

NEWS – ECIPE PRESS RELEASE – NEW OCCASIONAL PAPER

The Impact of Increased Mass Litigation in the UK

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Brussels, 10 June 2025 - An [ECIPE Occasional Paper](#) highlights the growing economic risks posed by the expansion of mass litigation in the United Kingdom. Once a niche legal instrument, collective actions have surged in recent years, turning into a business model that is reshaping the UK's legal landscape.

According to the study, the UK now ranks as one of the most litigation-intensive countries in Europe, with 47 new mass litigation cases launched in 2024 alone, more than any other European jurisdiction. This rapid growth has been facilitated by an evolving ecosystem of litigation funders and claimant law firms that have made it easier to bring collective actions to court.

The rise of mass litigation in the UK can have significant unintended consequences. Economic sectors identified as critical to the UK's industrial strategy such as advanced manufacturing, life sciences, digital services, or defence are increasingly targeted by lawsuits. These sectors are vital to the UK's innovation and long-term productivity, yet mass litigation introduces legal uncertainty and financial risk that undermines R&D investments in these sectors.

The report also finds that the impact of mass litigation extends beyond Greater London. Many companies facing legal challenges operate across the UK's regions, meaning that litigation-driven losses could affect jobs and revenues in local communities nationwide.

“Scenario modelling in our paper suggests that if UK litigation costs reached just 30 percent of current U.S. levels, the economic cost could approach £18 billion, with the market capitalisation of the UK's most innovative companies falling by £11.2 billion.” said Oscar Guinea, Senior Economist and co-author of the study.

The study raises additional concerns for policymakers focused on attracting Foreign Direct Investment (FDI) to the UK. The rise in collective actions risks making the UK less attractive to global investors.

As the Civil Justice Council reviews the rules governing litigation funding, the authors call for a recalibration of the system to ensure that collective actions do not undermine the UK's economic prosperity.

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