

## UK's application to accede to the Lugano Convention and the Recognition of UK judgments in Cyprus post-Brexit

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In light of the Brexit implications for the justice system in the United Kingdom and the broader European Union spectrum, the government of the United Kingdom is taking active steps in securing the establishment of its partnership with the European Union and other states in various fields of law for the efficient and effective administration of justice.

In the context of the said preparatory stage of the current transitional period, on 8 April 2020 the United Kingdom has submitted an application to accede to the Convention on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters, concluded at Lugano in 2007 ('the Lugano Convention'). The Lugano Convention is a powerful international legal tool as it contains jurisdiction, recognition and enforcement rules providing certainty as regards procedural issues on civil or commercial cross-border disputes.

The admission of the United Kingdom as a contracting party to the Lugano Convention requires the unanimous approval of the contracting parties. The contracting parties to the Convention, being the European Union, Denmark, Iceland, Norway and Switzerland are now invited to express their consent to the United Kingdom's application by notifying the Swiss Federal Council, which acts as Depositary of the Convention.

The United Kingdom has received statements of support from Norway, Iceland and Switzerland in relation to its intention to accede the Lugano Convention.

This is a welcome development as in case of successful accession, European Union member states, including Cyprus, will benefit from the effectiveness of a legal scheme for the efficient recognition and enforcement of judgments issued in the United Kingdom, thus securing collaboration in cross-border legal practice in the post-Brexit period.

If, however, for any reason accession is not effected, judgments issued by the Courts of the United Kingdom may still be recognised and enforced in Cyprus under statute by virtue of the Foreign Judgments (Reciprocal Enforcement) Law of 1935, Cap. 10 ('the Law'), supplemented by the Foreign Judgments (Reciprocal Enforcement) Rules 1062/1935. The Law applies to judgments issued by national Courts of a Commonwealth country and provides a simplified procedure for the recognition of judgments issued in the said territories in Cyprus by simply filing an application supported by an affidavit setting the background facts and supporting evidence.

We note that the interpretation of the term "judgment" for purposes of the Law is confined to a judgment or order given or made by a national Court in any civil proceedings or any criminal proceedings if the subject matter relates to the payment of a sum of money in respect of compensation or damages. This has been extended to include any non-monetary orders by a relevant amendment to the Law introduced in 2000 pursuant to Law 130(I)/2000, according to which the provisions of the Law apply *mutatis mutandis* to the registration of judgments of non-pecuniary nature.

Another route available to the judgment creditor is to bring an action in common law seeking an award of damages on the basis of the UK judgment, provided the judgment debtor resides in Cyprus. In such a case, it would be possible to apply for summary judgment on the ground that the defendant – judgment debtor has no defence, by making reference to the issuance of the foreign judgment.

Whilst the legal complexities and options that Brexit brought are challenging the established European framework, reciprocity is a well-established bonding principle between Cyprus and the United Kingdom, rendering Cyprus a convenient forum for a judgment creditor seeking to enforce such judgment in Cyprus.

*The content of this article is valid as at the date of its first publication. It is intended to provide a general guide to the subject matter and does not constitute legal advice. We recommend that you seek professional advice on your specific matter before acting on any information provided. For further information or advice, please contact [Marina Hadjisoteriou](#), Partner at [marina.hadjisoteriou@kyprianou.com](mailto:marina.hadjisoteriou@kyprianou.com) or [Constantina Zantira](#), Associate at [constantina.zantira@kyprianou.com](mailto:constantina.zantira@kyprianou.com)*