

GOVERNMENT OF ZAMBIA

ACT

No. 8 of 2015

Date of Assent: 14th August, 2015

An Act to amend the Local Authorities Superannuation Fund Act.

[14th August, 2015

ENACTED by the Parliament of Zambia.

Enactment

1. This Act may be cited as the Local Authorities Superannuation Fund (Amendment) Act, 2015, and shall be read as one with the Local Authorities Superannuation Fund Act, in this Act referred to as the principal Act.

Short title

Cap. 284

2. Section *two* of the principal Act is amended by the deletion of the definition of “pension age” and the substitution therefor of the following:

Amendment
of section 2

“pensionable age” means the age of sixty years;

3. Section *nineteen* of the principal Act is amended by the deletion of subsection (1) and the substitution therefor of the following:

Amendment
of section 19

(1) A member shall contribute to the fund at the rate of ten percent of the member’s pensionable emoluments except that the Minister may, in consultation with the Fund and based on an actuarial valuation undertaken to determine the financial sustainability of the Fund, by statutory instrument prescribe a lower or higher rate of contributions.

4. The principal Act is amended by the repeal of section *twenty-five* and the substitution therefor of the following:

Repeal and
replacement
of section 25

25. (1) A member shall be paid a retirement benefit in the form of an annuity at the rate of one seven hundred and twentieth of the retiring pensionable emoluments of the member for each completed month of the member’s continuous service.

Retirement
benefit

(2) A member may commute one-third or two-thirds of the member's retirement benefit for lump sum at the date of the member's retirement—

(a) if the member is retired under section *twenty-seven*, at the rate of twenty-eight ngwee for each one ngwee of annuity commuted; or

(b) if the member retires or is retired under section *twenty-six*, *twenty-eight* or *twenty-nine*, at the rate laid down for the member's age at the date of the member's retirement in the appropriate Schedules.

(3) Notwithstanding subsection (1) and (2), the Minister may, in consultation with the Fund and based on an actuarial valuation undertaken to determine the financial sustainability of the Fund, by statutory instrument prescribe the rate at which a retirement benefit is payable.

Repeal and replacement of section 26

5. The principal Act is amended by the repeal of section *twenty-six* and the substitution therefor of the following:

Retirement due to age

26. (1) Subject to subsection (2), a member shall retire on attaining the pensionable age.

(2) A member may retire on attaining the age of —

(a) fifty-five years if, twelve months before attaining that age, the member notifies the contributing employer of the member's intention to retire at that age and the employer approves the retirement; or

(b) sixty-five years if, twelve months before attaining the pensionable age, the member notifies the contributing employer of the member's intention to retire at the age of sixty-five years and the employer approves the retirement.

(3) A member who retires in accordance with subsection (1) or (2) shall be paid a retirement benefit.

Amendment of section 41

6. Section *forty-one* of the Principal Act is amended by the—

(a) insertion, immediately after paragraph (g), of the following new paragraph:

(h) providing for arrangements to ensure the protection of accrued pension rights as provided for in the Constitution and;

(b) renumbering of paragraph (h) as paragraph (i).

7. The principal Act is amended by the deletion of the words “pension age” wherever they appear and the substitution therefor of the words “ pensionable age ”.

General
amendment
