



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) 5

**IN THE QATAR FINANCIAL CENTRE
CIVIL AND COMMERCIAL COURT
COSTS ASSESSMENT**

Date: 8 August 2024

CASE NO: CTFIC0059/2023

EVERSHEDS SUTHERLAND (INTERNATIONAL) LLP

Claimant/Applicant

v

HARINSA CONTRACTING COMPANY (QATAR) WLL

Defendant/Respondent

JUDGMENT

Before:

Mr Umar Azmeh, Registrar

Order

1. The Defendant is to pay the Claimant the sum of **QAR 85,140** forthwith.

Judgment

Introduction

1. The Defendant is (or was) a client of the Claimant. The Defendant had instructed the Claimant to represent it in relation to various matters before other national courts within the State of Qatar.
2. Following those instructions, an engagement letter was signed – incorporating the standard terms and conditions of the Claimant – by a Mr Kocacinar on behalf of the Defendant.
3. The fees agreed were \$49,300-\$60,350 (less previously paid fees of \$8,230) and \$160,000-\$195,000 for two cases. Disbursements were to be charged at cost upon occurrence.
4. The Claimant's work included the preparation of pleadings, correspondence, general procedural assistance, liaising with local counsel, the preparation of expert reports, and attendance at meetings and hearings.
5. Between 17 January 2023 and 21 June 2023, the Claimant issued five invoices totaling QAR 58,458. Those invoices remain unpaid as at the date of this judgment.
6. On 4 October 2023, the Claimant commenced proceedings in this Court for the recovery of that debt. The Defendant did not engage with the process.
7. Thus, on 9 November 2023, the First Instance Circuit (Justices George Arestis, Ali Malek KC and Helen Mountfield KC) found in the Claimant's favour for the sum of QAR 58,458 plus interest ([2024] QIC (F) 46). It also ordered that the Defendant must pay the Claimant's reasonable costs in bringing the claim to be assessed by me if not agreed.

8. In keeping with its conduct from the start of the substantive proceedings, the Defendant has not engaged with the Claimant on the costs and therefore I must assess the Claimant's reasonable costs.
9. The Claimant has claimed a total sum of QAR 105,450 which comprises (i) costs incurred during the substantive proceedings; (ii) enforcement costs; and (iii) the costs of preparing the costs submissions.

Approach to costs assessment

10. 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.

11. 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.

12. *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.

13. 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.*”

14. It is also established in this Court that self-represented law firms are entitled, as a matter of principle, to recover professional costs incurred in furtherance of bringing a claim, provided the costs claims are reasonable (see *Pinsent Masons LLP (QFC Branch) v Al-Qamra Holding Group* [2018] QIC (C) 2018 at paragraphs 18-29, *Dentons & Co (QFC*

Branch) v Bin Omran Trading & Contracting LLC [2020] QIC (C) 3 at paragraph 9, and *Whitepencil LLC v Ahmed Barakat* [2024] QIC (C) 3 at paragraph 18).

Submissions

15. I have received a costs submission from the Claimant dated 8 May 2024 along with exhibits including invoices and narratives to show the breakdown of work on this case. The costs submission addresses the case of *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* and explains in the Claimant's contention why the costs it claims are reasonable and proportionate. It is unnecessary to repeat the content of those submissions here.
16. The Defendant was given an opportunity to respond but elected to ignore that invitation.
17. The breakdown of the Claimant's work for the different phases of this litigation is as follows:
 - i. First Instance proceedings: QAR 68,680.
 - ii. Enforcement: QAR 10,340.
 - iii. Costs: QAR 26,430.
18. The Claimant had agreed an hourly rate basis of fees, presumably subject to the caps noted at paragraph 3, above. The hourly rates are set out at page 5 of the costs submission. The hourly rates are reasonable and are, in my experience, broadly in line with the norm for international law firms based in Doha.

First Instance Proceedings

19. The work during this phase totalled 24 hours and was appropriated apportioned between different levels of fee earner: the partner-in-charge of the matter worked a little under 7.5 hours, a junior associate again a little under 7.5 hours, and the senior associate just over 9 hours. It is customary – and sensible – for associates to take charge of this type of matter and do the bulk of the work, at junior or senior level.

20. The narrative reveals that the work included the partner instructing the team, considering and preparing an offer to the Defendant, drafting the Claim Form which comprised 10 pages and a number of exhibits, corresponding with the Court, filing and serving the matter, and considering the judgment.
21. The items noted on the ledger are all reasonably incurred. However, I am not of the view that these are all reasonable in amount given that these fees represent some 24 hours preparing a relatively simple debt recovery claim. I will allow 20 hours, reducing the senior associate's time by two hours, and the associate and partner time by one hour each. The total reduction is **QAR 11,400**.
22. I repeat what I said at paragraph 20 of *Whitepencil LLC v Ahmed Barakat*:

*I have taken full account of the points made by the Defendant in relation to the value of the initial claim; however, I also take account of the submissions made by the Claimant in relation to the minimum amounts that a law firm would accrue, even in a small case. Whilst \$7,200 appears large compared to the amount in issue in this case – namely \$2,950 – as I have said in costs judgments before (see for example *Xavier Roig Castello v Match Hospitality Consultants LLC* [2024] QIC (C) 1 at paragraph 65 and *Aegis Services LLC v EMobility Certification Services and others* [2024] QIC (C) 2 at paragraph 75), unsuccessful parties must understand that the usual practice in this Court is for the successful party to be awarded its reasonable costs.*

23. I therefore allow the costs in this phase of work in the sum of **QAR 57,280**.

Enforcement

24. Unfortunately, the Defendant did not honour the judgment and the Claimant was therefore compelled to enter into enforcement proceedings in order to secure the judgment debt. This of course results in more costs being incurred and the Claimant has claimed QAR 10,430.
25. The ledger notes that the work included liaising with the Court, drafting the enforcement application, and ongoing discussion with the Court as to the enforcement application. I ought to note at this stage that enforcement proceedings are not straightforward, and therefore a greater degree of dialogue with the Court is to be expected than in other phases of litigation before the Court.

26. This work was apportioned appropriately with very minimal partner involvement (less than 30 minutes), and with a paralegal conducting the bulk of the work. All of the items on the ledger are reasonably incurred and reasonable in amount. I allow the costs claimed I full in the sum of **QAR 10,430**.

Costs of the costs

27. This phase of work expended some 10.80 hours and the Claimant claims QAR 26,430. The bulk of the work (a little over 7 hours) was undertaken by a junior associate, with a paralegal completing 1 ½ hours and the partner-in-charge a little over 2 hours.

28. The narrative demonstrates that all of the items claimed are reasonably incurred. That said, my view is that a little too much time overall was incurred in the preparation of this costs application. This is a relatively straightforward case, the sums claimed are comparatively small and the documentation is appropriately succinct. I will therefore make a reduction of QAR 9,000, reducing what I allow for this item to **QAR 17,430**.

29. The total costs I have allowed above are **QAR 85,140** out of a total claimed of QAR 105,450.

30. As to the factors noted in *Hammad Shawabkeh v Daman Health Insurance Qatar LLC*: (i) the conduct of the Defendant has been deplorable, both in not honouring the invoices it had agreed to pay, but by also refusing to engage in these proceedings thereby driving up costs; (ii) the Claimant made – on 17 September 2023 – an offer to settle (without prejudice save as to costs), an offer which was ignored by the Defendant; this offer is to the Claimant’s credit in attempting to resolve the matter without recourse to litigation; (iii) the offer noted in (ii) was a reasonable offer in my view, and it was in a sum less than that actually owed to the Claimant; and (iv) the Claimant has been entirely successful in its claim. All of these factors suggest to me that the overall costs of **QAR 85,140** that I will in principle allow are reasonable.

Proportionality

31. Taking a step back, I must now ask myself whether that figure is proportionate as a whole in the context of the case. The answer to that question must in my view be, “yes”. As explained in *Whitepencil LLC v Ahmed Barakat*, where a law firm makes a claim

against a client, there is a minimum amount that it must incur in terms of costs, no matter how low the actual debt happens to be. The Defendant chose to instruct a reputable international law firm with fees at a particular level it should therefore come as no surprise that even a relatively modest and appropriate number of hours will incur significant charges.

32. In monetary terms, the amount owed to the Claimant by the Defendant was relatively modest. However, fees charged to clients by law firms are their lifeblood: they must be allowed to pursue those fees owed to them and therefore this case was clearly one of importance to the Claimant. The matter was not a complex one but the Claimant spent, in my view, an appropriate amount of time on the case and conducted its work efficiently, apportioning it to appropriate levels of fee earner.

33. I will stress one final point: the Defendant incurred a debt. The Defendant chose not to pay that debt, nor the reduced amount offered to it by the Claimant. It compelled the Claimant to commence litigation. Even when a judgment was issued, the Defendant still did not comply, thereby compelling the Claimant to commence enforcement proceedings. Its conduct has been disrespectful and deplorable. The entire matter might have been resolved in the sum of QAR 45,000; instead, it has compelled the Claimant to incur over QAR 100,000 in costs pursuing the debt – now at QAR 58,458 – and has an adverse costs order against it. The sum I award to the Claimant is proportionate (given this finding the question of indemnity costs falls away) to the case and is, in summation, an entirely reasonable amount: that amount is **QAR 85,140**.

By the Court,



[signed]

Mr Umar Azmeh, Registrar

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

Representation

The Claimant was self-represented.

The Defendant did not appear and was not represented.