



مركز حكمة 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: [2020] QIC (F) 1

**IN THE CIVIL AND COMMERCIAL COURT
OF THE QATAR FINANCIAL CENTRE
FIRST INSTANCE CIRCUIT**

6 February 2020

CASE No. CTFIC0001/2019

BETWEEN:

BADRI AND SALIM ELMEOUCHI LLP

Claimant

v

DATA MANAGERS INTERNATIONAL LIMITED

Defendant

JUDGMENT

(concerning jurisdiction)

Before:

Justice Frances Kirkham

Justice Fritz Brand

Justice Helen Mountfield QC

ORDER

1. The Court has the jurisdiction to determine this dispute;
2. By no later than 4pm on 20 February 2020, the parties are to confirm with the Registrar whether they are content for the Court to deal with the substantive dispute on the papers, or whether they request an oral hearing; and
3. The costs of determining the jurisdictional issue are reserved.

JUDGMENT

Preliminary issue on jurisdiction

1. This is a claim, brought in the Qatar International Court, by Badri and Salim Elmeouchi LLP (“the Claimant”) against Data Managers International Limited (“the Defendant”). The claim is for unpaid legal fees and interest. It is not in dispute that the parties entered into a contractual relationship, but the Defendant resists the claim on two bases. First, it says that this Court lacks jurisdiction over the claim. Secondly, it disputes its liability to pay the sums sought on the basis of a challenge to the quality of the work which the Claimant undertook for it.
2. The issue of whether this Court has jurisdiction over this dispute is a matter for the Court to determine of its own motion and must be resolved before the Court can consider (if it has jurisdiction to do so) the merits of the underlying substantive dispute. The Court has accordingly decided to deal with this preliminary issue on the papers.

The law concerning jurisdiction

3. The Qatar Financial Centre (“the QFC”) was established by QFC Law No 7/2005. Article 8.3(c) of the QFC Law provides, so far as is material:

“Pursuant to this law, a court called the "The Civil and Commercial Court of The Qatar Financial Center" is hereby established as set out

in the following. The First Instance Circuit of the Court shall have the jurisdiction to hear the following disputes:

c.1 Civil and commercial disputes arising from transactions, contracts, arrangements or incidences taking place in or from the QFC between the entities established therein.

c.2- Civil and commercial disputes arising between the QFC authorities or institutions and the entities established therein.

c.3 Civil and commercial disputes arising between entities established in the QFC and contractors therewith and employees thereof, unless the parties agree otherwise.

c.4 Civil and commercial disputes arising from transactions, contracts or arrangements taking place between entities established within the QFC and residents of The State, or entities established in the State but outside the QFC, unless the parties agree otherwise.”

4. Article 9 of the Court’s Regulations and Procedural Rules provides:

“9.1 The Court has jurisdiction, as provided by Article 8.3(c) of the QFC Law, in relation to:

9.1.1 Civil and commercial disputes arising from transactions, contracts, and arrangements or incidences taking place in or from the QFC between the entities established therein;

9.1.2 Civil and commercial disputes arising between QFC institutions and the other entities established therein;

9.1.3 Civil and commercial disputes arising between entities established in the QFC and contractors therewith and employees thereof, unless the parties agree otherwise;

9.1.4 Civil and commercial disputes arising from transactions, contracts or arrangements taking place between entities established within the QFC and residents of the State, or entities established in the State but outside the QFC, unless the parties agree otherwise.”

5. In the case of *Daman Health Insurance Qatar LLC v Al Bawakir Company Ltd* [2017] QIC (F) 2, a claimant brought a claim against a defendant for unpaid insurance

premiums. Although the claimant was a QFC incorporated entity, the defendant was incorporated in the State of Qatar but outside the QFC. The agreement between the parties contained no terms setting out which court would have jurisdiction in the event of a dispute, and the defendant argued that the laws of Qatar rather than the laws of the QFC should prevail, and the civil courts of the State should have jurisdiction to determine the matter, not this Court.

6. The Court observed that Article 8.3(c)(4) of the QFC Law grants jurisdiction to the Court in disputes between QFC and non-QFC parties and established a presumption that the Court would have jurisdiction “unless the parties agree otherwise.” In that case, the parties had not agreed, implicitly or explicitly, that any court other than this Court had jurisdiction. The Court held that it could assume jurisdiction over the dispute between one QFC party and a non-QFC party where the QFC Law is applicable, in the absence of a specific agreement to the contrary.

Factual Background

7. The factual background to the dispute which arises in the present case is set out in the submissions and documents filed by the parties and is as follows. The Claimant is a supplier of legal services with offices in Lebanon and Qatar. It is licensed in Qatar by the Qatar Financial Centre Authority (“the QFCA”). The Defendant is a company registered in Ireland.
8. At least the majority of the relationship between the parties appears to have been conducted by email. We note that the Claimant’s emails refer to both the Beirut and Doha office addresses, and record that the Qatar entity is licenced by the QFCA.
9. On 20 January 2016, Maryline Kalaydjian of the Claimant sent the Defendant a fee quotation for legal work relating to the Defendant’s proposed activities in Ireland and the Isle of Man. It is not clear from the email which of the Claimant’s offices the email was sent from, but we note that the Claimant’s email referred to how fees would be billed and made reference to the position regarding Value Added Tax in Qatar. There was no overt reference to jurisdiction.

10. A meeting was held between the parties in February 2016. (The Claimant submits that the meeting took place in Beirut, not Qatar, at its request: but little turns on this).
11. The Claimant sent the Defendant four invoices in respect of their work, which emanated from their Qatar office. The Claimant also appears to have issued two credit notes, dated March 2017, both of which also show the Qatar office address.

The jurisdiction dispute

12. The Defendant disputes that the Court has jurisdiction to consider the substance of this dispute. It submits that there is no agreement that this Court has jurisdiction and consequently it does not do so, because, as its submissions put the matter, “the Court’s regulations state that it only looks at conflicts between entities established in Qatar” and – it is said – both parties are domiciled in Lebanon.
13. The Claimant does not challenge the Defendant’s submission that it is not itself established in Qatar. It also accepts that there is no evidence of positive ‘consent to jurisdiction’ by the Defendant. However, it submits that no such consent is required.
14. Rather, the Claimant’s case is that this Court does have jurisdiction over this dispute irrespective of where the Defendant is domiciled, because the Claimant itself is a QFC licenced entity, which renders it a party ‘established’ in the QFC. Consequently, the Claimant submits, this is a “civil and commercial dispute arising between entities established in the QFC and contractors therewith and employees thereof unless the parties agree otherwise” and falls within the ambit of the Court’s jurisdiction under Article 8.3(c) of the QFC Law and Article 9.1.3 of the Regulations. In its submissions, the Claimant explains that it cited the correspondence between the parties not positively to establish jurisdiction, but rather to show that nothing in the documentation expressly or impliedly negatives the jurisdiction which the Court otherwise has (it says) if one of the parties is established in the QFC.

Resolution of the jurisdiction issue

15. In our judgment

- a. The Claimant is right to say that being licenced by the QFC and having a presence in the QFC is enough to make it an entity “established” in the QFC (even if it is also established elsewhere);
- b. The Defendant is wrong to interpret Article 8.3(c) of the QFC Law and Article 9.1.3 of the Regulations as meaning that this Court’s jurisdiction arises only in relation to ‘conflicts between entities established in QFC’: this is a misreading of the legislation. Jurisdiction arises even in a dispute where only one entity is established in the QFC, and the dispute arises between that entity and a ‘contractor therewith’ (wherever the contractor is established) unless the parties agreed to oust that jurisdiction; and
- c. That being so, jurisdiction arises unless the parties have agreed to the contrary, since the Defendant – though not itself established in the QFC - is a contractor with the Claimant which is.

16. The Court has reached this interpretation of the law without recourse to authority but is reinforced in its view by the decision of the Court in the *Daman Health Insurance* case.

17. Accordingly, the Court has jurisdiction over the dispute.

Further directions

18. The parties’ views are now sought in relation to the timetable for further resolution of this dispute. The Court is currently of the view that, in order to solve this dispute in a timely and proportionate manner, this case might be dealt with on the papers, rather than that at an oral hearing.

19. The parties are ordered to inform the Court within 14 days of this order if they accept that this is an appropriate and proportionate way of dealing with the matter.

20. The costs of determining this jurisdictional issue are reserved.

By the Court,

Helen Mountfield

Justice Helen Mountfield QC

