

Annex 1: Data from Pilot Countries (Bangladesh, Kenya, Nepal, Uganda, and Zambia)

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Bangladesh

OBTAINING INPUTS – BANGLADESH

A. Licenses and Permissions for Seed Providers

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Local Trade License</p> <p>The trade license is a prerequisite to operating any business in Bangladesh and is specific to the union or municipality. Companies with multiple offices across municipalities would need a trade license for each location. Facilitation fees are common.</p>	5-7	3-5,000 depending on the amount of authorized capital	Dhaka City Corporation or relevant union council
2	<p>Import Registration Certificate (IRC)</p> <p>An IRC is required for any business importing goods into Bangladesh. The agro-input provider must apply to the Export/Import Authority within the Ministry of Commerce. Required documents include:</p> <ul style="list-style-type: none"> • Membership Certificate to Chamber of Commerce & Industry • National ID card • Tax Identification No. (TIN) • Bank solvency certificate <p>The IRC costs a minimum of BDT 5,000 depending on the company's amount of authorized capital, and is valid for one year.</p>	10	5,000	Office of the Chief Controller of Import & Export (CCIE), Ministry of Commerce
3	<p>Seed Dealership License</p> <p>All seed dealers must be licensed. The seed dealership license covers all seed-trade related activities, including import, wholesale distribution, and retail sale. About 16,000 licensed dealers currently operate in Bangladesh. The dealership license does not require any inspection, but each application requires the signature of an officer from the Ministry of Agriculture or the Bangladesh Agricultural Development Corporation (BADDC) who can vouch that the company is duly engaged in the seed industry.</p>	7	0	Field Offices of Seed Wing, Ministry of Agriculture

TOTAL	3 procedures	22-24 days	USD \$98-122¹	
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B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Application for registration of a new proprietary plant variety for notified crops</p> <p>According to the Seed Act (Amendments in 1997 and 2005), seed companies must register new notified crop varieties with the SCA. There are 5 crops “notified” by the Government of Bangladesh – wheat, rice, jute, seed potato, and sugarcane. Notified crops must undergo a mandatory two seasons of field testing in order to be registered, and applicants must provide detailed breeder’s results for the new variety. A company seeking to register a seed variety already in use in another country would apply to the Plant Quarantine department in the Ministry of Agriculture for an import permit. The permit would allow them to procure a maximum 20 kg of seed as a sample. The import permit takes an average of 5 days to obtain at a cost of USD \$1.</p> <p>All non-notified crops can be produced or introduced immediately upon obtaining a registration number from the National Seed Board within the Ministry of Agriculture. Registration numbers are issued without testing or cost. Companies typically test the quality of new non-notified varieties themselves before sale, and such seed would be sold as “Truthfully-Labeled Seed.” Seed providers can also opt for a voluntary certification process by the SCA – identical to the testing process for notified seed – which allows them to sell the seed as “Certified Seed.”</p>	10	0	Seed Certification Agency (SCA)
2	<p>Multi-location performance trials</p> <p>The SCA first determines the applicant’s seed sources. The Variety Testing wing then carries out varietal description activities (DUS tests) and conducts multi-location field evaluations (VCU tests). Field tests cost BDT 36,000 per year per variety, which includes one season of testing in 9 agro-ecological zones (or two years and BDT 72,000 total). Given Bangladesh’s growing seasons there are limited times of year to conduct field testing. Winter rice (boro) has one season per year, and the company would apply in September or October. Summer rice also has only one season a year, while maize can be grown year-round so two seasons of</p>	730	72,000	SCA

¹ Exchange rates as of June 2012. Costs rounded to the nearest dollar.

	field tests can be completed in one year.			
3	Recommendation for release The results of field tests are evaluated by the SCA and a recommendation is made to the National Seed Board for release of the new variety.	30	0	SCA
4	Variety release by National Seed Board The National Seed Board, chaired by the Secretary of the Ministry of Agriculture and whose membership includes the SCA, Bangladesh Agricultural Research Council, Ministry of Agriculture, representatives of seed companies, seed scientists, universities, and research institutes (BIRI for rice, BARI for wheat), meets twice a year to review new seed varieties. Once approved, the Board issues a registration certificate for the new variety.	60	0	National Seed Board, Seed Wing, Ministry of Agriculture
5	Gazette notification To market seeds of notified crops, the new variety must be on the national list of varieties through publication in the official gazette.	30	0	Government Printing Bureau
TOTAL	5 procedures	860 days	USD \$878	

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	No	
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	No	There are no protections of plant breeders and Bangladesh is not a member of the International Union for the Protection of New Plant Varieties (UPOV). When a new variety is registered the company is given indefinite exclusive rights to production. However, in the case of a breach of IP rights – such as a seed supplier giving the variety to another company – there is no mechanism for enforcement or assessment of penalties. Non-notified seeds are not protected.

C. Licenses and Permissions for Fertilizer

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Local Trade License</p> <p>The local trade license is a prerequisite to operating any business in Bangladesh and is specific to the union or municipality. Companies with multiple offices across municipalities would need a trade license for each location. Facilitation fees are common.</p>	5-7	3-5,000 depending on amount of authorized capital	Dhaka City Corporation or relevant union council
2	<p>Membership in Bangladesh Fertilizer Association (BFA)</p> <p>The agro-input provider must join the relevant national business association for fertilizer in order to obtain an Import Registration Certificate and to initiate registration of a new fertilizer product. The Fertilizer Management Act (2006) stipulates that association membership is necessary “if applicable,” which is not clearly defined. In practice, companies, particularly fertilizer importers, join the BFA.</p>	30	5,000	Bangladesh Fertilizer Association (BFA)
3	<p>Import Registration Certificate (IRC)</p> <p>An IRC is required for any business importing goods into Bangladesh. The agro-input provider must apply to the Export/Import Authority within the Ministry of Commerce. Required documents in the application include:</p> <ul style="list-style-type: none"> • Membership Certificate to Business Association or Chamber of Commerce & Industry • National ID card • Tax Identification No. (TIN) • Bank Solvency Certificate <p>The IRC costs a minimum of BDT 5,000 depending on the company’s amount of authorized capital, and is valid for one year.</p>	10	5,000 ²	Office of the Chief Controller of Import & Export (CCIE), Ministry of Commerce
4	<p>Dealership License – Importing</p> <p>The Department of Agricultural Extension licenses fertilizer providers. The DAE has three types of licenses within the dealership license for: importers, manufacturers, and suppliers (both wholesale and retail). An import license covers all activities, including import, repackaging, wholesale and retail sale. A company need only obtain one of the three types of</p>	30	1,000	Department of Agricultural Extension (DAE)

² All yellow boxes signify incomplete or unconfirmed data.

	<p>licenses. A supplier license typically takes seven days and BDT 1,000 to obtain.</p> <p>Along with the registration fee, applicants for a dealership license must provide:</p> <ul style="list-style-type: none"> • Membership in the Bangladesh Fertilizer Association (for importers) • Board of Investment/Board of Small & Cottage Industries Corporation registration (for manufacturers) • Import Registration Certificate • Local Trade License • VAT Certificate • Tax Identification No. (TIN) • National ID card <p>Note that fertilizer is also imported and distributed through government channels. The government-owned Bangladesh Chemical Industries Corporation (BCIC) manufactures urea, TSP, MOP, and DAP fertilizer and sells through a network of licensed wholesalers and dealers. A wholesale license from BCIC has no fee, but requires a deposit of BDT 200,000. Retailers place a deposit of BDT 30,000. The wholesale license is issued to up to 10 firms per upazila while there can be up to 9 BCIC-licensed retailers at the union level. The BCIC sets the price of fertilizers and distributors make a set profit margin. Respondents noted that fertilizer sales are subsidized, sometimes up to 50% of the total cost. According to one respondent, the BCIC has about 80% market share of total fertilizer sales. The private sector does not actively compete with the BCIC in selling the four main fertilizer types, and instead provides other fertilizer products.</p> <p>Fertilizer manufacturers would additionally require an Environmental Clearance Certificate from the Department of Environment. There is no inspection or cost to the certificate. In practice facilitation fees common – respondents listed costs of BDT 5-10,000.</p>			
TOTAL	4 procedures	75-77 days	USD \$171-195	

D. Time/Cost/Procedures for Registering a Proprietary Fertilizer

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Application for New Product Registration</p> <p>There are currently 74 standard fertilizers in Bangladesh for which any company can get</p>	30	0	Technical Sub-Committee, Bangladesh Agricultural Research

	<p>permission to sell without going through the lengthy product registration process. New fertilizer compositions that are not on the approved list must go through the standardization process, which includes review and field testing. To initiate the standardization process, candidates apply to BARC with an application and supporting documentation, including:</p> <ul style="list-style-type: none"> • Trade License, TIN, Certificate of Incorporation • BFA Membership Certificate • Bank Solvency Certificate • List of machinery • Analytical report of fertilizer composition • Supporting technical literature <p>Very new types of fertilizers might also require an Environment Report from the Department of Environment to be submitted with the application for new product registration. The Environment Report costs BDT 10,000 and takes 30 days to obtain.</p> <p>The time required to review new product applications varies greatly depending on the quality of the application and the time it takes applicants to respond with required documents. Respondents noted that fertilizer is a lucrative business in Bangladesh and many applications are made by entrepreneurs or new firms with little expertise or knowledge of fertilizer.</p>			Council (BARC) & Department of Agricultural Extension (DAE)
2	<p>Field Testing</p> <p>The Technical Sub-Committee, through one of Bangladesh’s research organizations (BARC, BIRI for rice, BARI for wheat) tests fertilizer samples and administers field tests for a minimum of one season in two locations. Respondents noted a minimum of two years of field tests in order to complete an average of two seasons of trials.</p>	730	40,000 (20,000 per product per year)	BARC or crop-specific research organization
3	<p>Approval by National Fertilizer Standardization Committee</p> <p>The National Fertilizer Standardization Committee, chaired by the Secretary of the Ministry of Agriculture and including experts from BARC, DAE, universities, and scientists, meets twice a year to review applications for new fertilizer products. Once approved, the product is published in the national Gazette and added to the list of standardized fertilizers.</p>	60	0	National Fertilizer Standardization Committee, Ministry of Agriculture
4	<p>Gazette Notification</p> <p>Once a new product is approved it is listed in the gazette, which can take up to 30 days to be printed. After gazette notification, the company is approved to begin sales of the product and the company may choose to trademark a trade.</p>	30	0	Bangladesh Government Press

TOTAL	4 procedures	850 days	USD \$488	
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Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	No	There are no provisions for a shortened registration process.
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	Yes	Once a company registers a product, it is added to the list of accepted fertilizers. There are currently 74 standard fertilizers in Bangladesh for which any company can get permission to sell. Companies who want IP protection register their trade name for the fertilizer with a trademark (takes approx. 30 days with Department of Patents, Designs, and Trademarks).

E. Licenses and Permissions for Crop Protection Chemical Providers

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	Local Trade License The trade license is a prerequisite to operating any business in Bangladesh and is specific to the union or municipality. Companies with multiple offices across municipalities would need a trade license for each location. Facilitation fees are common.	5-7	3-5,000 depending on amount of authorized capital	Dhaka City Corporation or relevant union council
2	Bangladesh Crop Protection Association (BCPA) Membership Agro-input providers must join a business association or Chamber of Commerce for crop-protection chemicals in order to obtain an Import Registration Certificate. Membership in BCPA is not yet mandatory but will be required soon.	30	10,000	Bangladesh Crop Protection Association (BCPA)
3	Import Registration Certificate (IRC) An IRC is required for any business importing goods into Bangladesh. The agro-input provider must apply to the Export/Import Authority within the Ministry of Commerce. Required documents include:	10	5,000	Office of the Chief Controller of Import & Export (CCIE), Ministry of Commerce

	<ul style="list-style-type: none"> • Membership Certificate to relevant Business Association or Chamber of Commerce & Industry • National ID card • Tax Identification Number (TIN) • Bank Solvency Certificate <p>The IRC costs a minimum of BDT 5,000 depending on the company's amount of authorized capital, and is valid for one year.</p>			
4	<p>Pesticide Import License</p> <p>The DAE's Plant Protection Wing (PPW) licenses all pesticide dealers. The PPW has seven types of licenses that cover different tasks in pesticide import, formulation, and wholesale and retail sale. Each license is valid for two years and has a renewal cost of half of the original license fee. For an import license, applicants must provide the following (along with the registration fee of BDT 2,000):</p> <ul style="list-style-type: none"> • Local Trade License • VAT certificate and Tax Identification Number (TIN) • Import Registration Certificate (IRC) • Letter of No Objection from international source company • Authorization letter from international source company • Registration certificate from the DAE for the product(s) to be imported <p>Other pesticide licenses not listed below and not applicable to this case study include:</p> <ul style="list-style-type: none"> • Repackaging license (BDT 2,000) • Formulation license (BDT 5,000, 15-20 day application including site inspection) • Household pest control license (BDT 1,000) <p>Applicants would additionally file for permission from the Department of Environment for any facility concerning pesticide formulation or repackaging. There is no inspection or official cost. Facilitation fees are common – respondents listed costs of BDT 5-10,000 to obtain the certificate.</p>	30	2,000	Plant Protection Wing (PPW), Department of Agricultural Extension (DAE), Ministry of Agriculture
5	<p>Pesticide Advertisement License</p> <p>Any pesticide company wishing to advertise their products must first apply for an advertisement license from the PPW.</p>	0 ³	1,000	PPW, DAE, Ministry of Agriculture

³ Simultaneous with Procedure 4.

6	Pesticide Wholesale License Wholesale licenses are issued by the PPW's district field offices. Applicants must provide a local trade license, VAT certificate, Tax Identification Number (TIN), and an authorization letter from their supplier (importer, formulator, or repackager). The district field office does not inspect for approval of the wholesale license; however, agricultural extension officers at the upazila level conduct some site inspections.	15-21	1,000	PPW, DAE, Ministry of Agriculture
7	Pesticide Retail License Retail licenses are issued by the PPW's district field offices. Applicants must provide a local trade license, VAT certificate, Tax Identification Number (TIN), and an authorization letter from their supplier (importer or wholesaler). The district field office does not inspect for approval of the retail license; however, agricultural extension officers at the upazila level conduct some site inspections.	0 ⁴	500	PPW, DAE, Ministry of Agriculture
TOTAL	7 procedures	90-98 days	USD \$274-299	

F. Time/Cost/Procedures for Registering a Crop Protection Chemical

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	Environmental Impact Assessment The Department of Environment tests and clears the environmental impact of any new pesticide product. The assessment can take up to one month depending on the type of pesticide and tests required, and is a prerequisite for a new product registration.	7-30, depending on the type of pesticide	10,000	Department of Environment
2	Application for New Product Registration Any new pesticide products must be registered and approved by the Ministry of Agriculture. To initiate the registration process, candidates apply to the Plant Protection Wing (PPW) with a dossier and three product samples (technical, standard, and formulation). An application fee of BDT 20,000 covers the entire registration process. Applications must include the following documentation: <ul style="list-style-type: none"> Local Trade License, Tax Identification Number (TIN), VAT certificate 	3	20,000	Plant Protection Wing (PPW), Department of Agricultural Extension (DAE), Ministry of Agriculture

⁴ Simultaneous with Procedure 6.

	<ul style="list-style-type: none"> • Form 1 (product information) • MSGS (efficacy data) • Environmental Impact Assessment • Radiation certificate • Testing procedures <p>Documentation of existing patents on the product(s) in other countries to request patent protection in Bangladesh</p>			
3	<p>Evaluation and Recommendation for Field Tests</p> <p>After receiving an application, the PTASC meets and will recommend the product for further testing. Laboratory tests determine the chemical composition of the product and take 3-7 days depending on the types of testing necessary (for example, titration may take 7 days). The PTASC then convenes a second time to review the lab results and will recommend the product for field tests.</p>	20	0	Pesticide Technical Advisory Sub-Committee (PTASC), PPW, DAE, Ministry of Agriculture
4	<p>Field Testing</p> <p>Pesticides must undergo a minimum two seasons of field trials in two locations. In practice, this almost always requires two years to complete. There are twelve research organizations in Bangladesh that may be involved in conducting field trials, depending on the type of crop.</p>	730	0	PPW, DAE, Ministry of Agriculture
5	<p>Recommendation for Release</p> <p>The PTASC reviews the results of the field tests and recommends the product to be reviewed by the Pesticide Technical Advisory Committee (PTAC).</p>	15-30	0	PTASC, PPW, DAE, Ministry of Agriculture
6	<p>Pesticide Technical Advisory Committee Approval</p> <p>The PTAC, chaired by the Executive Chairman of the Bangladesh Agricultural Research Council (BARC), meets twice a year to review applications for new pesticide products. Once approved, the product is published in the national Gazette and added to the list of approved agrochemicals.</p>	60	0	PTAC, PPW, DAE, Ministry of Agriculture
7	<p>Gazette Notification</p> <p>Once a new product is approved it is listed in the Gazette, which can take up to 30 days to be printed. After Gazette notification, the company is approved to begin sales of the product and the company may choose to trademark a trade name.</p>	30	0	Bangladesh Government Press
TOTAL	7 procedures	865-903 days	USD \$366	

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	No	There are no provisions for a shortened registration process.
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	Yes	Bangladesh recognizes global patent rights for imported agrochemicals. As there is currently no manufacture or development of new pesticide products within Bangladesh, local firms do not apply for domestic patent protection.

STARTING AND OPERATING A FARM - BANGLADESH

A. Time/Cost/Procedures for Start-up and Operations of a Farm

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Local Trade License</p> <p>The trade license is a prerequisite to operating any business in Bangladesh and is specific to the union or municipality. Companies with multiple offices across municipalities would need a trade license for each location. Facilitation fees are common.</p>	5-7	3-5,000 depending on the amount of authorized capital	Relevant union council in Rajshahi
2	<p>Tax Identification Number (TIN) Certificate</p> <p>The TIN certificate has no official cost. In practice, all respondents noted paying “handling charges” averaging BDT 5,000 (and ranging up to BDT 10,000) in order to facilitate the process. To obtain a TIN, businesses must provide two copies of a passport size photo, the applicant’s national ID card, the company’s local trade license, and proof of a bank account.</p> <p>A value-added tax (VAT) certificate is necessary for farms engaged in exporting or food processing (not applicable to for the case study farm). The VAT certificate takes an average of 7 days to obtain from the National Revenue Board at no official cost. Unofficial costs average BDT 5,000.</p>	4	0	National Revenue Board
Total	2 procedures	9-11 days	USD \$37-61	

B. Access to Business Registration Index (0-5)⁵

Question	Index Score: 4	Comments
1. Are registration documentation and information on fees publicly available?	Yes	
2. Are registration documentation and information on fees available online?	No	

⁵ Indexes in the AGRI Index are primarily scored with “Yes” = 1 and “No” = 0. In a few instances, the opposite may be true or curved scoring may be used. For example, in the Seasonal and Migrant Workers Index in the Employing Agricultural Workers survey, Q1A

3. Is registration possible in every state/province?	Yes	The local trade license is issued at the union (local/municipal) level. The TIN certificate is issued by the National Revenue Board, which has offices in each of Bangladesh's seven divisions.
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	Yes	
5. Are registration steps the same regardless of the nationality of ownership?	Yes	

EMPLOYING AGRICULTURAL WORKERS – BANGLADESH

A. Time/Cost/Procedures for Hiring a Skilled Expatriate Worker

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Obtain 'E' visa</p> <p>Foreign individuals employed in local/foreign government/semi government/liaison/ industrial/commercial organizations or other equivalent organizations must apply for 'E' visa. Documents required to be submitted include permission letter from company, board resolution regarding employment of foreign worker, service contract or appointment letter, advertisement showing recruitment for local personnel, and statement of manpower showing local & expat expertise.</p>	Varies depending on Embassy policy	Varies depending on Embassy policy	Bangladesh Embassy in applicant's country
2	<p>Obtain work permit</p> <p>A work permit from the BOI for foreign nationals is a prerequisite for employment in Bangladesh, and must be applied for within 15 days after arriving in Bangladesh. Private sector industrial enterprises desiring to employ foreign nationals are required to apply in advance to BOI in the prescribed form. The BOI typically meets once a month. For expatriate employment the guidelines are as follows:</p> <p>i) Nationals of countries recognized by Bangladesh are considered for employment. ii) Employment of expatriate personnel will be considered only in industrial/commercial establishments which are sanctioned/registered by the appropriate authority. iii) Employment of foreign nationals is normally considered for jobs for which local experts/technicians are not available. iv) Persons below 18 years of age are not eligible for employment. v) A decision of the board of directors of the concerned company for new employment/employment extension is to be furnished in each case. vi) The number of foreign employees should not exceed 5% in the industrial sector and 20% in commercial sector of the total employees, including top management personnel. vii) Initially employment of any foreign national is considered for a term of two years, which may be extended on the basis of merit of the case.</p>	20	10,000	Board of Investment (BOI)
3	<p>Obtain a security clearance certificate</p> <p>A security clearance certificate is needed to pay taxes and comply with other legal</p>	N/A	N/A	Ministry of Home Affairs

	requirements while in Bangladesh.			
Total	3 procedures	20 days	USD \$122	

B. Seasonal and Migrant Workers Index (0-10)

Question	Index Score: 7	Comments
1. Do current regulations allow for the enlistment of workers on a casual basis (i.e. work on a daily or hourly basis)?	Yes	In Chapter 2, Section 4 (4) of the Bangladesh Labour Code 2006: "A worker shall be called casual worker if his employment in an establishment is of casual nature".
a. Are there statutory restrictions on the number of days a casual worker may be enlisted after which they must be converted to fixed-term contract, with similar rights and benefits as a permanent employee?	No	There are no specific provisions regarding this matter.
b. What is the maximum cumulative duration of a casual employment relationship?	No limit	There are no specific provisions regarding this matter.
2. Are there restrictions on the use of fixed-term contracts in hiring seasonal farm & agro-processing workers?	No	There are no specific provisions regarding hiring seasonal farm and agro-processing workers. The Agricultural Labour (Minimum Wages) Ordinance 1984 stipulates that the minimum rate of wages for agricultural labour per day shall be 3.27 kilograms of rice or such amount of money as is equal to the price of this quantity of rice in the local market.
a. What is the maximum cumulative duration of a fixed-term employment relationship, including all renewals?	No limit	There are no specific provisions on fixed-term employment.
3. Do current regulations allow for the use of farm labor contractors in recruiting and employing seasonal farm workers?	Yes	There are no specific provisions regarding this matter.
a. Is there a process for licensing and registration of farm labor contractors, including reasonable time and cost for registration?	No	There are no specific provisions regarding this matter.
4. Do current regulations allow for piecemeal-based pay (i.e. by item made or picked), so long as anticipated income is consistent with the country's minimum wage (if applicable)?	Yes	Piece-work rate is specifically mentioned in Section 108 of the Labour Act for calculating over time and Section 12 for calculating wages due to stoppage of work. Therefore, piece-work is allowed. The rate at which piece-work will be done may be fixed by the Minimum Wages Board depending on the industry. Under Section 139 of the Labour Act 2006, the Government may, upon an

		application made to it by the employer or workers or both, consider fixing minimum rates of wages for the workers employed in a particular industry. Pursuant to the Government's direction, the Wages Board may recommend minimum rates of wages for all classes of workers in any grade and, in such recommendation, may specify- (a) minimum rates of wages for time-work and piece-work; and (b) minimum time-rates specifically for the workers employed on piece work.
5. Do current regulations allow for task-based pay, so long as anticipated income is consistent with the country's minimum wage (if applicable)?	Yes	There are no specific provisions regarding this matter.
6. Do current regulations permit the employment of migrant farm & low-skilled agro-processing workers (both domestic and foreign) on a seasonal basis?	Yes	There are no specific provisions regarding this matter.
7. Do current regulations permit the free movement of migrant farm & low-skilled agro-processing workers (both domestic and foreign) within the country?	Yes	There are no specific provisions regarding this matter.

ACCESSING RURAL LAND – BANGLADESH

A. Time/Cost/Procedures for Registering Rural Land

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Verify title documents and ascertain title</p> <p>The first step is to test/verify the title deed. A title deed may be tested in the concerned Sub-registry office to show that the deed provided by the Seller is in order, and all Bia deeds (proof of previous owner(s)) tested to prove a chain of ownership. Time required depends on availability of information/docs, access, co-operation of concerned office, etc. Speed money may be required, otherwise the timeframe will be longer.</p> <p>Property ownership may be shown by way of a record of rights (RoR) kept in the concerned land office (i.e. Union Land Office (Union level), Office of Assistant Commissioner of Land (Upazila level) or District Record Room (District level), as necessary). RoR is locally known as Khatian/Parcha, and includes a Khatian Number, District and Upazila name, Mouza (a particular constituency) name, Jurisdictional List (JL No.) number, name of the owner who possesses the land, plot number, total area of land in a plot, exact area of land, etc. To get a certified copy of the RoR, a minimal amount of BDT 100 is required (plus extra fees from BDT 2,000-3,000). It takes 10-30 days; if facilitated, it can take 1-2 days. These are typically obtained at the District level.</p> <p>It must also be confirmed that the proposed land has not been mortgaged with any bank or financial institution; is not securing payment with any other institution or individual; has not been leased out to others; and has no legal claim or any litigation case against it and the deed has not been tendered as evidence before any jurisdictional court of litigation.</p>	10-30	700	Union Land Office, Office of the Assistant Commissioner of Land, District Record room, settlement office (for land survey at Upazila or Divisional level), concerned Sub-registry office
2	<p>Mutation in Seller's name</p> <p>The Seller must get the land mutated in his/her name with the concerned land office, otherwise one cannot sell. The Seller has to apply to the Land Office, and the Land Office has to see that the Seller purchased the land using proper methods, then they will mutate his/her land. After receiving an application from the Seller, the Land Office gives notice to concerned persons. Around 15-30 days are given for filing any objections. If there are no objections, the Land Office mutates the land in the name of the Seller; registers his name in the Record of Rights, giving him a new title; and issues a holding number to the Seller, by</p>	90-180	700-1,500	Land Office

	which government collects rent. This process takes 3-6 months (3 months if no objections), and involves a minimal fee of BDT 700-1,500. To register in a Sub-registry office, a certified copy of a mutation Khatian in the name of the present owner (Seller) is necessary. It is the Buyer's duty to check that the land is mutated in the Seller's name.			
3	Obtain non-encumbrance certificate and other documents and assess potential claims The Buyer must make sure that there is no valid claim from adjacent land owners, government authorities or other individuals; perform physical verification regarding access to the land; collect a Mouza Map published by the Office of the Land Survey; collect up to date rent receipts from the Union land office that has been paid by the Seller; obtain a non-encumbrance certificate from the concerned authority (though this step does not often occur in practice); obtain a Duplicate Carbon Receipt (DCR) regarding the land at the Upazila land office (~BDT 250); and obtain other docs relating to the property. These steps may require speed money up to BDT 1,000. Note that because the land described in the case study exceeds the maximum limit of holding land, permission will be required from the concerned Office of Assistant District Commissioner of Land (Revenue).	5-10	400	Multiple land offices
4	Registration of deed of sale and payment of stamp duty Before formal registration, a Contract for Sale is created and executed between the Seller and Buyer (locally known as "Baina-nama"). To give legal effect to a Baina-nama, it has to be registered. When a Baina-nama is registered, then the formal Deed of Sale is submitted to the concerned Office of Sub-register under the Ministry of Law in the applicable Upazila for final registration within 30 days after execution of the Baina-nama. The deed must be prepared in a government-prescribed form. After registration, the Office of Sub-register will issue the Buyer a receipt to collect the new title deed. It takes 2-3 years to obtain a new title. The Buyer can get a certified copy of the title deed in the meantime, while waiting for the official document.	2-5	3% of consideration for stamp duty	Sub-registry office
5	Payment of taxes and fees The 2% registration fee is payable to the bank in favor of the sub-registry office and the receipt is to be presented at the moment of applying for registration.	1-2	1% for local government tax, 2% for government registration fee	Bank designated by sub-registry office
6	Submit application to local land office After completing registration, Buyer has to submit an application to the local Land Office to claim title/ownership of land and submit a copy of the deed for record correction and mutation in his/her own name, presenting the receipts of payment for registration fees.	45	5,000	Office of Assistant Commissioner of Land

	The application also includes a schedule of the property and a copy of the Parcha. The land office then sends a proposal letter for mutation to the land office at the Union level.			
7	Pay land tax at Union land office Buyer pays land tax and collects a rent receipt certificate, which is taken back to the land office at the Upazila.	2-3	BDT 25 per acre of agricultural land	Union Land office
8	Mutation in Buyer's name After receiving the rent receipt certificate, the land office will mutate the name, open a book, give the Buyer a holding number without which Buyer cannot pay local land tax, and provide a duplicate carbon receipt.	2-3	0 ⁶	Office of Assistant Commissioner of Land
Total	8 procedures	157-278 days	USD \$1,770-1,779⁷	

B. Access to Property Registration Index (0-7)

Question	Index Score: 4	Comments
1. Is real property registration possible in every state/province?	Yes	There are no barriers for registration except specific reasons, i.e. government property.
2. Can real property registration be accomplished via an automated, online process?	No	Manual process.
3. Is information and documentation about real property registration available online?	No	There is limited information available.
4. Are the steps and timeframes required for real property registration clear?	Yes	If there is a registered contract ("baina"), then the property has to be registered within 30 days of execution (Sec 17A, Reg. Act, 1908).
5. Are the steps for real property registration the same regardless of property size?	Yes	
6. Are the steps for real property registration the same regardless of the nationality of ownership?	Yes	When the purchaser is of different nationality, permission is required from the proper authority, i.e. Ministry of Land.
7. Is the quality of data in the land registry reliable, with few cases of dual or fake titles?	No	Data is not reliable.

⁶ Included in cost for Procedure 6.

⁷ Assumes consideration of 50*GNI per capita.

C. Utilizing Customary Land Index (0-12)

Question	Index Score: N/A	Comments
1. Do formal, wholly domestically owned entities (i.e. corporations, partnerships, cooperatives, sole proprietorships) have a legal right to lease customary land?	N/A	
<i>2. Do formal entities have a de facto right to lease customary land?</i>		
3. Is approval required from a governor or similarly high-level ministerial official to enter into a lease for customary land?		
4. What is the statutory maximum duration, if any, for a lease of customary land?		
5. What is the statutory maximum amount of customary land, if any, that a formal entity can acquire?		
6. Are there statutory restrictions on the right to produce on the land based on the leaseholder's own preferences?		
7. Are there statutory restrictions on the leaseholder's ability to subdivide, sublease or rent the land?		
8. Can a long-term (50+ years) leasehold interest in customary land be transferred to another formal entity?		
9. Can a long-term (50+ years) leasehold interest in customary land be registered and recorded in a manner that protects such registered interests?		
10. Does the legal framework allow long-term leaseholders (50+ years) to obtain mortgages on customary land?		
<i>11. Do such mortgages occur in practice?</i>		
12. Is there an impartial judicial or quasi-judicial body that has jurisdiction to hear cases or arbitrations involving customary land disputes?		

13. Is there a formal legal process to convert customary land to statutory land?		
14. Does the process involve clearly defined steps with identified and appropriate administrative bodies?		
15. Can the process be completed within a reasonable period of time, and within a reasonable amount of required costs?		
<i>Median time required?</i>		
<i>Range of time required (low to high)?</i>		
<i>Median cost required?</i>		
<i>Range of cost required (low to high)?</i>		

ACCESSING FINANCE – BANGLADESH

A. Agricultural Collateral Index (0-10)

Types of Collateral Allowed by Law	Index Score: 6	Comments
1. Farm equipment	Yes	Movable property can be encumbered through a fixed charge. Typically only tractors and vehicles are accepted.
2. Crop in field	Yes	Crops not typically considered movables and most banks do not accept as collateral except ag-oriented banks such as Krishi Bank. For sole proprietors (which are not registered entities), hypothecation is used where borrower maintains ownership over pledged collateral through contractual agreement between parties
3. Crop in warehouse	No	Crops not typically considered movables. No law in place. Currently only available through BADC-funded pilot of warehouse receipts system.
4. Livestock	No	Livestock not typically considered movables. Not done in practice due to issues with managing collateral.
5. Inventory	Yes	Allowed under a general floating charge for registered companies.
6. Patented plant variety	No	
7. Futures contract	No	
8. Accounts receivable	Yes	Allowed under a general floating charge for registered companies.
9. Buy/sell agreements	Yes	Allowed under a general floating charge for registered companies, though doesn't happen in practice.
10. Land and water rights	Yes	Land only, not water rights. Land is taken as a mortgage and is the preferred and primary means of collateral.

B. Movables Collateral Registry Index (0-11)

Question	Index Score: 4	Comments
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<p>1. What type of registry exists for registering movables collateral?</p>	<p>Multiple registries for different types of assets or security interests</p>	<p>No specific movables collateral registry exists. Land (mortgages), hypothecation for fixtures, and general charges for movables are registered with the concerned Office of Sub-Registrar. Charges from sole proprietorships, which are not registered companies, are not registered.</p> <p>Mortgage deeds, general charges and hypothecation to Registrar of Joint Stock Companies (RJSC) for loans to LLCs and other registered companies. Mortgages also to Office of Assistant Commissioner of Land for registering land.</p> <p>Offices of Sub-Registrar for RJSC and Office of Assistant Commissioner of Land are located in every upazila (about 500 branches). The RJSC has four branches in the country. Office of Assistant Commissioner of Land is at the district level.</p>
<p>2. Can security rights for a broad range of tangible and intangible movables (i.e. equipment, crops, livestock, accounts receivable, inventory, futures, etc.) be registered in the movables collateral registry?</p>	<p>Yes</p>	<p>In theory, general charges cover a broad range of movables. Livestock and crop are not typically considered movables.</p>
<p>3. Can security rights for all types of debtors, including sole proprietors, be registered in the movables collateral registry?</p>	<p>No</p>	<p>Collateral from sole proprietors not registered.</p>
<p>4. Is the movables collateral registry centralized, with a single unified database covering assets and creditors located throughout the country?</p>	<p>Yes</p>	<p>The Office of Sub-Registrar has upazila-level offices but is centralized at the national level. Country-wide information is searchable only from the national-level office.</p>
<p>5. Does the movables collateral registry operate a fully electronic database system?</p>	<p>No</p>	<p>Physical files.</p>
<p>6. Can registration and searching in the movables collateral registry be performed online?</p>	<p>No</p>	
<p>7. Is data from the movables collateral registry reliable?</p>	<p>No</p>	<p>Physical files are not all up to date.</p>
<p>8. Is real-time information from the movables registry widely accessible to the general public without any restrictions, including by those located in commercial centers outside of the capital?</p>	<p>No</p>	
<p>9. Can registration in the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?</p>	<p>Yes</p>	<p>Registration takes 2-3 days and charges are reasonable. Registration costs depend on the value of the land or other collateral.</p>

10. Can a search of the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?	No	Searching takes 2-3 days (depends on how old the company is) and charges are reasonable. Cannot search all four RJSC branches from one location, so may need to search in multiple locations.
11. Does the secured lending system provide for priority based on order of filing?	Yes	

C. Warehouse Receipts System Index (0-14)

Question	Index Score: N/A	Comments
1. Are there any laws or regulations pertaining to warehouse receipts systems currently in force?	No	
2. Do such laws or regulations specify an entity tasked with registering, licensing, and oversight of warehouses?		
<i>2.a. Is such entity private or public?</i>		
3. Does the legal and regulatory framework provide clearly established criteria for registering a warehouse, such as specifications for the physical facility and equipment (ex. silos, cleaners, fumigators)?		
4. Does the legal and regulatory framework require warehouse operators to be licensed and establish clear requirements for obtaining an operator license?		
5. Does the legal and regulatory framework provide for commodity standards and grading systems?		
<i>5.a. Are such commodity standards and grading systems enforced effectively?</i>		
6. Are there established procedures and standards for handling the commodities in warehouse storage?		
7. Does the legal and regulatory framework provide for regular inspections by the regulating entity or licensed third-party inspectors?		
8. Does the legal and regulatory framework provide for consequences/penalties for non-compliance of the handling of commodities in storage?		
9. Does the legal and regulatory framework clearly specify who bears the risk of loss, destruction, spoilage or		

damage?		
10. Does the legal and regulatory framework specifically recognize warehouse receipts as a document of title and a security instrument that is negotiable, transferable, and subject to encumbrance?		
11. Are warehouse receipts registered in a centralized registry with an electronic database that is easily accessible to the general public?		
12. In case of liquidation or bankruptcy, does the legal and regulatory framework clearly specify that commodities stored in the warehouse are immune from the reach of warehouse operators' creditors?		
13. Under the legal and regulatory framework, which of the following items are warehouse receipts required to contain?		
13.a. Name and address of licensed warehouse operator		
13.b. Designation and grade of warehouse		
13.c. License number of warehouse		
13.d. Name and address of depositor		
13.e. Relationship between warehouse operator and depositor if not a strictly disinterested custodianship		
13.f. Description and quality of goods		
13.g. Whether goods are insured or not		
13.h. Net weight of goods		
13.i. Other: []		
14. Does the legal and regulatory framework provide for a specific forum to resolve disputes relating to warehouse receipts systems?		

COMPLYING WITH TAXES – BANGLADESH

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Income tax	5	167	Rates range from 0% to 25%	Taxable income
Municipal tax	1	10	Small amount	Flat rate based on location of farm, size of land and buildings on land
Land Tax	1	10	BDT 100-500	Based on geographical area, category of land and privileges
Vehicle Tax	1	5	For 1500 cc - BDT 15,000. For up to 2000 cc - BDT 30,000. For more than 2000 cc - BDT 50,000. For up to 2800 cc Jeep - BDT 60,000. For more than 2800 cc - BDT 100,000. For microbus - BDT 15,000.	Presumptive
Ownership renewal tax on vehicles	1	5	Based on rate declared by the authority	Presumptive
TOTAL	9 payments per year	197 hours per year	Total tax rate (% of profit): 17.4%	

TRADING AGRICULTURAL GOODS – BANGLADESH

A. Exporting an Agricultural Commodity

Procedures to Export an Agricultural Commodity	Time (days)	Cost (USD)
License and Document Preparation	18	\$153
Inland Transportation and Handling	2	\$350
Customs Clearance and Inspections	1	\$200
Port and Terminal Handling	2-3	\$300
TOTAL	23-24 days	USD \$1,003

Documents to Export an Agricultural Commodity
Letter of Credit
GSP
Phytosanitary Certificate
Fumigation Certificate
Certificate of Origin
Commercial Invoice
EXP Form
Packing List
Bill of Lading
TOTAL: 9 documents

B. Importing Hybrid Seed

Procedures to Import Hybrid Seed	Time (days)	Cost (USD)
License and Document Preparation	21	\$114
Port and Terminal Handling	9	\$200
Customs Clearance and Inspections	9	\$400
Inland Transportation and Handling	2	\$350
TOTAL	41 days	USD \$1,064

Documents to Import Hybrid Seed
Proforma Invoice
Import Permit
Letter of Credit
Phytosanitary certificate
Certificate of Origin
Bill of Lading
Commercial Invoice
Packing List
Certificate of Conformity
TOTAL: 9 documents

C. Seed Policy & Market Structure

Background Questions (Not scored)		Comments
1. Does the public sector import seed, either directly by government agencies or parastatals, or indirectly through procurement contracts with private firms?	No	The government-owned Bangladesh Agricultural Development Corporation (BADC) works with domestic research institutes to produce seed, but they are not allowed to import. BADC currently has about 22% market share in seed production.
1.a. If YES, are private firms also allowed to import seed without undue government restrictions?	Yes	Private firms can import and must follow a straightforward process of obtaining the necessary licenses and permissions.
2. Is there a monopoly or duopoly in seed imports? (i.e. one or two private or public importers control 75% or greater market share)	No	There are 5-6 major seed importers in Bangladesh.
3. Are import licenses required for companies to import hybrid seed, and are they cumbersome or pose a barrier to trade?	No	Import licenses are required but are not a barrier to trade. Generally, all businesses need an Import Registration Certificate. Seed providers also must obtain a dealership license for importing from the Ministry of Agriculture, as well as an import permit for seed on a per-shipment basis.
4. Are seed imports subject to an import duty? If YES, please list the amount of the duty or tax in the comments box.	No	Seeds are duty-free. They are subject to an Advance Income Tax (AIT) of up to 5% at time of entry.

RESOLVING CONTRACT DISPUTES – BANGLADESH

A. Time/Cost/Procedures for Resolving Contract Disputes

Background Questions (Not scored)		Response	Comments
1	Alternative mechanism most likely to be used for the dispute described in the Case Study Assumptions:		
	Small Claims Court	X	If the dispute arises outside metropolitan areas (and therefore cannot go to a Small Cause Court), the parties have discretion to go to the Village Court under the Village Courts Act 2006 where the claim is for up to BDT 25,000. Village courts are formal institutions operating at the union level and are a primary step in the dispute resolution process. They are very active in Bangladesh, with around 60% of cases resolved by Village Courts, and the most accessible option at the local level, assuming both parties are from the same union.
	Commercial Court		None in Bangladesh
	Specialized Agricultural Court		None in Bangladesh
	Alternative Dispute Resolution	X	ADR is only applicable when the parties have agreed upon an ADR method for resolving any dispute. Under the Arbitration Act 2001, both parties must agree in writing that any dispute will be resolved through arbitration. Many contracts in Bangladesh include arbitration clauses. Alternatively, if the parties apply for mediation or arbitration during the Court proceeding, the Court must refer the dispute for mediation or arbitration under Section 89(A) & (B) of Code of Civil Procedure 1908. There are also sector-specific associations that provide dispute resolution mechanisms.
	Other: Village Mediation	X	Village Mediation (also known as Salish). Village Mediation is conducted by local influentials/elites in an informal way. Many NGOs in Bangladesh also assist and conduct such mediation at village level.
	No such alternative mechanisms exist		
2	Jurisdiction of the alternative mechanism selected in Question 1	Depends on mechanism	
3	Minimum and maximum amounts in controversy, if any, that can be heard in the	BDT 25,000-30,000	This is applicable to the Village Court and Small Cause Court.

alternative mechanism selected in Question 1		
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No.	Procedure	Time (days)	Cost (BDT)	Agency
1	N/A It is not possible to guess the approximate timeframe of each procedure as they vary from case to case. Similarly, costs also vary depending on the locality of the subject matter and the nature of the suit. A suit as described in the case study would be too large for Village Court, and would have to go to Rajshahi Civil Court, i.e. through the standard formal system. Arbitration may be used depending on the contract terms (though unlikely in this case), or mediation may be used.	N/A	N/A	N/A
Total	N/A	N/A	N/A	

B. Dispute Resolutions Mechanisms Index (0-6)

Question	Index Score: 6	Comments
1. Do alternative mechanisms to the formal court system to resolve contract disputes (i.e. small claims courts, commercial courts, alternative dispute resolution) adequately apply standard contract law principles?	Yes	Small Cause Courts and Village Courts are both part of the formal court system.
2. Are the costs entailed in using such alternative mechanisms reasonable and not prohibitive (ex. total costs do not exceed the amount in dispute)?	Yes	
2.a. Are the costs typically less than that of the formal court system?	Yes	
3. Is there a threshold amount in controversy for disputes to be heard in such alternative forums that poses an entry barrier to small or medium-sized formal agribusinesses?	No	
4. Are alternative mechanisms typically faster than the formal court system, with streamlined and simplified procedures?	Yes	Village Courts are faster and cheaper than Magistrate or Civil Courts. Arbitration and mediation are also quicker.
5. Are alternative mechanisms readily available outside of Dhaka?	Yes	

6. Are rulings through alternative mechanisms upheld in and enforced by the formal court system?	Yes	Arbitral awards are recognized and enforced by civil court, but enforcement can take a long time and the process can drag on.
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Kenya

STARTING A FARM – KENYA

A. Time/Cost/Procedures for Start-up of a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (KES)	Agency
1	<p>Name Search</p> <p>KES 100 per name. The applicable law is the Business Names Act (Cap 499). Business names are referred to as sole proprietorships. A business name is a trading name which differs from the names of the persons or the company who own the business. Registration of a business does not result in the creation of an entity with separate legal personality from its proprietors. The proposed name must be reserved pending registration. The application for name reservation should be made in writing and accompanied with the prescribed fees. It is advisable to have at least two (2) proposed names.</p>	3	200	Companies Registry - State Law Office
2	<p>Business Registration and Issuance of a Business Registration Certificate</p> <p>Once the name has been approved and reserved, the applicant should complete the statement of particulars (form BN2). The particulars to be provided in this form include the approved name, nature of business, address of principal place of business, postal address, particulars of the proprietors/ partners which include full names, nationality and citizenship, nationality of origin, age, sex, usual place of residence and other business occupation. After filling the form BN2, the applicant or his advocate should take the form together with the registration fee of Shs. 800 to the Companies Registry then lodge the form for registration. The applicant will be issued with a business registration certificate (Form BN 3) after approximately 7 days.</p>	7	800	Companies Registry - State Law Office
3	<p>Registration for Personal Identification Number/VAT</p> <p>The applicable laws are the Value Added Tax Act (Cap 476) and the Income Tax Act (Cap 470). A business cannot be issued with a PIN number for tax purposes as it is not a legal entity. For purposes of trading, the PIN to be used is that of the owner (proprietor) as he is personally liable for the liabilities of the business. However, the proprietor is required to register for VAT if his expected turnover is more than Shs. 3 Million (compulsory registration). The proprietor may still register for VAT even if the business does not meet the threshold so long as he will be making supplies and purchases.</p>	1	0	Kenya Revenue Authority (KRA)

4	Registration for National Social Security Fund (NSSF) The relevant law is the National Social Security Fund (Cap 258). NSSF provides employees with retirement benefits. Participation of all employees through their employers is mandatory. The employer pays a standard contribution of about 1% of the employee's salary subject to a maximum of Shs. 400 per month. Half the contribution is deductible from the employee's salary. This is only applicable to permanent employees and not casuals.	1	0	National Social Security Fund (NSSF)
5	Registration for National Hospital Insurance Fund (NHIF) The applicable law is the National Hospital Insurance Fund Act, 1998. The employee contributes a fixed sum to the NHIF which must be deducted by the employer from the employee's salary. The maximum contribution is Shs. 320 per month. Applicable to permanent employees and not those employed on a casual basis.	1	0	National Hospital Insurance Fund (NHIF)
6	Registration for Pay As You Earn (PAYE) Every employer is required to deduct income tax (PAYE) from his employees' salaries and remit it to KRA. Registration is mandatory.	1	0	Kenya Revenue Authority (KRA)
7	Obtain Single Business Permit Annual renewal, KES 200 fee, but fee varies by type, size, and location of business. http://www.businesslicense.or.ke/index.php/news/article/id/7	1	200 ⁸	Local/City Council
Total	7 procedures	15 days	USD \$15⁹	

B. Access to Business Registration Index (0-5)

Question	Index Score: 3	Comments
1. Are registration documentation and information on fees publicly available?	Yes	These forms are available at the Companies Registry at Sheria House, Nairobi. Information on the fees is also available at the registry and is also indicated on the forms.

⁸ All yellow boxes signify incomplete or unconfirmed data.

⁹ Exchange rates as of March 2012.

2. Are registration documentation and information on fees available online?	Yes	Downloadable forms are available on the State Law Office Website (www.attorney-general.go.ke). The fees that are payable are set out in the Registration of Business Names Rules made under section 22 of the Registration of Business Names Act (Cap 499). This Act and the rules are available and can be accessed by the public on www.kenyalaw.org .
3. Is registration possible in every state/province?	No	National level. Central registry in Nairobi.
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	Yes	
5. Are registration steps the same regardless of the nationality of ownership?	No	Private companies that intend to purchase agricultural property in Kenya cannot have foreign shareholders at all.

DEALING WITH LICENSES – KENYA

A. Licenses and Permissions to Operate a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (KES)	Agency
1	<p>Change of Land Use - Agricultural Zoning</p> <p>Apply to local authority under Physical Planning Act (1996), decision is made within 30 days of receipt of application through a Notification of Approval. No exact formula of registration – just go to the Physical Planning Office (district level) to see if the land had been used for another use, zone it for agriculture. Takes about 30 days and the costs differ based on location and physical access, exact cost uncertain but around 150 Shs per acre. Plus transportation cost and fee to hire professional surveyor.</p>	30	18,525	Physical Planning Department, Municipal/County Council
2	<p>Inspection for Change of Land Use</p> <p>Inspection of premises.</p>	0	0	Physical Planning Department, Municipal/Local Council
3	<p>Environmental Impact Assessment (EIA)</p> <p>EIA ensures that decisions on proposed projects and activities are environmental. Inspection involved, would occur for new crops, new seeds, infrastructure improvements. Not likely it will occur for many farms.</p>	60	0.1% of project cost	National Environment Management Authority (NEMA)
4	<p>Registration of Premises for Storage of Pest Control Products</p> <p>No person shall use any premises, or being the owner or occupier thereof permit or allow the premises to be used, for the purpose of manufacturing, formulating, packaging, selling or storing pest control products unless that person is in possession of a license issued under the Regulations of the Pest Control Products Act in respect of those premises.</p>	21	5,000	Pest Control Board
5	<p>Water Extraction License</p> <p>Water extraction license is required for tapping a reservoir or using a borehole. Ministry of Water inspects and issues a permit for a set volume, you pay by amount extracted.</p>		Pay by volume	Ministry of Water
6	<p>Application for Workplace Permit</p>		2,700	Directorate of Health & Safety (Ministry of Labor)

7	Pay Training Fee for Employees Employers must pay 50 KES per year per employee for training, this applies for all businesses.		500	Directorate of Industrial Training
Total	7 procedures	111 days	USD \$324	

B. Licenses and Permissions for Seed Provider

No.	Procedure	Time (days)	Cost (KES)	Agency
1	Registration as Seed Merchant The company must be a registered company with the registrar of companies and have at least seventy-five per cent of their business in either processing, production or marketing. This also applies to individuals wishing to register as a seed merchant. One has to be familiar with the Seeds and Plant Varieties Act (Cap. 326), this clearly indicates rules and regulations pertaining to seed trade, and is required to fill in FORM SR 3 detailing the areas the company wants to be registered for - production, processing, or marketing (NOT import). Cost is KES 75,000 for the application and 10,000 annual fees. If all application materials are in place, process takes an average of one month (1st week review of application, 2nd week inspection, 3rd week finalize & issue license), but often takes 2 months.	33	75,000	Kenya Plant Health Inspectorate Services (KEPHIS)
2	Inspection for Seed Merchant License An annual inspection of the premises, storage and handling, staff, and competence. Merchant pays for the inspection and is charged for mileage driven by inspector. This procedure is simultaneous with procedure 1. A seed seller would also require an inspection to certify, with the same cost for mileage.	7	0.35 KES per km	National Seed Quality Control Service, KEPHIS

3	Registration as Seed Seller The Seed Act (Cap. 26) states that each seed merchant must appoint a seed agent, subagent, and stockist to sell seed. In practice, wholesalers may choose to do retail sales or work through an agent. However, one firm would not have both a seed merchant and seed sellers' license. Agent registration costs KES 120,000 plus 30,000 annual renewal fee. Sub-agent KES 5,000/3,000, stockist KES 150/50. Each appointee must apply for a seed sellers' license through form SR 12, list the species to be sold and the storage facilities. To get a seed sellers' license, must be recommended by both seed merchant and District Agricultural Committee within the specific region, controls imposed to prevent sale of fake seed. After inspection, KEPHIS issues form SR-13, a seed sellers' license, which mandates the proper care and storage and germination levels of seed sold at the particular premises. http://www.wipo.int/wipolex/en/text.jsp?file_id=128403#LinkTarget_10855		125,150	KEPHIS
4	Obtain Single Business Permit Annual renewal, KES 200 fee. http://www.businesslicense.or.ke/index.php/news/article/id/7	1	200 but varies by type, size, location of business	Local/City Council
5	Application Using Notice to Import/Export FORM SR14 Seed import falls under Cap 326 of the seeds and plant varieties act. Only registered seed merchant can import seed. Costs USD 600 USD per Plant Import Permit.	1	49,200	KEPHIS
TOTAL	4 procedures	42 days	USD \$1,509	

C. Licenses and Permissions for Fertilizer Provider - N/A

D. Licenses and Permissions for Crop Protection Chemical Provider

No.	Procedure	Time (days)	Cost (KES)	Agency
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1	Application for Retail License There are specific requirements to be met by premises handling pesticides so as to be licensed. These are outlined under Legal Notice (L.N.) 145/1984 CAP 346 Laws Of Kenya. PCPB has three offices across Kenya, so the Nairobi office would only have to administer the Central Region. PCPB fees and forms are publicly available and online, but applications must be made physically.	90	1,000	Pest Control Products Board (PCPB)
2	Application for Import/Distribution/Wholesale/Agent License	1	4,000	PCPB
3	Application for Import Permit Importers must submit an application for an Import Permit to PCPB for every consignment. The permit costs 2,000 KES for shipments valued less than 500,000 KES, else 0.8% of FOB value of the shipment. The permit is valid for one consignment only for a period of up to 3 months.	1	2,000	PCPB
4	Application for Storage & Warehouse License	1	5,000	PCPB
5	Application for Repacking License	1	5,000	PCPB
6	Inspections for Licenses Inspection of retail premises includes stipulations as to facility construction and adequate ventilation, proper worker safety precautions, proper labeling, facility cleanliness, and provisions to avoid environmental damage. Inspections are free and mandatory and non-compliant facilities are given 45 day notice to make any necessary remedies in order to get the license. Inspection of facilities is annual. Capacity constraints within PCPB mean that average time to get inspection is 3 months. All facilities inspections can be undertaken simultaneously, but each license has a separate application and fee.	0 ¹⁰	0	PCPB
7	Application for License for Disposal of Waste		5,000	PCPB
8	Environmental Impact Assessment (EIA) EIA ensures that decisions on proposed projects and activities are environmental. Inspection involved, would occur for new crops, new seeds, infrastructure improvements.	60	0.1% of project cost	National Environment Management Authority (NEMA)
9	Supervision of Disposal of Waste	1	5% of cost of disposal	PCPB
TOTAL	9 procedures	155 days	USD \$267	

¹⁰ Included in total days for Procedure 1.

EMPLOYING WORKERS – KENYA

A. Hiring a Skilled Expatriate Worker

No.	Procedure	Time (days)	Cost (KES)	Agency
1	<p>Application and Approval of Entry Permit</p> <p>No charge for approval; upon approval, Sh 100,000 for 1 year. The applicable laws in Kenya are the Kenya Citizenship and Immigration Act, No 12 of 2011 and the Immigration Regulations made under the repealed Immigration Act (Cap. 172) and the Kenya Citizens and Foreign Nationals Management Service Act, 2011. The application is to be made by the employer. This worker would require a Class A entry (work) permit which is issued by a person who is offered specific employment by a specific employer and who is qualified to undertake employment and whose engagement in that employment will be of benefit to Kenya. The employer must demonstrate that the non-citizen has skills that are not present in the Kenya labor market and on the understanding that effective training programmes are undertaken to produce trained citizens within a specified period. The employer must also give details of steps taken to employ a Kenyan citizen to fill the vacancy including minimum entry requirements. In considering the application, the director or committee in charge of approvals may call for more information or summon the applicant for questioning.</p> <p>Once the application is approved, a notification of approval (Form A.1) is sent to the applicant. This notification also indicates the prescribed fee which should be paid by way of banker's cheque or a bank draft. The applicant is required to provide financial security as a condition precedent to the issue of the entry permit in the form of a bank/insurance bond. The security is meant to cover any expenses that the government may incur in the detention, maintenance, medical treatment, or removal from Kenya of the worker. The entry permit must be paid for within ninety (90) days from the date of notification otherwise the approval becomes null and void. The applicant is then required to submit a copy of the notification, the security (bank/insurance) bond and a banker's cheque for the prescribed fee for the issue of the entry permit. Once the entry permit is issued, the worker is required to present his passport the immigration offices for endorsement.</p>	60	100,000	Department of Immigration

2	Registration as an Alien Shs. 1,000 per year. The relevant law is the Kenya Citizenship and Immigration Act and the Aliens Restriction Order made under the Aliens Restriction Act (Cap 173) repealed by the Kenya Citizenship and Immigration Act, 2012. The repeal of the Act does not affect the subsidiary legislation made under it and remains in force until replaced by subsequent rules or regulations. Once the entry permit is issued, the worker is expected to apply for an alien registration certificate which he will use as an identification document while working in the country. The worker besides filing form A1 under the Act must present himself at the immigration offices to have his fingerprints and thumb impressions taken. He must also provide a valid passport or other official documents to establish his identity and nationality as well as four (4) copies of a photograph of himself. The alien certificate will be issued 5 weeks from the date of the application and remains valid for the same period as the entry permit and expires on the same date when the entry permit expires.	35	1,000	Department of Immigration
TOTAL	2 procedures	95 days	USD \$1,225	

B. Seasonal and Migrant Workers Index (0-4)

Question	Index Score: 4	Comments
1. Do current regulations permit the employment of agricultural workers (domestic or foreign) on a seasonal basis?	Yes	The Employment Act, 2007 recognizes the employment of domestic workers on casual basis, i.e. when and if their services are required. However, with regard to foreigners this may not be feasible as one requires to have been offered specific work on a contractual basis for at least one year.
2. Do current regulations permit the free movement of migrant farm & agro-processing workers (both domestic and foreign) within the country?	Yes	The law is silent on the movement of workers. These activities are however common as workers will move from one farm to another in search of job opportunities. This might, however, be difficult for foreigners.
3. Do current regulations allow for piecemeal-based pay (i.e. by item made or picked), so long as anticipated income is consistent with the country's minimum wage (if applicable)?	Yes	The Regulation of Wages Order (General) (Amendment) Order, 2011 on minimum wages allows this.
4. Do current regulations permit reasonable employer flexibility in the definition of: tasks to be performed, work location, and work schedules?	Yes	

REGISTERING PROPERTY – KENYA

A. Time/Cost/Procedures for Registering Agricultural Land

No.	Procedure	Time (days)	Cost (KES)	Agency
1	<p>Request an Official Investigation of Title</p> <p>The investigation of title is a process aimed at determining whether the buyer is going to ultimately acquire a good marketable title/interest in the property. It is the buyer's advocate's obligation to investigate title. It involves the conducting of searches, pre-contract enquiries and requisitions. The official title search is conducted by a Ministry of Lands official, and involves the purposeful inspection of the register or title records at the relevant registry. These act as a shield to fraud. They are conducted to ascertain ownership of the interest as well as planning, environmental, encumbrances and other matters that may affect ownership which ought to be noted in the register kept by the land and titles registries. The results of an official search are guaranteed by the registries and the government as accurate. Since the land is registered under the Registration of Titles Act (Cap. 281), there are only two registries, one in Mombasa and the other in Nairobi. The search will therefore be conducted in Nairobi, in view of the fact that the land is in the Rift Valley. The buyer may choose to undertake additional searches for other charges that may affect the sale. Chattels transfers, debentures, and other registered charges are found in the Companies Registry at the State Law Office. The buyer may also conduct a search at the High Court of Kenya for bankruptcy proceedings.</p>	14	500	Government Land/ Titles Registry
2	<p>Obtain Consent to Transfer</p> <p>It is the obligation of the vendor to obtain the necessary consents to the transfer. This being agricultural land, it will be necessary to seek the consent of the Land Control Board under the Land Control Act (Cap. 302). The vendor is also required to obtain a rent clearance certificate from the Commissioner of Lands for a leasehold title.</p>	1		Land Control Board
3	<p>Lodge Transfer Instrument at Lands Registry</p> <p>The transfer instrument is lodged at the Lands Registry for stamp duty assessment, pending inspection by a government valuer.</p>	1	No cost	Government Land/ Titles Registry, Ministry of Land

4	Valuation and Site Inspection by Government Valuer and Provision of Valuation Report The government valuer visits the property to assess its worth taking into account the developments on the property and the state of the property among other considerations. Once the valuer has assessed the property's value he compiles a valuation report after which the value of the property is endorsed on the transfer instrument and then it is submitted for stamp duty assessment.	30	0	Government Land/ Titles Registry
5	Assessment of Stamp Duty Stamp duty payable on a transfer of land not situated within a municipality as in this hypothetical scenario is calculated at 2% of the value assessed by the government valuer. Stamp duty for transfer of property within a municipality is calculated at 4% of the assessed value. The stamp duty form (SD1) is then completed in quadruplet. The land officer at the registry will then assess the stamp duty payable and indicate the amount on the forms.	1	No cost	Government Land/ Titles Registry
6	Payment of Stamp Duty and Confirmation of Payment by Kenya Revenue Authority (KRA) After stamp duty has been assessed, payment will be made at any of the commercial banks designated by the KRA which is charged with the duty of collecting stamp duty. If the amount of the stamp duty is assessed at an amount that exceeds Shs. 1 million, payment by RTGS bank transfer. The KRA will confirm receipt of payment after 3 days after which the transfer can be lodged for franking as evidence of payment of stamp duty.	4	Shs. 100 (bank charges) + 2% of Property Value (stamp duty)	Government Land/ Titles Registry
7	Registration of Transfer Documents and Issuance of New Title Document or Transfer of Title Document Once the transfer instrument has been stamped, it will be lodged for registration at the relevant registry. The transfer instrument must be accompanied by the original title document. The Registrar will then issue a new title in the name of the buyer in the case of land registered under the Registered Lands Act.	14	500	Government Land/ Titles Registry
TOTAL	7 procedures	65 days	USD \$804	

B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety

No.	Procedure	Time (days)	Cost (USD)	Agency
1	<p>Application to Release a Variety</p> <p>KEPHIS service charter states that entries into the National Performance Trials (NPT) and Distinctness, Uniformity and Stability (DUS) Tests will be receipted not more than two weeks after submission.</p>	14	0	Kenya Plant Health Inspectorate Services (KEPHIS)
2	<p>Registration for National Performance Trials</p> <p>Applications are co-ordinated from Nairobi and mandated under the Seeds and Plant Varieties Act Cap 326. The seed and plant varieties (NPT Regulations, 2009) NPT testing requires a mandatory two seasons which generally means two years, although in theory it could be done in one year if irrigated or if the trials coincide with the proper seasons. NPT for maize seed varieties is divided into ecological zone or seed kits: mid altitude kit, highland kit, coast kit, etc., totaling 7 kits. The seed must go through a separate NPT kit if it is to be released across multiple ecological zones.</p>	720	\$1,000	KEPHIS
3	<p>Distinctness, Uniformity, and Stability Tests (DUS)</p> <p>Applications are coordinated from Nairobi. Only varieties that are new or have not been previously registered in other countries undergo DUS testing. A variety approved elsewhere would only do NPT, and KEPHIS would purchase the DUS results from such a government on behalf of the seed company. Procedure 3 is recommended to be simultaneous with Procedure 2 to hasten variety release. Without DUS even with excellent NPT data = NO RELEASE. Tanzania and 3 East African countries trying to harmonize procedures, which are slightly differently.</p>	0	\$600	KEPHIS

4	Recommendation for Release The National Performance Trials Committee (NPTC) as per Cap 326 guided by KEPHIS evaluates new seed varieties and issues a recommendation for release. The recommendations would then be evaluated by the National Variety Release Committee (NVRC), chaired by the Ministry of Agriculture, KEPHIS secretariat. NVRC meets at least once a year. NVRC issues the release of the new variety which must be gazetted with 14 days from that meeting. The process takes about two months from crop harvest to release and the variety is finally cleared for commercial production. All maize seed varieties sold in Kenya must still be certified by the National Seed Quality Control Service (KEPHIS) which involves field tests, sampling for varietal purity, multiple inspections in the field and testing germination percentages.	60	\$240	KEPHIS, Ministry of Agriculture
TOTAL	4 procedures	794 days	USD \$1,840	

C. Access to Property Registration Index (0-6)

Question	Index Score: 3	Comments
1. Is real property registration possible in every state/province?	No	If the land is registered under the Registered Land Act (Cap. 300), it is possible to register property in every district. However, for land registered under the Government Lands Act, Registration of Titles Act, there are two registries only in the whole country, one in Nairobi and the other in Mombasa.
2. Can real property registration be accomplished via an automated, online process?	No	
3. Is real property registration information and documentation available online?	No	
4. Are real property registration steps and timeframes clear?	Yes	
5. Are real property registration steps the same regardless of property size?	Yes	
6. Are real property registration steps the same regardless of the nationality of ownership?	Yes	

D. Strength of Property Rights Index (0-3)

Question	Index Score: 3	Comments
1. Do owners or leaseholders have the right to sell, lease, bequeath, or otherwise transfer their rights in land regardless of gender, race, tribal affiliation, political affiliation, or geographical origin?	Yes	
2. Do owners or leaseholders have the right to produce on the land based on own preferences?	Yes	
3. Do owners or leaseholders have the right to obtain long-term tenure rights in customary land that can be registered and recorded in a manner that protects such registered interests?	Yes	

GETTING CREDIT – KENYA

A. Strength of Legal Right Index (0-10)

Types of Collateral Allowed by Law	Index Score: 9	Comments
1. Farm equipment	YES	The Chattels Transfer Act (Cap. 28). Under this Act, a chattel is defined under section 2 to include farm equipment. However, for farm equipment to qualify as a chattel it must be completely transferable i.e., it must not be permanently fixed on the ground. Floating charge or debenture on movable assets as additional security to the land title deed.
2. Crop in field	YES	It is possible to take a chattels mortgage over crops, with crop insurance cover, assigned to the bank. In practice rarely done.
3. Crop in warehouse	NO	Unclear if laid out in laws/regs. Not done in practice. Warehouse Receipts Systems bill in Parliament.
4. Livestock	YES	The schedule of livestock secured should contain description of stock by some brand or brands, earmark or earmarks, or other mark or marks upon them or shall be so described or referred to by sex, age, name, colour or other mode of description as to be reasonably capable of identification.
5. Inventory	YES	Falls under chattels mortgage but not done in practice.
6. Patented plant variety	YES	Falls under chattels mortgage but not done in practice. Whilst you could take security over the crops, you cannot take security over intellectual property as this is not moveable property that can be completely transferred by delivery.
7. Futures contract	YES	Kenyan law is silent on this, but it is possible that this can be done. Kenya's law on futures trading is undeveloped.
8. Accounts receivable	YES	Under English common law, which is applicable in Kenya, debts can be used as collateral for loan.
9. Buy/sell agreements	YES	
10. Land and water rights	YES	Under Kenyan law, land can be used as collateral to obtain loan in a bank if the land has no legal encumbrances and is mortgage chartered (this is through the concept of charge or mortgage in conveyancing law). If the land belongs to a third party, a guarantee and indemnity for the amount borrowed is further drawn and the title documents are deposited with the lender. Water rights can as well be used as collateral for bank loan because under real property law, water rights can create proprietary right which by extension can be used to secure a bank loan.

PAYING TAXES – KENYA

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Income tax	3	200	30.0%	Taxable income
Pay As You Earn (PAYE)	12	112	Graduated	Gross salaries
Withholding tax	1	Included above	10.0%	Gross salaries
Social security	12	Included above	5.0%	Gross salaries
National Hospital Insurance Fund (NHIF)	12	Included above	KES 30 to KES 320	Applicable for any employee earning KES 1,000 and above
Value Added Tax	12	24	16.0%	Value Added
Land rent	1	2	Government rates	Based on gazetted rate for where land is located
Land rates	1	Included above	Various rates	Based on the gazetted rates
Single business permit - trader	1	4	Fixed fee (KES 20,000)	N/A
Fuel tax	Based on Refueling	2	KES 10.31 Per Litre	Fuel Consumption
Vehicle license	1	Included above	KES 1,500 Per Ton	Vehicle's Weight
Road maintenance levy	Based on Refueling	Included above	KES 5.8 Per Litre	Fuel Consumption
Petroleum development duty	Based on Refueling	Included above	KES 0.4 Per Litre	Fuel Consumption
Market levy			Fixed by local government	
TOTAL	56 payments per year	344 hours per year	Total tax rate (% of profit): 28.4%	

TRADING ACROSS BORDERS – KENYA

A. Exporting a Staple Grain

Procedures to Export a Staple Grain ¹¹	Time (days)	Cost (USD)
Licenses and Documents Preparation	13	\$24
Inland Transportation and Handling	10	\$1,000
Customs Clearance and Inspection	24	\$375
Port and Terminal Handling	10	\$510
TOTAL	57 days	\$1,909

Documents to Export a Staple Grain
Phytosanitary Certificate
Packing List
Terminal Handling Receipts
Department of Agriculture Permit (KEPHIS)
Certificate of Conformity and Test Results
Original Commercial Invoice
Original Bill of Lading
Clean Report of Finding
Cargo Delivery Note
Certificate of Origin
Customs Export Declaration
TOTAL: 11 documents

¹¹ Data based on one respondent.

B. Exporting a Perishable Good

Procedures to Export a Perishable Good	Time (days)	Cost (USD)
Licenses and Documents Preparation	16	\$85
Inland Transportation and Handling	6	\$1,000
Customs Clearance and Inspection	26	\$580
Port and Terminal Handling	8	\$510
TOTAL	56 days	\$2,175

Documents to Export a Perishable Good
Export License
Phytosanitary Certificate
Certificate of Conformity and Test Results
Department of Agriculture Permit (KEPHIS)
Original Commercial Invoice
Original Bill of Lading
Clean Report of Findings (CFR)
Certificate of Origin
Customs Export Declaration
Inspection Report
Packing List
Terminal Handling Receipt
TOTAL: 12 documents

C. Importing Hybrid Seed

Procedures to Import Hybrid Seed	Time (days)	Cost (USD)
Licenses and Documents Preparation	4	\$61
Port and Terminal Handling	14	\$525
Customs Clearance and Inspection	18	\$470
Inland Transportation and Handling	8	\$1,120
TOTAL	44 days	\$2,176

Documents to Import Hybrid Seed
Import Declaration Form (IDF)
Certificate of Conformity and Test Results
Phytosanitary Certificate
Plants Import Permit (PIP)
Original Commercial Invoice
Original Bill of Lading
Clean Report of Finding (CRF)
Packing List
Inspection Report
Terminal Handling Receipts
Inward Report (Form C2)
TOTAL: 11 documents

Nepal

OBTAINING INPUTS – NEPAL

A. Licenses and Permissions for Seed Providers

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Recommendation for Import Permission</p> <p>SQCC provides a recommendation letter to be submitted to the National Plant Quarantine Program who grants permission to import.</p>	1	0	Seed Quality Control Center (SQCC), Department of Agriculture
2	<p>Import Permit</p> <p>There is no import license for seed companies, only an import permit issued by the NPQP on a per-shipment basis.</p> <p>Company must provide application form with company certificate, Tax Identification Number (PAN) certificate, pro forma invoice, and agreement letter from international seed supplier. Applicable laws Plant Protection Act, 2064 (2007), Section 7 to 11; Plant Protection Rule 2066 (2010), Rule 5 to 7. The permit is valid for up to three months for one shipment of seed.</p> <p>http://licenseportal.nitc.gov.np/index.php/browse_license/license_details/185</p>	1	200 per variety per shipment	National Plant Quarantine Program (NPQP), Department of Agriculture (DOA)
3	<p>Recommendation for Seed Business License</p> <p>Before applying for a seed business license, companies must obtain recommendation from their local District Agricultural Office.</p>	1 ¹²	0	DOA
4	<p>Obtain Seed Business License</p> <p>Application includes firm registration certificate, PAN Certificate, receipt of fee payment, recommendation from District Agricultural Office, proof of proprietor's citizenship and two passport photos. SQCC provides mandatory one day training for seed dealers in Kathmandu, after which applicants must pass an exam to be duly registered. SQCC conducts regular inspections of seed dealers. The Seed Business License is valid for two years and renewable</p>	30	500	SQCC

¹² All yellow boxes signify incomplete or unconfirmed data.

	at NPR 200. http://licenseportal.nitc.gov.np/index.php/browse_license/license_details/239			
TOTAL	4 procedures	33 days	USD \$8¹³	

B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	Import Permit for Seed Sample Importer must apply to the SQCC for permission to import a small sample (amount varies by crop) of a new seed variety for research purposes.	7-30 depending on seed inspection time	100	Seed Quality Control Center (SQCC)
2	Application for New Variety Registration The seed supplier provides a sample of the new variety to SQCC for evaluations. They also submit company registration certificate, PAN certificate, and any additional documentation of the seed's prior use in other countries and intended use in Nepal.	1	0	SQCC
3	Recommendation for Field Trials SQCC reviews the application and recommends the variety for field tests. Time to approve depends on the time until the next cropping cycle and the availability of the Nepal Agricultural Research Council (NARC) research stations to conduct trials.	30	0	Technical Committee, SQCC
4	Field Trials Variety performance evaluation trial fees include two seasons of trial data from testing in an average of three locations (the variety must be tested in the agro-ecological zones where it is to be sold). NARC coordinates and conducts the trials. The field trial procedures currently apply to new varieties of cereal crops. Registration regulations for vegetable varieties are currently under review. Seed companies have requested a less-intensive registration process for vegetable seeds compared to cereal crops. Current practice in lieu of any clear regulations involves companies undertaking proprietary	730	200,000 for up to five varieties of one cereal crop	National Agricultural Research Council (NARC)

¹³ Exchange rates as of June 2012. Costs rounded to the nearest dollar.

	<p>field testing for vegetable varieties with oversight from district offices of the Department of Agriculture (DOA). The typical process costs roughly NPR 65,000 and includes:</p> <ul style="list-style-type: none"> • Plant sample seed with farmers for an average of one season in 1-2 locations (2-6 month season depending on crop) • DOA oversight with two inspections during the season – at flowering and at harvest • DOA submits efficacy report to SQCC (1 week, free) • Recommendation by SQCC and Approval by National Seed Board (see below) <p>Companies report that due to the lack of a regulatory framework for vegetable variety registration, the National Seed Board has not released any new vegetable varieties in the past year.</p>			
5	<p>Technical Committee Review</p> <p>Technical Committee comprised of agronomists, pathologists, entomologists, and other scientists evaluates field trial results and recommends release to the National Seed Board.</p>	60	0	Technical Committee, SQCC
6	<p>Variety Approval</p> <p>The National Seed Board, chaired by the Secretary of MOAD, is comprised of scientists and other stakeholders. The National Seed Board typically meets twice a year depending on applications and crop cycles. However, the National Seed Board apparently has not met or approved new varieties in the past year.</p>	60, highly variable	0	National Seed Board, Ministry of Agriculture Development (MOAD)
7	<p>Gazette Notification</p> <p>After the variety is released it must be published in the national Gazette, which must be reviewed by the Ministry of Law and may take over a year. As per regulations seed companies may not sell a new variety until it has been listed in the national Gazette, and companies report that the SQCC will not issue import permits without Gazette notification. The Seed Entrepreneurs’ Association has been lobbying on behalf of seed companies to request the ability to begin sales immediately upon variety approval.</p>	365, highly variable	0	Department of Printing
TOTAL	7 procedures	1,253-1,276 days	USD \$2,249	

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been	No	There is no facilitated variety release process for cereal crops. Vegetable crops in theory have a facilitated registration process; in practice the process has not

registered or field-tested in another country?		been formally instituted and the National Seed Board has not approved any new vegetable varieties in the past year.
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	Facilitated process varies by type of crop, not by country the variety has been approved in.
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	No	There are no exclusive rights to registered seeds – once a company has registered a variety, any company can sell it. In practice, seed companies establish exclusive distribution rights from international suppliers. Nepal currently has no Plant Variety Protection Act. A draft has been submitted to Parliament (which has not been established pending drafting of a new Constitution) and must pass a PVP law by July 2013 to conform to WTO concessions.

C. Licenses and Permissions for Fertilizer

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Fertilizer Dealer License</p> <p>Per Chemical Fertilizer Directive, 2057. Fertilizer companies who sell to farmers must be licensed by a District Agricultural Officer from the Ministry of Agriculture Development (MOAD). This license does not apply to importers or wholesale sales by importers.</p> <p>Time and cost are as listed on Nepal’s Business License Portal. http://licenseportal.nitc.gov.np/index.php/browse_license/license_details/259</p> <p>There is no license or permit system for fertilizer import. Procedurally, a fertilizer company need only open a Letter of Credit (L/C) to initiate the import process. Nepal Customs treats the L/C as an import permit.</p> <p>In practice there is a large shortage of fertilizer in Nepal – the government subsidizes roughly 100,000 tons of fertilizer but market demand is estimated to be closer to 700,000 tons per year. Most fertilizer imports unofficially cross the border from India.</p> <p>MOAD monitors all chemical fertilizer imports. Upon arrival at Nepal Customs, every chemical fertilizer shipment must be inspected by a company appointed by MOAD.</p>	7	105	Ministry of Agriculture Development (MOAD)

	<p>Inspections cost NPR 15-50 per ton depending on the inspection company. The inspector verifies both fertilizer quality and quantity through a physical inspection of the consignment. Samples are taken and sent to a laboratory for testing, which takes 3-4 days. In the meantime, the shipment clears customs and can proceed to Kathmandu. The importer is not allowed to sell the fertilizer until MOAD approves the inspection report. For organic fertilizer, no inspections are necessary. Importers of organic fertilizer note that they must pay a 20% duty on imports, while chemical fertilizers enter duty-free.</p> <p>There is no warehousing or storage license for fertilizer. The Fertilizer Control Order sets no specifications for warehousing or storage. Inspections and sampling do occur periodically.</p>			
TOTAL	1 procedure	7 days	USD \$1	

D. Time/Cost/Procedures for Registering a Proprietary Fertilizer

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Application for Fertilizer Registration</p> <p>A company wishing to import a new fertilizer composition must apply to MOAD and provide product specifications and samples. There are currently 28 approved chemical fertilizers in Nepal, of which only 3 or 4 are currently imported by the private sector due to low market demand. To be cost-effective, importers must procure a minimum of one shipload or 10,000 tons per fertilizer product.</p> <p>In practice, no private fertilizer companies apply for new fertilizers as the private sector is largely inactive. Private firms are unable to compete with government subsidies in urea, DAP, and potash that may amount to greater than 50% of the retail price. The government-owned Agriculture Inputs Company Ltd. (AIC) procures 110,000 metric tons of urea, DAP, and potash per year through global tenders and G2G agreements. The MOAD adds new fertilizer products to the approved list on an as-needed basis.</p>	1	0	Fertilizer Department, Ministry of Agriculture Development (MOAD)
2	<p>Approval of New Fertilizer Product</p> <p>MOAD reviews new applications and conducts laboratory testing. No field tests are conducted.</p>	Variable; several months to several years	0	Fertilizer Department, MOAD

3	Gazette Notification The fertilizer company may not begin sales of the new product until notification has been made through the national Gazette. This process may take up to two years.	365, highly variable	0	Department of Printing
TOTAL	3 procedures	366-731+ days	USD \$0	

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	Yes	All fertilizers in use in Nepal have been registered in another country(s). No field tests are conducted.
1.a. If YES, with which country(s) and what is the facilitated process?	All	Company must provide certificate of registration from the exporting country's supplier or manufacturer.
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	No	There is no patent protection for fertilizer products.

E. Licenses and Permissions for Crop Protection Chemical Providers

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Certificate of Registration of Pesticide</p> <p>Each company must obtain a Registration Certificate for every pesticide product (by trade name) that they import. The pesticide provider must submit an application listing the product trade name and molecule, chemical specifications, WHO classification, and countries of prior use. Additional attachments include:</p> <ul style="list-style-type: none"> • Evidence of foreign registration certificate(s) with trade name, including copies of the original pesticide label • Company Registration certificate and PAN number • Certified dealership through an authorization letter from the international supplier • Efficacy data and residue analysis • Environmental assessment / toxicological report (provided by international supplier) • Summary of intended use in Nepal • Leaflet in Nepali language <p>The Registration Certificate is valid for 5 years after which it must be renewed.</p> <p>A draft of new pesticide regulations have been submitted to Parliament, which would raise the Certificate of Registration costs to NPR 2,000.</p>	20	1,000	Pesticide Registration and Management Division (PRMD), Plant Protection Directorate (PPD), Department of Agriculture (DOA)
2	<p>Pesticide Business License</p> <p>Pesticide retailers/resellers must obtain a dealership license through the PRMD. Licensing</p>	30	500	PRMD, PPD, DOA

	<p>includes mandatory training and passing an exam. License is valid for two years.</p> <p>There is currently no pesticide manufacturing in Nepal. Other licenses issued by the PRMD not applicable to this case study include:</p> <ul style="list-style-type: none"> • Pesticide Formulation License – NPR 10,000, 30 days, valid for 2 years • Pesticide Applicator License – NPR 5,000, 45 days, valid for 2 years and includes mandatory training <p>Applicable laws: Pesticide Act, 2048 (1992); Pesticide Rules, 2050 (1994).</p>			
TOTAL	2 procedures	50 days	USD \$17	

F. Time/Cost/Procedures for Registering a Proprietary Crop Protection Chemical

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Application for Registration of a New Molecule</p> <p>Applicants submit the same Certificate of Registration (listed above) that is used for approved pesticides. Application must show report of the molecule from use in another country. The Pesticide Registration Board issues a temporary pass valid for one year.</p>	30	1,000	Pesticide Registration Board, PPD, DOA
2	<p>Field Trials</p> <p>Efficacy trials need to be conducted at government research fields under DOA or NARC supervision. Pesticides must undergo two seasons of field tests.</p>	365	200,000 ¹⁴	National Agricultural Research Council (NARC), Department of Agriculture (DOA)
3	<p>Approval of New Molecule</p> <p>The Technical Sub-Committee within the Pesticide Board meets to review the results of field trials and approve a new product for release. Once released, the product is listed in the national Gazette. Respondents noted they were allowed to begin commercial sales of the product before Gazette notification. If the product is found to not be suitable, the Pesticide Board will stop permitting its sale.</p>	30	0	Technical Sub-Committee, Pesticide Registration Board, PPD, DOA
TOTAL	3 procedures	425 days	USD	

¹⁴ Estimated cost. Under previous registration policy, Nepal conducted no field testing. Current policy stipulates two seasons of field testing, but the costs have not been confirmed.

			\$2,259	
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Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	No	Under previous registration policy, Nepal conducted no field testing and accepted efficacy data and toxicology reports from the international suppliers. Current policy stipulates two seasons of field testing for all new molecules regardless of prior registration.
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	No	Companies cannot register a patent. When a company imports a new molecule they go through the testing and registration process. After approval, any company can sell the molecule (under different trade names).

STARTING AND OPERATING A FARM - NEPAL

A. Time/Cost/Procedures for Start-up and Operations of a Farm

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Company Registration – Sole Proprietorship</p> <p>A sole proprietorship with an annual turnover of less than NPR 50 million can register as a small business with the DCSI. Sole proprietorships under the DCSI can register charges. DCSI has offices located in most districts. It is possible to register a company with minimal capital – as little as NPR 1,000 (USD \$15).</p> <p>The Nepali government has tax incentives for small businesses. Companies registered at the DCSI with less than NPR 1 million need not submit audit reports to the tax authorities (all companies at the Companies Registry must do so). Sole proprietorships at the DCSI pay no corporate tax (flat rate of 25% for all Companies), only individual income tax.</p> <p>Companies wishing to register with the DCSI must provide citizenship certificate, copy of land agreement, and a 4-5 page business scheme. Nominal annual renewal fees apply.</p>	1	20,000, depends on asset capital level	Department of Cottage and Small Industries (DCSI)
2	<p>Permanent Account Number (PAN)</p> <p>Every business in Nepal must obtain a tax identification number (PAN) for income tax and VAT purposes. There are three types of applications for PAN depending on the taxpayer type (Individual; company: partnership, LLC, corporation, etc.; and Tax Deduction at Source). Proprietors, partners, or CEOs of the concerned firm must apply in person or send a representative to the Inland Revenue Department office with power of attorney. In addition to the application form, the proprietor must submit citizenship certificate, two passport photos, and the business registration certificate. PAN has an annual fee of NPR 3,000.</p> <p>Information, documents, and filing is available online at http://www.ird.gov.np</p>	2	0	Inland Revenue Department
3	<p>VAT Registration</p> <p>Primary producers are exempt from VAT. Large farms, however, would register for VAT in order to get refunds for agricultural inputs including live animals, machinery, fertilizer, seed, and pesticide. Current threshold for VAT registration is NPR 2 million, and firms with annual turnover below the threshold can choose to register voluntarily.</p>	1	0	Inland Revenue Department

4	Register for Employee Provident Fund Provident Fund contributions apply to firms with 10 or more permanent staff. According to the law employers should deduct 10% from the employee's basic salary per month and add 10% from the company as an old-age pension contribution. The employer should deposit pension contributions in any commercial bank or with the Employees Provident Fund, an autonomous national pension plan.	2-3	0	Employees Provident Fund
Total	4 procedures	6-7 days	USD \$225	

B. Access to Business Registration Index (0-5)

Question	Index Score: 2	Comments
1. Are registration documentation and information on fees publicly available?	Yes	
2. Are registration documentation and information on fees available online?	No	
3. Is registration possible in every state/province?	Yes	
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	No	Depending on the size and type of company, firms may choose to register with the DCSI or the Companies Registry. Fees vary based on level of authorized capital. In addition, firms with 10 or more employees fall under the labor law, which may trigger additional compliance procedures.
5. Are registration steps the same regardless of the nationality of ownership?	No	

EMPLOYING AGRICULTURAL WORKERS – NEPAL

A. Time/Cost/Procedures for Hiring a Skilled Expatriate Worker

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Submit Application to Concerned Authority for Recommendation for Work Permit</p> <p>Section 4a of the Labor Act, 1992 (2048) (the Labor Act) and section 6 of the Labor Regulations, 1994 (2050) (the Labor Regulations) deal with the expatriate worker.</p> <p>Hiring expatriate worker is subject to approval of Department of Labor which is granted as per the recommendations of the concerned authority (i.e. for agro-expert Department of Agriculture, for irrigation expert Department of Irrigation), the Ministry of Home Affairs, and the district-level Labor Office. Approval is granted only if there is no skilled manpower available in Nepal for the job. The typical process is as follows:</p> <p>(i) The employer publishes advertisement publicly in national level newspapers for a period of 15-30 days. Advertisement cost depends on the coverage space, estimated at NPR 15,000.</p> <p>(ii) If no application for the job is received or no person with the required qualification is found, the employer enters into the agreement with the foreign expert.</p> <p>(iii) The employer submits an application to the concerned authority and thereafter to the Ministry of Home Affairs.</p>	3-7	10 stamp duty	Department of Agriculture or other relevant ministry
2	Obtain Recommendation from Ministry of Home Affairs	10	0	Ministry of Home Affairs
3	<p>Obtain Recommendation from Local Labor Office</p> <p>The employer is required to obtain a recommendation letter from the local Labor Office.</p>	7	0	Labor Office, Ministry of Labor

4	<p>Apply for Work Permit</p> <p>The existing Labor Laws do not specifically deal with the process for obtaining work permit from the Department of Labor. The Labor Laws also do not specify the government fee applicable to the work permit. The Department of Labor in practice requires the employer to pay NPR 10,000 as a government fee. The service of lawyers and notaries may also be required during the process and such fees are estimated at USD \$500-700.</p> <p>The Labor Act and the Labor Regulations do not specify the time limit for work permit. In practice, the work permit is valid for a period of 1 year and renewable for an additional year up to a maximum of 5 years.</p> <p>Indian nationals do not require visas to enter Nepal. In practice, many Indian nationals are engaged as workers without a work permit although regulators are of the view that the work permit requirement also applies to them.</p>	10	10,000	Department of Labor and Labor Office
5	<p>Obtain Non-Tourist Visa</p> <p>The Immigration Act, 1992 (2049) (the Immigration Act) and Immigration Regulations, 1994 (2051) (the Immigration Regulations) deal with visa related matters.</p> <p>The expatriate worker may enter Nepal under a tourist visa. Normally, tourist visa is granted at entry point except for national of some African and Asian countries. A Tourist Visa can be granted for 15, 30, or 90 days for which the visa fee should pay USD \$25, \$40, and \$100 respectively.</p> <p>Non-tourist visa is required for the expatriate worker to work in Nepal. The visa can be granted for 1 year at a time for which fee at the rate of USD \$20-60 per month should be paid depending upon the condition of work permit (USD \$20 for Chinese worker, USD \$60 for all others). After securing a work permit, a Tourist Visa can be converted into Non Tourist Visa.</p> <p>The cost estimated above is inclusive of the cost of Non-Tourist visa for 12 months for a total of USD \$720. Lawyer and notary fees would add an additional USD \$330.</p> <p>Visa requirement does not apply to Indian nationals.</p>	1-10	USD \$720	Immigration Department
Total	5 procedures	31-44 days	USD \$832	

B. Seasonal and Migrant Workers Index (0-9)

Question	Index Score: 7	Comments
1. Do current regulations allow for the enlistment of workers on a casual basis (i.e. work on a daily or hourly basis)?	Yes	Section 4 (3) of the Labor Act envisages that the worker employee may be hired on piece rate basis or contract basis.
a. Are there statutory restrictions on the number of days a casual worker may be enlisted after which they must be converted to fixed-term contract, with similar rights and benefits as a permanent employee?	Yes	<p>Section 4 of the Labor Act requires making a worker permanent when he works for continuous period of 240 days, inclusive of public holidays and weekends off (irrespective of s/he is hired on daily wage or contract).</p> <p>Section 2 (l) of the Labor Act defines a seasonal enterprise as one which can <u>only</u> operate during a particular season or where work is not available for more than 180 days in a year. For seasonal enterprises, a worker hired continuously for one season may be regarded as permanent. Seasonal workers who are regarded as permanent employees are entitled to 25% of their salary as a retainer during the off-season.</p>
b. What is the maximum cumulative duration of a casual employment relationship?	240 days for normal employment, or one season (< 180 days) for employment defined as seasonal	<p>Any worker who works for a continuous period of 240 days should be made permanent as required under section 4 (2) of the Labor Act. Therefore the maximum cumulative duration of casual employment should be below 240 days.</p> <p>In case of seasonal enterprise if any worker works continuously during the season he should be treated as permanent. Therefore, the term of casual employment should be shorter than the total working period of the seasonal enterprise.</p>
2. Are there restrictions on the use of fixed-term contracts in hiring seasonal farm & agro-processing workers?	No	<p>There are no specific restrictions as such for any industry. Section 7 of the Labor Act permits employers to hire workers on a fixed term contract basis for specific work, specifying the remuneration and facilities, so long as the work is not of a permanent nature.</p> <p>Pursuant to section 7 of the Labor Act employer can hire the worker on contract basis if the production or service needs to be increased immediately.</p>
a. What is the maximum cumulative duration of a fixed-term employment relationship, including all renewals?	None	

3. Do current regulations allow for the use of farm labor contractors in recruiting and employing seasonal farm workers?	Yes	<p>The Labor Act and Labor Regulations are not clear on this matter.</p> <p>In practice, manual work such as gardening, cleaning, messenger, security guard have been outsourced through third party contractors. The practice is not common in agriculture, however.</p> <p>Such practice has got judicial backing from the courts of Nepal.</p>
a. Is there a process for licensing and registration of farm labor contractors, including reasonable time and cost for registration?	No	<p>The law does not specifically deal with the issue of farm labor contractors. There have been many disputes in the courts from workers hired by third party contractors wishing to be made permanent.</p>
4. Do current regulations allow for piecemeal-based pay (i.e. by item made or picked), so long as anticipated income is consistent with the country's minimum wage (if applicable)?	No	<p>Law is silent. In practice rarely done and depends on the terms of the labor contract.</p>
5. Do current regulations allow for task-based pay, so long as anticipated income is consistent with the country's minimum wage (if applicable)?	Yes	<p>Law is silent.</p>
6. Do current regulations permit the employment of migrant farm & low-skilled agro-processing workers (both domestic and foreign) on a seasonal basis?	Yes	<p>The law is not clear on the employment of foreign migrant farm labor. In practice, many Indian nationals have been involved even in low-skilled jobs in Nepal as there is an open border with India and they do not require an entry or work visa. The regulator is of the view that work permit requirements apply to Indian nationals, although in practice work permit requirements have not yet been strictly enforced.</p> <p>Current regulations do not permit employment of foreign low-skilled workers because a sound reason is required for obtaining a work permit. In certain cases it occurs (ie. Chinese construction companies getting permission to bring in low-skilled workers).</p> <p>Regarding the issue of hiring seasonal workers, the Labor Act defines seasonal enterprises and sets the terms (listed above) for seasonal employment. The Labor Department has the authority to determine whether or not an enterprise is a seasonal enterprise and its decision is final.</p>
7. Do current regulations permit the free movement of migrant farm & low-skilled agro-processing workers (both domestic and foreign) within the country?	Yes	<p>The existing law does not specifically restrict the movement of agricultural workers within the country.</p>

ACCESSING RURAL LAND – NEPAL

A. Time/Cost/Procedures for Registering Rural Land

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Confirm title of Seller</p> <p>Land cannot be registered/transferred without confirmation by the Seller that he has duly maintained his right/title over the land and has paid the regular land revenue to the government (<i>Country Code Section 17 Chapter on Registration</i>). The Buyer cannot apply to obtain copies of the official records of the said land, so must get such official records from the Seller who can apply for the same (verification of ownership title, number of plots and their codes, topographical maps of the land being transacted). Fees include cost of photocopying or map printing (ex. NPR 10 stamp in application, NPR 2 per page). Facilitation fees are common.</p>	1-2	300-400	Land Revenue Office (LRO)
2	<p>Obtain verification letter and other certificates</p> <p>The Seller must go to the VDC to certify the boundaries of the land (char kila) and what types of roads and buildings are on the land (ghar bato), as well as to obtain verification that land tax has been duly paid. The Seller receives a verification letter from the VDC, the costs for which vary depending on the particular VDC's rules and the size and types of improvements on the land. For the case study farm, estimated costs are NPR 3,000 for road and NPR 5,000 for house.</p>	1-2	8,000	Village Development Committee (VDC)
3	<p>Submit application for transfer</p> <p>When buying or selling land, a transfer deed must be drafted in the form provided by the LRO. An application is then submitted to the LRO that includes the following: citizenship certificates of Buyer and Seller, land ownership certificate, tax clearance certificate from VDC, verification letter from VDC, and documents showing the dimensions of the land. The LRO uses the information contained in the VDC verification letter to determine the land valuation, based on a set schedule with values for different types of roads and buildings, and checks its records for encumbrances on the land. A 2.5% registration fee is then applied to the LRO's land valuation if it is above the consideration indicated in the sale contract.</p>	3-4	N/A	LRO
4	<p>Pay registration fee</p>	1	2.5% of consideration	Bank

	The Buyer goes to the bank to pay the registration fee, and obtains a bank voucher which is submitted to the LRO.		or land valuation (whichever higher)	
5	Effectuate transfer deed Both Seller and Buyer or their representatives must be physically present in the LRO to confirm that they fully comprehend and are willingly entering into the transaction. Once payment has been made, LRO staff have confirmed that all formalities are in order, and the chief of the LRO puts the seal on and signs the deed, the deal is done. Then, the LRO gives the accordingly modified land ownership certificate to the Buyer. The Seller has to surrender all documents mentioned in Procedure 1 to the Buyer.	1-2	N/A	LRO
Total	5 procedures	7-11 days	USD \$677-678¹⁵	

B. Access to Property Registration Index (0-7)

Question	Index Score: 3	Comments
1. Is real property registration possible in every state/province?	Yes	National Code (<i>Muluki Ain</i>) <i>Mahal</i> 21. But it can be a lengthier process if done outside the district level.
2. Can real property registration be accomplished via an automated, online process?	No	The land records of Nepal have not been computerized.
3. Is information and documentation about real property registration available online?	No	Some information is available at the website of the Ministry of Land Reforms, but this information would not be enough for such a transaction.
4. Are the steps and timeframes required for real property registration clear?	Yes	National Code (<i>Muluki Ain</i>) <i>Mahal</i> 21. Timeframes may be less clear.
5. Are the steps for real property registration the same regardless of property size?	Yes	National Code (<i>Muluki Ain</i>) <i>Mahal</i> 21.
6. Are the steps for real property registration the same regardless of the nationality of ownership?	No	Foreigners cannot purchase land in Nepal (<i>Section 2 of Country Code Chapter on Others</i>).
7. Is the quality of data in the land registry reliable, with few cases of dual or fake titles?	No	Land registry data is not completely reliable, as the records are not in good physical shape and are not always accurate due to old survey data.

¹⁵ Assumes consideration of 50*GNI per capita.

C. Utilizing Customary Land Index (0-12)

Question	Index Score: N/A	Comments
1. Do formal, wholly domestically owned entities (i.e. corporations, partnerships, cooperatives, sole proprietorships) have a legal right to lease customary land?	N/A	There is no customary land as such in Nepal as it could mean land owned by indigenous communities and there is not such a difference between customary land and statutory land if we mean the customary land as a land owned by general public. For the purpose of this section, we mean by “customary land” the land owned by individuals. Lands in Nepal are owned either by individuals or by government, not by communities.
<i>2. Do formal entities have a de facto right to lease customary land?</i>		
3. Is approval required from a governor or similarly high-level ministerial official to enter into a lease for customary land?		
4. What is the statutory maximum duration, if any, for a lease of customary land?		
5. What is the statutory maximum amount of customary land, if any, that a formal entity can acquire?		
6. Are there statutory restrictions on the right to produce on the land based on the leaseholder’s own preferences?		
7. Are there statutory restrictions on the leaseholder’s ability to subdivide, sublease or rent the land?		
8. Can a long-term (50+ years) leasehold interest in customary land be transferred to another formal entity?		
9. Can a long-term (50+ years) leasehold interest in customary land be registered and recorded in a manner that protects such registered interests?		
10. Does the legal framework allow long-term leaseholders (50+ years) to obtain mortgages on customary land?		
<i>11. Do such mortgages occur in practice?</i>		

12. Is there an impartial judicial or quasi-judicial body that has jurisdiction to hear cases or arbitrations involving customary land disputes?		
13. Is there a formal legal process to convert customary land to statutory land?		
14. Does the process involve clearly defined steps with identified and appropriate administrative bodies?		
15. Can the process be completed within a reasonable period of time, and within a reasonable amount of required costs?		
<i>Median time required?</i>		
<i>Range of time required (low to high)?</i>		
<i>Median cost required?</i>		
<i>Range of cost required (low to high)?</i>		

ACCESSING FINANCE – NEPAL

A. Agricultural Collateral Index (0-10)

Types of Collateral Allowed by Law	Index Score: 7	Comments
1. Farm equipment	Yes	Such collateral is allowed as per Sections 34 and 35 of the Secured Transaction Act 2006 (“STA”). However, regulations under the STA have yet to be issued and a registry established. Equipment such as tractors, milling equipment, and dryers are accepted as collateral in general banking transactions (Section 47 (1) (g) of Banking and Financial Institution Act, 2006 (“BAFIA”)) and such assets can be used for collateral purpose via a contractual pledge on all movables (hypothecated). However, no priority is provided.
2. Crop in field	Yes	Same as above. Under the STA, farm products and other movables assets can be used as collateral, but cannot be registered until the STA comes into full force. This type of security is rarely used in practice.
3. Crop in warehouse	Yes	Same as above. In practice, this type of security is hypothecated.
4. Livestock	Yes	Same as above. There is little practice of taking this type of security in Nepal.
5. Inventory	Yes	Same as above. In practice, this type of security is hypothecated.
6. Patented plant variety	Law is silent	Such collateral is not used in practice.
7. Futures contract	Law is silent	Such collateral is not used in practice.
8. Accounts receivable	Law is silent	Assignment of receivables happens sometimes in practice. It remains to be seen how courts will interpret disputes regarding this type of security.
9. Buy/sell agreements	Law is silent	Very rare except in exceptional cases.
10. Land and water rights	Yes	Land is widely used as collateral through mortgages in the Land Revenue Office. Water rights are not used.

B. Movables Collateral Registry Index (0-11)

Question	Index Score: N/A	Comments
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1. What type of registry exists for registering movables collateral?	Multiple registries for different types of assets or security interests	<p>A movables registry is supposed to exist under the Secured Transactions Act 2006 (“STA”); however, it is yet to be established. As such, such assets can be used for collateral purposes, but do not provide priority.</p> <p>Charges over land and buildings are registered in the Land Revenue Offices (with specifications on class of lien) at District level, charges on vehicles are registered in the Transportation Management Office at Zonal level, and companies are registered in the Office of the Company Registrar (two offices located in Kathmandu and Lalitpur). A registry for movable assets does not exist yet.</p>
2. Can security rights for a broad range of tangible and intangible movables (i.e. equipment, crops, livestock, accounts receivable, inventory, futures, etc.) be registered in the movables collateral registry?	No	Movables cannot be registered since the registry under the STA is yet to be established.
3. Can security rights for all types of debtors, including sole proprietors, be registered in the movables collateral registry?	No	N/A for movables registry. Sole proprietors, both those registered as companies as well as small cottage industries, can register charges on land and vehicles the same as other debtors.
4. Is the movables collateral registry centralized, with a single unified database covering assets and creditors located throughout the country?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records cannot be searched by name or company without going to each district/regional branch. Companies Registrar is centralized.
5. Does the movables collateral registry operate a fully electronic database system?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records are all physical files.
6. Can registration and searching in the movables collateral registry be performed online?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records cannot be searched online.
7. Is data from the movables collateral registry reliable?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records are usually reliable.
8. Is real-time information from the movables registry widely accessible to the general public without any restrictions, including by those located in commercial centers outside of the capital?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records are generally up to date, though Land Revenue Office records can only be searched by the landowner.
9. Can registration in the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office have reasonable registration times and costs.
10. Can a search of the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office have reasonable registration times and costs.

11. Does the secured lending system provide for priority based on order of filing?	No	When the registry is established under the STA, priority based on order of filing will be provided.
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C. Warehouse Receipts System Index (0-14)

Question	Index Score: N/A	Comments
1. Are there any laws or regulations pertaining to warehouse receipts systems currently in force?	No	
2. Do such laws or regulations specify an entity tasked with registering, licensing, and oversight of warehouses?		
<i>2.a. Is such entity private or public?</i>		
3. Does the legal and regulatory framework provide clearly established criteria for registering a warehouse, such as specifications for the physical facility and equipment (ex. silos, cleaners, fumigators)?		
4. Does the legal and regulatory framework require warehouse operators to be licensed and establish clear requirements for obtaining an operator license?		
5. Does the legal and regulatory framework provide for commodity standards and grading systems?		
<i>5.a. Are such commodity standards and grading systems enforced effectively?</i>		
6. Are there established procedures and standards for handling the commodities in warehouse storage?		
7. Does the legal and regulatory framework provide for regular inspections by the regulating entity or licensed third-party inspectors?		
8. Does the legal and regulatory framework provide for consequences/penalties for non-compliance of the handling of commodities in storage?		
9. Does the legal and regulatory framework clearly specify who bears the risk of loss, destruction, spoilage or damage?		
10. Does the legal and regulatory framework specifically recognize warehouse receipts as a document of title and		

a security instrument that is negotiable, transferable, and subject to encumbrance?		
11. Are warehouse receipts registered in a centralized registry with an electronic database that is easily accessible to the general public?		
12. In case of liquidation or bankruptcy, does the legal and regulatory framework clearly specify that commodities stored in the warehouse are immune from the reach of warehouse operators' creditors?		
13. Under the legal and regulatory framework, which of the following items are warehouse receipts required to contain?		
13.a. Name and address of licensed warehouse operator		
13.b. Designation and grade of warehouse		
13.c. License number of warehouse		
13.d. Name and address of depositor		
13.e. Relationship between warehouse operator and depositor if not a strictly disinterested custodianship		
13.f. Description and quality of goods		
13.g. Whether goods are insured or not		
13.h. Net weight of goods		
13.i. Other: []		
14. Does the legal and regulatory framework provide for a specific forum to resolve disputes relating to warehouse receipts systems?		

COMPLYING WITH TAXES – NEPAL

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Income tax	4	164	Graduated	Taxable income
Withholding tax on salary payments	12	36	Monthly rate = annual income tax divided by 12	Gross salaries
Withholding tax on land rent payment	12	Included in above	0.1	Amount of rent
Social security	12	Included in above	0.01	Basic exemption limit
Provident fund	12	36	10% from employer, 10% from employee	Basic salary
Ownership renewal tax on vehicles	1	4	NPR 22,000 per annum	Per truck
Local business renewal fee	1	4	Various rates per VDC	Nominal, flat
TOTAL	54 payments per year	244 hours per year	Total tax rate (% of profit): 34.6%	

TRADING AGRICULTURAL GOODS – NEPAL

A. Exporting an Agricultural Commodity

Procedures to Export an Agricultural Commodity	Time (days)	Cost (USD)
License and Document Preparation	8	\$184
Inland Transportation and Handling	21	\$1,500
Customs Clearance and Inspections	2	\$250
Port and Terminal Handling	8	\$200
TOTAL	39 days	USD \$2,134

Documents to Export an Agricultural Commodity
Customs Export Declaration
Commercial Invoice
Packing List
Certificate of Origin, GSP Form A (if necessary – depends on importing country)
Bill of Entry
Phytosanitary certificate
Copy of L/C or Advance Payment Certificate
Bill of Lading
Customs Transit Document
Cargo Release Order
TOTAL: 10 documents

B. Importing Hybrid Seed

Procedures to Import Hybrid Seed	Time (days)	Cost (USD)
License and Document Preparation	8	\$126
Port and Terminal Handling	30	\$360
Customs Clearance and Inspections	4	\$425
Inland Transportation and Handling	14	\$2,140
TOTAL	56 days	USD \$3,051

Documents to Import Hybrid Seed
Recommendation for import
Import permit
Certificate of Origin
Cargo Release Order
Commercial Invoice
Packing List
Bill of Lading
Customs Import Declaration
L/C or TT (Telex Transfer)
Phytosanitary Certificate
Insurance Policy
TOTAL: 11 documents

C. Seed Policy & Market Structure

Background Questions (Not scored)		Comments
1. Does the public sector import seed, either directly by government agencies or parastatals, or indirectly through procurement contracts with private firms?	No	
1.a. If YES, are private firms also allowed to import seed without undue government restrictions?	N/A	
2. Is there a monopoly or duopoly in seed imports? (i.e. one or two private or public importers control 75% or greater market share)	No	Five companies currently import seed.
3. Are import licenses required for companies to import hybrid seed, and are they cumbersome or pose a barrier to trade?	No	<p>Per-shipment import permission required from Seed Quality Control Center and National Plant Quarantine Program. The import permit is easy to obtain and has a nominal fee.</p> <p>Variety registration poses a large barrier to introduction of new varieties. Hybrid seeds have not been seen as high yielding seeds and government is reluctant to release new varieties for import, preferring instead to encourage local production.</p>
4. Are seed imports subject to an import duty? If YES, please list the amount of the duty or tax in the comments box.	Yes	<p>Custom duty of 10% for seed (5% if imported from India).</p> <p>Seed is exempted from 13% VAT, in practice it happens occasionally such as for coriander, which can be used for seed or for spices.</p>

RESOLVING CONTRACT DISPUTES – NEPAL

A. Time/Cost/Procedures for Resolving Contract Disputes

Background Questions (not scored)		Response	Comments
1	Alternative mechanism most likely to be used for the dispute described in the Case Study Assumptions:		The dispute described in the Case Study Assumption is most likely to go to regular court since Nepal law does not require settlement of such disputes through alternative mechanisms first. However, there are alternative mechanisms available if the parties in the dispute choose to settle the case through alternative mechanisms.
	Small Claims Court		No small claims court exists in Nepal.
	Commercial Court		Commercial benches are a part of the regular court system, though they deal with commercial disputes. Cases related to the Competition Act, Secured Transaction Act and other areas of commercial law as specified by the Government through a notification shall be heard by the commercial bench of the Appellate Court. However, such commercial benches do not exist in districts courts.
	Specialized Agricultural Court		No such specialized agricultural court exists in Nepal.
	Alternative Dispute Resolution	X	Court-referred mediation is available (Mediation Act, 2011 and Rule 32 of District Court Rules, Rule 53 (D) of Appellate Court Rule 1992 and Rule 65 (D) of Supreme Court Rules, 1993), and most likely to be used for the case study dispute. A separate Arbitration Act, 1999 is in force to deal with matters relating to commercial law.
	Other		Alternative mechanisms other than arbitration and mediation are not commonly used in Nepal. However, other alternative mechanisms like Med-Arb conciliation may be available if the parties choose so.
	No such alternative mechanisms exist		N/A
2	Jurisdiction of the alternative mechanism selected in Question 1		According to the Court Rules stated above, the jurisdiction of mediation is over all of Nepal. These Court Rules provide for court-referred mediation. An increasing number of cases are being referred to mediation as 30 district courts out of 75 districts now have Mediation Centers within the court premises. Other courts will also have such Mediation Centers soon. The Mediation Centers have an updated list of mediators. The list of mediators includes lawyers, businessmen and other people from local society.

			The Mediation Act provides for court- annexed mediation so that parties to the dispute themselves settle the dispute before coming to court and later record the same in court. The Government of Nepal is yet to publish the date to put the Mediation Act, 2011 into force. The Act itself was promulgated on May 9, 2011.
3	Minimum and maximum amounts in controversy, if any, that can be heard in the alternative mechanism selected in Question 1		There is no such threshold of amount in controversy that can be heard in alternative mechanisms. Any dispute can be heard in alternative mechanisms.

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Selection/appointment of mediator</p> <p>A case in regular district court shall be decided within a time of one year. In practice, it generally takes more than one year. Once a case is referred to mediation by the court and the parties agree to mediation, the mediator is selected by the parties themselves from among the list of mediators available at the mediation center. This takes less than a couple of weeks.</p> <p>The fee for a claim of more than NPR 250,000 is 1% of the claim (<i>Section 6 of Court Fee Act, 1990</i>). If a case already filed in court is settled through mediation, 50% of the court fee will be returned. The filing charge for a petition or a claim in a Commercial Bench is NPR 100. For review, it is NPR 100. Written response is NPR 50 and any other application is NPR 5 (Rule 10 (4) B of the said Appellate Court Rule). The filing charge for general civil cases is the same.</p> <p>There shall be no official filing fee when a court refers a case to mediation. The court itself pays a nominal fee to mediators. The fee for filing a case in district or appellate court is nominal.</p>	14	0.5% of claim	N/A
2	<p>Mediation process</p> <p>If a court refers a case for mediation, the court allows 1 month for the settlement of the case, with the ability to grant extensions up to 3 months if there are significant reasons. Mediation is comparatively shorter and quicker in comparison to the court process. Arbitration generally takes less time than the court process as well, though it is more expensive than mediation and used for larger contract claims.</p>	60	No official cost for the parties	N/A

	<p>Once the parties choose their mediator from among the list of mediators in the Mediation Centers, the mediator calls a mediation session. If the parties do not agree on a single mediator, there may be two or three mediators. At the beginning of the mediation session, the mediator(s) shall clarify to the parties that he is not a judge and not their lawyer but an independent mediator. Everything in the mediation process shall be strictly confidential. Anything spoken or positions taken by the parties during the mediation session shall not in any way affect the court proceeding if the dispute cannot be settled through mediation and later goes back to the court again. The mediator does not focus on the legal rights of the parties but rather concentrates on settling the case for the mutual benefit of both parties. Evidence and witnesses can be considered during the mediation process. The case may be settled by one session within hours or even in less than an hour, or multiple mediation sessions may be called for upon mutual consent of the parties.</p>			
3	<p>Settlement of dispute through mediation</p> <p>Once the dispute is settled through mediation and the terms and conditions of the settlement are confirmed, the mediator writes the same and sends the file back to the court. The parties and the mediator shall appear before the judge of the court on the day when the case is appointed for its final disposal. The mediator briefs the court about the mediation settlement and the case is finally disposed. The settlement (decision) of mediation is generally enforced quickly and effectively since it is done on mutual consent of the parties. In many occasions, the settlement is partially or totally enforced before the mediator briefs the settlement to court. If a case is settled in a mediation center referred by a court, there is no settlement charge required.</p> <p>Note that although the majority of cases with the potential for mediation are currently referred to mediation, results have been mixed in terms of resolution. If there is no settlement, the case goes back to court. Policies that encourage greater use of mediation are needed.</p>	1	None	N/A
Total	3 procedures	75 days	USD \$467	

B. Dispute Resolutions Mechanisms Index (0-6)

Question	Index Score: 6	Comments
1. Do alternative mechanisms to the formal court system to resolve contract disputes (i.e. small claims courts, commercial courts, alternative dispute resolution)	Yes	Commercial benches apply standard legal principles. Strict legal principles are not as applicable to alternative dispute resolution such as mediation.

adequately apply standard contract law principles?		
2. Are the costs entailed in using such alternative mechanisms reasonable and not prohibitive (ex. total costs do not exceed the amount in dispute)?	Yes	Nominal costs may be incurred in mediation.
2.a. Are the costs typically less than that of the formal court system?	Yes	However, it may not be the same situation for arbitration. Arbitration is costly compared to mediation. However, such costs do not exceed the amount in dispute.
3. Is there a threshold amount in controversy for disputes to be heard in such alternative forums that poses an entry barrier to small or medium-sized formal agribusinesses?	No	
4. Are alternative mechanisms typically faster than the formal court system, with streamlined and simplified procedures?	Yes	The alternative mechanisms are faster than the formal court system.
5. Are alternative mechanisms readily available outside of Kathmandu?	Yes	
6. Are rulings through alternative mechanisms upheld in and enforced by the formal court system?	Yes	Generally, rulings through alternative mechanisms are upheld in and enforced by the formal court system. However, there are some cases where courts have declined to uphold and enforce rulings of arbitrators where arbitrators exceed their authority or their rulings are in apparent error of law.

Uganda

STARTING A FARM - UGANDA

A. Time/Cost/Procedures for Start-up of a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	<p>Registration of Business Name</p> <p>The Business Names Registration Act (Cap 109) requires an individual having a place of business in Uganda and carrying on business under a business name which does not consist of a true surname of the individual to register that name with the Uganda Registration Services Bureau. For sole proprietorship, fee includes search and registration, which in most cases is done concurrently. Process is manual and centralized, requiring travel to Kampala. No stamp duty for sole proprietorship. Separate steps are required to: 1) go to URSB, 2) get tax assessment, 3) go to cashier, 4) make payment at bank, 5) take bank slip back to cashier, 6) cashier reconciles and confirms payment, and 7) take receipt back to URSB to register.</p>	4	40,000	Uganda Registration Services Bureau (URSB)
2	<p>Application for Tax Identification Number</p> <p>Registration is done online at ura.go.ug.</p>	¹⁶	0	Uganda Revenue Authority (URA)
3	<p>Registration for National Social Security Fund (NSSF)</p> <p>The requirement for registration with NSSF applies only to employers employing 5 or more employees. Upon registration, an employer is required to pay to the fund 15% on the total monthly wages of an employee. The employee's standard share of contribution is 5% and the employer pays the remaining 10%. A physical form must be submitted in person. The NSSF has branches up country.</p>	5	0	National Social Security Fund (NSSF)
4	<p>Apply for Pay as You Earn (PAYE)</p> <p>The employee is required to withhold and remit PAYE on the employee's wages. This does not apply to employees earning less than Ug. Shs. 130,000/month.</p>	1	0	URA
TOTAL	4 procedures	10 days	USD \$17¹⁷	

¹⁶ All yellow boxes signify incomplete or unconfirmed data.

¹⁷ Exchange rates as of March 2012.

B. Access to Business Registration Index (0-5)

Question	Index Score: 3	Comments
1. Are registration documentation and information on fees publicly available?	Yes	Yes. All registration documentation and information are publicly available.
2. Are registration documentation and information on fees available online?	No	Not all, but the requisite forms are online.
3. Is registration possible in every state/province?	No	Uganda Registration Services Bureau (URSB) located only in Kampala. There are no branches elsewhere.
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	Yes	The steps are the same. The difference will depend on the nature of the corporate entity (i.e. sole proprietorship, partnership, or company).
5. Are registration steps the same regardless of the nationality of ownership?	Yes	Yes, same steps, also note Companies Act Cap 110 also provides for registration of a foreign company in Uganda.

DEALING WITH LICENSES – UGANDA

A. Licenses and Permissions to Operate a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	<p>Obtain Environmental Impact Assessment</p> <p>Typically for larger-scale agriculture. Recently became mandatory when setting up a farm. Inspectors come from the district office.</p>	3	60,000	National Environment Management Authority (NEMA)
2	<p>Obtain Local Trading License</p> <p>Local governments have different policy documents with schedules of charges, and it is not always clear what you will be charged.</p>	5	130,000	Municipal/Town Council
3	<p>Obtain Local Produce License</p>	1	80,000	Ministry of Tourism, Trade and Industry
4	<p>Obtain Lorry License</p>	1		Municipal/Town Council
TOTAL	4 procedures	10 days	USD \$112	

B. Licenses and Permissions for Seed Provider

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	<p>Register as a Seed Company</p> <p>Registration as a seed company covers (1) production, (2) processing, and (3) marketing, including the import and export of seed. Registrants specify the types of activities in which they will be engaging. The registrant must first be registered with the Uganda Registration Services Bureau. Requirements include having qualified personnel (agronomists, breeders, etc.) and an appropriate warehouse and equipment. A committee within Ministry of Agriculture vets the application. NSCS is based in Kampala, without regional branches. Renewal costs UGX 100,000. The Agriculture Seeds and Plant Act (Cap 28) provides that all seed importers are required to apply to the NSCS for the release or listing of their varieties. A person who intends to undertake the business of importing or exporting seeds is required to apply to the NSCS for a license. The procedure for obtaining the above licenses is to be elaborated in regulations that are yet to be passed by the Parliament of Uganda. Recent seed law passed in 2011 will create new seed merchandising license for retail sale of seed. Current laws do not require separate licenses for seed agrodealers and retailers; stocking of seed is allowed under the general agrodealer license to stock fertilizer and agrochemicals. Licensing fees expected to increase substantially with the new law.</p>	30	573,000	National Seed Certification Service (NSCS)
2	<p>Inspection of Premises</p> <p>NSCS inspects a company’s premises as part of the process for registering as a seed company. Routine inspections of factory, stores and seed premises occur twice a year, once for each season.</p>	0	0	NSCS
3	<p>Register with Uganda Revenue Authority (URA) as Seed Importer</p>	1		Uganda Revenue Authority (URA)
4	<p>Obtain National Trading License</p>	1	300,000	Ministry of Trade
5	<p>Obtain Local Trading License</p> <p>Local governments have different policy documents with schedules of charges, and it is not always clear what you will be charged. Generally costs 100,000-200,000 UGX.</p>	5	150,000	Municipal/Town Council
TOTAL	5 procedures	37 days	USD \$423	

C. Licenses and Permissions for Fertilizer Provider

Same as below. In Uganda, fertilizer is regulated as an agrochemical.

D. Licenses and Permissions for Crop Protection Chemical Provider

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	<p>Obtain Suitability of Premises License</p> <p>License lasts 2 years. The Board is located in Entebbe, requiring multiple trips to Entebbe to drop off application and pick up license. Takes 3 months from application to inspection and an additional 3 months for Board approval. Board only meets once a quarter or sometimes twice a year. Board needs funding to meet.</p>	180	50,000	Agrochemicals Board
2	<p>Inspection for Suitability of Premises License</p> <p>Inspection of warehouse against checklist of criteria. Inspector writes reports and presents to Technical Committee, who review and forward to Agricultural Chemicals Board for approval. Long delays due to Board being based in Entebbe and don't go out to do inspections unless multiple premises to inspect. Can take up to a year.</p>	0	0	Agrochemicals Board
3	<p>Obtain Dealership License</p> <p>License lasts 3 years. Registrant must meet minimum academic qualifications, and informal agreement with Uganda National Agro-Input Dealers Association (UNADA) to take 5-day course on judicious and safe handling of chemicals and pesticides. License covers importing and wholesale and retail trade. Repackaging requires seeking authority in writing, though a license is not required. Renewal is UGX 150,000. Only 30% of agrodealers are actually licensed.</p>	0	150,000	Agrochemicals Board
4	<p>Inspection for Dealership License</p> <p>Annual Inspection.</p>	0	0	Agrochemicals Board

5	Payment for Suitability of Premises and Distribution Licenses Payment is a lengthy process involving multiple steps. 1) Go to Commissioner of Crop Protection (in Ministry of Ag) for permission to pay, 2) take permission to cashier at Ministry of Ag to get authority for bank to accept your money, 3) take money and authority from cashier to bank, 4) make payment, 5) take bank slip back to cashier after you've paid, 6) cashier must reconcile with bank to ascertain that you've really paid and money is in the account, 7) once have receipt from cashier, take to Commissioner to prove you have paid, and 8) receive license.	15	0	Commissioner of Crop Protection
6	Obtain Local License Costs UGX 100,000-200,000.	5	150,000	Municipal/Town Council
TOTAL	6 procedures	200 days	USD \$145	

EMPLOYING WORKERS – UGANDA

A. Hiring a Skilled Expatriate Worker

No.	Procedure	Time (days)	Cost (USD)	Agency
1	<p>Work Permit Processing</p> <p>A work permit is usually granted after submission of the following documents to the Department of Immigration, Ministry of Immigration: 1) Letter from employer, 2) Letter from applicant, 3) Contract of employment, 4) CV - attach academic qualifications, 5) Memorandum and articles of company, 6) 4 passport photos, 7) Certificate of good conduct from country of origin, 8) Bank statement of company, 9) Trading license (optional), 10) Income tax clearance (optional), 11) Standard forms to be filled in upon applying which can be provided for, 12) Security bond depends on country of origin e.g. French pay USD \$901 13. Work permit fees USD \$602 for employees. Relevant act is the Immigration Act, Cap 63.</p>	105	\$600	Immigration Department, Ministry of Internal Affairs
2	<p>Application for Entry Visa</p> <p>This is done once the work permit has been issued.</p>	22	\$50	Immigration Department, Ministry of Internal Affairs
3	<p>Obtain Special Pass</p> <p>A special pass can be availed to a foreigner for temporary employment prior to issuance of a work permit. Once the expatriate has lodged his application for a work permit, he can apply for a special pass in accordance with Regulation 10 of the Uganda Citizenship and Immigration Control Regulations 2004. This is an interim facility as he waits for the Uganda Immigration Board's decision on his application. This special pass is issued for duration of three months and is renewable.</p>	3	\$100	Immigration Department, Ministry of Internal Affairs
TOTAL	3 procedures	130 days	USD \$750	

B. Seasonal and Migrant Workers Index (0-4)

Question	Index Score: 4	Comments
<p>1. Do current regulations permit the employment of agricultural workers (domestic or foreign) on a seasonal basis?</p>	<p>Yes</p>	<p>Though not expressly provided in the Employment Act as a mode of employment, Section 86 of the Employment Act acknowledges seasonal workers existence by providing for the mode of computation of their period of continuous service.</p>
<p>2. Do current regulations permit the free movement of migrant farm & agri-processing workers (both domestic and foreign) within the country?</p>	<p>Yes</p>	<p>The concept is also not expressly provided for but Article 40(3) of the Constitution provides that every worker has the right to withdraw their labour according to the Law and Section 65(1)(b) permits an employee who has been employed for a particular task to terminate the contract once the task is concluded. It is important to note that the immigration facilities are pegged to a particular job position and migrating from one position automatically extinguishes to the facility. The expatriate has to apply for another work permit.</p>
<p>3. Do current regulations allow for piecemeal-based pay (i.e. by item made or picked), so long as anticipated income is consistent with the country’s minimum wage (if applicable)?</p>	<p>Yes</p>	<p>The Employment Regulations No. 61 of 2011 distinguish between task work and piece work. Task work is defined to mean work that is based on a daily task and can be remunerated daily according to Regulation 41(1) whereas Regulation 40 provides that where a contract is entered into under which piece work is to be performed for an agreed remuneration, the employee shall be paid at the end of the month in proportion to the amount of work which he performed.</p>
<p>4. Do current regulations permit reasonable employer flexibility in the definition of: tasks to be performed, work location, and work schedules?</p>	<p>Yes</p>	<p>The law does not specifically prohibit flexibility of tasks and whatever is not expressly prohibited by law can be construed to be permitted. As to whether or not it is permitted in an employment relationship would be based on the contract of employment.</p>

REGISTERING PROPERTY – UGANDA

A. Time/Cost/Procedures for Registering Agricultural Land

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	Request Title Search	1	0	Ministry of Lands, Housing, and Urban Development
2	Pay Search Fee at Bank Search fee is UGX 10,000, plus 2,000 bank transfer fee.	1	12,000	N/A
3	Conduct Title Search Carry out search in the land registry to confirm that the Seller is indicated as the registered proprietor and that there are no encumbrances.	2	0	Ministry of Lands, Housing, and Urban Development
4	Obtaining of Valuation from Chief Government Valuer for Purposes of Assessing Stamp Duty There are three government valuers who inspect all land transactions in Uganda. The valuer in theory would inspect the premises and issue an assessment of valuation; in practice inspections are rare and would take a minimum of one month to complete. Takes 10 working days on average.	10	No cost	Ministry of Lands, Housing, and Urban Development
5	Obtaining of Consent to Transfer from Commissioner Applicable Law: The Registration of Titles Act (Cap 230). UGX 250,000 is an estimated figure for obtaining consent to transfer title of land. This figure is dependent on the stamp duty paid but is usually in the range of 250,000-400,000.	1	250,000	Commissioner of Land Administration
6	Payment of Stamp Duty 1% of the value assessed by the Chief Government Valuer. Stamp duty is paid at a bank and payment clearance takes 2-3 days. Bank will notify Uganda Revenue Authority (URA) that payment has been received.	4	612,500	N/A
7	Assessment of Registration Charges Payment is made at the bank.	1	10,000	Lands Registrar

8	Document Embossment Embossment serves as proof of payment.	1	0	Ministry of Finance
9	Submit Documents to Register of Titles Submit all documents and evidence of payment of stamp duty, registration fee, and bank charges. Registrar will effect a transfer of the Title Deed into the name of the purchaser. The Title Deed will indicate an instrument number for the transfer and the time at which the transfer has been effected. Average 10 working days.	10	0	Register of Titles
TOTAL	9 procedures	31 days	USD \$366	

B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety¹⁸

No.	Procedure	Time (days)	Cost (USD)	Agency
1	Application for National Performance Trials Company would apply and give NSCS a sample of the seed in order to do National Performance Trials in the locations NSCS deems necessary.	1	0	National Seed Certification Service (NSCS)
2	National Performance Trials (NPT) The product must undergo two seasons of field tests in seven sites. For maize, the NPT can be completed in one year due to the two growing seasons per year. NPT costs UGX 375,000 per entry per site per season, paid to NARO. Although in practice NARO has not been charging NPT fees, private companies have not been registering new crop varieties either. New varieties are developed by researchers and by NARO, and then sell the seed or the rights to private companies.	365	\$2,100	National Agricultural Research Organisation (NARO)
3	Application for Distinctness, Uniformity and Stability (DUS) Test The seed company applies for DUS testing by NSCS following successful field tests during the NPT. DUS cannot be completed simultaneously with NPT, although it could be initiated during the second season of NPT.	1	0	NSCS

¹⁸ NARO develops new seed varieties on behalf of the private sector; currently, no seed companies develop new varieties.

4	DUS Test DUS testing is completed during two seasons, at two separate sites. NSCS may test the variety at three sites (highland/midland/lowland locations) depending on the plant material. DUS cost is UGX 375,000 per entry per site per season.	365	\$600	NSCS
5	Approval by National Variety Release Committee (NVRC) The NVRC sits twice a year and evaluates the candidate material. The NVRC is comprised of a number of stakeholders, including breeders, universities, farmers, the Ministry of Trade, and Ministry of Agriculture. The Committee will issue a report including a recommendation for release. A typical registration process will include harvesting in June, applying to the NVRC in July, and the Committee meeting and approval in October or November.	120	0	NVRC
TOTAL	5 procedures	852 days	USD \$2,700	

C. Access to Property Registration Index (0-6)

Question	Index Score: 2	Comments
1. Is real property registration possible in every state/province?	Yes	There are stipulated land registries in different districts because in Uganda we do not have provinces.
2. Can real property registration be accomplished via an automated, online process?	No	The Ministry of Lands is in the process of computerizing all land records.
3. Is real property registration information and documentation available online?	No	This is on account of the absence of computerized records.
4. Are real property registration steps and timeframes clear?	No	In the law books yes, in practice no because of lack of manpower at Lands Registration Office. The procedure may take longer than what is stipulated by law.
5. Are real property registration steps the same regardless of property size?	Yes	
6. Are real property registration steps the same regardless of the nationality of ownership?	No	Under the Constitution of Uganda and the Land Act (Cap 227), non-citizens cannot acquire mailo or freehold land. Non-citizens can only acquire leasehold property. The steps involved in sale of leasehold property are the same as the steps involved in sale of mailo or freehold property.

D. Strength of Property Rights Index (0-3)

Question	Index Score: 2	Comments
<p>1. Do owners or leaseholders have the right to sell, lease, bequeath, or otherwise transfer their rights in land regardless of gender, race, tribal affiliation, political affiliation, or geographical origin?</p>	<p>Yes</p>	<p>This would depend on the terms of the lease. If the lease agreement restricts transfer, sub-leasing, or selling without prior consent from the lessor, then the lessee can only transfer or sub-lease regardless of gender, race, tribal affiliation, political affiliation or geographical origin. The lessee has a right to bequeath the property regardless of gender, race, tribal affiliation, political affiliation or geographical origin.</p>
<p>2. Do owners or leaseholders have the right to produce on the land based on own preferences?</p>	<p>No</p>	<p>No because the Minister may, by statutory instrument, declare any area a segregated area and may, by that instrument, prohibit the planting and movement of any type of seed or plant within that area. Also, where the land is a wetland, then the owner may face restrictions from National Environment Management Authority (NEMA) for purposes of protecting the environment.</p>
<p>3. Do owners or leaseholders have the right to obtain long-term tenure rights in customary land that can be registered and recorded in a manner that protects such registered interests?</p>	<p>Yes</p>	

GETTING CREDIT – UGANDA

A. Strength of Legal Right Index (0-10)

Types of Collateral Allowed by Law	Index Score: 8	Comments
1. Farm equipment	YES	Chattels Transfer Act (Cap 70)
2. Crop in field	YES	Chattels Transfer Act (Cap 70)
3. Crop in warehouse	YES	Warehouse Act
4. Livestock	YES	Chattels Transfer Act (Cap 70)
5. Inventory	YES	Chattels Transfer Act (Cap 70)
6. Patented plant variety	NO	
7. Futures contract	NO	No applicable law
8. Accounts receivable	YES	Chattels Transfer Act (Cap 70)
9. Buy/sell agreements	YES	
10. Land and water rights	YES	Mortgage Act of 2009

PAYING TAXES – UGANDA

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Individual Tax	5	88	Graduated	Taxable Income
Pay As You Earn (PAYE)	12	132	Graduated	Employee Emoluments
Withholding Tax	N/A	N/A	6%	Wage/Salary
National Social Security Fund (NSSF)	12	48	10%	Total Wages
Local Service Tax	4	40	Max UGX 100,000	Gross salary net PAYE
VAT	12	96	18%	Value added to applicable products
Capital Gains Tax	1	N/A	0-30%	Area of land
Market Dues	8	N/A	UGX 2,000	Per Truck
TOTAL	54 payments per year	404 hours per year	Total tax rate (% of profit): 20.7%	

TRADING ACROSS BORDERS – UGANDA

A. Exporting a Staple Grain

Procedures to Export a Staple Grain	Time (days)	Cost (USD)
Licenses and Documents Preparation	4	\$44
Inland Transportation and Handling	10	\$3,300
Customs Clearance and Inspection		\$600
Port and Terminal Handling		\$375
TOTAL	14 days	\$4,319

Documents to Export a Staple Grain
Export Registration Certificate (optional)
Export Permit
Certificate of Origin or GSP Certificate
Phytosanitary Certificate
Invoice
Packing List
Customs Bill of Entry
Bill of Lading
Road Customs Transport Document
Terminal Handling Receipts
TOTAL: 9 documents

B. Exporting a Perishable Good – N/A

C. Importing Hybrid Seed – N/A

Zambia

STARTING A FARM - ZAMBIA

A. Time/Cost/Procedures for Start-up of a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	Name Search Five locations to register around the country. Sole Zambia Development Agency (ZDA) One Stop Shop in Lusaka.	1	10,000	Patent and Companies Registration Agency (PACRA)
2	Name Registration A sole proprietorship just registers its name, not as a company. Proposes three names.	5	75,000	Patent and Companies Registration Agency (PACRA)
3	Register for Tax ID Number	2	0	Zambia Revenue Authority (ZRA)
4	Register for Employee Pension Scheme ¹⁹ Conflicting info on whether minimum of 15 employees to register with pension scheme, or whether all employers must register regardless of number of employees.	2	0	National Pension Scheme Authority (NAPSA)
TOTAL	4 procedures	10 days	USD \$16 ²⁰	

B. Access to Business Registration Index (0-5)

Question	Index Score: 4	Comments
1. Are registration documentation and information on fees publicly available?	Yes	The information on registration procedures and fees are in promotional materials which are distributed to members of the public.
2. Are registration documentation and information on fees available online?	Yes	All institutions operating under the One Stop Shop have websites where this information is available.

¹⁹ All yellow boxes signify incomplete or unconfirmed data.

²⁰ All exchange rates as of April 2012.

3. Is registration possible in every state/province?	No	Currently registration for business names and companies is done directly in Lusaka, Livingstone, Ndola and Chipata. Registration is done through agents in Solwezi and Kasama. Efforts are underway to make these services available more widely countrywide through establishment of additional One Stop Shop facilities.
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	Yes	
5. Are registration steps the same regardless of the nationality of ownership?	Yes	

DEALING WITH LICENSES – ZAMBIA

A. Licenses and Permissions to Operate a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	<p>National Health & Safety Inspection</p> <p>Annual renewal, ZEMA sends inspectors. In practice, enforcement may not happen and there are no repercussions for missing an inspection. Farm pays for inspection.</p>			Zambia Environmental Management Agency (ZEMA)
2	<p>Local Health & Safety Inspection</p>			Local Council
3	<p>Obtain Local Trading License</p> <p>Application form is K 5,500; retail trading license is K 599,980, plus personal levy of K 15,000 per worker (at 10 workers) for K 150,000.</p>	4	755,480	Lusaka City Council
4	<p>Apply for Storage of Agricultural Chemicals Permit</p> <p>ZEMA requires storage license for sellers of fertilizers and agro-chemicals and in theory applies to farms as well, though in practice this requirement does not appear to be consistently enforced for farms. ZEMA may send an inspector to the farm but enforcement is spotty year to year.</p>	14	900,000	ZEMA
5	<p>Inspection for Agricultural Chemicals Storage Permit</p> <p>For most applications, after you apply, will be told when inspectors will be sent, then told when your permit is ready.</p>			ZEMA
6	<p>Register for Rezoning as Agricultural Land</p> <p>Must wait for local council to meet (roughly once a quarter) to review land usage and other factors.</p>	60		Local Council, under review of Provincial Planning Authority
7	<p>Optional: Farm Capability Survey</p> <p>Take soil samples to Mount Makulu and carry out field soil surveys. This procedure is optional and it is unlikely a farm of this size would get surveyed.</p>	3	425,000	Ministry of Agriculture and Livestock - Land Husbandry

8	Optional: Farm Mapping Comprehensive Farm Layout Mapping. Demarcate the farm according to the capability of the soils, put up beacons. This process is optional and it is unlikely a farm of this size would get mapped.	3	425,000	
TOTAL ²¹	6 procedures	78 days	USD \$315	

B. Licenses and Permissions for Seed Provider

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	Importation License Plant Varieties & Seeds Act (1964).			Seed Control and Certification Institute (SCCI)
2	Retail Seed Seller License Every retail shop is licensed to prove they have adequate storage facilities and can look after seed in a reasonable manner.	1	10,000	SCCI
3	Wholesale Seed Seller License Paper application takes 20 minutes to complete but can only be done in Lusaka.	1	70,000	SCCI
4	Inspection for Registration as Seed Seller Inspection of physical premises and adequacy of storage facilities. Supposedly inspectors in every province, though appear limited in numbers.			SCCI
5	Local Trading License Application form is K5,500. Retail trading license is K599,980 and K1,499,980 for wholesaling, plus personal levy of K15,000 per worker (at 10 workers) for K150,000.	4	755,480	Local Council
6	Distribution License			SCCI
TOTAL	6 procedures	6 days	USD \$159	

²¹ Totals do not include time and cost for optional procedures.

C. Licenses and Permissions for Fertilizer Provider

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	Importation License Annual renewal. Zambia imports all fertilizer, no domestic manufacturing.	14	1,560,000	Zambia Environmental Management Agency (ZEMA)
2	Storage of Chemicals License For sale of fertilizer & agro-chemicals.	14	900,000	ZEMA
3	Inspection for Storage of Chemicals License Inspection of physical premises and adequacy of storage facilities. Supposedly inspectors in every province, though appear limited in numbers.			ZEMA
4	Local Trading License Application form is K5,500. Retail trading license is K599,980 and K1,499,980 for wholesaling, plus personal levy of K15,000 per worker (at 10 workers) for K150,000.	4	755,480	Local Council
TOTAL	4 procedures	32 days	USD \$612	

D. Licenses and Permissions for Crop Protection Chemical Provider

Same as above.

EMPLOYING WORKERS – ZAMBIA

- A. Hiring a Skilled Expatriate Worker – No data available**
- B. Seasonal and Migrant Workers Index (0-4) – No data available**

REGISTERING PROPERTY – ZAMBIA

A. Time/Cost/Procedures for Registering Agricultural Land

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	<p>Investigate Title/Obtain Non-Encumbrance Certificate</p> <p>The buyer pays K25,000 at the cashier desk and then proceeds to get a printout from the Land Register which is an official document certifying the status of the property vis a vis ownership and encumbrances. Issues that arise include access (only two functional registries in country - Lusaka or Ndola), not all encumbrances are in the electronic system (i.e. agricultural charges) so one needs to examine the physical files, and not all data in the Land Register is reliable.</p>	2 ²²	525,000 ²³	Lands and Deeds Department, Ministry of Lands, Natural Resources and Environmental Protection
2	<p>Seller Obtains State Consent Certificate</p> <p>The seller (agent) applies for state consent from the landlord (Commissioner of Lands, who acts on behalf of the President of the Republic of Zambia) to transfer interests in the subject property to the intended buyer. The identity of the proposed buyer is revealed as ascertained in line with the provisions of the Lands Act CAP 184, SEC 5 of the Laws of Zambia as to whether he/she qualifies to hold land in the country. The proposed consideration (purchase price) is also stated in the application as well as the level of development on the subject property.</p>	3	100,000	Legal Unit, Lands Department, Ministry of Lands, Natural Resources and Environmental Protection
3	<p>Pay Transfer Tax and Get Tax Certificate</p> <p>Expedited in Lusaka because ZRA agent in Ministry of Lands office.</p>	5	5% of consideration	Zambia Revenue Authority (ZRA)
4	<p>Submit all Documents to Registrar to Obtain New Title</p> <p>Submit Deeds of Assignment signed by Seller, ZRA certificate, copy of consent, and original title to Chief Registrar, who makes changes in system and physical files and types new title in new owner's name. Issue is that timing is unpredictable. Can take from 1 week to 2 months, due to lack of capacity in Registrar's office.</p>	31 ²⁴	1% of consideration up to max ZMK 2M	Registrar's Office at Ministry of Lands

²² Includes one day of travel time from Southern Province to Lusaka, which requires spending the night as customer service center only open in morning.

²³ Case study farm would typically hire an agent, adding US\$100/ZMK 500,000 to total cost.

²⁴ Takes one day for agent to travel from Southern Province to Lusaka.

TOTAL	4 procedures	41 days	USD \$3,180²⁵	
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B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety

No.	Procedure	Time (days)	Cost (USD)	Agency
1	Lodge Application Seed companies (such as Pannar) do 8 years of testing before starting the application process.	1	\$25	Seed Control & Certification Institute (SCCI)
2	Perform Field Tests US\$125 per site per year for 6 SCCI sites, over two years. US\$125 to keep registration active each year. Test for DUS (distinctiveness, uniformity and stability) and VCU (value for cultivation and use on the market). Includes review by Seed Committee and release meeting with all relevant parties.	730	\$1,750	SCCI
TOTAL	2 procedures²⁶	731 days	USD \$1,775	

C. Access to Property Registration Index (0-6)

Question	Index Score: 2	Comments
1. Is real property registration possible in every state/province?	No	Real property registration under the Lands and Deeds Registry is only done in Lusaka and Ndola.
2. Can real property registration be accomplished via an automated, online process?	No	All the institutions involved in property registration have not implemented fully automated systems that can support online registration.
3. Is real property registration information and documentation available online?	No	Some information is online, but documentation does not appear to be.
4. Are real property registration steps and timeframes clear?	No	Institutions have not defined timeframes. Some do follow informal service charters.

²⁵ Assumes consideration of 50*GNI per capita.

²⁶ Does not include Seed Committee approval as a separate procedure.

5. Are real property registration steps the same regardless of property size?	Yes	
6. Are real property registration steps the same regardless of the nationality of ownership?	Yes	

D. Strength of Property Rights Index (0-3)

Question	Index Score: 3	Comments
1. Do owners or leaseholders have the right to sell, lease, bequeath, or otherwise transfer their rights in land regardless of gender, race, tribal affiliation, political affiliation, or geographical origin?	Yes	
2. Do owners or leaseholders have the right to produce on the land based on own preferences?	Yes	But subject to relevant land use laws, environmental provisions and planning.
3. Do owners or leaseholders have the right to obtain long-term tenure rights in customary land that can be registered and recorded in a manner that protects such registered interests?	Yes	The Lands Act CAP 184 of the laws of Zambia provides for conversion of the generally unsecured customary land into statutory land.

GETTING CREDIT – ZAMBIA

A. Strength of Legal Right Index (0-10)

Types of Collateral Allowed by Law	Index Score: 9	Comments
1. Farm equipment	Yes	Has to be registered. Considered weak collateral.
2. Crop in field	Yes	Covered under agricultural charge.
3. Crop in warehouse	No	Warehouse receipts are not illegal, but provisions in the law to create the framework for warehouse receipts have not yet been put in place and banks say it isn't possible yet. There's also a lack of warehousing facilities.
4. Livestock	Yes	Covered under agricultural charge.
5. Inventory	Yes	Possible in theory but not done in practice.
6. Patented plant variety	Yes	Possible in theory but not done in practice.
7. Futures contract	Yes	Possible in theory but not done in practice, it can't be registered.
8. Accounts receivable	Yes	
9. Buy/sell agreements	Yes	
10. Land and water rights	Yes	Yes, so long as the land is titled. Customary land and water rights cannot be used to securitize a loan.

PAYING TAXES – ZAMBIA

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Business Income tax	5	155	15.0%	Taxable Income
Value Added Tax	12	76	16.0%	Cost price/total sales
Social Security/NAPSA	12	209	5.0%	Wage/Salary
Personal Levy	2	Included above	1.0%	Earnings/Wages/Salary
Worker's Compensation	1	Included above	4.2%	Wage/Salary
Pay As You Earn (PAYE)	12	Included above	Graduated	Wage/Salary
Ground Rent	1	17	ZMK 50,000	Area of land
Water Fees/Taxes	1	24	(ZMK1 per cubic meter) (ZMK2 x number of days x volume + ZMK5,000)	(ZMK1 per cubic meter) (ZMK2 x number of days x volume + ZMK5,000)
Carbon Tax	4	24	ZMK 200,000	Charged in accordance with engine capacity
Certificate of Fitness	4	Included above	ZMK 28,000	K28,000 per vehicle
Market Levy	8	40	ZMK 50,000	Per Truck
TOTAL	62 payments per year	545 hours per year	Total tax rate (% of profit): 10.1%	

TRADING ACROSS BORDERS – ZAMBIA

A. Exporting a Staple Grain

Procedures to Export a Staple Grain ²⁷	Time (days)	Cost (USD)
Licenses and Documents Preparation	5.5	\$27
Inland Transportation and Handling	8	\$100
Customs Clearance and Inspection	2	\$120
Port and Terminal Handling	20	\$470
TOTAL	35.5 days	USD \$717

Documents to Export a Staple Grain
Export Permit
Phytosanitary Certificate
Certificate of Origin
Invoice
Bill of Lading
Commercial Invoice
Customs Export Declaration
TOTAL: 7 documents

²⁷ Low confidence in accuracy of data based on limited number of respondents providing estimates for different ports.

B. Exporting a Perishable Good – N/A

C. Importing Hybrid Seed

Procedures to Import Hybrid Seed	Time (days)	Cost (USD)
Licenses and Documents Preparation	4	\$30
Port and Terminal Handling		\$200
Customs Clearance and Inspection	1	\$570
Inland Transportation and Handling	6	\$100
TOTAL	11 days	USD \$900

Documents to Import Hybrid Seed
Import Permit
Phytosanitary Certificate
Certificate of Origin
Packing List
Bill of Lading
Manifest
TOTAL: 6 documents

