

THE REPUBLIC OF UGANDA

**IN THE HIGH COURT OF UGANDA AT KAMPALA
(COMMERCIAL DIVISION)**

**IN THE MATTER OF THE ARBITRATION AND CONCILIATION ACT.
CAP.4
MISCELLANEOUS CAUSE NO. 0017 OF 2023**

ARISING OUT OF MISCELLANEOUS CAUSE NO. 93 OF 2022

GM TUMPECO (U) LIMITED :::APPLICANT

VERSUS

- 1. ATTORNEY GENERAL**
- 2. UGANDA REVENUE AUTHORITY:::RESPONDENTS**

Before Hon. Lady Justice Patricia Kahigi Asimwe

Ruling

Introduction

1. The Applicant filed this application by chamber summons under Section 6(1) and 71(d) of the Arbitration and Conciliation Act Cap. 4, Section 98 of the Civil Procedure Act Cap 71, Section 33 of the Judicature Act, Cap 13 and Rule 13 of the Arbitration Rules seeking declaratory orders that:

- a) The Applicant is granted an interim measure of protection and preservation of status quo by restraining the Respondents, their servants, agents from effecting the termination of the existing and running contract for the manufacture of Motor Vehicle



Registration Number plates executed between the Applicant and the Respondents until the hearing and determination of the arbitration between the parties.

- b) The Applicant be granted an interim measure of protection and preservation of the status quo by restraining the Respondents, their servants, agents from awarding and/or enforcing any contract for the manufacture of digitized Motor Vehicle Registration Number plates to M/s Joint Stock company Limited or any company or entity until the hearing and determination of the arbitration between the Applicant and the Respondents.
 - c) The costs of this application are provided for.
2. The Application was supported by the affidavit of Professor Gordon Wavamunno who stated as follows:
- a) Following an advert run by the Government of Uganda on the 20th November 1993, for potential bidders to buy Tumpeco, GM Company bid and emerged as the best bidder upon which the Government of Uganda through the Ministry of Finance sold Tumpeco to GM Company and the two merged to become GM Tumpeco (U) Limited, the Applicant herein.
 - b) On 10th August 2004, the Applicant entered into a contract for the manufacture of motor vehicle registration number plates with the Government of Uganda represented by the Ministry of Works and Transport.
 - c) In accordance with the signed contract, the Applicant embarked on the manufacture of motor vehicle registration number plates at the highest standards and for all the time of production, the Applicant never failed to deliver Number

Plates of high standard as ordered by respective authorities and/ or received any complaint from Government of Uganda or any Government agency or Authority on performance inadequacies.

- d) Following satisfactory performance by the Applicant, in 2013 and in order to bring the contract to conformity with the PPDA Regulations and Guidelines, the Parties executed an Addendum. Contract and/or Amended Contract for the Manufacture of motor vehicle Registration Number Plates and added the 2nd Respondent as a party which contract was cleared by the Solicitor General vide letter reference ADM/7/284/01 of 30th April 2013.
- e) In a letter dated 29th December 2022, the Government of Uganda purported to terminate the agreement and are in the process of awarding the contract to a Russian Company called Joint Stock Company Global Security without according the Applicant an opportunity to manufacture and provide Motor Vehicle Registration Number Plates with Intelligent Transport Monitoring System as preferred by the Government of Uganda for security purposes.
- f) The Applicant, by its letter dated 8th February 2023 which was duly received by the Ministry of Works and Transport on the 10th February 2023 contested the said termination as the same was in breach of the contracts signed by the parties and on that basis, notified the Government of Uganda through its representative, the Ministry of Works and Transport that a dispute had arisen within the meaning of clause 15 of the contract dated 10th August 2004 as amended by Clause 9 of the Addendum No. 01 of 2013, for purporting to terminate the contract.