

INSOL Europe/LexisPSL Joint Project on ‘How EU Member States recognise insolvency/restructuring proceedings commenced in third country states’—Sweden

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Restructuring & Insolvency analysis: This article looks at how Sweden would recognise insolvency or restructuring proceedings commenced in a third country state. In particular, it considers whether the English Part 26 scheme or Part 26A restructuring plan would be recognised in Sweden. Written by Niklas Alvestrand Körling, Swedish country coordinator for INSOL Europe and Louise Ahlberg at Wistrand.

Q1. Has your country adopted the UNCITRAL Model law on Insolvency? If not, does it intend to do so in the near future?

No

Q2. What are your country’s private international law provisions for the recognition of insolvency proceedings commenced in countries outside of the EU Member States (ie third party states like the UK)?

Under the Nordic Multilateral Bankruptcy Convention of 7 September 1993 (concerning Denmark, Finland, Iceland, Norway and Sweden), there is automatic recognition.

Non-statutory rules which apply to all other countries. Therefore, Sweden may recognise foreign insolvency proceedings but does not grant any rights to deal with assets located in Sweden.

Q3. Would your country recognise an English scheme of arrangement (under Part 26 of the Companies Act 2006 (CA 2006)) or an English restructuring plan (under CA 2006, Pt 26A) now post-Brexit and on what basis? (e.g. Lugano Convention, Hague Convention, Rome I or other private international law rules).

If the scheme of arrangement or restructuring plan is considered a part of insolvency proceedings, there would be no automatic recognition.

If the scheme of arrangement or restructuring plan is considered part of contract law, recognition could be possible if based on choice of English law ([Regulation \(EC\) 593/2008](#), Rome I), or if an exclusive jurisdiction clause in favour of the English courts applies (Hague).

This is if:

- the relevant parties that are bound by a contract that is governed by English law, or
- a creditor has entered into the composition by choice

INSOL Europe/LexisNexis table of ‘How EU Member States recognise insolvency/restructuring proceedings commenced in third country states’

A table produced by INSOL Europe in partnership with Lexis Nexis (also incorporating information from Lexology Getting The Deal Through) will be available shortly.

We look at how EU Member States would recognise insolvency or restructuring proceedings commenced in a third country, such as the UK (post-Brexit), the US, Japan, Australia or Canada. As always, you should contact local lawyers in the relevant jurisdiction to check the current measures in force.

