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

2021/0208(NLE) - 13/12/2021 - Legislative proposal

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. The Union participated actively in the negotiations leading up to the adoption of the Convention and shares its goals.

Currently, Union citizens and businesses seeking to have a judgment given in the Union 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.

The growth in international trade and investment flows increases these legal risks for Union businesses and citizens but this situation should be addressed through a predictable system of cross-border recognition and enforcement of judgments in civil or commercial matters.

As the Convention affects Union legislation, in particular Regulation (EU) No 1215/2012 of the European Parliament and of the Council, the Union has exclusive competence for all matters governed by the Convention.

CONTENT: the Council's draft concerns the **approval, on behalf of the Union, of the accession of the European Union to the Convention on the recognition and enforcement of foreign judgments in civil or commercial matters**.

The aim of the Convention is to promote access to justice globally through **enhanced judicial cooperation** . In particular, the Convention aims to reduce the risks and costs associated with cross-border litigation and dispute resolution, thereby facilitating international trade, investment and mobility.

The Convention applies to the recognition and enforcement of judgments in civil and commercial matters. It does not cover revenue, customs or administrative matters. It applies to the recognition and enforcement in a Contracting State of a judgment given by a court in another Contracting State. Recognition or enforcement may be refused only on the grounds set out in the Convention.

When acceding to the Convention, the Union would have to declare that it has jurisdiction over all matters governed by the Convention. Consequently, the Member States would be bound by the Convention by virtue of the Union's accession.

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

Ireland is taking part in the adoption of this Decision, while Denmark is not.