EXPLANATORY NOTE

(This note is not part of the Order)

This Order brings into force on 1st March 2005 the following provisions of the Contracts (Applicable Law) Act 1990 ("the 1990 Act"): section 2(1), insofar as it relates to the 1988 Brussels Protocol referred to in section 1, and section 3(1), (2) and (3)(b). It thereby brings that Protocol into force for the United Kingdom.

By commencing these provisions, this Order brings the remainder of the 1990 Act into force for all remaining purposes.

This Protocol defines the scope of the jurisdiction of the European Court of Justice in relation to the 1980 Rome Convention on the Law Applicable to Contractual Obligations and the conditions under which that jurisdiction is to be exercised. This convention determines which country's law is to govern contracts which have a connection with more than one country. It was implemented in the United Kingdom by the 1990 Act and came into force on 8th March 1991.

The United Kingdom ratified the Brussels Protocol on 29th January 1991, but has until recently been unable to bring it into force in this country because that depended on the ratification of another protocol to the convention by all those Member States of the European Union which were parties to it. This second protocol confers jurisdiction on the Court of Justice. The commencement of the Brussels Protocol became possible following the second protocol's ratification by Belgium on 5th May 2004; it came into operation, on an international level, on 1st August 2004.