Convention on the Recognition and Enforcement of Foreign Judgments in Civil or Commercial Matters: accession by the European Union

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PURPOSE: accession by the European Union to the Convention on the Recognition and Enforcement of Foreign Judgments in Civil or Commercial Matters.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the Convention on Recognition and Enforcement of Foreign Judgments in Civil or Commercial Matters under the auspices of the Hague Conference on Private International Law was concluded on 2 July 2019. It seeks to promote access to justice globally through enhanced international judicial cooperation. In particular, it aims to reduce risks and costs associated with cross-border litigation and dispute resolution.

Currently, EU citizens and businesses seeking to have a judgment given in the EU recognised and enforced in a non-Union country face a scattered legal landscape due to the absence of a comprehensive international framework for the recognition and enforcement of foreign judgments in civil and commercial matters. Those engaging in international litigation have to invest resources, time and often external expertise to prepare a robust litigation strategy.

In addition, because the enforcement of EU judgments in non-EU countries is uncertain, the right of access to justice of EU businesses and citizens is hampered.

The Commission considers it necessary to remedy this situation through a predictable system of cross-border recognition and enforcement of judgments in civil and commercial matters.

CONTENT: the Commission proposes that the EU becomes a contracting party to the Hague Convention of 2 July 2019 on the recognition and enforcement of foreign judgments in civil and commercial matters, without the Member States, if the Council wishes.

The objectives of this proposal are to **enhance access to justice for EU parties** by facilitating the recognition and enforcement of judgments given by courts in the EU wherever the debtor happens to have assets, to increase legal certainty for businesses and citizens involved in international dealings and to decrease costs and length of proceedings in cross-border court litigation.

At the same time, this proposal would seek to allow the recognition and enforcement of third-country judgments in the EU only where **fundamental principles of EU law** are respected and the internal acquis is not affected.

The Judgments Convention, adopted under the auspices of the Hague Conference on Private International Law (HCCH), aims at promoting effective access to justice for all and facilitating rules-based multilateral trade and investment, and mobility, through judicial co-operation.

The negotiations of the Judgments Convention were successfully concluded in July 2019 and the Convention is currently open for signature, ratification, or accession. Should the European Union accede to the Judgments Convention as proposed by the Commission, the Convention would apply to the recognition and enforcement of incoming and outgoing judgments among the EU Member States and other Contracting States of the Convention.

When acceding to the Convention, the EU should declare that it exercises competence over all the matters governed by the Convention. Consequently, the Member States should be bound by the Convention by virtue of its conclusion by the Union.

The EU should also declare that it will not apply the Convention to commercial leases (tenancies) of immovable property situated in the EU.

Ireland participates in the adoption of the decision. EU accession to the Judgments Convention does not include Denmark.