

English Language Contracts Governed by Foreign Law: Selected Legal Issues

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In cross-border contracting the language of the contract is a difficult issue. Often the parties draft their contract in English although it is not governed by English or American law and neither of them is based in any of these jurisdictions.

This lecture briefly looks at the legal frameworks for the language and the governing law of the contract. It then analyses the issues that arise from the divergence between the governing law and the language. These are mostly due to the fact that the legal terminology used in the contract frequently does not match the governing law, so that there are inevitable frictions and complications. The lecture will highlight potential mistakes, suggest strategies to minimize them in negotiating and drafting contracts and show how judges and arbitrators should deal with the problems arising from such divergences.