



محكمة قطر الدولية
ومركز تسوية المنازعات
QATAR INTERNATIONAL COURT
AND DISPUTE RESOLUTION CENTRE

In the name of His Highness Sheikh Tamim bin Hamad Al Thani,
Emir of the State of Qatar

Neutral Citation: [2024] QIC (C) 6

IN THE QATAR FINANCIAL CENTRE
CIVIL AND COMMERCIAL COURT
COSTS ASSESSMENT

Date: 11 August 2024

CASE NO: CTFIC0014/2024

HKA GLOBAL LIMITED

Claimant

v

CHINA RAILWAY 18TH BUREAU GROUP WLL
(IN LIQUIDATION AND REPRESENTED BY ITS JUDICIAL LIQUIDATOR, MR
ABDULAZIZ AL-KHALIFA)

Defendant

JUDGMENT

Before:

Mr Umar Azmeh, Registrar

Order

1. The Defendant is to pay the Claimant the sum of **QAR 35,194** forthwith.

Judgment

Introduction

1. On 21 May 2024, the First Instance Circuit (Justices George Arestis, Fritz Brand and Yongjian Zhang) awarded the Claimant the sum of QAR 335,857.06 plus interest on that amount by way of damages in its claim against the Defendant. It also ordered that the Defendant should pay the reasonable costs incurred by the Claimant in pursuing the claim to be assessed by me if not agreed ([2024] QIC (F) 22).
2. The background to the claim is that the Claimant – whose business is to provide expert and advisory services in the construction sector – contracted with the Defendant to assist it in the management of its construction contract claims for various building projects in Doha.
3. The agreement between the parties set out the services that were to be rendered and the sums that the Defendant was required to pay. However, despite various payments being made, there remained a significant sum outstanding, namely QAR 355,857.06.
4. As in another recent case involving the same Claimant, the Defendant is now in liquidation which complicated matters somewhat. The First Instance Circuit addressed those matters in paragraphs 7-9 of its judgment.
5. Save to complain by email on 6 April 2024 that the original claim documentation served upon it was in English, the Defendant chose neither to engage with the substantive proceedings nor these costs proceedings. The Claimant is claiming a total of QAR 50,194 by way of its reasonable costs.

Approach to costs assessment

6. Article 33 of the Court's Regulations and Procedural Rules reads as follows:

33.1 The Court shall make such order as it thinks fit in relation to the parties' costs of the proceedings.

33.2 *The general rule shall be that the unsuccessful party pays the costs of the successful party. However, the Court can make a different order if it considers that the circumstances are appropriate.*

33.3 *In particular, in making any order as to costs the Court may take account of any reasonable settlement offers made by either party.*

33.4 *Where the Court has incurred the costs of an expert or assessor, or other costs in relation to the proceedings, it may make such order in relation to the payment of those costs as it thinks fit.*

33.5 *In the event that the Court makes an order for the payment by one party to another of costs to be assessed if not agreed, and the parties are unable to reach agreement as to the appropriate assessment, the necessary assessment will be made by the Registrar, subject to review if necessary by the Judge.*

7. In *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (C) 1, the Registrar noted that the “... *list of factors which will ordinarily fall to be considered*” to assess whether costs are reasonably incurred and reasonable in amount will be (at paragraph 11 of that judgment):

- i. Proportionality.
- ii. The conduct of the parties (both before and during the proceedings).
- iii. Efforts made to try and resolve the dispute without recourse to litigation.
- iv. Whether any reasonable settlement offers were made and rejected.
- v. The extent to which the party seeking to recover costs has been successful.

8. *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* noted as follows in relation to proportionality, again as non-exhaustive factors to consider (at paragraph 12 of that judgment):

- i. In monetary ... claims, the amount or value involved.
- ii. The importance of the matter(s) raised to the parties.

- iii. The complexity of the matters(s).
 - iv. The difficulty or novelty of any particular point(s) raised.
 - v. The time spent on the case.
 - vi. The manner in which the work was undertaken.
 - vii. The appropriate use of resources by the parties including, where appropriate, the use of available information and communications technology.
9. One of the core principles (elucidated at paragraph 10 of *Hammad Shawabkeh v Daman Health Insurance Qatar LLC*) is that “*in order to be reasonable costs must be both reasonably incurred and reasonable in amount.*”

Submissions

10. The Claimant’s lawyers have submitted a comprehensive and useful bundle of documentation comprising an Application Notice, submissions, and exhibits. Those exhibits are as follows:
- i. The Court’s judgment.
 - ii. Correspondence with the Defendant’s Judicial Liquidator.
 - iii. Correspondence with the Court.
 - iv. Receipt vouchers.
 - v. Postage receipts.
 - vi. Narrative ledger.

vii. Terms of Business ('ToB').

11. As noted above, the Defendant was given the opportunity to respond to the Claimant's submissions but did not respond to that invitation.
12. The Claimant's core submission addressed the costs it claims, and why in its view these were reasonable and should be allowed in full under the tests set out in *Hammad Shawabkeh v Daman Health Insurance Qatar LLC*.
13. AF4 is a document dated 19 March 2024 which sets out the fee arrangement between the Claimant and its lawyers. It provides for a fixed fee of QAR 50,000 for proceedings before the First Instance Circuit, payable in two tranches of QAR 30,000 and QAR 20,000, respectively. AF5 and AF6 are payment receipt vouchers confirming that payment of the two tranches was made on 27 March 2024 and 16 July 2024, respectively.

Reasonableness and proportionality

14. Based on the Claimant lawyer's ToB, which sets out the hourly rates, that QAR 50,000 would be based on circa 25 hours' work for a senior lawyer at the firm, or 20 hours from a more junior lawyer with some senior lawyer supervision.
15. The conduct of the Claimant has been appropriate throughout. As noted at paragraph 14 of the submission (not disputed by the Defendant), the Claimant had contacted the Defendant prior to the filing of the case in order to ensure its debt was secured from the company and to be included in the list of secured creditors. Proper engagement at that early stage from the Defendant might have removed the need for this litigation. The Defendant has furthermore refused properly to engage with this case save for the email on 4 April 2024. This has clearly prolonged matters and driven the costs of the Claimant up. I repeat what I noted in *Accord Pitch v New Smart Contracting and Services WLL* [2024] QIC (C) 7 at paragraph 15:

I also note that the Defendant has not engaged with the Court process whatsoever, and has not applied for permission to appeal (which would in any event now be out of time). This is not conduct that is conducive to the smooth passage of litigation through the Court, certainly is not conduct that helps keep costs to a minimum, and indeed its conduct has driven costs up in this case (it

could, for example, have filed a document making it clear that it did not contest the case which may have negated the requirement for an application for summary judgment, or engaged further with the Claimant to seek to reach an acceptable settlement given that it does not appear to contest that it owes the Claimant the sum in question).

16. If Defendants do not contest debts, but then compel Claimants to commence costly court proceedings, this may be a factor when it comes to assessing whether the costs claimed by the successful Claimant are reasonable.
17. Whilst the Claimant did not secure the entirety of the amount that it sought – it did, for example, seek a further QAR 100,000 for “*compensation for the damages caused by the defendant’s refusal to pay the outstanding sum and for breach of the Agreement*” (see paragraph 11 of the judgment) – my view is that this further sum sought in the claim did not increase the work required, and if it did, it was only marginal. In any event, as noted above, the matter was covered by a fixed fee of QAR 50,000.
18. Taking a step back and looking at the case in the round, my view is that a reasonable and proportionate fixed fee for the work that was required for this case – a case that was uncontested – is QAR 35,000, plus the QAR 194 incurred in service costs through Qatar Post.

By the Court,



[signed]

Mr Umar Azmeh, Registrar

A signed copy of this Judgment has been filed with the Registry.

Representation

The Claimant was represented by the Al-Mushiri Law Office (Doha, Qatar).

The Defendant did not appear and was not represented.