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*A World Bank Group Flagship Report*

WORLD BANK GROUP · 15TH YEAR · DOING BUSINESS

# Doing Business 2018

## Reforming to Create Jobs



WORLD BANK GROUP

*Comparing Business Regulation for Domestic Firms in 190 Economies*

## Economy Profile of Namibia

Doing Business 2018 Indicators
(in order of appearance in the document)

| | |
|---|---|
| **Starting a business** | Procedures, time, cost and paid-in minimum capital to start a limited liability company |
| **Dealing with construction permits** | Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system |
| **Getting electricity** | Procedures, time and cost to get connected to the electrical grid, the reliability of the electricity supply and the transparency of tariffs |
| **Registering property** | Procedures, time and cost to transfer a property and the quality of the land administration system |
| **Getting credit** | Movable collateral laws and credit information systems |
| **Protecting minority investors** | Minority shareholders' rights in related-party transactions and in corporate governance |
| **Paying taxes** | Payments, time and total tax rate for a firm to comply with all tax regulations as well as post-filing processes |
| **Trading across borders** | Time and cost to export the product of comparative advantage and import auto parts |
| **Enforcing contracts** | Time and cost to resolve a commercial dispute and the quality of judicial processes |
| **Resolving insolvency** | Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency |
| **Labor market regulation** | Flexibility in employment regulation and aspects of job quality |

## About Doing Business

The Doing Business project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The Doing Business project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. Doing Business also measures features of labor market regulation. Although Doing Business does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate distance to frontier score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, Doing Business encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

In addition, Doing Business offers detailed subnational reports, which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that Doing Business has ranked.

The first Doing Business report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where Doing Business, also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

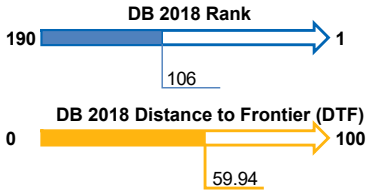
The distance to frontier (DTF) measure shows the distance of each economy to the "frontier," which represents the best performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy's distance to frontier is reflected on a scale from 0 to 100, where 0 represents the lowest performance and 100 represents the frontier. The ease of doing business ranking ranges from 1 to 190. The ranking of 190 economies is determined by sorting the aggregate distance to frontier scores, rounded to two decimals.

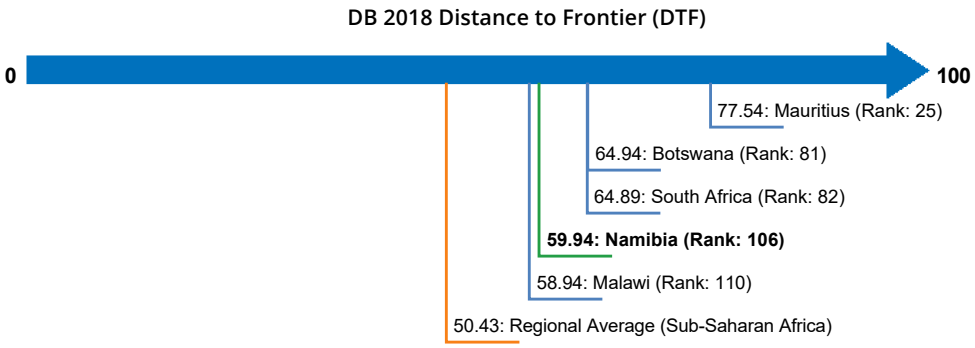
More about Doing Business (PDF, 5MB)

Ease of Doing Business in
## Namibia



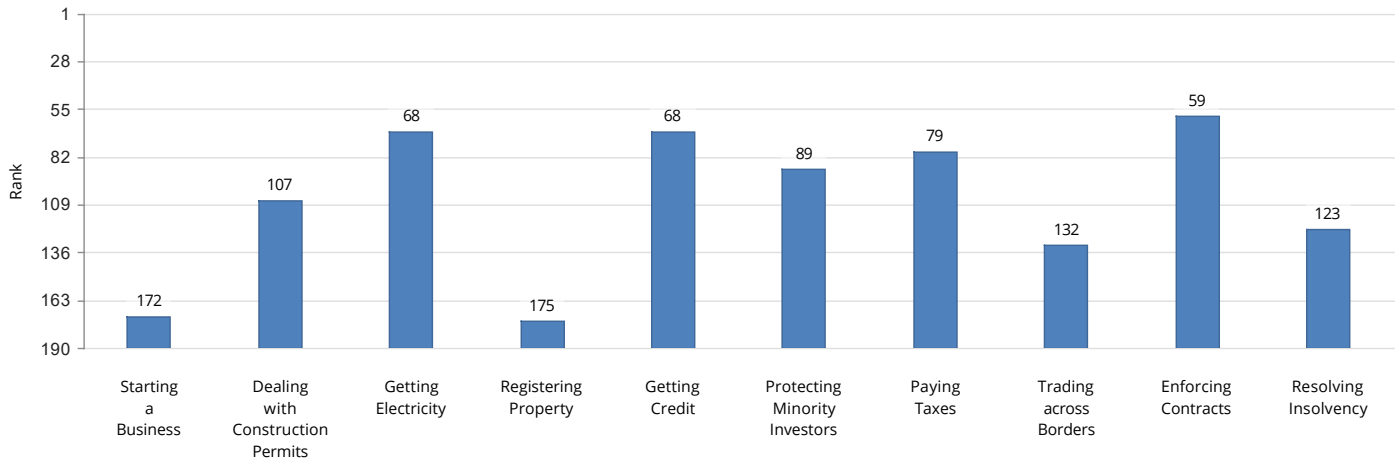
| | |
|---|---|
| Region | Sub-Saharan Africa |
| Income Category | Upper middle income |
| Population | 2,479,713 |
| GNI Per Capita (US$) | 4,620 |
| City Covered | Windhoek |



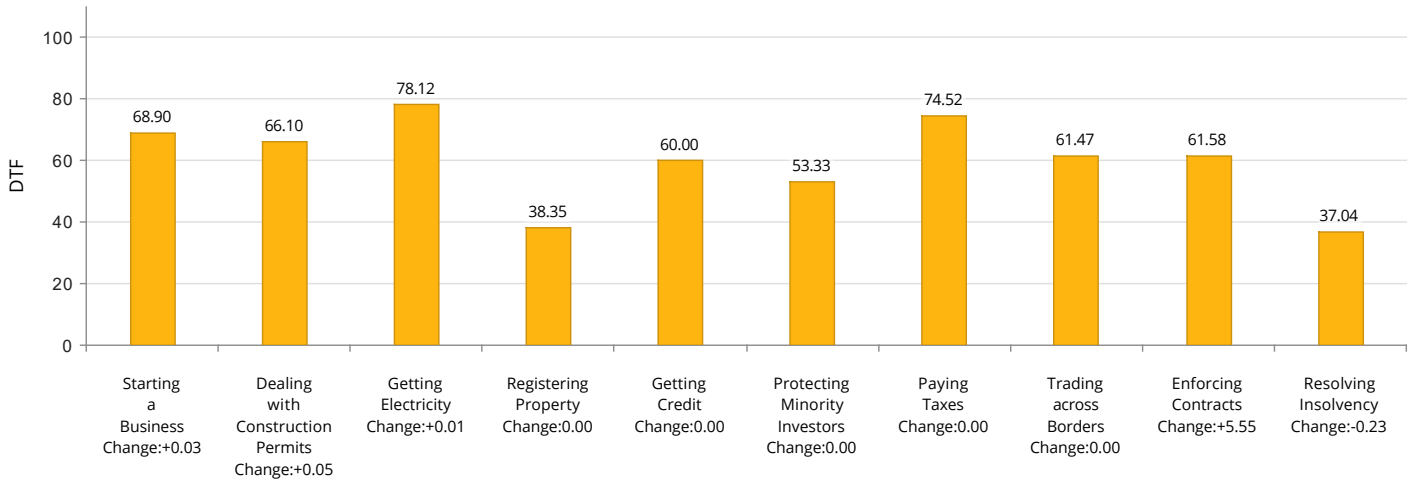




Note: The distance to frontier (DTF) measure shows the distance of each economy to the "frontier," which represents the best performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy's distance to frontier is reflected on a scale from 0 to 100, where 0 represents the lowest performance and 100 represents the frontier. The ease of doing business ranking ranges from 1 to 190.

## Rankings on Doing Business topics - Namibia




## Distance to Frontier (DTF) on Doing Business topics - Namibia



## Starting a Business

This topic measures the paid-in minimum capital requirement, number of procedures, time and cost for a small- to medium-sized limited liability company to start up and formally operate in economy's largest business city.

To make the data comparable across 190 economies, Doing Business uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The distance to frontier score for each indicator is the average of the scores obtained for each of the component indicators.

The most recent round of data collection for the project was completed in June 2017. See the methodology for more information.

### What the indicators measure

**Procedures to legally start and operate a company (number)**

- Pre-registration (for example, name verification or reservation, notarization)
- Registration in economy's largest business city
- Post-registration (for example, social security registration, company seal)
- Obtaining approval from spouse to start business or leave home to register company
- Obtaining any gender-specific permission that can impact company registration, company operations and process of getting national identity card

**Time required to complete each procedure (calendar days)**

- Does not include time spent gathering information
- Each procedure starts on a separate day (2 procedures cannot start on the same day)
- Procedures fully completed online are recorded as ½ day
- Procedure is considered completed once final document is received
- No prior contact with officials

**Cost required to complete each procedure (% of income per capita)**

- Official costs only, no bribes
- No professional fees unless services required by law or commonly used in practice

**Paid-in minimum capital (% of income per capita)**

- Funds deposited in a bank or with third party before registration or up to 3 months after incorporation

### Case study assumptions

To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.

**The business:**

- Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office.
- Operates in the economy's largest business city and the entire office space is approximately 929 square meters (10,000 square feet). For 11 economies the data are also collected for the second largest business city.
- Is 100% domestically owned and has five owners, none of whom is a legal entity; and has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita.
- Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes.
- Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to 1 times income per capita.
- Does not qualify for investment incentives or any special benefits.
- Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals.
- Has a company deed 10 pages long.

**The owners:**

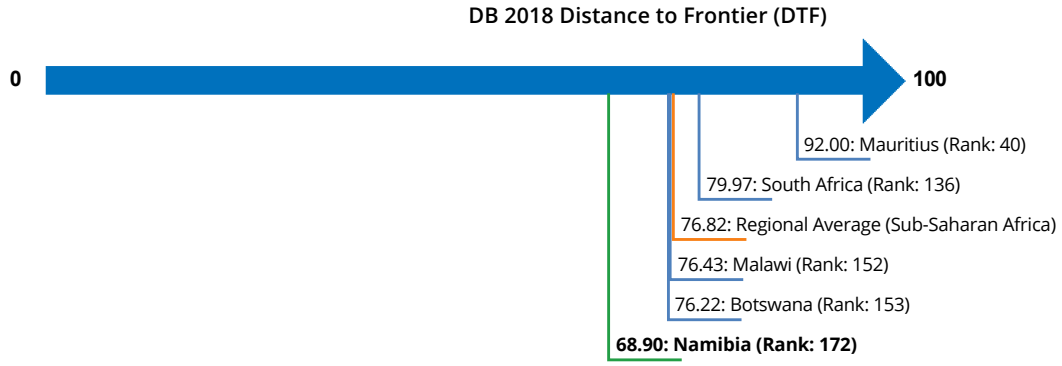
- Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old.
- Are sane, competent, in good health and have no criminal record.
- Are married and the marriage is monogamous and registered with the authorities.
- Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.

**Standardized Company**

| | |
|---|---|
| Legal form | Private Limited Liability Company |
| Paid-in minimum capital requirement | NAD 0 |
| City Covered | Windhoek |

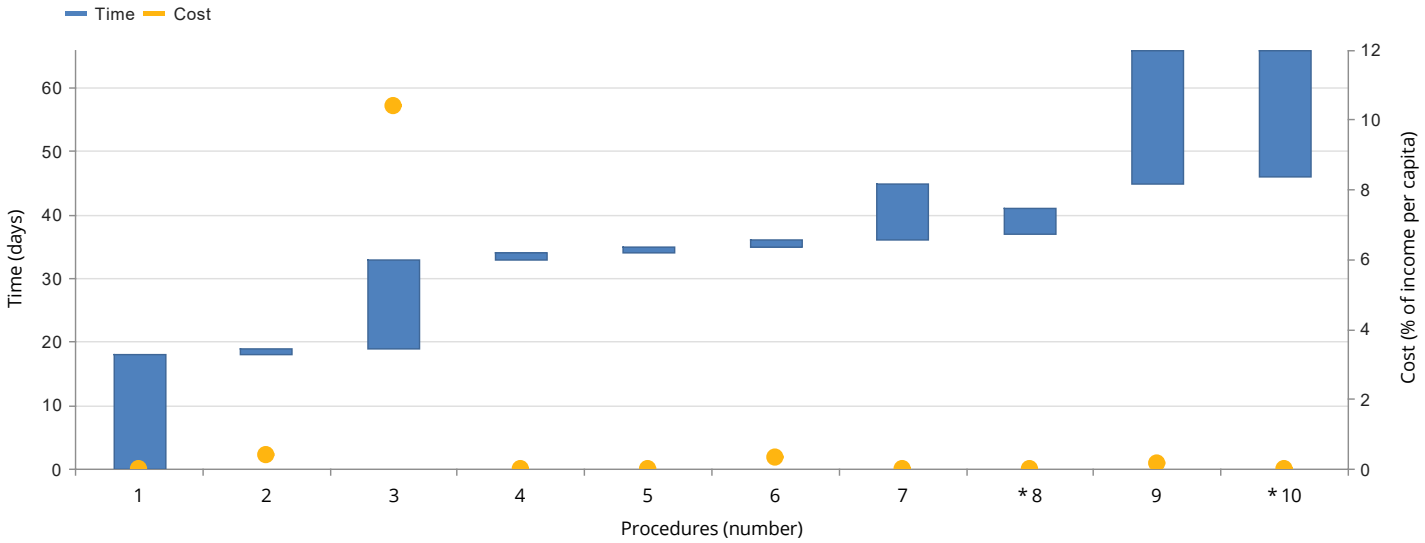
| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Procedure – Men (number) | 10 | 7.6 | 4.9 | 1.00 (New Zealand) |
| Time – Men (days) | 66 | 24.0 | 8.5 | 0.50 (New Zealand) |
| Cost – Men (% of income per capita) | 11.3 | 49.9 | 3.1 | 0.00 (United Kingdom) |
| Procedure – Women (number) | 10 | 7.7 | 4.9 | 1.00 (New Zealand) |
| Time – Women (days) | 66 | 24.1 | 8.5 | 0.50 (New Zealand) |
| Cost – Women (% of income per capita) | 11.3 | 49.9 | 3.1 | 0.00 (United Kingdom) |
| Paid-in min. capital (% of income per capita) | 0.0 | 25.6 | 8.7 | 0.00 (113 Economies) |

**Figure – Starting a Business in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the ease of starting a business is determined by sorting their distance to frontier scores for starting a business. These scores are the simple average of the distance to frontier scores for each of the component indicators.

**Figure – Starting a Business in Namibia – Procedure, Time and Cost**




***** This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the Doing Business website (http://www.doingbusiness.org/methodology). For details on the procedures reflected here, see the summary below.

**Details – Starting a Business in Namibia – Procedure, Time and Cost**

| No. | Procedure | Time to Complete | Associated Costs |
|---|---|---|---|
| 1 | **Reserve a unique company name**<br>Agency : Business and Intellectual Property Authority<br>Company name search and reservation is done at the Registrar of Companies within the Ministry of Trade and Industry. If the proposed name is acceptable, it will be reserved for 60 days. The Registrar of Companies is working on an online service platform, and the system is in phase 1. | 18 days | included in the cost of registration |
| 2 | **Pay the registration fees and buy revenue stamps at the Receiver of Revenue**<br>Agency : Receiver of Revenue<br>Annual duty varies depending on number of shares per Companies Act. The fee is ND 4 per 10,000 share capital and ranges between a minimum fee of ND 80 and maximum fee of ND 100. There is also a stamp duty of ND 100 to buy the annual return form CM23.<br><br>Subject to the provisions of Section 10 (1) (a) and (b) of the Companies Act, fees, additional fees, annual duty, or other moneys payable to the Registrar, may, except where otherwise provided in these regulations, be paid to any receiver of revenue. Proof of payment of such fees, additional fees, annual duty, or other moneys must be affixed to the relevant form or document by spreading adhesive paste or glue over the entire surface of the reverse side of the acknowledgement of receipt form. Fees for inspection or copies of documents may be paid on an account, subject to such conditions as the Registrar may stipulate. | 1 day | ND 230 - ND 250 |

| | | | |
|---|---|---|---|
| 3 | **Hire an attorney to register the company with the Business and Intellectual Property Authority and obtain the certificate of incorporation and the certificate of business commencement**<br>Agency : Business and Intellectual Property Authority<br>Section 63 of the Companies Act stipulates that the memorandum and articles of association must be filed and uplifted by a subscriber or by a local accountant or company attorney.<br>The following documents must be filed for the registration and incorporation of a company:<br>- The original and two notarized copies of the memorandum and articles of incorporation referred to in regulations 17 and 18, bound as prescribed in regulation 4 (1)<br>- Form CM5: Application for Reservation of Name or Shortened Form or Defensive Name, containing particulars of the name reserved for a company, as approved by the Registrar, together with other forms, if any, containing particulars of the shortened form of the name of the company, as approved by the Registrar (ND 50)<br>- Form CM22: Notice of Registered Office and Postal Address of Company, containing a notice of the company's registered office and postal address within the geographical boundaries of Namibia (ND 10)<br>- A power of attorney, signed by the subscribers to the memorandum, in favor of the person filing the documents<br>- Form CM29: Contents of Register of Directors, Auditors, and Officers (ND 10)<br>- Form CM31: Notice of, Consent to Appointment, Change of Name, or Resignation by Auditor or Removal of Auditor, containing the acceptance of appointment of an auditor (ND 10)<br>- Form CM46: Application and Certificate to Commence Business (ND 60 plus annual duty)<br>- Form CM1: Certificate of Incorporation of a Company Having a Share Capital<br>- Form CM2: Memorandum of Association of a Company Having a Share Capital. Proof of payment of the registration fee under Section 63 (2) of the Companies Act must be affixed to the original Form CM2 (ND 100)<br>- CM47: Statement by Each Director Regarding Adequacy of Capital of Company. This is a statement, as prescribed by Section 172(3)(a) of the Companies Act, of the opinion of each director to the effect that the capital of the company is adequate for the company's purpose and its business, or, if the director believes that it is inadequate, the reasons and the manner in which and the sources from which the company is to be financed and the extent thereof. (ND 25)<br>The Business and Intellectual Property Authority automatically forwards a copy of the memorandum and articles of association to the Receiver of Revenue, which in turns registers the company as a taxpayer and issues a tax identification number. Taxation of 33% of all profit is payable to the Receiver of Revenue. | 14 days | about ND 5,750+ ND 556 notary fees |

| | | | |
|---|---|---|---|
| 4 | **Deposit the initial capital in a bank account**<br>Agency : Bank<br>The funds for the initial capital deposit must be paid into a bank account.<br>- Authorized share capital: 4,000 ordinary shares of ND 1 each.<br>- Issued share capital: 100 ordinary shares of ND 1 each.<br>No legal requirements are mandated for the minimum startup capital for a private company. | 1 day | no charge |
| 5 | **Receive fire and health inspection**<br>Agency : Municipality<br>The company should not apply for a town planning certificate unless it is the owner of the premises. Companies must have a registered address in Namibia and must apply to receive fire and health inspection in order to obtain the certificate for fitness prior to the commencement of business operations. Local Authorities Act gives Municipalities authority to regulate, though Fire Regulations and Healthy Regulations, that the municipal fire chief and healthy division should inspect the business premises for safety and health of working environment. The municipality carries out municipal inspection and approves business premise occupancy after reviewing applications for receiving health and fire inspection. The inspector typically conducts inspection no later than the second day of application receipt. | 1 day | no charge |
| 6 | **Obtain the certificate of fitness from the local municipality**<br>Agency : Municipality<br>Upon satisfactory inspection of the company premises, the inspector provides the entrepreneur with a letter stating that the workplace has successfully passed inspection. The entrepreneur then returns to the local municipality in order to obtain the certificate of fitness with this proof. The certificate is annually renewable.<br>According to the “Healthy Regulation (Inspection Fees for Premises)” by Department of Economic Development & Environment Division: Health Services, the fees for formal non-food premises (per annum) per Schedule C (c A) (iii) is ND 172.17 of tariff plus ND 25.83 VAT, which is equal to a total of ND 198. | 1 day | ND 47.00 to ND 350 depending on the type of business |
| 7 | **Register for VAT with the Receiver of Revenue at the Ministry of Finance**<br>Agency : Receiver of Revenue at the Ministry of Finance<br>Any person, as defined by the law, who has carried on a taxable activity on or since November 27, 2000, and whose taxable turnover in any 12 month period exceeds or is likely to exceed ND 200,000 must register for VAT. The applicant submits Form VAT I to the Receiver of Revenue at the Ministry of Finance and receives the registration number within 1–4 weeks depending on the application date. The VAT number once issued is validated at the beginning of the month following the month of application.<br>Manufacturing companies must register for VAT. It is not compulsory for other types of businesses to register for VAT if their profit is less than ND 500,000. In order to register for VAT, the company must have a local bank account and a certificate of fitness. | 9 days | no charge |

| | | | |
|---|---|---|---|
| ⇉ 8 | **Register for Pay-As-You-Earn (PAYE) tax with the Receiver of Revenue**<br>Agency : Receiver of Revenue at the Ministry of Finance<br>The registration for pay-as-you-earn tax is separate from registration for VAT, but both are registered by the Receiver of Revenue at the Ministry of Finance. | 4 days (simultaneous with previous procedure) | no charge |
| 9 | **Register employees with the Social Security Commission**<br>Agency : Social Security Commission<br>A percentage of 1.8% is deducted from the basic salary of all employees, shared on a 50/50 basis by the employee (0.9%) and employer (0.9%), with a maximum of ND 81 and a minimum of ND 2.70. The figures reflect the social security contribution of 0.9% on minimum payroll of ND 300 and maximum payroll of ND 9000. SCC has a computerized system in place. The workers will receive one social security card (one card per person) via post after as a confirmation in about 1 month. | 21 days | ND 10 per employee |
| ⇉ 10 | **Register employees with the Workmen's Compensation Commission**<br>Agency : Workmen's Compensation Commission<br>The employer must file an application with the Workmen's Compensation Commission for all employees earning less than ND 72,000 a year, with special circumstances for those employees earning above that amount. The annual amount payable is based on a wage rate scale and on the company industry. Registration types are divided into farming (agriculture) and confirming companies. | 20 days (simultaneous with procedure 9) | no charge |

♀ Applies to women only.

⇉ Takes place simultaneously with previous procedure.

## Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in June 2017. See the methodology for more information

### What the indicators measure

**Procedures to legally build a warehouse (number)**

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Submitting all required notifications and receiving all necessary inspections
- Obtaining utility connections for water and sewerage
- Registering and selling the warehouse after its completion

**Time required to complete each procedure (calendar days)**

- Does not include time spent gathering information
- Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

**Cost required to complete each procedure (% of warehouse value)**

- Official costs only, no bribes

**Building quality control index (0-15)**

- Sum of the scores of six component indices:
- Quality of building regulations (0-2)
- Quality control before construction (0-1)
- Quality control during construction (0-3)
- Quality control after construction (0-3)
- Liability and insurance regimes (0-2)
- Professional certifications (0-4)

### Case study assumptions

To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.

**The construction company (BuildCo):**
- Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts.
- Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.

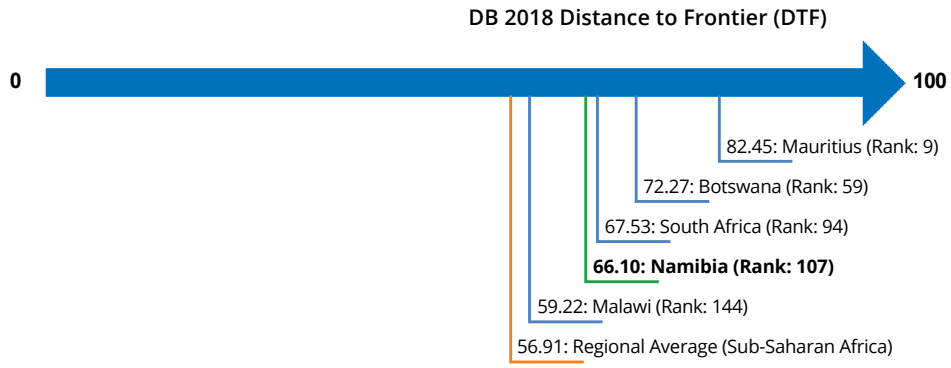
**The warehouse:**
- Will be used for general storage activities, such as storage of books or stationery.
- Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita.
- Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures.
- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).

**The water and sewerage connections:**
- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.
- Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day.
- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

| Standardized Warehouse | |
|---|---|
| Estimated value of warehouse | NAD 3,035,383.80 |
| City Covered | Windhoek |

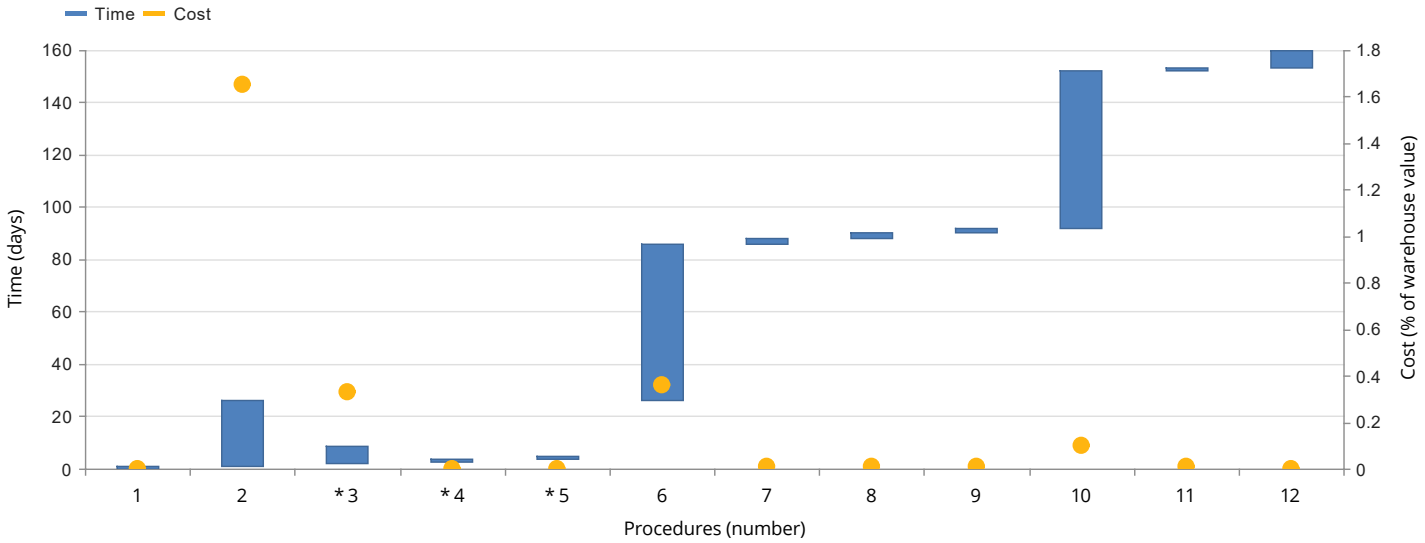
| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Procedures (number) | 12 | 14.8 | 12.5 | 7.00 (Denmark) |
| Time (days) | 160 | 147.5 | 154.6 | 27.5 (Korea, Rep.) |
| Cost (% of warehouse value) | 2.5 | 9.9 | 1.6 | 0.10 (5 Economies) |
| Building quality control index (0-15) | 6.5 | 8.0 | 11.4 | 15.00 (3 Economies) |

**Figure – Dealing with Construction Permits in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their distance to frontier scores for dealing with construction permits. These scores are the simple average of the distance to frontier scores for each of the component indicators.

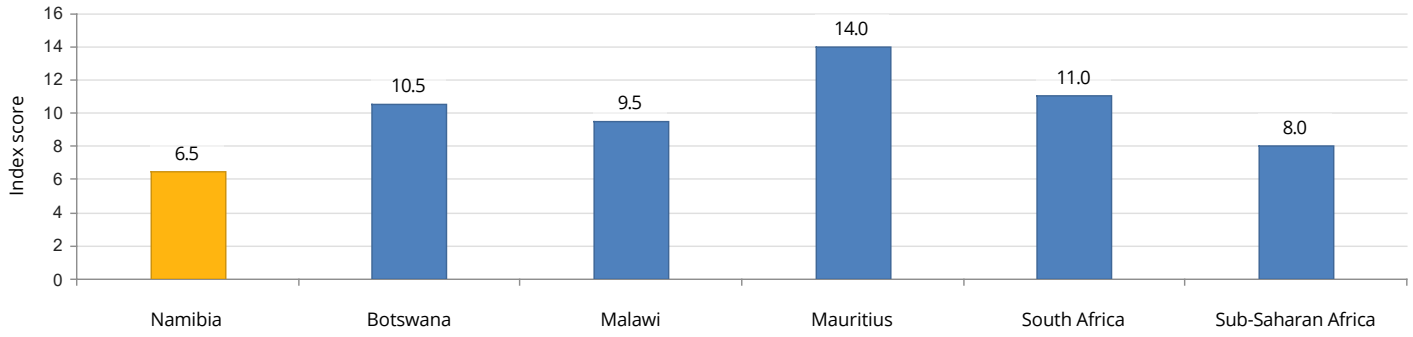
**Figure – Dealing with Construction Permits in Namibia – Procedure, Time and Cost**




***** This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the Doing Business website (http://www.doingbusiness.org/methodology). For details on the procedures reflected here, see the summary below.

**Figure – Dealing with Construction Permits in Namibia and comparator economies – Measure of Quality**



**Details – Dealing with Construction Permits in Namibia – Procedure, Time and Cost**

| No. | Procedure | Time to Complete | Associated Costs |
|---|---|---|---|
| 1 | **Verify with the Town Planning Department if the land is in the appropriate zoning area**<br>Agency : Town Planning Department of the City of Windhoek<br>A computerized system stores the use of every piece of land and is accessible by all agencies. The check can be conducted either on the telephone or in person. | 1 day | no charge |
| 2 | **Request and obtain results of geo-technical study**<br>Agency : Private companies<br>While a soil test is not specifically provided for in the Building regulations, in practice professionals will request a soil test before designing the foundation plans. | 25 days | NAD 50,000 |
| ⇉ 3 | **Request and obtain a topographic survey of the land plot**<br>Agency : Private land surveying companies<br>A topographic map is not a legal requirement to obtain a building permit. However, in practice it is needed by the professionals to design the building plans. | 7 days | NAD 10,000 |
| ⇉ 4 | **Obtain clearance from the Electrical Department**<br>Agency : Electrical Department of the City of Windhoek | 1 day | no charge |
| ⇉ 5 | **Obtain clearance from the Department of Infrastructure, Water and Wastewater Management**<br>Agency : Department of Infrastructure, Water and Wastewater Management of the City of Windhoek | 1 day | no charge |

| | | | |
|---|---|---|---|
| 6 | **Request a building permit from the Building Control Division of the City of Windhoek**<br>Agency : Building Control Division of the City of Windhoek<br>The application should be accompanied by the architectural plans. BuildCo submits all the information to the Building Control Division. This division then forwards the information to the relevant agencies -- to the departments of fire and safety, architecture, road planning (storm water and transportation policy), town planning (to comply with the maximum land coverage requirements), health (ventilation, windows, and air), roads construction, and water and sewerage. Each agency stamps the architectural plans to indicate that they are cleared.<br><br>In practice, the applicant goes to the Building Control Division only. Additional documents may be requested. If done in person, approvals could be received within 4 days.<br><br>The applicant receives a building permit and one stamped copy of the architectural plans.<br><br>For complex projects it is common to hold informal consultations with the approving authorities to make sure that the architectural plans are in order prior to the formal submission of the building permit application.<br><br>According to the fee schedule, for a 1,300.6 sq. m. building BuildCo would qualify into category "Buildings exceeding 1,000 sq. m. but not exceeding 2000 sq. m. and comprising less than three floors". The base tariff is NAD 11,000.00. | 60 days | NAD 11,000 |
| 7 | **Request and receive inspection to pass foundations**<br>Agency : Building Control Division of the City of Windhoek<br>There are phased inspections in Windhoek. Upon obtaining the building permit BuildCo will receive a schedule of inspections. Notification is done on special forms; however it can be done via fax. The inspector conducts the inspection on the same day or the following day. Upon concluding the inspection, the inspector signs the notice. BuildCo keeps it as proof that the inspection took place. | 2 days | NAD 200 |
| 8 | **Request and receive inspection to pass damp-proof course (DPC)**<br>Agency : Building Control Division of the City of Windhoek<br>There are phased inspections in Windhoek. Upon obtaining the building permit BuildCo will receive a schedule of inspections. Notification is done on special forms; however it can be done via fax. The inspector conducts the inspection on the same day or the following day. Upon concluding the inspection, the inspector signs the notice. BuildCo keeps it as proof that the inspection took place. | 2 days | NAD 200 |

| | | | |
|---|---|---|---|
| 9 | **Request and receive open sewer inspection**<br>Agency : Building Control Division of the City of Windhoek<br>There are phased inspections in Windhoek. Upon obtaining the building permit BuildCo will receive a schedule of inspections. Notification is done on special forms; however it can be done via fax. The inspector conducts the inspection on the same day or the following day. Upon concluding the inspection, the inspector signs the notice. BuildCo keeps it as proof that the inspection took place. After this inspection, there can be an inspection on drains when they are ready for the final inspection. | 2 days | NAD 200 |
| 10 | **Request and receive water connection**<br>Agency : Department of Infrastructure, Water and Wastewater Management of the City of Windhoek<br>The request for water connection is made at the Department of Infrastructure, Water & Waste Water Management. Usually there is no inspection required, unless the location of the building is in an area where is no service readily available. | 60 days | NAD 2,970 |
| 11 | **Receive final inspection by the Building Control Division**<br>Agency : Building Control Division of the City of Windhoek<br>When BuildCo is ready to receive the final inspection, it submits a notice of completion of the building. Upon concluding the inspection, the inspector signs the notice. BuildCo keeps it as proof that the inspection took place. | 1 day | NAD 200 |
| 12 | **Obtain completion certificate**<br>Agency : City of Windhoek<br>The completion certificate is issued within one week after the final inspection. BuildCo collects it from the City of Windhoek. | 7 days | no charge |

⇉ Takes place simultaneously with previous procedure.

**Details – Dealing with Construction Permits in Namibia – Measure of Quality**

| | Answer | Score |
|---|---|---|
| **Building quality control index (0-15)** | | **6.5** |
| **Quality of building regulations index (0-2)** | | **2.0** |
| How accessible are building laws and regulations in your economy? (0-1) | Available online. | 1.0 |
| Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1) | List of required documents; Fees to be paid; Required preapprovals. | 1.0 |
| **Quality control before construction index (0-1)** | | **1.0** |
| Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1) | Licensed engineer. | 1.0 |
| **Quality control during construction index (0-3)** | | **1.0** |
| What types of inspections (if any) are required by law to be carried out during construction? (0-2) | Inspections at various phases. | 1.0 |
| Do legally mandated inspections occur in practice during construction? (0-1) | Mandatory inspections are not always done in practice during construction; Mandatory inspections are done most of the time during construction. | 0.0 |
| **Quality control after construction index (0-3)** | | **2.0** |
| Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2) | Yes, final inspection is done by government agency. | 2.0 |
| Do legally mandated final inspections occur in practice? (0-1) | Final inspection does not always occur in practice. | 0.0 |
| **Liability and insurance regimes index (0-2)** | | **0.5** |
| Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1) | Construction company. | 0.5 |

| | | |
|---|---|---|
| Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1) | No party is required by law to obtain insurance . | 0.0 |
| **Professional certifications index (0-4)** | | **0.0** |
| What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2) | University degree in architecture or engineering. | 0.0 |
| What are the qualification requirements for the professional who supervises the construction on the ground? (0-2) | There are no specific requirements. | 0.0 |

## Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in June 2017. See the methodology for more information.

### What the indicators measure

**Procedures to obtain an electricity connection (number)**

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

**Time required to complete each procedure (calendar days)**

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

**Cost required to complete each procedure (% of income per capita)**

- Official costs only, no bribes
- Value added tax excluded

**The reliability of supply and transparency of tariffs index (0-8)**

- Duration and frequency of power outages (0–3)
- Tools to monitor power outages (0–1)
- Tools to restore power supply (0–1)
- Regulatory monitoring of utilities' performance (0–1)
- Financial deterrents limiting outages (0–1)
- Transparency and accessibility of tariffs (0–1)

**Price of electricity (cents per kilowatt-hour)***

- Price based on monthly bill for commercial warehouse in case study

*Note: Doing Business measures the price of electricity, but it is not included in the distance to frontier score nor the ranking on the ease of getting electricity.

### Case study assumptions

To make the data comparable across economies, several assumptions are used.

**The warehouse:**
- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

**The electricity connection:**
- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

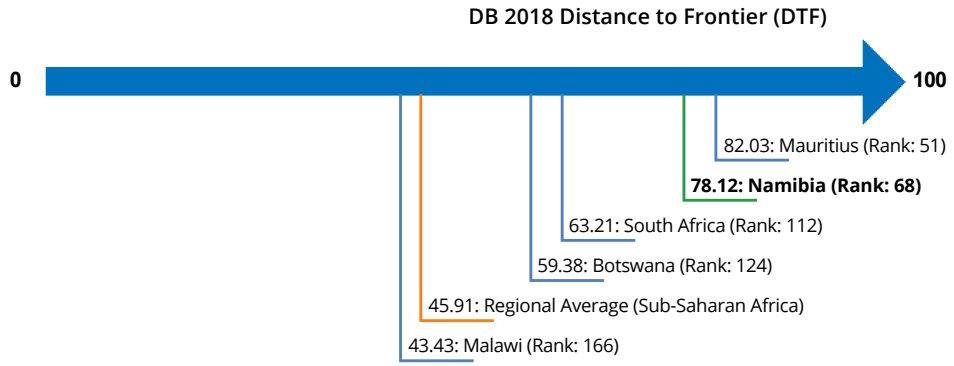
**The monthly consumption:**
- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in March of the current year are used for calculation of the price of electricity for the warehouse. Although March has 31 days, for calculation purposes only 30 days are used.

**Standardized Connection**

| | |
|---|---|
| Price of electricity (US cents per kWh) | 19.1 |
| Name of utility | City of Windhoek |
| City Covered | Windhoek |

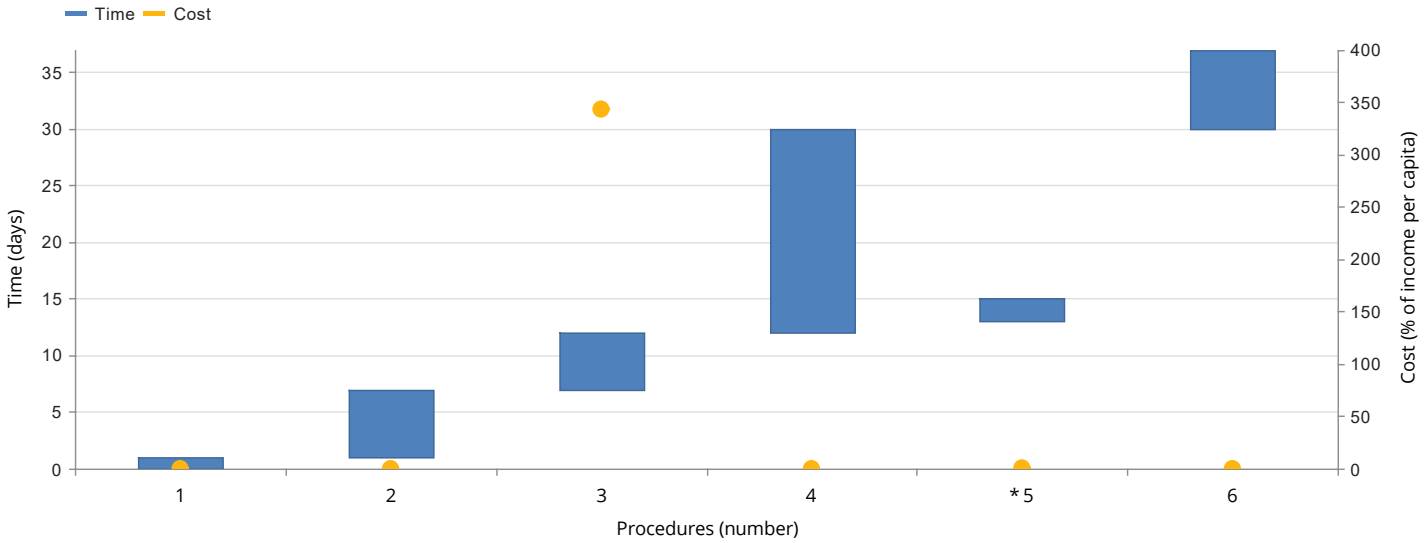
| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Procedures (number) | 6 | 5.3 | 4.7 | 2 (United Arab Emirates) |
| Time (days) | 37 | 115.3 | 79.1 | 10 (United Arab Emirates) |
| Cost (% of income per capita) | 343.7 | 3737.0 | 63.0 | 0.00 (Japan) |
| Reliability of supply and transparency of tariff index (0-8) | 6 | 0.9 | 7.4 | 8.00 (28 Economies) |

**Figure – Getting Electricity in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the ease of getting electricity is determined by sorting their distance to frontier scores for getting electricity. These scores are the simple average of the distance to frontier scores for each of the component indicators.

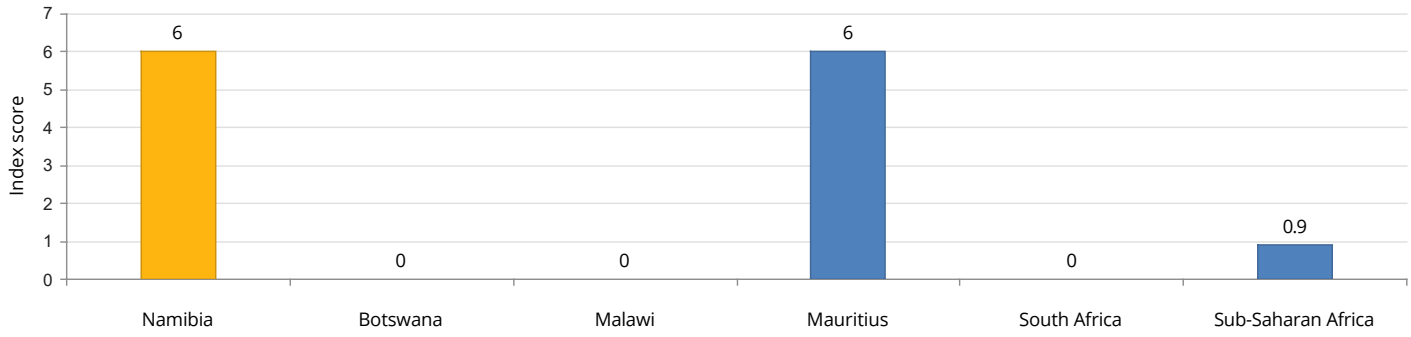
**Figure – Getting Electricity in Namibia – Procedure, Time and Cost**




***** This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the Doing Business website (http://www.doingbusiness.org/methodology). For details on the procedures reflected here, see the summary below.

**Figure – Getting Electricity in Namibia and comparator economies – Measure of Quality**



**Details – Getting Electricity in Namibia – Procedure, Time and Cost**

| No. | Procedure | Time to Complete | Associated Costs |
|---|---|---|---|
| 1 | **Hire licensed electrical contractor registered with utility**<br>Agency : Electrical Contractor<br>For all service connections, including connections up to 3 x 60 amp need a licensed electrical contractor registered with the utility to apply for a new electricity connection on behalf of the customers. | 1 calendar day | NAD 0 |
| 2 | **Submit application to City of Windhoek and await estimate**<br>Agency : City of Windhoek<br>Application cannot be submitted online. It has to be submitted to the office the Strategic Executive – Electricity. The application form is free of charge, and has be to submitted along with a on-scale site plan, clearly indicating the position of the main board, as well as the schematic lay out of the main circuitry. Up to date cadastral plans and aerial view photos are available with the utility, and from these pretty good estimates for lengths of cables can be done. In some cases where uncertainties exist, a site visit may be arranged. | 6 calendar days | NAD 0 |
| 3 | **Receive estimate, register as customer and await external works**<br>Agency : City of Windhoek<br>Costs include network contribution (revised annually and based on the total cost to install a 200 KVA mini substation; cost of cables; trenching; breaker; accessories; installation; administration fee; and contingencies.) The electrical contractor must register the customer in a book with the Department of Electricity with proof of payment and additional information such as ERF number, contractor name and address | 5 calendar days | NAD 208,253.18 |
| 4 | **Receive external works from City of Windhoek**<br>Agency : City of Windhoek | 18 calendar days | NAD 0 |
| ⇉ 5 | **Purchase transformer and main board and have electrical contractor install meter**<br>Agency : Customer<br>Current Transformers (CT) for the meter have to be purchased by the customer, and the meter installation is done by the electrical contractor. | 2 calendar days | NAD 385 |
| 6 | **Request and receive inspection and certification of installation and turn-on of electricity**<br>Agency : City of Windhoek | 7 calendar days | NAD 0 |

⇉ Takes place simultaneously with previous procedure.

**Details – Getting Electricity in Namibia – Measure of Quality**

| | Answer |
|---|---|
| **Reliability of supply and transparency of tariff index (0-8)** | 6 |
| **Total duration and frequency of outages per customer a year (0-3)** | 3 |
| System average interruption duration index (SAIDI) | 0.8 |
| System average interruption frequency index (SAIFI) | 0.2 |
| What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI | 5.0 |
| **Mechanisms for monitoring outages (0-1)** | 1 |
| Does the distribution utility use automated tools to monitor outages? | Yes |
| **Mechanisms for restoring service (0-1)** | 1 |
| Does the distribution utility use automated tools to restore service? | Yes |
| **Regulatory monitoring (0-1)** | 0 |
| Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply? | No |
| **Financial deterrents aimed at limiting outages (0-1)** | 0 |
| Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap? | No |
| **Communication of tariffs and tariff changes (0-1)** | 1 |
| Are effective tariffs available online? | Yes |
| Link to the website, if available online | http://www.windhoekcc.org.na/info_tariffs.php |
| Are customers notified of a change in tariff ahead of the billing cycle? | Yes |

**Note:**

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

## Registering Property

This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in June 2017. See the methodology for more information.

### What the indicators measure

**Procedures to legally transfer title on immovable property (number)**

- Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration procedures in the economy's largest business citya.
- Postregistration procedures (for example, filling title with municipality)

**Time required to complete each procedure (calendar days)**

- Does not include time spent gathering information
- Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

**Cost required to complete each procedure (% of property value)**

- Official costs only (such as administrative fees, duties and taxes).
- Value Added Tax, Capital Gains Tax and illicit payments are excluded

**Quality of land administration index (0-30)**

- Reliability of infrastructure index (0-8)
- Transparency of information index (0–6)
- Geographic coverage index (0–8)
- Land dispute resolution index (0–8)
- Equal access to property rights index (-2–0)

### Case study assumptions

To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.

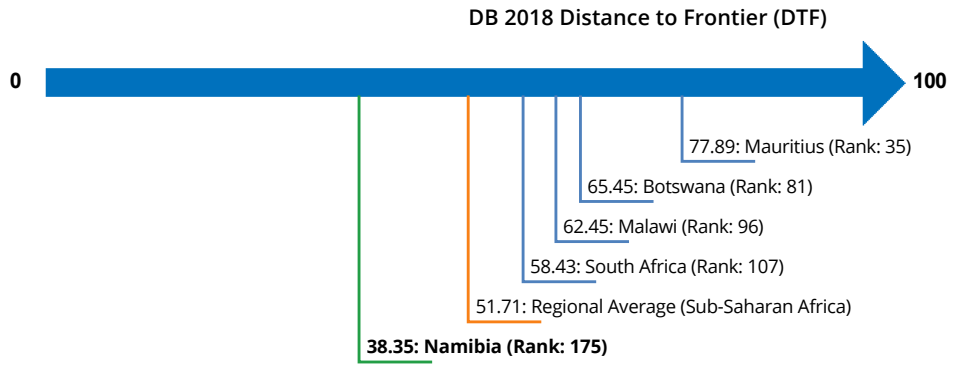
**The parties (buyer and seller):**
- Are limited liability companies (or the legal equivalent).
- Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Are 100% domestically and privately owned.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

**The property (fully owned by the seller):**
- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone, and no rezoning is required.
- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.
- Will not be subject to renovations or additional construction following the purchase.
- Has no trees, natural water sources, natural reserves or historical monuments of any kind.
- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.
- Has no occupants, and no other party holds a legal interest in it.

| Standard Property Transfer | |
|---|---|
| Property value | NAD 3,035,383.80 |
| City Covered | Windhoek |

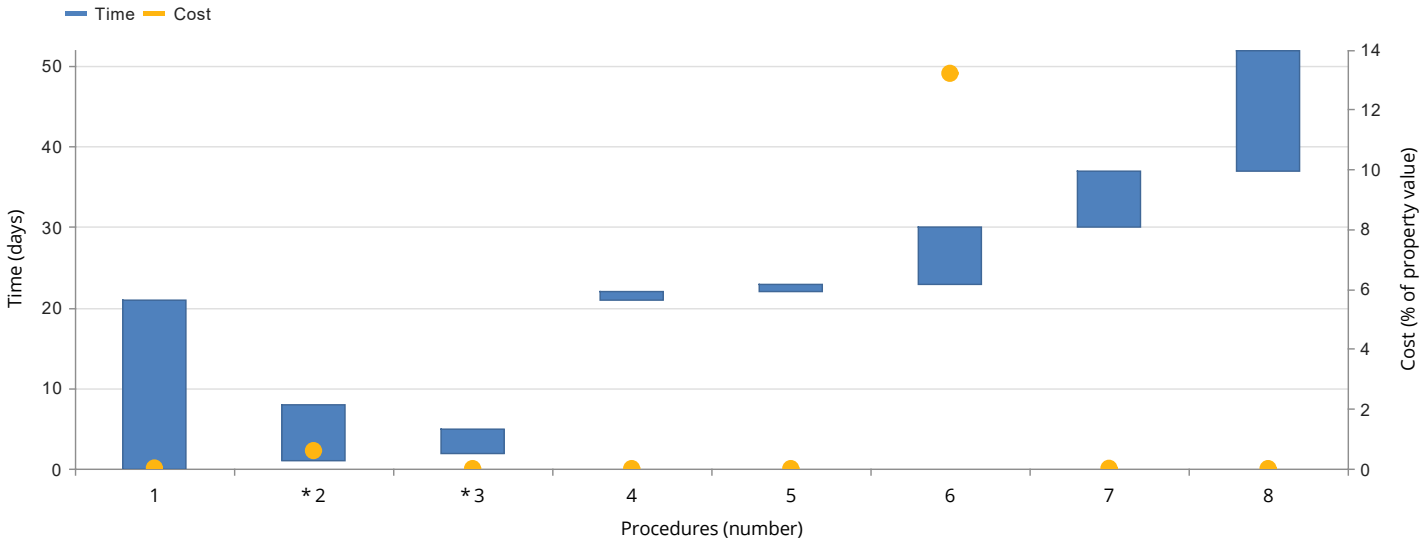
| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Procedures (number) | 8 | 6.2 | 4.6 | 1.00 (4 Economies) |
| Time (days) | 52 | 59.3 | 22.3 | 1.00 (3 Economies) |
| Cost (% of property value) | 13.8 | 7.8 | 4.2 | 0.00 (5 Economies) |
| Quality of the land administration index (0-30) | 8.5 | 8.6 | 22.7 | 29.00 (Singapore) |

**Figure – Registering Property in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the ease of registering property is determined by sorting their distance to frontier scores for registering property. These scores are the simple average of the distance to frontier scores for each of the component indicators.

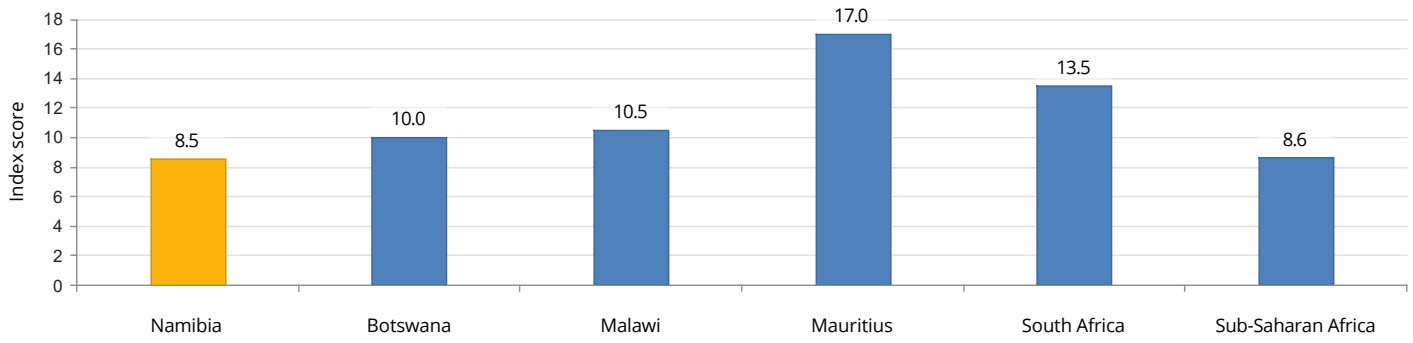
**Figure – Registering Property in Namibia – Procedure, Time and Cost**




***** This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the Doing Business website (http://www.doingbusiness.org/methodology). For details on the procedures reflected here, see the summary below.

**Figure – Registering Property in Namibia and comparator economies – Measure of Quality**



**Details – Registering Property in Namibia – Procedure, Time and Cost**

| No. | Procedure | Time to Complete | Associated Costs |
|---|---|---|---|
| 1 | **Obtain building compliance certificate**<br>Agency : Municipality, Ministy of Land<br>Pursuant to the the Building Regulations amendments by the City of Windhoek (published on 19 August 2011 in Government Gazette 4779), a building compliance certificate must be obtained by the building owner prior to a property transfer. Upon application for the certificate, the Municipality will dispatch an expert to conduct an inspection of the building. The inspector will ensure that the concerned property and the building and/or land upon which it is constructed complies with the provisions of the Local Authorities Act, the establishment, subdivision or consolidations conditions imposed in terms of the town planning scheme and also the City's Building Regulations. A rates and taxes clearance certificate will not be issued prior to the issuance of a building clearance certificate. The building inspector can either issue a building certificate upon compliance or in the event of the inspector establishing that there is non-compliance, the inspector must instruct the owner to rectify the non-compliance, where after, upon proof of compliance, a building clearance certificate can be issued. | 3 weeks (simultaneous with procedure 2 & 3) | N$500 |

| | | | |
|---|---|---|---|
| ⇉ 2 | **Conveyancer collects required documentation and drafts the deed of transfer**<br>Agency : Conveyancer<br>The conveyancer collects all the necessary documentation: For Companies: (i) Copies of Memorandum and Articles of Association, (ii) Certificate of Incorporation and any amendments to it, (iii) Certificate to commence business, CM 29, and (iv) copy of authorized person's ID, necessary resolutions for the ability to transfer or take transfer. A deed of sale signed by both parties is a statutory prerequisite for the sale of landed property. These documents include a power of attorney to transfer, transfer duty application form, transfer duty declarations for both transferor and transferee, as well as statement of transfer cost with provisions for (i) stamp duties and (ii) transfer duties. Conveyance's fees are calculated according to an official fixed scale depending on the purchase value of the property. Fees are ad valorem on a diminishing curve (from 25% to 0.01%). | 7 days (simultaneous with Procedure 1 and 3) | According to the fee schedule published on page number 17 in Government Gazette No. 3155 published on 17 February, 2004, the fee is determined as follows:<br><br>For property value over N$500 000 (the Doing Business case), the formula is:<br><br>N$6,000 for the first N$500,000 plus N$800 per N$100,000 or part thereof above that up to and including N$1,000,000 whereafter the fee is N$400 per N$100,000 or part thereof up to and including N$5,000,000, whereafter the fee shall be N$200 per N$100 000 or part thereof. |
| ⇉ 3 | **Conveyancer conduct a Deed Search at the Deeds Office in Windhoek**<br>Agency : Deeds Registry<br>A conveyancer conducts a search in the Deeds Office in Windhoek to obtain the correct description of the owner of the land and the property description. | 3 days (simultaneous with Procedures 1 & 2) | N$100 |
| 4 | **Provide up-to-date rate payment receipt as of the transaction date**<br>Agency : Municipality<br>The conveyancer must inform the Municipality 7 days in advance that there will be a transfer of a property. As a normal rule, payment for utilities is made in advance for these 3 months. Calculation is made based on the previous payment of the utilities and this amount is multiplied by 3. The conveyancer will pay on behalf of the seller. This certificate is required to proceed with transfer and states that rates and taxes to the applicable authority were paid in full. Proof of payment in the form of a clearance certificate must be obtained from the applicable authority where the property is located. | 1 day | no cost |

| | | | |
|---|---|---|---|
| 5 | **Parties sign the transfer deed at conveyancer's office**<br>Agency : Conveyancer<br>Parties sign the transfer deed at the conveyancer's office | 1 day | Included in Procedure 2 |
| 6 | **The conveyancer applies to the Receiver of Revenue for a transfer duty receipt**<br>Agency : Receiver of Revenue<br>Parties sign the documentation at conveyancer's office. The purchasing company pays the transfer costs and the seller furnishes the conveyancer with the original title deed of the property. Once the draft deed is prepared, it is signed by the selling and purchasing parties (either owner or authorized representatives). The amount for transfer duties and stamp duties is paid to the conveyancer. If the property to be transferred includes commercial buildings, VAT (15%) is charged on the purchase price. | 7 days | Based on the Transfer Duty Amendment Act no. 6 of 2013 and Stamp Duty Amendment Act no. 7 of 2013 (Government Gazette of the Republic of Namibia No 5208 and No 5209 respectively) following duties apply:<br><br>Transfer Duty: "12 per cent of the said value or the said amount, as the case may be, if the person by whom the property is acquired or in whose favour or for whose benefit the said interest or restriction is renounced is a person other than a natural person."<br><br>Stamp Duty: "For a person (including a trust) other than a natural person - On the value or consideration for every N$1 000 or part thereof: N$12" |

| | | | |
|---|---|---|---|
| 7 | **The conveyancer lodges the transfer deed at the Deeds Office**<br>Agency : Deeds Registry<br>Transfer duty is a government tax which is payable on the value of the immovable property acquired. As of June 2010, the transfer duty when companies are involved was increased to 12%. Who is responsible to pay for the Transfer duty and the stamp duty must be clearly stated in the deed of sale. If not clearly said, then the seller must pay for the transfer duty. Stamp Duty is payable to the Receiver of Revenue on a deed of transfer. The Conveyancer will deliver all documents to the Receiver of Revenue for processing. This office will check that the calculation of the Transfer duty and stamp duty are accurate and will issue a receipt for the Transfer duty and another one for the Stamp duty. The conveyancer will collect both receipts to proceed to registration. | "The Deed Registration Act provides that lodging of deed should be performed within 7 days. But there is a bulk of deeds to be lodged, it can take 8-9 days.<br>What happens in those 7 days?<br>1st business day: 1st examiner checks the deed<br>2nd business day: 2nd examiner checks the deed<br>3rd business day: 3rd examiner check the deed<br>4th business day: chief examiner checks the deed<br>5th business day: clerk puts examination notes in conveyancer's mailbox at the Deeds Registry. The notes may say, "here is some typo to be corrected" or "insolvency information yet to be provided and lodged" etc. | N$ 300 |
| 8 | **The deed of transfer is signed in the presence of the Registrar of Deeds and ownership of the property is transferred**<br>Agency : Deeds Registry<br>The conveyancer lodges the transfer deed with the Deed office. There, the documents will be examined, endorsed and the Registrar's seal applied to the documents. Information will be entered in the land registry. Usually it takes about 7 working days for all the checking to be completed. Once all checks are done, the conveyancer will be informed and will sign the deed of transfer in the presence of the Registrar of Deeds. | 15 days | 0 |

⇉ Takes place simultaneously with previous procedure.

**Details – Registering Property in Namibia – Measure of Quality**

| | Answer | Score |
|---|---|---|
| **Quality of the land administration index (0-30)** | | **8.5** |
| **Reliability of infrastructure index (0-8)** | | **1.0** |
| What is the institution in charge of immovable property registration? | Deeds Registry - Ministry of Lands and Resettlement | |
| In what format are the majority of title or deed records kept in the largest business city —in a paper format or in a computerized format (scanned or fully digital)? | Paper | 0.0 |
| Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)? | No | 0.0 |
| Institution in charge of the plans showing legal boundaries in the largest business city: | Survey and Mapping Department, Ministry of Lands and Resettlement | |
| In what format are the majority of maps of land plots kept in the largest business city— in a paper format or in a computerized format (scanned or fully digital)? | Paper | 0.0 |
| Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)? | No | 0.0 |
| Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases? | Separate databases | 0.0 |
| Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties? | Yes | 1.0 |
| **Transparency of information index (0–6)** | | **3.0** |
| Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city? | Anyone who pays the official fee | 1.0 |
| Is the list of documents that are required to complete any type of property transaction made publicly available–and if so, how? | Yes, in person | 0.0 |
| Link for online access: | | |
| Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available– and if so, how? | Yes, on public boards | 0.5 |
| Link for online access: | | |

| | | |
|---|---|---|
| Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame–and if so, how does it communicate the service standard? | No | 0.0 |
| Link for online access: | | |
| Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration? | No | 0.0 |
| Contact information: | | |
| Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency? | Yes | 0.5 |
| Number of property transfers in the largest business city in 2015: | 8196.0 | |
| Who is able to consult maps of land plots in the largest business city? | Anyone who pays the official fee | 0.5 |
| Is the applicable fee schedule for accessing maps of land plots made publicly available —and if so, how? | Yes, on public boards | 0.5 |
| Link for online access: | | |
| Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard? | No | 0.0 |
| Link for online access: | | |
| Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency? | No | 0.0 |
| Contact information: | | |
| **Geographic coverage index (0–8)** | | **0.0** |
| Are all privately held land plots in the economy formally registered at the immovable property registry? | No | 0.0 |
| Are all privately held land plots in the largest business city formally registered at the immovable property registry? | No | 0.0 |
| Are all privately held land plots in the economy mapped? | No | 0.0 |
| Are all privately held land plots in the largest business city mapped? | No | 0.0 |
| **Land dispute resolution index (0–8)** | | **4.5** |
| Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties? | Yes | 1.5 |
| Is the system of immovable property registration subject to a state or private guarantee? | No | 0.0 |
| Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry? | No | 0.0 |

| | | |
|---|---|---|
| Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)? | Yes | 0.5 |
| If yes, who is responsible for checking the legality of the documents? | Lawyer; Interested Parties. | |
| Does the legal system require verification of the identity of the parties to a property transaction? | Yes | 0.5 |
| If yes, who is responsible for verifying the identity of the parties? | Registrar; Notary; Lawyer. | |
| Is there a national database to verify the accuracy of identity documents? | Yes | 1.0 |
| For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance? | Magistrate's Court/High Court | |
| How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)? | Between 2 and 3 years | 1.0 |
| Are there any statistics on the number of land disputes in the first instance? | No | 0.0 |
| Number of land disputes in the largest business city in 2015: | | |
| **Equal access to property rights index (-2–0)** | | **0.0** |
| Do unmarried men and unmarried women have equal ownership rights to property? | Yes | 0.0 |
| Do married men and married women have equal ownership rights to property? | Yes | 0.0 |

## Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in June 2017. See the methodology for more information.

### What the indicators measure

**Strength of legal rights index (0–12)**

- Rights of borrowers and lenders through collateral laws (0-10)
- Protection of secured creditors' rights through bankruptcy laws (0-2)

**Depth of credit information index (0–8)**

- Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)

**Credit bureau coverage (% of adults)**

- Number of individuals and firms listed in largest credit bureau as a percentage of adult population

**Credit registry coverage (% of adults)**

- Number of individuals and firms listed in credit registry as a percentage of adult population

### Case study assumptions

Doing Business assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.

In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

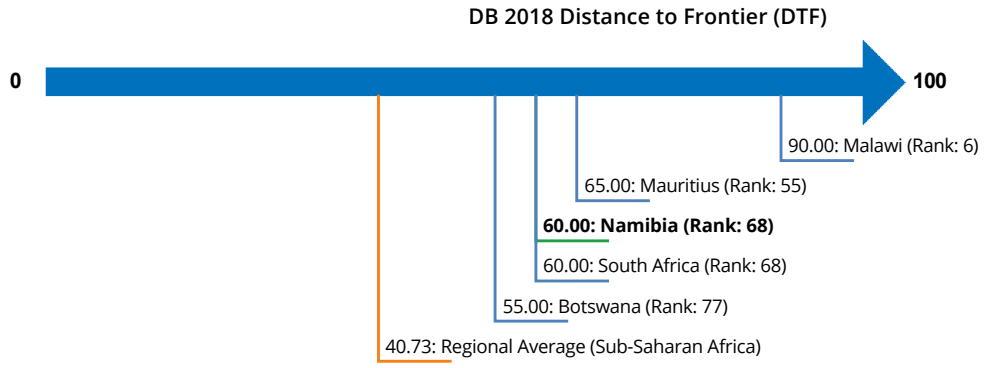
**Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:**
- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.
- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Both ABC and BizBank are 100% domestically owned.

The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).

In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

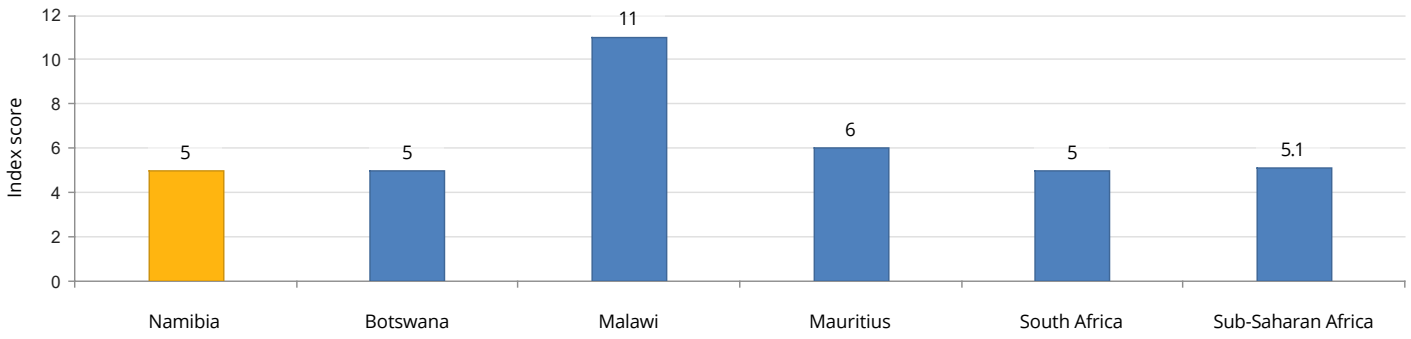
| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Strength of legal rights index (0-12) | 5 | 5.1 | 6.0 | 12.00 (4 Economies) |
| Depth of credit information index (0-8) | 7 | 3.0 | 6.6 | 8.00 (34 Economies) |
| Credit registry coverage (% of adults) | 0.0 | 6.3 | 18.3 | 100.00 (3 Economies) |
| Credit bureau coverage (% of adults) | 61.0 | 8.2 | 63.7 | 100.00 (23 Economies) |

**Figure – Getting Credit in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the ease of getting credit is determined by sorting their distance to frontier scores for getting credit. These scores are the distance to frontier score for the sum of the strength of legal rights index and the depth of credit information index.

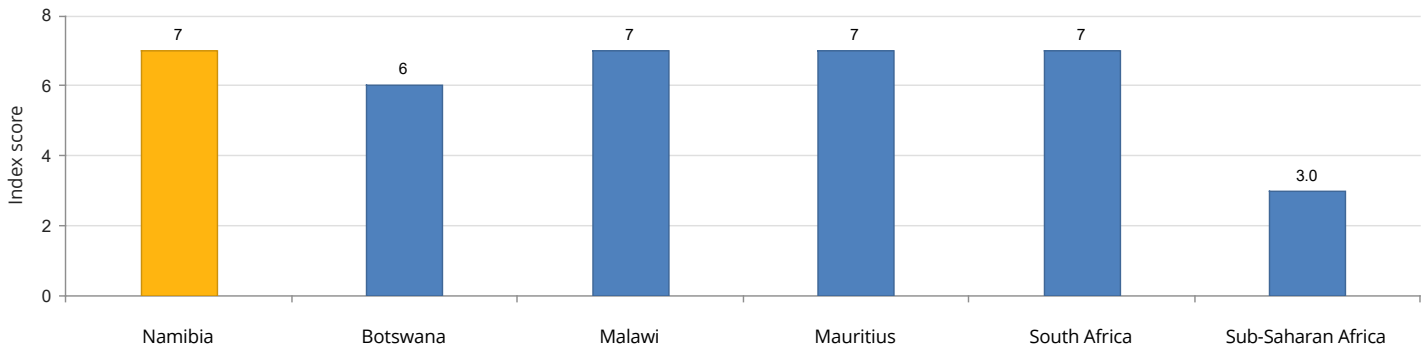
**Figure – Legal Rights in Namibia and comparator economies**



**Details – Legal Rights in Namibia**

| **Strength of legal rights index (0-12)** | **5** |
|---|---|
| Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy? | No |
| Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral? | No |
| Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral? | Yes |
| May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds or replacements of the original assets? | Yes |
| Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered? | Yes |
| Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name? | No |
| Does a notice-based collateral registry exist in which all functional equivalents can be registered? | No |
| Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party? | No |
| Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure? | Yes |
| Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated? | Yes |
| Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and/or sets a time limit for it? | No |
| Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt? | No |

**Figure – Credit Information in Namibia and comparator economies**



**Details – Credit Information in Namibia**

| Depth of credit information index (0-8) | Credit bureau | Credit registry | Score |
|---|---|---|---|
| Are data on both firms and individuals distributed? | Yes | No | 1 |
| Are both positive and negative credit data distributed? | No | No | 0 |
| Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed? | Yes | No | 1 |
| Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.) | Yes | No | 1 |
| Are data on loan amounts below 1% of income per capita distributed? | Yes | No | 1 |
| By law, do borrowers have the right to access their data in the credit bureau or credit registry? | Yes | No | 1 |
| Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)? | Yes | No | 1 |
| Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers? | Yes | No | 1 |
| **Score ("yes" to either public bureau or private registry)** | | | **7** |

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

| Coverage | Credit bureau | Credit registry |
|---|---|---|
| Number of individuals | 885,000 | 0 |
| Number of firms | 20,000 | 0 |
| Total | 905,000 | 0 |
| **Percentage of adult population** | **61.0** | **0.0** |

## Protecting Minority Investors

This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in June 2017. See the methodology for more information.

### What the indicators measure

- **Extent of disclosure index (0–10)**: Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions
- **Extent of director liability index (0–10)**: Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction)
- **Ease of shareholder suits index (0–10)**: Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses
- **Extent of conflict of interest regulation index (0–10)**: Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices
- **Extent of shareholder rights index (0-10)**: Shareholders' rights and role in major corporate decisions
- **Extent of ownership and control index (0-10)**: Governance safeguards protecting shareholders from undue board control and entrenchment
- **Extent of corporate transparency index (0-10)**: Corporate transparency on ownership stakes, compensation, audits and financial prospects
- **Extent of shareholder governance index (0–10)**: Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices
- **Strength of minority investor protection index (0–10)**: Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices

### Case study assumptions

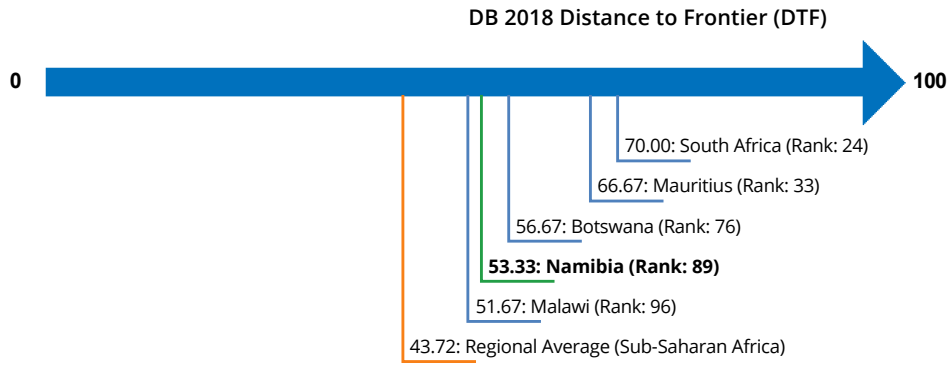
To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.

**The business (Buyer):**
- Is a publicly traded corporation listed on the economy's most important stock exchange. If the number of publicly traded companies listed on that exchange is less than 10, or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders.
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.
- Has a supervisory board (applicable to economies with a two-tier board system) on which 60% of the shareholder-elected members have been appointed by Mr. James, who is Buyer's controlling shareholder and a member of Buyer's board of directors.
- Has not adopted any bylaws or articles of association that differ from default minimum standards and does not follow any nonmandatory codes, principles, recommendations or guidelines relating to corporate governance.
- Is a manufacturing company with its own distribution network.

**The transaction involves the following details:**
- Mr. James owns 60% of Buyer and elected two directors to Buyer's five-member board.
- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.
- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.
- The proposed transaction is part of the company's ordinary course of business and is not outside the authority of the company.
- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made (that is, the transaction is not fraudulent).
- The transaction causes damages to Buyer. Shareholders sue Mr. James and the other parties that approved the transaction.

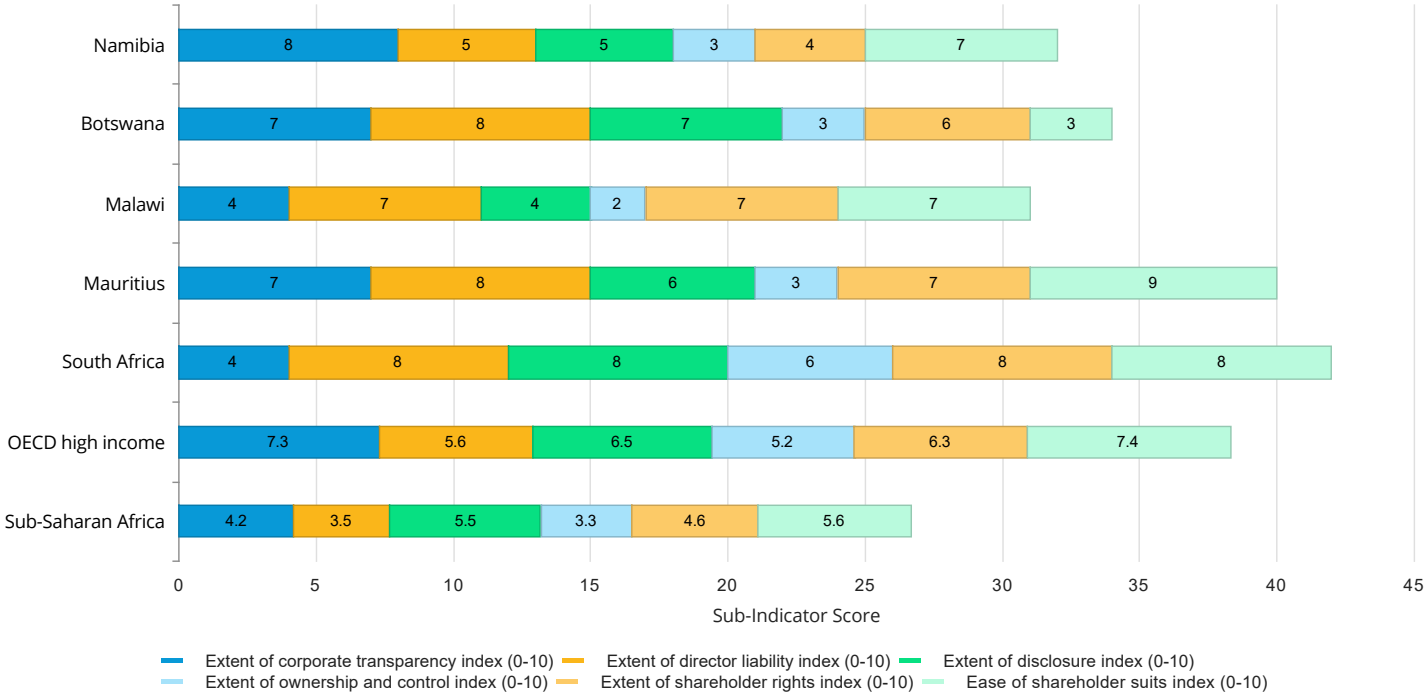
| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Extent of conflict of interest regulation index (0-10) | 5.7 | 4.8 | 6.4 | 9.3 (New Zealand) |
| Extent of shareholder governance index (0-10) | 5 | 4.0 | 6.4 | 9.00 (Kazakhstan) |

**Figure – Protecting Minority Investors in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the strength of minority investor protections is determined by sorting their distance to frontier scores for protecting minority investors. These scores are the simple average of the distance to frontier scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

**Figure – Protecting Minority Investors in Namibia and comparator economies – Measure of Quality**



**Details – Protecting Minority Investors in Namibia – Measure of Quality**

| | Answer | Score |
|---|---|---|
| **Extent of conflict of interest regulation index (0-10)** | | **5.7** |
| **Extent of disclosure index (0-10)** | | **5** |
| Which corporate body is legally sufficient to approve the Buyer-Seller transaction? (0-3) | Shareholders or board of directors including interested parties | 1.0 |
| Must an external body review the terms of the transaction before it takes place? (0-1) | No | 0.0 |
| Must Mr. James disclose his conflict of interest to the board of directors? (0-2) | Full disclosure of all material facts | 2.0 |
| Must Buyer disclose the transaction in published periodic filings (annual reports)? (0-2) | Disclosure on the transaction and on the conflict of interest | 2.0 |
| Must Buyer immediately disclose the transaction to the public and/or shareholders? (0-2) | No disclosure obligation | 0.0 |
| **Extent of director liability index (0-10)** | | **5** |
| Can shareholders representing 10% of Buyer's share capital sue directly or derivatively for the damage the transaction caused to Buyer? (0-1) | Yes | 1.0 |
| Can shareholders hold the interested director liable for the damage the transaction caused to Buyer? (0-2) | Liable if negligent | 1.0 |
| Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2) | Liable if negligent | 1.0 |
| Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1) | Yes | 1.0 |
| Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1) | Yes | 1.0 |
| Is Mr. James disqualified or fined and imprisoned upon a successful claim by shareholders? (0-1) | No | 0.0 |
| Can a court void the transaction upon a successful claim by shareholders? (0-2) | Only in case of fraud or bad faith | 0.0 |
| **Ease of shareholder suits index (0-10)** | | **7** |
| Before suing can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1) | No | 0.0 |

| | | |
|---|---|---|
| Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3) | Any relevant document | 3.0 |
| Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1) | No | 0.0 |
| Can the plaintiff directly question the defendant and witnesses at trial? (0-2) | Yes | 2.0 |
| Is the level of proof required for civil suits lower than that of criminal cases? (0-1) | Yes | 1.0 |
| Can shareholder plaintiffs recover their legal expenses from the company? (0-2) | Yes if successful | 1.0 |
| **Extent of shareholder governance index (0-10)** | | **5** |
| **Extent of shareholder rights index (0-10)** | | **4** |
| Does the sale of 51% of Buyer's assets require shareholder approval? | No | 0.0 |
| Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders? | Yes | 1.0 |
| Must Buyer obtain its shareholders' approval every time it issues new shares? | Yes | 1.0 |
| Do shareholders automatically receive preemption rights every time Buyer issues new shares? | No | 0.0 |
| Must shareholders approve the election and dismissal of the external auditor? | Yes | 1.0 |
| Are changes to the rights of a class of shares only possible if the holders of the affected shares approve? | No | 0.0 |
| Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval? | No | 0.0 |
| Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members? | Yes | 1.0 |
| Assuming that Buyer is a limited company, must all members consent to add a new member? | No | 0.0 |
| Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members? | No | 0.0 |
| **Extent of ownership and control index (0-10)** | | **3** |
| Is it forbidden to appoint the same individual as CEO and chair of the board of directors? | No | 0.0 |
| Must the board of directors include independent and nonexecutive board members? | No | 0.0 |
| Can shareholders remove members of the board of directors without cause before the end of their term? | Yes | 1.0 |
| Must the board of directors include a separate audit committee exclusively comprising board members? | No | 0.0 |
| Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer? | No | 0.0 |

| | | |
|---|---|---|
| Must Buyer pay declared dividends within a maximum period set by law? | Yes | 1.0 |
| Is a subsidiary prohibited from acquiring shares issued by its parent company? | Yes | 1.0 |
| Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members? | No | 0.0 |
| Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer? | No | 0.0 |
| Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law? | No | 0.0 |
| **Extent of corporate transparency index (0-10)** | | **8** |
| Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%? | Yes | 1.0 |
| Must Buyer disclose information about board members' primary employment and directorships in other companies? | No | 0.0 |
| Must Buyer disclose the compensation of individual managers? | Yes | 1.0 |
| Must a detailed notice of general meeting be sent 21 days before the meeting? | Yes | 1.0 |
| Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda? | Yes | 1.0 |
| Must Buyer's annual financial statements be audited by an external auditor? | Yes | 1.0 |
| Must Buyer disclose its audit reports to the public? | Yes | 1.0 |
| Assuming that Buyer is a limited company, must members meet at least once a year? | No | 0.0 |
| Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda? | Yes | 1.0 |
| Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor? | Yes | 1.0 |

## Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as measures the administrative burden in paying taxes and contributions. The most recent round of data collection for the project was completed on June 30, 2017 covering for the Paying Taxes indicator calendar year 2016 (January 1, 2016 – December 31, 2016).

Last year (Doing Business 2017) the scope of data collection was expanded to better understand the overall tax environment in an economy. The questionnaire was expanded to include new questions on post-filing processes: VAT refund and tax audit. The data shows where postfiling processes and practices work efficiently and what drives the differences in the overall tax compliance cost across economies.

The new section covers both the legal framework and the administrative burden on businesses to comply with postfiling processes. See the methodology for more information.

### What the indicators measure

**Tax payments for a manufacturing company in 2016 (number per year adjusted for electronic and joint filing and payment)**

- Total number of taxes and contributions paid, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

**Time required to comply with 3 major taxes (hours per year)**

- Collecting information, computing tax payable
- Completing tax return, filing with agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

**Total tax and contribution rate (% of profit before all taxes)**

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

**Postfiling Index**

- Time to comply with a VAT refund
- Time to receive a VAT refund
- Time to comply with a corporate income tax audit
- Time to complete a corporate income tax audit

### Case study assumptions

Using a case scenario, Doing Business records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

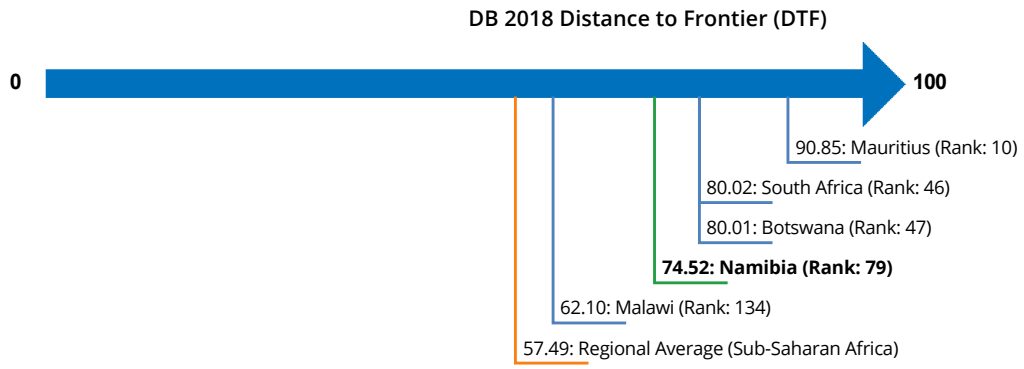
To make data comparable across economies, several assumptions are used:
- TaxpayerCo is a medium-size business that started operations on January 1, 2015. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2016). Taxes and mandatory contributions are measured at all levels of government.

**The VAT refund process:**
- In June 2016, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2016.

**The corporate income tax audit process:**
- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

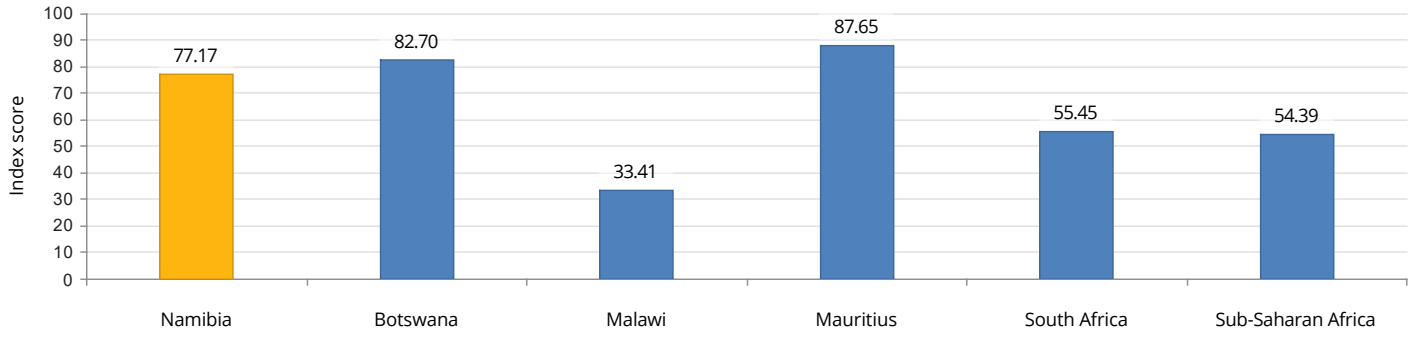
| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Payments (number per year) | 27 | 37.2 | 10.9 | 3 (Hong Kong SAR, China) |
| Time (hours per year) | 302 | 280.8 | 160.7 | 55 (Luxembourg) |
| Total tax and contribution rate (% of profit) | 20.7 | 46.8 | 40.1 | 18.47% (32 Economies) |
| Postfiling index (0-100) | 77.17 | 54.39 | 83.45 | 99.38 (Estonia) |

**Figure – Paying Taxes in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the ease of paying taxes is determined by sorting their distance to frontier scores on the ease of paying taxes. These scores are the simple average of the distance to frontier scores for each of the four component indicators – number of tax payments. time, total tax rate and postfiling index – with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax rate. The nonlinear distance to frontier for the total tax rate is equal to the distance to frontier for the total tax rate to the power of 0.8. The threshold is defined as the total tax rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax rate below this threshold receive the same score as the economy at the threshold.

**Figure – Paying Taxes in Namibia and comparator economies – Measure of Quality**




**Details – Paying Taxes in Namibia**

| Tax or mandatory contribution | Payments (number) | Notes on Payments | Time (hours) | Statutory tax rate | Tax base | Total tax and contribution rate (% of profit) | Notes on TTR |
|---|---|---|---|---|---|---|---|
| Corporate income tax | 3 | | 40 | 32% | taxable profits | 16.66 | |
| Property tax | 1 | online | | various rates | property value | 1.58 | |
| Social security contributions | 12 | | 52 | 0.9% | gross salaries | 1.02 | |
| VET levy | 1 | online | | 1% | gross salaries | 0.85 | |
| Vehicle tax | 1 | | | fixed fee | type of vehicle | 0.64 | |
| tax on insurance | 1 | | | 1% | insurance premium | 0.01 | |
| Fuel tax | 1 | | | | fuel consumption | 0.00 | small amount |
| Social security contributions on employee | 0 | jointly | | N$394 per year per person | employee | 0.00 | withheld |
| Stamp duty | 1 | | | N$5 | per contract | 0.00 | |
| Value added tax (VAT) | 6 | | 210 | 15% | value added | 0.00 | not included |
| **Totals** | **27** | | **302** | | | **20.7** | |

**Details – Paying Taxes in Namibia – Tax by Type**

| Taxes by type | Answer |
|---|---|
| Profit tax (% of profit) | 16.7 |
| Labor tax and contributions (% of profit) | 1.9 |
| Other taxes (% of profit) | 2.2 |

**Details – Paying Taxes in Namibia – Measure of Quality**

| | Answer | Score |
|---|---|---|
| **Postfiling index (0-100)** | | **77.17** |
| **VAT refunds** | | |
| Does VAT exist? | Yes | |
| Does a VAT refund process exist per the case study? | Yes | |
| Restrictions on VAT refund process | None | |
| Percentage of cases exposed to a VAT audit (%) | 75% - 100% | |
| Is there a mandatory carry forward period? | No | |
| Time to comply with VAT refund (hours) | 30.0 | 40 |
| Time to obtain a VAT refund (weeks) | 17.0 | 73.27 |
| **Corporate income tax audits** | | |
| Does corporate income tax exist? | Yes | |
| Percentage of cases exposed to a corporate income tax audit (%) | 0% - 24% | |
| Time to comply with a corporate income tax audit (hours) | 4.0 | 95.41 |
| Time to complete a corporate income tax audit (weeks) | No tax audit per case study scenario | 100 |

**Notes:** Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.
The hours for VAT include all the VAT and sales taxes applicable.
The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.
The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax audit and time to complete a corporate income tax audit.
N/A = Not applicable.

## Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. Doing Business measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in June 2017. See the methodology for more information.

Given the importance of trade digitalization, in Doing Business 2018, the Trading across Borders questionnaire included research questions on the availability and status of implementation of Electronic Data Interchange (EDI) and Single Window (SW) systems. With this information, Doing Business built a comprehensive dataset on the adoption and level of sophistication of electronic platforms in 190 economies. These data are not used to compute the distance to frontier score or ranking of the ease of doing business. The new dataset on EDI and SW systems is available here.

### What the indicators measure

**Documentary compliance**

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

**Border compliance**

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

**Domestic transport**

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

### Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

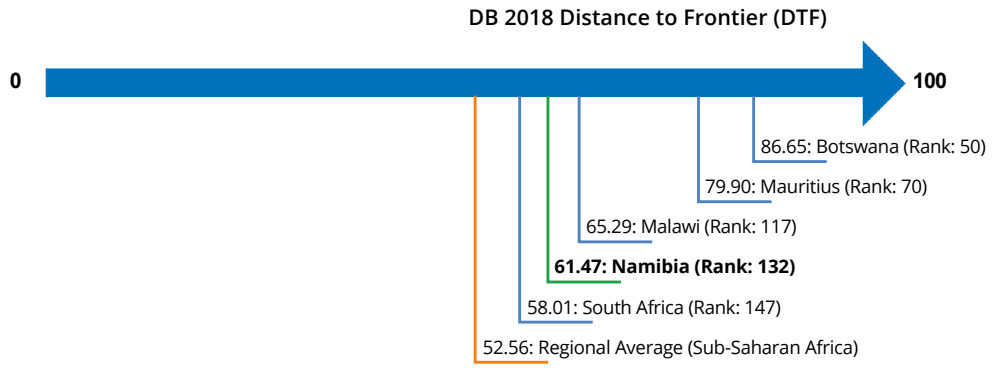
**Time:** Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as 22×24=528 hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

**Cost:** Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

**Assumptions of the case study:** - For all 190 economies covered by Doing Business, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy. - It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be $50,000. - The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport, or land border crossing. - All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process. - A port or border is a place (seaport, airport or land border crossing) where merchandise can enter or leave an economy. - Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

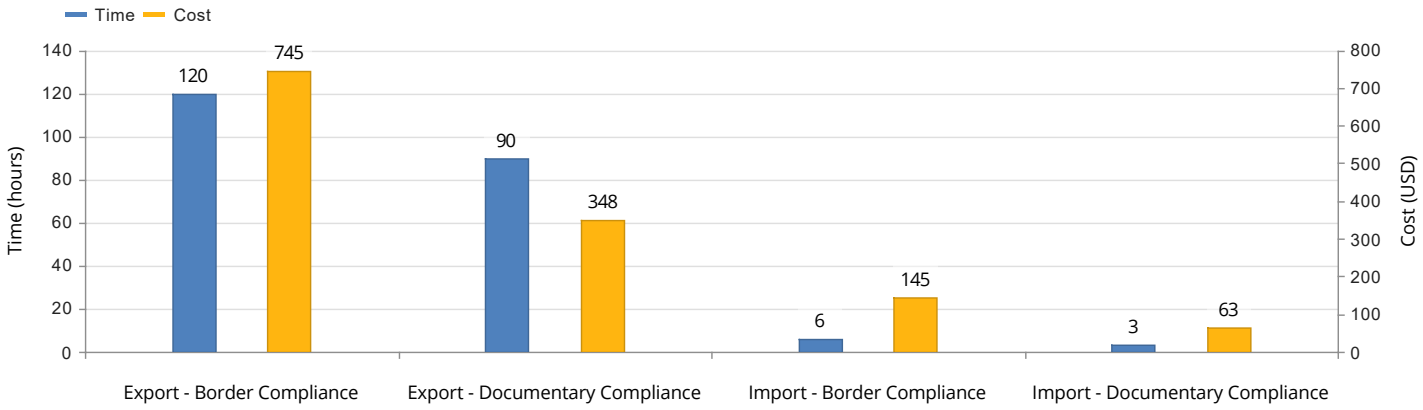
| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Time to export: Border compliance (hours) | 120 | 100.1 | 12.7 | 0 (17 Economies) |
| Cost to export: Border compliance (USD) | 745 | 592.1 | 149.9 | 0.00 (19 Economies) |
| Time to export: Documentary compliance (hours) | 90 | 87.8 | 2.4 | 1.0 (25 Economies) |
| Cost to export: Documentary compliance (USD) | 348 | 215.1 | 35.4 | 0.00 (19 Economies) |
| Time to import: Border compliance (hours) | 6 | 136.4 | 8.7 | 0.00 (21 Economies) |
| Cost to import: Border compliance (USD) | 145 | 686.8 | 111.6 | 0.00 (27 Economies) |
| Time to import: Documentary compliance (hours) | 3 | 103.0 | 3.5 | 1.0 (30 Economies) |
| Cost to import: Documentary compliance (USD) | 63 | 300.1 | 25.6 | 0.00 (30 Economies) |

**Figure – Trading across Borders in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the ease of trading across borders is determined by sorting their distance to frontier scores for trading across borders. These scores are the simple average of the distance to frontier scores for the time and cost for documentary compliance and border compliance to export and import (domestic transport is not used for calculating the ranking).

**Figure – Trading across Borders in Namibia – Time and Cost**




**Details – Trading across Borders in Namibia**

| Characteristics | Export | Import |
|---|---|---|
| Product | HS 03 : Fish & crustacean, mollusc & other aquatic invertebrate | HS 8708: Parts and accessories of motor vehicles |
| Trade partner | Spain | South Africa |
| Border | Walvis Bay port | Mamuno border crossing |
| Distance (km) | 394 | 315 |
| Domestic transport time (hours) | 6 | 6 |
| Domestic transport cost (USD) | 1000 | 765 |

**Details – Trading across Borders in Namibia – Components of Border Compliance**

| | Time to Complete (hours) | Associated Costs (USD) |
|---|---|---|
| Export: Clearance and inspections required by customs authorities | 48.0 | 200.0 |
| Export: Clearance and inspections required by agencies other than customs | 48.0 | 102.5 |
| Export: Port or border handling | 78.0 | 442.5 |
| Import: Clearance and inspections required by customs authorities | 2.8 | 145.0 |
| Import: Clearance and inspections required by agencies other than customs | 0.0 | 0.0 |
| Import: Port or border handling | 5.0 | 0.0 |

**Details – Trading across Borders in Namibia – Trade Documents**

| Export | Import |
|---|---|
| Bill of lading | Inland bill of lading |
| Customs release order | Commercial invoice |
| Commercial invoice | Customs Import Declaration (SAD 500) |
| Customs Export Declaration | Packing list |
| Packing List | Customs transit document |
| Terminal handling receipt | VAT Deferral form |
| Booking confirmation (by shipping line) | |
| EUR 1 - Certificate of origin | |
| Health certificate | |
| Form F178 (Foreign Exchange Control Form) | |
| SOLAS certificate | |

## Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in June 2017. See the methodology for more information.

### What the indicators measure

**Time required to enforce a contract through the courts (calendar days)**

- Time to file and serve the case
- Time for trial and to obtain the judgment
- Time to enforce the judgment

**Cost required to enforce a contract through the courts (% of claim)**

- Attorney fees
- Court fees
- Enforcement fees

**Quality of judicial processes index (0-18)**

- Court structure and proceedings (-1-5)
- Case management (0-6)
- Court automation (0-4)
- Alternative dispute resolution (0-3)

### Case study assumptions

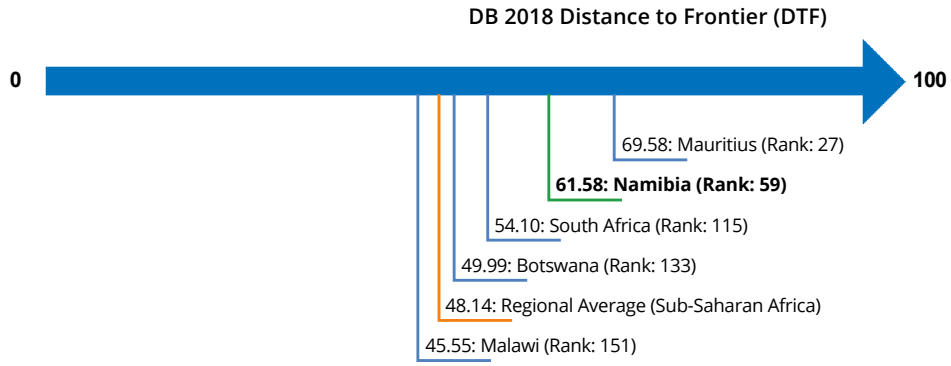
The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.

To make the data comparable across economies, Doing Business uses several assumptions about the case:
- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The buyer orders custom-made goods, then fails to pay.
- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.
- The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or $5,000.
- The seller requests a pretrial attachment to secure the claim.
- The dispute on the quality of the goods requires an expert opinion.
- The judge decides in favor of the seller; there is no appeal.
- The seller enforces the judgment through a public sale of the buyer's movable assets.

| Standardized Case | |
|---|---|
| Claim value | NAD 119,424.00 |
| Court name | Windhoek High Court |
| City Covered | Windhoek |

| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Time (days) | 460 | 656.8 | 577.8 | 164.00 (Singapore) |
| Cost (% of claim value) | 35.8 | 44.0 | 21.5 | 9.00 (Iceland) |
| Quality of judicial processes index (0-18) | 9.5 | 6.5 | 11.0 | 15.50 (Australia) |

**Figure – Enforcing Contracts in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their distance to frontier scores for enforcing contracts. These scores are the simple average of the distance to frontier scores for each of the component indicators.

**Figure – Enforcing Contracts in Namibia – Time and Cost**

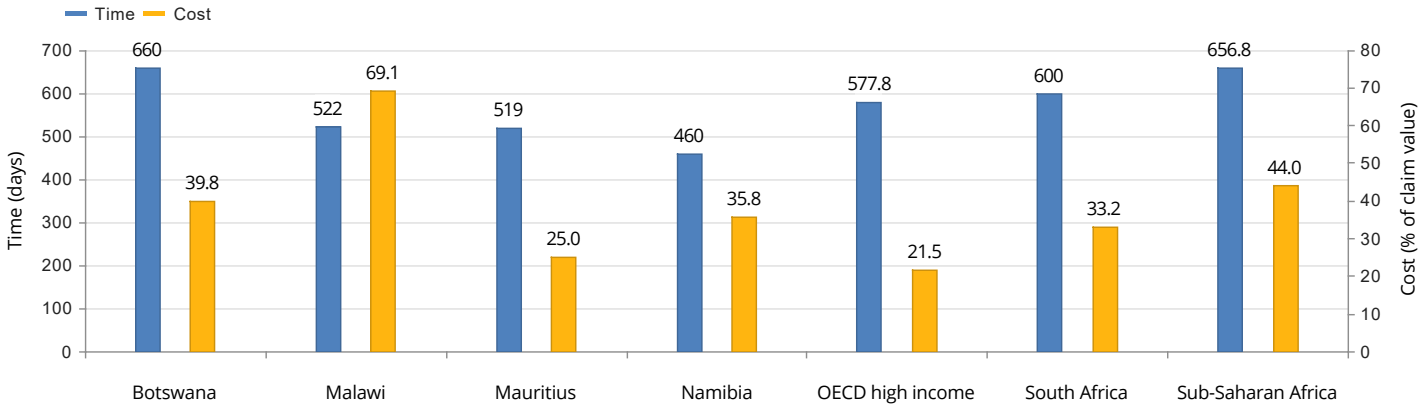
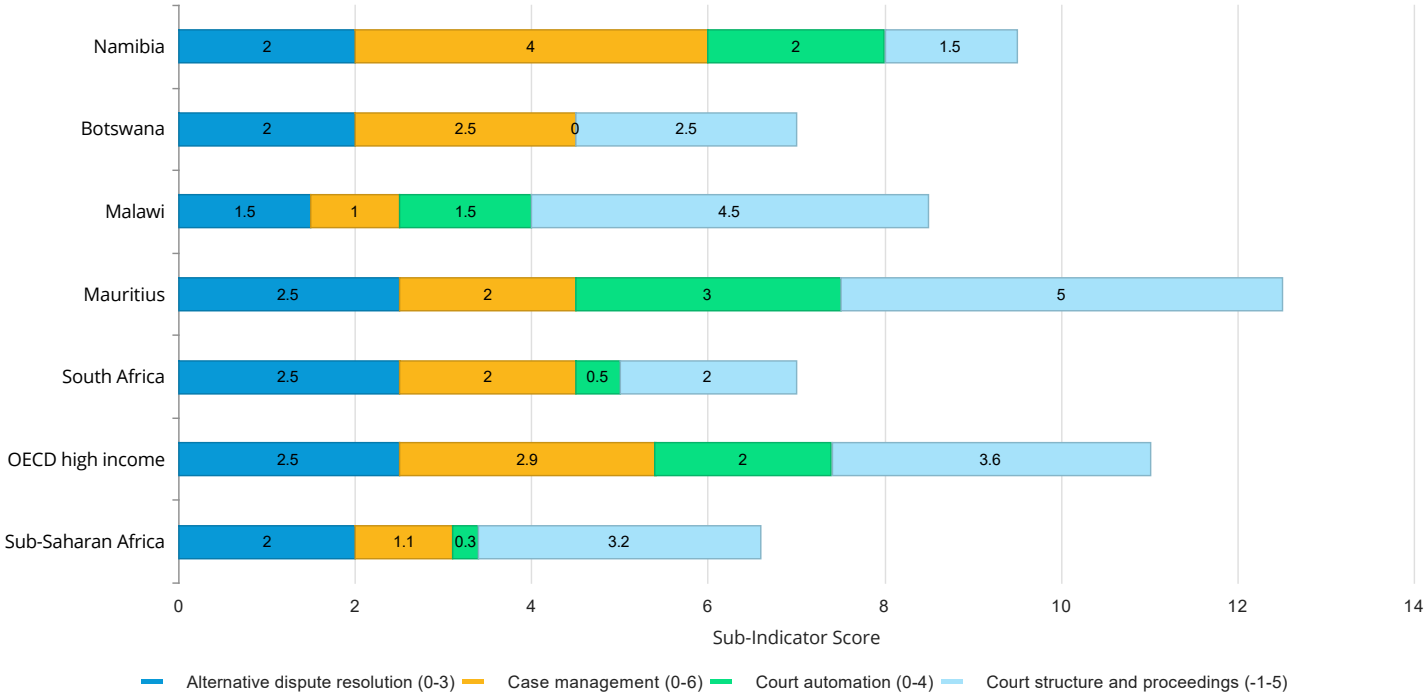


**Figure – Enforcing Contracts in Namibia and comparator economies – Measure of Quality**




**Details – Enforcing Contracts in Namibia**

| | Indicator |
|---|---|
| **Time (days)** | **460** |
| Filing and service | 10 |
| Trial and judgment | 400 |
| Enforcement of judgment | 50 |
| **Cost (% of claim value)** | **35.8** |
| Attorney fees | 29 |
| Court fees | 6 |
| Enforcement fees | 0.8 |
| **Quality of judicial processes index (0-18)** | **9.5** |
| Court structure and proceedings (-1-5) | 1.5 |
| Case management (0-6) | 4.0 |
| Court automation (0-4) | 2.0 |
| Alternative dispute resolution (0-3) | 2.0 |

**Details – Enforcing Contracts in Namibia – Measure of Quality**

| | Answer | Score |
|---|---|---|
| **Quality of judicial processes index (0-18)** | | **9.5** |
| **Court structure and proceedings (-1-5)** | | **1.5** |
| 1. Is there a court or division of a court dedicated solely to hearing commercial cases? | No | 0.0 |
| 2. Small claims court | | 0.0 |
| 2.a. Is there a small claims court or a fast-track procedure for small claims? | No | |
| 2.b. If yes, is self-representation allowed? | n.a. | |
| 3. Is pretrial attachment available? | Yes | 1.0 |
| 4. Are new cases assigned randomly to judges? | Yes, but manual | 0.5 |
| 5. Does a woman's testimony carry the same evidentiary weight in court as a man's? | Yes | 0.0 |
| **Case management (0-6)** | | **4.0** |
| 1. Time standards | | 1.0 |
| 1.a. Are there laws setting overall time standards for key court events in a civil case? | Yes | |
| 1.b. If yes, are the time standards set for at least three court events? | Yes | |
| 1.c. Are these time standards respected in more than 50% of cases? | Yes | |
| 2. Adjournments | | 0.0 |
| 2.a. Does the law regulate the maximum number of adjournments that can be granted? | No | |
| 2.b. Are adjournments limited to unforeseen and exceptional circumstances? | No | |
| 2.c. If rules on adjournments exist, are they respected in more than 50% of cases? | n.a. | |
| 3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report? | No | 0.0 |
| 4. Is a pretrial conference among the case management techniques used before the competent court? | Yes | 1.0 |
| 5. Are there any electronic case management tools in place within the competent court for use by judges? | Yes | 1.0 |
| 6. Are there any electronic case management tools in place within the competent court for use by lawyers? | Yes | 1.0 |
| **Court automation (0-4)** | | **2.0** |
| 1. Can the initial complaint be filed electronically through a dedicated platform within the competent court? | Yes | 1.0 |

| | | |
|---|---|---|
| 2. Is it possible to carry out service of process electronically for claims filed before the competent court? | No | 0.0 |
| 3. Can court fees be paid electronically within the competent court? | No | 0.0 |
| 4. Publication of judgments | | 1.0 |
| 4.a Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website? | Yes | |
| 4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website? | Yes | |
| **Alternative dispute resolution (0-3)** | | **2.0** |
| 1. Arbitration | | 1.5 |
| 1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects? | Yes | |
| 1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration? | No | |
| 1.c. Are valid arbitration clauses or agreements usually enforced by the courts? | Yes | |
| 2. Mediation/Conciliation | | 0.5 |
| 2.a. Is voluntary mediation or conciliation available? | Yes | |
| 2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects? | No | |
| 2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)? | No | |

## Resolving Insolvency

Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, Doing Business uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit.

The most recent round of data collection for the project was completed in June 2017. See the methodology for more information.

### What the indicators measure

**Time required to recover debt (years)**

- Measured in calendar years
- Appeals and requests for extension are included

**Cost required to recover debt (% of debtor's estate)**

- Measured as percentage of estate value
- Court fees
- Fees of insolvency administrators
- Lawyers' fees
- Assessors' and auctioneers' fees
- Other related fees

**Outcome**

- Whether business continues operating as a going concern or business assets are sold piecemeal

**Recovery rate for creditors**

- Measures the cents on the dollar recovered by secured creditors
- Outcome for the business (survival or not) determines the maximum value that can be recovered
- Official costs of the insolvency proceedings are deducted
- Depreciation of furniture is taken into account
- Present value of debt recovered

**Strength of insolvency framework index (0- 16)**

- Sum of the scores of four component indices:
- Commencement of proceedings index (0-3)
- Management of debtor's assets index (0-6)
- Reorganization proceedings index (0-3)
- Creditor participation index (0-4)

### Case study assumptions

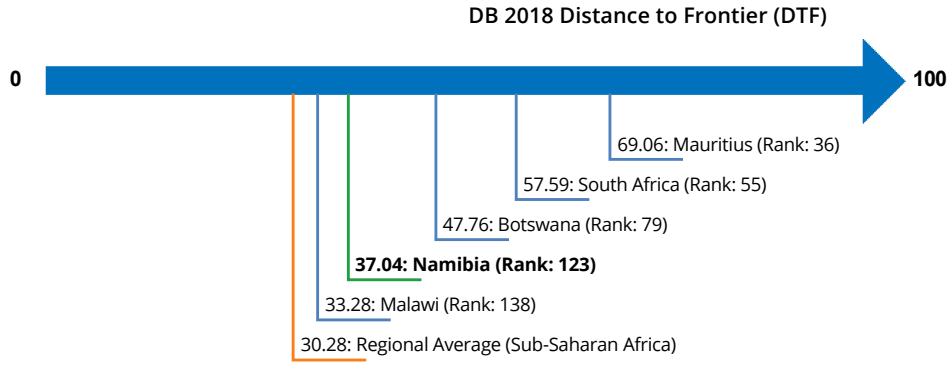
To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:

- A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties.
- The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater.
- The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise.

In addition, Doing Business evaluates the adequacy and integrity of the existing legal framework applicable to liquidation and reorganization proceedings through the strength of insolvency framework index. The index tests whether economies adopted internationally accepted good practices in four areas: commencement of proceedings, management of debtor's assets, reorganization proceedings and creditor participation.

| Indicator | Namibia | Sub-Saharan Africa | OECD high income | Overall Best Performer |
|---|---|---|---|---|
| Recovery rate (cents on the dollar) | 34.0 | 20.3 | 71.2 | 93.1 (Norway) |
| Time (years) | 2.5 | 2.9 | 1.7 | 0.4 (Ireland) |
| Cost (% of estate) | 14.5 | 22.7 | 9.1 | 1.00 (Norway) |
| Outcome (0 as piecemeal sale and 1 as going concern) | 0 | .. | .. | .. |
| Strength of insolvency framework index (0-16) | 6.0 | 6.2 | 12.1 | 15.00 (6 Economies) |

**Figure – Resolving Insolvency in Namibia and comparator economies – Ranking and DTF**




Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their distance to frontier scores for resolving insolvency. These scores are the simple average of the distance to frontier scores for the recovery rate and the strength of insolvency framework index.

**Figure – Resolving Insolvency in Namibia – Time and Cost**

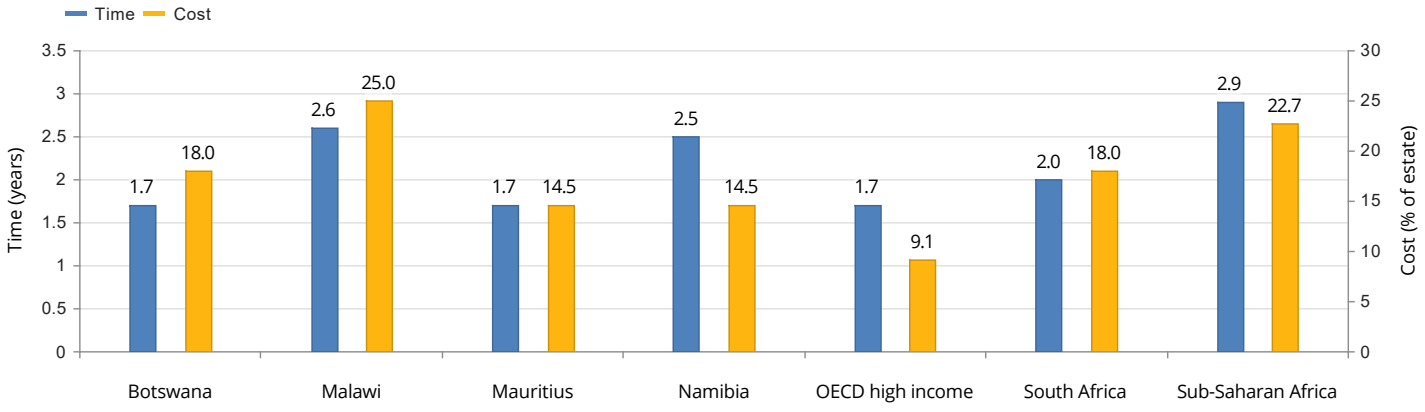


**Figure – Resolving Insolvency in Namibia and comparator economies – Measure of Quality**

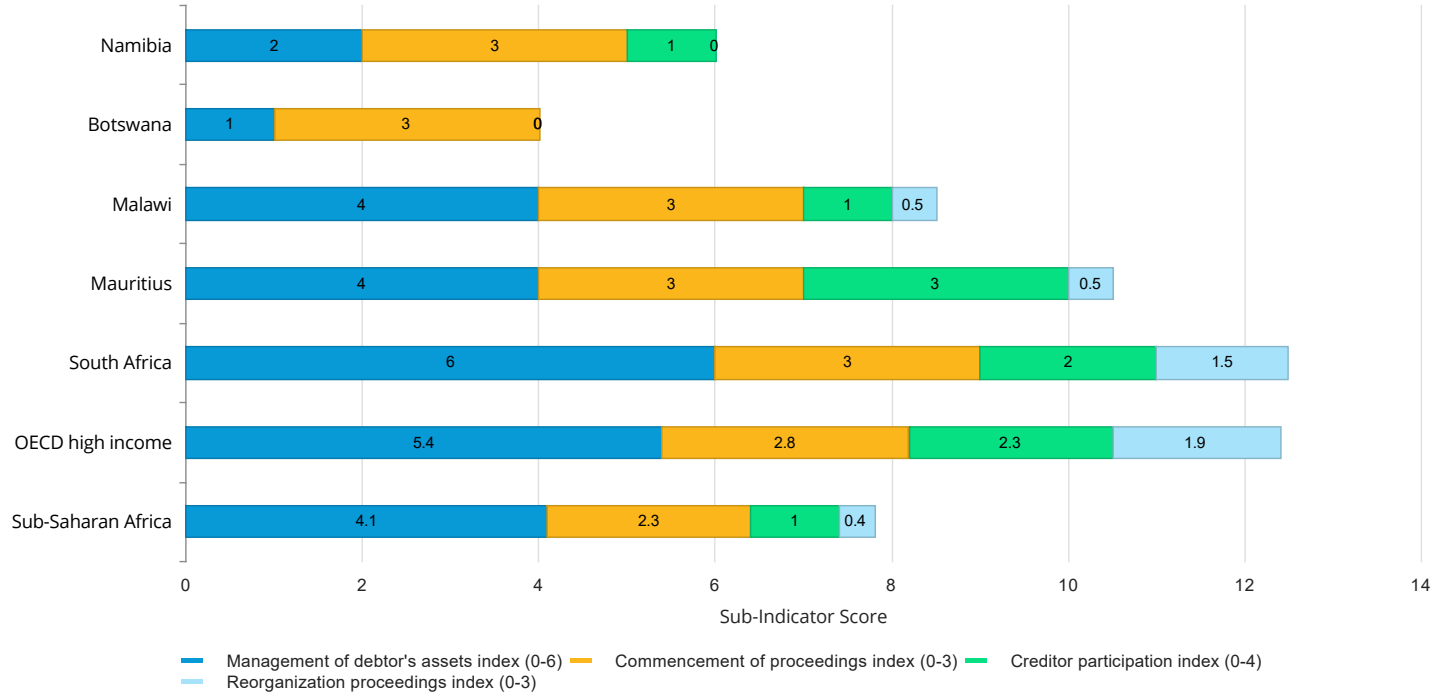
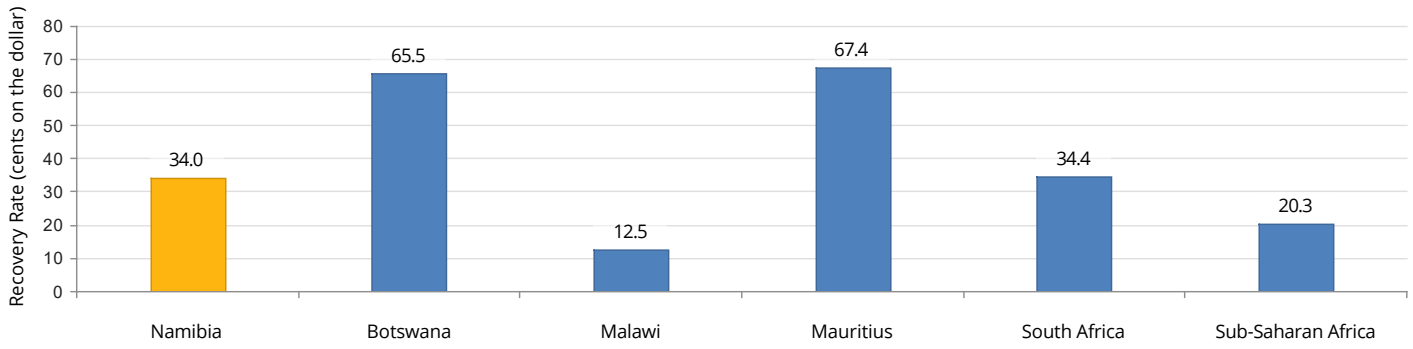



**Figure – Resolving Insolvency in Namibia and comparator economies – Recovery Rate**



**Details – Resolving Insolvency in Namibia**

| Indicator | Answer | Explanation |
|---|---|---|
| Proceeding | liquidation (after an attempt at foreclosure) | The Bank will initiate foreclosure proceedings to enforce its security interest. Other creditors and/or the hotel management will initiate insolvency proceedings, which would stay the foreclosure action. As reorganization (judicial management) rarely works, the most likely insolvency procedure would be liquidation. |
| Outcome | piecemeal sale | Insolvent companies rarely continue operating as a going concern in Namibia. |
| Time (in years) | 2.5 | It takes between 2 and 3 years to complete liquidation proceedings in Namibia. Main delays will be caused by the parties to the proceedings, who are likely to use delay tactics as much as possible. Additionally, court proceedings in Namibia usually take a long time to get resolved. |
| Cost (% of estate) | 14.5 | Major expenses will include: Court fees - 0.5%, attorney fees - 2%, fees of the insolvency representative - 4%, auctioneer fees - 6%, fees of accountants and other professionals - 1%, and administrative fees - 0.5%. |
| **Recovery rate (cents on the dollar)** | **34.0** | |

## Details – Resolving Insolvency in Namibia – Measure of Quality

| | Answer | Score |
|---|---|---|
| **Strength of insolvency framework index (0-16)** | | **6.0** |
| **Commencement of proceedings index (0-3)** | | **3.0** |
| What procedures are available to a DEBTOR when commencing insolvency proceedings? | (a) Debtor may file for both liquidation and reorganization | 1.0 |
| Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor? | (a) Yes, a creditor may file for both liquidation and reorganization | 1.0 |
| What basis for commencement of the insolvency proceedings is allowed under the insolvency framework? | (a) Debtor is generally unable to pay its debts as they mature | 1.0 |
| **Management of debtor's assets index (0-6)** | | **2.0** |
| Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor? | No | 0.0 |
| Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts? | No | 0.0 |
| Does the insolvency framework allow avoidance of preferential transactions? | Yes | 1.0 |
| Does the insolvency framework allow avoidance of undervalued transactions? | Yes | 1.0 |
| Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings? | No | 0.0 |
| Does the insolvency framework assign priority to post-commencement credit? | (c) No priority is assigned to post-commencement creditors | 0.0 |
| **Reorganization proceedings index (0-3)** | | **0.0** |
| Which creditors vote on the proposed reorganization plan? | (c) Other | 0.0 |
| Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation? | No | 0.0 |
| Are the creditors devided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally? | No | 0.0 |
| **Creditor participation index (0-4)** | | **1.0** |

| | | |
|---|---|---|
| Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative? | No | 0.0 |
| Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor? | Yes | 1.0 |
| Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative? | No | 0.0 |
| Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims? | No | 0.0 |

**Note:** Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice".

## Labor Market Regulation

Doing Business presents the data for the labor market regulation indicators in an annex. The report does not present rankings of economies on these indicators or include the topic in the aggregate distance to frontier score or ranking on the ease of doing business. Detailed data collected on labor market regulation are available on the Doing Business website (http://www.doingbusiness.org/data/exploretopics/labor-market-regulation).

The most recent round of data collection was completed in June 2017. See the methodology for more information.

### What the indicators measure

**Hiring**
(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the probationary period; (iv) minimum wage.

**Working hours**
(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.

**Redundancy rules**
(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

**Redundancy cost**
(i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.

**Job quality**
(i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.

### Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

**The worker:**
- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

**The business:**
- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

**Details – Labor Market Regulation in Namibia**

| | Answer |
|---|---|
| **Hiring** | |
| Fixed-term contracts prohibited for permanent tasks? | No |
| Maximum length of a single fixed-term contract (months) | No limit |
| Maximum length of fixed-term contracts, including renewals (months) | No limit |
| Minimum wage applicable to the worker assumed in the case study (US$/month) | 0.0 |
| Ratio of minimum wage to value added per worker | 0.0 |
| Maximum length of probationary period (months) | n.a. |
| **Working hours** | |
| Standard workday | 9.0 |
| Maximum number of working days per week | 5.5 |
| Premium for night work (% of hourly pay) | 6.0 |
| Premium for work on weekly rest day (% of hourly pay) | 100.0 |
| Premium for overtime work (% of hourly pay) | 50.0 |
| Restrictions on night work? | No |
| Whether nonpregnant and nonnursing women can work the same night hours as men | Yes |
| Restrictions on weekly holiday? | No |
| Restrictions on overtime work? | No |
| Paid annual leave for a worker with 1 year of tenure (working days) | 20.0 |
| Paid annual leave for a worker with 5 years of tenure (working days) | 20.0 |
| Paid annual leave for a worker with 10 years of tenure (working days) | 20.0 |
| Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days) | 20.0 |
| **Redundancy rules** | |
| Dismissal due to redundancy allowed by law? | Yes |
| Third-party notification if one worker is dismissed? | Yes |
| Third-party approval if one worker is dismissed? | No |
| Third-party notification if nine workers are dismissed? | Yes |
| Third-party approval if nine workers are dismissed? | No |

| | |
|---|---|
| Retraining or reassignment obligation before redundancy? | No |
| Priority rules for redundancies? | No |
| Priority rules for reemployment? | No |
| **Redundancy cost** | |
| Notice period for redundancy dismissal for a worker with 1 year of tenure | 4.3 |
| Notice period for redundancy dismissal for a worker with 5 years of tenure | 4.3 |
| Notice period for redundancy dismissal for a worker with 10 years of tenure | 4.3 |
| Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure) | 4.3 |
| Severance pay for redundancy dismissal for a worker with 1 year of tenure | 1.0 |
| Severance pay for redundancy dismissal for a worker with 5 years of tenure | 5.0 |
| Severance pay for redundancy dismissal for a worker with 10 years of tenure | 10.0 |
| Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure) | 5.3 |
| **Job quality** | |
| Equal remuneration for work of equal value? | Yes |
| Gender nondiscrimination in hiring? | Yes |
| Paid or unpaid maternity leave mandated by law? | Yes |
| Minimum length of maternity leave (calendar days)? | 84.0 |
| Receive 100% of wages on maternity leave? | Yes |
| Five fully paid days of sick leave a year? | Yes |
| Unemployment protection after one year of employment? | No |
| Minimum contribution period for unemployment protection (months)? | n.a. |

## Business Reforms in Namibia

In the year ending June 1, 2017, 119 economies implemented 264 total reforms across the different areas measured by Doing Business. Doing Business has recorded more than 2,900 regulatory reforms making it easier to do business since 2004. Reforms inspired by Doing Business have been implemented by economies in all regions. The following are the reforms for Namibia implemented since Doing Business 2008.

✓ = Doing Business reform making it easier to do business. × = Change making it more difficult to do business.

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DB2018

✓ **Enforcing Contracts:** Namibia made enforcing contracts easier by introducing an electronic filing system and an electronic case management system for the use of judges and lawyers.

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DB2016

× **Dealing with Construction Permits:** In Namibia the process of dealing with construction permits became more time-consuming as a result of inefficiency at the municipality.

✓ **Getting Credit:** Namibia improved access to credit information by guaranteeing by law borrowers' right to inspect their own data.

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DB2015

× **Paying Taxes:** Namibia made paying taxes more complicated for companies by introducing a new vocational education and training levy.

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DB2014

× **Registering Property:** Namibia made transferring property more expensive by increasing the transfer and stamp duties.

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DB2013

✓ **Getting Electricity:** Namibia made getting electricity easier by reducing the time required to provide estimates and external connection works and by lowering the connection costs.

× **Registering Property:** Namibia made transferring property more difficult by requiring conveyancers to obtain a building compliance certificate beforehand.

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DB2012

× **Registering Property:** Namibia made transferring property more expensive for companies.

✓ **Resolving Insolvency:** Namibia adopted a new company law that established clear procedures for liquidation.

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DB2010

**Labor Market Regulation:** Namibia increased mandatory paid annual leave.

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DB2009

✓ **Starting a Business:** Namibia reduced the time required to start a business by computerizing the company registry.

*Doing Business 2018* is the 15th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.



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