



COUNTRY GUIDE BOTSWANA

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

**DEPLOY
WITH ZAPEO
IN
3 EASY STEPS**

ENGAGE

You and your employee reach an agreement to work in a country.

EMPLOY

Your employee signs a co-employment agreement with ZAPEO.

ENROLL

Your employee is enrolled on the payroll with a country specific legal entity.



WORK PERMITS AND VISAS

Visas:

- **Tourist Visa:** intended solely for vacation or tourism purposes. Valid for 3 months.
- **Visitor Visa:** issued for social visits or medical reasons. Valid for 3 months.
- **Business Visa:** granted to traders and investors looking to explore business opportunities in Botswana. Valid for 3 months.

Work Permit:

Under the Employment of Non-Citizens Act, Botswana offers a single work visa, also known as a work permit, for all foreign employees working in the country. Employers are prohibited from hiring individuals without a valid Botswana work permit or a certificate of exemption. The Immigration Board will review all permits and determine their validity period.



EMPLOYMENT CONTRACTS

Probation Period

Probation typically lasts three months for unskilled personnel and can last up to a year for experienced staff.

Notice period

A one-month notice period is required by law and must be provided by any party to an employment contract. If notice is not provided, the party in default pays the other party a sum equivalent to basic pay for the period a notice is due to be given, or the basic pay equal to the balance of the notice period if notice is given and partially observed. If notice is provided during the probation term, the notice period is 14 days.

Minimum wage

For most full-time workers in the private sector, the Botswana minimum wage is 3.8 Botswana pula per hour.

Working hours and overtime

The workweek is generally limited to 48 hours. Employees are allowed 14 hours of overtime per week and are paid 1 1/2 times their regular hourly rate. Work on public holidays or during rest periods should be compensated at double the standard salary rate.

Termination

Employment contracts cease when a defined piece of labor is done, a set length of time expires, or are legitimately terminated. A one-month notice period is required by law and must be provided by any party to an employment contract.

Severance

Severance is paid at the rate of one day per month of service for the first five years of employment and two days for each month worked beyond that. Employment is considered confirmed after the probation term, if one is stated.

PAID TIME OFF



Annual Vacation

A full-time employee's yearly paid leave entitlement is 15 working days after one year of employment.

Sick

Employees are normally entitled to 20 days of paid sick leave per year, with the need that a doctor's certificate be provided.

Maternity

Female employees are normally entitled to 12 weeks of maternity leave, six weeks before and six weeks after the delivery. A doctor's certificate must be shown by the employee. Employees are eligible for at least half of their base wage.

Paternity

There is no statutory paternity leave.

Family

Male and female employees who have been with the company for more than four months and work at least four days a week are entitled to three days of paid leave per year for family responsibilities. This leave can be used if the employee's child is born or becomes ill (until the child reaches the age of 18). The leave can also be taken in the event of a family member's death (spouse or life partner, parent, adoptive parent, grandparent, child and adopted child, grandchild or sibling).

National Holidays

Botswana has a total of 8 public holidays which are paid.

Other Paid Time Off

N/A



EMPLOYEE BENEFITS

Statutory

	Employee	Employer	Notes
Unemployment	-	-	Unemployment benefits are not provided. There is however the Ipelegeng - Unemployment Relief.
Workers Compensation	-	-	The employer bears the total cost.
Social Security	-	-	There is no national Social Security.
Retirement/Pension	5%	15%	The fund is administered by The Botswana Public Officers Pension Fund (BPOPF).
Health	-	-	Botswana provides free healthcare to all of its residents.

Private

	Notes
Workers compensation	Private workers compensation is available.
Retirement/Pension	There are a few private pension schemes available.
Health	Private health insurance is available.
Life	Life insurance policies are also available.



TAX

Personal Income Tax (PIT)

- **Tax year** : Tax year runs from 1st July to 30th June.
- **Tax rate** : Resident tax rates range between 0 - 25% and Non-resident tax rates range between 5- 25%.
- **Tax method** : The taxation approach is a progressive income tax. The Botswana tax system is territorial, and income is taxed in Botswana if it is generated within the country.
- **Tax residency requirements** : For a tax year, an individual must have a permanent place of residence and be fully present in Botswana for at least 183 days during that tax year or the preceding tax year.
- **Double taxation agreements (DTA's)** : Botswana has multiple double taxation agreements.

Investment Income Tax

Capital Gains

In Botswana, capital gains from selling immovable property and marketable securities (including private company shares) are taxed if the source is in Botswana. The tax rates range from 0% to 25%.

Dividend Income

For resident citizens in Botswana, any dividend income from foreign investments is included in their gross income and taxed at 10%.

Interest Income

Interest income from banks or building societies in Botswana is tax-exempt for resident individuals up to BWP 7,800. Interest payments to residents are subject to a 10% withholding tax. Interest payments to non-residents are subject to 15% withholding tax.

Royalties

Commercial royalties paid by a Botswana resident to a non-resident are subject to a 15% WHT.

Taxable Income

Individuals are taxed on earnings, salaries, leave pay, fees, commissions, bonuses, gratuities, compensation and commutation payable under any employment or service contract.

PAYROLL



Payroll Elements

- **Income:** Wages, salaries, fees, bonuses, and any other supplementary compensation, such as benefits in kind.
- **Deductions:** No business-related costs are deducted unless they are incurred as a condition of employment or for the purpose of creating the employee's income, such as when the expenditure can be proved to impact the employee's income level. Deductions for payments to an approved retirement benefit plan are permissible up to a maximum of 15% of earned income when a gratuity is not granted to the employee. Botswana has no standard or universal deductions.
- **Benefits in Kind:** Benefits in cash (travel, entertainment, education, and so on) and the value of benefits in kind (home, motor vehicle, furnishings, utilities, and so on) granted to an employee are taxed as employment income.
- **Employer contributions:** Pension Fund.

Payroll Taxes

There is no social security yet in Botswana.

Payroll Calendar

Payrolls can be done weekly, biweekly, fortnightly, or monthly.



LEGISLATION AND STATUTORY BODIES

LEGISLATION

- Employment Act
- Retirement Funds Act 2014

STATUTORY BODIES

- Botswana Unified Revenue Service
- The Botswana Public Officers Pension Fund (BPOPF)

Contact ZAPEO today for
further information or a
FREE simulation.



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Simulation request



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