

GOVERNMENT NOTICE NO. 40 OF 2014

**Specified Offices Defined Contribution Pension Fund  
(Amendment) Act, 2014**

**The Parliament of Lesotho**

**Statement of Objects and Reasons of the Specified Offices  
Defined Contribution Pension Fund (Amendment) Act, 2014**

**(Circulated by the Authority of the Minister responsible for Finance  
Hon. Leketekete Ketso)**

Outline

1. The purpose of the Specified Officers Defined Contribution Pension Fund (Amendment) Bill, 2014 is to amend some of the provisions of the Specified Officers Defined Contribution Pension Fund Act of 2011 to allow smooth implementation of the Act and allow for greater benefits of Members of the Fund.
2. The Amendment Bill transfers the 25% gratuity payable in terms of the employment contracts and other applicable laws into the Fund and abolishes the 10% gratuity under this Act. It allows Members of the Fund to claim gratuity for their service on the pro-rata basis.
3. The Amendment Bill mandates the Fund to provide annual reports to the Minister not later than six months after the expiry of each financial year. These reports should amongst other things, demonstrate activities of the Board during the financial year and include an audited balance sheet, audited statement of income and expenditure.
4. The Amendment Bill prohibits termination of membership of the Fund by Members to achieve the objective of the Fund which is to protect Members from losing out on certain benefits during their tenure of office and pension upon vacation of their offices.
5. The Amendment Bill compels the fund to issue benefits statements indicating the financial status of the Members' invested fund credits. Therefore the Amendment Bill introduces this obligation to the Fund.

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6. The Amendment Bill allows the Board of Trustees to engage other service providers in addition to those already provided for in the Act where necessary.

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ACT NO. 4 OF 2014

**National Assembly Electoral (Amendment) Act, 2014**

An Act to amend the National Assembly Electoral Act, 2011<sup>1</sup> to make provision for additional funding for political parties registered with the Independent Electoral Commission.

Enacted by the Parliament of Lesotho.

**Short title and commencement**

1. This Act may be cited as the National Assembly Electoral (Amendment) Act, 2014 and shall come into operation on the date of its publication in the Gazette.

**Political Party Funding**

2. The National Assembly Electoral Act, 2011 is amended in section 71 by inserting a new subsection (1A) after subsection (1) as follows:

“(1A) Political parties in the National Assembly shall equally share an additional amount equivalent of 40% of the total political party funding allocated under subsection (1).”.

**NOTE**

1. Act No. 14 of 2011