



PORTFOLIO COMMITTEE ON TRADE, INDUSTRY AND COMPETITION

**Briefing by the NGB on its 2026/27 Annual
Performance and Strategic Plans**

24 June 2026

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1. NGB MANDATE

- ❖ **Oversight of gambling in the Republic of South Africa:**
 - 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 of South Africa;
 - 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 to identify patterns of the socio-economic impact of gambling and addictive or compulsive gambling.**
- ❖ **Establishing and maintaining a national registers.**
- ❖ **Advising and providing recommendations to the National Gambling Policy Council (NGPC) on, amongst others, matters of national policy and legislative changes relating to gambling.**
- ❖ **Providing a broad-based public education national programme on the risks and socio-economic consequences of gambling.**



2. OVERVIEW OF NGB

- The National Gambling Board is established in terms of the National Gambling Act, 2004. The NGB is a Schedule 3A Public Entity in terms of the Public Finance Management Act (PFMA), 1999 (Act 1 of 1999) under the Executive Authority (EA) of the Minister of Trade, Industry and Competition.
- The gambling regulatory framework is a **concurrent competency** between the national and provincial government. Four (4) modes of gambling are regulated, namely Casinos, Betting on Horse Racing and Sport, Limited Pay-out Machines (LPMs) and Bingo.
- National government establishes and enforces rules that ensure fairness, transparency, and competition in the gambling industry. Further, it **sets norms and standards for the industry to ensure uniformity in the laws** of the various provinces in relation to casinos, racing, gambling and wagering.
- The Nine (9) Provincial Licensing Authorities (PLAs) are thus responsible for **issuing licenses and monitoring, supervising and enforcing compliance** by licensees within their respective provinces.
- The NGB achieved its 9th consecutive clean audit in the 2024/25 financial year due to various efficiencies it gained over the year.



3. ORGANIZATIONAL STRUCTURE



4. SITUATIONAL ANALYSIS

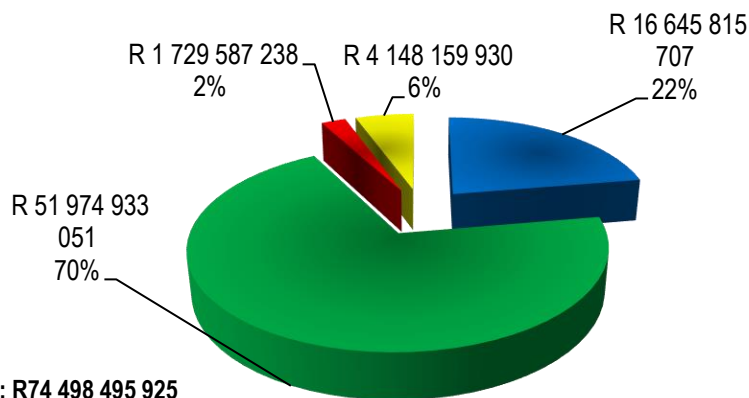
- ❑ NGB has experienced some institutional challenges that have constrained its ability to operate as an effective regulatory entity. **Policy uncertainty linked to the pace of technological trends** affecting the gambling industry **such as online gambling** as well as regulatory ambivalence between the entity and provincial licensing authorities has further undermined coherence and consistency in enforcement.
- ❑ These factors, coupled with stakeholder disengagement, have collectively weakened the NGB's ability to effectively fulfil its mandate.
- ❑ In response to these institutional challenges NGB through this Strategic Plan will prioritise the **restoration of governance, leadership stability**, and institutional coherence to rebuild the organisation's effectiveness and credibility.
- ❑ To address policy uncertainty and regulatory ambiguity, the NGB will collaborate closely with **the dtic**, to fast-track legislative review and policy alignment in response to changes in the gambling landscape.
- ❑ The NGB's emphasis on **collaboration with PLA's** is crucial. By fostering strong partnerships with the PLA's, the NGB can meaningfully lead in the regulation of the gambling industry and optimally fulfil its oversight role, more especially in the creation of **norms and standards** for the gambling industry.
- ❑ Rebuilding stakeholder trust and engagement will be a central focus. By re-integrating and participating in strategic forums such as the **Chairpersons** and **CEO's** as well various sub-committees of these forums such as Legal and Compliance, Enforcement Committee, Compliance and Operations and IT, the NGB is showcasing its commitment to a collaborative approach and renewed partnerships.
- ❑ The NGB promotes a transformed and inclusive gambling sector by encouraging the participation of **youth, women and persons with disabilities** in the gambling value chain.
- ❑ Targeting responsible gambling and public education on the risks of gambling towards vulnerable groups of society such as youth, women and persons with disabilities contributing towards economic inclusion and social protection.



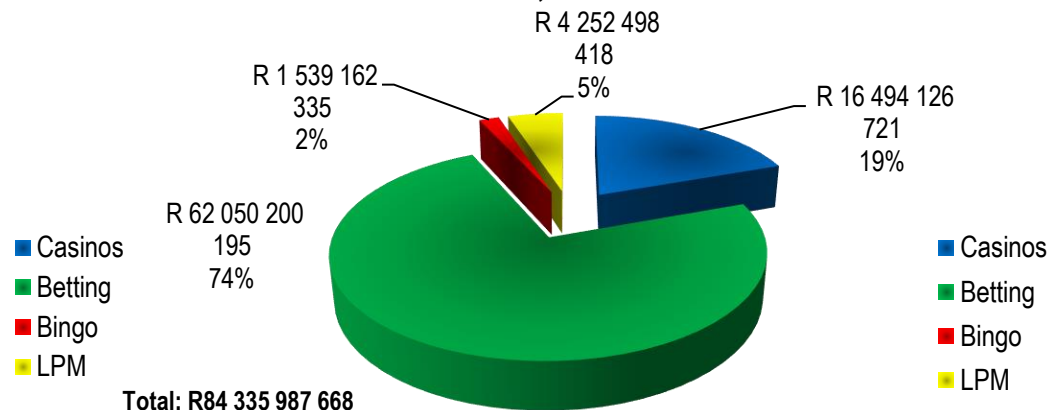
4. SITUATIONAL ANALYSIS (Cont'...)

- Gross Gambling Revenue (GGR) amounted to R74.5 billion in FY2024/25 and R84.3 billion in FY2025/26, reflecting year-on-year growth of 13.2%.
- Betting accounted for the largest share of GGR at 70% (R52 billion) in FY2024/25, expanding to 74% (R62.1 billion) the following year.
- Casino and LPM market share declined from 22% and 6% to 19% and 5% respectively over the two years, while bingo remained stable at 2%.
- Taxes/levies amounted to R5.8 billion in FY2024/25 and R6.4 billion in FY2025/26.

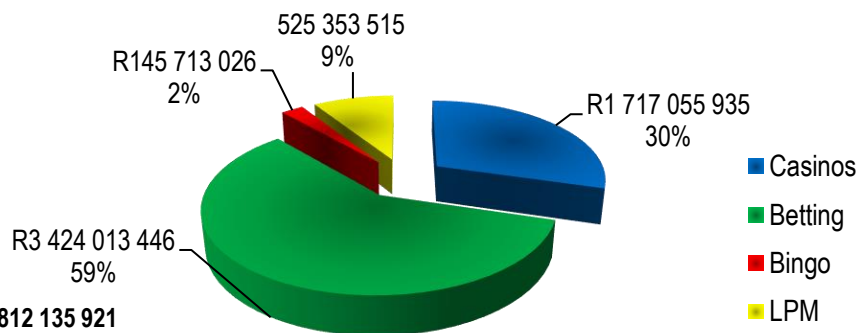
GGR, FY2024/25



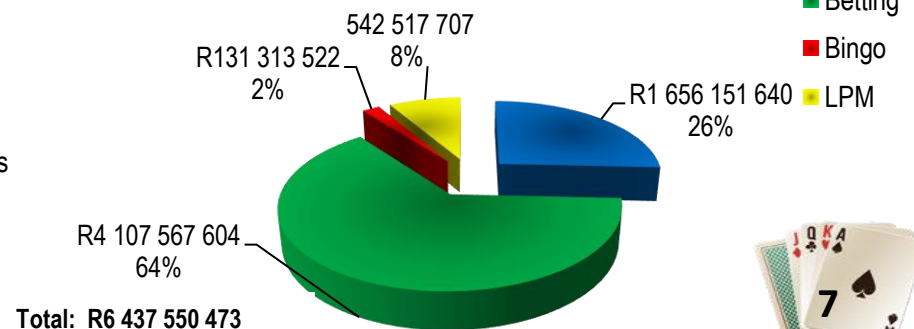
GGR, FY2025/26



Taxes/levies, FY2024/25

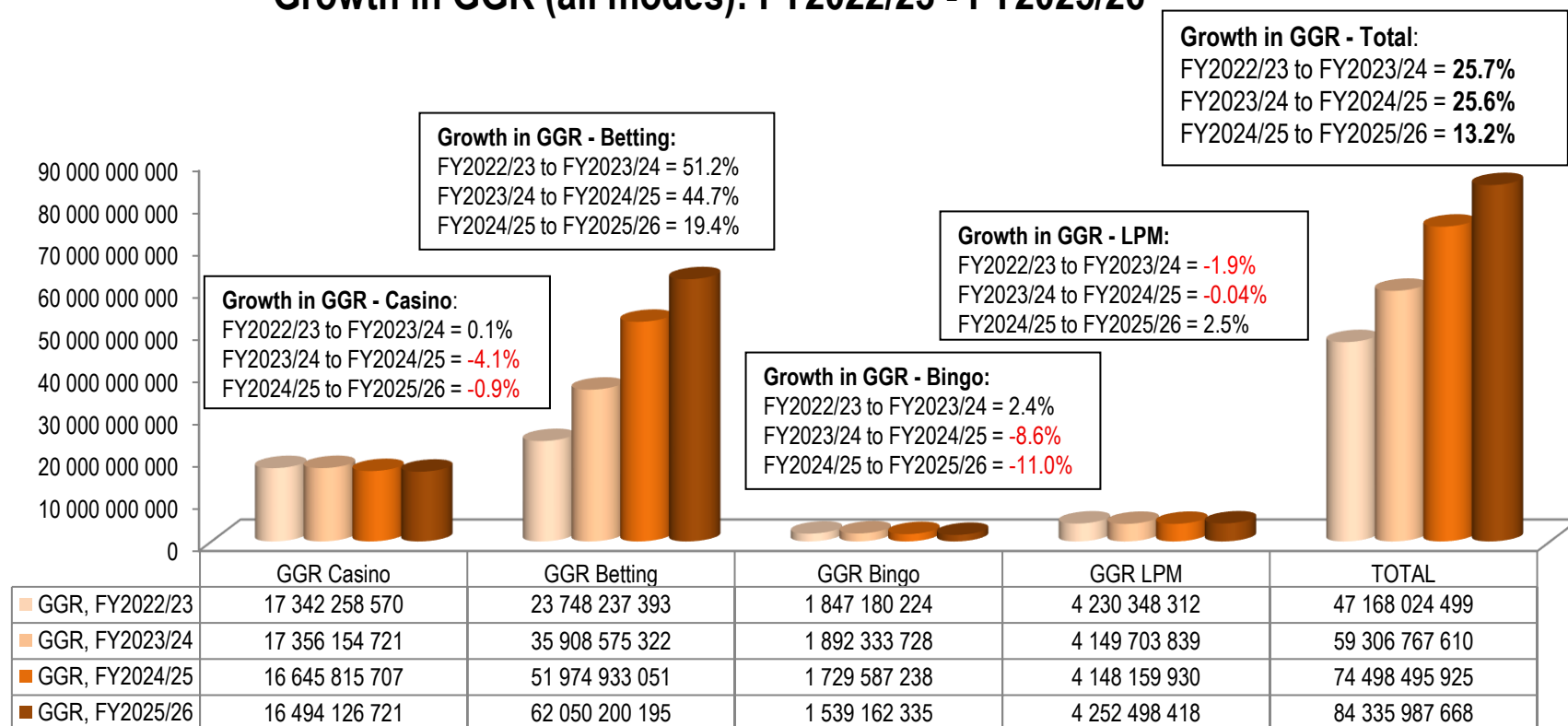


Taxes/levies, FY2025/26



4. SITUATIONAL ANALYSIS (Cont'...)

Growth in GGR (all modes): FY2022/23 - FY2025/26



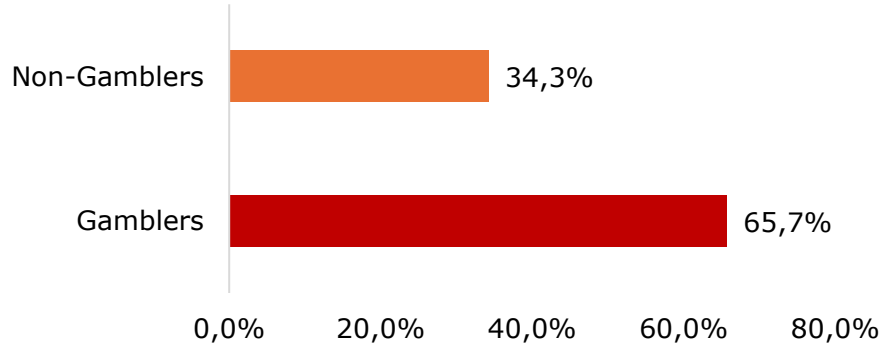
- Overall**, GGR across all gambling modes has shown strong growth of 25.7%, 25.6% and 13.2% year-on-year over the period between FY2022/23 and FY2025/26.
- Betting** is the primary driver of growth, increasing significantly from R23.7 billion in FY2022/23 to R62.1 billion in FY2025/26, with high annual growth rates of 51.2%, 44.7% and 19.4% over the period.
- Casino** GGR remained relatively stable over the period (R16 – R17 billion), suggesting a mature market.
- LPM** GGR growth has been limited, only showing a recovery in FY2025/26 of 2.5% – indicating some growth potential going forward.
- Bingo** has been on a gradual decline from FY2023/24 onward.



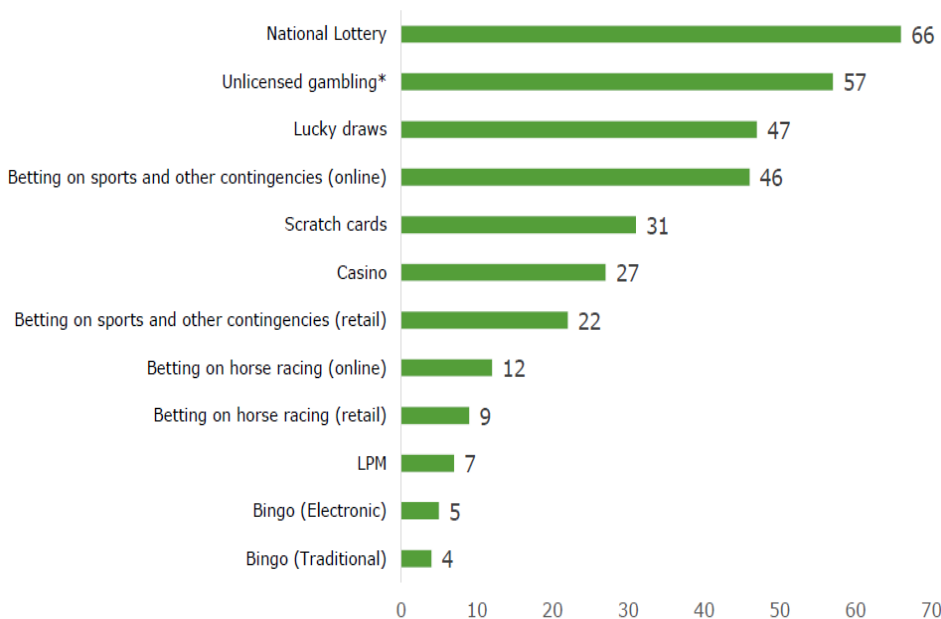
4. SITUATIONAL ANALYSIS (Cont'...)

- The National Gambling Board (NGB) embarked on a research project to determine the socio-economic impact of gambling in South Africa during FY2023/24.
- The survey revealed that 65.7% of the respondents had engaged in gambling activities in the 12 months before taking the survey, which is a substantial increase from 30.6% in the 2017 national study (illustrative purposes).

Gambling Prevalence



Incidence of Gambling Across Different Modes (%)



Gambling participation in the 12 months prior to answering the survey

Top gambling modes

1. National Lottery
2. Lucky draws
3. Betting on sports and other contingencies (online)

Traditionally, the National Lottery and Lucky draws have been the highest incident modes of gambling in South Africa

The current study has highlighted Betting on sports which has increased in popularity significantly since the last study in 2017



5. KEY ISSUES AFFECTING GAMBLING REGULATION

➤ Unlawful Gambling Activities

- ❖ **Online Gambling** - Section 11 of the NGA prohibits interactive gambling except as authorised in terms of the NGA or any other national law. Notwithstanding this prohibition, gambling offered by licensed Bookmakers as contingencies contravene section 11 of the NGA. Misalignment between national and provincial gambling legislation results in inconsistencies in the way gambling is regulated at a National and Provincial level. Issues such as Bet exchanges, Historical Horse-Racing and Section 11 (Interactive Gambling) are on the NGPC agenda to be deliberated on.
- ❖ Increased access through mobile phones and online platforms has accelerated illegal online gambling and associated risks of compulsive gambling.
- ❖ No national policy position has been finalised on interactive gambling.
- ❖ **NGB ACTION:** Undertaken oversight of PLAs and issued non-compliance reports to PLAs. NGB also engaged with PLAs to discuss the issue of allowing interactive gambling as contingencies.
- ❖ **Increased illegal gambling** – there has been an upsurge in online (online casinos) offered from off-shore gambling operators. Curacao, Gibraltar, the Philippines, the UK Gambling Commission and Malta have been the source of most of the illegal online operators.



5. KEY ISSUES AFFECTING GAMBLING REGULATION (Cont'...)

- ❖ **NGB ACTION:** Wrote to regulators from Curacao, Gibraltar, the UK Gambling Commission and Malta to stop their licensees from operating illegally in South Africa and issued cease and desist letters.
- ❖ NGB has approached the Department of Communications and ICASA to block IP addresses.
- ❖ NGB works with law enforcement agencies such as SAPS and PLAs to combat illegal gambling.
- ❖ NGB has worked with Google and Meta to block gambling websites from identified unlicensed operators.
- ❖ NGB is considering an Expression of Interest for a Blocking System.
- ❖ Developed Verification of Legal Operators Web Portal.
- ❖ MOUs (SABRIC, FIC, SARB-in progress), MOUs (NSFAS, Dept of Correctional Services-in progress) for public education and awareness.
- ❖ **FURTHER ACTION REQUIRED:** there is a need for the development of a legal framework for online gambling.
- ❖ There is a need for gambling crime to be prioritised as a crime.



5. KEY ISSUES AFFECTING GAMBLING REGULATION (Cont'...)

➤ Proliferation of gambling advertising

- ❖ The rapid growth of **gambling advertising** across social media, print media, radio, billboards and even government buildings where citizens conduct their normal business has normalized gambling in society, fostering harmful gambling habits. In most instances, this is against the provisions of the gambling legislation. Norms and standards governing gambling advertising are required to ensure that punters are protected from the negative social consequences of gambling and increased public education on the risks of gambling.
- ❖ **NGB ACTION:** Undertaken compliance oversight of the 9 PLAs, Engaged Sports Regulators e.g. (Cricket SA) on sponsorship by unlicensed operators to flight their adverts, Raised concerns with the Advertising Regulatory Board (ARB) and engaged social media providers (Google), issued guidelines on compliant advertising and channels of reporting non-compliant advertising. Developed Norms and Standards on Gambling Advertising for consideration of the NGPC and the Minister.

➤ Legislative issues affecting the gambling regulation

- ❖ The National Gambling Amendment Bill 2018.
- ❖ Inoperative provisions of the NGA on self-exclusion. There is a need to operationalise the national self-exclusion framework by gazetting section 14(1-6) of the NGA. Once gazetted, problem gamblers can be properly registered, excluded and assisted.
- ❖ LPM regulatory considerations. Review of the stake and prize limits for LPMs to support the economic viability of the LPM sector.





6. 2026/27 Annual Performance



ALIGNMENT TO GOVERNMENT PRIORITIES

NDP	MTDP Strategic Priorities	National Industrial Policy (NIP) Priorities	Alignment to Growth Path/ GAINS PILLARS	NGB outcomes	NGB Outcome Indicators	NGB Outputs	NGB Output Indicators
Ch3. Economy and employment Ch4. Economic Infrastructure- the foundation of social and economic development Ch5. Ensuring environmental sustainability and an equitable transition to a low-carbon economy Ch6. An integrated and inclusive rural economy Ch8. Transforming human settlement and the national space economy	Priority 1: Drive Inclusive Growth and Job Creation	Priority 2: Digitalisation	Economic reform to address structural constraints and strengthen productive capacity, including infrastructure investment and support for entrepreneurship.	Jobs created for industry needs and economic competitiveness	Jobs created through appointment of National Central Electronic Monitoring System operator	Jobs created in terms of section 27 of the National Gambling Act through the appointment of National Central Electronic Monitoring System operator	Number of jobs created through the appointment of National Central Electronic Monitoring System operator
				Increased revenue generated in the economy through the Limited Payout Machine sector	Revenue generation in the Limited Payout Machine sector	Revenue generated in the Limited Payout Machine sector to strengthen the domestic economy	Rand value revenue generation in the Limited Payout Machine sector
				Capable State	Jobs created	Jobs Created	Number of jobs created through internships
		Priority 3: Diversification (Spatial, Demographic, Industrial transformation, Scale/Size	Industrial policy reform to enhance export resilience, employment creation, and industrial competitiveness	Commitment to procuring local goods and services to contribute to the local economy for sustainable growth	Total value committed to procure local goods and services	70% of total public procurement spend on local producers	% total public procurement spend on local producers
				B-BBEE Compliance	B-BBEE level	60% of total public procurement spend on goods and services from black-owned entities	% of total public procurement spend on goods and services from black-owned entities
	Priority 3: Capable State	-	Public service reform to improve state capability and service delivery, including digital transformation and strengthened local government	Compliant and uniformly regulated gambling industry	Percentage Provincial Licensing Authorities Section 33 oversight evaluations completed	Provincial Licensing Authorities oversight evaluations conducted for compliance	Percentage of Provincial Licensing Authorities oversight evaluations conducted
				Capable State	Market share and market conduct of the four (4) sectors in the gambling industry in terms of S65 tracking for informed regulation	Gambling Sector performance trend analyses in terms of section 65 of the NGA for informed regulation	Number of Gambling Sector performance trend analyses in terms of section 65 of the NGA completed for informed regulation
					Conducted research on gambling to inform regulation of the industry	Research on the socio-economic impact of the licensed gambling industry in terms of section 65 of the NGA to inform regulation of the industry	Number of research conducted on the socio-economic impact of the licensed gambling industry to inform regulation of the industry
				Increased public awareness to educate and inform people on the risks and socio-economic impact of gambling	Implemented broad-based public education campaigns on the risks and socio-economic impact of gambling	Broad-based public education campaigns conducted	Number of face-to-face broad-based public education campaigns conducted in terms of section 65 of the NGA Number of other broad-based public education campaigns conducted in terms of section 65 of the NGA
				Evaluated Limited Payout Machine applications exceeding 5 machines	Reduced turnaround time to evaluate Limited Payout Machine application in excess of 5 machines	Evaluation of Limited Payout Machine applications in excess of 5 machines evaluated within the prescribed thirty 30 days of receipt of complete information	Percentage of applications evaluated within 30 days
				Capable State	Reduced turn-around time to complete investigations on illegal gambling activities	Unlawful Winnings investigations completed	Turn-around time to complete investigations on Unlawful Winnings
				Protection of the regulated gambling industry	Actions to combat illegal gambling	Enforcement actions to combat illegal gambling	Number of enforcement actions to combat illegal gambling



7. Institutional programme performance



GAMING CONTROL AND COMPLIANCE DIVISION 2026/27

Outcome	Output	Output Indicator	Baseline	2026/27 Annual Performance	Budget Allocated
Jobs created for industry needs and economic competitiveness	Jobs created in terms of section 27 of the National Gambling Act through the appointment of National Central Electronic Monitoring System operator	Number of jobs created through the appointment of National Central Electronic Monitoring System operator	30 jobs created through the appointment of National Central Electronic Monitoring System operator	30 jobs created through the appointment of National Central Electronic Monitoring System operator	R197.9 m
Increased revenue generated in the economy through the Limited Payout Machine sector	Revenue generated in the Limited Payout Machine sector to strengthen the domestic economy	Rand value revenue generation in the Limited Payout Machine sector	Estimated R2.5 billion revenue generated in the Limited Payout Machine sector	R2.5 billion revenue generation in the Limited Payout Machine sector	
Compliant and uniformly regulated gambling industry	Provincial Licensing Authorities oversight evaluations conducted for compliance	Percentage of Provincial Licensing Authorities oversight evaluations conducted	New Indicator	100% of Provincial Licensing Authorities evaluated for compliance	
Evaluated Limited Payout Machine applications exceeding 5 machines	Evaluation of Limited Payout Machine applications in excess of 5 machines evaluated within the prescribed thirty 30 days of receipt of complete information	Percentage of applications evaluated within 30 days	New Indicator	60% of complete applications received evaluated within 30 days	

ENFORCEMENT DIVISION 2026/27

Outcome	Output	Output Indicator	Baseline	2026/27 Annual Performance	Budget Allocated
Capable State	Unlawful Winnings investigations completed	Turn-around time to complete investigations on Unlawful Winnings	New indicator	Unlawful winnings investigated within 23 days	R10.5 m
Protection of the regulated gambling industry	Enforcement actions to combat land-based illegal gambling	Number of enforcement actions to combat land-based illegal gambling	16 enforcement actions to combat illegal gambling	16 enforcement actions to combat land-based illegal gambling	
	Enforcement actions to combat Illegal online gambling	Number of illegal online gambling websites identified for blocking by relevant authorities	New Indicator	10 illegal online websites identified for blocking by relevant authorities	
		Expression of interest issued for illegal gambling blocking system	New Indicator	1 Expression of interest for illegal gambling blocking system issued	
	Collaborated efforts with other agencies to combat illegal gambling land-based and online activities	Number of collaborative efforts with other agencies to combat illegal gambling land-based and online	New Indicator	4 collaborative efforts with other agencies to combat illegal gambling land-based and online	

CORPORATE SERVICES AND RESEARCH DIVISION 2026/27

Outcome	Output	Output Indicator	Baseline	2026/27 Annual Performance	Budget Allocated
Capable State	Jobs Created	Number of jobs created through internships	New Indicator	5 jobs created through internships	R61.2 m
	Youth Jobs	Number of youth jobs	New Indicator	10 youth jobs	
	Gambling Sector performance trend analyses in terms of section 65 of the NGA for informed regulation	Number of Gambling Sector performance trend analyses in terms of section 65 of the NGA completed for informed regulation	4 reports based on unaudited data and one 1 annual report on data-driven insight on market dynamics in the gambling industry for informed decision making produced	1 annual Gambling Sector performance trend analyses in terms of section 65 of the NGA completed for informed regulation	
	Research on the impact of the licensed gambling industry in terms of section 65 of the NGA to inform regulation of the industry	Number of research projects conducted on the impact of the licensed gambling industry inform regulation of the industry to inform regulation of the industry	One 1 consolidated report on research on the impact of the gambling industry for informed regulation produced	1 research project conducted on the impact of the gambling industry in terms of Section 65 of the NGA to inform regulation of the industry	
Increased public awareness to educate and inform people on the risks and socio-economic impact of gambling	Broad-based public education campaigns conducted	Number of face-to-face broad-based public education campaigns conducted in terms of section 65 of the NGA	Forty 40 face-to-face broad-based public education campaigns conducted in terms of section 65 of the NGA	40 face-to-face broad-based public education campaigns conducted in terms of section 65 of the NGA	
		Number of other broad-based public education campaigns conducted in terms of section 65 of the NGA	New Indicator	80 of other broad-based public education campaigns conducted in terms of section 65 of the NGA	

FINANCE AND PROCUREMENT SERVICES DIVISION 2026/27 ANNUAL TARGET

Outcome	Output	Output Indicator	Baseline	2026/27 Annual Performance	Budget Allocated
Commitment to procuring local goods and services to contribute to the local economy for sustainable growth	70% of total public procurement spend on local producers	% total public procurement spend on local producers	New Indicator	70% of total public procurement spend on local producers	R15.8 m
B-BBEE Compliance	60% of total public procurement spend on goods and services from black-owned entities	% of total public procurement spend on goods and services from black-owned entities	New Indicator	60% of total public procurement spend on goods and services from black-owned entities	



8. FINANCIAL MANAGEMENT AND BUDGET

- The NGB relies on 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 82% of total revenue, while the grant revenue is expected to contribute an estimated 14.6% of total revenue. The balance of the revenue, 3.4%, will be derived from interest earned on short-term investments and rental income.
- NGBs biggest expenditure relates to Professional & Consultancy fees at 75% which can be attributed to the NCEMS operator to fund NGB revenue source, followed by personnel costs at 20%.

R Thousand	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	AUDITED OUTCOMES			BUDGET ESTIMATES			
Revenue							
Grant from the dtic	36 477	33 152	34 641	35 790	37 189	38 871	40 616
NCEMS monitoring fees	247 257	236 384	232 012	223 100	219 000	215 000	213 000
Interest received	5 918	7 195	6 004	5 880	5 640	5 520	5 400
Rental income	0	0	2 535	2 640	2 410	2 579	2 759
Other miscellaneous income	311	1 564	5 046	0	0	0	0
Total Revenue	289 963	278 295	280 238	267 410	264 239	261 970	261 775
Expenditure							
Employee costs	41 271	50 024	55 955	63 139	66 839	71 258	70 627
Subsistence & travel	4 890	4 607	705	1 620	1 962	1 962	3 780
Administration costs	11 502	11 975	8 211	8 926	8 254	6 274	7 208
NCEMS service fees	206 012	196 795	193 111	183 022	169 725	163 725	154 425
Professional services	7 138	9 556	13 825	3 759	7 901	7 401	8 099
Depreciation	2 597	1 864	2 092	2 107	2 185	2 185	4 032
Other operating expenses	2 840	4 658	4 421	4 820	4 574	3 977	5 022
Total Expenditure	276 250	279 479	278 320	267 393	261 440	256 782	253 193
Surplus	13 713	-1 184	1 918	17	2 799	5 188	8 582



9. REVENUE GENERATING PROPOSALS:

Long Term Financial Viability Assessment

The NGB conducted a ten (10) year financial viability analysis to determine the financial viability and sustainability of the organisation into the foreseeable future. Projections revealed that the entity will experience years in which there would be projected budget deficits incurred if measures are not implemented to increase revenue and decrease expenditure.

As an immediate mechanism to generate additional revenue, the extension of NCEMS to other modes of gambling can be seen as a source of relief to alleviate the projected budgeted deficit in future years. This is however dependent upon enactment of the National Gambling Amendment Bill, 2018.

Other areas of potential revenue sources to the NGB relate to:

- **Blocking of illegal online gambling sites** and taxation of illegal online gambling operators by NT in terms of the 20% proposed taxation bill.
- **Advertising Tax** to all gambling operators.



10. CONCLUSION

- ❑ The complexity of regulating this space is that as technology evolves and there is a drive towards technological inclusion, this increases access to and further expands proliferation of gambling.
- ❑ Legislation of gambling has been far outpaced by technology, and this presents a challenge not only for the regulator but the nation as a whole. Gambling requires a multi-stakeholder approach to ensure its effective regulation that balances economic gains and negative social consequences.
- ❑ Current legislation coupled with the concurrent legislative competent nature of regulation of the industry limits the powers of the NGB to only issuing guidelines but not directives. Consideration of the National Gambling Amendment Bill 2018 is vital to ensure some of these challenges are addressed and national has enhanced powers to address illegal online gambling, advertising proliferation and enforcement limitations in a coordinated and nationally consistent manner.



QUESTIONS

*Gambling legally
and
responsibly*

