

Client Alert

Litigation and Dispute Resolution

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The new regime for reciprocal enforcement of judgments between the Mainland and Hong Kong set to go live

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The Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters (REJ Arrangement) entered between the Mainland and Hong Kong will come into operation on 29 January 2024.

To give effect to the long-awaited REJ Arrangement, the Hong Kong Government has gazetted the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Ordinance (Cap. 645) (Ordinance), and more recently, the relevant rules on the court practice and procedure under the Ordinance.

In view of the deepening economic and business bonding between the Mainland and Hong Kong, readers may benefit from the Ordinance in the following ways:

- There are advantages in resolving disputes before Hong Kong courts as Hong Kong has become the first jurisdiction with such extensive coverage of both monetary and non-monetary Mainland judgments including, certain intellectual property rights (e.g. copyright, trademark and patent). Before the coming into effect of the new law, the present regime covers only monetary judgments, where parties have agreed in their contract that a Mainland court has exclusive jurisdiction.
- There will be a more cost-efficient, streamlined and straightforward mechanism for cross-border enforcement of Mainland judgments. The REJ Arrangement saves the parties from the present inconvenience of the need to start the action afresh and adduce foreign law expert evidence in Hong Kong, or re-litigate the matters before the Mainland courts. With the certainty and predictability offered by the Ordinance, this will help parties to manage litigation risks and save time on cross-border enforcement.
- Parties will benefit from having the choice of resolving disputes in Hong Kong, a well-developed common law
 jurisdiction, as well as an emerging regional intellectual property trading centre and a regional hub for
 international legal and dispute resolution services, as outlined in the National 14th Five-Year Plan.

The REJ Arrangement has significant implications for the commercial and legal landscape between the Mainland and Hong Kong, and we have been tracking the development in this new area of law (see our previous articles on REJ Arrangement [LINK] and the Ordinance [LINK]). If you have any inquiries, please reach out to us to see how we may assist you under the new REJ Arrangement or any other way.

Want to know more?

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