment is needed on the effect of AI on the business model, types of work, staffing structure, training and development, pricing and other issues impacting law firms, as AI reshapes these practices. International fora permitting the exchange of experiences in this new and rapidly changing field would be useful.
- f) Each sector will have to manage the specific AI impacts on it. The IBA can provide a forum for sector-related debates within its committees, while also focusing on broader issues at the central level.
- g) Young lawyers should be actively involved in all these projects, as they will feel the greatest impact of AI on their careers and their lives.

- Environmental, social and governance (ESG) issues will have a substantial impact on law firms' work for clients and also on firms' own internal policies and structures. The social side in terms of female inclusion at senior roles and ethnic inclusion remain law firms' challenges.
 - a) ESG ambitions and concerns have grown strongly in people's consciousness over recent years, and the phrase has become a common aspect of dialogue between law firms and clients. Its overarching nature extends over many themes and all practice areas, so that it is difficult to define, measure and monetise. Law firms have approached this practice in many different ways, some by setting up separate practice groups, some by integrating the issues into many different practice areas.
 - b) Monetising ESG advice to clients has been a challenge, as it often involves advice connected to other work. Regulatory advice, governance and compliance are likely to be at the centre of monetising ESG for law firms. The next five years will help determine if ESG develops into a broad practice from its current mix of so-called hard and soft law, in the same manner that white collar practice developed from similar origins.
 - c) Regulatory advice arising from ESG concerns is frequently a critical aspect of high value transactional work. While that advice may determine whether the transaction is successful or not, it involves many fewer hours than the work done by the transactional lawyers. Measuring the value of that advice in charging clients and in internal compensation arrangements is a challenge that law firms will need to resolve in coming years.

- d) Climate change and legal redress remain high on the agenda of politicians and regulators, and green enterprises continue to attract exceptional investment. This will be an important aspect of any ESG practice. Law firms must also do a better job of measuring and reducing their own climate impacts.
- e) The focus by clients on ESG increases pressure on law firms to improve their own performance on ESG issues. Third parties and clients are developing ways to measure law firms' compliance with these goals. Foremost among those priorities is increasing female and diverse leadership in law firms, as well as recruiting and retaining female and diverse young lawyers.
- f) Law firms' commitment to diversity, equity and inclusion should also include improving access to justice, engaging with law schools, and breaking down silos and protectionism in certain jurisdictions.

- 3. Client and mandate acceptance poses increasing risk to law firms in terms of reputation, regulatory scrutiny, and recruiting. This risk is especially significant for global firms practising in different jurisdictions. Pressure not to represent clients viewed as unacceptable has diminished the independence of the legal profession.
 - a) The role of the profession in representing and advising all manner of clients is now generating increased public scrutiny, with real implications for reputation management, for potential increased regulatory scrutiny, and for diminished independence.
 - b) Firms with practices in particular countries, such as Russia and China, face greater challenges because of heightened and contrasting cultural sensitivities as well as those arising from geopolitical realities and tensions. Variations in moral viewpoints in different regions present challenges for global firms especially.
 - A new generation of lawyers wanting to be more selective of the clients that they represent adds to this challenge for law firms.

- 4. Talent attraction and retention is a growing challenge to the current law business model because of different life priorities and the search for purpose by the younger generation.
 - a) While law firms are not currently suffering any shortage in the number of lawyers forming their workforce, bright and talented people, especially in the younger generation, have different priorities, including greater emphasis on work-life balance.
 - b) Because of these issues, further reflection is needed on whether the law firms' business model needs to be adjusted. More transparency and honesty at recruitment about the challenges of legal practice and the pros and cons of life in private practice at medium to large firms is needed.
 - c) The younger generation looks more for a sense of purpose in work alongside monetary reward. Recruitment and retention can be improved by greater explanation of and attention to the superb purpose of the rule of law that is at the legal profession's core.

- The perception of the profession needs to be enhanced by all stakeholders, including international legal associations such as the IBA, Bars and law societies.
 - a) Despite the profession's great expertise, strong client service culture, commitments to pro bono work and other contributions to society, the public too often perceives lawyers as self-interested professionals acting only for the rich and powerful.
 - b) Law firms do not sufficiently reach out to the wider public about the law and the profession due to a variety of reasons, including the need for neutrality and caution because of client sensitivities. They should do a better job of educating the public about the importance of the rule of law, their role in protecting it, and their work on behalf of pro bono and underrepresented clients.
 - c) International legal associations, as well as national Bars and law societies, should also play an increased role in enhancing the perception of the legal profession, including by publicising their efforts to preserve the rule of law. This includes speaking out when governments undermine the rule of law and when public officials attack the legal profession.

- Delivering legal advice across multiple jurisdictions is increasingly challenging due to the substantial number of divergent regulations applicable to the legal profession across the globe.
 - a) As clients become more global and require more integrated, cross-border service, some challenges and tensions develop because of the profession's framework of qualification and governance organised by jurisdiction.
 - b) National bar associations and law societies and the IBA should focus on whether and how ethical standards need to be adapted to the current practice of law, both within their jurisdictions and globally. Law firms should work more closely with them to ensure that ethical standards are reasonable and also that they are enforced.
 - c) At the same time, law firms may be able to do a better job focusing their lawyers on how ethical rules impact their daily practices.

The legal profession, especially law firms, should take a more active role in the promotion and defence of the rule of law.

- a) The rule of law is in place for only a minority of the world's population. The public understanding of the concept remains limited and the advocacy of it is under-resourced.
- b) Law firms should depoliticise the rule of law and describe it as a concept that is fundamental to a democratic society. Clients will accept and support that approach.
- c) The role of lawyers is to make the law work for the good of society. In too many countries, the law does not function effectively. Bar associations and law firms can better promote best practices and applications of the law and provide examples to improve the law in other jurisdictions.
- d) Lawyers could do more pro bono work defending the rule of law.
- e) Defending the rule of law includes supporting public international law, which is vital to the world public order. However, international organisations like the UN are no longer as active or effective as they should be.



the global voice of the legal profession

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