

NGB STRATEGIC PLAN 2022-2027 FY



National Gambling Board
South Africa

a member of **the dtic** group



Abbreviations and Acronyms

AFS	–	Annual Financial Statements
AI	–	Accountable Institutions
APP	–	Annual Performance Plan
B-BBEE	–	Broad-Based Black Economic Empowerment
CCO	–	Chief Compliance Officer
CEO	–	Chief Executive Officer
CFO	–	Chief Financial Officer
COTII	–	Council for Trade and Industry Institutions
DPP	–	Department of Public Prosecution
DPSA	–	Department of Public Service and Administration
EA	–	Executive Authority
EBT	–	Electronic Bingo Terminal
FATF	–	Financial Action Task Force
FIC	–	Financial Intelligence Centre
FICA	–	Financial Intelligence Centre Act
FY	–	Financial Year
GDP	–	Gross Domestic Product
GGR	–	Gross Gambling Revenue
GRAF	–	Gambling Regulators for African Forum
GRC	–	Gambling Review Commission
HCO	–	Human Capital Optimisation
HDI	–	Historically Disadvantaged Individuals
HOD	–	Head of Department
HRBF	–	Horse Racing and Betting Forum
ICT	–	Information Communications Technology
IG	–	Interactive Gambling
IT	–	Information Technology
LPMs	–	Limited Payout Machines
MOU	–	Memorandum of Understanding
MSP	–	Master Systems Plan
MTEF	–	Medium Term Expenditure Framework
MTSF	–	Medium Term Strategic Framework
NCEMS	–	National Central Electronic Monitoring System
NDP	–	National Development Plan
NGA	–	National Gambling Act
NGB	–	National Gambling Board
NGPC	–	National Gambling Policy Council
NGR	–	National Gambling Regulator
NGRF	–	National Gambling Regulators Foundation
NPA	–	National Prosecuting Authority
NLA	–	National Lotteries Act
NRGP	–	National Responsible Gambling Programme

NT	–	National Treasury
PFMA	–	Public Financial Management Act
PLAs	–	Provincial Licensing Authorities
POCA	–	Prevention of Organised Crime Act
SARGF	–	South African Responsible Gambling Foundation
SAPS	–	South African Police Services
SCM	–	Supply Chain Management
SMME	–	Small medium and micro-sized enterprises
SOOG	–	Strategic Outcome Orientated Goal
SWOT	–	Strengths, Weaknesses, Opportunities and Threats
the dtic	–	The Department of Trade, Industry and Competition
TOWS	–	Threats, Opportunities, Weaknesses and Strengths
YoY	–	Year on Year

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Executive Authority Statement

The Annual Performance Plan (APP) identifies the outputs, output indicators and targets that an entity aims to achieve in the new financial year, and is guided by the five year vision of the Strategic Plan. The Executive Authority is responsible for providing direction on the development and implementation of policies and strategic priorities of entities in line with their respective mandates, and to ensure the Strategic Plan and APP are aligned to government's priorities.

The environment in which the APPs of the Department of Trade, Industry and Competition (the dtic) and our entities have been formulated remains challenging, given the impact of the COVID-19 pandemic, the July 2021 unrest and more recently the Russia/Ukraine war. At the same time, determined efforts by the Administration has seen signs of economic recovery and greater investor confidence in economic prospects. In this light, Government's priority focus continues to be the recovery of growth, investment and employment, guided by the Economic Recovery and Reconstruction Plan adopted in 2020, and the tasks outlined by President Ramaphosa in the 2022 State of the Nation Address.

This Strategic Plan is expected to take forward the strategic shift initiated in 2021/2022 toward strengthened implementation and impact of dtic's work, through greater integration of efforts within the department and our entities, guided by shared, crosscutting outcomes and joint performance indicators. In this regard, the

work of the dtic and the entities will be evaluated in relation to three over-arching Outcomes (which incorporate the previous "Joint-KPIs") namely Industrialisation; Transformation; and Capable State (Implementation/ Effective Delivery). In this way these Outcomes more deliberately and directly inform respective outputs and KPIs of the department and entities.

In turn, the scope of the outputs collectively still encompass the identified dtic's priorities, which include among others, the work of sector masterplans, initiatives to boost levels of investment and localisation in the economy, expanding trade within the continent, enabling better local economic development, supporting the growth of new industries (in the green economy and through beneficiation) and building a capable state, in particular addressing red tape as prioritised by the President in the 2022 State of the Nation Address.

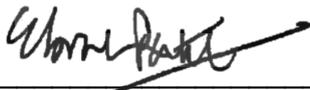
Every entity in the dtic has been requested to align their Strategic Plans and APPs to the three outputs, it being recognised that a particular entity's core business links more clearly and strongly to one or the other of the overarching Outcomes, than to others.

This Strategic Plan represents the outcome of the work done by the National Gambling Board. Following the tabling of the APP by the dtic itself, each entity of the Department will be expected to consider such additional refinement and additions to be made and following completion of the review, such an addendum to this Strategic Plan may be submitted in due course after the tabling.

This Strategic Plan is therefore not about many new objectives but rather on a new way of implementation, with the focus on integration, to enhance the development impact of the work.

I wish to thank the management for the work done and wish them well in executing the Strategic Plan and aligning their work to government's overall programmes and priorities.

I accordingly table the Strategic Plan for 2022 – 2027 in accordance with the request by the Speaker.



Mr Ebrahim Patel
Minister of Trade, Industry and Competition

Accounting Authority Statement

As the National Gambling Board (NGB) embarks on its long-term commitment of protecting punters from the over-stimulation of the latent need to gamble, by promoting gambling activities in a legal, safe and crime-free environment, it has reflected on the significant and ongoing effects of the unprecedented health and safety and economic challenges faced by South Africa arising from the coronavirus (COVID-19) pandemic. Enacting our vision becomes increasingly critical and will require an agile approach to the way gambling is regulated in order to meet expectations and support the industry on its economic recovery journey.

This document gives expression to the NGB's strategic priorities for the next five (5) years (2022-2027) as guided by Government's MTSF priorities 1 (Economic transformation and job creation) and 7 (A better Africa and world) as well as the South African Economic Reconstruction and Recovery Plan following the effects of the COVID-19 pandemic. These priorities form part of government's overarching aim to boost economic growth and enable deeper levels of economic inclusion and transformation. NGB's strategy is also based on the provisions provided in the NGA, in order to control, regulate and monitor gambling whilst preventing and minimising its harm.

During FY2020/21, the COVID-19 pandemic reached South Africa and created a nation-wide public health and economic crisis. The impact of the pandemic has no doubt had a negative effect on the gambling industry. However, the effects of the pandemic further

corroborate the need for the NGB to continue on its oversight role of the gambling industry to ensure that it pursues interventions to restore the economy while controlling the health risks and participating in building a sustainable, resilient and inclusive economy.

Through scanning of the external environment from a political, economic, social, technological, environmental and legal perspective, the NGB has identified opportunities as well as threats to the execution of its mandate. These opportunities and threats to the regulation of gambling have been linked to the internal elements of the organisation to develop lasting solutions that impact the regulated gambling industry in such a way that balances the economic gains and punter protection.

The NGB identified strategic outcomes as its focus areas for the next five (5) years (2022-2027) bearing in mind their contribution towards the achievement of the NDP Five-Year Implementation Plan and monitoring framework. The outcomes are broad-based public education, effectively monitored socio-economic patterns of gambling activity in the Republic, uniformity of legislation in the gambling industry, account for and identification of all legal gambling machines, devices and owners, licensed juristic and natural persons and excluded persons, and economic transformation and increased participation of Historically Disadvantaged Individuals (HDIs) in the mainstream gambling industry. The contribution of such outcomes to the overall impact of the gambling industry is dependent on key enablers to achieve the desired impact.

Through broad-based public education, the NGB endeavours to create a responsible gambler who is aware and educated on the risks associated with gambling as well as the socio-economic impact thereof.

To support improved industrial performance, dynamism and competitiveness of local companies, which is a priority of **the dtic** portfolio, the NGB aims to **effectively monitor socio-economic patterns of gambling activity in the Republic** by leveraging off of its access to national gambling information as well as authority to monitor gambling sector performance with respect to market share and market conduct. The NGB intends to work on competition and market structure issues that result in concentration and monopolies in order to report such practices to the relevant authorities for appropriate action to be taken as well as for consideration in the drafting of new legislation, policy and regulations.

Uniformity of legislation in the gambling industry is vital through the development of norms and standards to ensure that gambling laws and practices in South Africa are aligned and harmonized. This has a direct contribution towards creating an enabling environment in which investment in the industry can be accelerated and the ease of doing business enhanced, improving the levels of fixed investment in the economy.

Accounting for and identifying all legal gambling machines, devices and owners, licensed juristic and natural persons and excluded persons has a direct bearing on improving the capability of the state. The NGBs capability to

maintain National Registers allows for the promulgation of regulations for excluded persons. The NGB also has the ability to effectively monitor the LPM industry in real time and further has the opportunity of increasing monitoring capacity through the extension of the National Central Electronic Monitoring System (NCEMS) to all legal modes of gambling thereby improving competitiveness through the use of ICT. The ability to accurately capture gambling revenue through the NCEMS, allows for accurate determination of gambling taxes and levies used as government revenue for the provision of governments fiscal mandate.

The governments' growth reform of economic transformation and job creation will be addressed through NGB's outcome of **economic transformation and increased participation of Historically Disadvantaged Individuals (HDIs) in the mainstream gambling industry.** The organisation was committed to the development of an economic transformation agenda to increase HDI participation in the mainstream gambling industry. The transformation agenda will influence a gambling licensing regime that addresses distorted patterns of ownership in the gambling industry through SMME development and growth. Furthermore, the economic inclusion imperative can be addressed through imposition of local content requirements on services that are core gambling activities, for example the supply of gambling related services such as gambling machines and devices, and other associated services sourced from local suppliers. The localisation of procurement by the state is critical for purchase of goods and services manufactured locally. Encouraging and

investing in the local manufacturing of gambling machines and devices will help grow the local industry, and position it as a gateway to other African markets that will source their gambling machines and devices, and associated components from the South African market.

In this regard, commitment by all gambling industry role players, from national and provincial regulators to the gambling operators across all legal modes, is critical

towards enabling the gambling industry to play a role in achieving government's agenda to boost economic growth and enable deeper levels of economic inclusion and transformation.

The NGB's five-year Strategic Plan (2022-2027) will ensure the strengthening and execution of its mandate and embracing the fourth industrial revolution in relation to the regulation of gambling in South Africa.

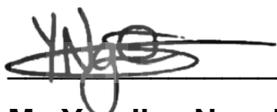


Ms Caroline Kongwa
Accounting Authority

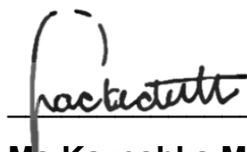
OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- Was developed by the management of the National Gambling Board under the guidance of the Executive Authority
- Takes into account all the relevant policies, legislation and other mandates for which the NGB adheres to.
- Accurately reflects the Impacts, Outcomes and Outputs, which the NGB will endeavour to achieve over the period 2022 – 2027.



Ms Yandisa Ngesi
Acting Chief Compliance Officer



Ms Kaveshka Mackerduth
Chief Financial Officer



Ms. Caroline Kongwa
Accounting Authority

Approved by:



Mr Ebrahim Patel
Minister of Trade, Industry and Competition

PART A: THE NATIONAL GAMBLING BOARD MANDATE

1. CONSTITUTIONAL MANDATE

The Constitution of the Republic of South Africa, 1996, Schedule 4, Part A sets out gambling as a concurrent legislative competence and lists casinos, racing, gambling and wagering (excluding lotteries and sports pools) as functional areas for both national and provincial government. Section 146 of the Constitution applies to a conflict between national legislation and provincial legislation falling within a functional area listed in Schedule 4.

In the Republic, the government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated. All spheres of government must observe and adhere to the principles of co-operative government and intergovernmental relations and must conduct their activities within the said principles.

2. LEGISLATIVE AND POLICY MANDATES

The NGB is established in terms of the NGA. The NGB is a Schedule 3A Public Entity in terms of the Public Finance Management Act (PFMA), 1999 (Act 1 of 1999). The mandate of the NGB is set out in sections 33 and 34, read with sections 32, 21 and 65 of the NGA, and these are:

- ✚ Oversight of gambling in the Republic of South Africa by:
 - Evaluating the issuing of national licences by the PLAs
 - Evaluating the compliance monitoring of licensees by PLAs
 - Conducting oversight evaluation of the performance of PLAs so as to ensure that the national norms and standards established by the NGA are applied uniformly and consistently throughout the Republic
 - Assisting PLAs to ensure that the unlicensed gambling activities are detected
- ✚ Monitoring of market conduct and market share
- ✚ Monitoring socio-economic patterns of gambling activity and research and identify patterns of the socio-economic impact of gambling and addictive or compulsive gambling
- ✚ Establishing and maintaining a national registry of every gambling machine or gambling device manufactured within or imported into the Republic, as well as maintaining all other legislator prescribed registers
- ✚ Investigate alleged unlawful winnings that emanate from unlawful gambling activities. If such winnings are found to be unlawful,

an application to the High Court for an order to declare the winnings forfeited to the State is made. Where winnings are deemed to be derived from legal gambling activities, funds are returned to the punter.

- ✚ Advising and providing recommendations to the NGPC on, amongst others, matters of national policy and legislative changes relating to gambling regulation.

Other mandates

The implementation of the NGB's mandate is also indirectly governed by the following legislation:

- ✚ Constitution of the Republic of South Africa, 1996
- ✚ Broad-Based Black Economic Empowerment Act (B-BBEE), 2003 (Act 53 of 2003)
- ✚ The Financial Intelligence Centre Act (FICA), 2001 (Act 38 of 2001)
- ✚ Cyber Crimes Act, 2020 (Act 19 of 2020)
- ✚ Protection of Personal Information Act, 2013 (Act 4 of 2013)
- ✚ Intergovernmental Relations Framework Act (IGRFA), 2005 (Act 13 of 2005)
- ✚ Competition Act, 1998 (Act 89 of 1998)
- ✚ Prevention of Organised Crime Act, 1998 (Act 121 of 1998)
- ✚ Public Finance Management Act (PFMA), 1999 (Act 1 of 1999)
- ✚ Criminal Procedure Act, 1977 (Act 51 of 1977)
- ✚ Films and Publications Act, 1996 (Act 65 of 1996)

- ✚ South African Police Service Act, 1995 (Act 68 of 1995)
- ✚ Standards Act, 2008 (Act 8 of 2008)
- ✚ Legal Metrology Act, 2014 (Act 9 of 2014)
- ✚ National Regulator for Compulsory Specifications Act, 2008 (Act 5 of 2008)
- ✚ Consumer Protection Act (CPA), 2008 (Act 68 of 2008)

Policy mandates

The NGA is premised on the National Gambling Policy, 2016 which informs the key performance outcomes of the NGB. These outcomes manifest through advice and recommendations to the NGPC on, amongst others, matters of national policy and legislative changes relating to gambling.

3. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD

There are various Government policies and plans which continue to inform the NGB's strategic direction and implementation of its mandate in order to achieve its intended outcomes. The NGB has aligned its strategy with the following:

- ✚ The National Development Plan (NDP), 2030
- ✚ The Medium-Term Strategic Framework 2019-2024
- ✚ The National Gambling Policy, 2016
- ✚ The South African Economic Reconstruction and Recovery Plan, 2020

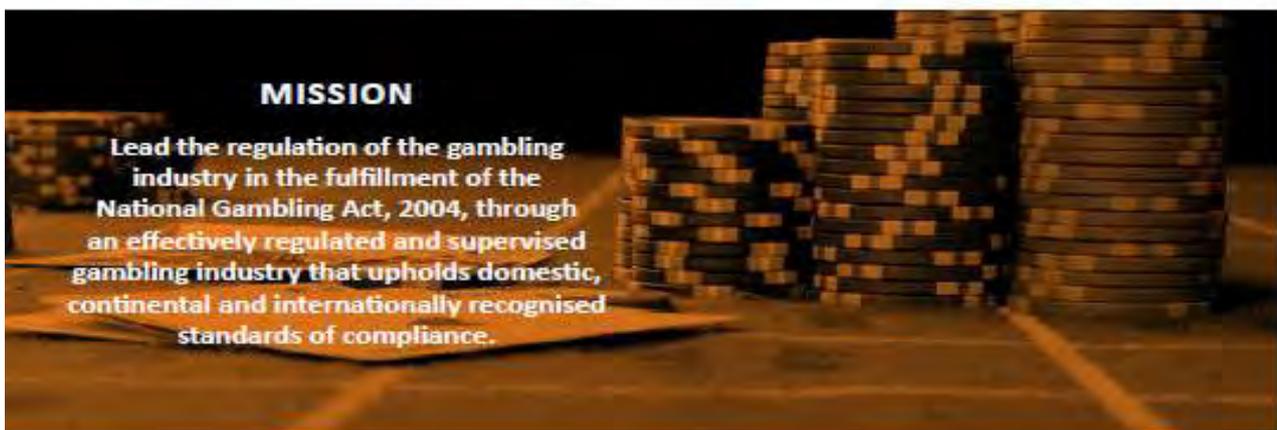
Table 1

NDP	Reimagined Industrial Policy	Government's MTSF Priorities	Government outcome	NGB Outcomes	Comment	
Decent jobs and sustainable livelihoods	Interventions to ease the cost of doing business	Priority 2 Economic transformation and job creation	More decent jobs created and sustained with youth, women, and persons with disabilities prioritised	Economic transformation and increased participation of HDIs in the mainstream gambling industry	Achieved by ensuring HDI participation in the gambling industry	
Inclusive social and economic development			Investing for accelerated inclusive growth	Uniformity of legislation in the gambling industry	This outcome will be achieved by creating an enabling environment in which investments can be accelerated and the ease of doing business is enhanced.	
				Economic transformation and increased participation of HDIs in the mainstream gambling industry	In its procurement of goods and services, the NGB endeavours to promote SMME development and growth.	
Expanding opportunities			Industrialisation, localisation and exports	Economic transformation and increased participation of HDIs in the mainstream gambling industry		
Sustainable investment and growth	Macro-economic reform and increased competition	Priority 7 A better Africa and world	Increased foreign direct investment and increased exports contributed in economic growth	Account for and identify all legal gambling machines, devices and owners, licensed juristic and natural persons and excluded persons	This outcome allows for the ability to accurately capture FDI flows as most of the manufacturing of gambling machines and devices is currently undertaken outside the domestic economy	
				Effectively monitored socio economic patterns of gambling activity within the Republic		
Capable developmental state			Increased and diversified exports resulted / contributed to an export-oriented economy	Economic transformation and increased participation of HDIs in the mainstream gambling industry		Imposition of local content requirements will create gambling export markets
			Increased intra-Africa trade	Economic transformation and increased participation of HDIs in the mainstream gambling industry		The NGB will encourage investment in local manufacturing of gambling machines and devices which will help grow the local industry and position SA as a gateway to other African markets.

4. RELEVANT COURT RULINGS

There are no relevant court rulings that have a significant, ongoing impact on operations or service delivery obligations.

PART B: THE NGB STRATEGIC FOCUS



5. SITUATIONAL ANALYSIS

The task of the NGB in regulating the industry remains complex with a changing gambling landscape. The financial year FY2020/21 saw the gambling industry in South Africa come to its knees following the outbreak of a global pandemic that led to a complete halt of the industry in the first quarter as well as subsequent re-opening of the gambling facilities at reduced capacity due to extensive COVID-19 health and safety guidelines adopted by the industry and adverse impact on revenue generation. The effects of the COVID-19 pandemic were clearly visible in the first quarter of FY2020/21, when the land-based industry was completely shut down for the first time in the history of its regulation which resulted in the negative performance of the industry during this period. Gambling revenues were down more than 50% owing to a nationwide lockdown being instituted.

FY2020/21 as a whole saw the gambling industry lose more than R10 billion in gambling revenue generating R23.3 billion in comparison to the previous year, with casino GGR declining the most by 50% from FY2019/20 owing to the effects of the COVID-19 pandemic. The share of casino revenue in total revenue declined below the 50% mark in terms of market share for the first time in ten (10) years. This was because the growth rate in casino operational positions was negative for three (3) consecutive years, the largest drop being in FY2020/21 due to COVID-19.

The COVID-19 pandemic, particularly took betting in South Africa to ground breaking levels due mainly to its continued accessibility even during the lockdown.

The betting sector overtook the casino market and became the biggest market share holder in terms of GGR.

Just three (3) years ago, gambling revenue was primarily drawn from the casino sector a land-based sector which generated 61% of total gambling revenue, as online gambling is prohibited in South Africa.

The effects of the COVID-19 lockdown however propelled changes to the gambling landscape as seen in the shift in market share towards the betting industry, an industry cutting across both the land-based fraternity and online. Betting revenue instantly made up 99% of revenue once the land-based landscape was completely shutdown as punters turned to betting as the only form of gambling available and accessible online. As at the end of the 2020/21 financial year it accounted for 45% of gambling revenue.

However, as the FY2021/22 commenced, the period depicted signs of recovery in some modes of gambling in the third wave of the pandemic and under eased lockdown. Money wagered in the betting industry in Q1 (R38.5 billion) was about double the amount wagered in the same period last year and even surpassed money wagered in Q1 FY2019/20 (R19.6 billion), before the COVID-19 pandemic existed. Betting GGR increased to R12.0 billion, more than seven-fold from the last financial year levels as well as pre-COVID-19 levels of R1.8 billion. In fact, Q1 alone of FY2021/22 managed to amass more betting GGR than that generated in the entire FY2020/21. Betting GGR in Q1 FY2021/22 was a record 71.8% of total

GGR with the Gauteng province generating the most betting GGR. GGR from casinos likewise increased in Q1 of the new financial year (R3.5 billion) compared with Q1 of the previous year but the revenues were still less than the pre-COVID-19 level of FY2019/20 Q1 (R4.6 billion).

The NGB will continuously monitor gambling sector performance despite the pandemic and national lockdown with the intention of keeping abreast of developments in the gambling industry in relation to the effects of the COVID-19 pandemic.

Regulators therefore have a great task of regulating gambling in this changing environment as well as making tough decisions concerning the combatting of online gambling. Informing the general public about the addictive potential of gambling is paramount, but more targeted awareness campaigns should be undertaken given each province's unique gambling landscape. These responsible gambling measures need to be undertaken by multiple stakeholders including gambling operators.

The gambling environment is continuously changing due to new technology with a host of new products coming into the market. This presents a challenge for a gambling regulator, as the NGB, and requires the regulator to be innovative and agile in achieving its objectives. To support improved industrial performance, dynamism and competitiveness of local companies, the NGB currently monitors the LPM sector through a technologically driven National Central Electronic Monitoring System (NCEMS) ensuring that

gambling revenues are accurately captured and allocated to the relevant stakeholders.

From a political perspective, the NGB has been involved in continuous deliberations on the National Gambling Amendment Bill, 2018. The purpose of the bill is to provide for the reconfiguration of the NGB to become the National Gambling Regulator (NGR) led by a Chief Executive Officer (CEO) without a board structure; the automatic forfeiture of unlawful winnings to the NGR; the extension of the NCEMS to other modes of gambling; and the enhancement of the powers of the national inspectorate to curb illegal gambling activities; amongst others.

The economic imperative to promote economic inclusion continues to be an opportunity for the NGB to contribute to the economic emancipation of Historically Disadvantaged Individuals by facilitating their participation in the mainstream gambling industry. As such, the NGB researches key gambling issues to inform the legislative and policy environment.

Economic and social challenges are key focus areas to be addressed by the NGB and the gambling industry. The current regulations attempt to address the economic challenges; however, work still needs to be done to ensure the proper application of these regulations.

Enhanced regulation from an enforcement perspective is required to enable mass monitoring of online traffic to identify gambling-related activities and gambling by minors, as well as prohibiting the offering of illegal online gambling services to the South African public. Improved

provisions in the legislation will enable enforcement officers to gather and consolidate intelligence about illegal gambling and to eventually blacklist illegal operators.

As part of its efforts, the NGB considers a need to strengthen relations with the PLAs and all stakeholders including the law enforcement agencies. Through collaborative efforts, appropriate dispute resolution mechanisms and the identification of illegal operators, an action plan to curb illegal gambling and focused awareness programmes can be designed to avoid inter-governmental disputes, overwhelming illegality in the gambling industry and promotion of responsible gambling respectively. The development of national enforcement strategies by multi-disciplinary law enforcement agencies and continuous collaboration is key to ensuring that detected illegal gambling activities receive the necessary attention.

The NGB will increase its efforts to provide education in terms of the risks and the socio-economic impact of gambling and to educate the public in the reporting of illegal gambling activities. The NGB will also increase its efforts to assist in the prosecution of operators who are found to be offering illegal gambling activities and the forfeiture of unlawful winnings to the State. It is a priority that there is the successful prosecution of illegal operators and that the public is informed about the consequences of participation in illegal gambling activities.

5.1 External Environmental Analysis

The NGB regularly scans the gambling environment to identify opportunities to

execute the NGB's mandate. The following key priorities have been identified which inform the implementation of the entity's strategy:

- a) To position the NGB strategically and advocate delivery in accordance with national gambling legislation
- b) Substantive review of the NGA
- c) Economic analysis of gambling in RSA
- d) Foster harmonisation and uniformity in the gambling industry
- e) Gaming control and regulation
- f) Position the NGB as a pre-eminent national regulator
- g) National repository for gambling-related information
- h) Engaging in opportunities which create platforms for the benefit of the country with reference to gambling law enforcement
- i) Enhance national enforcement capabilities to lead detection and combatting of illegal gambling in South Africa
- j) Leveraging from the mandates of other law enforcement agencies to advance gambling law enforcement
- k) Create an enabling environment that fosters foreign direct investment in this industry
- l) Determine the size and shape of the industry as reflected in the monitoring of market conduct and market share and reporting on gambling sector performance by the NGB
- m) Facilitate and monitor transformation of the industry in line with the B-BBEE Act and Codes of Good Practice
- n) Informing and educating the public and stakeholders about the socio-economic impact and risks of gambling

- o) Increased monitoring capacity of the NGB by extending NCEMS to all legal modes of gambling
- p) Conceptualisation on the best approaches to regulation of betting
- q) Regulate technologically advanced forms of gambling
- r) Promulgation of regulations for excluded persons
- s) Provision of alternative dispute resolution mechanisms to punters
- t) Increase of revenue base towards becoming a self-sustaining entity
- u) Conduct research on the socio-economic patterns and consequences of gambling
- v) Conceptualisation of cost-effective resolution of unlawful winnings
- w) Legislative reforms to effectively regulate gambling

The NGB has developed a strategy that is outcome-focused, considering gambling regulation expertise, leadership and regulatory certainty. The NGB has created a social dialogue with various stakeholders in the gambling industry locally, on the African continent and internationally. The rationale for the creation of such a broad forum is for conversations on gambling issues amongst all stakeholders and specifically regulators to enhance the NGB's capability to regulate the South African gambling industry.

Bilateral and multilateral agreements to permit enforcement across the South African borders would require regulators to work together to strengthen the capacity to prohibit and combat illegal gambling.

The successful prosecution of illegal operators is vital and the public should be informed of the consequences of

participation in illegal gambling activities. The aim is to provide education in terms of the risks and socio-economic impact of gambling. In addition, the public should be educated on their role in assisting the NGB in the identification and reporting of illegal gambling activities.

The legal industry is affected by the mushrooming of illegal gambling which creates direct unregulated competition and this scenario is of huge concern to regulators. For example, illegal gambling operators offer illegal online gambling to South Africans in such a way that the participation is perceived as legal. They provide step by step instructions to deposit money in Rand currency and advertise their business by referring to South Africans who won huge amounts of money thus encouraging (potential) gamblers to participate. In some instances, they publish the NGB logo and that of the South African Responsible Gambling Foundation, which gives a false impression that unregulated online gambling is legal in South Africa.

In the event illegal gambling operators are not pursued they are able to use their gambling offerings to mislead the public, and where there is a lack of knowledge regarding licensed and unlicensed forms of gambling by a punter the resultant effect would be participation in illegal gambling.

Lack of uniform and effective national policy implementation of the licensing regime (licensing forms of gambling, which are not envisaged from a national perspective), remains a challenge and is an ongoing debate. Gambling-related crimes are not regarded as a high priority offence by South African law enforcement agencies, thus creating a challenge to

manage the problem. Increased collaboration with the South African Justice System and joint monitoring and implementation of the national enforcement strategies by multi-disciplinary law enforcement agencies is key to ensuring that detected illegal gambling activities are alleviated.

South African financial institutions are frequently utilised as mediums of exchange between an online gambler and illegal online operators. Although banks play a huge role in detecting unlawful winnings, the scope of financial transactions that they deal with is extensive, hence, it becomes a challenge for banks to report financial transactions that specifically relate to illegal gambling winnings, which emanate from illegal gambling.

5.2 Internal Environment Analysis

The NGB, as the implementing agent of **the dtic**, is dependent on a financial grant from **the dtic**. However, the NGB raises additional revenue to deliver on all key performance areas as per the NGB's mandate.

The NGB has distinguished itself, based on effective systems, processes, resources and organisational culture, as an efficient, effective and well-recognised gambling regulator that maximises its potential for the benefit of stakeholders, staff and management. The following strategic human capital pillars have been identified for the next five (5) years in order to ensure that human capital issues are effectively addressed:

- a) Create a high-performance organisational culture, recognising teamwork and spirit
- b) Create a learning and development organisational culture
- c) Strategic talent acquisition and retention for organisational effectiveness
- d) An overhaul of the organisational reward strategy
- e) An integrated information management system
- f) Legislative compliance and diversity

The NGB is required to comply with the prescripts of the B-BBEE Act, 2003. As such, an assessment was conducted by a B-BBEE verification agency against the requirements contained in the B-BBEE generic scorecard applicable to government enterprises. The NGB was rated with a B-BBEE compliance Level 8 status i.e. a non-compliant entity. Notwithstanding this, the NGB will continue to implement measures to improve its compliance level and adhere to the letter and spirit of the B-BBEE Act, 2003.

ICT systems and processes are in place within the NGB. The ICT infrastructure is adequate and is positioned to enable the organisation to perform its functions effectively and efficiently thus ensuring that the NGB is able to deliver on its mandate.

Description of NGB strategic planning process

The NGB is committed to an ongoing, inclusive process of strategy development, planning, alignment and review. As an important part of this process, the NGB engages with its key stakeholders and obtains structured inputs into its planning and review process.

In developing the strategic plan, the NGB has considered the NDP as the overarching program that guides Government priorities of the current administration as well as the current MTSF 2019-2024. This is depicted in Table 1 which reflects the alignment of the NGB objectives, MTSF 2019-2024 and the objectives and vision of the NDP. Secondly, the priorities of **the dtic** were taken into account, to ensure that there is alignment between the NGB objectives and **the dtic** priority areas. In thus implementing its Strategic Plan, the NGB will work towards fulfilling the industry policy objectives as directed by the Minister of Trade, Industry and Competition.

A situational analysis was conducted to identify and evaluate the existing internal and external elements or environment that may impact on the NGB's ability to achieve its strategic objectives. This was performed through the use of a SWOT, PESTEL and TOWS analysis. The TOWS analysis was ultimately utilised to derive the NGB's outcomes.

The overall risk appetite of the organisation has been revisited to take stock of the new challenges in the external environment, changes in the regulatory framework, the internal control environment and the degree of oversight exercised by the NGB as a whole.

An updated risk register has been developed as part of the risk assessment of the new corporate strategy. The different programs of the NGB are underpinned by a budget that is based on the ability of the NGB to receive grant funding from **the dtic**, as well as the entity being in a position to generate its own revenue over the outer

lying years in the MTEF period. The overall financial plan takes into account the asset management plan to ensure the NGB has adequate levels of capital and liquidity to meet the regulatory and operational requirements on a sustainable basis.

Political

The strategic plan for FY2022-27 aligns with the vision of the administration that came into effect in 2019. The regulation of the gambling industry is influenced by policy, and new policy changes, such as possibly legalising online gambling, or a review of the concurrent legislative competency model, would logically impact how gambling is regulated in the country.

The National Gambling Policy, 2016 necessitated the amendment of the NGA. The National Gambling Amendment Bill of 2018, if passed, will provide an opportunity to bring about necessary amendments to the NGA, to address existing challenges and to introduce new approaches to enforcement against illegal gambling and better regulation of legal gambling.

Urgent attention should be given to the prescription of certain dates in terms of transitional provisions contained in the Schedule to the National Gambling Act, 2004, matters of excluded persons and national registers, re-certification of gambling machines and devices, the remittance of unlawful winnings to the NGB in terms of section 16 and Form NGB2.

Certainty is required to urgently and expeditiously deal with disputes between the NGB and PLAs regarding interpretation and implementation of the NGA; implementation of the B-BBEE Act, 2003; and alignment of laws to give effect to the

underlying spirit of co-operative governance. The existing challenges that hinder the effectiveness of the National Gambling Policy Council (NGPC) continue to impede the NGB achieving its mandate.

Economic

The introduction and legalisation of gambling in terms of the NGA ensures that revenue is generated for the country in a manner that fulfils the objects of the NGA. The economic contribution that the industry makes to the economy creates an enabling environment that will further facilitate job creation. Indeed, one of the economic benefits derived from the gambling industry in South Africa is its ability to generate revenue for the government, which supports the administration of fiscal policy in the form of government expenditure towards economic development, infrastructure improvement, building schools, and enhanced service delivery amongst others. Pre-COVID-19 era, the gambling industry has enjoyed year-on-year growth in GGR, which was a positive contribution to GDP. Gambling revenues reached R32 billion in FY2019/20. Taxes and levies derived from the industry amounted to R3.2 billion growing from previous financial years, displaying the need for continued and effective regulation of the industry and dialogue between stakeholders to lead to an economically sustainable gambling industry.

However, slow economic growth and recession due to the impact of the COVID-19 pandemic saw a reduction in gambling revenue to R23.3 billion and tax collection to R2.0 billion, which in turn, eroded revenue generation for government, and resulted in retrenchments in the industry.

Domestically, a high unemployment rate is a contributing factor to people choosing to gamble, especially through illegal gambling offerings. Such punters are driven by the desire to achieve economic freedom as a result of economic desperation. At the same time, other punters may well be aware of the legislation governing legal modes, but continue to participate in illegal modes of gambling, commonly unregulated online gambling, regardless of possessing the knowledge that it is illegal. In most cases, such punters are found to be the more affluent group driven to participate in illegal gambling mainly for entertainment and leisure purposes. Generally, a steady increase in disposable household income could increase the propensity to gamble as discretionary income increases. This practice is usually high during the festive season.

From an industry perspective, the NGB has also been observing slow industry transformation regarding B-BBEE. While licensed operators may be B-BBEE compliant due to such compliance being part of licence application requirements, there is a distinction to be made between black empowerment through control, and black empowerment through equity. Transformation in the form of equity transfer remains a challenge. The gambling industry is also encouraged to provide opportunities to new entrants, particularly the historically disadvantaged individuals, women and youth.

The gambling industry has also been transforming through a growing trend of mergers between operators, and this space needs to be monitored. On the one hand, mergers may be positive to the industry as the combining of skills,

resources and access can create new opportunities and provide longer-term stability. On the other hand, mergers between large role players can create monopolies that would stifle existing smaller competitors and create barriers to entry for prospective entrants that may be the very target of the transformation efforts of the government. However, there is regulatory uncertainty whether such mergers are anti-competitive or not, as no determination regarding this issue has been made. The NGB is of the view that this should be explored and resolved.

Social

The NGB is required to coordinate and ensure that society is protected against the over-stimulation of the latent need for gambling. This implies that as part of its strategic plan, the NGB should monitor the likely impact and negative effects of gambling on the community to ensure that there is increased awareness and education.

Persistent poverty and inequality contribute to gambling being perceived as an income-generating activity as opposed to a recreational activity, leading to more punters becoming involved in illegal gambling. Compulsive and addictive gambling is a huge social problem, as it affects not only the individual that is addicted, but also their families and society at large.

One social factor that can affect the gambling industry is the risk of a public health pandemic on citizens (potential punters and employees of gambling establishments) as well as gambling businesses following the nationwide

lockdowns and shutdowns of the industry for long periods, which may also result in punters seeking to partake in unregulated gambling activities. In addition, social distancing measures and curfews to mitigate the spread of such pandemics have the risk of decreasing the number of patrons in a gambling establishment and consequently affecting revenue generation going forward.

Another factor that can lead to over-stimulation is the accessibility of gambling through mobile devices, and in particular, to young people that favour the use of technology rather than traditional methods of gambling. As more young people gain access and are likely to use technology in various ways in their lives, it is important for the NGB to be vigilant of the growing population of a technologically literate generation and to identify strategies that will guide and assist this group with the awareness of the dangers of gambling.

Research has identified that the profile of the punter is changing – younger people (18-35 years) are engaging in gambling due to the evolution of gambling offerings. The use of mobile devices may further allow players to bet on the outcome of various contingencies simultaneously from the convenience of their location and may be encouraging new types of players and new styles of play. For example, the developers of games have identified that millennials find games of chance unappealing, and prefer games that incorporate the element of skill, and have adapted their offerings to target this market segment.

Advertising of gambling is also a factor, as it is not illegal to advertise, and licensed

operators also sponsor events and TV shows, which are aimed at having a wider reach into society to draw more punters to their offerings. This is also supported by the influence of social media platforms.

The NGB will continue to monitor the negative effects of gambling and has planned to increase its efforts to raise public awareness and provide targeted education interventions. This will include the use of technology such as social media to counter the risks of ignorance and misinformation and advocate responsible gambling.

Technology

Technology has always played a role in the development of gambling practices and continues to provide new market opportunities and simultaneously challenges for regulators. Specifically, technological advancement has a bearing on social interaction and communication (social networking), where new technologies skirt the gambling regulatory aspects.

The fourth industrial revolution (known as 4IR) is already upon us, and the regulatory environment is impacted by rapidly changing technology. New products and offerings are continuously developed through technology. We are already in a world of artificial intelligence, virtual reality and “the Internet of Things” (IoT), and the rate of change in itself is increasing. Faster internet connectivity (5G) will make NGB systems such as NCMS and the national registers more easily accessible, accelerate the collection of data and improve the efficiency of business processes. The result will be that through technology, the NGB will be able to fulfil its

mandate more efficiently. This also creates opportunities for new research to be conducted.

However, new ways of offering and accessing gambling as a result of technological advancement affect both regulation and enforcement. It opens the door to increased illegal gambling such as online gambling by minors due to access on mobile devices and gamblification. The use of mobile devices to partake in gambling will be a growing challenge to gambling regulators. The ease of access to gambling products as a result of mobile devices can potentially lead to over-stimulation and problem gambling.

At the same time, the constant arrival of inventions and innovation, such as virtual sports and Electronic Bingo Terminals (EBTs) place a strain on the effectiveness of existing regulations, which may be deficient as such technology did not exist at the time that such regulations were developed.

As gambling becomes diverse and embraces new technologies, it raises the question of whether the existing regulatory framework is agile and able to withstand the disruption that technology presents. The NGB has to consider whether it is necessary to develop a legal framework to regulate gambling products and services as opposed to the existing legal framework remaining technologically neutral.

Although technological advancements enable more gambling services to be offered online, the South African regulatory model favours the destination approach, as this requires some effort to gain entry to licensed gambling premises. These brick-

and-mortar establishments are now under threat as a result of the impact of technology, and this has had an impact on their profitability.

The NGB will continue to monitor the impact of technology through conducting research to build a knowledge base for advice to its stakeholders.

Environment

The imposition of smoking bans through the enactment of legislation is expected to further erode the profits of such operators, as they have to either invest in costly infrastructure development to be able to cater for both smoking and non-smoking areas or accept the risk of patrons that want to smoke abandoning them and thus forfeiting revenue. The NGB will monitor this risk through its oversight of compliance by operators.

The global issue of climate change continues to have a bearing on the global economy as well as the gambling industry. This is because the industry attracts tourists from all over the world who may be deterred from visiting the country by changes in climate conditions. From an operational point, the industry is a high user of electricity due to its nature of operations which usually constitutes a huge display of lavish bright lights, water sprays and air conditioning as well as servers that operate for 24 hours a day- all of which consume a lot of electricity. The NGB therefore will closely monitor opportunities to move towards a greener gambling industry through the use of renewable energy.

Legal

The law regarding the legalised modes of gambling is clear. However, the application of the NGA has identified various challenges. There is also a need to address the misalignment between the application of national and provincial legislation. Currently, there is an expectation that all provincial legislation is drafted to ensure alignment with the NGA. However, it is within the nature of legislation that while there may be agreement on what law states, there can often be disagreement on how to interpret what the law says. As a result, this can lead to inconsistency in the application of gambling laws, in the absence of clear norms and standards to ensure uniformity in approach from province to province.

Intervention from the NGPC will be required to resolve such matters.

5.2.1 SWOT analysis

Strengths

The NGB is empowered by the NGA to carry out its mandate. The NGA is the national legislation governing the regulation of the gambling industry, and it dictates how licensing is to be conducted by provinces. Provincial legislation thus exists only to support the NGA, but cannot conflict with it. This authority to evaluate the issuance of national licences and compliance monitoring of licensees by PLAs, by conducting oversight over PLAs for compliance with the NGA and provincial legislation is a key strength of the NGB.

The NGB has the authority and ability to monitor Gambling Sector Performance and

analyse trends in market share and market conduct and access international gambling information. This information is vital for the government to be constantly aware of the status of the industry, and to be able to make informed projections for future planning of governmental priorities. It is also critical for the assessment of the state and progress of transformation in the industry.

Gambling is a legal activity in South Africa. To ensure that the public is made aware of the risks and socio-economic impact of gambling, as well as what is legal and what is not, the NGB can conduct informed broad-based public education and awareness campaigns, both on its own and in collaboration with external stakeholders. The NGB can maximise its success through relationships with key stakeholders, and in various instances, the NGB has entered into Memoranda of Understanding, which enable the NGB to collaborate with other entities on matters of common interest.

The NGB is the only entity in the country that has a legal mandate to establish and maintain National Registers, including the NCEMS, which is a revenue generator.

Weaknesses

Despite the existence of empowering legislation, the NGA has limitations that hinder the conducting of enforcement activities.

The NGB has also identified that while it does provide broad-based public education and awareness campaigns, these do not reach a sufficient percentage of the intended target market, and the

consequence of this is that the mandate of the NGB is not communicated effectively to the public.

Opportunities

The NGB has also identified various opportunities. If the NGB can develop, implement and enforce national gambling industry norms and standards, this would bring about much-needed uniformity in the application of applicable legislative prescripts and would ensure the implementation of industry-related best practice.

Repositioning of the NGB and a substantive review of the NGA would enable the conceptualisation of better approaches to the regulation of new modes of gambling and more cost-effective resolution of unlawful winnings. This also provides an opportunity for the establishment of an ad-hoc National Gambling Tribunal to speedily resolve complaints that may arise between the punters and gambling operators.

The NGB is also able to leverage the legislative authority of other regulators and collaborate on matters of common interest to maximise achievement of the objectives of the NGB.

The NGB has the opportunity to address the needs of every involved stakeholder in the gambling industry efficiently and effectively through a broad-based national programme on the risks and socio-economic impact of gambling.

There is also the opportunity for the NGB to embrace rapid changes in technology to better regulate technologically advanced

forms of gambling. Technology can also be used by the NGB through the extension of NCEMS to all legal modes of gambling, thereby increasing its monitoring capability, improved regulation and government accountability for taxes and levies collected.

Threats

There is a lack of uniformity in the implementation of the NGA by PLAs due to concurrent legislative competence, which brings about anomalies.

Due to delays in amending the national regulatory framework, lacunae in the law are being exploited due to regulatory uncertainty, i.e. betting on the outcomes of lotteries.

Combating illegal gambling is also a challenge for the NGB due to the mushrooming of illegal gambling activities across the country. A further challenge is the lack of prosecution of illegal gambling operators due to illegal gambling not having been viewed as a high priority crime by law enforcement agencies.

Climate change poses a threat to the sustainability of the global economy and the gambling industry itself due to the industry's high-energy consumption.

5.2.2 TOWS analysis

The NGB can combine its strengths with its opportunities in various ways. Through its relationships with PLAs, it seeks to implement compliance measures for PLAs to achieve effective regulation.

In execution of its mandate, the NGB will leverage off the legislative authority of

stakeholders through collaborative initiatives to embark on broad-based public education and awareness campaigns in provinces. Ability to conduct informed broad-based public education and awareness campaigns through various modes of engagement will enable the NGB to address the needs of every involved stakeholder in the gambling industry efficiently and effectively through a broad-based national programme on the risks and socio-economic impact of gambling

The NGB will also undertake broad-based education and awareness initiatives to ensure the dissemination of research information to the public on local and international platforms. The NGB will research key gambling issues and priorities to inform policy development as well as to assist the NGB with fulfilling its mandate.

The NGB plans to improve its monitoring capability by extending NCEMS to other modes of gambling.

The NGB plans to advise the NGPC about developments in the gambling industry which may inform legislative and policy development. The NGB will monitor Gambling Sector Performance and undertake national and international benchmarks with other jurisdictions to inform the future landscape of the gambling industry in South Africa.

The NGB has identified the improvement of data collection regarding the national registers, by including data import functionality on the registers.

Finally, the NGB will use its mandate to influence the reduction of barriers to transformation in the gambling industry by

pursuing an industry transformation agenda.

PART C: MEASURING THE NGB PERFORMANCE

6. INSTITUTIONAL PERFORMANCE INFORMATION

“A regulated gambling industry that balances economic gains and punter protection”

Alignment to the dtic strategic plan

The Strategic Plan for the NGB covers the period 2022 – 2027, as well as the APP for FY2022 – 2025. To implement these plans, the NGB developed an impact statement which is aligned to **the dtic** strategic plan for FY2022 – 2027 and would be measured through various outcomes. These outcomes are aligned to the areas of institutional performance that are critical to the achievement of the mission of the NGB. These are intended to stretch and challenge the NGB, but simultaneously must be realistic and achievable over an MTSF cycle.

The Consumer and Corporate Regulation Branch (CCRB) is the division of **the dtic** that develops the policy and legislative direction for the NGB mandate.

CCRB has as its impact statement: *“improved regulatory environment that promotes competitive, fair and efficient markets as well as providing access to redress for economic citizens”*.

The NGB has aligned its strategy through the following impact statement for FY2022–2027:

This impact will be made through functional programmes within the NGB.

The Gaming Control and Compliance Division’s (GCCD) strategic priority is gaming control, compliance and enforcement, and it will have the impact of a compliant and transformed gambling industry where there is strengthened regulatory oversight over gambling activities and the gambling industry, functional national registers are maintained and strengthen enforcement over prohibited gambling and restricted activities . Further, the GCCD’s strategic priority is to enhance compliance with the NGA, and it will have the impact of ensuring that PLAs and their licences are evaluated in line with sections 33 and 34, read with section 66, of the NGA.

The Corporate Services and Research Division’s (CRSD) strategic priority is to conduct research on socio-economic impact of gambling and enhance stakeholder engagement and corporate services. It will have the impact of ensuring an educated, aware and responsible gambler on the risks associated with gambling as well as the socio-economic impact thereof as a result of effective broad-based education interventions and public awareness initiatives.

The division also provides support services to the NGB and will have the impact of enhanced operational efficiency and excellence through the infusion of technology and other means.

Lastly, the Finance and Procurement Division's (FPD) strategic priority is to optimise financial and supply chain management, and its impact will be efficient and effective financial and procurement systems and processes that enable the organisation to comply with the PFMA, and relevant legislation and function optimally.

Measuring the Impact

Impact Statement	A regulated gambling industry that balances economic gains and punter protection
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Measuring Outcomes

#	Outcome	Outcome Indicator	Baseline	Five-year target
1	Account for and identify all legal gambling machines, devices and owners, licensed juristic and natural persons and excluded persons	Percentage variance of up-time on the systems	There was a zero % variance on the uptime on the systems in FY2019/2020 and FY2020/2021	Within 5% variance of uptime on the systems
2	Economic transformation and increased participation of Historically Disadvantaged Individuals in the mainstream gambling industry	Development of an Industry wide transformation agenda Monitored PLA's on the increase in number of Historically Disadvantaged Individuals licenced in the gambling industry	A draft industry-wide transformation agenda was developed in FY2020/2021	Development of an industry-wide transformation framework
3	Effectively monitored PLA compliance with gambling legislation	Number of oversight evaluations conducted for PLAs compliance with gambling legislation	New	Twenty-seven (27) compliance oversight evaluations conducted for PLAs compliance with gambling legislation
4	Facilitated S16 confiscation of proceeds from illegal gambling activities	Reduction in the balance of proceeds from illegal gambling activities	New	100% reduction in the balance of proceeds from illegal gambling activities
5	Effectively monitored socio-economic patterns of gambling activity within the Republic	Publish and disseminate national integrated data and trend analysis to the gambling industry and regulators	Two (2) annual publications on national integrated data and trend analysis on the gambling industry in FY2019/2020 and FY2020/2021	Five (5) annual publications
6	Uniformity of legislation in the gambling industry	Authoritative advice on policy, statutory matters and legislation is provided to the dtic	Three (3) S65 advisory reports were submitted to the dtic on: <ul style="list-style-type: none"> • Norms and Standards – 2019/2020 • Future regulation of the gambling industry – 2020/2021 • The economic recovery and reconstruction plan for the gambling industry – 2020/2021 	Five (5) Advisory reports presented to the dtic
7	Broad-based public education	Percentage implementation of the broad-based public education programme	44% implementation of the broad-based public education programme	100% implementation of the broad-based public education programme

Explanation of Planned Performance over the Five (5) Year Planning Period

The contribution of outcomes towards the achievement of the NDP Five-Year

Implementation Plan, the Monitoring Framework for the NDP Five Year Implementation Plan, the mandate of the institution and priorities of women, children and people with disabilities, provincial priorities (where applicable).

The planned performance of the NGB over the five (5) year planning period intends to contribute towards the NDP Five-Year Implementation Plan, the Monitoring Framework for the NDP Five Year Implementation Plan, the mandate of the institution and priorities of women, children and people with disabilities, provincial priorities by leveraging our strategic internal factors to address external strategic factors. Through access to national gambling information as well as the authority to monitor gambling sector performance for market share and market conduct, the NGB intends to contribute towards identifying competition and market structure issues for consideration in the drafting of new legislation, policies and regulations. Enhanced competition can be a catalyst for inclusive growth and economic transformation by encouraging participation and entry of SMMEs in the gambling industry. Research that is planned, intends to address key gambling socio-economic issues to protect punters against the overstimulation of the latent need to gamble and inform the gambling legislative and policy environment. Competition and market structure issues in the gambling industry are also important considerations in socio-economic assessments when reviewing existing or drafting new legislation and policy.

The NGB's capability to maintain National Registers allows for the promulgation of regulations for excluded persons. The NGB also can effectively monitor the LPM industry in real-time and further has the opportunity of increasing monitoring capacity of all legal modes of gambling through extending the NCEMS thereby

improving competitiveness through the use of ICT.

Through targeted public education and awareness interventions and programmes, the broader spectrum of society, which includes women, children and people with disabilities, would be reached. These interventions and programmes will contribute to the reduction of poverty through responsible gambling whereby punters will gamble for entertainment as opposed to seeing gambling as a form of income generation. Targeted interventions and programmes will empower punters to gamble responsibly and make informed financial decisions regarding gambling.

Uniformity of legislation in the gambling industry is channelled to harmonising norms and standards within the industry to create an enabling environment in which investment in the industry can be accelerated and the ease of business be improved.

The current structure of the gambling industry is not reflective of an industry that is representative of the government transformation agenda. Changing the structure of the industry would result in it being more inclusive, sustainable, achieving appropriate sectoral balance with opportunities for all, integrated value-chains and fewer barriers to entry. To promote economic transformation and job creation as one of the government's growth reforms, a fundamental building block for sustainable long-run growth as outlined by the National Treasury in its Economic Transformation, Inclusive Growth and Competitiveness Paper is lowering barriers to entry and addressing distorted patterns

of ownership through increased competition and SMME growth.

The NGB has developed a draft transformation agenda as an intervention for lowering barriers to entry for HDIs in the mainstream gambling industry. This can be facilitated through a review of the gambling licensing regime to ensure that more HDIs can be granted licences to operate and the cost of compliance by smaller businesses is reduced. The transformation imperatives are addressed through the economic benefit derived from the gambling industry such as employment, infrastructure development, and enhancement of service delivery through government revenue collection.

Fair, equitable, transparent, cost-effective and competitive supply chain management processes create opportunities for previously disadvantaged people to participate in the economy of the country will be implemented. The NGB will continue to engage the services of B-BBEE compliant businesses in South Africa to advance the development of black-owned small businesses.

To this end, the NGB will contract with small businesses to further enterprise and supplier development initiatives. The NGB strives to adhere to the letter and spirit of the government's procurement policy with the ultimate goal of strengthened governance and compliance to address the imbalances of the past. Consequently, the NGB has set out to do business with companies that are at least 51% black-owned.

Efficient financial controls translate to savings within the organisation, enabling

the NGB to contribute towards the national revenue fund.

The rationale for the choice of the outcome indicators relevant to the respective outcomes

The rationale for the choice of the outcome indicators is in line with addressing ministerial priorities, to support improved industrial performance, dynamism and competitiveness of local companies and promote economic inclusion. The NGB seeks to achieve a functioning NCEMS that efficiently and effectively regulates the number of limited pay-out machines and devices registered; up to date knowledge on new and updated gaming technology as well as reporting on the number of compliant gambling machines and devices and excluded persons registered.

It will also be essential to ensure that national integrated data and information, as well as thought leadership papers, are developed, published and disseminated to the industry and regulators to effectively monitor socio-economic patterns of gambling activity within the republic to create a capable state that bases its policy decisions on evidence-based research.

Through the harmonisation and uniformity of norms and standards and legislation in the gambling industry, the NGB intends to improve the levels of fixed investment in the economy and this will be shown through authoritative advice on policy, statutory matters and legislation provided to the Minister.

Broad-based public education aims to have a responsible gambler who is aware and educated on the risks associated with

gambling as well as the socio-economic impact thereof. The outcome indicator will be measured at the beginning of the period under review to set a scientific baseline through surveys/research to measure the level of punter understanding of the risks and socio-economic impact of gambling.

The rationale for the choice of the outcome indicators relevant to the respective outcomes is to ensure optimal utilisation of financial resources and assets, avoid deficits, signal compliance with relevant legislation, avoid irregular, fruitless and wasteful expenditure and to achieve unqualified audit opinions. This will place the entity in good stead to contribute towards the entity's desired impact.

The pursuit of a transformation agenda allows the NGB to shift focus from growth in and of itself but towards the form and nature of such growth insofar as creating an inclusive, fair, equitable and transparent gambling industry. Consideration of ownership by HDIs will be a priority.

Explanation of enablers to achieve the five-year targets

The key enablers to achieve the five (5) year targets will be adequate financial resources, technology, and a skilled and capable workforce that has up-to-date capabilities aligned to the gambling industry.

A functional NCEMS will ensure the effective monitoring of gambling machines and devices, in the LPM sector. Functional national registers will ensure the effective monitoring of gambling machine and devices imported into South Africa, information sharing, probity reports and

register of excluded persons. Continued allocation of financial resources towards research will also enable the organisation to achieve five (5) year targets of publications on gambling.

Adequate financial resources will enable the wide reach of stakeholders across the country through various modes of communication tools and platforms.

Explanation of the outcome's contribution to the achievement of the impact

Through monitored socio-economic patterns of gambling activity within the republic and informed policy and legislative development, the outcomes will establish trends regarding addictive and compulsive gambling behaviour to recommend appropriate mitigation strategies aimed at protecting punters from over-stimulation.

The gambling sector performance trend analysis enables the NGB to monitor the viability and economic value derived from the gambling industry, which translates into government revenue, job creation and investment in infrastructure. Strengthened regulatory oversight over technological advancements in gambling products and devices and maintaining the functional national registers will ensure that new complex gaming products and technologies do not serve as catalysts for overstimulation, compulsive and addictive gambling behaviour whilst ensuring that adequate economic value is derived from the gambling industry value chain.

The economic transformation agenda seeks to impact on the increased economic participation and ownership of HDIs in the

gambling industry. The barriers to entry would have been minimised to enable ease of access.

Economic and social challenges are key focus areas to be addressed by the NGB and the gambling industry. The current regulations attempt to address the economic challenges, however, work still needs to be done to ensure proper application of these regulations. The NGB will ensure that, in the gambling industry, transformation takes priority. The inclusion of HDIs is critical in the issuance of licenses to ensure fair distribution of economic and employment opportunities. The evaluation of the performance of the PLAs with legislation will result in a crime-free and compliant gambling industry.

Effective oversight of PLA compliance with gambling legislation will ensure a balancing act between economic gains and punter protection.

Also, the contribution of the outcomes will be measured through a research study to assess the effect of punter protection through the demonstration of an educated, aware and responsible gambler.

Implementing actions directed at combating illegal gambling will ensure the protection of the locally generated economy and punter protection against adverse effects of illegal gambling.

Sharing of information about illegal gambling activities and the development of capacity among stakeholders and the public will contribute to the NGB achieving its objectives.

Alignment of outcomes to the Economic Reconstruction and Recovery Plan

The South African Economic Reconstruction and Recovery Plan has three phases: Engage and Preserve - which includes a comprehensive health response to save lives and curb the spread of the pandemic; Recovery and Reform - which includes interventions to restore the economy while controlling the health risks; and lastly, Reconstruct and Transform - which entails building a sustainable, resilient and inclusive economy.

The strategic outcomes laid out by the NGB for FY2022-2027 were specifically set to complement contributions to the South African Economic Reconstruction and Recovery Plan. Through effectively monitored socio-economic patterns of gambling activity within the Republic, the organisation intends to pursue priority interventions as spelled out in the broad South African Economic Reconstruction and Recovery Plan by keeping abreast with the performance of the gambling industry in so far as its contribution to economic growth, jobs, infrastructure investment and from a social standpoint, the continued protection of punters against the negative consequences of problem and addictive gambling, are concerned.

To ensure the successful implementation of the South African Economic Reconstruction and Recovery Plan one of the key enablers to be put in place are regulatory changes - a supportive policy environment and enabling conditions for ease of doing business. This the NGB has endeavoured to address through its outcome to ensure uniformity of legislation in the gambling industry so as to create

harmony and a fair playing field for gambling businesses to thrive and consequently create sustainable employment opportunities. To ensure the promotion of employment orientated strategic localization, reindustrialization and export promotion, the NGB will also over the next five (5) years account for and identify all legal gambling machines, devices and owners, licensed juristic and natural persons and excluded persons whilst pushing forward the need for special economic zones to foster the local manufacturing of gambling devices and machines and graphic design to promote entrepreneurship as a job creation strategy.

Some of the structural reforms to support economic reconstruction and recovery including lowering barriers to entry to make it easier for businesses to start, grow, and compete and creating greater levels of economic inclusion, include addressing high levels of economic concentration.

The NGB intends to pursue this through its outcome to promote for the gambling industry, Economic transformation and increased participation of HDIs in the mainstream gambling industry, monitoring the number of HDIs licenced in the gambling industry. Lastly to boost education and skills development as part of supporting the economic reconstruction and recovery, the NGB will undertake broad-based public education to ensure the public is continuously informed on the negative social consequences of gambling.

Key Risks and mitigations

Risk #	Outcome	Key Risk	Risk Mitigation
1	Account for and identify all legal gambling machines, devices and owners, licensed juristic and natural persons and excluded persons	<ul style="list-style-type: none"> No centralised gambling-related information accessible to stakeholders Inability to place reliance on the third party related gambling information Vulnerability of national registers to cyber attacks Lack of integrity of data to make informed decisions Inability to access credible gambling-related data 	<ul style="list-style-type: none"> Registers are hosted in a high availability data centre Continuous back up of data on registers Approved disaster recovery plan Verification of captured data
2	Economic transformation and increased participation of Historically Disadvantaged Individuals in the mainstream gambling industry	<ul style="list-style-type: none"> Failure of HDIs participating in the mainstream gambling industry due to existing high barriers to entry Failure of the gambling industry to meet economic development imperatives Failure by the industry to embrace the transformation agenda 	<ul style="list-style-type: none"> Incorporate transformation agenda in the regulatory framework Set norms and standards Facilitate the expansion of economic opportunities for HDIs in the mainstream gambling industry
3	Effectively monitored PLA compliance with gambling legislation	Lack of cooperation by PLAs	<ul style="list-style-type: none"> Engaging PLAs during preplanning of engagements Regular and improved communication with PLAs
4	Facilitated S16 confiscation of proceeds from illegal gambling activities	<ul style="list-style-type: none"> Incomplete information received from reporting entities. Improper investigation process followed 	<ul style="list-style-type: none"> Collaborations with banks, gambling operators and PLAs in detecting suspected unlawful gambling winning transactions Implementing unlawful gambling winnings standard operating procedures.
5	Effectively monitored Socio economic patterns of gambling activity within the Republic	<ul style="list-style-type: none"> Incorrect and omitted gambling statistics presented to the NGB by PLAs Undetected unfair competition due to failure to monitor market share and market conduct 	<ul style="list-style-type: none"> Ongoing communication with PLAs Audit of gambling statistical information Trend analysis about growth in gambling sectors, licensing and ownership
6	Uniformity of legislation in the gambling industry	<ul style="list-style-type: none"> Failure to implement the NGA due to misalignment in legislation as a result of concurrent competencies Gaps in compliance due to concurrent competencies 	<ul style="list-style-type: none"> Table advice to the dtic and NGPC
7	Broad-based public education	<ul style="list-style-type: none"> Ineffective broad-based public education and awareness campaigns on the risks and socio-economic impact gambling Lack of financial resources to conduct research to identify patterns, causes and consequences of the socio-economic impact of gambling to inform broad-based public education programmes 	<ul style="list-style-type: none"> Development and implementation of broad-based public education programme Continuous in-house research to inform and guide policy and practice on broad-based public education

7. FINANCIAL PLAN

The NGB will rely on its two main sources of revenue [grant revenue and limited payout machine (LPM) monitoring fees] to execute the strategic plan and annual performance plan. It is projected LPM fees will account for approximately 80% of total revenue, while the grant revenue is expected to contribute an estimated 12% of total revenue. The balance of the revenue will be derived from interest earned on short-term investments. It must be noted that while the LPM monitoring fees will contribute a significant portion of the estimated revenue, a corresponding expenditure of

83.33% will be incurred to defray NCEMS service fees.

7.1 Expenditure Trends

Expenditure on goods and services is set to increase from R232,3 million in 2021/22 to R273.3 million in 2026/27. Goods and services will account for a significant portion of expenditure, largely attributed to the operations of one of the national registers, the National Central Electronic Monitoring System.

Table 1: Income and Expenditure

R Thousand	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	AUDITED OUTCOME			BUDGET ESTIMATE					
R Thousand									
Revenue									
Grant from the dtic	32 624	33 797	31 027	35 928	36 477	36 836	38 641	40 573	42 602
NCEMS monitoring fees	202 034	220 338	146 064	200 500	212 500	216 000	219 105	223 487	227 957
Interest received	3 018	3 801	2 315	3 720	3 744	4 100	3 744	3 931	4 128
Rental income	4 423	4 408	2 237	0	0	0	0	0	0
Other miscellaneous income	-		0	0	0	0	0	0	0
Total Revenue	242 099	262 344	181 643	240 148	252 721	256 936	261 490	267 991	274 687
Expenditure									
Employee costs	25 390	33 774	38 005	41 324	43 663	46 143	48 771	51 697	54 799
Subsistence & travel	6 151	4 062	0	1 435	1 435	1 435	1 435	1 507	1 582
Administration costs	12 323	14 384	9 726	10 107	11 247	12 920	12 920	13 566	14 244
NCEMS service fees	168 362	183 615	121 720	167 083	177 083	182 588	182 588	186 240	189 965
Professional services	4 288	6 873	5 082	5 273	6 172	6 622	6 672	4 954	4 955
Depreciation	2 538	3 158	3 193	3 230	3 230	3 230	3 230	3 295	3 360
Other operating expenses	4 163	5 167	2 356	3 818	3 843	3 842	3 842	4 034	4 236
Total Expenditure	223 215	251 033	180 082	232 270	246 673	256 780	259 458	265 293	273 141
Surplus / (Deficit)	18 884	11 311	1 561	7 878	6 048	156	2 032	2 699	1 545

7.2 Asset and liability management

It is projected that the NGB's assets will be adequate to cover total liabilities throughout the entire MTEF period. All tangible assets have been insured with a reputable registered insurer.

7.3 Cash flow projections

The cash flow projections below reflect a decline in cash receipts from the LPM industry as the economy is expected to continue to be on a downward trajectory, owing to the impact of COVID-19.

Table 2: Cash flow projections

Cash Flow Description	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	AUDITED OUTCOME			BUDGET ESTIMATE					
R Thousand									
Cash receipts from stakeholders	241 644	269 614	178 794	240 148	252 721	253 436	261 490	267 991	274 686
Tax receipts	-	-	-	-	-	-	-	-	-
Rent received	2 277	8 000	3 709	-	-	-	-	-	-
Transfers received	32 624	33 797	31 027	35 928	36 477	36 836	38 641	40 573	42 602
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest	2 993	3 779	2 306	3 720	3 744	4 100	3 744	3 931	4 128
Rent on land	-	-	-	-	-	-	-	-	-
Limited payout machine monitoring fees	203 750	224 038	141 752	200 500	212 500	212 500	219 105	223 487	227 957
Cash paid to stakeholders	236 289	253 445	177 502	229 040	243 443	253 550	256 228	261 998	269 781
Current payments	236 289	253 445	177 502	229 040	243 443	253 550	256 228	261 998	269 781
Compensation of employees	31 882	33 824	38 145	41 324	43 663	46 143	48 771	51 697	54 799
Goods and services	204 407	219 621	139 357	187 716	199 780	207 407	207 457	210 301	214 982
Cash flow from operating activities	5 355	16 169	1 292	11 108	9 278	-114	5 262	5 993	4 905
Cash flow from investing activities	-2 826	-458	-1 637	-400	-420	-441	-463	-486	-511
Cash flow from financing activities	405	294	253	267	267	400	267	267	282
Net increase / (decrease) in cash and cash equivalents	2 934	16 005	-92	10 975	9 125	-155	5 066	5 774	4 677

7.4 Capital expenditure programmes

Capital expenditure projects for the medium term will be limited to the replacement of computers as they reach the end of their useful lives.

7.5 Dividend policies

The NGB is a Schedule 3A Public Entity established in terms of the National Gambling Act, 2004. The organisation is funded from grant allocations from the dtic. The dividend policy does not apply to the NGB.

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

The NGB has developed a set of Technical Indicator Description (TID) in line with the identified outcomes and outcome indicator. The purpose of the TID is to track ongoing performance. These indicators also reflect equity concerns and value for money in the use of resources.

In developing the indicators, specific attention was given to developing indicators that define the data collection processes, gathering of portfolios of evidence and acceptable level of performance at the beginning of the planning cycle. TID are reliable, well defined, verifiable, cost-effective, appropriate and relevant. Indicators developed meet the SMART criteria (specific, measurable, accurate, relevant and timely).

		TID 1
#	Indicator title	Percentage variance of uptime on the systems
1	Definition	<ul style="list-style-type: none"> • Integrated information portal to access gambling-related information
2	Source of data	<ul style="list-style-type: none"> • PLAs, manufacturers and licensees
3	Method of calculation/assessment	<ul style="list-style-type: none"> • Simple count • Analysis of data about gambling machines and devices, probity, and excluded persons. • Percentage variance to remain within a 5% uptime on the systems. • Cumulative
4	Assumptions	<ul style="list-style-type: none"> • Availability of valid, accurate and complete data uploaded for licenced gambling machines and devices or excluded persons as and when required by the NGB for purposes of monitoring, evaluation and reporting
5	Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • N/A
6	Spatial transformation (where applicable)	<ul style="list-style-type: none"> • N/A
7	Reporting cycle	<ul style="list-style-type: none"> • Annually
8	Desired performance	<ul style="list-style-type: none"> • Fully compliant with targeted performance
9	Indicator responsibility	<ul style="list-style-type: none"> • Chief Compliance Officer

TID 2.1		
#	Indicator title	Development of an industry-wide transformation agenda
1	Definition	<ul style="list-style-type: none"> • Research reports on transformation
2	Source of data	<ul style="list-style-type: none"> • Government policy, legislation, research empirical evidence
3	Method of calculation/assessment	<ul style="list-style-type: none"> • One (1) report per year , [five (5) reports over the five (5) year reporting period] on industry-wide transformation agenda
4	Assumptions	<ul style="list-style-type: none"> • Implementation of the transformation agenda will create an enabling environment for the gambling industry to grow • Implementation of the transformation agenda will expand the small business sector • Equitable and inclusive gambling industry
5	Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • N/A
6	Spatial transformation (where applicable)	<ul style="list-style-type: none"> • N/A
7	Reporting cycle	<ul style="list-style-type: none"> • Annually
8	Desired performance	<ul style="list-style-type: none"> • Fully compliant with targeted performance
9	Indicator responsibility	<ul style="list-style-type: none"> • Chief Compliance Officer

TID 2.2		
#	Indicator title	Monitored PLAs on the increase in number of Historically Disadvantaged Individuals licenced in the gambling industry
1	Definition	<ul style="list-style-type: none"> Analysis of the number of HDIs that have been granted access to economic opportunity through the issuance of gambling licences
2	Source of data	<ul style="list-style-type: none"> Government policy, legislation, research empirical evidence, PLAs data
3	Method of calculation/assessment	<ul style="list-style-type: none"> One (1) report per year, [five (5) reports over the five (5) year reporting period] on HDIs licenced in the gambling industry
4	Assumptions	<ul style="list-style-type: none"> Implementation of the transformation agenda will create an enabling environment for the gambling industry to grow Implementation of the transformation agenda will facilitate the expansion of the small business sector Equitable and inclusive gambling industry Implementation of the identification of possible features that stifle competition will create an enabling environment for the gambling industry to grow
5	Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> N/A
6	Spatial transformation (where applicable)	<ul style="list-style-type: none"> N/A
7	Reporting cycle	<ul style="list-style-type: none"> Annually
8	Desired performance	<ul style="list-style-type: none"> Fully compliant with targeted performance
9	Indicator responsibility	<ul style="list-style-type: none"> Chief Compliance Officer

TID 3		
#	Indicator title	Number of oversight evaluations conducted for PLAs compliance with gambling legislation
1	Definition	<ul style="list-style-type: none"> • Evaluation of compliance of PLAs with gambling and applicable legislation conducted
2	Source of data	<ul style="list-style-type: none"> • PLAs records, legislation
3	Method of calculation/assessment	<ul style="list-style-type: none"> • Compliance per province with applicable legislation [Nine (9) PLAs / provinces annually and (9*3) twenty-seven (27) over the three-year period – balance of the MTSF cycle]]
4	Assumptions	<ul style="list-style-type: none"> • Co-operation from PLAs i.e. submission of all requested information required to conduct oversight
5	Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • N/A
6	Spatial transformation (where applicable)	<ul style="list-style-type: none"> • N/A
7	Reporting cycle	<ul style="list-style-type: none"> • Annually
8	Desired performance	<ul style="list-style-type: none"> • Fully compliant with targeted performance
9	Indicator responsibility	<ul style="list-style-type: none"> • Chief Compliance Officer

TID 4		
#	Indicator title	Reduction in the balance of proceeds from illegal gambling activities
1	Definition	<ul style="list-style-type: none"> The investigation of confiscated unlawful gambling winnings cases that are reported to the NGB. Undertaking applications to the High Court for forfeiture of unlawful gambling winnings. Remittance of unlawful winnings to the State.
2	Source of data	<ul style="list-style-type: none"> Banks, PLAs, gambling operators, NGB2 forms
3	Method of calculation/assessment	<ul style="list-style-type: none"> Simple count Rand values: (Opening balance less closing balance) divided by opening balance Increase in the number of cases investigated within the relevant financial year All cases take 30 days to investigate (Cases received between 1st of March to 31st of March of each financial year will be excluded from the calculation. These cases will be included in the subsequent month of the next financial year)
4	Assumptions	<ul style="list-style-type: none"> All required, complete and accurate documentation from banks and other third parties submitted to the NGB for investigation
5	Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> N/A
6	Spatial transformation (where applicable)	<ul style="list-style-type: none"> N/A
7	Reporting cycle	<ul style="list-style-type: none"> Annually
8	Desired performance	<ul style="list-style-type: none"> Fully compliant with targeted performance
9	Indicator responsibility	<ul style="list-style-type: none"> Chief Compliance Officer

TID 5		
#	Indicator title	Publish and disseminate national integrated data and trend analysis to the gambling industry and regulators
1	Definition	<ul style="list-style-type: none"> Gambling sector performance reports about market share and market conduct in the gambling industry
2	Source of data	<ul style="list-style-type: none"> Information submitted by PLAs as required quarterly and annually
3	Method of calculation/assessment	<ul style="list-style-type: none"> One (1) publication per year [five (5) publications over the five (5) year reporting period]
4	Assumptions	<ul style="list-style-type: none"> PLAs submit valid, accurate and complete data timeously as and when required by the NGB for purposes of reporting
5	Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> N/A
6	Spatial transformation (where applicable)	<ul style="list-style-type: none"> N/A
7	Reporting cycle	<ul style="list-style-type: none"> Annually
8	Desired performance	<ul style="list-style-type: none"> Fully compliant with targeted performance
9	Indicator responsibility	<ul style="list-style-type: none"> Chief Strategic Adviser

TID 6		
#	Indicator title	Authoritative advice on policy, statutory matters and legislation is provided to the dtic
1	Definition	<ul style="list-style-type: none"> • Authoritative advice on, <i>inter alia</i>, policy, statutory matters, legislation and reforms provided in terms of S65(2) of the NGA
2	Source of data	<ul style="list-style-type: none"> • Legislation in the Republic of South Africa, the Constitution, the NGA and Regulations, requests for advice, proactive advice, King IV on governance and provincial legislation
3	Method of calculation/assessment	<ul style="list-style-type: none"> • One (1) advisory report per year [five (5) reports over the five (5) year reporting period)
4	Assumptions	<ul style="list-style-type: none"> • Advice provided will be implemented and legislation and policies will be reviewed
5	Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • N/A
6	Spatial transformation (where applicable)	<ul style="list-style-type: none"> • N/A
7	Reporting cycle	<ul style="list-style-type: none"> • Annually
8	Desired performance	<ul style="list-style-type: none"> • Advice to be fit for use and to add value
9	Indicator responsibility	<ul style="list-style-type: none"> • Chief Strategic Adviser

TID 7		
#	Indicator title	Percentage implementation of the broad-based public education programme
1	Definition	<ul style="list-style-type: none"> Report on the percentage implementation of broad-based public educational interventions about the risks and socio-economic impact of gambling conducted
2	Source of data	<ul style="list-style-type: none"> Research, public awareness, education and responsible gambling campaigns, broad-based public education and targeted interventions
3	Method of calculation/assessment	<ul style="list-style-type: none"> Percentage implementation of the broad-based public educational interventions about the risks and socio-economic impact of gambling conducted over the 5 years. (Year 1 – 20%; Year 2 – 20%; Year 3 – 20%; Year 4 – 20%; Year 5 – 20% which totals 100% over 5 years)
4	Assumptions	<ul style="list-style-type: none"> All stakeholders will participate in the scheduled interventions
5	Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> N/A
6	Spatial transformation (where applicable)	<ul style="list-style-type: none"> N/A
7	Reporting cycle	<ul style="list-style-type: none"> Annually
8	Desired performance	<ul style="list-style-type: none"> Stakeholders that are well informed and educated through targeted interventions
9	Indicator responsibility	<ul style="list-style-type: none"> Chief Strategic Adviser



National Gambling Board
South Africa

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