

The Centre for European Policy on the Proposal for an Assignment Regulation

The [Centre for European Policy](#) (CEP) in Freiburg (Breisgau) is the European-policy think tank of the German non-profit foundation “Stiftung Ordnungspolitik”. It has just released its policy brief on the Proposal [COM\(2018\) 96](#) of 12 March 2018 for a Regulation of the European Parliament and of the Council on the law applicable to the third-party effects of assignments of claims. The CEP’s main conclusion reads as follows:

“The general rule, that the applicable law is that of the assignor’s habitual residence, strengthens legal clarity and thus legal certainty. However, it increases transaction costs and complexity. For syndicated loans, an exception to the general rule should be added to avoid the application of various laws. To avoid legal uncertainty, the Regulation must clarify what is meant by the habitual residence ‘at the material time’ and should only allow overriding mandatory provisions of the law of the Member State in which the assignment has to be or has been performed. The Regulation’s rules on conflict of laws overlap with those of other EU directives and regulations. This results in inconsistencies.”

The full text of the policy brief is available [here](#). See also the earlier posts on this topic by [Robert Freitag](#) and by [Leonhard Hübner](#).