



Expanding Chinese Choice-of-Court Agreements in International Civil Procedure: Legislative Reforms and Global Impacts

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ABSTRACT

The rules governing choice-of-court agreements in the Civil Procedure Law (CPL) of the People's Republic of China have undergone significant amendments in 2023. Two notable legislative changes were made to broaden the scope of Chinese choice-of-court agreements in international civil proceedings: extending coverage to all foreign civil disputes and eliminating the requirement for "factual connections" between foreign civil disputes and Chinese courts. Subsequently, through case studies, this article examines four instances applying the rule of choice-of-court agreements under the CPL 2023. The case studies indicate that the disputes covered are primarily contract disputes, and parties tend to favor choosing Chinese courts with which they have factual connections. In other words, the legislation expanding choice-of-court agreements in CPL 2023 exhibits a certain degree of "progressiveness" and "foresight." The *Duan v. Zhai* case, the *Chen v. X Co.* case, the *Zhongya Co. v. Manzhou Li Co.* case, the *Hong Kong X Co. v. Xinjiang Y Co.* case have been presented to illustrate the points. Lastly, this article anticipates the potential global implications of expanding Chinese choice-of-court agreements under CPL 2023. From a contractual perspective, this expansion will afford parties greater freedom to select Chinese courts. From a procedural standpoint, the expansion has a dual effect: negatively, it will reshape global jurisdiction in international civil proceedings by stripping other competent foreign courts of jurisdiction; positively, it will provide Chinese courts with more opportunities to hear cases. Thus, Chinese courts must enhance their judicial services and improve the attractiveness of their judicial system in global dispute resolution. In conclusion, the jurisdiction of Chinese courts based on choice-of-court agreements has been notably expanded in CPL 2023. Concurrently, this expansion grants parties increased freedom to choose Chinese courts for their cases.

Keywords: Chinese Jurisdiction, Choice-of-court Agreements, Civil Procedure Law (CPL), Covered Disputes, Factual Connections.

INTRODUCTION

The expansion of Chinese choice-of-court agreements in international civil procedure is clearly reflected in the 2023 Civil Procedure Law of the People's Republic of China (CPL). Notably, Article 277, the jurisdictional provisions of the choice-of-court agreement in Part 4, titled "Special Provisions on Civil Actions Involving Foreign Parties," underwent significant revisions. Article 277 states: "Where the parties to a foreign-related civil dispute, by a written agreement, choose a people's court to exercise jurisdiction, the chosen court may have jurisdiction." Specifically, the rule of choice-of-court agreements in CPL 2023 has been revised in two aspects. One change expands the covered disputes to "foreign civil disputes," and the other removes the requirement for "factual connections" when parties agree to choose Chinese courts.

Practical needs primarily drive the expansion of Chinese choice-of-court agreements. Specifically, the number of foreign-related civil and commercial cases heard by Chinese courts has increased rapidly, with these proceedings involving parties from over 100 countries and regions worldwide (Zhou, 2023). In addition, these expansions align with China's policy goals of building a community of shared future for mankind (CSFM), as

demonstrated in two key aspects. On the one hand, these expansions aim to develop a Chinese judiciary reflecting the characteristics of a major global power. Specifically, this involves establishing a specialized system for international civil jurisdiction, enhancing the level of judicial services in international civil procedure, and strengthening China's competitiveness in the global judicial arena (He, 2017). On the other hand, they seek to balance international and domestic interests. The choice-of-court agreement rule should incorporate international standards and Chinese characteristics (W. J. Tang, 2022). Finally, the theory of fairness also underpins the expansion of Chinese choice-of-court agreements. Chinese legislators, as stated in the CPL 2023, assert that they should equally safeguard the litigation rights of both Chinese and foreign parties (Zhou, 2023). This aligns with the current trend where states are increasingly attentive to parties' demands for efficiency and due process when shaping rules on civil jurisdiction (Pietro, 2021).

In this research, we challenge the view that the rule of choice-of-court agreements in the CPL 2023 expands aggressively (Alert C, 2023). We believe such expansion grants both foreign and Chinese parties the equal right to sue in the chosen Chinese court. This will be examined by answering these research questions:

1. What are the legislative amendments to the rule of choice-of-court agreements in CPL 2023?
2. How have Chinese courts applied the rule of choice-of-court agreements in CPL 2023?
3. What potential impacts will the rule of choice-of-court agreements in CPL 2023 bring?

Our argument is structured in three parts: First, we demonstrate the legislative revision of the choice-of-court agreements rules in the CPL 2023, focusing on the expansion of Chinese jurisdiction. Two amendments have broadened the scope to include foreign civil disputes and eliminated the requirement for "actual connections". Second, we present case studies to illustrate how the amended choice-of-court agreements rule in CPL 2023 is applied in four instances. It is argued that the disputes covered are primarily contractual and that parties tend to choose Chinese courts with some factual connection to their disputes. Third, we analyze the global impact on parties and courts. It is argued that this expansion will afford parties greater freedom to select Chinese courts in their choice-of-court agreements. Additionally, it will reshape the jurisdiction of global choice-of-court agreements in international civil proceedings. However, this expansion will also present new challenges for Chinese courts in adjudicating the covered cases.

METHODOLOGY

In this research, we challenge the view that the amended provisions of choice-of-court agreements in the CPL 2023 expand aggressively. We employ two methods to support this argument.

The first method is comparative analysis. We compare the rule of choice-of-court agreements in CPL 2023 to the same rule in the previous version of CPL. Our findings indicate that Chinese legislators removed the requirement for "factual connections" between foreign civil disputes and Chinese courts to demonstrate full respect for party autonomy in choosing Chinese forums.

The second method involves case studies drawn from the Alpha Lawyer database. We conducted a systematic retrieval process for choice-of-court agreements under Article 277 of CPL 2023. By narrowing the search timeframe to January 1, 2024, through December 31, 2024, we identified 4 cases and reviewed all the judgments. These cases included *Duan v. Zhai*, *Chen v. X Co.*, *Zhongya Co. v. Manzhou Li Co.*, and *Hongkong X Co. v. Xinjiang Y Co.* These case studies illustrate how the amended jurisdictional provisions are applied in practice, providing a balanced and evidence-based perspective on their scope and potential impact.

THE LEGISLATIVE REVISIONS

Two notable changes to the provisions of choice-of-court agreements under the CPL 2023 significantly enhance party autonomy in foreign civil disputes by granting parties greater freedom to designate Chinese courts. Meanwhile, these two changes expanded the jurisdiction of Chinese courts. The first change is extending the covered cases to "foreign civil disputes." The second change is removing the requirement for "factual connections" between the dispute and the territory of the PRC. These two changes represent a deliberate legislative effort to broaden the jurisdictional reach of Chinese courts while aligning with international norms of party autonomy in jurisdictional agreements.

Expanding Covered Disputes

In the revised provision of choice-of-court agreements, Chinese legislators expanded the covered disputes to "foreign civil disputes." This amendment clarifies that disputes with foreign elements may fall under the

jurisdiction of choice-of-court agreements for international civil procedures, excluding purely domestic disputes. By doing so, the CPL 2023 reinstates a clear distinction between international and domestic choice-of-court agreements, harking back to the Dual-track Mode stage of the two individual rules of foreign choice-of-court agreements and domestic choice-of-court agreements (1991-2011). In the Dual-track Mode stage, the legislators differentiated the choice-of-court agreements between foreign and domestic choice-of-court agreements (Gan, 2014; W. J. Tang, 2022). During the Dual-track Mode, Chinese legislators aimed to balance two fundamental objectives: promoting party autonomy in civil proceedings and combating local protectionism (Training Course on Civil Procedure Law of the Supreme People's Court, 1991).

However, in the subsequent Single-track Mode stage of the only one rule of foreign and domestic choice-of-court agreements (2012 - 2023), the distinction between foreign and domestic cases was abolished, unifying them under a single framework for choice-of-court agreements (Gan, 2014; W. J. Tang, 2022). This unification process, referred to as "De-Differentiation" (H. Li, 2012), was a legislative response to scholarly critiques of the Dual-track Mode. Scholars argued that the Dual-track system conferred super-citizen treatment to foreign parties, undermining the principle of equal treatment in civil proceedings (J. W. Wang, 2016). The CPL 2023 amendments, while reverting to a dual-track approach for foreign and domestic disputes, reflect an effort to strike a balance between encouraging party autonomy, maintaining procedural clarity, and addressing concerns over fairness in jurisdictional treatment. This reinstated distinction aligns with the legislative objective of ensuring equitable access to Chinese courts in both foreign-related and domestic contexts.

In addition, the covered disputes in choice-of-court agreements have been expanded to include all foreign civil disputes, a significant change compared to the previous rules in the CPL and their judicial interpretations. Under the earlier framework, only two categories of disputes were permitted. The first category included contract disputes, encompassing disputes arising from contract formation, validity, performance, modification, transfer, fulfilment, termination of rights and obligations, and breach of contract. The second category covered "any dispute regarding other property rights and interests," which included property-related disputes but lacked a detailed definition in the provisions of the CPL (1991 - 2023). Nonetheless, according to the Civil Law Office of the Legislative Affairs Commission of the Standing Committee of the National People's Congress, this term referred to disputes involving property rights under rights in rem and intellectual property rights. Hence, the absence of similar phrasing in the updated CPL provisions reflects a deliberate move to adopt a broader and more inclusive term, civil disputes, thereby extending the jurisdictional reach of Chinese courts to hear a wider range of cases under choice-of-court agreements.

Last, expanding covered disputes in choice-of-court agreements to include all foreign civil disputes kept pace with the common law system. In the common law system, a forum clause can be one provision of an agreement or can comprise a contract in its own right. A provision might refer to disputes arising from a particular legal relationship, and more than just contractual matters may be covered. For instance, a trust may contain a choice of forum in favour of an EU court; Article 23 of Brussels I ensures that such a clause will be respected (Thalia, 2008).

Removing "Factual Connections"

In the choice-of-court agreements under CPL 2023, Chinese legislators have removed the requirement for "factual connections" between foreign civil disputes and Chinese courts. This marks a significant departure from the longstanding requirement for factual connections, which has existed since the promulgation of the first version of the CPL in 1991. From a legislative technique perspective, removing the "factual connection" requirement aligns with the principles outlined in Article 3 of the Law Applicable to Foreign-Related Civil Relationships (2011). This provision states: "The parties may explicitly choose the laws applicable to foreign-related civil relations following the provisions of law." Accordingly, both the choice-of-court agreements and the choice of governing law in foreign-related civil relationships reflect the principle of party autonomy (Yang, Chen, & Li, 2023), granting parties the freedom to select their preferred court and applicable law without being constrained by the limitation of factual connections. This consistency demonstrates a legislative effort to enhance procedural flexibility and respect the expectations of parties engaged in foreign-related transactions.

In previous CPL legislation, "factual connections" were considered a necessary restrictive condition for choice-of-court agreements. This principle aimed to limit forum shopping, thereby achieving the fair value goal of civil litigation and avoiding adverse consequences for both parties and the courts (J. W. Wang, 2016). As for judges, his principle enabled judges to prevent unnecessary inconveniences in adjudicating cases, such as difficulties in obtaining evidence and applying relevant laws and rules (H. Y. Wang, 2020). As for parties, Under this framework, they could select foreign or Chinese courts only if the chosen forum had a factual connection to the disputes concerned (L. Zhao, 2019). However, under the CPL 2023, since the requirement for "factual connections" has been removed for choice-of-court agreements, parties are now permitted to designate Chinese courts as their forum of choice without demonstrating any substantive connection between the dispute and the

PRC. Notably, this amendment does not extend to the choice of foreign courts, which remains subject to foreign jurisdictional rules. This legislative shift reflects a deliberate vacuum demonstrating Chinese legislators' respect for the jurisdictional regulations and frameworks of foreign courts. By removing this restriction of 'factual connection', CPL 2023 underscores China's commitment to greater party autonomy in cross-border litigation while maintaining deference to foreign legal systems in determining their jurisdictional limits.

However, the researchers and judges inspired the removal of 'factual connections' in the choice-of-court agreements. First, "factual connections" faced significant criticism in the academic field. This is partly because identifying clear criteria for factual connection has proven challenging, potentially invalidating otherwise neutral choice-of-court agreements (Su, 1984; H. P. Li, 1996). The strict interpretation of "factual connection" as an objective link between the dispute and the forum is inconsistent with international practices and incompatible with commercial convenience (S. Tang, 2012). Moreover, the removal of the factual connection requirement was partly inspired by the successful judicial practice under Article 8 of the Maritime Procedure Law of the PRC, which does not impose such a requirement between the place of the PRC and the dispute. This precedent demonstrated the feasibility of eliminating the factual connection principle without compromising judicial efficiency or fairness. Article 8 of the Maritime Procedure Law of PRC says:

"Where all the parties to a maritime dispute are aliens, stateless persons, foreign enterprises or organizations and have agreed in writing to be subject to the jurisdiction of a maritime court of the People's Republic of China, such maritime court shall have jurisdiction over the dispute notwithstanding that the place that has a genuine link with the dispute is not within the territory of the People's Republic of China."

On December 27, 2022, the legislative intent to remove factual connection requirements became evident in the Explanation of the CPL (Draft Amendment) presented, signalling a shift toward aligning Chinese choice-of-court agreements with international standards and enhancing party autonomy in cross-border commercial disputes. This change reflects an evolving approach to simplify procedural barriers and accommodate the practical needs of global litigation. As it is reported:

"If the place with a 'factual connection' to the dispute is not within the territory of the PRC, parties still retain the right to explicitly choose a Chinese court as the jurisdiction in their choice-of-court agreement. This approach aligns with international development trends and reflects a commitment to fully respecting party autonomy." (Zhou, 2023).

THE JUDICIAL APPLICATIONS

Based on the cases compiled in the Alpha Lawyer Database, four judgments pertain to Article 277 of the choice-of-court agreements under the CPL 2023. As previously discussed, the revised rule introduces two key changes: it broadens the scope of covered disputes to include foreign civil disputes and eliminates the requirement for a "factual connection" between foreign civil disputes and Chinese courts. Nevertheless, the judicial practice in applying choice-of-court agreements has not evolved as extensively as the legislative changes. Table 1 indicates that the disputes covered are primarily contract disputes. Moreover, parties tend to opt for Chinese courts with some connection to the disputes rather than those with no connection. We will examine each case in detail.

Table 1. The Claims and Designated Court in the Cases

Cases' Name	The Disputes of the Cases	The Designated Court
<i>Duan v. Zhai</i>	Share transaction disputes	The Chinese court
<i>Chen v. X Co.</i>	Contract disputes	The Chinese court where the Agreement is signed.
<i>Zhongya Co. v. Manzhou Li Co.</i>	Freight forwarding contract disputes	the Chinese court at the place of Manzhou Li Co's domicile
<i>Hongkong X Co. v. Xinjiang Y Co.</i>	Share transaction disputes	The Chinese court at the place of Xinjiang Y Co.

The Designated Court

The designated Chinese court in a choice-of-court agreement can be either specific or vague. This is illustrated by the *Duan v. Zhai* case, which involves disputes over share transactions at Pig Farm. In the share transaction agreement of Pig Farm, the appellant (the plaintiff in the first instance), Duan, and the appellee (the defendant in the first instance), Zhai, among others, signed a choice-of-court agreement to resolve their disputes

in a Chinese court. However, they did not specify which Chinese court had jurisdiction. In the first instance, the defendant, Duan, raised a jurisdictional objection. Consequently, due to the absence of a specific Chinese court in the agreement, the trial court dismissed the case for lack of jurisdiction. The trial court stated:

“The parties agreed that Chinese courts have jurisdiction over the Pig Farm’s share transaction agreement. However, the agreement did not specify a particular court with jurisdiction. The defendant, Zhai, and others' opposition is justified... Therefore, the case brought by Duan is dismissed.”¹

In the second instance, the appellant, Duan, appealed to the Puyang City Intermediate Court, arguing that the Puyang City, Hualong District Court has jurisdiction over the case. The basis of his appeal is that the four defendants, including Zhai and others, worked abroad and did not establish permanent residence there. Zhai and the others presented jurisdictional objections by submitting their passports as evidence, but they did not provide any other proof of their permanent residence abroad. Consequently, the trial court has jurisdiction because Zhai and the other four individuals have domicile in Puyang City, Hualong District. Therefore, the Puyang City, Hualong District Court should hear the case.

Ultimately, the Puyang Intermediate People's Court sustained Duan's appeal, asserting that the trial court has jurisdiction over the case. The basis for this decision was the choice-of-court clause within Pig Farm's share transaction agreement. The appellate court stated: “In this instance, both parties have agreed that in the event of a dispute, either party may bring the case before the Chinese Court... Consequently, the trial court, as the designated court, should adjudicate the case.”²

In conclusion, the parties to a choice-of-court agreement may select a specific Chinese court to adjudicate their case or, alternatively, designate Chinese courts to preempt the jurisdiction of foreign courts. Both types of designated courts within the choice-of-court agreement are considered lawful.

The Relevant Provisions of Forum Non-Conveniens

In the *Chen v. X Co.* case, the final court emphasized the precedence of the choice-of-court agreement rule over the forum non conveniens rule. The case involves a contract dispute between the appellant (the defendant in the initial instance), Chen, and the appellee (the plaintiff in the initial instance), X Co.

In the second instance, the appellant, Chen, appealed to revoke the first-instance order. Simultaneously, the case should be transferred to a court of competent jurisdiction within the Hong Kong Special Administrative Region. The grounds for Chen’s appeal are that the main facts of the case did not occur within China's territory. When Chinese courts hear the case, there will be significant difficulties in confirming the facts and applying the law.

However, the Beijing No. 4 Intermediate People's Court denied Chen's request to transfer the case to the Hong Kong court, which would have been a more convenient forum. The Court stated as follows:

“In this instance, the Entrustment Agreement between X Co. and Chen was signed in the Daxing District of Beijing. Article 7, the dispute resolution clause of this Entrustment Agreement, states: if negotiation fails, either party has the right to file a lawsuit in the court where the Agreement was signed. Evidently, the parties have a choice-of-court agreement, opting for Chinese courts. Therefore, the Beijing Municipal Daxing District People's Court has jurisdiction over this case.”³

In this instance, the reasoning of the Beijing No. 4 Intermediate People's Court adheres strictly to the law. Per the second paragraph of Article 282 of the CPL 2023, the court is obligated to dismiss the case filed by the plaintiff and direct the plaintiff to pursue the action in a more convenient foreign court. Should the defendant raise a jurisdictional objection during the adjudication of civil cases involving foreign elements by a Chinese court, and there is no mutual agreement on the choice of court among the parties involved, the rule governing choice-of-court agreements takes precedence over the forum non conveniens principle.

Formal Validity

The written form of a choice-of-court agreement under the CPL 2023 rule is not stringent but rather flexible, as demonstrated in the *Zhongya Co. v. Manzhou Li Co.* case.

In the second instance of *Zhongya Co. v. Manzhou Li Co.* case, due to the absence of a written agreement between the parties, the appellant (the defendant in the first instance), Zhongya Co., contended that the court in the choice-of-court agreement lacked jurisdiction over the case. The grounds for the appeal are as follows:

¹ Henan Province, Puyang City, Hualong District People's Court (2024) Yu 0902 Min Chu 5600 Civil Order.

² Henan Province, Puyang City, Intermediate People's Court (2024) Yu 09 Min Zhong 1754 Civil Order.

³ Beijing No. 4 Intermediate People's Court (2024) No. 22 of Beijing 04 Civil Jurisdiction Final.

“The nature of the submitted Agreement of Freight Forwarding Agency is that of a framework agreement. Within this agreement, the parties involved are engaged in maritime transport but not in railway transport. Furthermore, employees of X Co. accepted the goods without authorization. Subsequently, these employees transferred the transport agent's ticket to Qingdao Hongya Xunjie Logistics Co., an entity not involved in the case. This Logistics Co. then signed the 'China-European Liner Transport Agency Agreement' with a downstream forwarding company.”

The second court denied the appeal to transfer the case to the Chinese court at the defendant's place of domicile. Nonetheless, the second court affirmed the choice of court stipulated in their agency agreement to have jurisdiction over the case, as per Article 277, choice-of-court agreements in the CPL 2023. The court stated:

“Manzhou Li Co. submitted the Agreement of Freight Forwarding Agency between two parties. In Section 9.3, the dispute resolution clause allows either party to file a lawsuit in the Chinese court at Manzhou Li Co's domicile. Therefore, it is lawful for Manzhou Li Co, as the plaintiff in the initial instance, to file a lawsuit in the Chinese court at its domicile. Consequently, the trial court has jurisdiction over the case.”⁴

In conclusion, the written form of a choice-of-court agreement under the CPL 2023 rule is not stringent but rather flexible. The intent behind the writing requirement is to establish evidence of a consensus between the parties (Kruger, 2008). If a practice has been established where parties frequently engaging in trade include a forum selection clause in an agency agreement, it can be considered valid.

Severability

The choice-of-court agreement clause possesses a severable nature in relation to the main contract. Should the contract be deemed ineffective, invalid, revoked, or terminated, the validity of the choice-of-court clause remains unaffected. This is exemplified in the case of *Hong Kong X Co. v. Xinjiang Y Co.*

In the case of *Hong Kong X Co. v. Xinjiang Y Co.*, the appellant, Hong Kong X Co. (the plaintiff in the first instance), appealed against the Civil Ruling of the First Instance, seeking its dismissal and requesting the trial court to hear the case. The appellant's grounds for appeal are that the Share Transaction Agreement between Hong Kong X Co. and Xinjiang Y Co. should not be considered as the cause and facts of this case. The appellant contends that the agreement does not represent the true intention of the legal person. Specifically, the agreement was a fraudulent representation by a company director (Liao), exploiting a connected relationship to the detriment of the company's interests. Consequently, the choice-of-court clause is not legally binding.

The appeal of Hong Kong X Co. was not sustained by the Xinjiang Uygur Autonomous Region Higher People's Court. The decision was based on two grounds. The first ground is that, in accordance with Article 277 of the choice-of-court agreement of the CPL 2023 and Article 15 of their Share Transaction Agreement, the Xinjiang Uygur Autonomous Region Higher People's Court determined that the Chinese court located at the place of Xinjiang Y Co. had jurisdiction over the case. The second ground is that the court did not uphold Hong Kong X Co.'s claim that the choice-of-court agreement in the Share Transaction Agreement was invalid, as stipulated by Article 507 of the Civil Law 2020. Regarding the second ground, the court's reasoning was as follows:

“According to Article 507 of the Civil Code of the People's Republic of China, 'If a contract is deemed ineffective, invalid, revoked, or terminated, it does not affect the validity of the clauses concerning the methods of dispute resolution contained within the contract.' The choice-of-court clause serves as a dispute resolution clause. In terms of its form, it is subordinate to the main contract. Nevertheless, regarding its validity, it is independent of the main contract. Should the main contract be deemed ineffective, invalid, revoked, or terminated, the dispute resolution clause may still persist and exert independent effect.”⁵

THE GLOBAL IMPACTS

Upon examining the legislative amendments and judicial interpretations of choice-of-court agreements in CPL 2023, it becomes clearer to illustrate the potential effects of these jurisdictional expansions. We will explore the possible global implications of choice-of-court agreements in CPL 2023, considering both contractual and procedural dimensions.

More Freedom for Parties to Choose Chinese Court

Regarding the contractual aspect of the choice-of-court agreement, the parties in the revised rule of choice-of-

⁴ Inner Mongolia Autonomous Region, Hulun Beier Intermediate People's Court (2024) Nei 07 Min Jiefuan Final No. 38 Determination

⁵ Xinjiang Uygur Autonomous Region Higher People's Court (2024) Xinmin Final No. 42

court agreement in CPL 2023 have more freedom to choose Chinese courts than in the previous rule of choice-of-court agreements. In this revised rule of choice-of-court agreement, the requirement of “factual connections” has been removed, aligning with the significant development of the legislation of choice-of-court agreements. Internationally, there has been a notable growth in legal frameworks concerning optional choice-of-court agreements, with a growing, though not universal, recognition that parties' agreements regarding the forum are valid and enforceable, even without any factual connection to the chosen court (Keyes, 2020). By embracing this trend, Chinese legislators have modernized the rule of choice-of-court agreements to enhance accessibility and flexibility in foreign civil dispute resolution. This parallels the approach of English courts, which have adopted a primarily contractual conception of choice of court agreements, placing great emphasis on the principle of party autonomy (Theimer, 2023). Thus, the primary legislative intent behind removing the factual connection requirement in Chinese choice-of-court agreements in CPL 2023 is to fully respect party autonomy in choosing Chinese courts (Shen & Guo, 2023).

However, some scholars have expressed concerns that the expansion of choice-of-court agreements under CPL 2023 could differentially affect the rights and interests of Chinese and foreign parties (Alert, 2023). At first glance, these concerns may seem founded; the expansion of choice-of-court agreements in CPL 2023 will provide Chinese plaintiffs with more opportunities to file lawsuits in Chinese courts. This approach better protects the legitimate rights and interests of Chinese citizens and enterprises (Du & Xie, 2023). Since the legal process's language and procedures will be particularly familiar to Chinese plaintiffs, they will not need to hire an additional lawyer in a foreign country or travel abroad for trial attendance. On the contrary, our case studies indicate that, despite the removal of the “factual connections” requirement between disputes and China's territory in the choice-of-court agreements under CPL 2023, parties in four cases still opted for a specific Chinese forum with actual ties to the disputes, rather than one without any such connections. This suggests that the legislation on choice-of-court agreements in CPL 2023 exhibits a certain level of “progressiveness” and “foresight.” Consequently, parties have the freedom to select either a Chinese court with factual connections or one without.

In conclusion, this flexibility in CPL 2023 allows parties to choose any Chinese court in their choice-of-court agreements, making the resolution of disputes more predictable and stable. This aligns with Bell's perspective that, at least in theory, choice-of-court agreements serve to limit the claimant's unilateral forum shopping once a dispute has arisen. (Bell, 2003).

Reshaping Global Jurisdiction in International Civil Proceeding

From a procedural standpoint, a choice-of-court agreement possesses a negative (jurisdiction-depriving) character (Hartley, 2020). This implies that the opportunities for the non-chosen foreign court to adjudicate cases diminish due to the broader scope of disputes covered and the elimination of actual connections in the Chinese choice-of-court agreement of CPL 2023. Specifically, when parties to a choice-of-court agreement select Chinese courts, the jurisdiction of other foreign courts is effectively nullified. Consequently, some Chinese scholars have opined that this expansion of Chinese choice-of-court jurisdiction in foreign civil proceedings can enable Chinese parties to respond more flexibly to foreign “long-arm jurisdiction” practices (Guan & G. N. Zhao, 2023). For instance, in a contract dispute between Americans and Chinese companies, the consent to resolve their contract disputes in a specific Chinese court, as stipulated in a valid choice-of-court clause, allows either party to initiate a lawsuit in the chosen Chinese court. Once the Chinese court commences hearing the case, the jurisdiction of other American courts is negated. Thus, the conventional structure of global jurisdiction in international civil proceedings is gradually being reshaped.

As we can see, in the CPL 2023, China has entered the era of jurisdictional expansion in international civil proceedings. The revision of the choice-of-court agreement aligns with this broader trend of expanding Chinese courts' jurisdiction. Additionally, Article 276, which pertains to special jurisdiction, has been expanded to include “civil disputes except for personal status relationships” and introduces the concept of “appropriate connections” (适当联系) as a new jurisdictional nexus. Article 279, concerning exclusive jurisdiction, has added two emerging categories of disputes to expand the scope of covered civil foreign disputes. One category involves the foundation, dissolution, or liquidation of legal persons or other organizations established within the territory of the PRC and disputes concerning the validity of resolutions made by such legal persons or organizations. The other category pertains to the validity of intellectual property rights granted within the territory of the PRC.

More Challenges for Chinese Chosen Courts

Regarding procedural aspects, a choice-of-court agreement possesses a positive, jurisdiction-granting nature (Hartley, 2020). As a result of the expanding scope of disputes covered and the removal of actual connections in the choice-of-court agreement under CPL 2023, the selected Chinese court will have more opportunities to hear cases. The chosen Chinese courts should not decline jurisdiction unless it is based on forum non-conveniens or because the clause is invalid under Chinese law. Consequently, the workload of the selected courts in hearing

foreign civil disputes may become more burdensome. Simultaneously, Chinese courts will face a significant challenge in establishing a more specialized system for international civil jurisdiction. If two parties opt for a Chinese court in a choice-of-court agreement and one party doubts the independence, impartiality, and qualifications of Chinese courts, they will likely avoid resolving their future disputes in Chinese courts.

Thus, to prevent foreign parties from experiencing a "one-shot deal," Chinese courts should enhance their judicial services and improve the attractiveness of their judicial system in global dispute resolution (He, 2017). Specifically, on one hand, Chinese courts should establish a specialized framework for professional foreign-related trials, featuring dedicated jurisdictional courts. This could involve issuing a circular on standards for the hierarchical jurisdiction of first-instance foreign-related civil and commercial cases. Additionally, they should promote the referral of most foreign-related civil and commercial cases to middle and lower courts, where they would be adjudicated by foreign-related tribunals or specialized full courts (Zhou, 2022). On the other hand, Chinese courts should develop a specialized framework for professional foreign-related trials characterized by a well-established body of judges with high-quality, complex, and international perspectives. This could be achieved by enriching the pool of foreign-related judicial talents through enhanced professional training in foreign-related rule of law theories and judicial practices, and by establishing a special training mechanism for foreign-related judicial talents (National, 2023).

CONCLUSION

The expansion of Chinese jurisdiction in choice-of-court agreements is evident in CPL 2023. In the revised rule of choice-of-court agreements, Chinese legislators expanded the covered disputes to include "foreign civil disputes." Additionally, they removed the requirement for "factual connections" between a foreign civil dispute and Chinese courts. These two amendments to choice-of-court agreements in CPL 2023 are primarily based on China's practical and theoretical needs. At the same time, the subsequent amendment, which removed factual connections, drew on the legislative practice of choice-of-court agreements in Common Law jurisdictions. However, overall, the rule of choice-of-court agreements applied in four cases limited the covered disputes to contract disputes rather than expanding to all civil foreign disputes in CPL 2023. Parties would prefer to choose Chinese courts with some actual connections rather than those without any connections in CPL 2023. Therefore, we can say that the legislation of choice-of-court agreements in CPL 2023 exhibits a certain degree of "progressiveness" and "foresight." It will help Chinese companies and citizens conduct their business, especially in terms of high intellectual property matters. Each case concerns certain issues of choice-of-court agreements. In the *Duan v. Zhai* case, the designated court should not be a particular Chinese court. In the *Chen v. X Co.* case, applying the choice-of-court agreement precedes the rule of forum non conveniens. In the *Zhongya Co. v. Manzhou Li Co.* case, the formal validity and consent of the choice-of-court agreements are more flexible. In the *Hong Kong X Co. v. Xinjiang Y Co.* case, a choice-of-court agreement is severable from the main contract.

This article explores the potential global ramifications of the expansion of Chinese choice-of-court agreements as stipulated in CPL 2023, considering both contractual and procedural dimensions. Initially, from a contractual standpoint, the broadening of these agreements will afford parties greater autonomy in selecting Chinese courts. Subsequently, from a procedural perspective, the negative implications of this expansion could redefine global jurisdiction in international civil litigation by curtailing the jurisdictional reach of other foreign courts. Conversely, from a positive procedural angle, this development will provide Chinese courts with more opportunities to adjudicate cases. Consequently, it becomes imperative for Chinese courts to elevate the quality of their judicial services and bolster the attractiveness of their judicial system within the global arena of dispute resolution.

In conclusion, despite the expansion of Chinese jurisdiction in choice-of-court clauses under the CPL 2023, Chinese legislators and judges fully respect the parties' autonomy. In the revised choice-of-court agreements, parties are permitted to bring all foreign civil disputes and choose any Chinese courts, regardless of a factual connection. In other words, the expansion of Chinese choice-of-court agreements is favorable to both Chinese and foreign parties. This expansion not only adheres to its initial legislative intent in CPL 2023 to protect the litigation rights of both Chinese and foreign parties equally (Zhou, 2023), but it also aligns with the current trend where states are increasingly focusing on parties' demands for efficiency and due process in shaping rules on civil jurisdiction.

Limitations

The primary limitation of this article lies in "THE JUDICIAL APPLICATION" section, as the cases cited may not encompass all instances where Chinese courts applied Article 277, the choice-of-court agreement in CPL 2023, in the year 2024. Article 156 of CPL 2023 and Article 4 of the Provisions of the Supreme People's Court on the

Publication of Judicial Verdicts by People's Courts on the Internet 2016 stipulate that at least four types of civil foreign judgments should not be published online. These include cases involving state secrets, divorce proceedings, the maintenance or custody of minor children, and other cases deemed inappropriate for online publication by Chinese courts. Article 156 of CPL 2023 states: "The general public may access effective written legal judgments and rulings, except for those involving state secrets, trade secrets, or personal privacy." Furthermore, the circumstances under which Chinese judgments remain unpublished on the Internet are detailed in Article 4 of the Provisions of the Supreme People's Court on the Publication of Judicial Verdicts by People's Courts on the Internet 2016.:

"Under the following circumstances, judicial documents issued by the People's Court will not be published online: (i) Those involving state secrets; (ii) Cases concerning minors who have committed offenses; (iii) If the case is concluded through mediation or the validity of the people's conciliation agreement is confirmed, except where public disclosure is necessary for the protection of the national interest, the public interest of society, or the lawful rights and interests of others; (iv) Divorce proceedings or those involving the maintenance or custody of minor children; (v) Other cases that the People's Court deems inappropriate for publication online."

Although Table 1 indicates that the disputes in the four cases are contractual in nature, there is an issue that these cases may not encompass all instances where Chinese courts applied Article 277 of the Civil Procedure Law (CPL) in 2024. Regarding legislative revisions, the scope of disputes covered by Chinese choice-of-court agreements under the CPL 2023 has expanded to include all civil foreign-related disputes. However, we are unable to compile certain types of cases, such as those involving state secrets, divorce proceedings, and the maintenance or custody of minor children. These types of judgments cannot be published online.

Future Direction

Future research should initially concentrate on how Chinese courts interpret and apply choice-of-court agreements under CPL 2023. On one hand, researchers can employ case studies to examine the types of disputes covered and the Chinese courts selected in judicial practice. This approach provides insight into the disparity between the theoretical framework of choice-of-court agreements in CPL 2023 and its practical application. On the other hand, case studies can reveal deficiencies in the Chinese courts' application of choice-of-court agreements under CPL 2023. Consequently, researchers can offer specific recommendations to improve the accurate implementation of this legal provision by the courts. Given that only four cases from 2024 were collected for this article, our case study analysis is somewhat limited. Nevertheless, as the number of cases involving choice-of-court agreements under CPL 2023 grows, researchers will have the opportunity to analyze a broader range of cases. The outcomes of such studies will enhance our understanding of the potential effects of Chinese choice-of-court agreements under CPL 2023.

Furthermore, future research should focus on the potential effects of the expansion of Chinese choice-of-court agreements on the restructuring of global jurisdiction in international civil proceedings. This article does not include any cases that address this potential impact. Consequently, our predictions are based on a general understanding of the theory of choice-of-court agreements, rather than on judicial practice. Therefore, future research must confirm or refute our predictions regarding the impact of expanding Chinese choice-of-court agreements under CPL 2023 on the reshaping of global jurisdiction in international civil proceedings. This should be done through case studies that examine the expectations of parties involved in choice-of-court agreements, the judicial services provided by the selected Chinese courts, and the responses of other foreign courts that may challenge jurisdiction.

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ETHICAL DECLARATION

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