

## Convention of 30 June 2005 on Choice of Court Agreements

Citizens and companies operating in a cross-border environment aim to guarantee certainty and predictability in their transnational commercial transactions. To achieve this, many conclude choice of court agreements, also known as “forum selection clauses” or “jurisdiction clauses”. These are agreements to resolve any dispute before a designated court or in a designated jurisdiction, often concluded to manage and mitigate litigation risks.

The Choice of Court Convention seeks to ensure the effectiveness of these agreements in transnational cases. It does so by ensuring that parties’ choice of forum is upheld by courts, thereby enhancing access to justice and creating a climate more favourable to international trade and investment. As such, the Choice of Court Convention has a similar effect to the recognition of arbitration agreements under the *1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards*.

### Principal features of the Convention

#### Scope of the Convention

The Convention applies in international cases to exclusive choice of court agreements concluded in civil or commercial matters (Art. 1). It may apply to non-exclusive choice of court agreements, in accordance with reciprocal declarations made by Contracting Parties (Art. 22). A case is “international” where the parties are not resident in the same Contracting Party and their relationship and all other elements relevant to the dispute are not connected only with that Contracting Party.

The agreement must be concluded in writing or in another form of communication which renders the information accessible (Art. 3).

The Convention does not apply to consumer and employment contracts, nor to other specified “excluded matters” (Art. 2). Contracting Parties may also choose to exclude other specific matters (Art. 21).

#### Three basic rules

Subject to some exceptions, the Convention contains three key obligations:

1. The chosen court must hear the dispute (Art. 5), ensuring predictability of the forum, as chosen by parties.
2. Any non-chosen court must suspend / dismiss proceedings, in favour of the chosen court (Art. 6), preventing parallel proceedings.
3. Judgments given by the chosen court must be recognised and enforced in other Contracting Parties (Art. 8), ensuring their global circulation.

#### Additional resources

The [Choice of Court Section](#) of the HCCH website contains the latest information about the Choice of Court Convention. This includes:

- Text of the Convention
- Status table of Contracting Parties
- Explanatory Report on the Choice of Court Convention
- An Implementation Checklist
- Recommended Model Form