

RISK REGISTER FY2025/26



National Gambling Board
South Africa

a member of the dtic group





STRATEGIC RISKS

| Risk # | Risk Description | Linked to SP Outcome | Root Cause | Consequence | Inherent Risk Exposure | Current Business Controls in Place | Residual Risk Exposure | Actions to Further Improve Risk Management | Action Owner | Action Start Date | Action Due Date | Status |
|--------|---|--|---|---|--------------------------|---|--------------------------|--|--------------------------|-------------------|---|--------|
| 1. | Inability to sustain jobs | Outcome 1: Facilitated jobs sustained for industry needs and economic competitiveness | Breach of the SLC by the NCEMS operator | Cancellation of the contract and subsequent job losses. | 12 (I – 4) (L – 3) | 1. Contract management of the NCEMS SLC through monthly meetings 2. NCEMS Management Committee NOCMC | 8 (I – 4) (L – 2) | 1. Contract management of the NCEMS SLC through monthly meetings | Chief Technology Officer | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |
| 2. | Inequitable distribution of employment opportunities by NGB | Outcome 2: Facilitated employment opportunities to increase practical work experience | Non-availability of funds to implement public employment programme | Failure to empower youth | 12 (I – 4) (L – 3) | 3. Conclude MOU with Public Service Sector-Education and Training Authority (PSETA) | 8 (I – 4) (L – 2) | 1. Conclude MOU with Public Service Sector-Education and Training Authority (PSETA) 2. Implement Human Capital Strategy on mentoring and coaching | Chief Strategic Adviser | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |
| 3. | Existence of a grey market in the gambling industry | Outcome 3: Facilitated revenue generation in the economy through investment in a NCEMS for the LPM sector | Offering of non-compliant gambling products and services to punters | Limited investment in the gambling industry. | 16 (I – 4) (L – 4) | 1. Conduct technical analysis of gambling products. | 16 (I – 4) (L – 4) | 1. Compliance notices issued to PLAs 2. Continuous engagement with NRCS, SABS and PLAs. | Chief Technology Officer | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |
| 4. | Failure to implement NGBs mandate | Outcome 5: Enhanced legal and regulatory reforms in the gambling industry to fast-track investment | Inconsistent implementation of the NGA | Increased exposure to illegal gambling | 16 (I – 4) (L – 4) | 1. Authoritative advice on developments in the gambling industry for policy intervention | 12 (I – 4) (L – 3) | 1. Continuously advise the dtic on developments in the gambling industry for policy intervention | Chief Compliance Officer | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |



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| 5. | Non-co-operation of PLAs and non-compliant gambling industry | Outcome 6: Enhanced regulation of the gambling industry to inform gambling policy development | Concurrent legislative competencies and lack of uniformity and consistency in the implementation of gambling legislation | Misalignment with national gambling policy and national legislation and lack of confidence in the regulation of the industry. | 9 (I – 3 L – 3) | 1. Conduct oversight Inspections to evaluate PLAs' monitoring of licensees and conduct site visits, on a sample of licensees, during oversight evaluations 2. Conduct oversight evaluations 3. Regular and improved communication with PLAs. Analysis on uniformity of legislation conducted | 6 (I – 2 L – 3) | 1. Engage PLA's on deficiencies identified through oversight inspections 2. Issue deficiency notices on non-compliance of PLAs 3. Continuously advise the dtic on developments in the gambling industry. 4. Invoke the Intergovernmental Relations Framework Act. | Chief Technology Officer | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |
| 6. | Delays in processing unlawful winnings from illegal gambling activities | Outcome 7: Reduction in illegal gambling to increase business confidence | Incomplete information received from the reporting entities | Failure to implement the mandate to process unlawful winnings by either forfeiting to the state or refunding to the punter | 25 (I – 5 L – 5) | 1. Collaborate with banks, gambling operators and PLAs in detecting suspected unlawful gambling winning transactions 2. Implement unlawful gambling winnings standard operating procedures 4. Substituted service application for untraceable punters | 12 (I – 4 L – 3) | 1. Institute exparte applications for untraceable S16 matters 2. Engagement with remitting institutions in detecting suspected unlawful gambling winning transactions. | Chief Compliance Officer | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |



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| 7. | Inadequate and non-initiation of raids, notices and legal actions to protect the gambling industry against illegal operations, increased participation in internet-based gambling activities and increase in illegal internet gambling establishments | Outcome 8: Protection of the regulated gambling industry to provide regulatory certainty | Failure to collaborate with relevant authorities, offering of illegal gambling to punters and ease of access to illegal internet gambling | Loss of revenue to the fiscus | 25 (I – 5 L – 5) | 1.Collaboration with regulators and law enforcement agencies to undertake raids 2.Continuous engagement with stakeholders (SAPS, NPA, AFU, PLAs) 3.Investigating unlawful winnings emanating from illegal gambling | 16 (I – 4 L – 4) | 1.Implement enforcement interventions against illegal gambling operations 2.Conduct raids and issue notices to landlords to close down illegal sites 3.Litigation in the instance of resistance to close down illegal sites 4.Engage relevant authorities and network service providers to block access to illegal gambling websites | Chief Compliance Officer | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |
| 8. | Inability to accurately and reliably report gambling trends | Outcome 9: Data-driven insight on market dynamics in the gambling industry for informed decision making | Inaccurate and incomplete data provided by PLA's on the gambling industry | Incorrect advice on the gambling industry provided | 12 (I – 4 L – 3) | 1.Undertake gambling trend analysis 2.Engagement with PLAs on ratification of incomplete and inaccurate data 3.Undertake audit of gambling statistics annually | 4 (I – 2 L – 2) | 1.Conduct gambling sector performance analysis using secondary data sources | Chief Strategic Adviser | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |



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| 9. | Failure to conduct empirical evidence-based research and measure the socio-economic impact of the gambling industry | Outcome 9: Ease of doing business and increased investment in the LPM sector | Research bias | Ill-informed policy decision-making | 8 (I – 4 L – 2) | 1. Ongoing empirical research using secondary data sources | 4 (I – 2 L – 2) | 1.No further action required | Chief Strategic Adviser | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |
| 10. | Uninformed and uneducated people about gambling | Outcome 10: Increased public awareness to educate and inform people on the harmful effects of gambling | Limited information on legal, responsible, compulsive, and addictive gambling | Participation in illegal forms of gambling | 16 (I – 4 L – 4) | 1.Implementation of broad-based public education programme on the risks and socioeconomic impact of gambling informed by evidence-based research 2.Collaborating with other stakeholders in conducting broad-based public education | 9 (I – 3 L – 3) | 1.No further action required | Chief Strategic Adviser | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |
| 11. | Limited expenditure on locally produced goods and services | Outcome 11: Commitment to procuring local goods and services to contribute to the local economy for sustainable growth | Absence of a local market for goods and services | Outflow of expenditure to foreign suppliers | 16 (I – 4 L – 4) | 1. Identify local service providers on Central Supplier Database (CSD) 2. Stipulate minimum percentage of local content required in procurement requests | 9 (I – 3 L – 3) | 1.Setting specific goals for local content in procurement requests | Chief Financial Officer | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |



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| 12. | Inability to spend on goods and services from black owned entities | Outcome 12: Commitment to spend on procurement of goods and services from black-owned entities to enhance supplier development and economic inclusion | Unavailability of black owned entities to supply goods and services required by the NGB | Failure to meet transformation imperatives | 16 (I – 4 L – 4) | 1. Identify black-owned entities on Central Supplier Database (CSD) | 9 (I – 3 L – 3) | 1. Target spend on black-owned entities listed on the National Treasury's Central Supplier Database (CSD). 2. Setting specific goals for black-owned entities in procurement requests | Chief Financial Officer | 01-Apr-25 | Quarterly 30-Jun-25 30-Sep-25 31-Dec-25 31-Mar-26 | |

LEGEND: RISK MAP

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|----------------|---------------|-------|----------|-------|--------------|
| Almost certain | 5 | 10 | 15 | 20 | 25 |
| Likely | 4 | 8 | 12 | 16 | 20 |
| Possible | 3 | 6 | 9 | 12 | 15 |
| Unlikely | 2 | 4 | 6 | 8 | 10 |
| Rare | 1 | 2 | 3 | 4 | 5 |
| Likelihood (L) | Insignificant | Minor | Moderate | Major | Catastrophic |
| | Impact (I) | | | | |

