

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

**APPLICATION NO. 41 OF 2025**

**BETWEEN**

**TWED PROPERTY DEVELOPMENT LTD ::::::::::::::::::::::::::: APPLICANT**

**AND**

**OFFICE OF THE PRIME MINISTER :::::::::::::::::::::::::::RESPONDENT**

**APPLICATION FOR ADMINISTRATIVE REVIEW IN RESPECT OF THE  
EMERGENCY PROCUREMENT OF OFFICE SPACE UNDER  
PROCUREMENT REFERENCE NO. OPM/NCONS/24-25/00437**

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

## **DECISION OF THE TRIBUNAL**

### **A. BRIEF FACTS**

1. On May 26, 2025 the Office of the Prime Minister (the “Respondent”) issued a bid notice for the emergency procurement of office space under Procurement Reference No. OPM/NCONS/24-25/00437 using open domestic bidding method of procurement.
2. The Respondent issued bidding documents to three bidders i.e *Twed Property Development Ltd*, *King Ceasor Augustus Mulenga*, and *Speke Hotel (1996) Ltd* and only received bids from two of them, namely *Twed Property Development Ltd* and *King Ceasor Augustus Mulenga*, on 10 June 2025.
3. After completing the evaluation process, the Respondent published a Best Evaluated Bidder Notice on October 7 2025, indicating that *King Ceasor Augustus Mulenga* had emerged as the best evaluated bidder at a monthly contract price of UGX 290,622,200, totaling UGX 3,487,466,400 annually for 3,433.68 sqm of lettable space and 100 parking slots (inclusive of taxes), based on the Chief Government Valuer’s (CGV) assessment. This translates to UGX 84,637 per square meter per month.
4. The notice further indicated that the bid of *Twed Property Development Ltd* (the Applicant) was unsuccessful at the financial evaluation stage because the Chief Government Valuer (CGV) had valued its property at UGX 408,303,600 per month, totaling UGX 4,899,643,200 per annum for 3,750.93 sqm of lettable space and 100 parking slots (inclusive of taxes), totaling to UGX 108,854 per square meter per month.
5. Dissatisfied with the procurement process, the Applicant lodged an administrative review complaint with the Respondent’s Accounting Officer on October 20, 2025.

6. The grounds of the complaint were substitution of the best evaluated bidder's read-out price; erroneous reliance on the Chief Government Valuer's opinion; and material technical non-compliance with the requirement for at least 3,500 m<sup>2</sup> of lettable office space.
7. By a letter dated on October 30, 2025, one Alenga Rose, on behalf of the Permanent Secretary, informed the Applicant that its complaint was found to be valid. The notice of best evaluated bidder was nullified on account of material deviation from the technical requirement of at least 3,500 sq. m. The procurement process was also annulled.

**B. APPLICATION TO THE TRIBUNAL**

1. Dissatisfied with the Respondent's decision, the Applicant filed Application No. 41 of 2025 before the Tribunal on November 5, 2025, seeking a review of the said decision. The application is premised on 2 grounds, i.e
  - 1) Unlawful annulment of the procurement outside the grounds permitted by section 81 of the *Public Procurement and Disposal of Public Assets Act, Cap 205* and regulation 14(3)(a)–(c) of the *Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023*.
  - 2) Replacing the bidders' submitted offer prices with the Chief Government Valuer's (CGV) estimate as the determinative bid price.
2. The Applicant filed detailed written submissions on November 12, 2025, to elaborate on the grounds of the Application. On November 12, 2025, the Applicant also filed detailed written submissions in rejoinder to the submissions of the Best Evaluated Bidder.
3. The Applicant seeks the following remedies:

- 1) That the Tribunal set aside the Respondent's remedy of annulling the procurement process.
- 2) That the Tribunal directs the Respondent to re-evaluate the bids from the stage where the error occurred, in strict compliance with the Bidding Document, the *Public Procurement and Disposal of Public Assets Act* and the regulations.
- 3) That the Tribunal re-affirm the sanctity of the bidders' price offers in the public interest.
- 4) That the Tribunal guide the Respondent that the Chief Government Valuer's estimate is to be used strictly as a benchmark for value-for-money and not as a determinative bid price that must be matched exactly by bid prices at evaluation stage.
- 5) That the Applicant is awarded the costs of the application.
- 6) That the administrative review fees be refunded to the Applicant.

**C. REPLY BY THE RESPONDENT**

1. The Respondent filed a reply to the application on November 17, 2025. The Respondent averred as hereunder.

*Legality of the nullification of the entire emergency procurement process*

2. The annulment was in line with section 81 of the *Public Procurement and Disposal of Public Assets Act Cap. 205* and well as regulation 14 of *The Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023*.
3. Not only was the bid by *M/S Twed Property Development Limited* beyond the Respondent's financial capacity, but it also had



incurable defects/shortcomings in relation to Part 3: Section 7, General Conditions of the Contract as specified in the bidding document.

*Bidders' prices vis-à-vis the Chief Government Valuer's Estimate*

4. The Respondent arrived at the lowest evaluated bid through an evaluation process based on the criteria and methodology laid out in Instructions to Bidders (ITB) 34.2, Section 3 of the bidding document and approval by the Contracts Committee, before it was subjected to negotiations on scope and price comparison with the CGV's estimated rental value.
5. The Applicant was well aware and assented to the fact that the CGV's estimate would be taken into perspective by the Respondent while handling the process.
6. The negotiations undertaken by the Respondent's Negotiations Committee were in accordance with section 80 of the *Public Procurement and Disposal of Public Assets Act Cap. 205*.
7. The Respondent used the Chief Government Valuer's assessment as a benchmark to guide on the market price of the properties.
8. The Respondent's Accounting Officer's decision to annul the entire procurement process, by implication meant that she had a divergent view from the Respondent's Contracts Committee's decision. Her decision/action was in consonance with regulation 12 (2) of the *Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023*, which gives the Accounting Officer latitude to take decisions that are binding on the Procuring and Disposing Entity.

Limitations

9. Due to the limited resource envelope and other contributory factors/circumstances, this procurement is no longer tenable.

Prayer

10. The Respondent prayed that the Tribunal upholds the decision of the Respondent's Accounting Officer to annul the procurement; and declines to grant the reliefs/remedies sought by the Applicant.

**D. REPLY BY THE BEST EVALUATED BIDDER**

1. The Best Evaluated Bidder *King Ceasor Augustus Mulenga* was invited by the Tribunal to file submissions as an interested party. He accordingly filed a reply through *K & K Advocates* accordingly filed a reply on November 10, 2025. He also filed detailed written submissions on November 18, 2025.

Preliminary objection

2. The Applicant's bid validity document expired on November 10, 2025. The implication of this is that the Applicant is not a bidder within the meaning of section 2 of the Public Procurement and Disposal of Public Assets Act, Cap 205 and has no locus to institute the present review.

Net Lettable area

3. The Best Evaluated Bidder challenges the administrative review decision based on the Chief Government Valuer's finding that his building was approximately 3,433.68 sq. m. The Best Evaluated Bidder submitted a bid with a lettable area of 3,517.32 sq.m.

Annulment of procurement

4. The Respondent should not have annulled the procurement. The Best Evaluated Bidder qualified in both technical and financial requirements.
5. The Applicant's bid was materially deviant from the technical requirements.

Chief Government Valuer's approval

6. It was an explicit requirement of the bidding document that the prices shall be subject to the CGV's approval. The CGV's approval was part of due diligence.
7. The Best Evaluated Bidder therefore prayed for a declaration that he met the requirements of the bidding document and that the Respondent should award him the contract; and dismissal of the application with costs.

**E. ORAL HEARING**

1. The Tribunal conducted an oral hearing on November 5, 2025, via Zoom videoconferencing.
2. The appearances were as follows:

The Applicant

*Julie Nassimbwa*, Director of Finance and Administration, and *Ian Twebaze*, Chief of Development and Operations

The Respondent

*Franklin Tumusiime*, *Robert Bossa*, *Patricia Elizabeth Lakidi*, Under Secretary of Finance and Accounts, *Michael Bwesigye*, Principal Assistant Secretary, *Katumba Isaac*, Procurement, *Yerusa Nyangoma*, Assistant Commissioner, Procurement, *Tonny Kato Magembe* from the Chief Government Valuer's Office, *Architect Nalugwa Nasiifah*, from the Ministry of Works and Transport and *Lukabwe Ivan Isaac*, a Quantity Surveyor from the Ministry of Works and Transport

Best Evaluated Bidder

*Pheonah Nankunda* and *Okia Emmanuel* of K&K Advocates, Counsel for *King Ceasor Augustus Mulenga*.

**F. RESOLUTION**

1. The Tribunal has considered the oral and written submissions and perused the pleadings, the proposals, the bidding document, and the authorities cited.
2. The Application raised eight issues, while the Applicant's submissions raised six issues. The Respondent raised a preliminary point of law. The Tribunal has reframed the issues for determination as follows:
  - 1) Whether the Applicant has *locus standi* before the Tribunal?
  - 2) Whether the Tribunal has jurisdiction to entertain this Application?
  - 3) Whether the Respondent's cancellation of the procurement was lawful?
  - 4) Whether the best evaluated bidder's bid price was lawfully awarded?
  - 5) Whether there are available remedies to the parties?

**Issue No. 1:**

**Whether the Applicant has locus standi before the Tribunal?**

3. The Best Evaluated Bidder raised a preliminary objection that the Applicant's bid validity document expired on November 10, 2025, is not a bidder within the meaning of section 2 of the Public Procurement and Disposal of Public Assets Act, and has no locus to institute the present review.
4. The term *locus standi* literally means a place of standing. It means a right to appear in court, and, conversely, to say that a person has no *locus standi* means that he has no right to appear or be heard in a specified proceeding. (see *Njau and others v. City*

*Council of Nairobi [1976–1985] 1 EA 397 at 407*). To say that a person has no *locus standi* means the person cannot be heard, whether or not he has a case worth listening to.

5. Under sections 115 and 115 of the *Public Procurement and Disposal of Public Assets Act, Cap 205*, on which this application is premised, an aggrieved bidder, as specified in section 106 (7) or (8), may apply to the Tribunal for review of a decision of a procuring and disposing entity.
6. A "bidder" means a physical or artificial person intending to participate or participating in public procurement or disposal proceedings. See Section 2 of the *Public Procurement and Disposal of Public Assets Act, Cap 205*.
8. Regulation 62 (1) and (2) (5) of the *Public Procurement and Disposal of Public Assets (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023* provides that the bidding documents shall state the date up to which a bid shall be valid; and that a bid shall remain valid until the close of business on the last day of the validity period.
9. The bidding document under ITB 18.1, and the Bid Data Sheet, required the bids to be valid until November 10, 2025.
10. The bids in the instant procurement were therefore originally valid until November 10, 2025.
11. Under regulation 62 (6) of the *Public Procurement and Disposal of Public Assets (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023*, a bidder may, on his or her own discretion, extend the bid validity period where the procurement and disposing entity delays to request the bidder to extend the bid and the bid validity period is likely to expire before the completion of the procurement process.

12. However, the Tribunal did not find any bid extension letters on the procurement action file. On November 20, 2025, the Tribunal asked the Applicant and the best evaluated bidder to provide their bid extension letters if any.
13. The Applicant furnished a copy of its bid extension letter dated November 7, 2025.
14. The Respondent furnished a copy of its bid extension letter dated November 10, 2025.
15. The Tribunal noted that the Respondent as the procuring and disposing entity did not raise any objection to the Applicant's *locus standi*, implying that they recognize the Applicant as a bidder.
16. The Applicant, having self-extended its bid before expiry, is therefore a bidder and has *locus standi* to maintain this Application.
17. An application brought before the Public Procurement and Disposal of Public Assets Appeals Tribunal under section 115 of the *Public Procurement and Disposal of Public Assets Act, cap. 205*, constitutes an invocation of the Tribunal's jurisdiction to review the decisions of a procuring and disposing entity. As a merits review body, the Tribunal possesses broad authority to examine both the lawfulness and the merits of the procurement decision under challenge and, where appropriate, to set aside the impugned decision and substitute it with its own.
18. This power includes assessing all relevant legal and factual issues, both the lawfulness of the procurement decision it is reviewing and the facts going to the exercise of discretion, whether raised by the Applicant or not, provided all interested parties are provided with an opportunity to present their case (the right to be heard), are notified in advance that a decision is to be made based on that material and are allowed to respond (procedural fairness),

determine the matter in an unbiased manner (an absence of bias) and give reasons for the decision. This position is supported by *Arua Municipal Council v Arua United Transporters SACCO*, High Court at Arua Civil Appeal No. 25 of 2017, and *Twed Property Development Ltd v Uganda Revenue Authority*, PPDA Tribunal Application No. 13 of 2025.

19. The Tribunal will therefore assess the merits of the case and determine whether the impugned decisions of the Respondent were in accordance with the law and the Bidding Document.

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

**Issue no. 2:**

**Whether the Tribunal has jurisdiction to entertain this Application?**

18. Section 115(3)(a) of the *Public Procurement and Disposal of Public Assets Act, cap 205* expressly prohibits the Tribunal from reviewing a decision of a procuring and disposing entity to cancel a procurement in accordance with section 81 of the same Act.

19. Under section 81(1) and (2) of the *Public Procurement and Disposal of Public Assets Act, Cap 205*, a procuring and disposing entity may, with the approval of its Contracts Committee, cancel a procurement process before contract award where certain conditions exist, including inadequate funding, substantial modifications to technical requirements, or a change in the circumstances giving rise to the procurement.

20. In the present Application, the Respondent annulled the entire procurement process during the course of considering the Applicant's complaint. The Applicant, however, maintains that the cancellation was procedurally defective and therefore unlawful. This divergence of positions requires the Tribunal to determine whether the cancellation complied with the statutory framework under section 81.



21. Accordingly, the Tribunal has jurisdiction to examine the decision-making process that culminated in the cancellation of the procurement, for purposes of determining whether the Respondent effected a “valid cancellation” within the meaning of section 81 of the Act. In exercising its review mandate, the Tribunal must assess the credibility of the parties’ respective positions to ascertain whether the cancellation was lawfully undertaken. See Application No. 19 of 2025 *Victoria Insglass Ltd v Kira Municipal Council*; Application No. 34 of 2022 *Kingdom Kampala Limited v Judicial Service Commission*; and Application No. 13 of 2022 *Mulago Hill Diagnostics Ltd v National Water and Sewerage Corporation*.
22. Where the Tribunal finds that a cancellation of a procurement was properly effected in accordance with section 81, its jurisdiction to examine the reasons behind that cancellation is ousted. Conversely, if the purported cancellation did not meet the statutory requirements, or if no valid cancellation occurred, the Tribunal’s jurisdiction remains unaffected by section 115(3). See *Preg Tech Communications v Uganda Police*, Application No. 32 of 2021; *Mugerwa Fred v Sembabule District Local Government*, Application No. 23 of 2022; and *Impiger Technologies Private Limited v Higher Education Students Financing Board*, Application No. 25 of 2022.
23. The Tribunal is therefore obliged to assess the truthfulness and procedural propriety of the alleged cancellation to determine whether it falls within the scope of section 81.
24. **Issue No. 2 is accordingly answered in the affirmative.**



**Issue no. 3:**

**Whether the Respondent's cancellation of the procurement was lawful?**

25. The Applicant's complaint regarding the cancellation of the procurement is twofold. First, the Applicant contends that the cancellation was unnecessary and irrational. Having already found the bid submitted by *King Ceasor Augustus Mulenga* to be not substantially responsive and therefore ineligible for financial comparison the proper course of action should have been to remit the procurement for re-evaluation using the next-best evaluated bid, in accordance with ITB Clause 36.3. Secondly, the Applicant alleges that the cancellation was not based on any lawful grounds prescribed by the Act and that it was executed without the prior approval of the Contracts Committee.
26. Section 81(1) of the *Public Procurement and Disposal of Public Assets Act, Cap. 205* and regulation 14 (5) of the *Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023* empower a procuring and disposing entity, with the prior approval of its Contracts Committee, to cancel a procurement or disposal process at any point before a contract is awarded to the Best Evaluated Bidder. Accordingly, cancellation is only permissible before contract award. See *Application No. 11 of 2023 Global Paper Products Ltd v Uganda National Examinations Board*.
27. A contract award is different from a contract. A contract award decision occurs when the Contracts Committee makes a decision to award the contract to the best evaluated bidder. See sections 31(1) (c) and 82 (1) of the *Public Procurement and Disposal of Public Assets Act, Cap. 205*, and regulation 2(1) and (2) of the *Public Procurement and Disposal of Public Assets (Contracts) Regulations, 2023*.

28. The award decision is officially communicated by a notice of best evaluated bidder under regulation 3 of the regulation 2(1) and (2) of the *Public Procurement and Disposal of Public Assets (Contracts) Regulations, 2023*.
29. On the other hand, a contract is a formal written document executed between the procuring and disposing entity and the provider. The written contract confirms the award.  
See section 82 (2) of the *Public Procurement and Disposal of Public Assets Act, Cap. 205*, and regulations 9 and 10 of the *Public Procurement and Disposal of Public Assets (Contracts) Regulations, 2023*.
30. A contract award does not guarantee that a formal contract will be executed. For example, an Accounting Officer may decline to sign a contract if the contract price is higher than the market price, if funding is not available, or if all relevant agencies including the Attorney general have not approved the contract.  
See regulations 6 and 7 of the *Public Procurement and Disposal of Public Assets (Contracts) Regulations, 2023*.
31. The import of 81(1) of the *Public Procurement and Disposal of Public Assets Act, Cap. 205*, is that once the Contracts Committee has awarded a contract, the procurement process can no longer be cancelled, regardless of whether a formal contract has been signed or not.
32. In the instant case, the Evaluation Committee, in its report of June 19, 2025, recommended the award of a contract to King Ceasor Augustus Mulenga at a monthly price of UGX 333,333,333 (UGX 4,720,000,000 annually). The Contracts Committee, at its meeting of September 30, 2025 under Minute 5-OPM/CC0011, approved the recommendation and awarded the contract to King Ceasor Augustus Mulenga at a revised price of UGX 290,622,200 per month (UGX 3,487,466,400 annually) for 3,433.68 sq. m of

lettable space and 100 parking slots. Consequently, a Best Evaluated Bidder Notice was issued on October 7, 2025.

33. The Applicant lodged an administrative review complaint with the Respondent's Accounting Officer on October 20, 2025. The grounds of the complaint were: substitution of the best evaluated bidder's read-out price; erroneous reliance on the Chief Government Valuer's opinion; and material technical non-compliance with the requirement for at least 3,500 m2 of lettable office space.
34. By a letter dated on October 30, 2025, one Alenga Rose, on behalf of the Permanent Secretary/Accounting Officer, informed the Applicant that its complaint was found to be valid. The notice of best evaluated bidder was nullified on account of material deviation from the technical requirement of at least 3,500 m2. The procurement process was also annulled.
35. Section 106(7) of the *Public Procurement and Disposal of Public Assets Act, Cap. 205* provides that the Accounting Officer must make an administrative review decision in writing within 7 days, addressed to the bidder who makes the complaint, and indicate the reasons for the decision and the corrective measure to be taken, if any.
36. In the instant case, it is not clear whether the person who made the impugned decision is actually the Accounting Officer.
37. By a letter dated October 30, 2025, one Alenga Rose, on behalf of the Permanent Secretary, communicated an administrative review decision to the Applicant. The Tribunal was however unable to find any evidence that noted that Alenga Rose was authorized or delegated to perform the role of Accounting Officer as required under section 41 of the *Public Procurement and Disposal of Public Assets Act, cap. 205*.

38. Be that as it may, the purported administrative review decision found the Applicant's complaint to be valid. The notice of best evaluated bidder was nullified on account of material deviation from the technical requirement of at least 3,500 sq. m. The nullification of the notice of best evaluated bidder was a corrective measure within the meaning of section 106(7) of the *Public Procurement and Disposal of Public Assets Act, cap. 205*.
39. However, in making a decision to cancel a procurement, timing and procedure must be observed.
40. Section of 81(1) of the *Public Procurement and Disposal of Public Assets Act, cap. 205* and regulation 14 (5) of the *Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023* are clear that cancellation can only be effected *at any time before* a contract is awarded to the best evaluated bidder. The cancellation must be approved by the Contracts Committee.
41. Under regulation 14 (1) of the *Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023* the recommendation to the Contracts Committee for cancellation of a procurement or disposal process can only be made by a Procurement and Disposal Unit, on its own initiative, or a user department. The reasons for cancellation are clearly spelt out in sections 80 (3) and 81 (2) of the *Public Procurement and Disposal of Public Assets Act, cap. 205* and regulation 14 (3) of the *Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023*
42. In the instant, case, there was no recommendation by the Procurement and Disposal Unit or the user department to the Contracts Committee, for cancellation of the procurement process. There was no approval of the cancellation by the Contracts Committee.

43. Section 40 of the *Public Procurement and Disposal of Public Assets Act, cap. 205* requires the Accounting Officer, the Contracts Committee, the Procurement and Disposal Unit, the user department and the Evaluation committee to act independently in relation to their respective functions and powers. Therefore, the Accounting Officer could not unilaterally usurp the mandate of the Procurement and Disposal Unit, the user department or the Contracts Committee in relation to cancellation of the procurement process.  
See *Application No. 28 of 2025 – Eyere Company SMC Limited v Arua City Council*.
44. The Respondent has averred that the Accounting Officer's decision to annul the entire procurement process, by implication meant that she had a divergent view from the Respondent's Contracts Committee's decision. That her decision/action was in consonance with regulation 12 (2) of the *Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023*, which gives the Accounting Officer latitude to take decisions that are binding on the Procuring and Disposing Entity.
45. The Tribunal does not agree with the above averment. Regulation 12 (2) of the *Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023*, provides that where the Accounting Officer does not agree with a decision of the Contracts Committee in respect of the application or interpretation of a procurement process or method, the Accounting Officer shall return the decision, with reasons for the rejection, to the Contracts Committee for review. Regulation 12(2) provides that where the Contracts Committee does not agree with the decision of the Accounting Officer, the decision of the accounting Officer shall be binding on the Procuring and Disposing Entity.
46. In the instant case, on September 30, 2025, the Contracts Committee approved the award of contract to King Ceasor

Augustus Mulenga. A notice of best evaluated bidder was issued on October 7, 2025.

47. The Accounting Officer never disagreed with the award decision. It is the Applicant who disagreed with the decision and applied for administrative review. The Accounting Officer was therefore handling an administrative review complaint but not deciding whether or not to accept an award decision of the Contracts Committee under the above cited regulation. The Contracts Committee had already made its decision and there was no objection by the Accounting Officer.
48. The Respondent also contended in its reply to the Application that the bid by *M/S Twed Property Development Limited* was beyond the Respondent's financial capacity and also had incurable defects/shortcomings in relation to Part 3: Section 7, General Conditions of the Contract as specified in the bidding document.
49. The Respondent's reply is not supported by the evaluation report. The evaluation report dated June 19, 2025 indicates that the bids of King Ceasor Augustus Mulenga and *M/S Twed Property Development Limited* were both responsive to the technical requirements. The evaluation report recommended King Ceasor Augustus Mulenga as the best evaluated bidder. The Contracts Committee approved the award of contract to King Ceasor Augustus Mulenga. A notice of best evaluated bidder was issued on October 7, 2025. The notice of best evaluated bidder did not cite non responsiveness to technical requirements as a reason for failure of the bid of *M/S Twed Property Development Limited*.
50. The Accounting Officer never disagreed with the award decision. It is therefore disingenuous for the Respondent to allege that the bid of *M/S Twed Property Development Limited* had incurable defects/shortcomings. The Accounting Officer's disagreement with



the evaluation, if any should have been raised before issue of a notice of best evaluated bidder.

51. Lastly the Respondent averred that due to the limited resource envelope and other contributory factors/circumstances, this procurement is no longer tenable. However, it is not the function of this Tribunal to inquire into reasons for a cancellation. Our duty is to ensure that any purported cancellation is effected according to the procedure prescribed by law. It is the function of the relevant organs to initiate and effect a cancellation if and when the prescribed circumstances arise.
52. A valid cancellation of the procurement process can be effected only before contract award by the Contracts Committee. The mandatory procedure discussed above must be followed.
53. After finding merit in the administrative review complaint, the Accounting Officer ought to have remitted the procurement for re-evaluation but had no power to effect a cancellation.
54. Therefore, Tribunal finds that the purported cancellation of the procurement process was illegal.
55. **Issue no. 3 is resolved in the affirmative.**

**Issue no. 4:**

**Whether the best evaluated bidder's bid price was lawfully awarded?**

56. The Applicant, Twed Property Development Limited, offered to provide 3,630 sq.m of office space, at plot 16 Lourdel Road and plot 18 Kyadondo Road Kampala, at UGX. 353,535,000 per month, VAT exclusive.
57. The Best Evaluated Bidder, King Ceasor Augustus Mulenga, offered to provide 3,500 sq.m of office space at plot 9 Portal

Avenue Kampala, at UGX. 4,720,000,000 per year, VAT inclusive (UGX. 393,333,333 per month, VAT inclusive). The unit rate was therefore UGX. 1,348,571 per sq. m. per year (UGX. 112,380.9 per square metre per month).

58. The Statement of Requirements included a note indicating that the prices quoted by bidders would be subject to the approval of the Chief Government Valuer.
59. On June 11, 2025, the Respondent requested the Chief Government Valuer (CGV) to undertake a valuation of the properties submitted by the bidders to advise on the prevailing market rent.
60. Under regulation 26 of the *Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023*, a procuring and disposing entity may undertake due diligence on a bid, at any time, from the commencement of the evaluation process to before the signing of the contract. The said due diligence test is expansive enough and covers any area of operation of a provider or any area of the bid that the procuring and disposing entity determines requires verification or checking, in exercising due care in a procurement or disposal process.
61. Therefore, it was lawful for the Respondent to request the CGV to undertake a valuation of the properties submitted by the bidders to advise on the prevailing market rent.
62. The Evaluation Committee however completed the evaluation on June 19, 2025. The evaluation report dated June 19, 2025 recommended King Ceasor Augustus Mulenga as the best evaluated bidder at a total evaluated price of UGX. 333,333,333 per month and UGX. 4,720,000,000 per year, inclusive of taxes. The evaluation report recommended negotiations to reduce the scope of office space requirement to fit within the available budget; and negotiation of the total proposed contract price.



63. The Evaluation Committee may recommend that the procuring and disposing entity carry out negotiations with the best evaluated bidder, even before issue of a best evaluated bidder notice. The evaluation committee can recommend negotiations with any bidder it has identified as the best evaluated bidder, even before contract award by the Contracts Committee. It suffices that the evaluation report has recommended the bidder as the best evaluated. See section 80 (1) and (2) of the *Public Procurement and Disposal of Public Assets Act, cap. 205* and regulation 3 of the *Public Procurement and Disposal of Public Assets (Negotiations) Regulations, 2023*.
64. The Contracts Committee, at its meeting of July 10, 2025, approved the evaluation report and the recommendation for negotiations with the best evaluated bidder, *King Ceasor Augustus Mulenga*, to fit within the budget, and to reduce the scope of quantities.
65. Negotiations were accordingly carried out with the said best evaluated bidder on July 15, 2025. The minutes indicate that it was agreed to reduce the scope from 3,500 sq. m to 3,114 sq. m. including 80 parking slots. The minutes also indicate that the reduction in scope reduces the monthly rate from UGX. 393,333,333 to UGX. 350,000,000, totaling UGX. 4,200,000,000 per year inclusive of VAT.
66. The CGV's report, dated 23 July 2025, was received by the Respondent on August 4, 2025. According to the report, the properties were inspected on June 9, 2025, in the presence of representatives of the bidders.
67. The rental valuation in respect of the office space at King Ceasor Augustus Mulenga's building stated that the total lettable area was 3,433.68 sq. m. and that the market rent was UGX. 246,290,000 per month, VAT exclusive.

68. The rental valuation in respect of the office space at Twed Property Development Limited's building stated that the total lettable area was 3,750.93 sq. m. and that the market rent was UGX. 346,020,000 per month, VAT exclusive.
69. On August 11, 2025, the Procurement and Disposal Unit re-submitted the evaluation report to the Contracts Committee, seeking approval for re-negotiations with the best evaluated bidder. The justification was that the CGV report had lower rates than those quoted by the best evaluated bidder, thus rendering the earlier negotiations not relevant.
70. The Contracts Committee, at its meeting of August 20, 2025, "deferred" the request because approval for the same had already been made and there was no justification to deliberate on the same matter again.
71. On August 21, 2025 the Procurement and Disposal Unit requested the Contracts Committee for withdrawal of the earlier negotiations with the best evaluated bidder King Ceasor Augustus Mulenga, and to consider re-negotiations based on the CGV's report.
72. Apparently, before securing approval of the Contracts Committee, re-negotiations were held with the best evaluated bidder on September 1, 2025. It was agreed that King Ceasor Augustus Mulenga be considered for the contract award at UGX 246,290,000 per month, VAT exclusive, and UGX 290,622,200 per month (UGX 3,487,466,400 annually) VAT inclusive, for 3,433.68 sq. m. of lettable space and 100 parking slots, based on the CGV's valuation.
73. On September 30, 2025, the Contracts Committee approved the negotiation report and the award of contract to King Ceasor Augustus Mulenga at a monthly rate of UGX 290,622,200 for a net lettable space of 3,433.68 sq. m and 100 parking slots, on

condition that management approves the extra space beyond the original requirement.

74. A notice of best evaluated bidder was issued on October 7, 2025 stating that King Ceasor Augustus Mulenga was the best evaluated bidder at a total contract price of UGX. 290,622,200 per month totaling to 3,487,466,400 per annum for lettable space of 3,433.68 sq. m and 100 parking slots, as per the Chief Government Valuer's assessment, translating to UGX. 84,637 per sq. m. per month.
75. The Tribunal noted a number of illegalities and irregularities following receipt of the CGV's report.
76. The Respondent was free to seek advice from the CGV as part of due diligence and to guide in negotiations. However, the report of the CGV could not be used to alter the bid prices.
77. The Evaluation Committee may recommend that the procuring and disposing entity carry out negotiations with the best evaluated bidder. The membership of the negotiations team must be approved by the Contracts Committee. See regulation 3(1) of the *Public Procurement and Disposal of Public Assets (Negotiations) Regulations, 2023*.
78. Where a competitive procurement method is used, the negotiations may be carried out for purposes of minor alterations of the technical details of statements of requirements; reduction of quantities of the procurement requirement; minor amendments to the special conditions of a contract; agreement of the delivery or works schedules; the proposed methodology or proposed staffing; or the inputs required from the procuring and disposing entity. In a competitive, procurement like the instant one, there is provision for a reduction in scope (i.e. lettable space), but there is no enabling provision for negotiations to alter the bidder's rate.

See regulation 3(2) of the *Public Procurement and Disposal of Public Assets (Negotiations) Regulations, 2023*.

79. The best evaluated bidder offered a unit price of UGX. UGX. 112,380.9 per sq. m. per month, VAT inclusive. He was, however, offered a contract award at a unit price of UGX. 84,637 per sq. m. per month, VAT inclusive. To the extent that the unit rate of the best evaluated bidder was altered, the purported award was illegal.
80. It would have been different if the contract price had changed only because of a reduction in quantity, but not the unit rate.
81. Another illegality was the conduct of re-negotiations based on the report of the CGV before approval by the Contracts Committee. The Contracts Committee had approved negotiations on July 10, 2025 and the same were conducted on July 15, 2025. As already noted, on August 11, 2025, the Procurement and Disposal Unit re-submitted the evaluation report to the Contracts Committee, seeking approval for re-negotiations with the best evaluated bidder.
82. The justification was that the CGV report had lower rates than those quoted by the best evaluated bidder, thus rendering the earlier negotiations not relevant. The re-negotiations took place on September 1, 2025, without Contracts Committee approval. The Contracts Committee purported to approve the negotiation report on September 30, 2025, but that negotiation had been conducted without authorization. This contravened regulation 3(6) of the *Public Procurement and Disposal of Public Assets (Negotiations) Regulations, 2023*.
83. Therefore, it is the finding of the Tribunal is that the best evaluated bidder's bid price was unlawfully awarded and hence illegal.

84. Issue no. 4 is resolved in the negative.

**Issue no. 5:**

**Whether there are available remedies to the parties?**

85. Having found that the cancellation of the procurement and the awarded bid price were illegal, the Tribunal shall remit the procurement back to the Respondent for re-evaluation.

86. Issue no. 5 is resolved in the affirmative.

**G. DISPOSITION**

1. The Application is allowed.
2. The Respondent's administrative review decision dated October 30, 2025 is set aside.
3. The contract award to *King Ceasor Augustus Mulenga* dated September 30, 2025 is set aside.
4. The notice of best evaluated bidder dated October 7, 2025 is set aside.
5. The procurement is remitted back to the Respondent for re-evaluation in a manner not inconsistent with this decision, the bidding document and the law.
6. The corrective action(s) in 4 above shall be completed within 10 working days from the date of this decision.
7. The Tribunal's suspension order dated November 5, 2025, is vacated.
8. The Respondent shall refund the Applicant's administrative review fees.
9. Each party shall bear its own costs.

Dated at Kampala, this 21<sup>st</sup> day of November, 2025.



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**FRANCIS GIMARA. S.C**  
**CHAIRPERSON**



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**NELSON NERIMA**  
**MEMBER**



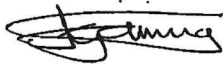
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**GEOFFREY NUWAGIRA KAKIRA**  
**MEMBER**



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**PAUL KALUMBA**  
**MEMBER**



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**CHARITY KYARISIIMA**  
**MEMBER**



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**KETO KAYEMBA**  
**MEMBER**



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**ENG. CYRUS TITUS AOMU**  
**MEMBER**