



CARIBBEAN COURT OF JUSTICE

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MEDIA RELEASE

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CCJ RULES BELIZE GOVERNMENT BREACHED CONTRACT; COMPANY TO BE AWARDED DAMAGES

Port of Spain, Trinidad and Tobago. In a judgment delivered today, the Caribbean Court of Justice (CCJ) granted an appeal in the Appellate Jurisdiction matter of *Belize International Services Limited v Attorney General of Belize*[2020] CCJ 9 (AJ) BZ.

In 1993, Belize International Services Limited (BISL) entered into an agreement with the government of Belize to manage two registries (IMMARBE and IBCR). Under this agreement, the income earned by these two registries was to be deposited in several escrow accounts. From these monies, BISL was entitled to take 40% for expenses and from the remaining net income another 40%. Sixty per cent would be paid to the government. In 2005, the agreement was extended to June 2020 (the Extension Agreement). However, in June 2013, the government forcefully took control of the registries and BISL subsequently accused the government of a breach of contract.

BISL filed a claim on March 26, 2015 against the government for damages resulting from this breach of contract. The government's main defence was that the Extension Agreement went against the Constitution and legislation, which requires all monies for the government to be paid into the Consolidated Revenue Fund. They argued that this made the agreement illegal, void, and unenforceable (the illegality defence).

On October 28 2016, the Honourable Mme Justice Arana in the Supreme Court of Belize decided in favour of the government, finding the Extension Agreement offended the provisions of the Constitution and legislation and that the agreement was therefore unconstitutional, illegal, and void. BISL's claim for the recovery of US\$45 million was dismissed. BISL filed an appeal with the Court of Appeal on 12 December 2016. The appeal was heard by the Honourable Sir Manuel Sosa, Mme Minnet Hafiz-Bertram and Lennox Campbell, Justices of Appeal. The Court of Appeal dismissed the appeal and affirmed the decision of the Supreme Court. BISL then filed an appeal with the CCJ.

Although arriving at their decision for varying reasons, the CCJ judges all found that the government had breached its agreement with BISL and could not rely on the illegality defence to prevent BISL's claim for

damages. Strictly speaking, the payment structure of the agreement did not meet the constitutional and legislative requirements for payment into the Consolidated Revenue Fund, but this was not sufficient to prevent BISL from the recovery of damages. The CCJ ordered that the matter be remitted to the Supreme Court for assessment of damages. Costs were awarded in favour of BISL, to be taxed if not agreed by the parties.

The judgment was delivered by the CCJ comprising the Hon. Mr. Justice Wit, Mr. Justice Anderson, Mme Justice Rajnauth-Lee and Mr. Justice Burgess and Mr. Justice Jamadar. The Appellant was represented by Mr. Eamon Courtenay, SC and Ms. Priscilla Banner and the Respondent was represented by Mr. Justin Simon, QC and Mrs. Samantha Matute-Tucker.

The full judgment of the Court and a judgment summary are available on the Court's website at www.ccj.org.

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About the Caribbean Court of Justice

The Caribbean Court of Justice (CCJ) was inaugurated in Port of Spain, Republic of Trinidad and Tobago on 16 April 2005 and presently has a Bench of seven judges presided over by CCJ President, the Honourable Mr Justice Adrian Saunders. The CCJ has an Original and an Appellate Jurisdiction and is effectively, therefore, two courts in one. In its Original Jurisdiction, it is an international court with exclusive jurisdiction to interpret and apply the rules set out in the Revised Treaty of Chaguaramas (RTC) and to decide disputes arising under it. The RTC established the Caribbean Community (CARICOM) and the CARICOM Single Market and Economy (CSME). In its Original Jurisdiction, the CCJ is critical to the CSME and all 12 Member States which belong to the CSME (including their citizens, businesses, and governments) can access the Court's Original Jurisdiction to protect their rights under the RTC. In its Appellate Jurisdiction, the CCJ is the final court of appeal for criminal and civil matters for those countries in the Caribbean that alter their national Constitutions to enable the CCJ to perform that role. At present, four states access the Court in its Appellate Jurisdiction, these being Barbados, Belize, Dominica and Guyana. However, by signing and ratifying the Agreement Establishing the Caribbean Court of Justice, Member States of the Community have demonstrated a commitment to making the CCJ their final court of appeal. The Court is the realisation of a vision of our ancestors, an expression of independence and a signal of the region's coming of age.

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