



## LEADING CASES ON ARBITRATION IN UGANDA IN 2025 & KEY LESSONS AND TAKEAWAYS



Ann Namara Musinguzi, MCIArB Managing & Founding Partner, Namara Musinguzi & Co. Advocates



## Leading Cases On Arbitration in Uganda in 2025 (Competing dispute resolution clauses)

## Archstone Solutions Ltd V Mutukula Regional Market Ltd & anor HCCS 0316 of 2024

- This was a Dispute in relation to a construction contract executed by the parties.
- The Plaintiff filed a Summary Suit and the Defendant filed an Application for unconditional leave to appear and defend. The Application was dismissed for want of prosecution.
- The Plaintiff prayed for Judgment in the Summary Suit. Court however pointed out to the Plaintiff that there were two competing dispute resolution clauses.
- The Contract provided for Arbitration or Litigation. However, the Special Conditions of Contract specifically provided for arbitration.
- Court considered the priority accorded to the Special Conditions of Contract and referred the matter to arbitration.
- Court further stated that where there are two competing dispute resolution clauses, the role of Court is not to oust arbitration but to oversee the arbitration process.



## Leading Cases On Arbitration in Uganda in 2025 (Competing dispute resolution clauses)

Makindye Sabagabo Municipal Council V. Busenvi Enterprises Limited Misc. Applic. No. 475 of 2022(Arising from Civil Suit No. 400. of 2019)

- The Dispute arose from breach of a construction contract.
- The Defendant raised a preliminary objection that there was a valid and enforceable arbitration agreement under the Arbitration and Conciliation Act and that the case should be referred to Arbitration. the Agreement was specifically contained in the General Conditions of the Contract.
- However, the Special Conditions of Contract ousted arbitration in respect to smaller contracts where the PDE had decided not to appoint an Adjudicator. In such cases, the parties recourse was to Court.
- In this case, the Court found that both parties had abandoned all dispute resolution mechanisms in the contract; seeing that no Adjudicator had been appointed and also seeing that none of the parties had engaged in amicable settlement which was a precursor to litigation under the Special Conditions of Contract. The Court thus found that it had jurisdiction arising from the conduct of the parties because the direct chain link to arbitration had been broken.



# Leading Cases On Arbitration in Uganda in 2025 (Appointing Authority)

## Labx Scientific Ltd V Katakwi District Local Government & anor Misc. Cause No. 02 of 2025

- This Application sought Court's intervention in the appointment of an arbitrator. It was the Claimant's case that the Respondent had refused to appoint an arbitrator and that CADER was not fully constituted and could therefore not appoint an arbitrator.
- Court relied on Section 11(3)(b) of the Arbitration & Conciliation Act Cap 5 which provides that in case the parties fail to agree on the appointment of one arbitrator, the application shall be made, upon application of a party, by the appointing authority; defined in Section 2(1) to mean an entity appointed by the Minister to perform the functions of appointing arbitrators and conciliators.
- Since ICAMEK is an appointing authority, the parties were given the option of referring the dispute to ICAMEK as an appointing authority to appoint an arbitrator.



Simba Properties Investment Co. Ltd & 5 Ors V Vantage Mezzanine Fund 11 Partnership & Vantage Mezzanine Fund 11 Proprietary Ltd Civil Applic. No. 231 of 2025

The Applicants sought leave to file an appeal out of time, relating to a decision by the trial Judge wherein he stayed several actions by the Ministry of Lands and Uganda Registration Services Bureau respectively pending the determination of the Respondent's application for recognition and enforcement of the Arbitral Award.

- Court of Appeal rejected the application on the premise that appeals are a creature of Statute and in the instant case, there was no Statute creating that right to appeal.
- The argument by the applicants that the trial court had relied on Section 33 of the Judicature Act and Section 98 of the Civil Procedure Act and thus these were not proceedings under the Arbitration and Conciliation Act was rejected.



Simba Properties Investment Co. Ltd & Simba Telecom Ltd V Robert Kirunda, Noah Shamah Wasige T/A Kirunda and Wasige Advocates & 2 ors Civil Applic. No. 232 of 2025.

- The Applicants sought extension of time within which to serve the notice of appeal and a letter requesting for proceedings in HCCS 424 of 2022 and HCMA 671 of 2022 respectively. In these cases, the applicants sought temporary injunctions restraining the respondents from taking possession/advertising properties that had been mortgaged to Vantage Mezannine Fund 11 on grounds that the mortgage/partnership had been declared legally non existent. The Trial Judge declined to grant the injunctions on grounds that all the issues relating to the mortgage were already the subject of arbitration which was already underway and Court could not interfere.
- Court of Appeal rejected the application; citing Section 9 of the Arbitration and Conciliation Act Cap 5.





Vantage Mezzanine Fund 11 Partnership & Vantage Mezzanine Fund 11 Proprietary Ltd V Simba Properties Investment Co. Ltd & 5 ors. Civil Applic. No. 305 of 2025

- This Application related to a decision by the trial Judge wherein he stayed several actions by the Ministry of Lands and Uganda Registration Services Bureau respectively pending the determination of the Respondent's application for recognition and enforcement of the Arbitral Award. The Respondents filed a notice of appeal. The applicants filed this application seeking to strike out the notice of appeal. The main ground was that there was no ground of appeal since this was a proceeding under the Arbitration and Conciliation Act Cap 5.
- The Court upheld the application citing that appeals are a creature of Statute; rejecting the argument of the respondents that the Trial Judge premised his findings on Section 33 of the Judicature Act and Section 98 of the Civil Procedure Act respectively.



Simba Properties Investment Co. Ltd & Simba Telecom Ltd V Robert Kirunda, Noah Shamah Wasige T/A Kirunda and Wasige Advocates & 2 ors Civil Applic. No. 537 of 2022.(Similar decision reached in Civil Reference No. 006 of 2022).

- The applicants sought a temporary injunction restraining the first two respondents from selling and disposing 6 specified properties that the applicants had mortgaged to Vantage Mezzanine Fund 11 Partnership until the appeal that they had filed had been disposed of.
- Court of Appeal rejected the application; citing Section 9 of the Arbitration and Conciliation Act Cap 5; emphasizing that no right of appeal existed and therefore they did not have jurisdiction to hear the application.





Robert Kirunda & anor V Simba Properties Investment Co. Ltd & anor **Civil Applic. No. 1230 of 2023.** 

- The respondents lodged a notice of appeal against the decision of the trial judge that dismissed their application for a temporary injunction against the applicants restraining them from dealing with property that the respondents had mortgaged as well as their application challenging the validity of the applicant's advertisement of the mortgaged properties.
- The Applicants filed this application to strike out the notice of appeal on grounds that no appeal lies against an arbitral decision.
- The Court agreed with the Applicant and dismissed the Application; with the dismissal premised on Section 9 of the Arbitration and Conciliation Act Cap 5.





Simba Properties Investment Co. Ltd & 5 ors V Vantage Mezzanine Fund 11 Partnership & anor Civil Applic. No. 1295 of 2023.

- The Applicants sought leave to appeal a decision by the trial Judge wherein he stayed several actions by the Ministry of Lands and Uganda Registration Services Bureau respectively pending the determination of the Respondent's application for recognition and enforcement of the Arbitral Award.
- The Court of Appeal decided this application on one ground whether an appeal at law lie, whether with or without leave of Court, against the decision intended to be appealed from.
- Court found that no appeal could be lodged from the decision of the trial Court since it arose from the Arbitration & Conciliation Act Cap 5. The application was dismissed on grounds of non court interference (Section 9 of the Arbitration & Conciliation Act Cap 5).



Uganda Moslem Supreme Council V Babirye Yudaya & 2 ors (Misc. Applic. No. 0548 of 2024 Consolidated with Misc. Applic. Nos. 0541, 549 and 536 of 2024 (All arising from HCT-00-CV-C1-0008 of 2023)

- Was in respect to an application to review and set aside the Judgment of the High Court delivered in Company Cause No. 002 of 2023.
- The Company Cause had been filed in the High Court by the Respondents who sought orders that the Applicant be wound up in the public interest and in the interest of the Applicant's members because the manner in which the Applicant conducted its affairs was prejudicial to the Respondents and the Muslim Community. The High Court ruled in favour of the Respondents hence the application for Review by the Applicant.
- Court explained that in essence, the Applicant's Constitution established an arbitral mechanism, the MAC, for resolving disputes including the running & management of the Affairs of the Applicant. The only Jurisdiction that the MAC was not vested with was in respect to the electoral matters of the Applicant. Court relied on Section 9 of the Arbitration and Conciliation Act and granted the application.



## Leading Cases On Arbitration in Uganda in 2025 (Costs)

Roko Construction Limited V Pearl Marina Estates Limited Taxation Applic, No. 0471 of 2024(Arising from Misc. Cause No. 0046 of 2023, arising from CAD/ARB/NO. 4 OF 2022)

- The Applicant was a successful party in an arbitral award issued on 19th May 2023 wherein he was also awarded costs. The Applicant subsequently filed a bill of costs. The Respondent raised a preliminary objection that the Court had no jurisdiction to tax costs arising out of arbitration.
- Objection premised on Section 31(9)(a) and (b)& Section 33(4) of the Arbitration and Conciliation Act Cap 5.
- Court upheld the objection and dismissed the application for costs; stating that the Registrar did not have power to grant costs.



#### **Leading Cases On Arbitration in Uganda in** 2025 (Setting aside: Public Policy, Bias)

#### China Railway 18th Bureau(Group) Co. Ltd V Tumo Technical Services Limited Misc. Cause No. 72 of 2025(Arising from Arb. No. CAD/ARB/44/2021)

- Application to set aside an arbitral award on grounds of public policy; specifically that the arbitrator disregarded the doctrine of res judicata and the principle of finality of litigation.
- The dispute that the arbitrator determined related to retention sums. It was the position of the Applicant that the dispute to do with retention sums had been decided in a previous arbitration which was premised on the same facts and hence the latter award was contrary to res judicata.(Contrary to Section 7 of the Civil Procedure Act)
- Court dismissed the application, finding that the earlier dispute related to breach of contract whereas the latter one was specific to retention.
- Bias: Court found that it must be actual or reasonable and not a mere suspicion. Mathematical errors did not amount to bias and the applicant should have applied to correct them (Section 33 of the Arbitration Act)
- Court emphasized that it cannot "open up" the award.
- Award was enforced.



# Leading Cases On Arbitration in Uganda in 2025 (Setting aside: Public Policy, not within terms of reference to arbitration)

Uganda Electricity Transmission Company Limited V Solcon E.A Limited Arbitration Cause No. 0041 of 2024.

- Application to set aside an arbitral award on grounds of public policy;
  specifically that the award of prolongation costs was unjust enrichment and hence contrary to public policy.
- It was the Applicant's case that the arbitrator in her award made references to admissions made by the Applicant as Claimant without regard to the legal principle that admissions must be clear and unequivocal.
- It was the Court's finding that the Arbitrator interpreted the contract, analyzed the evidence and made a finding. That if the Court were to delve into evaluating the evidence, it would be sitting as an appellate Court and this would amount to an illegality.
- The Application was set aside and the Award enforced,



# Leading Cases On Arbitration in Uganda in 2025 (Setting aside: Public Policy)

Canaf Group Inc(Formerly Uganda Gold Mining Limited) V. Kilembe Mines Limited Misc. Cause No. 0047 of 2023

- Application to set aside an arbitral award on grounds of public policy and the award not falling within the terms of reference to Arbitration.
- Court found that the issue of illegality was neither pleaded by the parties nor included among the issues framed in the joint scheduling memorandum. The Arbitrator neither amended the list of issues nor gave adequate notice to the parties that he intended to determine the legality of the entire agreement. Raising and resolving the issue of illegality after the close of hearings, without full and informed participation by the parties, violated the parties' right to be heard.
- The award was thus set aside.



# Leading Cases On Arbitration in Uganda in 2025 (Recognition & Enforcement of a Foreign Award )

Kampala International University V Housing Finance Company Limited Arbitration Causes No. 0038 and 0046 of 2024(Consolidate) (Arising from an Arbitral Award handed down in Kenya on 17th September 2019)

- One of the applications related to recognition & enforcement of a foreign award delivered in Kenya whereas the second related to challenging of the enforcement.
- The ground for challenge was that the seat of the arbitration had set aside part of the award on grounds that the Tribunal did not have the jurisdiction to hear and determine that part of the award.
- Court rejected the challenge; stating that it was not bound by the "foreign judgment" passed by the seat but was rather bound under the New York Convention to enforce the "foreign award" in its entirety as delivered by the arbitrator.



### Key lessons & Takeaways

- The lack of clarity in respect to an appointing authority has been sorted with finality.
- Court continues to preserve parties' agreement and autonomy by upholding arbitration clauses and the entire arbitration process.
- The delicate balance between the jurisdiction of Courts and Arbitral Tribunals has been addressed.



 The Court has settled the issue of whether a Registrar can tax costs arising from an arbitration. Court departed from The case of Katamba Phillp & 3 ors V Magala Ronald(Arbitration Cause No. 003 of 2007 arising from Original Cader Arbitration No. 007 of 2005) was explained. In that case, the arbitrator awarded costs but did not state the amount of costs. Since his mandate had expired and he had not been moved under Section 33 of the Arbitration and Conciliation Act, the court ruled that he could not make any further awards. The Court further stated that what should happened is that the award should have been enforced as a decree; as implied in Section 36 of the Arbitration and Conciliation Act.

 Arbitration Awards have majorly been upheld; with the Courts strictly refining themselves to the confines of Section 34 of the Arbitration & Conciliation Act Cap 5



- The Courts continue to uphold the principle of limited Court intervention (Section 9 of the Arbitration & Conciliation Act Cap 5) as reiterated in the Supreme Court Cases of Mohammed Mohammed Hamid V Roko Construction Ltd SCCA No. 014/2015 and Babcon Uganda Limited V Mbale Resort Hotel Ltd SCCA 06/2016.
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