

Special State funding for elections

68. (1) There shall be established a fund to be known as "The State Electoral Fund" which shall be under the administration of the Commission and which shall comply with the following requirements:
- (a) The capital of the fund shall be constituted by -
 - (i) money appropriated by Parliament for this purpose, the amount to be determined by the Transitional Executive Council in consultation with the Minister of State Expenditure; and
 - (ii) such further amounts, if any, as may be contributed by donors, including foreign governments, inter-governmental and non-governmental organizations .
 - (b) The object of the fund shall be to provide registered political parties with financial assistance for purposes of conducting their electoral campaigns: Provided that no such assistance shall be utilized for the purposes of entertainment or for the purchasing of any immovable property.
 - (c) The Chief Executive Officer of the Commission shall be the accounting officer charged with the responsibility of accounting for all money received and the utilization thereof.
 - (d) The accounting officer shall cause such records of account to be kept as are necessary to present fairly the state of affairs of the said Fund and to explain the transactions and financial position thereof.
 - (e) The Auditor-General shall audit the books of account, accounting statements and annual financial statements of the said Fund.
 - (f) The Commission may invest any unexpended portion of money of the said Fund.
 - (g) The Commission may utilize the interest on investments referred to in subsection (7) in pursuance of the object mentioned in subsection (3).
 - (h) If a person who is or was in the employment of the Commission caused the said Fund any loss or damage the accounting officer shall determine the amount of such loss or damage and order the recovery thereof in accordance with section 34 of the Exchequer Act, 1975 (Act No. 66 of 1975).

- (i) In the event of the Commission or the said Fund being dissolved all assets of the Fund shall be utilized on the recommendation of the Commission for the purposes of the encouragement and promotion of democratic values.
- (j) There shall be the following two categories of financial assistance, namely:
 - (i) an initial grant payable to all registered parties on an equal basis and without discrimination on the basis set out in subsection (3); and
 - (ii) a grant payable to such registered parties after the results of the election had been determined, on the basis as set out in subsection (4).
- (2) The Commission shall at regular intervals report to the Transitional Executive Council on all income and expenditure in respect of the State Electoral Fund.
- (3) (a) The initial grant referred to in subsection (1)(j)(i) shall only be payable to a registered party, if an independent opinion poll or polls recognised and accepted by the Commission for that purpose shows that such a party has -
 - (i) in respect of an application for financial assistance to contest the election for the National Assembly, the potential support of at least 2% of the voters for that legislature; or
 - (ii) in respect of an application for financial assistance to contest an election for a regional legislature or legislatures, the potential support of at least 5% of the voters for the legislature or legislatures.
- (b) The requirements for the acceptance of such a poll or polls, shall be prescribed by the Commission: Provided that no such poll or polls should have been conducted earlier than six months before the final date on which parties have to submit their lists of candidates in terms of section 23;
- (c) A party may, when applying for registration as a party in terms of section 19, furnish the prescribed information in respect of the poll or polls on which that party intends to base its application for a grant, if any; and the Commission shall not later than 7 days after the date of the application notify the party concerned whether the poll or polls is accepted by the Commission or not;

- (d) If the opinion poll or polls referred to in paragraph (c) is rejected by the Commission, or if a registered party so decides on its own accord, such a party may prove its potential support by voters by submitting a list containing -
- (i) 10 000 signatures of eligible voters, of which at least 1 000 signatures shall be by voters from each of at least 5 regions, if that party applies for a grant to contest the election for the National Assembly; or
 - (ii) 3 000 signatures by voters from each such region in respect of which such party applies for a grant with the view of contesting the election in such region or regions.
- (e) (i) Subject to the provisions of subparagraph (ii), the procedure for the collection of signatures referred to in paragraph (d) and the circumstances under which a party can be disqualified from receiving such a grant, shall be prescribed by the Commission;
- (ii) an eligible voter -
- (aa) may only sign the support list of one party;
 - (bb) may sign both the lists referred to in paragraphs (d)(i) and (d)(ii) of a party;
 - (cc) shall state his full names, home address and identity number on the list or lists; and
 - (dd) shall, if he or she cannot sign or write his or her name, place his or her mark on the said list or lists, which mark shall be witnessed by an eligible voter by placing his or her signature next to that mark;
- (f) (i) The initial grant shall be payable from the money referred to in subsection (1)(a)(i): Provided that 50% of that money shall be utilized for this purpose; and provided further that a party making use of the method provided for in paragraph (d) shall only be entitled to 50% of the grant payable to a party referred to in paragraph (a) of this subsection;
- (ii) a party who is only contesting an election for a regional legislature shall, notwithstanding the provisions of subparagraph (i), be entitled to only one quarter of the grant payable to a party contesting the election for the National Assembly.

- (g) No party shall be allowed to apply for assistance under this subsection unless it has submitted the list of candidates referred to in section 23, and no party shall be eligible for a grant after the expiry of the period of 30 days referred to in section 23(1).
- (4) The grant referred to in subsection (1)(j)(ii) shall be payable from the remainder of the fund referred to in subsection (1)(a) in the following manner:
- (i) 50% shall be distributed equally amongst those parties who in terms of the total number of votes cast, are entitled to at least one seat in the National Assembly or a regional legislature: Provided that a party who only contested the election for a regional legislature shall be entitled to only one quarter of the grant payable to a party who contested the election for the National Assembly; and
 - (ii) the other 50% shall be payable to each such party proportional to the number of votes cast Nationally and regionally in favour of a party.
- (5) With the view to ensuring that the object as set out in subsection (1)(b) is being pursued by parties, it shall be a precondition for the payment of the grants that -
- (a) parties who are recipients of the grants shall be obliged to deposit such funds in an account specially opened for that purpose, and to keep separate books, accounts, or financial statements and vouchers of all assistance received and so deposited and expenditure incurred from that account;
 - (b) the Commission shall prescribe a requirement for audit in respect of the said account, and may further require that the books, accounts, financial statements and vouchers relating to that account be submitted for scrutiny and audit by the Auditor-General who shall have full and unrestricted access to such documentation as may be considered relevant.