

THE REPUBLIC OF UGANDA
PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS
APPEALS TRIBUNAL

REGISTRY APPLICATION NO. 22 OF 2025

BETWEEN

GOLDSTAR INSURANCE COMPANY LTD =====APPLICANT

AND

BANK OF UGANDA =====RESPONDENT

**APPLICATION FOR REVIEW IN RESPECT OF THE PROCUREMENT
FOR PROVISION OF WORKERS COMPENSATION INSURANCE
COVER TO BANK OF UGANDA STAFF WITHIN A 24-HOUR
EXTENSION COVER UNDER PROCUREMENT REFERENCE
NUMBER: BOU/NCONS/24-25/00233**

**BEFORE: FRANCIS GIMARA, S.C CHAIRPERSON; NELSON NERIMA;
GEOFFREY NUWAGIRA KAKIRA; PAUL KALUMBA; CHARITY
KYARISHIIMA; KETO KAYEMBA AND ENG. CYRUS TITUS AOMU,
MEMBERS**

DECISION OF THE TRIBUNAL

A. BRIEF FACTS

1. Bank of Uganda (the "Respondent") initiated a procurement for provision of Workers Compensation Insurance Cover to Bank of Uganda Staff within a 24-Hour Extension Cover under procurement reference number: BOU/NCONS/24-25/00233 using restricted bidding method on May 15, 2025. The letter of invitation was addressed to 20 non-life insurance firms registered and regulated by the Insurance Regulatory Authority.
2. On June 2, 2025, the Respondent received bids from bidders namely, *Pax Insurance Company Limited, Liberty General Insurance Uganda Limited, Gold Star Insurance Company Limited* (the Applicant), *UAP Old Mutual Insurance Company, APA Insurance Uganda Limited, Britam Insurance Uganda Limited, and Sanlam General Insurance Uganda Limited*.
3. Upon the conclusion of the evaluation process, the Respondent issued a Notice of Best Evaluated Bidder on July 4, 2025, indicating that *Sanlam General Insurance Uganda Limited* was the best evaluated bidder with a total contract price of UGX 3,198,406,022/= inclusive of taxes.
4. The Notice of Best Evaluated Bidder indicated that the reason for the elimination of the Applicant's bid was that it was "*Ranked 2nd-Weighted Average score of 66 %*".
5. On July 7, 2025, the Applicant sent a letter to the Accounting Officer of Bank of Uganda seeking clarification on the criteria used to select the best evaluated bidder. The Applicant requested detailed evaluation scores or rankings for all bidders, as well as information on the specific areas where their proposal scored lower than that of the best evaluated bidder.
6. In a letter dated July 11, 2025, the Respondent informed the Applicant that the Best Evaluated Bidder offered a much higher limit for the complementary benefit for childbirth and

pregnancy, and also had a higher solvency based capital adequacy ratio.

7. The Applicant was dissatisfied with the outcome of the procurement process and filed an administrative review complaint with the Accounting Officer on July 16, 2025.
8. The Applicant administrative review complaint was premised on the ground that the Best Evaluated Bidder did not charge for the higher benefit offered for childbirth and pregnancy extension as required by the *Insurance (Minimum and Maximum Commission Rates) regulations, 2023*. The Applicant averred that the Best Evaluated Bidder ought to have been disqualified due to non-compliance with the pricing regulations.
9. On July 29, 2025, the Accounting Officer of the Respondent issued a response to the Applicant's complaint. The decision to declare *Sanlam General Insurance Uganda Limited* as the Best Evaluated Bidder was upheld, on the following grounds;
 - 1) The Best Evaluated Bidder did not contravene the minimum rate;
 - 2) The Applicant's quotation excluded pregnant staff from the workers' compensation cover.
 - 3) The Applicant's quote UGX. 3,198,406,014 was below the Insurance Regulatory Authority (IRA) minimum rate expected of UGX. 3,198,406,022;
 - 4) The Applicant quoted benefits over and above the maximum limit allowed by the minimum rates;
 - 5) The Best Evaluated Bidder's solvency ratio was higher than that of the Applicant.

B. APPLICATION TO THE TRIBUNAL

1. The Applicant being aggrieved with the decision of the Respondent, filed the instant Application on August 8, 2025, before the Tribunal, for review of the decision of the Respondent.
2. The Application is premised on five substantive grounds which were elaborated in written submissions filed by *Ssemambo & Ssemambo Advocates* on August 17, 2025.

Introduction of new grounds for elimination of the Applicant's bid

3. The Notice of Best Evaluated Bidder did not offer the reasons for failure of the Applicant's bid save for their score, which was a violation of regulation 3 (1)(d) of the *Public Procurement and Disposal of Public Assets (Contracts) regulations 2023*.
4. In total disregard of the final position on issues provided by the Respondent through clarification on July 11, 2025, the administrative review decision introduced uncharted and contradicting grounds for elimination of the Applicant's bid.
5. The new grounds had never been brought to the attention of the applicant in either the Notice of best evaluated bidder or the request for clarification which demonstrated lack of transparency and fairness by the Respondent.

Contravention of the Insurance (Minimum and Maximum Commission Rates) Regulations, 2023

6. The Best Evaluated Bidder provided a cover for childbirth and pregnancy extension above UGX. 2,000,000 which would ordinarily attract an extra 10 % loading on the premium.

Coverage of pregnant staff

7. Contrary to the decision of the Respondent's Accounting officer, the Applicant's bid covered pregnant staff under their cover extensions in the quotation risk notes. The Applicant provided cover for death due to child birth and pregnancy.

8. In the Applicant's bid, childbirth and pregnancy was excluded because the procurement was for workers' compensation insurance cover but for life insurance. A cover for death due to childbirth and pregnancy does not fall within the scope of the *Workers' Compensation Act*.

The Applicant's premium rate

9. The difference between the total premium and the applicant's quote is 8 shillings only. Rounding off should be permissible. Trivial breaches which do not undermine the integrity of the process or the regulatory intent are to be treated with lenience. The rate tendered did not contravene the insurance minimum rates.
10. Counsel cited ***Application No. 014 of 2021- Goldstar Insurance Company Ltd vs National Medical Stores***, and the South African case of ***Allpay Consolidated Investment Holdings (Pty) Ltd & Ors vs CEO of the South African Social Security Agency***.

Maximum limit of benefits

11. Respondent's Accounting Officer stated that the Applicant quoted benefits over and above the maximum limit allowed by the *Insurance (Minimum and Maximum Commission Rates) Regulations, 2023*.
12. The Respondent erroneously conflated the minimum rate under the funeral and medical expenses together with other extensions hence unfairly evaluating the applicant's bid.

Minimum rates

13. The benefits offered by the applicant were all extensions of the of funeral and medical expenses, which is allowed at no cost, provided they do not exceed UGX. 2,000,000.

Reliefs

14. Counsel prayed for orders that the declaration of *Sanlam General Insurance Uganda Limited* as the Best Evaluated Bidder be set aside; the Applicant be declared as the Best Evaluated Bidder; and costs.

C. RESPONSE TO THE APPLICATION

1. The Respondent filed a response on August 18, 2025 through its Legal Department.

Preliminary objections

2. The Applicant did not give the Accounting Officer 5 days' notice of intention to make an application to the Tribunal as required by section 106 (10) of the *Public Procurement and Disposal of Public Assets Act, Cap 205*, and regulation 9 (2) of the *Public Procurement and Disposal of Public Assets (Administrative Review) Regulations, 2023*.
3. The Tribunal does not have jurisdiction to entertain the matter because the Applicant did not comply with the strict timelines provided for in section 115 of the *Public Procurement and Disposal of Public Assets Act, Cap 205*.

Introduction of new grounds for elimination of the Applicant's bid

4. The major basis for scoring the Applicant second never changed and the purported new grounds are additional observations to the grounds and criteria used.

Contravention of the Insurance (Minimum and Maximum Commission Rates) Regulations, 2023

5. Death as a result of childbirth and pregnancy cannot be deemed an extension and does not fall under the medical or funeral expense but covers a fatal injury resulting from childbirth and pregnancy similar to the fatal injuries under the *Workers' Compensation Act*.

6. The Best Evaluated Bidder's cover was part of the core workers' compensation risk.

Coverage of pregnant staff

7. The Applicant expressly excluded childbirth and pregnancy.

The Applicant's premium rate

8. The Applicant rounded off and underquoted with a figure of UGX. 3,198,406,014 which was below the minimum rate expected.

Maximum limit of benefits

9. The Applicant quoted benefits over and above the maximum limit per staff allowed by the *Insurance (Minimum and Maximum Commission Rates) Regulations, 2023*.

Solvency ratio

10. The weighted average scores indicated that the Best Evaluated Bidder scored 100 % and the applicant scored 66 %. The Respondent did not only base on the complimentary benefits but the overall scores including the solvency ratios.

Reliefs

11. The Respondent prayed that the Application be dismissed with costs.

D. RESPONSE BY BEST EVALUATED BIDDER

1. The Best Evaluated Bidder as an interested party filed a response on August 12, 2025 through *Muhumuza, Kateeba & Co. Advocates*.
2. The administrative review decision dated July 29, 2025 made by the Accounting Officer was made outside the statutory period of ten days and is therefore null and void.
3. The Application is fatally defective because it was not made within the statutory period.

4. The Best Evaluated Bidder was appropriately determined to be the best evaluated bidder.

E. SUBMISSIONS IN REJOINDER

1. The Applicant's counsel *Ssemambo & Ssemambo Advocates* filed submissions in rejoinder on August 21, 2025.
2. Counsel submitted that the last day for the Accounting Officer to make a decision was July 28, 2025 and the decision made on July 29, 2025 was made out of time and a nullity.
3. Any decision made and delivered on July 28, 2025 would have been a valid decision. The event of expiry therefore occurred on 29, 2025.
4. The Application was made before the Tribunal on August 8, 2025, exactly ten days from the occurrence of expiry being July 29, 2025. The Application was therefore brought within time.
5. Non-service of a statutory notice to the Accounting officer is not fatal.
6. The outcome of the evaluation would have changed had the Respondent reappraised the complementary benefits in the bids at the financial stage. The Applicant's compliance with the law would have given it a higher weighted average score above 66 %.
7. Counsel cited a number authorities in support of his submission.

F. ORAL HEARING

1. The Tribunal held an oral hearing on August 22, 2025, via Zoom videoconferencing. The appearances were as follows:

For the Applicant

Ssemambo Rashid and *Wasswa Kassim Ssensalo*, counsel for

the Applicant; Mr *John Kawuma*, Chief Executive Officer; Mr *Jay Sakaria*, Chief Actuary; and *Vivian Namayanja*, Compliance Officer.

For the Respondent

Eric Mugarura Bwankosya, Senior Legal Officer; *Elvis Sendikaddiwa*, Legal Officer; *Gloria Atuhaire*, Director Procurement and Disposal Unit; and *Caroline Nankabirwa*, Senior Procurement Officer.

For the Interested Party

John Kallemera, counsel; *Ruth Namuli*, CEO; and *Brian Kayima*, General Manager Corporate Services.

G. RESOLUTION

1. The Tribunal has considered the oral and written submissions and perused the pleadings, the bids, and the bidding document. The Application raised three issues. However, in view of the pleadings and submissions of both parties, the Tribunal has reframed the issues as follows:
 - 1) *Whether the instant Application is time barred?*
 - 2) *Whether the Application is incompetent due to failure to give notice to the Respondent's Accounting Officer?*
 - 3) *Whether the Respondent acted unlawfully by introducing new grounds for eliminating the Applicant's proposal during the review of the Applicant's complaint?*
 - 4) *Whether the Applicant's proposal covered pregnant staff?*
 - 5) *Whether the Best Evaluated Bidder's proposal contravened the Insurance (Minimum Premium and Maximum Commission Rates) Regulations 2023 by offering a higher benefit for the child and pregnancy policy extension exceeding UGX 2,000,000 without charging an additional premium?*
 - 6) *Whether the Applicant's bid was non-compliant with the Insurance (Minimum Premium and Maximum Commission Rates) Regulations 2023, specifically regarding the coverage of pregnant*

staff, the proposed premium rate of UGX 3,198,406,014, and the quotation of benefits exceeding the maximum per-staff limits for funeral and medical expenses as stipulated in Schedule 1 of the Regulations?

- 7) What remedies are available to the parties

Issue No. 1:

Whether the Application is time barred?

2. The Applicant, being dissatisfied with the outcome of the procurement process, lodged an administrative review complaint dated **July 16, 2025**, before the Accounting Officer of the Respondent.
3. According to section 106(7) of the *Public Procurement and Disposal of Public Assets Act, Cap 205*, and Regulation 8 of the *Public Procurement and Disposal of Public Assets (Administrative Review) Regulations, 2023*, the Accounting Officer is mandated to issue a written decision to the bidder who has lodged a complaint within ten days of receiving the complaint.
4. In this Application, the ten-day period commenced on July 17, 2025, and would have elapsed on Saturday July 26, 2025.
5. The Tribunal is cognisant of section 34 (1) (b) of the *Interpretation Act cap 6*, which provides that in computing time for the purpose of any Act, if the last day of the period is a Sunday or a public holiday (“excluded days”), the period shall include the next following day, not being an excluded day. In the instance case, the last day was not a Sunday or public holiday within the meaning of section 34 (1) (b) of the *Interpretation Act cap 6*.
6. However, the official Government working days are from Monday to Friday. See Section F-b 1 of the *Uganda Public Service Standing Orders*. It would also be contrary to the basic principle of fairness to require an Accounting Officer to make and communicate an administrative review decision to a bidder on a non-working day. In the instant case, the next working day

after Saturday July 26, 2025, was Monday July 28, 2025. Therefore, the final day for the Accounting Officer to make and communicate an administrative review decision was the next working day, which was Monday July 28, 2025.

See: ***Application no. 28 of 2022- Frida B. Kwikiriza vs Bulisa District Local Government.***

7. However, the Respondent's Accounting Officer purported to make his administrative review decision on Tuesday July 29, 2025. This decision was made outside the prescribed statutory timelines, was therefore null and void and contrary to the law. It is no decision at all and inconsequential. See ***Application No. 18 of 2025- Gold Star Insurance Company Limited vs Uganda National Oil Company*** and ***Application No. 14 of 2025-BUU-Lepu Foundation Ltd vs Lira City Council.***
8. Section 106(8) of the *Public Procurement and Disposal of Public Assets Act, Cap 205* stipulates that where an Accounting Officer does not make a decision or communicate a decision within the period specified in section 106 (7), the bidder may make an application to the Tribunal, in accordance with Part IX of the Act.
9. Section 115 (2) (c) of the *Public Procurement and Disposal of Public Assets Act, Cap 205* provides that where an Accounting Officer does not make a decision within the time prescribed in section 106 (7), an aggrieved bidder shall make an application to the Tribunal within ten days from the date of expiry of the period specified in section 106 (7).
10. In the instant Application, the ten days within which the Applicant could have challenged the Accounting Officer's decision including the failure to issue a decision within the statutory timeframe commenced on **Tuesday July 29, 2025**, and expired on **Thursday August 7, 2025**, which was the last day. The event of expiry occurred at the end of the last day. A limitation period expires on the final day of the legally prescribed timeframe for filing a case. The Tribunal does not therefore accept the novel submission of the Applicant's learned

counsel that when a fixed period is prescribed by law, the event of expiry occurs on the day after the last day.

11. Therefore, the instant Application filed on **Friday August 8, 2025**, was filed out of the statutory time frames and contrary to section 115(2)(b) of the *Public Procurement and Disposal of Public Assets Act, Cap 205*.
12. A bidder should not wait to receive a decision of an Accounting Officer once the 10 days prescribed in section 106 (7) of the *Public Procurement and Disposal of Public Act Cap 205* have elapsed. Such a bidder should act with haste and immediately proceed to file an application before the Tribunal within 10 days.
13. A limitation statute is strict in nature and inflexible and is not concerned with the merits of the case. Non-compliance with the limitation period renders the suit a nullity. The Supreme Court in ***Madhvani International SA v AG; SCCA No. 23 of 2010*** cited with approval the case of *Hilton v Sutton Steam Laundry [1956]1 KB 73* where Lord Greene M.R at p.81 stated that; “*But the statute of limitation is not concerned with merits, once the axe falls, it falls, and a defendant who is fortunate enough to have acquired the benefit of the statute of limitation is entitled, of course, to insist on his strict rights*”.
14. The timelines prescribed under the *Public Procurement and Disposal of Public Assets Act* are mandatory and serve a clear legal purpose. The Act does not grant the Tribunal authority to extend or vary these timelines. Consequently, if a party fails to act within the stipulated period, the Tribunal loses jurisdiction over the matter. This position has been affirmed in cases such as ***Eclipse Edisoil JVC Ltd vs Napak District Local Government (High Court Civil Appeal No. 05 of 2024, arising from Tribunal’s Registry Application No. 33 of 2023)*** and ***Application No. 18 of 2025- Gold Star Insurance Company Limited vs Uganda National Oil Company***.
15. The instant Application is time barred and incompetent. In the

circumstances we shall not delve into the merits of the Application.

16. **Issue no. 1 is resolved in the affirmative.**

H. DISPOSITION

1. The Application is struck out.
2. The Tribunal's suspension order dated August 8, 2025, is vacated.
3. Each party shall bear its own costs.

Dated at Kampala, this 27th day of August, 2025.



FRANCIS GIMARA. S.C
CHAIRPERSON



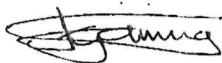
NELSON NERIMA
MEMBER



GEOFFREY NUWAGIRA KAKIRA
MEMBER



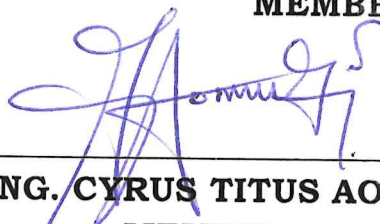
PAUL KALUMBA
MEMBER



CHARITY KYARISIIMA
MEMBER



KETO KAYEMBA
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ENG. CYRUS TITUS AOMU
MEMBER