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## THE REPUBLIC OF UGANDA

# IN THE HIGH COURT OF UGANDA HOLDEN AT GULU

MISCELLANEOUS APPLICATION NO. 003 OF 2024

ARISING FROM MISC. APPLICATION NO. 22 OF 2022

ARISING FROM MISC. APPLICATION NO. 08 OF 2022

(ARISING FROM CIVIL SUIT NO. 07 OF 2014)

WATWERO ENTERPRISES LTD::::::APPLICANT

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#### **VERSUS**

GULU DISTRICT LOCAL GOVERNMENT::::::RESPONDENT

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BEFORE: HON. MR. JUSTICE GEORGE OKELLO

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#### RULING

# Background

The Applicant sought to move this court to hold the Respondent in contempt of the interim order of the Deputy Registrar (D.R) of this Court. That order was issued on 24 March, 2022 against the Respondent in Misc. Application No. 22 of 2022. The D.R of Court restrained the Respondent, its agents, servants, and anyone claiming under it, from completing three class room (blocks) at St. Martin Lukome Primary School (in Bungatira Sub County), pending the disposal of Misc. Application No. 08 of 2022 for a temporary injunction. However, the temporary injunction application was never pursued but was withdrawn before this court on 12 March,

- 4 2024. The Applicant indicated that, that Application had been overtaken by the events. I think it is those events which I shall state shortly, which have given rise to the contempt proceedings.
- The brief facts which are agreed on by the parties in their hand-written joint scheduling memorandum in the head suit, as giving rise to their dispute are as follows;
- The Applicant was contracted by the Respondent to construct some class room blocks which would house staff room, office, and store. She was also to construct stances drainable latrines. The agreed consideration was Ugx 305, 907, 525. All three certificates for the executed works were fully paid by the Respondent. The Respondent, however, terminated the contract vide a letter issued on 13 May, 2013, hence the head suit.

In the head suit, the Applicant prays for a declaration that the Respondent

(Defendant) breached the contract. She also prays for recovery of lost earnings, retained amount, compensation for the plant and equipment, interest, general damages, and costs of the suit. In its Written Statement of Defence, the Respondent agree there was a contract for works. She, however, avers, and this is contentious, that, the Applicant breached the contract by not completing the works within the agreed schedule, hence the contract termination on 13 May, 2013. The Respondent

counterclaimed, contending, the Applicant (Plaintiff/ Defendant to the Counterclaim) breached some fundamental terms of the contract. She thus seeks a declaration that the Applicant breached the contract, and prays to be awarded damages, interest, and costs of the counterclaim. She also prays that the head suit lodged by the Plaintiff be dismissed with costs.

The parties agreed on three issues for court determination, namely; whether there was breach of contract and if so, by which party? Whether the Defendant was justified in terminating the contract? And what remedies are available to the parties?

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The record of court in the head suit shows that, the parties appeared before

Mubiru, J., on 17 October, 2018 and adopted their joint scheduling memorandum. The case was then fixed for hearing on 08 November, 2018, during which the Applicant's Managing Director, Mr. Nyeko Wilfred (who is conducting the Applicant's case without the services of counsel),

testified. The matter was adjourned to 23 April, 2019 for further hearing. The Applicant's second witness testified, and the Plaintiff closed its case. The matter was fixed for Defence but the Judge was transferred before he could conclude the matter. The suit then first came up before me on 27 February, 2023, and has had adjournments for the reasons noted on record. The Defence hearing is presently fixed for 08 May, 2024 at 10:00Am. While the Defence hearing is pending, the present Application

- for contempt of the interim order was lodged at the registry of this court on 07 February, 2024. Apart from seeking that the Respondent be held in contempt of the interim order of 24 March, 2022, the Applicant prays for exemplary damages of Ugx 300,000,000, a fine of Ugx 100,000,000, and costs of the Application.
- Mr. Nyeko Wilfred (the M.D) makes factual deposition on which he anchors the Application. The Application is brought under the provisions of section 98 of the Civil Procedure Act Cap 71, and Order 52 rules 1 and 3 of the Civil Procedure Rules, S.I 71-1. He gives a prefatory, most of which are already detailed in my introductory part of this Ruling.
- Mr. Nyeko states that, the order of the learned D.R, given in Misc. Application No. 22 of 2022, was issued pending the disposal of Misc. Application No. 08 of 2022 for temporary injunction. As noted, the Application for a temporary injunction has since been withdrawn. The present Application does not address whether or not the withdrawal of that application affects the present proceedings in any way. The withdrawal happened before me on 12 March, 2024, after lodgment of this matter in February, 2024.

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The Applicant's grievances are that, the Respondent went ahead and completed the class room blocks despite the interim order restraining it.

- The Applicant claims that, the value of unpaid works and materials at the project site is one of the main issues to be resolved in the main suit. She thus argues, by the Respondent completing the class room blocks before the disposal of the head suit, it will make it very difficult for the Applicant to prove the value of unpaid works at the time of the contract termination and other facts, and will also distort the Applicant's defence to the counterclaim.
- Pausing for the moment, these are interesting averments, because, the alleged adverse impact of the project's completion by the Respondent is coming at a time when the Applicant has already closed her case. Be that as it may, the Respondent, for no reason, did not bother to appear for the hearing of this Application. Its known counsel on record in the head suit, Mr. Walter Okidi Ladwar, was served with the court process (Notice of Motion) on 21 February, 2024, for the scheduled hearing of 12 March, 2024, but did not appear. No official of the Respondent attended court either.

### Issues

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The application raises three important issues for court resolution, namely;

- 1. Whether the Application for contempt is proper before court?
  - 2. If so, whether the Respondent is in contempt of court?
  - 3. Whether the Applicant is entitled to any reliefs?

### 4 Determination

The Applicant addressed court orally and also filed written submissions on 18 March, 2024, a day to the delivery of this Ruling. The written arguments of course were not sanctioned by court as no leave was sought before its lodgment. However, court has perused it, and finds nothing significantly different from the oral address made. I consider the issues in turn.

# 12 The propriety of the contempt action

Before I resolve the issue of propriety of the present action, I will set out the relevant laws and principles of contempt on which I will base to determine the application.

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The law of Contempt have been stated in various decisions of courts. I will in most part, defer to the decisions of the Supreme Court plus a few others from the High Court and the Court of Appeal. In any case, most of the principles are re-stated.

In Ssempebwa and others Vs. Attorney General, [2019] 1 EA 546, the Supreme Court of Uganda did quite an interesting exposition of the principles of contempt. It drew a distinction between civil and criminal contempt. While referencing Blacks Law Dictionary, 10th Ed., page 385, the apex Court opined that, criminal contempt is an act that obstructs

- justice or attacks the integrity of the court. Criminal contempt proceedings are thus punitive in nature. The Court noted that, criminal contempt is recognized under article 28 (12) of the Constitution of Uganda, 1995. Regarding civil contempt, the Supreme Court further, while quoting from Blacks Law Dictionary (supra), defined civil contempt as "the failure to obey a court order that was issued for another party's benefit. A civil
- contempt proceeding is coercive or remedial in nature. The usual sanction is to confine the contemnor until he complies with the court order."

See also: Osborne's Law Dictionary on the definition of civil contempt which is in similar terms as Blacks Law Dictionary. The classification of contempt is also found in Halsbury's Laws of England, (Volume 9 (1) (Reissue) at paragraph402. Elsewhere, Lord Russel of Killowen, L.C.J defined contempt of court. The exposition by the Law Lord has since been followed in this territory, with deference. Thus, in *R Vs. Gray* [1900] 2 *Q.B,* 36 at p.40, Lord Russel stated:

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"Any act done or writing published calculated to bring a court or a Judge of the court into contempt, or to lower his authority, is a contempt of court."

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Contempt may, therefore, be manifested by acts or utterances which scandalize or tend to scandalize, or lower or tend to lower the authority of

any court; or prejudice or interfere or tend to interfere with the due course 4 of any judicial proceeding; or interfere or tend to interfere with or obstruct or tends to obstruct the administration of justice in any manner. Contempt thus encompasses acts calculated to hamper the due course of a judicial proceeding or the orderly administration of justice. Therefore, any course 8 of conduct which abuses and makes a mockery of the judicial process and which extends its pernicious influence beyond the parties to the action and affects the interest of the public in the administration of justice, is contempt of court. The court, therefore, has a duty to protect the public 12 interest in the due administration of justice. The public interest is real and abiding. Its stake is vital. If justice is not properly administered, there is peril of all rights and liberties. Therefore, power is reposed in the courts to cite anyone who disobeys court orders, for contempt, not to protect the 16 court's dignity per se, but to protect and vindicate the right of the public in the proper administration of justice. It should be recalled that the due administration of justice should not be prevented, prejudiced, obstructed 20 or interfered with. See: Florence Dawaru Vs. Angumale Albino & Samuel Ondoma, Misc. Civil Application No. 0096 of 2016. The High Court decision was approved by the supreme court which found it persuasive in Betty Kizito Vs. Dickson Nsubuga & 6 others, Civil Application Nos. 25 and 26 of 2021. 24

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The object of contempt proceedings is thus to impose a penalty that will vindicate not only the court's honour, consequent upon the disregard of its previous order, but also to compel performance in accordance with the previous order. It should not be forgotten that Lord Denning underscored the same principle in the case of Morris Vs. the Crown Office [1970] 1

ALL ER 1079 when he said, "the purpose of contempt proceedings is to protect the rights of the public by ensuring that the administration of justice shall not be obstructed or prevented."

I should also perhaps note that, under common law which applies to Uganda by virtue of section 14 (2) (b) (i) of the Judicature Act Cap.13, contempt has been classified into four categories, namely, civil and criminal, in facie curiae (before a court) or exfacie curiae (outside of a court). According to decided cases, contempt outside court can be commenced by parties, or by a court acting on its own accord (sua spontu), or by public prosecutors. So, civil contempt is contempt outside court and relates to where there is disobedience of a court order. Civil contempt can also lead to criminal prosecution and punitive sanctions may issue. A contemnor may, however, avoid the imposition of a sentence by complying with the coercive order. At the origin of the crime being denounced via contempt action, is the crime of disrespecting the court order, and ultimately the rule of law. See: **Ssempebwa case** (supra).

Civil contempt action can also be anchored on article 128 (2) of the Constitution, 1995, which requires that court orders be respected, implemented and should take effect, and nobody should interfere with the court. Respect of court orders is a matter of sufficient gravity. It goes to 8 the root of administration of justice as it builds public confidence in the judicial system and the rule of law. Courts derive their powers from the people under article 126 (1) of the Constitution of Uganda, 1995, thus judicial exercise of power should be in the name of the people, and in conformity with the law, values, norms and aspirations of the people. In 12 the context of court orders, it means court orders must be obeyed at all times by the people who gave courts their powers to exercise on their behalf. Judicial orders should, therefore, not be given in vain. Civil Contempt thus serves the object of empowering courts to inter alia, enforce 16 court orders and punish those that wilfully and unlawfully disobev it.

In the Ssempebwa case (*supra*), the Supreme Court proceeded to set down the ingredients of civil contempt which an applicant must prove in order to succeed, namely; the order; service or notice thereof; non-compliance; and proof of willfulness and *malafide* on the part of the person being cited for contempt beyond reasonable doubt. Thus, once an Applicant proves the first three requisites of civil contempt which burden ought to be discharged on the balance of probability, the respondent will bear the evidential burden in relation to willfulness and *malafides*. If the

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- respondent fails to advance evidence that establishes a reasonable doubt as to whether non-compliance was wilful and *malafide*, contempt would have been established beyond reasonable doubt. A declaratory and other appropriate remedies may then be available to a civil applicant, on proof, on a balance of probabilities. Thus in summary, for one to be held in civil contempt of court, the following requisites must be proved;
  - i) That an order was issued by court;
- 12 ii) That the order was served or brought to the notice of the alleged contemnor (respondent);
  - iii) That there was non-compliance with the order by the respondent;
  - iv) That the non-compliance was wilful and malafide.

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As opined, the first three elements must be proved on the balance of probability while the fourth ingredient must be proved beyond reasonable doubt. In the case of *Betty Kizito Vs. Dickson Nsubuga & 6 others*, *Civil Application Nos. 25 and 26 of 2021 (supra)*, the Supreme Court considered local and foreign persuasive authorities on contempt principles, and further expounded on the ingredients of contempt as follows;

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With regard to the ingredient of existence of a valid order, the court stated that, the order must be obeyed in totality and a party who chooses to

disobey the order without good reason risks being held in contempt. The Supreme Court emphasized that the court order must state clearly and unequivocally what should and what should not be done as Court will be reluctant to punish or condemn an alleged contemnor for an order whose terms are unclear and ambiguous. As regards the element of an alleged contemnor having had actual knowledge of the court order, it was opined that common law leans towards the requirement of personal service or actual knowledge of existence of the court order. Thus in some instances, knowledge of the court order may be inferred even in cases of wilful blindness. In contempt, the alleged contemnor must have intentionally done that act that the order prohibits, or intentionally failed to do the act that the order compels.

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In conclusion, on the conditions to be satisfied for civil contempt, there is need for proof beyond reasonable doubt of the alleged contemnor's deliberate conduct that has the consequence of disobeying the court order in issue. An applicant is, however, not required to prove that the alleged contemnor intended to bring court into disrepute. Where the breach of the court order is unintentional and accidental, then court may exercise discretion to impose no penalty. It should also be noted that, even where an applicant satisfies all the requirements of civil contempt, a court may still decline to make a finding of contempt, where the alleged contemnor shows that he/she acted in good faith and was taking reasonable steps

towards compliance with the order. The remedy of contempt is, therefore, a remedy of last resort, and should be used with great restraint. Thus in the dictum of the Supreme court of Canada in the case of Carey Vs.

Laiken, 2015 SCC 17, which our apex court found persuasive in the case of Betty Kizito Vs. Dickson Nsubuga & 6 others (supra), the Canadian court stated quite lucidly, thus:

"If contempt is found too easily, a court's outrage might be treated as just so much bluster that might ultimately cheapen the role and authority of the very judicial power it seeks to protect. As this Court has affirmed, contempt of court can not be reduced to a mere means of enforcing judgments."

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Turning to the present action, since the matter relates to the alleged disobedience of an interim order issued by the Deputy Registrar, the question that arises is whether it is proper for this court to hear and determine the application or the matter ought to have been heard by the Deputy Registrar of this court. The answer seems to lie in the precedent of this court in *Florence Dawaru Vs. Angumale Albino & Samuel Ondoma, Misc. Civil Application No. 0096 of 2016 (supra).* There, it was posited that a Deputy Registrar lacks power to hear an application for civil contempt as its jurisdiction under Order 50 of the CPR does not extend to hearing such application but the power is reposed in the Judge.

It was noted, the Deputy Registrar retains the power to cite anyone for contempt committed in *facie curiae* (before a court). I think whereas ordinarily a court should enforce its own orders even if it means trying someone for the contempt of its orders, such jurisdiction is not reposed in the registrar.

Therefore, contempt ex facie curiae which is sui generis and is usually commenced by a litigant, is only heard by a Judge. That said, it was also held that, all contempt actions are matters for the alleged contemnor and court. Thus the person moving court only brings to court's attention the facts supporting the claim. See: *Betty Kizito Vs. Dickson Nsubuga & 6 others (supra).* 

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In light of the foregoing, I find that the application is properly before me on jurisdictional ground since it relates to civil contempt alleged to have been committed outside court (ex facie curiae) and it involves the alleged disobedience of the interim order of the learned D.R.

Still under the issue of competence of the action, the instant contempt application is being pursued at a stage in the action when a lot has happened, which court cannot ignore. First, the interim order was made dependent on the Application for a temporary injunction which was never pursued but has since been withdrawn before the contempt action was

commenced. Of course no convincing reason was given why the Applicant felt so comfortable with the interim order. It should be recalled, that order stopped the Respondent from completing the constriction project, I think, to the chagrin of the Respondent. Pupils of the school for whom (I take judicial notice) the class room blocks were meant, stood to lose out on 8 quality education by the nature of the interim order which was made to subsist forever. The stalled project had also toilet facilities which was to be constructed and thus the damage the interim order potentially posed, in my view, needs no brainer. On the facts, given that the construction 12 contract had been terminated by the Respondent, and the Applicant having sued for damages, interest and costs, as well as a declaration that the Respondent's contract termination was in breach thereof, it was pointless for the learned D.R to issue the interim order when there was no 16 claim for a permanent injunction in the head suit and it appears there was nothing urgent to be restrained, and which if not stopped, would have rendered the substantive application useless. I think the comfort created 20 by the interim order brought a sense of reluctance in the Applicant and its M.D to pursue the substantive application.

In paragraph 11 of his affidavit, the Applicant's M.D deposes that, he discovered on 10 May, 2023 that, the Respondent handed the project site to a new contractor on 01 November, 2022. This court notes that, that was after about seven months and one week of issuance of the interim order.

The Applicant's M.D further deposes that, on 12 April, 2023, as he was moving along a road proximate to the project site, he saw that the plasters and renderings of the class room blocks had been removed, and the beam fillings had been removed, and the walls reduced to wall plate level. He attaches photographs, to buttress his deposition. Thus, on 10 May, 2023 8 when the M.D visited the project site, he found works going on. He was informed by persons there, that the project had been handed over to a new construction company. On 29 January, 2024, the Applicant's M.D visited the site again and found that the three classroom blocks at St. Martin 12 Lukome Primary School had been completed (by the new contractor). He attaches photographs of well-painted buildings, to support his deposition. The Applicant then launched the present contempt application, nine days 16 later, after his last discovery.

In my respectful opinion, it unclear why the learned D.R stopped the Respondent from hiring another contractor to complete the classroom blocks when the services of the Applicant had been terminated and she was suing, not to be reinstated, but for special and general damages, interests, and costs. In my considered view, the order was unnecessary. Be that as it may, the Respondent is, however, not shown to have questioned the interim order, and indeed, complied with it for some considerable period. This was expected, because, a court order must be complied with in totality, even if a party does not agree with it. See: the

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majority view in Leads Insurance Limited Vs. the Attorney General and Director of Public Prosecutions, Const. Petition No. 05 of 2017. Second, as noted, it is not clear why the Applicant did not pursue the substantive application for a temporary injunction for court to gauge whether a restraining order against the Respondent was, in the circumstances, still necessary. As said, it appears she was comfortable with the state of affairs. The Respondent thus appears to have taken upon itself to move on with the project, after a lull of seven months, without first 12 having the interim order set aside, either by way of an appeal or otherwise. In my opinion, whereas persons targeted by a court order, however, irregular, must comply with it, and whereas acts of non-compliance may attract dire consequences (see: Amrit Goyal Vs. Harichand Goyal & 2 Others, Court of Appeal Civil Application No. 109 of 2004) on the facts 16 and the circumstances of this matter, and on the authority of the Ssempebwa case (supra), I find that the acts of the Respondent was not wilful and malafide. The Respondent needed to complete the public project for the bigger public good. The Respondent of course should have gone 20 back to the very court and explained why it felt the continued obedience of the interim order was no longer possible. That is the route commended at least by the courts. See the Court of Appeal case of Housing Finance Bank Ltd & another Vs. Edward Musisi, Misc. Application No. 158 of 24 2010.

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- Having therefore considered all the circumstances of this case, I am of the conscious mind that the present contempt proceedings was unnecessary and at best an afterthought. There was at any rate, no willful and malafide disobedience of the interim order. Therefore, the Application is refused and
- 8 is hereby dismissed with no order as to costs.

Delivered, dated and signed in court this 19th March, 2024.

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Hutoan 19/03/2024 George Okello JUDGE

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Ruling read in Open Court

19th March, 2024

### 20 Attendance

Ms. Prossy Akello, holding brief for Mr. Amuru Shaffi, for the Respondent.

Mr. Wilfred Nyeko, Managing Director of the Applicant, in court.

24 No official of the Respondent in court.

Mr. Ochan Stephen, Court clerk

George Okello
JUDGE

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