

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

Neutral Citation: [2025] QIC (C) 2

IN THE QATAR FINANCIAL CENTRE
CIVIL AND COMMERCIAL COURT
COSTS ASSESSMENT

Date: 12 March 2025

CASE NO: CTFIC0056/2023

EVERSHEDS SUTHERLAND (INTERNATIONAL) LLP

Claimant/Applicant

V

GULF BEACH TRADING & CONTRACTING WLL

Defendant/Respondent

JUDGMENT ON COSTS

Before:

Mr Umar Azmeh, Registrar

Order

1. The Defendant is to pay the Claimant the sum of **QAR 90,000** forthwith.

Judgment

Introduction

- On 30 March 2024, the First Instance Circuit upheld the Claimant's claim for breach of contract in respect of unpaid legal fees, and awarded the Claimant the sum of QAR 111,809.65 plus interest and costs (Justices George Arestis, Fritz Brand and Helen Mountfield KC; [2024] QIC (F) 13).
- 2. On 4 September 2024, I awarded the Claimant its reasonable costs in the sum of QAR 143,000 ([2024] QIC (C) 12).
- 3. The Defendant sought a review of the 4 September 2024 judgment. On 10 December 2024, the First Instance Circuit upheld the award of QAR 143,000 I made in the Claimant's favour (Justices George Arestis, Fritz Brand and Helen Mountfield KC; [2024] QIC (F) 55). The First Instance Circuit also awarded the Claimant its reasonable costs in the review proceedings.
- 4. The Claimant now applies for its costs of the review proceedings before the First Instance Circuit, the costs of enforcing my order of 4 September 2024 (as the Defendant did not satisfy the order for over 3 months, compelling the Claimant to commence enforcement proceedings before this Court), and its reasonable costs of this costs assessment process.

Approach to costs assessment

- 5. 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.
- 6. 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.
- 7. 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.

- 8. 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."
- 9. 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, *Whitepencil LLC v Ahmed Barakat* [2024] QIC (C) 3 at paragraph 18, *Eversheds Sutherland (International) LLP v Harinsa Contracting Company (Qatar) WLL* [2024] QIC (C) 5 at paragraphs 14 and 18, and *Eversheds Sutherland (International) LLP v Gulf Beach Trading & Contracting WLL* [2024] QIC (C) 12).
- 10. The relevant principles from the caselaw are now codified into Practice Direction No. 2 of 2024 (Costs).

Submissions

- 11. The Claimant filed and served a full costs application dated 19 January 2025 that contained a number of factual and legal exhibits. The submission addressed the criteria in *Hammad Shawabkeh v Daman Health Insurance Qatar LLC*, and submitted that the sums claimed for each of the proceedings claimed see below are reasonable and proportionate in the context of the case. The Claimant also submitted that I ought to award costs on the indemnity basis due to the conduct of the Defendant, which included ignoring multiple opportunities to settle. The breakdown claimed is as follows:
 - i. Review proceedings: QAR 72,564 (29.8 hours).
 - ii. Enforcement application: QAR 19,477 (8.4 hours).
 - iii. Costs proceedings: QAR 37,726 (19.5 hours).

Total: QAR 129,767 (57.7 hours).

12. In respect of the review proceedings, the Claimant submits that the work undertaken was reasonable and proportionate, that it prepared a detailed response to the review application, and that this entailed an extensive internal review and investigation into

the factual aspects of the dispute, along with a review of the previous submissions made by the parties. The Claimant further submits that the manner in which the work was undertaken was reasonable and proportionate, being led by a senior associate with paralegal support. The hourly rates claimed, so submits the Claimant, are in line with professional rates in the marketplace (QAR 3,710/hour for a partner; QAR 2,970/hour for a senior associate; QAR 2,810 for an associate; and QAR 1,695 for a paralegal). The Claimant also noted that it was entirely successful in the proceedings.

- 13. As far as the enforcement application is concerned, the Claimant submits that its time was reasonable and proportionate to the scale and complexity of the application as well as the duration of the enforcement proceedings. The Claimant submits that a significant portion of the time was dedicated to ensuring that the enforcement application was properly issued and corresponding with the Court.
- 14. As far as this costs application is concerned, the Claimant submits that it had to assess and prepare submissions on multiple streams of litigation, namely the costs in the review proceedings, those in the enforcement proceedings and those in this costs submission. The Claimant also had to undertake a review of previous correspondence and other documentation.
- 15. The Claimant also makes comment as to the Defendant's conduct during these proceedings, conduct that it submits ought to result in the awarding of indemnity costs. It makes, inter alia, the following points:
 - i. It made offers to the Defendant to settle proceedings without recourse to litigation on 22 August 2023 and 17 January 2024 and, whilst not directly relevant to these costs proceedings, they demonstrate a pattern of conduct whereby the Defendant refuses to engage with settlement negotiations.
 - ii. The Defendant did, during the course of the litigation, agree to satisfy the judgment debt but then reneged on that agreement and the litigation thus continued:

The outcome of this litigation has shown that the Defendant's failure to accept the offer of QAR 91,000 was objectively

unreasonable, as the Claimant's legal costs and the costs awarded by the Court to the Claimant, with interest, are more than the settlement offer.

- iii. Furthermore, on 8 September 2024, the Claimant highlights that it made another approach to the Defendant so that the latter might satisfy the costs judgment dated 4 September 2024. Again, the Defendant did not engage with this communication.
- 16. The Defendant filed and served a Memorandum of Reply on 12 February 2025. That Reply made, inter alia, the following points:
 - The Defendant and its representative were out of Qatar, did not know about the original proceedings initially, and paid more than double the original amount claimed in the final analysis.
 - ii. The Claimant's original costs claim was extremely high as the litigation did not involve any complex legal or contractual issues.
 - iii. The unsuccessful review proceedings makes the Defendant "spin in a vicious cycle" given the demands made by the Claimant, and this is unacceptable because the Defendant has already paid double the original amount. This is now blackmail and unjust enrichment.
 - iv. The owner of the company did not sign the original agreement with the Claimant.
 - v. The Claimant has exaggerated its claims.
 - vi. A hearing should be listed before me for the Defendant to present "facts" and defences".
- 17. On 20 February 2025, the Claimant provided a Reply to the Defendant's Memorandum. That Reply noted, inter alia, as follows:
 - The Defendant's conduct unnecessarily prolonged the litigation, directly causing the costs to exceed the original amount disputed. That escalation is directly the responsibility of the Defendant.

- ii. That the principal was not inside the country is misleading, and the nature of the prior payments were in relation to the costs of the first instance proceedings. Prior payments do not cover the costs at issue here: those of the review proceedings, enforcement application and these costs proceedings.
- iii. The allegations made of blackmail and unjust enrichment are highly inappropriate and egregious, and also entirely unsubstantiated. I should consider imposing extra costs for the time the Claimant has spent on addressing these claims.
- iv. The issue of whether or not the individual in question signed the original agreement is irrelevant to the issue at hand before me.
- v. None of the claims made are exaggerated and have been substantiated by documentary evidence.

Hearing request

- 18. As noted, the Defendant has requested a hearing. I refuse this application for the following reasons (although I am not obliged to conduct costs hearings: *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (F) 1, paragraph 22). The issues at hand are very simple. The Defendant did not satisfy the 4 September 2024 debt promptly. Therefore, the Claimant initiated enforcement proceedings. The Defendant then sought a review of the 4 September 2024 judgment which resulted in a submission being sought from the Claimant on the issues. That review was unsuccessful, and the Claimant was awarded its reasonable costs. Therefore, the Claimant is entitled to its reasonable costs of the enforcement proceedings (this stems from the original order of the First Instance Circuit on 30 March 2024 awarding it its reasonable costs of the proceedings). It is also entitled to its costs of the review proceedings stemming from the First Instance Circuit's order dated 10 December 2024. It is also entitled to its costs of this costs assessment.
- 19. It is plain to me that these relatively simple issues can be determined on the papers before me, rendering the value of a hearing minimal to none. Moreover, a hearing will

incur yet more costs. The parties would be asked to exchange brief submissions prior to the hearing and there would also be representation costs for the Claimant at the hearing to which it would be prima facie entitled as part of the costs of this costs assessment. This would do the very thing of which the Defendant complains: drive up costs further.

Analysis

Hourly rates

20. As a preliminary, the rates that the Claimant is claiming – see paragraph 12, above – are in line with the professional rates for international law firms in Doha. This is made out from a number of costs judgments, many of which are noted at paragraph 9, above, and I will therefore make no reductions to those headline rates.

Review proceedings

- 21. The Claimant expended 29.8 hours on this phase of the proceedings, totalling QAR 72,564. The breakdown is provided in a ledger submitted by the Claimant and the spread of work is 4 hours by the partner, 9.4 hours by the senior associate, 1.8 hours from the associate, and 14.6 hours from the paralegal.
- 22. The Response to the Defendant's application for a review dated 19 November 2024 was a comprehensive and useful document of some 8 pages of closely typed text. It systematically responded to the points raised by the Defendant.
- 23. That said, whilst the items noted on the ledger are reasonable incurred, they are not all in my view reasonable in amount, with too much time expended on various items. I ought to note that the review judgment was issued on 10 December 2024 and prior to that point a little under 22 hours had therefore been expended on preparing the actual submission in the review proceedings. Of those circa 22 hours, some 18.4 are accounted for in the ledger in relation to the actual preparation of the response to the application for review.
- 24. In relation to the actual preparation of the document of response, my view is that 12 hours are appropriate. The split for this work should ideally be 8 hours for a senior associate, 2 hours for a paralegal, and circa 2.5 hours for the partner. It is normal for a

senior associate to take the lead on drafting documentation for Court and there is no obligation on a law firm simply to delegate the work down to the cheapest fee earner. My view is that it was reasonable delegation for the senior associate to take the lead in this case. The application for review was a brief document but the response did require some thought, care, and review of documentation in the case. The sum I award for the preparation of the response is, therefore, **QAR 36,310**.

- 25. As for ancillary work that neatly fits into the review proceedings phase, such as brief meetings upon receipt of the application for review, reviewing the final judgment of the First Instance Circuit of 10 December 2024, collecting relevant documentation for the preparation of the Response, considering next steps following the judgment of 10 December 2024 etc, I am of the view that 6 hours is appropriate, split into 1.5 partner hours, 1.5 associate hours, and 3 paralegal hours (I also make it clear that I am not double counting when I assess the costs in either of the other two phases later in this judgment). That total sum comes to **QAR 14,865**.
- 26. My preliminary figure for the review phase of the proceedings is therefore **QAR 51,175**. This is, in my view, a reasonable sum for a case of this type for all work connected to responding to what is effectively an appeal (although the term "review" is used in the Court's Regulations and Procedural Rules).

Enforcement proceedings

- 27. My judgment of 4 September 2024 directed that the Defendant pay the Claimant the sum of QAR 143,000 forthwith. According to the Court's records, the Registry received an email on 12 December 2024 confirming that the sum of QAR 143,000 had been deposited into the Court's bank account to satisfy that sum. That was some 3 months after the sum was actually due pursuant to the judgment. Therefore, in that intervening period, the Claimant commenced enforcement proceedings as it was entitled to do.
- 28. It now claims 8.4 hours of work amounting to QAR 19,477 for those enforcement proceedings which spanned from September 2024 to November 2024. There are 2.6 partner hours claimed and 5.8 paralegal hours claimed.

- 29. I repeat what I stated in my earlier judgment, *Eversheds Sutherland (International) LLP v Harinsa Contracting Company (Qatar) WLL* [2024] QIC (C) 6 at paragraph 25 that, "... enforcement proceedings are not straightforward".
- 30. Indeed, as it has done throughout this case, the Claimant attempted to engage with the Defendant as to the payment of this sum, including by email on 8 September 2024 requesting payment of the sum. No payment was forthcoming.
- 31. The division of work that the Claimant expended on this phase of the proceedings was appropriate, with the bulk being done by a paralegal, with some partner input. The ledger demonstrates that the items are all reasonably incurred. However, a number of items appear to have taken a little too long (e.g. email drafting on 10 October 2024 or 2 September 2024). There is also a little duplication with reviewing the review judgment or costs judgment which would have been done in the review phase of the proceedings.
- 32. I will allow 6 hours of work on this phase with 2 hours of partner input (bearing in mind that one of these hours was a meeting with the Defendant at its request and other necessary exchanges with the Defendant) and 4 hours of paralegal input. This equates to QAR 14,200.

Costs assessment

- 33. The Claimant has claimed some 19.5 hours of work, totalling QAR 37,726 for this phase of the work, with 0.8 partner hours of input, 2.4 hours of senior associate input, and 16.30 hours of paralegal input. Virtually all of the time claimed is for drafting the application for costs. First, I ought to record that the division of work here is entirely appropriate and proper.
- 34. The costs application is a comprehensive document which covers three phases of work review, enforcement and costs. It systematically sets out the Claimant's position and certainly required thought and care. It also helpfully recounts the Defendant's conduct in these proceedings and explains why that conduct needlessly prolonged the litigation and increased the costs.
- 35. The Claimant also drafted a reply to the Defendant's response to the costs application.

- 36. As carefully and thoughtfully drafted as the costs submissions are, my view is that they might have been drafted with more expedition, and my view is that 19.5 hours equating to nearly QAR 40,000 is too high.
- 37. Looking at the matter in the round, giving the Claimant credit for helpfully setting out the matters relevant to conduct (see further analysis below), and also for responding to the unfounded and entirely improper allegations made by the Defendant in its response of "blackmail", I will allow **QAR 24,625** as reasonable for this phase of the work (which, roughly equates to roughly 10 hours of paralegal time, plus two hours by way of a blended rate encompassing a partner and a junior associate for the checking of the submissions and consideration prior to filing).
- 38. Following deductions, therefore, the preliminary figure I have reached is **QAR 90,000**.

The Defendant's arguments

- 39. Briefly addressing the Defendant's arguments at this stage given that it did not attack any specific items on any of the ledgers provided by the Claimant, but instead made more broad points in its Response submission.
- 40. That the Defendant and/or its representative did not know about the proceedings initially is not relevant to my analysis. The First Instance Circuit has made an order upholding the QAR 143,000 awarded in my 4 September 2024 judgment and I cannot go behind that.
- 41. As to the submission by the Defendant that the costs that it has already paid are more than double the original amount claimed: the Claimant was awarded QAR 111,809.65 by the First Instance Circuit on 30 March 2024. I awarded the Claimant QAR 143,000 in terms of its reasonable costs for the proceedings before the First Instance Circuit. Those amounts have been satisfied by the Defendant, albeit belatedly. The costs claimed now are for separate matters in relation to which the Claimant is entitled to claim and therefore this point goes nowhere.
- 42. That the Claimant's original costs claim was "extremely high", is not a matter relevant to the issues before me. I have above analysed the costs claimed as part of this stream

of the litigation and have provided my reasons for awarding the sum that I ultimately award.

43. I reject that the Claimant is blackmailing the Defendant or is being unjustly enriched. It is simply enforcing its legal rights. I also reject that the Claimant has exaggerated its claims: there is absolutely no evidence of this.

Reasonableness

44. Taking a step back and having noted that the sums that I have awarded for the individual phases of work are prima facie reasonable, I briefly consider whether in the round this figure is reasonable (and proportionate).

Conduct and avoiding litigation

45. Conduct is particularly important in this case. For background, I reproduce below what I noted at paragraph 33 of my judgment on costs of 4 September 2024:

The conduct of the Defendant has been poor. It incurred a debt to the Claimant, did not satisfy the debt, and then did not engage properly or at all with preaction correspondence which would potentially have obviated the need for litigation. Then, when the litigation commenced, it agreed on 17 January 2024 to pay QAR 91,000 in full and final settlement of these proceedings, less than the Claimant was awarded in the judgment of 30 March 2024 (as noted in paragraph 20, the costs at that stage were significantly less than were eventually generated by the Claimant's work). The Defendant then ignored the judgment and ignored the Claimant's efforts to collect the money, thereby compelling the Claimant to enforce. Only some months later, deep into the enforcement process, did the Defendant satisfy the judgment debt. The Claimant ultimately sought a little under QAR 112,000 and was fully successful in this claim. The Defendant then paid that very same amount in July 2024. Therefore, this litigation could have been entirely avoided with proper engagement from the Defendant, and it is entirely possible that the judgment sum could have been accepted prior to the claim being issued.

46. Taking that analysis further, therefore, had the Defendant engaged properly, none of the litigation costs that it has paid, including that those which it will be ordered to pay in this judgment, would have been incurred. That said, I make it clear for the Defendant that the costs it is being ordered to pay in this judgment relate to the review proceedings, the enforcement proceedings relating to the 4 September 2024 order and this costs assessment.

- 47. Indeed, since the costs judgment of 4 September 2024 was handed down, the Defendant continued the same pattern of behaviour in not satisfying the debt of QAR 143,000 resulting in enforcement action that need not even have started, particularly as the Defendant then paid the sum in question on 12 December 2024. That enforcement action generated costs which are now being awarded to the Claimant in this judgment.
- 48. The Claimant has shown a consistent pattern of proper engagement and has sought to avoid each phase of litigation. It is disappointing that the Defendant has chosen not to engage, and therefore has in the matters described above clearly increased the costs in this matter needlessly.
- 49. I make it clear that the Defendant was perfectly entitled to seek a review of the judgment of 4 September 2024, but the order was not suspended pending the determination of that review. The Defendant had the option of lodging the sum into Court which would have prevented any enforcement action, but it chose not to do so, only to pay the full sum in any event on 12 December 2024.
- 50. On any measure, as noted above, the Claimant has sought to avoid litigation at each stage. Although not relevant to this particular assessment, its letters of 22 August 2023 and 8 January 2024 demonstrate a pattern of behaviour that is to be commended. That continued into the phases of work relevant to this judgment with an email to the Defendant dated 8 September 2024 to the Defendant following the judgment of 4 September 2024. Had the Defendant engaged, as noted, enforcement would not have been necessary.
- 51. Indeed, the First Instance Circuit also commented on the Defendant's general conduct at paragraph 34 of its 12 December 2024 judgment as follows:

This observation underscores that the Defendant's uncooperative approach and failure meaningfully to engage led to the Registrar's costs order against them — costs that could have been entirely avoided. As the Registrar correctly concluded, the Defendant's conduct forced the Claimant to pursue litigation when a more constructive and responsive attitude could have led to an earlier resolution, avoiding the necessity for the costs order the Registrar has made against the Defendant.

<u>Offers</u>

52. Given that this judgment concerns an application for a review, the costs of that review, and enforcement costs, it is difficult to see how the Claimant might have made reasonable offers. That said, as noted above, an email was sent to the Defendant on 8 September 2024 seeking the judgment sum of QAR 143,000 – had that sum been paid at that stage, these costs would have been reduced, particularly in circumstances when it was paid in full in any event.

Success

53. The Claimant was entirely successful in the review proceedings, and indeed in the enforcement process as the Defendant paid the full sum owed to the Claimant on 12 December 2024.

Proportionality

- 54. The preliminary sum is QAR 90,000. The "amount or value involved" (see paragraph 7(i) of Practice Direction No. 2 of 2024 Costs) for these purposes is QAR 143,000. This is the sum that the Defendant challenged on review to the First Instance Circuit, and this is the sum in relation to which the Claimant responded to the application for review, the sum in relation to which the Claimant sought enforcement, and now costs.
- 55. Set side-by-side, I am of the view that QAR 90,000 is entirely proportionate when set against a debt of QAR 143,000. As I have said many times before, there is a minimum amount that a law firm must expend in litigation on its own account. Indeed, the QAR 90,000 comprises three separate streams of work streams of work made necessary by the Defendant's own decisions and actions the review proceedings, the enforcement proceedings, and these costs proceedings.
- 56. The matters were not complex, difficult or novel, but required care and attention and some degree of thought. My view is that the sums that I have awarded for each phase of the work reflect the quantum of work necessary to conduct this litigation properly. The time allocations for each phase of the work are, in my view, necessary and indeed proportionate, as is the relative division of work now, that I have made the reductions that I have.

- 57. The Claimant has undertaken its work on this unfortunate case with skill and care, and has acted properly throughout.
- 58. I am therefore satisfied that the preliminary sum of QAR 90,000 is reasonable. As I have found this sum proportionate, the question of indemnity costs falls away.

Further note for parties in costs proceedings

- 59. Parties must understand that this is a Court with specific costs rules. The standard order in cases is that the unsuccessful party must pay the successful party its reasonable costs. This is made clear in article 33 of the Court's Regulations and Procedural Rules. Costs will usually be incurred by parties at each stage of proceedings.
- 60. By way of illustration, the costs judgment of 4 September 2024 covered the costs of the proceedings before the First Instance Circuit along with enforcement costs relating to that specific judgment. If there is an appeal or an application for review, and the Respondent to that set of proceedings is directed to respond, that will incur further costs. Enforcement proceedings incur costs. Costs proceedings themselves incur costs. The unsuccessful party will usually be directed to pay these costs. Therefore, a successful party claiming these costs is acting entirely properly if it seeks to recoup its costs in the manner that has been done in this case.
- 61. I have also noted this in previous judgments, but it must not come as a surprise to parties before this Court that successful opponents, including international law firms acting on their own account, will seek legitimately to recover their costs, and that those costs may be significant.
- 62. It is also critical that parties understand how that their conduct or potential conduct may push costs up. By way of example, not satisfying judgments which results in enforcement proceedings pushes costs up. By way of further example, refusing to engage in settlement negotiations may push up costs.
- 63. Parties coming before the Court for these proceedings must familiar themselves with processes and procedures of this Court. There is a significant volume of helpful material including the Regulations and Procedural Rules, the User Guide (the Maroon Book),

and the Practice Directions. All of these are available on the Court's website in both Arabic and English.

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 was represented by the Al Faris Law Firm and Legal Consultancy (Doha, Qatar).