New Hungarian Private International Law Act

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On 11 April 2017, the new Hungarian Private International Law Act (Act XXVIII of 2017), adopted earlier by the Hungarian Parliament, was promulgated. The new Act will enter into force on 1 January 2018 and will fully replace the decree-law of 1979 that currently regulates private international law. The adoption of the new Act was justified by the economic and social changes that occurred since then. The drafting process was based on extensive comparative research and the drafters also paid attention to recent developments in EU private international law.

The new Private International Law Act covers the determination of the applicable law, jurisdiction, recognition and enforcement of foreign decisions as well as other aspects of international civil procedure. The new Private International Law Act introduces some changes in comparison to the rules currently in force.

The General Part deals with certain questions not regulated previously: application of the law of states having more than one legal system, overriding mandatory provisions and changes in the circumstances which determine the governing law. As a novelty, the General Part also contains a general escape clause: if, based on the circumstances of the case, it is obvious that the case is substantially more strongly connected with a law other than the law designated by virtue of the Act, the court may exceptionally apply this law. In addition, a general subsidiary choice of law rule provides that, if the new Act does not contain a specific choice of law rule for a legal relationship that is otherwise covered by the Act, the law of the state will apply with which that relationship is most strongly connected.

The Special Part of the Act extends equally to certain issues which were not regulated earlier, such as the (restricted) freedom to choose the applicable law in property matters for spouses and (registered) partners or the determination of the law applicable to illegally exported cultural property.

Jurisdictional rules as well as the provisions on recognition and enforcement of decisions have been restructured and divided into general and special provisions (such as the rules on matters involving an economic interest and matters concerning family law and personal status).

The text of the New Hungarian Private International Law Act is available (in Hungarian language) here.