

**REPUBLIC OF NAMIBIA**

**NATIONAL ASSEMBLY**

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**CLOSE CORPORATION  
AMENDMENT ACT BILL**

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*(As read a First Time)*

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*(Introduced by the Minister of Industrialisation and Trade)*

**EXPLANATORY NOTE:**

\_\_\_\_\_ Words underlined with a solid line indicate insertions in existing provisions.

[            ] Words in bold type in square brackets indicate omissions from existing provisions.

**BILL**

**To amend the Close Corporations Act, 1988 so as to insert new definitions; to require close corporations to keep and maintain registers of beneficial owners; and to provide for incidental matters.**

*(Introduced by the Minister of Industrialisation and Trade)*

**BE IT ENACTED** as passed by the Parliament, and assented to by the President, of the Republic of Namibia as follows:

**Amendment of section 1 of Act No. 26 of 1988 as amended by section 1 of Act No. 8 of 1994 and section 32 of Act No. 8 of 2016**

1. Section 1 of the Close Corporations Act, 1988 (hereinafter referred to as the principal Act) is amended by -

(a) the insertion after the definition of “association agreement” of the following definition:

““beneficial owner” means a beneficial owner as defined in section 1 of the Financial Intelligence Act, 2012 (Act No. 13 of 2012);”;

(b) the insertion after “beneficial owner” of the following definition:

““Centre” means Financial Intelligence Centre as defined in section 1 of the Financial Intelligence Act, 2012 (Act No. 13 of 2012);”;

(c) the insertion after the definition of “company” of the following definition:

““competent authority” means a competent authority as defined in section 1 of the Financial Intelligence Act, 2012 (Act No. 13 of 2012);”;

**Insertion of section 16A in Act No. 26 of 1988**

2. The Principal Act is amended by the insertion after section 16 of the following section:

**Register of beneficial owners**

**16A.** (1) Every corporation, at incorporation and thereafter, shall keep and maintain an accurate and up-to-date register of beneficial owners of the corporation and the register shall be kept in Namibia at the same office at which the register of members is kept.

(2) Every corporation shall record in the register referred to in subsection (1) the following information -

- (a) in respect of each beneficial owner of the corporation -
  - (i) the first name and surname and any former first name and surname of the beneficial owner;
  - (ii) the date of birth and identity number appearing on the identity document of the beneficial owner;
  - (iii) full particulars of residential address, business address, email address and postal address of the beneficial owner;
  - (iv) contact details of the beneficial owner;
  - (v) the nationality of the beneficial owner;
  - (vi) the nature and extent of beneficial ownership; and
- (b) in respect of a member of the corporation who is a nominee of a beneficial owner, information referred to in paragraph (a).

(3) Every corporation shall, on a prescribed form, file with the Registrar accurate and up-to-date information of the beneficial owner recorded in terms of subsection (2), and where the information has changed the corporation shall within seven days of such changes file with the Registrar the changes to the information.

(4) A corporation or the Registrar, upon request by a competent authority, must make available the information of the beneficial owner held and maintained by the corporation or filed with the Registrar in terms of subsection (2).

(5) A corporation shall appoint a person residing in Namibia who is -

- (a) responsible for the safe keeping of the register of beneficial owners; and
- (b) authorised by the corporation to make information of the beneficial owner recorded in terms of subsection (2) available to a competent authority under subsection (4).

(6) The information of the beneficial owner and other information regarding a corporation held by the Registrar are public information and upon request shall be made available by the Registrar for inspection by members of the public, whether electronically or physically, but the information of the beneficial owner is limited to the full name and the extent of beneficial ownership.

(7) Notwithstanding any law to the contrary, the Registrar on his or her own, the Centre on its own or the Registrar or the Centre on behalf of a competent authority may -

- (a) request information of the beneficial owner or any other information regarding a corporation from; or
- (b) provide the information referred to in paragraph (a) to,

an authority in a foreign state that has similar powers and duties as those of the Registrar or the Centre for the purposes of an investigation of money laundering or financing of terrorism or proliferation activities.

(8) The Registrar, the Centre or a competent authority that requested or provided information of the beneficial owner or other information regarding a corporation under subsection (7) shall keep record of the information provided or requested.

(9) A corporation, or its administrators, liquidators or other persons involved in the dissolution of the corporation shall keep and maintain records of the beneficial ownership information for a period of at least five years after the date on which the corporation is dissolved or otherwise ceases to exist.

(10) A corporation or person who -

- (a) contravenes or fails to comply with subsection (1), (2), (3), (4) or (9);
- (b) provides false information of the beneficial owner;
- (c) withholds information of the beneficial owner from being entered into the register referred to in subsection (1); or
- (d) makes false entry into the register referred to in subsection (1),

commits an offence and is liable on conviction to a fine not exceeding N\$ 10 000 000 or to imprisonment for a period not exceeding 10 years or to both such fine and such imprisonment.”.

#### **Short title**

4. This Act is called the Close Corporations Amendment Act, 2023.
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