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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 897

Mr D D D van Rooyen (MK) to ask the Minister of Trade, Industry and Competition:

- (1) With reference to the establishment of the Committee responsible for the processing of reparations at the National Lotteries Commission and in light of due governance, transparency and fiscal accountability, (a) who authorised the establishment of the Committee and (b) what legal and policy frameworks were relied upon in its establishment;
- (2) (a) who are the appointed members of the Committee, (b) what process was followed in their appointment, (c) was the process found to be in line with public sector appointment procedures and (d) on what date(s) did this occur;
- (3) what are the Terms of Reference governing the Committee's operations;
- (4) what criteria were applied in awarding reparations and in determining the quantum of such reparations;
- (5) whether an independent assessment and/or verification process was conducted to ensure eligibility and fair allocation; if not, why not; if so, what are the relevant details in each case? NW991E

REPLY:

I have been advised by the National Lotteries Commission (NLC) as follows.

- 1) **Establishment of the Reparations Committee:**
 - The Reparations Committee is a special internal committee of the NLC Board.
 - The previous Minister of Trade, Industry and Competition set strategic ministerial targets in the NLC's Annual Performance Plan (APP) for 2023/24 to support whistleblowers and non-profit organizations (NPOs) that suffered harm due to past malfeasance at the NLC.
 - The NLC Board Chairperson submitted a comprehensive briefing memorandum to the current Minister.
 - The Committee operates under established oversight mechanisms and reports to the Minister and other stakeholders.

- The Committee is governed by its Terms of Reference and operates within the statutory framework, including the Lotteries Act and the Public Finance Management Act (PFMA).
- 2) **Committee Members and Appointment Process:**
- Members include two NLC Board members: Ms. Beryl Ferguson and Mr. Lionel October, along with Dr. M. Mosia, an independent member of the NLC Board Human Capital Management and Social and Ethics Committee.
 - The NLC Board mandated the establishment of the Committee and appointed its members.
 - Since the Committee consists of already appointed NLC Board and Committee members, public sector appointment procedures did not apply.
- 3) **Terms of Reference and Committee Operations:**
- The Committee is governed by its Terms of Reference and is mandated by the NLC Board.
 - It provides oversight and makes recommendations to the NLC Board, which must approve any implementation.
 - The NLC Commissioner is responsible for executing decisions in compliance with the PFMA and other regulatory frameworks.
- 4) **Awarding Reparations and Criteria:**
- No reparations have been awarded to date.
 - Both pecuniary and non-pecuniary awards will be considered in alignment with relevant statutes.
 - Two Independent Advisors have been appointed to ensure fairness and impartiality.
 - A Terms of Reference (TOR) has been established between the Committee and the Independent Advisors, defining key criteria, including:
 - The definition of a whistleblower.
 - The requirement to establish a clear link between whistleblowing actions and harm suffered.
 - The Independent Advisors will conduct an independent process and submit recommendations to the Committee, which will then forward its recommendations to the Board for approval.
- 5) **Independent Assessment and Verification:**
- No awards have been made yet.
 - The process follows a pastoral approach, with Independent Advisors reviewing individual affidavits, supporting documentation, and engaging personally with applicants.
 - Any financial reparations will be verified, and statutory processes will be followed before payments are made.

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