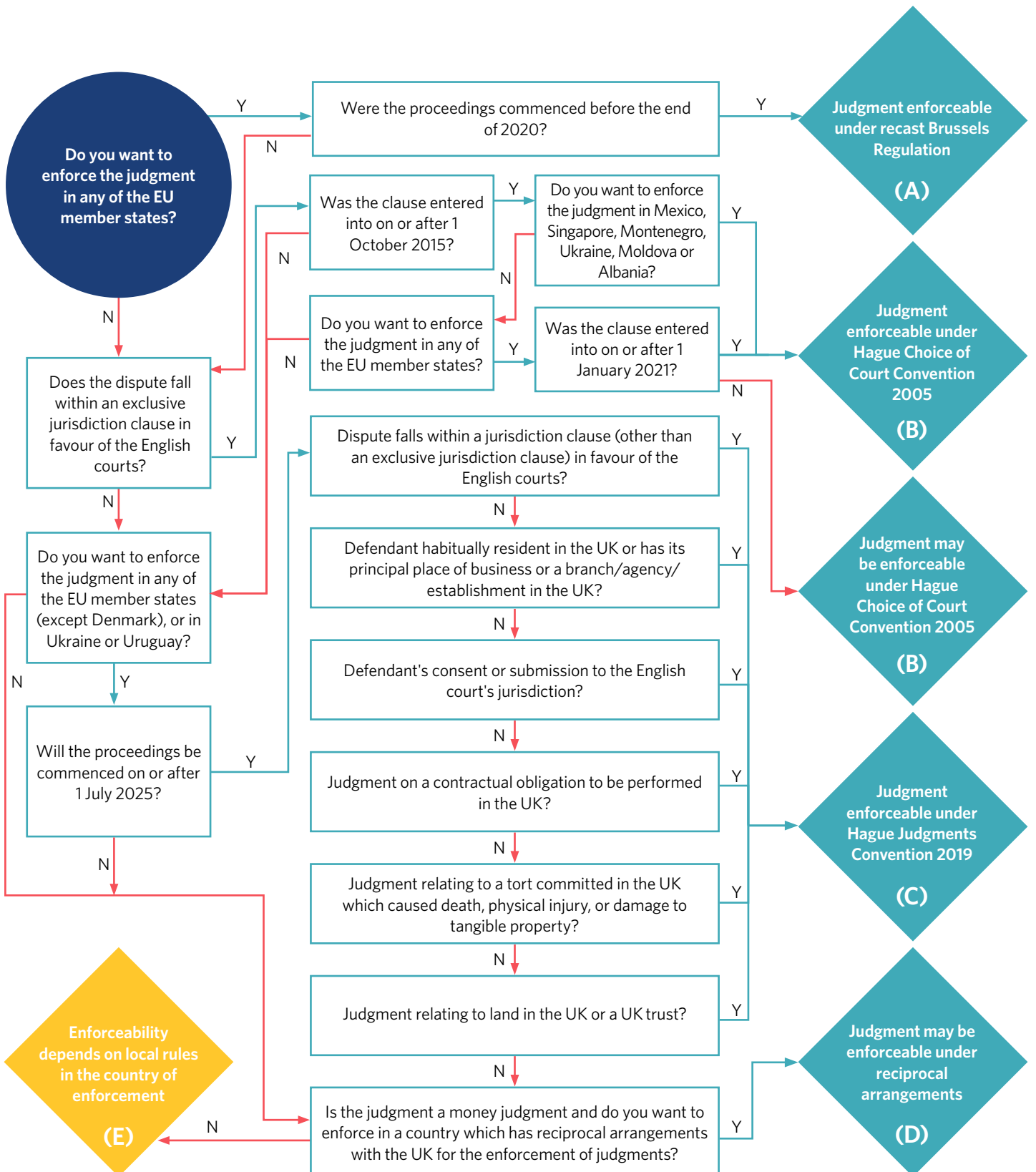




Will an English court judgment be enforceable abroad?



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This decision tree has been prepared as a quick reference guide to help determine whether an English court judgment may be enforced in another country.

It is necessarily a simplification of complex issues and should be read with reference to the notes set out below. Local law advice should always be taken, as enforcement of an English judgment in a foreign country is a matter for the law and procedure of that country.

(A) Judgment enforceable under Recast Brussels Regulation

The agreement between the UK and the EU dated 19 October 2019 for the UK's withdrawal from the EU provided (at article 67) that the rules on both jurisdiction and enforcement of judgments under the recast Brussels Regulation (Regulation 1215/2012) would continue to apply where proceedings were commenced before the end of the transition period established by the agreement (31 December 2020).

Accordingly, if the English court proceedings which led to the judgment were commenced before the end of the transition period, then the judgment will be enforceable in the EU under the recast Brussels Regulation (subject to limited exceptions).

(B) Judgment enforceable (or may be enforceable) under Hague Choice of Court Convention 2005 (Hague 2005)

Where Hague 2005 applies, a judgment from an English court (or other UK court) will be enforceable (subject to limited exceptions) in the other contracting states, which currently comprise all EU member states, Mexico, Singapore, Montenegro, Ukraine, Moldova and Albania. Hague 2005 applies only where there is an exclusive jurisdiction agreement in favour of a contracting state's courts, and only where that clause was entered into after Hague 2005 came into force for the chosen state.

The UK was a party to Hague 2005 by virtue of its EU membership from 1 October 2015. That came to an end when the UK left the EU on 31 January 2020 but, pursuant to the withdrawal agreement, it was agreed that the UK would be treated as an EU member state for the purposes of international agreements, including Hague 2005, until the end of the transition period. The UK re-acceded to Hague 2005 in its own right with effect from 1 January 2021.

In these circumstances, there is some uncertainty over whether EU member state courts will apply Hague 2005 where an exclusive English jurisdiction clause was agreed before the UK re-joined Hague 2005 in its own right, even if the clause was agreed when the UK was party to Hague 2005 by virtue of EU membership (ie between 1 October 2015 and 31 December 2020). The European Commission has taken the view that the relevant date for the UK is 1 January 2021 (although that is not binding on the courts that will decide this question in future).

There would appear to be no reason why non-EU contracting states would take a similar view. Accordingly, such states are likely to apply Hague 2005 to exclusive English jurisdiction clauses agreed on or after 1 October 2015.

Hague 2005 does not apply to consumer or employment contracts or to certain other matters, for example relating to insolvency, competition, personal injury, land or certain intellectual property rights.

(C) Judgment enforceable under Hague Judgments Convention 2019 (Hague 2019)

Where Hague 2019 applies, an English court judgment will be enforceable (subject to limited exceptions) in the other contracting states, which currently comprise all EU member states (except Denmark), Ukraine and Uruguay.

The UK ratified Hague 2019 on 27 June 2024. It will therefore enter into force between the UK and the other contracting states on 1 July 2025 (assuming none of those states choose to disapply Hague 2019 as between themselves and the UK, as they are able to do under article 29).

For a judgment to be eligible for enforcement under Hague 2019, at least one of a number of requirements (sometimes referred to as "jurisdictional filters") must be met. These are set out in summary form in the decision tree and described in more detail below, but note that they are subject to certain carve-outs in consumer and employment disputes. Hague 2019 also does not apply to certain matters, for example relating to insolvency, defamation, privacy and intellectual property rights.

Jurisdiction clause in favour of the English courts: This jurisdictional filter will be satisfied if the dispute fell within an English jurisdiction clause that is not an exclusive jurisdiction clause for the purposes of Hague 2005 - in other words, a non-exclusive clause (where either party may sue either in England or some other jurisdiction(s)) or an asymmetric clause of the sort commonly seen in finance transactions (where the borrower may sue only in England but the lender may sue either in England or some other jurisdiction(s)).

Habitual residence, principal place of business or branch/agency/establishment: There are several jurisdictional filters based on connections between the defendant and the judgment court. So, an English judgment will be eligible for enforcement if the defendant was "habitually resident" in the UK when they became a party to the proceedings. This is defined for a corporate entity to include statutory seat, law of incorporation, place of central administration or principal place of business. There is no definition for an individual, but there is a separate jurisdictional filter that will be met if an individual defendant's principal place of business was in the UK (even if they were not resident here) and the claim arose out of the activities of that

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business. There is also a jurisdictional filter that will apply if the claim arose out of the activities of a branch, agency or other establishment that the defendant maintained in the UK.

Consent or submission to the court's jurisdiction: An English judgment will be eligible for enforcement if the defendant expressly consented to the English court's jurisdiction in the course of the proceedings. A separate jurisdictional filter will be met where there was implied consent - ie where the defendant argued on the merits without contesting jurisdiction, often referred to as "submitting" to the jurisdiction (though this is subject to a carve-out where it is clear that a challenge to the court's jurisdiction would not have succeeded). There are also jurisdictional filters relating to judgments against the claimant in the proceedings (eg in relation to costs) and to judgments on counterclaims.

Contractual obligation to be performed in the UK: An English judgment ruling on a contractual obligation will be eligible for enforcement if the place of performance was in the UK. There is, however, a carve-out if the defendant's activities in relation to the transaction "clearly did not constitute a purposeful and substantial connection to" the UK.

Tort committed in the UK: This jurisdictional filter will be met for tort claims causing death, physical injury, or damage to or loss of tangible property, where the act or omission directly causing the harm occurred in the UK (ie it is not sufficient if the harm was suffered in the UK, if the act or omission did not occur here).

Land in the UK or a UK trust: There are also jurisdictional filters for judgments ruling on property rights in land or tenancies situated in the UK, or on certain matters relating to trusts which designated the UK as their principal place of administration or the UK courts as the forum for the determination of disputes relating to the trust.

(D) Judgment may be enforceable under reciprocal arrangements

The UK has reciprocal arrangements for the enforcement of money judgments with various current and former Commonwealth countries and a number of overseas territories, as well as other countries with which the UK has bilateral enforcement treaties in place. These arrangements are given effect in the UK (ie for incoming judgments) under the Administration of Justice Act 1920 and the Foreign Judgments (Reciprocal Enforcement) Act 1933. Judgments that fall within these Acts may be enforced in England and Wales by registration under Part 74 of the Civil Procedure Rules.

The countries to which the 1920 and 1933 Acts apply include Australia, Canada, India, New Zealand, Norway, Pakistan and various others. Money judgments from the English court (and other UK courts) can be expected to be enforced in the relevant countries under the reciprocal arrangements as implemented in those countries. However, as noted above, local law advice should always be taken.

The countries covered by the 1920 and 1933 Acts also include certain EU member states, as a result of old bilateral enforcement treaties between those states and the UK. However, as those treaties were expressly superseded by the Brussels Convention and the original and recast Brussels Regulations, when the UK was a member of the EU, it is not at all clear whether those countries will apply the relevant treaties post-Brexit.

There are separate arrangements for the enforcement of judgments with Scotland, Northern Ireland and Gibraltar.

(E) Enforceability depends on local rules in the country of enforcement

If there is no applicable agreement or convention on enforcement of judgments, then each country will apply its own domestic rules to questions of jurisdiction and enforcement.

Many countries will enforce foreign judgments even without a specific reciprocal regime, although there may be limits to the type of judgment enforced and the procedures involved may be more time consuming and costly than where there is an applicable convention or other reciprocal arrangement. Again, local law advice should be taken.