



COUNTRY GUIDE: GAMBIA

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<https://zapeo.net/gambia/>

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ABOUT US

ZAPEO is an International PEO co-employer providing Employer of Record (EOR) Services in more than 113 countries around the world.

As an EOR, we provide employment contracts, payroll employees, pay over any taxes and statutory contributions and provide sponsorship for visa applications in order to comply with specific laws and regulations in the country.

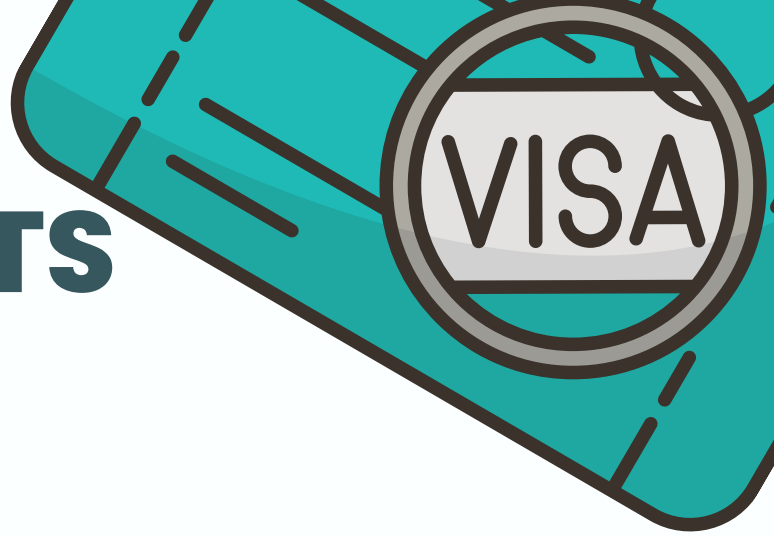
We also assist with onboarding and termination of both local or expatriate employees.

BENEFITS

- Legal compliance
- Time and cost savings
- Access to global talent
- Flexibility
- Reduced liability
- Expertise



WORK PERMITS AND VISAS



There are several types of visas available for foreign people who want to visit the Republic of Gambia.

All foreigners intending to dwell in Gambia, including foreign workers, must apply for a residency permit. Resident permits are provided by the Gambian government:

- **Type B:** This kind of residence permit is open to residents of the Economic Community of West African States (ECOWAS) and other foreign nationals who are employed in skilled occupations.
- **Type C:** Small company owners and skilled employees are qualified for a Type C residence permit.

Most likely, employees will need a Type B or Type C residence permit. These permits also function as work permits for foreign nationals because they are given out in accordance with employment.

EMPLOYMENT CONTRACTS



Probation period

The probationary period for skilled workers cannot exceed 12 months.

Notice period

An agreement with a defined duration has a 14-day notice requirement. In the case of an agreement with an indefinite duration, it depends on the length of service and the frequency of wage payments.

At the conclusion of the contract term, either the employer or the employee may terminate the employment relationship (if it is for a fixed term). Either party may end the employment contract without cause during the probationary period.

Minimum wage

The minimum wage in Gambia is 50 dalasi per day.

Working hours and overtime

The average working week in Gambia is 36.5 hours. Monday through Thursday, from 8:00 a.m. to 16:00 p.m., and Friday, from 8:00 a.m. to 12:30 p.m. The Gambia's labor law does not specify rest periods, overtime eligibility, or work schedules in general. This must be agreed upon by both the employer and the employee in the employment contract. Overtime work must be compensated at a rate of no less than 1.5 times the regular hourly rate, or time off (equivalent to 1.5 times), or partially paid and partially paid time off.

Termination

Fixed-term employment ends when the contract period expires.

In the case of indefinite contracts, either the employee or the employer can terminate the employment on mutual agreement from service. Without a notice period, an employee can be fired for serious misconduct before the contract expires.

Severance

The Labor Act of 2008 requires employers to provide severance pay to an employee with an unlimited-term contract who is fired for economic, organizational, climatic, or technical reasons, including mechanization or automation, or if the employee declines an offer of employment and the location of employment moves more than 40 kilometers. The benefit is equivalent to six months of the employee's earnings.

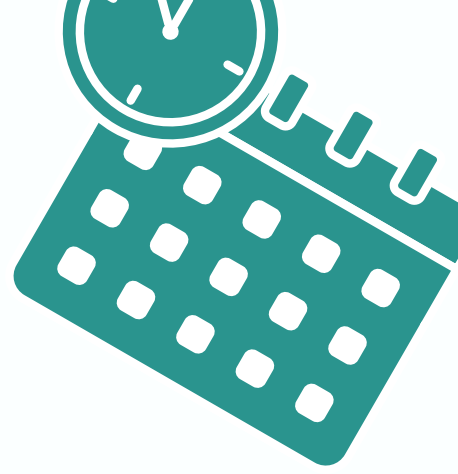
Non-compete clause

Non-compete agreements are only enforceable in accordance with Gambian law if they are reasonable in terms of their scope and length and if they are required to safeguard the employer's legitimate interests.

Collective bargaining

Collective bargaining is a recognized fundamental right for workers in Gambia and is controlled by the nation's labor laws.

PAID TIME OFF



Annual Vacation

What is agreed between parties in their employment contract determines an employee's annual leave. Annual leave is typically paid at 100% of the employee's regular wage. If a public holiday falls during an employee's annual leave, the employee is entitled to an extra day's pay to compensate.

Sick

Sick leave is not statutory in Gambia, and is usually determined by a contract or a collective bargaining agreement. The employment contract also governs the rate at which sick leave is paid.

Maternity

Employees in Gambia have the right to 14 weeks of paid maternity leave. The employee has two choices for maternity leave:

1. The employee may begin her maternity leave as soon as the expected date of delivery, but she must leave at least six weeks to be taken after delivery.
2. The employee may begin the fourteen-week leave period following the delivery.

To be eligible for maternity leave pay, an employee must have worked for the company for at least two years. Those who do not meet this requirement may instead take unpaid maternity leave.

Paternity

Employees in Gambia are entitled to five consecutive working days of paternity leave if they have worked for the employer for at least one year.

Family

N/A

National Holidays

Gambia has a total of 13 public holidays which are paid.

Other Paid Time Off

N/A

EMPLOYEE BENEFITS



Statutory

Unemployment

Not yet established but severance pay is applicable in some situations.

Workers compensation

Employer: 1% of total monthly covered payroll.

Contributions are calculated using no minimum earnings.

Accidents that occur on the way to and from work are covered.

Social Security

Employer

Social insurance: 15% of gross payroll; none for people over the age of 60.

Provident fund: 10% of monthly basic salary.

Employee

There is no social insurance.

Provident fund: 5% of monthly basic salary; none for people over the age of 60.

Contributions are calculated using no minimum or maximum earnings.

Retirement

Covered by Social Security.

Health

The NSST is supported by donations from both employers and employees and manages the health insurance benefits for employees.

Private

Workers compensation

N/A

Retirement

N/A

Health

Private healthcare is available in Gambia.

Life

Private life insurance is available in Gambia.

TAX



Personal Income Tax (PIT)

- **Tax year** : Tax year runs from January 1st to December 31st.
- **Tax rate** : Rates between 0-35%.
- **Tax method** : The tax rate in Gambia is progressive. The Personal Income Tax Rate in the Gambia is commonly known as PAYE (Pay As You Earn) on employment income.
- **Tax residency requirements** : A non-resident individual is one who does not reside in Gambia, is not present in Gambia for a period or periods totaling 183 days or more in the tax year, and is not an employee or official of Gambia's government posted abroad at any time during the tax year. A non-resident individual is subject to taxation at progressive rates ranging from 0% to 35%, just like a resident individual. Non-residents, on the other hand, are only taxed on Gambian-sourced income, not foreign-sourced income.
- **Double taxation agreements (DTA's)** : Gambia has multiple double taxation agreements.

Investment Income Tax

Anyone who sells a capital asset in The Gambia must pay the tax. Furthermore, any Gambian resident who sells a capital asset outside of The Gambia must pay capital gains tax. The rate charged is determined by whether the disposal is made by an individual or a corporation, partnership, trustee, or other entity.

Individuals pay capital gains tax at a rate of 15% of gains or 5% of consideration, whichever is greater. For corporations, partnerships, trustees, and so on, the rate is 25% of the gains or 10% of the consideration, whichever is greater.

Taxable Income

- Total monthly income
- Capital gains
- Fringe benefits
- Residential/commercial rent income

PAYROLL



Payroll Elements

- **Income:** Salary, earnings, bonuses, overtime pay, taxable benefits, allowances, and certain lump sum perks are examples of remuneration (revenue from employment). Profits or losses made by a company or trade. Income or profits derived from an individual's status as a trust beneficiary.
- **Deductions:** Social security contributions, tax and any other deductions employee gave consent to.
- **Benefits in Kind:** Housing fringe benefits, motor vehicle fringe benefits, household personnel fringe benefits, loan fringe benefits, debt waiver fringe benefits, property fringe benefits, medical fringe benefits, life insurance fringe benefits, entertainment fringe benefits, and residual fringe benefits are examples of fringe benefits. Fringe benefits are not counted as part of an employee's income. As a result, when an employer, including its associate(s), provides fringe benefits to its employees, those employees are not taxed on those benefits. Employers who provide those benefits, on the other hand, will be required to pay a tax known as Fringe Benefit Tax ("FBT").
- **Employer contributions:** Workers compensation and social security.

Payroll Taxes

Every non-citizen employed in The Gambia is subject to a payroll tax, with the exception of those granted an exemption (for example, free zone operators, religious or charitable institutions of a public character, Diplomatic and Consular Missions) and those in the public sector.

Payroll Calendar

Employees are not required to be paid on a set schedule. Payrolls are typically paid monthly.

LEGISLATION AND STATUTORY BODIES



LEGISLATION

- Labor act 2007

STATUTORY BODIES

- Gambia Revenue Authority
- Ministry of Labor
- Labor relations Tribunal
- Labor Inspectorate
- Social Security and Housing Finance Corporation



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