

press release

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subject **Research paving the way for a fairer European civil justice system**

The Centre for Socio-Legal Studies at Oxford University has launched a five-year Research Programme into European Civil Justice. The programme, which is led by Dr Christopher Hodges and Dr Magdalena Tulibacka, aims to contribute to a fair, effective and balanced system of civil justice across Europe. A key topic of the programme will be to examine the issue of collective redress and proposals to introduce class or collective actions in Europe. CMS is proud to sponsor and lend its name to the Programme.

Collective redress is the term used for any process that enables the claims of multiple claimants (individuals or companies) to be determined in a single process. In the US the class action is well known where parties are automatically included in the class action unless they choose to opt-out. By contrast, in the UK and most of Europe claimants have specifically to 'opt-in' to continue actions.

In July this year the Civil Justice Council (CJC) issued recommendations as to how to improve access to justice, including advocating the controversial opt-out procedure in some cases. There are strong political pressures to enable 'weaker' parties (presumed largely to be consumers) to bring mass claims through collective action. This move, translated into legal reform, represents a potential threat to business within European jurisdictions if it is not done in a way that balances the interests of all parties or does not have sufficient safeguards to avoid it being abused. The fear is that US-style class actions may cross the Atlantic and become commonplace in Europe. Currently, there is no uniform collective action procedure in Europe and many member states are developing their own procedures for collective redress. At the same time, momentum is building in Europe from reform at a European level with the commissioners for competition and consumer affairs among those leading the debate. Such

reform is still at an early stage with uncertainty as to what the final legislation will look like. One issue that has not yet been addressed at all is the question of forum for pan-European collective actions, with the prospect of claimants forum shopping across Europe for the most favourable jurisdictions remaining a very real possibility.

The CMS Research Programme will consider the interests of all parties - individuals, organisations, business and member states to assess the best methods of achieving a fair and balanced civil justice system. Dr Hodges has also recently published a book on this topic, titled “The Reform of Class and Representative Actions in European Legal Systems: A New Framework for Collective Redress in Europe”.

CMS has organised several seminars to tie in with the launch and raise awareness of this important issue. The seminars take the form of debates about the future of civil justice systems and collective redress in particular. One has already been held in Brussels. On 21 November a second seminar took place in Zurich, co-hosted by Swiss Re. The final seminar will take place in London on 27 November and will be chaired by the Master of the Rolls, Sir Anthony Clarke. The venue will be Butchers Hall, and will include key speakers such as Dr Hodges, and the head of Legal Affairs at Which? (the consumer association), Dr Deborah Prince.

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For more information, please contact Peter Sommer, Director of Brand Marketing on +49 69 71 701 500 or peter.sommer@cmslegal.com.

A CMS Briefing Paper ‘A Fairer European Justice System?’ is available to journalists by request. The Paper gives further detail on the issues involved in collective redress and the potential impact on business of the widespread introduction of class actions. For a copy of this Paper please contact Peter Sommer.

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