

# Department of Trade, Industry and Competition

## The National Gambling Amendment Bill, 2018

Western Cape Standing Committee on Finance

02 December 2025



**the dtic**

Department  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

**the dtic - together, growing the economy**

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)



# Contents



- 1. Purpose**
- 2. Legislative process**
- 3. Background**
- 4. Context of amending the Act**
- 5. Rationale of the Bill**
- 6. Clause 3 (register of unlawful operators), clause 4 (marketing to excluded persons), and clause 5 (forfeiture of unlawful winnings)**
- 7. National Central Electronic Monitoring System**
- 8. National Gambling Policy Council**
- 9. National Gambling Regulator**
- 10. Intergovernmental Relations**
- 11. Powers of the National Inspectorate**
- 12. Consequential arrangements**
- 13. Regulations**
- 14. Transitional arrangements**
- 15. Concerns raised in the 5<sup>th</sup> and 6<sup>th</sup> Parliament**
- 16. Outcome of the Bill**
- 17. Mediation process**
- 18. Recommendation by the Mediation Committee**
- 19. Recommendation**

# Purpose of Presentation

- ❖ To brief the Western Cape Standing Committee on Finance on the National Gambling Amendment Bill, 2018 [B27D – 2018].
- ❖ The Department of Trade, Industry and Competition has been invited to brief the Standing Committee on Finance on the National Gambling Amendment Bill [B 27D - 2018], and (i) the processing of the Bill from 2018 to the present, (ii) the concerns raised by stakeholders during the processing of the B-version of the Bill and during the Mediation Committee discussions, and (iii) the amendments agreed to, leading to the D-version of the Bill.

# Legislative Process undergone by the Bill

- **the dtic** published the National Gambling Policy for broader public consultation on 15 May 2015.
- Written submissions were received, direct engagement with immediate stakeholders and public consultative workshops were conducted until September 2015.
- The National Gambling Policy was approved by Cabinet on 17 February 2016 and the National Gambling Amendment Bill was drafted pursuant to the approved National Gambling Policy, 2016.
- 30 September 2016 - the National Gambling Amendment Bill, 2016 was published for broader public consultation for 45 days and direct engagements with stakeholders and the public were conducted until early 2017.
- The final Bill was submitted to the Office of the Chief State Law Advisor and certified as per their letter dated 18 May 2018 and later to Cabinet which approved on 27 June 2018.



## Legislative Process undergone by the Bill

- **the dtic** published the Notice of Intention to Introduce the National Gambling Amendment Bill in the Government Gazette on 20 July 2018.
- The Bill was introduced to Parliament and referred to the Committee on 21 August 2018.
- On 12 September 2018, the Committee was briefed by the Department of Trade, Industry and Competition (**the dtic**) on the Bill.
- On 19 September 2018, the Committee called for written submissions, with the closing date for submission being 12 October 2018 and also held public hearings.
- In terms of the Rules of Parliament, the Committee has the right to approve, reject, amend or redraft any legislation before it.
- On 16 October 2018, the Committee resolved, to only consider provisions relating to the restructuring of the National Gambling Board, challenges of the National Gambling Policy Council and the National Central Electronic Monitoring System in the Bill and that other aspects would be considered by the next Parliament.



# Legislative Process undergone by the Bill

- ❖ **The provisions excluded from the comprehensive published Bill**
- ❖ In 2018, a comprehensive Bill was introduced into Parliament to address amongst others, the following:
  - Restriction of lottery related licences under the gambling legislation (e.g. betting on lotteries and sports pools must be licensed under the lottery legislation by the board of the National Lotteries Commission).
  - Empowers Minister to regulate times of gambling advertising and to prevent unsolicited gambling messages through sms or internet.
  - Regulation of gambling premises at shopping complexes (separate entrances) and prohibition of leases for unlicensed gambling operators or activities.
  - The regulation of electronic bingo terminals (definition, number of licences and machines).
  - Amendments related to transformation in the industry.
  - Recognition of self regulation in the horse racing industry and monitoring by the NGB through the Standard Operating Procedures to be approved by the NGPC: to address labour issues, transformation, norms and standards.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)

## Legislative Process undergone by the Bill

- On 24 and 26 October 2018, the Committee held public hearings on the Bill.
- Between 30 October and 15 November 2018, the Committee spent five days deliberating on the Bill and formally considered and adopted it on, 21 November 2018.
- The National Assembly considered the Portfolio Committee Report and the Second Reading of the National Gambling Amendment Bill on the 5<sup>th</sup> of December 2018.
- The National Assembly adopted the Bill on the 5<sup>th</sup> of December 2018, and known as the National Gambling Amendment Bill, 2018 [B27B- 2018].
- The Bill was referred to the Select Committee on Trade and Industry, Economic Development, Small Business Development, Tourism, Employment and Labour.



## Legislative Process undergone by the Bill

- The Bill was presented at the Select Committee on 30 January 2019.
- The provincial briefings took place during February to March 2019.
- The Bill was published for public comment. The submissions were received and the Department responded on 26 February 2019.
- The public hearings were undertaken in provinces from February to early March 2019.
- Negotiating mandates were received from provinces. The Department together with the NGB responded to the negotiating mandates.
- The final mandates were received in 2019 from provinces (5<sup>th</sup> Administration). NW, FS, MP, LP, NC voted in favour of the Bill. EC abstained. WC, GP and KZN voted against the Bill.
- The Bill was referred to the National Council of Provinces for adoption, however it could not be concluded.
- In the 6<sup>th</sup> Administration, the process of the Select Committee commenced from the beginning.



## Legislative Process undergone by the Bill

- **the dtic** briefed the Select Committee on 16 July 2019.
- The Bill was referred to the Select Committee of the 6<sup>th</sup> Parliament and revived on 17 October 2019.
- **the dtic** briefed the Portfolio Committees in the Provinces between 18 and 27 November 2019.
- Provincial Committees provided different views on the processing of the Bill, with some provinces in favour of submitting the final mandate of the 5th Parliament with the signature of the current Speaker. Other provinces preferred to start the process from the beginning.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

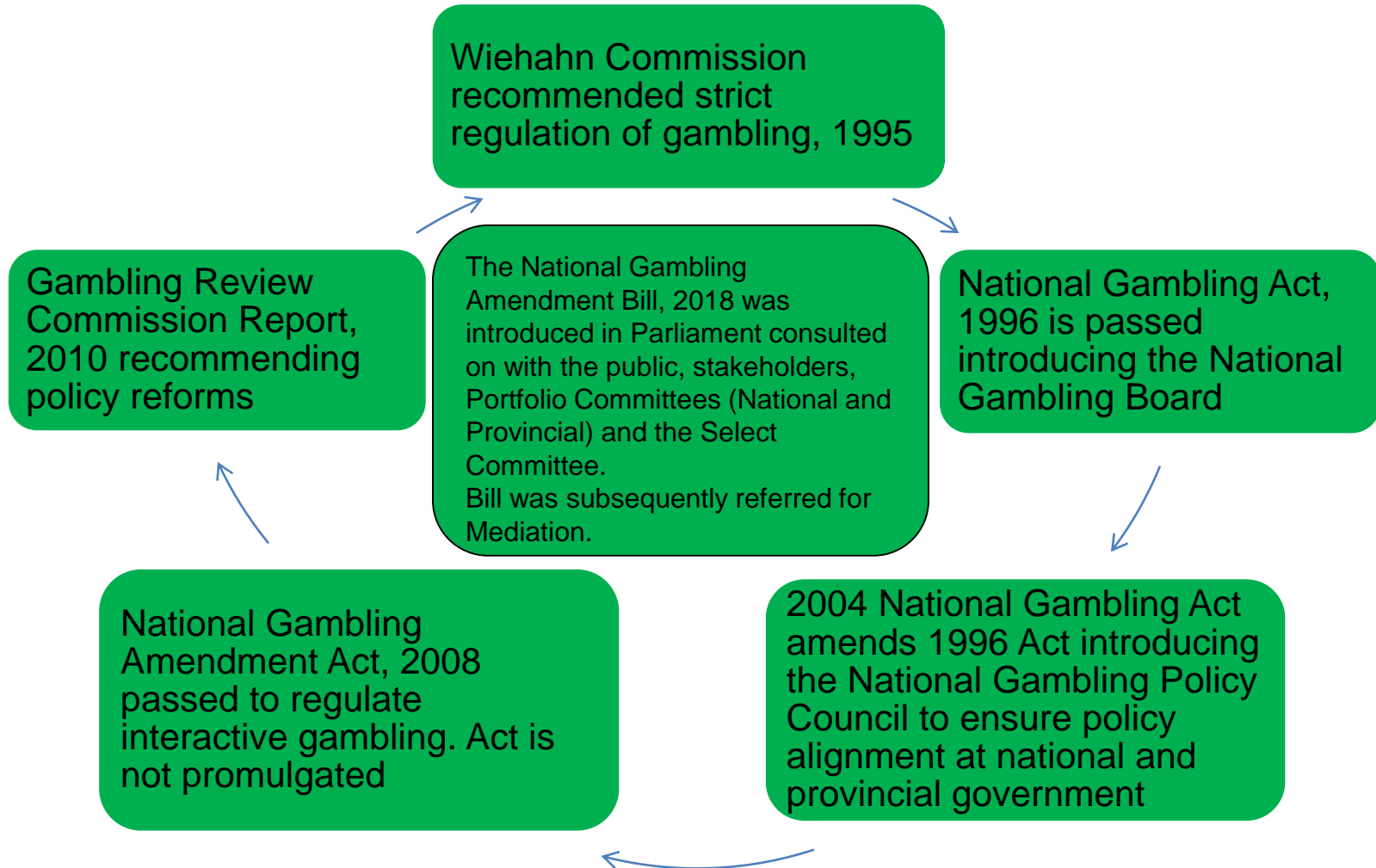
the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)

## Legislative Process undergone by the Bill: Final Mandates from the Provinces

- The nine provinces submitted the final voting mandates on the Bill. Four provinces voted not in favour of the Bill (GP, WC, FS, NW); Three provinces voted in favour of the Bill (MP, LMP, NC); and two provinces abstained from voting on the Bill (EC, KZN), in August 2020.
- The summary of the voting status from the Provinces is below:

Province	Status/ Position on mandates
Gauteng	Voted <b>not</b> in favour of the Bill.
Mpumalanga	Voted in favour of the Bill.
Free State	Voted <b>not</b> in favour of the Bill.
Northern Cape	Voted in favour of the Bill.
Eastern Cape	Abstained from voting on the Bill.
KwaZulu-Natal	Abstained from voting on the Bill.
Limpopo	Voted in favour of the Bill.
North West	Voted <b>not</b> in favour of the Bill.
Western Cape	Voted <b>not</b> in favour of the Bill.

# Background



## Background

The Wiehahn Commission set principles, which remain relevant in guiding the gambling legislative development in South Africa:

- Protection of society from over-stimulation of latent gambling through the ***limitation of gambling opportunities***.
- Protection of players and integrity and fairness of the industry through ***strict control and supervision*** of the industry.
- ***Uniformity and harmonisation*** of policy and legislation at all levels of government across provinces through minimum norms and standards, cooperation and coordination.
- Generation ***of revenue and taxes*** for provincial governments and for good causes.
- Economic empowerment of the ***historically disadvantaged***.
- Promotion of ***economic growth, development and employment***.

# Rationale of the Bill

- To provide for the reconfiguration of the National Gambling Board which will become the National Gambling Regulator led by the CEO without a board structure;
- To provide for the automatic forfeiture of unlawful winnings to the National Gambling Regulator;
- To provide for the quorum of the National Gambling Policy Council to make a final decision in the second meeting with the majority of the members present in that meeting;
- To extend the National Central Electronic Monitoring System to other modes of gambling;
- To enhance the powers of the national inspectorate to curb illegal gambling activities;
- To amend and delete certain definitions; and
- To provide for the transitional arrangements.



## Clause 3, section 10A: Register of unlawful operators

- Clause 3 inserts section 10A which empowers the National Gambling Regulator (NGR) to keep a register of unlawful gambling operators and also that the said operators will be disqualified for five years from applying for a licence to operate. This is in addition to the criminal sanctions and fines envisaged under the Act.
- When a court has convicted an individual for contravening legislation, then such unlawful gambling operator will be listed in the register of unlawful gambling operators.
- The insertion of section 10A refers to both licensed and unlicensed gambling operators.
- Administrative matters set out in the regulations to follow the Bill will outline the process to list and delist the unlawful gambling operator.
- The clause further provides that the operator can approach the NGR to motivate for removal from the register.
- Only once the courts had declared someone an illegal gambling operator, is the illegal Gambling operator listed on the register.



## Clause 4, section 14-marketing to excluded persons

## Clause 5, section 16(4)-forfeiture of unlawful winnings

- Clause 4 inserts amendment of section 14 by inserting subsection 13 which require operators to remove excluded persons from their marketing (mailing) list.
- Clause 5 amends section 16(4) to provide that unlawful winnings be forfeited to the NGR subject to compliance with the Promotion of Administrative Justice Act (PAJA) – the winnings will no longer be forfeited to the State after a High Court order as the provision requires in the current Act. It further strengthens the conditions to verify the unlawful winnings.
  - The onerous burden of applying to the High Court is being removed, making the process easier and saving tax payers money.
  - The funds forfeited are not large sums. In certain instances the cost of Counsel far outweighs the amount to be forfeited, e.g. Counsel may cost R35 000 per day however the amount forfeited is R500.

## Clause 12, section 27 – National Central Electronic Monitoring System (NCEMS)

- Clause 12 amends section 27 to provide that the National Central Electronic Monitoring System (NCEMS) will be extended to apply to casino, bingo and betting activities under the auspices of the NGR. This will be a move away from the current system that is self operated by operators who in turn share the data with the Provincial Licensing Authorities (PLAs).
- The clause provides for the national license, the implementation date for the NCEMS and gives powers to the Minister to determine the extent of the operation of the NCEMS.
- The NCEMS is a regulatory tool for NGB and PLAs to provide independent oversight of the gambling activities, taxes and levies due.
- Currently, outside of the Limited Pay -out Machines (LPMs) industry, the Regulators rely on the monitoring systems belonging to operators. Each operator has their own monitoring system, which the Regulator has no control over.
- **Limited Pay-out Machines (LPMs)**
- LPMs were introduced as slot machines permitted outside of casinos.
- These machines are limited because only a maximum bet of R5.00 and winnings of R500.00 are permitted. In addition, only 50 000 machines are permitted to be rolled out nationally and are to be introduced in two stages of 25 000 per stage.
- Currently, the rollout of LPMs is within the first stage, with about 15 500 machines rolled out nationally.
- At the initial stage, a licensed LPM site is permitted to have not more than five LPMs. The NGB may approve an LPM site with more than five machines upon application by a Provincial Licensing Authority.



## Clause 12, section 27 – National Central Electronic Monitoring System (NCEMS)

- The intention is to consolidate information throughout the country from all legal modes of gambling.
- This is a great step towards governments' effort to implement the 4th Industrial revolution and enhanced regulatory oversight over the PLA's and Gambling industry.
- Existing monitoring systems at various gambling venues will continue to function as normal.
- The NCEMS is a National register as set out in the NGA 2004 and this function will ensure that the NGR continues to work as a central repository of gambling information in addition to that which is already required in terms of the national registers.
- The output of NCEMS will supply PLAs, Manufacturers, and Operators with valuable intelligence in terms of the gambling sector performance both at provincial and national levels. The information can also be used for reporting of national statistics, as well as for determination of taxes and levies.
- The NGB will assist with accountability regarding the accuracy of gambling taxes and levies.

# National Central Electronic Monitoring System (NCEMS)

- The NGR will be directly accountable for the information collected as opposed to the status quo where PLAs have to rely on operators to provide that information.
- This will not interfere with the functions of the PLAs, but will rather strengthen their ability to regulate.
- The National Gambling Policy (NGP) included NCEMS in the approved version of February 2016. The NGAB has followed progressive development, and some provisions were added while others were removed in the process. This provision was consulted upon during 2017, and was still a subject matter of consultation as part of the National Assembly and National Council of Provinces legislative process prior to the Bill being signed into law.
- The establishment and maintenance of a NCEMS is an exclusive mandate of the NGB, set out in Section 27 of NGA, 2004 conferred upon it by the Minister of Trade Industry and Competition through the NGA. The NCEMS is a regulatory function for National Government to exercise oversight and serves as a National Register as set out in the NGA.
- NCEMS being an IT system will improve efficiencies, financial reporting, Industry performance reporting and provide reliable information for auditing purposes.



# National Central Electronic Monitoring System (NCEMS)

- The NGB monitors compliance of PLAs and simultaneously has to ensure that the operators licensed by PLAs are compliant therefore an independent regulatory tool will resolve regulatory gaps and improve efficiencies.
- There is a need to have an independent entity coordinating information received from the NCEMS. This is in line with international auditing standards that whilst PLAs source information or data from operators for the imposition of taxes they should also have a 3<sup>rd</sup> party source which will be the NGB to verify the information or data received from the operators. This will not only contribute to adherence with uniformity and consistency of norms and standards but also reporting of illegal financial transactions.
- The system has already been developed at the cost of the NGB.



the dtic

Department  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)

## Clause 15, section 33-responsibilities of the National Gambling Regulator

- The amendment empowers the NGR to consider applications and motivations from the provincial licensing authorities for acquisition of additional limited pay-out machines, for purposes of compliance with the approved criteria.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)



## Clause 26, section 63A-National Gambling Policy Council

- Clause 26 inserts section 63A which provides that in cases where there is the National Gambling Policy Council (NGPC) meeting and there is no quorum, the decision on issues tabled will be made in the next meeting provided it is supported by the majority of the voting members present at that meeting.
- The NGPC is established in terms of section 61(1) of the National Gambling Act of 2004 to ensure policy alignment at national and provincial government.
- The Council consists of—(a) the following regular members—(i) the Minister; and (ii) from each province, the Member of the Executive Council responsible for casinos, racing, gambling and wagering in that province; and (b) the following supplementary non-voting members—(i) the chairperson of the National Gambling Board; and (ii) from each province, the chairperson of the provincial licensing authority (PLA). The Minister is the chairperson of the Council.
- The quorum is constituted by the Minister and at least 5 Members of the Executive Council (MEC) responsible for casinos, racing, gambling and wagering in that province.
- Schedule 4 of the Constitution of the Republic of South Africa lists casinos, racing, gambling and wagering (excluding lotteries and sports pools) as a functional area of national and provincial concurrent legislative competence, granting both provincial and national government the power to legislate and regulate gambling.
- The NGPC is critical for collaboration and co-operation between national and provincial governments and to ensure there would not be a conflict of policy.
- The Minister may convene a meeting of the Council at any time, but must convene at least two meetings in each financial year.
- The Minister may designate any meeting of the Council to be a meeting of all members, or only of regular members, but must designate at least one meeting in each financial year to be a meeting of all members.
- This amendment is intended to address the delays caused by lack of quorum which affects the policy decisions to be made and other coordination efforts of the National Gambling Policy Council.

# National Gambling Policy Council

- Whilst the NGB and PLAs have the power to legislate and regulate Gambling, they have similar and distinct roles.
- Matters of concurrent legislative competence are to be managed within the confinement of the Inter-Governmental Relations Framework Act therefore the NGPC is a statutory body which gives effect to the principle of cooperative government for policy making and regulation of gambling in the Republic.
- The proposed insertion of section 63A serves to empower the NGPC to be progressive in its decision making in that they would be able to deliberate on matters before NGPC and in the second meeting the motion may be passed.
- Section 63 (7) of the NGA stipulates that the NGPC may establish the rules of procedure.
- The decision to insert section 63A was fulfilled by the NGPC in its meeting of 12 March 2018 which was quorate where the NGPC members agreed that the Bill may proceed to Cabinet for introduction to the National Assembly.

# National Gambling Policy Council

- Failure by the NGPC to meet has negative implications for gambling regulation in South Africa due to lack of harmonisation in gambling laws and policy.
- Other options were suggested for addressing the quorum. **Disbanding the Council** will result in not giving effect to the Constitution and the risk of conflict with regards to policy and legislative development may arise and this will pose challenges as opposed to solutions. **Round-robin** ordinarily is utilized to cast a vote on matters which have been deliberated. Passing of motions have been attempted through round-robin and has proven not to be a viable option.
- During the certification of the Bill by the Office of the State Law Advisor, the vote of the majority of members at the second meeting was seen as a policy decision that is rational as it serves a legitimate government purpose.
- It was found to meet constitutional imperatives from a cooperative governance point of view in that this was a collective decision of both National and Provinces.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)

# National Gambling Policy Council

Between 2013 and 2018, only 2 meetings quorated out of 9 scheduled meetings. Round robins could not work as provinces would not cooperate. MECs would cancel attendance on day of meeting after confirmation.

NATIONAL GAMBLING POLICY COUNCIL MEETINGS FROM 2013 TO 2018					
2013	2014	2015	2016	2017	2018
02 Aug 2013. The meeting took place without a quorum. Round robin was recommended for decisions to be made.		02 March 2015. The meeting took place without a quorum. Round robin was recommended for decisions to be made.	In March 2016. Meeting was rescheduled.		12 March 2018. Meeting took place and had a quorum. 1st communication to MECs was on 25 January 2018.
	05 Sept 2014. Meeting took place and had a quorum.	09 and 10 December 2015. Meetings were initiated but never materialised due to the quorum.	22 April 2016. Meeting was cancelled.	03 April 2017. Meeting was cancelled on a day at the venue due to the quorum. Communication to MECs was on 28 January 2017. Meeting had financial implications.	
				06 July 2017. Meeting was cancelled. 1st communication to MECs was 22 May 2017. Letters for the National Gambling Amendment Bill were subsequently sent to the MECs by round robin.	

## Clause 28, clause 29, clause 30, section 65A and section 65B National Gambling Regulator

- Clause 28 amends section 64 to provide for the establishment of the National Gambling Regulator as a public entity which is a juristic person led by the CEO. It repositions (removes) the board and replaces it with the Regulator.
- Clause 29 amends section 65(1) by inserting subparagraph 65(1)(eB) to empower the NGR to collect and retain a monitoring fee from all modes of gambling for the National Central Electronic Monitoring System.
- Clause 30 inserts section 65A and 65B which provides that the CEO is eligible for appointment for a period of 5 years which can be renewed for another 5 years.
- The provision further provides that the CEO must be a fit and proper person who must not be disqualified and must meet all other requirements for appointment.
- Section 65B provides for the functions of the CEO to perform and outlines responsibilities including those pertaining to the functions of the NGR, the appointment of staff, manage NGR financial resources, delegation of certain functions and to be accountable to the Minister.
- The Bill seeks to remove the concept of a Board comprising various external members, and replacing this concept with governance led by a Chief Executive Officer, with the assistance of Deputy CEO.



# National Gambling Regulator

- The NGR will be listed as a Schedule 3A, a public entity in terms of the PFMA, and will comply with all the PFMA legal prescripts and is accountable to the Auditor-General and Parliament. The CEO of the NGR will become the accounting authority and is required to account at the highest level pertaining to its fiduciary duties. All governance checks and balances are in place in terms of legislation to prevent abuse of power.
- The CEO is restricted to exercise power within the confinements of the PFMA read with the NGA as amended. Whilst a collective of individuals may present collective expertise; however, it should be noted that for an organisation such as the NGB and the NGR, institutional memory is built from within the organisation and recorded over time.
- In terms of the PFMA, the accounting authority can at any time appoint consultants if specific expertise is required for a particular instance.



# National Gambling Regulator

- It is proposed that the NGR is established in line with other entities of **the dtic** after considering **the dti** research on Agency Rationalisation which found that maintaining the board system was costly and did not contribute towards internal efficiencies of the NGB (Page 105 of the Agency Rationalisation report).
- One of the key recommendations of the study was that Commission style structures work better than board structure and this contributed to the policy position.
- **the dtic** regulators which had adopted the governance model of the Board structures presented governance challenges and have since adopted a model similar to that proposed for the NGR.



# National Gambling Regulator

- The NGB has for 11 years been under Administration and it has successfully achieved 100% of its performance targets year on year, and has received a clean audit for the past consecutive years to date.
- The NGR will play an oversight role that includes setting norms and standards, ensuring compliance, monitoring trends of industry performance, managing national registers and advising the NGPC.
- The NGR has no licensing function and therefore will not impact the mandate of the provincial licence authorities. It is envisaged the NGR will become a regulator with strengthened regulatory and enforcement capability.
- The creation of the NGR with the proposed governance structure will improve efficiency. It is proposed that the NGR is established in line with other entities of **the dti** after considering **the dti** research on agency rationalisation.
- **the dtic** regulators which had adopted the governance model of the Board structures presented governance challenges. Other entities with similar governance structures (single head with no external Board) include the Public Protector, CIPC, NCT, NRCS, NCC, Competition Commission etc.



## National Gambling Regulator-strengthened mandate of the NGR

- Monitoring of compliance by licensees is a necessary national competence and the NGAB is being amended to give effect to this. This will ensure more effective regulation of gambling and enhance punter protection.
- The NGAB extends monitoring of compliance to include licensees, which currently does not take place. The NGB currently has no direct link to licensees, and is unable to intervene or assist punters when approached directly to resolve gambling related disputes.
- The NGB can only refer queries to PLAs for investigation and resolution however the NGAB will enable the NGR to investigate matters that are not resolved by PLAs. – the NGR will be empowered to effectively work towards eradication of illegal gambling activities proactively and/or in collaboration with PLAs and/ or other law enforcement agencies.
- This will enhance punter protection.

## Clause 32, section 66A-Intergovernmental Relations

- Clause 32 inserts section 66A to empower the NGR to work collaboratively with other government departments or institutions responsible for gambling related matters; and
- May enter into working agreements with such institutions which includes establishing forums for such purposes.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)

## Clause 40, section 76A-Powers of the National Inspectorate

- Clause 40 inserts section 76A to provide for additional powers of the national gambling inspectors that they may act with or without provincial inspectors to investigate illegal gambling activities. This is for those cases when the provincial inspectors are not available to accompany the national inspectors.
- Section 76A will serve to complement the role of PLAs in this regard and not to undermine them. PLAs will continue to licence unhindered but NGR will need to conduct its oversight mandate.
- 'With or without provincial inspectors' as an approach, aims to ensure in instances where action has to be taken to combat an illegal activity and upon consultation, the PLA is unable to assist, the NGR can intervene.
- Section 76A(1)(e) makes reference to powers of the NGR in terms of the National legislation with regards to compliance nationally whilst section 30(1) of NGA makes reference to powers of PLAs to ensure compliance within their jurisdiction.
- This will include powers to serve the illegal operator with a notice to stop operating pending investigation, litigation and prosecution.
- Once illegal gambling operations are proven the inspectors will also advise landlords to lawfully evict the illegal operators from the premises.

# Powers of the National Inspectorate

- Notifying financial institutions including Banks to stop gambling related financial transaction with any proven illegal gambling operator in compliance with the Financial Intelligence Centre Act (FICA) by not processing payments in relations to illegal gambling activities.
- Financial institutions will be required to comply with the Financial Intelligence Centre Act, 2001 by not processing payments in relation to proven illegal gambling activities.
- The NGR will work closely with the banks and other financial institutions to address payments of unlawful gambling activities.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)



## Consequential Amendments

Most of the provisions are merely technical or editorial to clarify provisions in the Act and at the most is to replace either the words “board” or “CEO” with the words “National Gambling Regulator”, this is also the case with the definitions amended (e.g. Clause 8, 9, 10, 11, 14, 17, 18).

Clause 10-substitute South African Bureau of Standards with National Regulator for Compulsory Specifications.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)

## Clause 42, section 87 (1)-Regulations

- Clause 42 will amend section 87(1) by inserting subparagraph (fA) which will empower Minister to make regulations to set out the criteria the NGR will use to observe when considering the applications for additional LPMs from provinces.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)

## Clause 44-Transitional Arrangements

- Clause 44 provides for the transitional arrangements which provides that the employees of the NGB will be deemed to be employees of the NGR.
- The immovable, movable assets, financial, administrative and other records and contractual rights and obligations and liabilities of the board will be those of the NGR.

# Concerns Raised in the 5<sup>th</sup> and 6<sup>th</sup> Parliament

## Establishment of the National Gambling Regulator (NGR)

- Provinces raised concerns regarding the proposed establishment of the NGR without a board structure regarding issues of corporate governance.
- With the above in mind, it was however proposed that the NGR is established in line with other entities of the Department of Trade, Industry and Competition (**the dtic**) after considering **the dtic** research on agency rationalisation.

## National Central Electronic Monitoring System

- Provinces were concerned that NCEMS which is currently monitoring Limited Payout Machines (LPMs) will be extended to all modes of gambling. Issues were raised that Casinos and Bingos already have their own monitoring systems and Provincial Licensing Authorities have access to this information when it is needed.
- The NCEMS is a national register as set out in the National Gambling Act (NGA), 2004 and this function will ensure that the NGR continues to work as a central repository of gambling information in addition to that which is already required in terms of the national registers. The intention to extend the NCEMS to other modes of gambling is to consolidate information throughout the country for all legal modes of gambling.



## Concerns Raised in the 5<sup>th</sup> and 6<sup>th</sup> Parliament

### National Gambling Policy Council (NGPC)

- Most of the provinces opposed the amendment clause that empowers the majority of the members of the NGPC present in the second meeting to make a decision if in the first meeting there was no quorum.
- The amendment empowers the majority of the members present in the second meeting of the NGPC to make a decision if in the first meeting there was no quorum. Most of the provinces opposed this provision.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)

# Concerns Raised in the 5<sup>th</sup> and 6<sup>th</sup> Parliament

## Powers of the National Inspectorate

- Issues of autonomy and independence of the Provincial Inspectorate were raised, where National Inspectors are allowed to investigate without prior approval of the province and without being accompanied by the Provincial Inspectors.
- Section 76A provides for additional powers of the National Gambling Inspectors that they may act with or without Provincial Inspectors to investigate illegal gambling activities. This is for those cases where the Provincial Inspectors are not available to accompany the National Inspectors.



## Outcome of the Bill – NCOP decision

- The Select Committee tabled its report on 16 February 2021.
- The Select Committee referred the Bill to the National Council of Provinces. The Bill was rejected and referred for mediation to the Mediation Committee of the National Assembly on the 14 December 2021.
- On 14 December 2021, the Bill was announced in the Announcements, Tabling Committee Reports (ATC) as “to be referred”, not formally referred, because the Mediation Committee had not yet been established.
- Subsequently, the Bill effectively remained inactive without progress and ultimately lapsed at the end of the Sixth Parliament.
- The reason the NCOP rejected the Bill was due to the de-establishment of the provincial gambling boards and replacing them with a regulator.
- The mediation on the Bill was placed on the Parliamentary programme for 2022 and scheduled for the 7 June 2022; however, the mediation meeting was cancelled.

## Mediation Process

- ❑ The Bill was revived in the National Assembly, on 25 July 2024, and in the NCOP, on 29 July 2024, at the stage it had lapsed on the last day of the Sixth Parliament.
- ❑ Under the new Joint Rules adopted in 2024, the Mediation Committee is established once both Houses have determined the members to serve on the committee, thereafter the Bill would be referred to it.
- ❑ The Committee deliberated on the Bill and formally considered and adopted it on Friday, 13 June 2025.
- ❑ During the deliberations on the Bill, the following procedural matter was raised: whether the Mediation Committee's consideration of the Bill was procedural and constitutionally sound, given the delayed referral.

## Mediation Process

- On Friday, 30 May 2025, the Committee proceeded with its deliberations with a specific focus on issues of concern as identified by provinces, namely:
  - The proposed quorum requirements for the National Gambling Policy Council where it fails to quorate.
  - The establishment of a National Gambling Regulator to replace the National Gambling Board.
  - The proposed extension of the National Central Electronic Monitoring System from Limited Payout Machines to other modes of gambling.
  - The introduction of powers of the National Inspectorate to act independently of provincial licensing authorities.
  - The amendment of the process to declare the forfeiture of unlawful winnings.

## Mediation Process

- ❑ **The National Gambling Amendment Bill B27D-2018**
- ❑ The Mediation Committee processes were in closed sessions. The Bill has not yet been adopted by Parliament.
- ❑ Changes were made on the Bill. The amendments to the Bill include:
  - ❑ Retaining the board structure and the removal of the National Gambling Regulator from the Bill.
  - ❑ National Gambling Policy Council meetings: A hybrid/virtual meeting is included in the Bill but not to amend the quorum requirements. The amendments include the definition of a meeting.

## Recommendation by the Mediation Committee

- The Mediation Committee report was finalised and tabled in the Committee.
- The Mediation Committee recommended that the National Assembly and the National Council of Provinces adopt the report and approve the second reading of the new version of the National Gambling Amendment Bill [B27D-2018].

# Recommendation

- ❑ For the Standing Committee on Finance to note the National Gambling Amendment Bill and its processes.



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)





# Thank you



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

**the dtic - together, growing the economy**

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: [www.thedtic.gov.za](http://www.thedtic.gov.za)