

**INTERNATIONAL CENTRE FOR THE SETTLEMENT OF  
INVESTMENT DISPUTES**

**GABRIEL RESOURCES LTD.  
AND GABRIEL RESOURCES (JERSEY) LTD.**

Claimants

**VS.**

**ROMANIA**

Respondent

**ICSID CASE NO. ARB/15/31**

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**RESPONDENT'S COMMENTS  
ON THE CLAIMANTS' COSTS SUBMISSION**

6 January 2023

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**LALIVE**

**LDDP**  
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## 1 INTRODUCTION

- 1 The Respondent provides these comments to the Claimants' Costs Submission of 16 December 2022 in accordance with the Tribunal's communications of 2 and 8 December 2022.<sup>1</sup>
- 2 The Tribunal should dismiss the Claimants' request that the Respondent be ordered to bear the Claimants' staggering "full costs ... totaling USD 63,805,919" as well as interest,<sup>2</sup> and instead order the Claimants to bear all of the Respondent's costs.<sup>3</sup>

## 2 THE RESPONDENT SHOULD NOT BEAR THE CLAIMANTS' UNREASONABLE COSTS

- 3 The Parties agree that the Tribunal has broad discretion to allocate costs under Article 61(2) of the ICSID Convention and that the Tribunal should be guided by the principle that costs follow the event, provided the Tribunal finds these costs to be reasonable.<sup>4</sup>
- 4 Nevertheless, in the unlikely event the Claimants should prevail on any of their claims, they should not be awarded their unreasonably high fees and expenses (**Section 2.1**).<sup>5</sup> The Tribunal should also account for the Claimants' unsuccessful provisional measures applications and their failure to present their case in a timely and efficient manner, by awarding the Respondent the costs that it unnecessarily incurred as a result of the Claimants' behavior, and by ordering the Claimants to bear their own corresponding costs (**Section 2.2**).

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<sup>1</sup> In its Submission on Costs, the Respondent mistakenly omitted a payment of USD 200,000 to ICSID made on 9 September 2020. The correct amount of ICSID/Tribunal Fees incurred by the Respondent is **USD 1,250,000**. The Respondent provides a corrected Annex for the Tribunal's convenience.

<sup>2</sup> Claimants' Costs Submission, p. 10 (para. 18).

<sup>3</sup> Respondent's Submission on Costs, p. 2 *et seq.* (Section 3).

<sup>4</sup> Respondent's Submission on Costs, p. 1 *et seq.* (paras. 3-4); Claimants' Costs Submission, p. 1 *et seq.* (paras. 2-5).

<sup>5</sup> *PNG Sustainable Development Program Ltd. v. Independent State of Papua New Guinea*, Award, ICSID Case No. ARB/13/33, 5 May 2015, at **Exhibit CLA-213**, p. 148 *et seq.* (para. 406) ("The Tribunal considers that its decision on costs allocation should generally be guided by: (...) the reasonableness of the parties' legal costs, including any material disproportion that may exist between the parties' respective costs.").

## 2.1 The Claimants' legal fees and expenses are not reasonable

5 Notwithstanding complexity of this case, the fees and expenses incurred by the Claimants are unjustifiably high by any standard (and not only when compared to the Respondent's own costs) (**Section 2.1.1**). Moreover, the Claimants' attempt to justify their excessively high fees by reference to four factors considered by other tribunals to assess the reasonableness of costs fails. These factors do not support the Claimants' position (**Section 2.1.2**). The Claimants also fail to defend their excessively high fees by pointing to a cherry-picked selection of cases (**Section 2.1.3**). Finally, the Claimants' distorted description of the record must be corrected (**Section 2.1.4**).

### 2.1.1 There is no justification for the disparity between the Parties' legal fees and expenses

6 The Claimants have quantified the fees and expenses of their counsel at USD 56,565,597 (USD 47,466,308 for their international counsel and USD 9,099,289 for their Romanian counsel),<sup>6</sup> which stands in stark contrast with the Respondent's counsel fees and expenses of approximately USD 12,722,000 (using today's conversion rate)<sup>7</sup>, *i.e.*, approximately 4.5 times less. The Claimants have also quantified the fees of their quantum experts at USD 3,918,073,<sup>8</sup> while the Respondent incurred EUR 483,833.01 and USD 1,462,880.44,<sup>9</sup> *i.e.*, approximately half.

7 **There can be no justification for such a staggering disparity in fees and expenses.** Indeed, the fees of the Claimants' Romanian counsel – by themselves – amount to over 70% of the Respondent's **total** legal fees. Whereas in some investment arbitration awards tribunals have noted a disparity in fees because the claimant had retained international counsel whereas the respondent had not,<sup>10</sup> in these proceedings **both Parties have retained reputable international counsel and Romanian co-counsel**. Moreover, a difference in the scope of work between the Parties similarly cannot excuse the excessive disparity in fees and

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<sup>6</sup> Claimants' Costs Submission, p. 9.

<sup>7</sup> Respondent's Submission on Costs, p. 3.

<sup>8</sup> Claimants' Costs Submission, p. 9.

<sup>9</sup> Respondent's Submission on Costs, p. 3.

<sup>10</sup> See *e.g.*, *Zhongshan Fucheng Industrial Investment Co. Ltd. v. Federal Republic of Nigeria*, Final Award, 26 March 2021, at **Exhibit RLA-220**, p. 44 *et seq.* (para. 190).

expenses. While the Claimants bear the burden of proof in relation to their claims and allegations, the Respondent bears the burden of proof in relation to their defenses. The Respondent was also required to investigate and defend against a host of ever-changing and unmeritorious claims and unsubstantiated allegations.

- 8 The disparity between the fees and expenses of the Parties' quantum experts is similarly unjustifiable. Compass Lexecon and CRA are both internationally recognized quantum experts and the scope of work undertaken by the Claimants' quantum experts is not greater than that undertaken by the Respondent. Quite the opposite, since Compass Lexecon did not address the valuation that CRA provided under the assumption that the only damages incurred by the Claimants would be caused by delay to the Project.<sup>11</sup>
- 9 The principle that costs should follow the event cannot apply where a claimant's costs are unreasonable. The Tribunal should be guided by the Respondent's costs and expenses when determining reasonableness.<sup>12</sup>

### **2.1.2 The size and complexity of this case do not justify the amount of the Claimants' legal fees and expenses**

- 10 In an attempt to establish the reasonableness of their costs, the Claimants purport to apply various "factors" that tribunals have considered when assessing the reasonableness of a party's costs, specifically the length of the proceedings, the

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<sup>11</sup> **CL Report II**, p. 9 (fn. 11) ("We understand that Dr. Burrows, upon instruction by Respondent's Counsel, presents damages under two different scenarios: (1) an expropriation scenario that assumes that Claimants lost the entire value of the Project Rights, and (2) a delay scenario that assumes Romania's actions have only, at worst, delayed Claimants in developing the Project Rights. See CRA Report, ¶¶ 19-20. Because we were instructed to assume that Claimants have effectively lost the Project Rights, we only discuss Dr. Burrows's damages assessment under the expropriation scenario in this report.").

<sup>12</sup> The Claimants cite two cases to support the contention that the mere fact that a party has paid its costs suggests that these costs are reasonable. Claimants' Costs Submission, p. 4 (fn. 18). This position is misguided and is contradicted by every award that has ever rejected or reduced a party's costs. As one investment arbitration award noted, "costs payable by a successful party to its legal representatives and expert witnesses in connection with proceedings may well be reasonable as between [...] payer and payee, but that does not mean that it would be reasonable to award those costs in full as against the other party to the proceedings." *Zhongshan Fucheng Industrial Investment Co. Ltd. v. Federal Republic of Nigeria*, Final Award, 26 March 2021, at **Exhibit RLA-220**, p. 44 (para. 189). **Indeed, the applicable standard for assessing the reasonableness of costs is an objective one, whereas a party's willingness to pay its costs is subjective.** Accordingly, the mere fact that the Claimants paid their costs does nothing to establish their reasonableness.

volume of the evidentiary record, the complexity of the disputed issues, and the amount of compensation requested.<sup>13</sup> However, these factors do not support the Claimants' position.

- 11 First, while the Claimants refer to the complexity of the case and the "massive" record,<sup>14</sup> the Respondent and its experts also had to address the same issues and review the same record. Therefore, the complexity of the case and the size of the record do not excuse the egregious disparity between the Parties' fees and expenses.
- 12 Second, the Claimants emphasize that they are "two separate juridical entities with separate claims subject to separate defenses each under a different treaty."<sup>15</sup> The Claimants disregard that they both sought compensation for the same alleged losses, on the basis of the same facts and joint submissions, and were represented by the same counsel.<sup>16</sup> The Claimants' argument is also contradicted by their conduct throughout the proceedings, where they have sought to minimize the distinction between the two entities<sup>17</sup> and between the two BITs.<sup>18</sup> Such a distinction would in any event fail to account for the enormous amount of fees and expenses claimed by the Claimants.
- 13 Third, while the Claimants point to the amount they claim and contend that the "stakes also are high",<sup>19</sup> the stakes by themselves are not a yardstick to measure

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<sup>13</sup> Claimants' Costs Submission, p. 2 *et seq.* (paras. 7-10) (referring to the length of the proceedings, the volume of the record, the complexity of the disputed issues, and the amount of compensation requested).

<sup>14</sup> Claimants' Costs Submission, p. 2 *et seq.* (paras. 8-9).

<sup>15</sup> Claimants' Costs Submission, p. 2 *et seq.* (para. 9).

<sup>16</sup> See *e.g.*, Memorial, p. 377 *et seq.* (paras. 836 and 840) (noting that both Gabriel Canada's and Gabriel Jersey's "losses entail, most prominently, the loss of the value of the rights to develop the Roşia Montană Project and the Bucium Projects, the rights to which it enjoyed through its indirect ownership interest in RMGC").

<sup>17</sup> See *e.g.*, Counter-Memorial, p. 193 (para. 498) ("The Claimants present their claims as claims of "Gabriel", without distinguishing between claims made by Gabriel Canada and those made by Gabriel Jersey.").

<sup>18</sup> *E.g.*, Memorial, p. 282 *et seq.* (Section X.A.2.b.) ("Romania's Obligation to Accord Fair and Equitable Treatment Is the Same in Both BITs"); p. 316 (para. 707) ("the UK-Romania BIT and the Canada-Romania BIT contain the same standard and thus the same obligation for Romania to provide full protection and security"); p. 342 (para. 755) ("both treaties oblige Romania not to expropriate unless certain conditions, including the obligation to compensate, are fulfilled.").

<sup>19</sup> Claimants' Costs Submission, p. 3 (para. 10).

what costs are reasonably required for legal representation. Indeed, the “stakes” fail to explain why the Claimants’ legal fees and expenses are 4.5 times the size of the Respondent’s, who faces the very same stakes. In any event, the Claimants wrongly allege that “[i]t is undisputed that Claimants invested hundreds of millions of dollars to develop the projects”.<sup>20</sup> The Respondent has always disputed the amounts allegedly invested by the Claimants, not the least by requesting such evidence in document production (which request the Claimants objected to and was denied by the Tribunal)<sup>21</sup> and by challenging the admissibility of the Claimants’ belated sunk costs claim, which is in any event neither factually nor legally substantiated.<sup>22</sup>

### **2.1.3 The awards cited by the Claimants do not justify their unreasonably high legal fees and expenses**

- 14 In support of their position, the Claimants refer to four cherry-picked awards, which are notorious for the high costs awarded to claimants.<sup>23</sup> The circumstances in those cases were also distinguishable from the present case. Most importantly, in three out of four of these cases, the parties did not comment on the reasonableness of the other party’s costs. These tribunals thus saw “no reason to question the reasonableness of the costs incurred by the Parties and/or to make deductions with regard to the amount of recoverable costs.”<sup>24</sup> By contrast, here, the Respondent strongly – and rightly – challenges the reasonableness of the Claimants’ legal costs and expenses, such that the Tribunal should not accept the Claimants’ claim at face value.
- 15 Second, the remaining case, *Hulley v. Russia*, weighs against the Claimants’ argument as the Tribunal reduced the costs claimed by the claimant because the

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<sup>20</sup> Claimants’ Costs Submission, p. 3 (para. 10).

<sup>21</sup> Procedural Order No. 10 - Annex B, p. 9 *et seq.* (DPR Requests Nos. 57 and 58).

<sup>22</sup> PHB2-Resp., p. 107 *et seq.* (Section 6.2.6).

<sup>23</sup> Claimants’ Costs Submission, p. 3 *et seq.* (paras. 11-14).

<sup>24</sup> *Tethyan Copper Company Pty Limited v. Islamic Republic of Pakistan*, ICSID Case No. ARB/12/1, Award dated July 12, 2019 (excerpt on costs) dated 12 July 2019, at **Exhibit CL-0343**, p. 618 (para. 1850); see also *ConocoPhillips Petrozuata B.V., ConocoPhillips Hamaca B.V. and ConocoPhillips Gulf of Paria B.V. v. Bolivarian Republic of Venezuela*, ICSID Case No. ARB/07/30, Award dated Mar. 8, 2019 (excerpt on costs) dated 8 March 2019, at **Exhibit CL-0342**, p. 322 (para. 982) (“the Tribunal has no reason to inquire about their substance”); *Rusoro Mining Ltd. v. Bolivarian Republic of Venezuela*, Award, ICSID Case No. ARB(AF)/12/5, 22 August 2016, at **Exhibit CLA-149**, p. 185 (para. 857).

experts' fees were "plainly excessive".<sup>25</sup> As shown above, the same observation manifestly applies to the Claimants' legal fees and expenses (as well as the fees of their quantum experts).

#### **2.1.4 The Claimants' distorted description of the record of the case underscores the unreasonableness of their costs**

- 16 The Claimants allege that a series of "additional factors at issue in this case aggravated Claimants' costs, which likewise should be taken into account when assessing the reasonableness of Claimants' claim in this respect".<sup>26</sup>
- 17 The Respondent accepts that some factors – such as the volume of document production and the non-disputing party submissions – contributed to both Parties' costs, but objects to the majority of those listed by the Claimants as well as their baseless insinuations that the Respondent somehow misbehaved. The following points require clarification:
- a) "Access to Classified and Confidential Documents":<sup>27</sup> the Respondent has already refuted the Claimants' baseless accusations that it failed to cooperate and engage with them during this process.<sup>28</sup> The Tribunal specifically referred in its decision – which the Claimants do not mention – to the "progress made in the declassification (...) as well as the Parties' current negotiations".<sup>29</sup> In fact, the Claimants unduly burdened the early stage of the arbitration by jump-starting their first application for provisional measures, instead of seeking to work with the Respondent. Far from strengthening the Claimants' contention that this factor increased their costs, this application supports the Respondent's request that the Claimants bear the additional costs incurred by both Parties.<sup>30</sup>

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<sup>25</sup> *Hulley Enterprises Limited (Cyprus) v. Russian Federation*, PCA Case No. AA 226, Award dated July 18, 2014 (excerpt on costs) dated 18 July 2014, at **Exhibit CL-0341**, p. 577 (paras. 1883-1886).

<sup>26</sup> Claimants' Costs Submission, p. 5 *et seq.* (para. 16).

<sup>27</sup> Claimants' Costs Submission, p. 5 *et seq.* (para. 16 (a)).

<sup>28</sup> Respondent's Observations to Claimants' Request for Provisional Measures, p. 8 *et seq.* (paras. 27-43); Respondent's Further Observations on Claimants' First Request for Provisional Measures, p. 1 *et seq.* (paras. 3-4 and 10-11) and p. 40 *et seq.* (paras. 103-106 and 108).

<sup>29</sup> Procedural Order No. 2 dated 20 October 2016, p. 7 (para. 35).

<sup>30</sup> Respondent's Submission on Costs, p. 4 *et seq.* (paras. 13 and 15).



- b) “VAT Reassessment”:<sup>31</sup> the Claimants wrongly imply that the VAT assessment procedure was improper. They fail to recall that the Tribunal found in October 2016 that the Claimants failed to provide any evidence that the assessment was “not in accordance with Romania law”.<sup>32</sup> Moreover, their description of the quashing of the tax assessment and insinuations regarding its timing are misleading. Prior to the hearing on 23 September 2016, the VAT assessment at issue was only partially quashed and, as the Claimants fail to mention, a new tax assessment team ordered to carry out a *de novo* assessment. Following the hearing, RMGC then successfully challenged this new assessment before the Romanian courts, which were the proper forum to hear these grievances, not this Tribunal.<sup>33</sup>
- c) “Protecting RMGC Witnesses from Retaliation”:<sup>34</sup> the Claimants baselessly allege that the Respondent carried out criminal and anti-fraud proceedings in retaliation for the arbitration. The Tribunal already noted the lack of evidence for this allegation when dismissing the Claimants’ second request for provisional measures.<sup>35</sup>
- d) “Respondent’s Abusive Rejoinder”:<sup>36</sup> the size and scope of the Rejoinder, including the introduction of new expert and witness evidence, were not at all improper.<sup>37</sup> The Respondent merely responded to the Claimants’ case, which was only fully presented in the Reply.<sup>38</sup> The Respondent did not withhold evidence from its Counter-Memorial, but addressed the Claimants’ new factual

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<sup>31</sup> Claimants’ Costs Submission, p. 6 (para. 16 (b)).

<sup>32</sup> Reasoned Decision on Claimants’ Request for Emergency Temporary Provisional Measures dated 21 October 2016, p. 7 (para. 37); see also Rejoinder, p. 282 (paras. 883-884).

<sup>33</sup> Decision on Claimants’ Second request for provisional measures dated 22 November 2016, p. 7 (para. 32); Rejoinder, p. 282 *et seq.* (para. 885).

<sup>34</sup> Claimants’ Costs Submission, p. 6 *et seq.* (para. 16 (c)).

<sup>35</sup> Decision on Claimants’ Second request for provisional measures dated 22 November 2016, p. 23 *et seq.* (para. 105) (“As to what was asked of the employees of RMGC, it is inappropriate, in the Tribunal’s view, to speculate as to whether they were fishing beyond the ambit of the anti-fraud investigation. No imminent harm or risk on these individuals has been suggested and it is not enough, merely by reason of the interviews and the taking of testimony of the RMGC employees, for the Tribunal to conclude there was any abusive or retaliatory conduct on the part of Respondent.”).

<sup>36</sup> Claimants’ Costs Submission, p. 7 (para. 16 (f)).

<sup>37</sup> Respondent’s Letter dated 9 August 2019, p. 9 *et seq.* (paras. 37-38).

<sup>38</sup> Respondent’s Letter dated 27 August 2019, p. 15 (para. 46).

and witness evidence regarding the 2011-2012 negotiations,<sup>39</sup> their new expert, witness and factual evidence on social licensing issues,<sup>40</sup> their new evidence regarding the TAC meetings,<sup>41</sup> their new expert evidence regarding project financing,<sup>42</sup> their new legal evidence regarding expropriation, administrative challenges and the margin of appreciation of public authorities,<sup>43</sup> their new assertions regarding the unlikelihood of chance finds,<sup>44</sup> and their new expert evidence regarding the assessment of the alleged damage,<sup>45</sup> all of which the Claimants had produced or developed only in their Reply.<sup>46</sup>

- e) “Respondent’s Request to Bifurcate the Hearing”:<sup>47</sup> the Respondent did not make any “tactical decision” in relation to its Rejoinder,<sup>48</sup> nor did it request a change of the procedural schedule in an untimely manner; the Claimants’ insinuation that the Respondent unduly sought to prolong the arbitration is baseless. The Respondent made its request promptly following the Parties’ exchange of the lists of the 33 witnesses and experts they wished to call for cross-examination at the two-week hearing.<sup>49</sup> The Tribunal agreed to bifurcate

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<sup>39</sup> See Respondent’s Letter dated 27 August 2019, p. 16 (paras. 48-50) (through the witness statements of Messrs. Boc, Arifton and Bode, and the declaration of Prime Minister Ponta) and p. 21 (paras. 66-67) (through the second witness statement of Mr. Gaman).

<sup>40</sup> See Respondent’s Letter dated 27 August 2019, p. 17 *et seq.* (paras. 52-65) (through the witness statements of the Rosia Montana residents and the expert reports of Drs. Pop and Stoica).

<sup>41</sup> See Respondent’s Letter dated 27 August 2019, p. 21 (para. 68) (through the second witness statements of Ms. Mocanu).

<sup>42</sup> See Respondent’s Letter dated 27 August 2019, p. 22 (paras. 69-72) (through the expert report of Mr. McCurdy).

<sup>43</sup> See Respondent’s Letter dated 27 August 2019, p. 22 *et seq.* (paras. 73-76) (through the legal opinions of Profs. Sferdian and Bojin, Tofan, and Dragos).

<sup>44</sup> See Respondent’s Letter dated 27 August 2019, p. 25 (paras. 81-82) (through the second expert report of Dr Claughton).

<sup>45</sup> See Respondent’s Letter dated 27 August 2019, p. 26 *et seq.* (paras. 83-88) (through the second expert report of Dr Burrows).

<sup>46</sup> Respondent’s Letter dated 9 August 2019, p. 11 (para. 45) (“The Reply was accompanied by eight witness statements (including two new witness statements) and twelve expert reports (including four new reports) which totaled 1,690 pages. Furthermore, the Claimants submitted over 1,000 new exhibits (including 164 resubmitted exhibits), and produced 77 new legal authorities (including four resubmitted authorities) with their Reply.”).

<sup>47</sup> Claimants’ Costs Submission, p. 8 (para. 16 (g)).

<sup>48</sup> See paragraph 17d) above.

<sup>49</sup> Respondent’s Letter dated 6 September 2019 (noting that 35 witnesses and experts were to be cross-examined).

the hearing because “the time is too tight” (indeed there would have been an average of only approximately 1.5 hours available for each witness and expert) and this “solution will permit a better instruction of the case.”<sup>50</sup> Moreover, the Tribunal specifically noted in its communication that this would “not necessarily prolong the time for a final award, as the Arbitral Tribunal may already start deliberating and deciding on the questions of jurisdiction and liability after the Hearing of December.”<sup>51</sup>

- f) “Respondent’s ‘Rebuttal’ Expert Reports”:<sup>52</sup> the Claimants insinuate that the Respondent untimely produced new evidence from Dr. Brady and Mr. McLoughlin, which they “had to address (...) through cross-examination and argument”. The Claimants omit to mention that these reports were produced, further to the Tribunal’s permission to address the new topics that the Claimants had raised during the direct examination of Ms. Lorincz at the December 2019 hearing and in the rebuttal testimony of Mr. Jeannes.<sup>53</sup>

## **2.2 The Claimants’ procedural conduct (including unsuccessful requests for provisional measures) warrants, in any event, a cost order against them**

- 18 As the Respondent previously explained, when exercising their discretion to allocate costs, tribunals have taken into account the circumstances of the case, including the procedural conduct of the parties, and in particular whether such conduct delayed the proceedings or increased costs unnecessarily.<sup>54</sup> The authorities cited by the Claimants corroborate this principle.<sup>55</sup> In light of the

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<sup>50</sup> Letter from Tribunal dated 15 October 2019, p. 2.

<sup>51</sup> Letter from Tribunal dated 15 October 2019, p. 2.

<sup>52</sup> Claimants’ Costs Submission, p. 8 (para. 16 (h)).

<sup>53</sup> Respondent’s Letter dated 10 April 2020.

<sup>54</sup> Respondent’s Submission on Costs, p. 1 *et seq.* (para. 4).

<sup>55</sup> See *e.g.*, *ConocoPhillips Petrozuata B.V., ConocoPhillips Hamaca B.V. and ConocoPhillips Gulf of Paria B.V. v. Bolivarian Republic of Venezuela*, ICSID Case No. ARB/07/30, Award dated Mar. 8, 2019 (excerpt on costs) dated 8 March 2019, at **Exhibit CL-0342**, p. 323 (para. 986) (“the prevailing circumstances are generally the outcome of the case and the procedural behavior and efficiency of the parties.”); *Tethyan Copper Company Pty Limited v. Islamic Republic of Pakistan*, ICSID Case No. ARB/12/1, Award dated July 12, 2019 (excerpt on costs) dated 12 July 2019, at **Exhibit CL-0343**, p. 615 (para. 1839) (“certain procedural conduct which resulted in a significant increase of costs on both sides, without there being a justification for such costs from an objective point of view, may also be taken into account in determining the final allocation of costs.”).

Claimants' unsuccessful provisional measures applications and their failure to present their case in a timely and efficient manner, the Respondent should be awarded the costs that it unnecessarily incurred as a result of the Claimants' behavior, regardless of the outcome of the case.<sup>56</sup> *A fortiori*, the Claimants must also bear their own costs in connection with their three unsuccessful applications for provisional measures and their belated alternative claims.<sup>57</sup>

- 19 The Claimants have not presented a chronological breakdown of their costs and expenses despite the Respondent's suggestion.<sup>58</sup> Should the Tribunal abstain from requesting such a breakdown,<sup>59</sup> the Respondent invites the Tribunal to use the Respondent's costs and expenses as guidance when allocating costs. Since the Parties' submissions show that the Claimants generally incurred legal fees and expenses 4.5 times higher than the Respondent, the Tribunal should accordingly order, using its broad discretion, that the Claimants should bear the costs incurred by the Respondent,<sup>60</sup> and bear their own costs in the amounts of **USD 4,393,000**<sup>61</sup> for their failed provisional measures applications, and **USD 7,118,000** for their belated alternative claims.<sup>62</sup>

### 3 PRAYER FOR RELIEF

- 20 For the foregoing reasons, the Respondent respectfully requests that the Tribunal dismiss the Claimants' request for costs and reiterates its request for relief as set out in its Submission on Costs of 16 December 2022.

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<sup>56</sup> Respondent's Submission on Costs, p. 4 *et seq.* (Section 4).

<sup>57</sup> Respondent's Submission on Costs, p. 4 *et seq.* (Section 4) and p. 9 (para. 26).

<sup>58</sup> Respondent's Letter dated 21 November 2022, p. 3 (proposing that "the Parties' submissions should provide, for each category of costs (...), a chronological breakdown that details the dates on which the invoices for the relevant fees and expenses were issued. This will allow the Tribunal to relate the Parties' fees and costs to the relevant phases of the proceedings.").

<sup>59</sup> See Email from the Tribunal dated 2 December 2022 ("each Party may decide whether to provide a chronological breakdown of the invoices in each category. The Tribunal reserves the right to reconsider this issue if a presentation is not clear to a Party or the Tribunal.").

<sup>60</sup> Respondent's Submission on Costs, p. 5 *et seq.* (paras. 15 and 16) and p. 9 (para. 26).

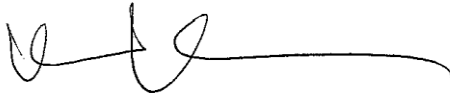
<sup>61</sup> This amount is 4.5 times the amounts claimed by the Respondent in legal fees and expenses incurred in connection with the unsuccessful provisional measures applications. Respondent's Submission on Costs, p. 5 *et seq.* (paras. 15 and 26(a)).

<sup>62</sup> This amount is 4.5 times the amounts claimed by the Respondent in legal fees and expenses incurred to defend against the Claimants' belated alternative claims and 2 times the amounts incurred for Dr. Burrows for this phase. Respondent's Submission on Costs, p. 5 *et seq.* (paras. 16-24 and 26(b)).

Respectfully submitted,

6 January 2023

For and on behalf of Romania,



Veijo Heiskanen  
Matthias Scherer  
Lorraine de Germiny  
Christophe Guibert de Bruet  
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