

## A light on the horizon for international enforcement



The UK has recently agreed to join the international treaty providing a cross-border framework for the enforcement of judgments, signalling an end to the Post-Brexit uncertainty concerning the enforceability of judgments obtained in England.

Following the EU's decision to block the UK's independent accession to the Lugano Convention, enforcement of civil and commercial judgments issued in England and Wales post-Brexit has been limited in scope to the 2005 Hague Choice of Court Convention, and considerations of exclusive jurisdiction. However, on 23 November 2023, the UK government ended its period of consultation on the 2019 Hague Judgments Convention ("Judgment Convention") with the conclusion that the UK will join the Judgment Convention "as soon as possible".

Implementation of the Judgment Convention will bring much needed certainty and consistency to the enforceability of UK issued judgments abroad, and the enforceability of foreign judgments in the UK. The Judgment Convention provides a global framework for the recognition and enforcement of civil and commercial judgments, by requiring contracting states to recognise and enforce those civil and commercial judgments within its scope.

At present, of the 29 contracting states to the Judgment Convention 27 of these are EU Member States, for which the Convention was implemented on 1 September 2023, the post-Brexit lacuna in relation to enforcement within the EU will therefore be minimised once the Judgment Convention is in force.

The Judgement Convention is more wide reaching than enforcement under the European regime was, and was also ratified by Uruguay in September 2023 for whom it will be in force from 1 October 2024 and has been signed (albeit not yet ratified) by Israel, Costa Rica, Russia, the US, Montenegro and North Macedonia. The



extended international scope of the Judgement Convention is more akin to the 1958 New York Convention for the enforcement of arbitral awards, to the previous EU Regulation, albeit there are some important limitations. Enforcement under the Judgement Convention does not apply to the carriage of goods or persons, which is outside its scope, so its application in commercial shipping or aviation industries will be necessarily restricted.

The Judgment Convention will be reciprocal in effect so will also impact the recognition of foreign judgments within the UK. The automatic recognition of foreign judgments meeting the criteria under the Judgment Convention will likely result in more far reaching reciprocal judgments than are presently possible at common law, but overall the impact of accession to the Judgment Convention will no doubt increase and reinforce the desirability of the forum of the English Courts for determining international disputes. The UK government was happy to conclude that the limitations and shortcomings of the Judgement Convention were far outweighed by the positive ramifications. Of the 39 responses received to public consultation, all were unanimously in favour of joining the Judgement Convention.

Accession to the Judgments Convention will occur "as soon as possible", in real terms this means that the Convention will be ratified once implementing legislation has been prepared and will come into force one year after the date of ratification, so we are still some way off reliance on its terms, albeit it is very much a step in the right direction.

Cripps have significant experience of enforcing English judgments internationally (across Europe and beyond) and similar expertise in enforcing international judgments within the UK. If you would like to discuss your options with regard to the enforceability of your judgment, or any claim you are thinking of pursuing then get in touch with Moya Faulkner.



<u>Moya Faulkner</u>

Legal Director