



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO. 1726

**Mr M A Maimane (BOSA) to ask the Minister of Trade, Industry and Competition:**

- (a) What was the rationale to extend the current National Lottery Licence Operator by two years until 31 May 2025 and (b) by what date will the announcement take place, given the implications of a delay? NW1220E

#### REPLY:

(a)

1. The Licence to operate the National Lottery and the Sports Pools Licence was awarded to Ithuba Holdings by the Minister of Trade, Industry and Competition ("the Minister") for a period of eight (8) years, from 01 June 2015 to 31 May 2023.
2. Section 14(1) of the Lotteries Act 57 of 1997, as amended, states:  
*"A licence granted in terms of section 13 or 13A shall be in writing, shall specify the conditions attached to it and shall be granted for a period not exceeding eight years: Provided that the Minister may, after consultation with the board and at least one year before the expiry of that licence, extend that licence for a non-renewable period not exceeding 24 months: Provided further that the licensee shall have no rights or legitimate expectations in respect of an extension of the period of validity of the licence other than the rights afforded by this subsection."*
3. The above section of the Lotteries Act requires consideration to extend the licence at least one year before the expiry of the current licence. It was on this basis that the Board of the National Lotteries Commission ("the NLC Board") made the request to the Minister for the NLC Board to initiate negotiations with Ithuba

Holdings, for the purpose of entering into an extension of the National Lottery and Sport Pools License with revised licence conditions effective from 01 June 2023 for a period of 24 months.

4. The NLC Board, in framing its request and advice to the Minister, had taken into account a number of factors, including the impact of COVID-19 on National Lottery and Sports Pools ticket sales and subsequent contributions to the National Lotteries Distribution Trust Fund (“the NLDTF”).
  5. Following the request from the NLC Board to the Minister in May 2022, and following due consideration of the matter, the Minister resolved to extend the license of the National Lottery and Sports Pools operator, Ithuba Holdings, for a twenty-four-month period.
  6. During the period of the extended license, 01 June 2023 to 31 May 2025, Ithuba Holdings was required to make contributions to the NLDTF to support good causes at a higher rate than provided for in the initial license.
- (b)** The Minister of Trade, Industry and Competition will announce the Fourth National Lottery and Sports Pools operator upon conclusion of the Request for Proposals process.

**-END-**