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Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO. 1096

DATE PUBLISHED: 7 MAY 2021

#### **Dr A Lotriet (DA) to ask the Minister of Trade, Industry and Competition:**

- (1) With reference to the reply of the Minister of Sport, Arts and Culture to question 200 on 5 March 2021 where it is stated that the National Lotteries Commission gave a grant of R63 000 000 to the Durban 2022 Commonwealth Bid, what (a) exactly was the motivation in the application for the grant and (b) due diligence was conducted before the grant was approved;
- (2) whether any conditions were placed on the awarding of the grant; if not, why not; if so, what are the relevant details? [NW1283E]

#### **REPLY**

I have been furnished with a reply to the question submitted, by Ms Thabang Mampane, Commissioner of the National Lotteries Commission.

Ms Mampane's reply is as follows:

- "1. (a) The motivation provided by the grantee was for the bidding process and activities related thereto.
- (b) In terms of Regulation 4 of the Lotteries Act, 1997 (Act No. 57 of 1997), – Requirements for the allocation of funds for sport and recreation the following considerations, amongst others were made:
- Established that the juristic person applying for the grant is a body established for sport or recreational purposes.

- Established that funds or intends to fund projects will enable people to become involved in activities, which contribute to the development of sports and recreation.
- Established that the project undertaken or to be undertaken shall be for the public good and that there was a clear demand, therefore.

2. Clause 1 of the grant agreement highlights the Compliance and Conditions:

**1. Compliance and Conditions**

1.1 The grant is allocated to the Recipient subject to the Recipient at all times complying with:

- (a) the provisions of this Agreement;
- (b) the undertakings made and the information provided in the application; and
- (c) the following conditions:
  - (i) That the grant must be used strictly in connection with or for items stated in "ANNEXURE A" and for no other purpose whatsoever, unless the prior written approval of the Board has been obtained;
  - (ii) That the Recipient submits the names of three (3) signatories on the bank account of the Recipient, of which at least two (2) must sign at all times for any withdrawals from the said account;
  - (iii) That the Recipient submits an original cancelled cheque of the account designated in the application;
  - (iv) The Recipient must sign and return this duly witnessed original Agreement to the Board;
  - (v) That the Recipient may not pay any commission and/or management fee in respect of the grant, unless specifically provided for in this Agreement; and
  - (vi) That the Recipient may not give any other direct and/or indirect benefit for securing the grant or after the grant has been awarded to any person (juristic or natural) whatsoever, be it a member of the Board, a member of any Distributing Agency appointed in terms of the Act, any staff member of the Board or any intermediary, or to any person nominated by such an intermediary.

Further to the conditions set by Clause 1, Clause 4 requires the beneficiary to maintain proper financial administration in accordance with generally acceptable accounting practices. Clause 5 and 6 requires the beneficiary to submit progress reports and the final reports. Clause 9 of the Grant Agreement imposes obligations on the recipient and details thereto."

**-END-**