

Benjamin Pilling KC and Daniel Khoo obtain freezing injunction in €19 million arbitration enforcement claim

On 20 June 2018 Christopher Butcher J handed down judgment in the Commercial Court on an application for freezing relief in a long-running dispute between two Seychellois companies, Eastern European Engineering Ltd (“EEEL”) and Vijay Construction (Proprietary) Ltd (“Vijay”). EEEL was successful in a Paris-seated ICC arbitration, and following that arbitration there has been litigation in France, the Seychelles and England.

In England, EEEL has brought a claim pursuant to section 101 of the Arbitration Act 1996 to enforce its arbitration award (the amount owed standing in excess of €19 million). Within the enforcement proceedings EEEL sought worldwide freezing relief against Vijay. Vijay argued that the Court had no jurisdiction to grant worldwide freezing relief, as the seat of the arbitration was not England and Wales and that none of the jurisdictional gateways in (i) CPR 6PDB 3.1(2), (ii) s. 44(2)(e) Arbitration Act 1996, and (iii) s. 25 Civil Jurisdiction and Judgments Act (“CJJA”) 1982 and CJJA (Interim Relief) Order 1997 gave the Court jurisdiction.

The Court rejected Vijay’s arguments on jurisdiction and held that it did have jurisdiction to grant worldwide freezing relief. As a matter of discretion, the Court granted domestic (as opposed to worldwide) freezing relief.

A copy of the judgment is available [click here](#).

Benjamin Pilling KC and Daniel Khoo acted for the successful applicant (instructed by Cooke, Young & Keidan LLP).