

ANNUAL PERFORMANCE PLAN 2025/2026- 2027/2028



National Gambling Board
South Africa

a member of **the dtic** group



TABLE OF CONTENTS

Executive Authority Statement	4
Deputy Minister Foreword	5
Accounting Authority Statement	6
PART A: OUR MANDATE	9
1. Updates to the relevant legislative and policy mandates	9
2. Updates to institutional policies and strategies	10
Constitutional mandate	10
3. Updates to relevant court rulings	10
PART B: OUR STRATEGIC FOCUS	14
4. Updated situational analysis	14
SWOT analysis	21
TOWS Analysis	24
PART C:	26
MEASURING OUR PERFORMANCE	26
5. Financial Information	26
6. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	28
7. PROGRAMME 1: GAMING CONTROL AND COMPLIANCE	28
8. PROGRAMME 2: ENFORCEMENT	34
9. PROGRAMME 3: CORPORATE SERVICES AND RESEARCH	39
10. PROGRAMME 4: FINANCE AND PROCUREMENT SERVICES	48
11. UPDATED KEY RISKS AND MITIGATION FROM THE SP	54
12. PUBLIC ENTITIES	57
13. INFRASTRUCTURE PROJECTS	57
PART D: TECHNICAL INDICATOR DESCRIPTION	58
14. GCCD Technical Indicator Description	58
15. ENFORCEMENT TECHNICAL INDICATOR DESCRIPTION	61
16. CSRD TECHNICAL INDICATOR DESCRIPTION	63
17. FINANCE AND PROCUREMENT TECHNICAL INDICATOR DESCRIPTION	67
PART E: LINKS TO OTHER PLANS	69
18. FRAUD PREVENTION PLAN	69
19. MATERIALITY AND SIGNIFICANCE FRAMEWORK	69
20. RISK REGISTER	69
21. SERVICE DELIVERY STANDARDS	69
21. RISK REGISTER	76
22. SERVICE DELIVERY STANDARDS	76

Abbreviations and Acronyms

AfCFTA	-	African Continental Free Trade Agreement
APP	–	Annual Performance Plan
B-BBEE	–	Broad-Based Black Economic Empowerment
CCO	–	Chief Compliance Officer
CEO	–	Chief Executive Officer
CFO	–	Chief Financial Officer
CPA	-	Consumer Protection Act
CSA	-	Chief Strategic Adviser
CSD	-	Central Supplier Database
CSRD	-	Corporate Services and Research Division
CTO	-	Chief Technology Officer
EA	–	Executive Authority
FICA	–	Financial Intelligence Centre Act
FPD	-	Finance and Procurement Division
FY	–	Financial Year
GCCD	-	Gaming Control and Compliance Division
GDP	–	Gross Domestic Product
GGR	–	Gross Gambling Revenue
GNU	-	Government of National Unity
HDI	–	Historically Disadvantaged Individuals
ICT	–	Information Communications Technology
IGRFA	-	Intergovernmental Relations Framework Act
LPMs	–	Limited Payout Machines
MOU	–	Memorandum of Understanding
MTEF	–	Medium Term Expenditure Framework
MTDP	–	Medium Term Development Plan
NCEMS	–	National Central Electronic Monitoring System
NDP	–	National Development Plan
NGA	–	National Gambling Act
NGB	–	National Gambling Board
NGPC	–	National Gambling Policy Council
NGR	–	National Gambling Regulator
NT	–	National Treasury
PFMA	–	Public Financial Management Act
PLAs	–	Provincial Licensing Authorities
POPIA	-	Protection of Personal Information Act
POCA	-	Prevention of Organised Crime Act
SABS	-	South African Bureau of Standards
SMME	–	Small medium and micro-sized enterprises
SPCIG	-	Stakeholders Priority Committee to Combat Illegal Gambling
SWOT	–	Strengths, Weaknesses, Opportunities and Threats
the dtic	–	The Department of Trade, Industry and Competition
TID	-	Technical Indicator Description
TOWS	–	Threats, Opportunities, Weaknesses and Strength

Executive Authority Statement



The economic landscape in which the Department of Trade, Industry and Competition (**the dtic**) and its entities operate remains complex and challenging. Global geopolitical tensions, trade wars, and rising protectionism continue to create obstacles for key export markets while fostering conditions that threaten small, open economies like South Africa. Domestically, structural constraints such as high unemployment, inequality, poverty, and infrastructure challenges—particularly in energy and logistics—continue to impede sustainable economic growth and investment.

It is against this backdrop that the 7th Administration comprising a Government of National Unity (GNU) has set out a Medium-Term Development Plan (MTDP) focused on three key priorities: inclusive economic growth and job creation, reducing poverty and tackling the high cost of living, and building a capable, ethical, and developmental state.

the dtic has aligned its efforts with this broader national strategy, prioritizing **re-industrialization, job creation, transformation, and state capability**. Central to this is an industrial policy agenda

that drives decarbonization, digitalization, and economic diversification to build a competitive and equitable South Africa.

The gambling industry, like many sectors, has undergone significant structural shifts due to technological advancements. In this evolving landscape, effective regulation remains critical to ensuring that the industry contributes to economic growth while safeguarding consumers, maintaining legal compliance, and preventing criminal activity. The regulatory framework must remain responsive and proactive to ensure a fair, transparent, and well-regulated gambling environment.

The Strategic Plan provides a five-year roadmap that aligns the entity's work with national priorities, leveraging gambling regulation as a tool for economic growth. The Annual Performance Plan (APP) translates this vision into actionable outputs, ensuring measurable progress in the new financial year. The Annual Performance Plan 2025/26-2027/28, is hereby submitted in accordance with the Revised Framework on Strategic and Annual Performance Plans.

I wish to express my appreciation to the management and staff for their dedication and commitment to executing this strategic vision. Their continued efforts will be instrumental in achieving the government's broader objectives and fostering a more inclusive and resilient economy.

A handwritten signature in black ink, appearing to read 'P. Tau', written over a horizontal line.

Mr Parks Tau, MP
Minister of Trade, Industry and Competition

Deputy Minister Foreword



The 7th Administration, under the Government of National Unity (GNU), has set forth a clear Medium-Term Development Plan (MTDP) that prioritizes inclusive economic growth and job creation, poverty reduction, and the establishment of a capable, ethical, and developmental state. **the dtic** aligns its efforts with these priorities, focusing on re-industrialization, job creation, economic transformation, and enhanced state capacity.

The National Gambling Board (NGB) plays a crucial role in this broader economic agenda by ensuring effective regulation and oversight of the gambling industry to safeguard consumer interests, promote responsible gambling, and prevent illicit activities.

The gambling industry has experienced significant structural shifts, driven by technological advancements and evolving consumer preferences. The rapid expansion of betting, which now comprises over 60% of Gross Gambling Revenue (GGR), has transformed the landscape, presenting both opportunities and regulatory challenges. While these changes drive economic activity, they also necessitate a modernized, technologically adept regulatory framework to ensure transparency, compliance, and social responsibility.

As the gambling industry evolves, so do its associated risks. The alarming rise in problem gambling—from 6% in 2017 to 31% in 2023—necessitates urgent intervention. The NGB remains committed to bolstering responsible gambling initiatives, intensifying public education efforts, and collaborating with stakeholders to implement harm-reduction measures. In parallel, the fight against illegal gambling remains a priority. Through the National Stakeholders Priority Committee, the NGB will work closely with law enforcement, financial institutions, and digital service providers to combat illicit activities that threaten the integrity of the industry and the broader economy.

The NGB is advancing its mandate through key areas in gaming control and compliance, enforcement, and research. Further and aligned with national development priorities, the NGB endeavours to promote economic inclusion by facilitating procurement opportunities for black-owned entities, supporting small businesses in the gambling value chain, and ensuring that the industry contributes meaningfully to transformation. These efforts not only strengthen policy and legislative reforms but ensure a well-regulated and sustainable sector.

I commend the NGB leadership and staff for their commitment to implementing key initiatives that align with the government's growth agenda.

A handwritten signature in black ink, appearing to read 'Zuko Godlimpi', written over a horizontal line.

Mr Zuko Godlimpi, MP
Deputy Minister of Trade, Industry and Competition

Accounting Authority Statement



It is with great pleasure that National Gambling Board presents the Strategic Plan for the period 2025-26 to 2029-30. Aligning NGBs mission with actionable goals and initiatives, the strategic plan helps to ensure a proactive and impactful approach to the organization's endeavours in addressing the complexities of the gambling industry.

South Africa's economy faces mounting global and domestic challenges. Geopolitical tensions, protectionism, and trade wars have disrupted exports, fostering dumping that threatens local industries. Domestically, load-shedding, rising electricity costs, inefficient logistics, and weak local governance increases business costs, while skills mismatches and market concentration hinder economic transformation. With low business confidence and slow growth, urgent structural reforms are needed to create a more inclusive, resilient, and competitive economy.

The NGBs focus for the upcoming strategic period coincides with the advent of the 7th administration under the Government of National Unity (GNU) and the MTDP whose priorities centre on inclusive economic growth and job creation, reducing poverty and

tackling the high cost of living, and building a capable, ethical, and developmental state.

Achieving rapid, inclusive, and sustainable economic growth requires a strong focus on re-industrialization, job creation, transformation and a capable state which form the basis of **the dtic's** outcomes.

As NGB we are committed to aligning our mandate to the new priorities of this administration for improved regulation of the gambling industry to ensure that our activities have a beneficial outcome and impact on jobs and inclusive growth.

Further to this **the dtic** has identified - through the industrial policy- key economic opportunities through which rapid, inclusive, and sustainable economic growth can be achieved namely digitalisation, de-carbonization and diversification. The NGB plans to pursue diversification in support of achieving transformation through its outcomes of promotion of sustainable growth and economic inclusion of black-owned entities.

The gambling industry in South Africa has made significant contributions to both the economy and employment, with a notable Gross Gambling Revenue (GGR) growth of 25.7% between FY2022/23 and FY2023/24, despite a challenging economic environment. The rapid expansion of the betting sector, driven by online platforms, has transformed the gambling landscape, presenting both opportunities and regulatory challenges.

Betting now constitutes over 60% of GGR, outpacing the traditional land-based casino sector, which has experienced stagnation and even contraction in market share. This shift toward digital platforms necessitates a modernized, technologically savvy regulatory framework.

We will enhance the National Central Electronic Monitoring System (NCEMS) and ensure its availability. This will allow us to maintain accurate, real-time monitoring of gambling revenue in the Limited Payout Machine (LPM) sector and ensure transparency and fairness across the sector as well as facilitate revenue generation.

The NGB has a responsibility to monitor and ensure compliance of the gambling industry with the applicable laws and regulations. This includes conducting oversight and inspections and audits of Provincial Licensing Authorities as well as licensed operators to verify that they are adhering to the necessary standards for player protection, responsible gambling practices, and financial integrity. We will also address the regulatory gaps surrounding advertising and sponsorships, particularly within the betting sector, to mitigate the societal impacts of excessive and unchecked exposure to gambling marketing.

The regulation of the industry is accompanied by social risks, including the sharp rise in problem gambling, which has surged from 6% in 2017 to 31% in 2023. Addressing these concerns is a top priority. We are committed to strengthening responsible gambling initiatives, working closely with stakeholders to promote public education on the risks of gambling, and ensuring that operators implement harm-reduction measures.

Illegal gambling remains a significant threat to the legitimate industry and our broader economic objectives. Through the establishment of the National Stakeholders Priority Committee, we will continue to collaborate with law enforcement, financial institutions, and internet service providers to curb these activities effectively.

Internally, the NGB will continue to refine its operational efficiency, embracing digital transformation to enhance service delivery. We remain dedicated to the principles of good governance, aligning our practices with legislative requirements, including those related to Broad-Based Black Economic Empowerment (B-BBEE).

The NGB is well-positioned to navigate the changing dynamics of the gambling industry. By leveraging technology, strengthening partnerships, and committing to ethical and responsible governance, we will fulfill our mandate to regulate the industry effectively, protect the public, and contribute to the socio-economic development of South Africa.

In alignment with the National Development Plan (NDP), the Medium-Term Development Plan (MTDP) strategic priorities, the Industrial Policy priorities, and **the dtic's** outcomes, the NGB remains committed to ensuring that gambling regulation serves as a strategic lever for economic growth and consumer protection.

Through this strategic plan, we reaffirm our commitment to building a prosperous, inclusive, and secure South Africa that serves all its people. Working together, we will implement these initiatives with urgency and purpose, ensuring meaningful change for generations to come.

I wish to thank Mr Parks Tau for providing guidance towards the drafting of the Strategic Plan for the next MTDP period. The NGB management is committed to successfully implement the Strategic Plan in contribution to government's overall programmes and priorities.

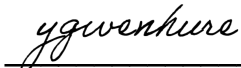


Ms Caroline Kongwa
Accounting Authority

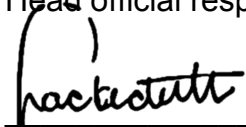
OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the National Gambling Board under the guidance of Mr Parks Tau.
- Takes into account all the relevant policies, legislation and other mandates for which the National Gambling Board is responsible.
- Accurately reflects the Impact, outcomes, and related outputs which the National Gambling Board will endeavour to achieve over the period 2025/26 –2027/28.



Ms Yvonne Gwenhure
Head official responsible for planning



Ms. Kaveshka Mackerduth
Chief Financial Officer



Mr. Nkoatse Mashamaite
Chief Compliance Officer



Mr. Shelton Ragiwa
Chief Technology Officer



Ms Caroline Kongwa
Accounting Authority

Approved by:



Mr. Parks Tau, MP
Minister of Trade, Industry and Competition

PART A: OUR MANDATE

1. Updates to the relevant legislative and policy mandates

The NGB is established in terms of the NGA. The NGB is a Schedule 3A Public Entity in terms of the Public Finance Management Act (PFMA), 1999 (Act 1 of 1999). The mandate of the NGB is set out in sections 33 and 34, read with sections 32, 21 and 65 of the NGA, and these are:

- ✚ Oversight of gambling in the Republic of South Africa by:
 - Evaluating the issuing of national licences by the PLAs.
 - Evaluating the compliance monitoring of licensees by PLAs.
 - Conducting oversight evaluation of the performance of PLAs so as to ensure that the national norms and standards established by the NGA are applied uniformly and consistently throughout the Republic.
 - Assisting PLAs to ensure that the unlicensed gambling activities are detected.
- ✚ Monitoring of market conduct and market share.
- ✚ Monitoring socio-economic patterns of gambling activity and research and identify patterns of the socio-economic impact of gambling and addictive or compulsive gambling.
- ✚ Establishing and maintaining a national registry of every gambling machine or gambling device manufactured within or imported into the Republic, as well as

- ✚ maintaining all other legislator prescribed registers.
- ✚ Investigate alleged unlawful winnings that emanate from unlawful gambling activities. If such winnings are found to be unlawful, an application to the High Court for an order to declare the winnings forfeited to the State is made. Where winnings are deemed to be derived from legal gambling activities, funds are returned to the punter.
- ✚ Advising and providing recommendations to the NGPC on, amongst others, matters of national policy and legislative changes relating to gambling regulation.

Other mandates

The implementation of the NGB's mandate is also indirectly governed by the following legislation:

- ✚ Constitution of the Republic of South Africa, 1996
- ✚ Broad-Based Black Economic Empowerment Act (B-BBEE), 2003 (Act 53 of 2003)
- ✚ The Financial Intelligence Centre Act (FICA), 2001 (Act 38 of 2001)
- ✚ Cyber Crimes Act, 2020 (Act 19 of 2020)
- ✚ Protection of Personal Information Act, 2013 (Act 4 of 2013)
- ✚ Intergovernmental Relations Framework Act (IGRFA), 2005 (Act 13 of 2005)
- ✚ Competition Act, 1998 (Act 89 of 1998)
- ✚ Prevention of Organised Crime Act, 1998 (Act 121 of 1998)

- ✚ Public Finance Management Act (PFMA), 1999 (Act 1 of 1999)
- ✚ Criminal Procedure Act, 1977 (Act 51 of 1977)
- ✚ Films and Publications Act, 1996 (Act 65 of 1996)
- ✚ South African Police Service Act, 1995 (Act 68 of 1995)
- ✚ Standards Act, 2008 (Act 8 of 2008)
- ✚ Legal Metrology Act, 2014 (Act 9 of 2014)
- ✚ National Regulator for Compulsory Specifications Act, 2008 (Act 5 of 2008)
- ✚ Consumer Protection Act (CPA), 2008 (Act 68 of 2008)

Policy mandates

The NGA is premised on the National Gambling Policy, 2016 which informs the key performance outcomes of the NGB. These outcomes manifest through advice and recommendations to the NGPC on, amongst others, matters of national policy and legislative changes relating to gambling.

2. Updates to institutional policies and strategies

As highlighted in the Strategic Plan on the various Government policies and plans which continue to inform the NGB's strategic direction and implementation of its mandate, the President in his State of the Nation Address (SoNA) 2025, under the theme "**A Nation that works, for all**", highlighted the need to transform the South African economy and make it more inclusive. This includes removal of obstacles to achieve meaningful and faster economic growth above three percent through the creation a virtuous cycle of investment , growth and jobs to ensure there is a thriving economy that benefits all

and a capable state where people live and work. The NGB has aligned its strategy with the following:

- ✚ The National Development Plan (NDP), 2030
- ✚ Statement of the Intent of the 2024 Government of National Unity (GNU)
- ✚ The Medium-Term Development Plan 2024-2029
- ✚ National Industrial Policy 2025
- ✚ The National Gambling Policy, 2016

Constitutional mandate

The Constitution of the Republic of South Africa, 1996, Schedule 4, Part A sets out gambling as a concurrent legislative competence and lists casinos, racing, gambling and wagering (excluding lotteries and sports pools) as functional areas for both national and provincial government. Section 146 of the Constitution applies to a conflict between national legislation and provincial legislation falling within a functional area listed in Schedule 4.

In the Republic, the government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated. All spheres of government must observe and adhere to the principles of co-operative government and intergovernmental relations and must conduct their activities within the said principles.

3. Updates to relevant court rulings

There are no relevant court rulings that have a significant, ongoing impact on operations or service delivery obligations

NGB contribution to government priorities

GNU Statement of Intent	NDP	MTDP Strategic Priorities	MTDP Outcome	Industrial Policy Priorities	the dtic Core Outputs for 3.5% Growth Plan	Alignment to Growth Path/ Blue Sky	the dtic outcomes	NGB outcomes	NGB Outcome Indicators	NGB Outputs	NGB Output Indicators
1. Rapid, inclusive and sustainable economic growth, the promotion of fixed capital investment and industrialization, job creation, transformation, livelihood support, land reform, infrastructure development, structural reforms and transformational change, fiscal sustainability, and the sustainable use of our national resources and endowments. Macro-economic management must support national development goals in a sustainable manner.	Ch3. Economy and employment Ch4. Economic Infrastructure- the foundation of social and economic development Ch5. Ensuring environmental sustainability and an equitable transition to a low-carbon economy Ch6. An integrated and inclusive rural economy Ch8. Transforming human settlement and the national space economy	Priority 1: Drive Inclusive Growth and Job Creation	Increased employment and work opportunities	-	540 000 Jobs Created	Workforce readiness and skills for the economy	Increasing Skills and Work Experience for the Economy	Facilitated jobs sustained for industry needs and economic competitiveness	Jobs sustained through appointment of NCEMS operator	Section 27 of the NGA appointment and monitoring of the NCEMS operator for jobs sustained	Number of reports on monitoring of the NCEMS operator and jobs sustained
			Accelerated growth of strategic industrial and labour-intensive sectors		R2 Trillion Investment			Workplace readiness	Employment opportunities through internship and learnership programmes	Implemented Human Capital Strategy on mentoring and coaching to enhance skills and employability	Number of reports on implementation of the Human Capital Strategy on mentoring and coaching
			Enabling environment for investment and improved competitiveness through structural reforms					Facilitated revenue generation in the economy through investment in a NCEMS for the LPM sector	Revenue generation in the LPM sector	Facilitated R2.5 billion revenue generation in the LPM sector to strengthen the domestic economy	Rand value revenue generation facilitated in the LPM sector
								Data-driven insight on market dynamics in the gambling industry for informed decision making	Monitored market share and market conduct of the four (4) sectors in the gambling industry	Gambling Sector performance analysis of the four sectors in the gambling industry for provision of market intelligence	Number of reports on Gambling Sector performance produced
						Omnibus Regulations	Creating an enabling environment for companies through fast-tracking of legislation, other instruments, reducing red tape and unlocking bottlenecks	Increased investment in the LPM sector	Conducted evidence-based research on further prescribed allocation of LPMs in four provinces	Research on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector	Number of reports on research on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector produced

Annual Performance Plan 2025/26-2027/28 FY

GNU Statement of Intent	NDP	MTDP Strategic Priorities	MTDP Outcome	Industrial Policy Priorities	the dtic Core Outputs for 3.5% Growth Plan	Alignment to Growth Path/ Blue Sky	the dtic outcomes	NGB outcomes	NGB Outcome Indicators	NGB Outputs	NGB Output Indicators
			Economic transformation and equitable inclusion of women, youth and persons with disabilities (WYPD) for a just society	Priority 3: Diversification (Spatial, Demographic, Industrial transformation, Scale/Size) -	200 Ind Parks & DDM Transformation	Strategic markets for domestic producers	Local Procurement Spend	Commitment to procuring local goods and services to contribute to the local economy for sustainable growth	Total value committed to procure local goods and services	70% of total public procurement spend on local producers to increase local market competitiveness	% total public procurement spend on local producers
			Commitment to spend on procurement of goods and services from black-owned entities to enhance supplier development and economic inclusion					Total value spend on goods and services procured from black-owned entities	60% of total public procurement spend on goods and services from black-owned entities to increase market share	% of total public procurement spend on goods and services from black-owned entities	
							Enhanced regulation of the gambling industry to inform gambling policy development	Evaluated regulatory compliance in the gambling industry	Evaluation regulatory notices issued in nine (9) provinces	Number of evaluation regulatory notices issued	
							Increased public awareness to educate and inform people on the harmful effects of gambling	Implemented broad-based public education programme on the risks and socio-economic impact of gambling	Broad-based community outreach interventions conducted to inform and educate the public on risks and socio-economic impact of gambling	Number of broad-based community outreach interventions conducted	
			Illicit Trade			Enforcement capabilities of regulators	Red Tape Reduction	Reduced turn-around time to complete investigations on illegal gambling activities	Targeted investigations completed within twenty-five (25) days on illegal gambling matters	Turn-around time to complete investigations on illegal gambling activities	

Annual Performance Plan 2025/26-2027/28 FY

GNU Statement of Intent	NDP	MTDP Strategic Priorities	MTDP Outcome	Industrial Policy Priorities	the dtic Core Outputs for 3.5% Growth Plan	Alignment to Growth Path/ Blue Sky	the dtic outcomes	NGB outcomes	NGB Outcome Indicators	NGB Outputs	NGB Output Indicators
								Protection of the regulated gambling industry	Interventions to combat illegal gambling	Enforcement interventions to combat illegal gambling	Number of interventions to combat illegal gambling through raids and inspections initiated

PART B: OUR STRATEGIC FOCUS

4. Updated situational analysis

Overview of the Gambling Industry

Gambling in South Africa is a significant contributor to both the entertainment and hospitality/tourism industries, and more specifically the broader economy contributing 0.83% to GDP in recent times. Despite an overall weak economic environment (2023 GDP growth estimate of 0.6%), the gambling industry has shown notable growth in Gross Gambling Revenue (GGR) of 25.7% between FY2022/23 and FY2023/24, driven primarily by the betting sector, which grew by 53.7%. In contrast, land-based gambling modes namely casinos, Limited Payout Machines (LPMs), and bingo have stagnated in terms of growth with casinos and LPMs registering negative growth and casinos losing dominance in market share to the betting sector. The gambling industry generated R59.3 billion in GGR in FY2023/24, R35.9 billion of which was derived from the betting sector, R4.1 billion from the LPMs sector and R1.9 billion from the bingo sector. Betting now represents 60.5% of GGR in FY2023/24, whilst casinos have shrunk to 29.3%.

Shifting landscape of Gambling

The betting sector continues to record an upward trend with respect to turnover, GGR and tax contribution. Particularly, the rise in betting undertaken through online platforms is a defining trend. Betting is available both in retail outlets and through online websites of licensed betting operators, over 80% of betting revenue is derived through bets undertaken on the online platforms of

licensed bookmakers, reflecting a broader digital shift similar to other entertainment sectors like music and film. High living costs, rising interest rates (11.75% in 2023 up from 10.5% in 2022), and economic constraints have pushed consumers towards cost-effective, accessible forms of gambling, through online platforms. This trend reflects a transformation in consumer behavior.

Gambling Participation and Problem Gambling

Participation in gambling has seen a marked increase, with the incidence rising to 65.7% in 2023, up from 30.6% in 2017. Online betting stands out, with a participation rate of 46%, indicating that nearly half of the South African population is engaging in betting through online websites. However, this surge in participation has been accompanied by a sharp rise in problem gambling, with the incidence increasing from 6% in 2017 to 31% in 2023. This escalating problem places significant pressure on regulators to enhance measures aimed at harm reduction and public protection.

LPM regulatory considerations

The National Gambling Act (NGA) mandates regulatory authorities to safeguard against potential adverse effects stemming from the proliferation of LPMs within the country. Consequently, the NGA outlines strict guidelines for the gradual introduction of LPMs, emphasizing the importance of

continuous socio-economic impact assessments.

As certain provinces approach the upper limits of their initial LPM allocations for Phase 1, a comprehensive study to evaluate the socio-economic effects of further rollout of LPMs is warranted. This study aims to provide crucial insights on the broader effects that expanding the number and distribution of LPMs can have on the economy and society. This includes the potential to stimulate local economic activity through increased employment, business opportunities, and tax revenues. On the societal side, it can influence consumer behavior, including entertainment spending patterns, while also raising concerns about increased gambling participation and related issues such as problem gambling and financial strain on vulnerable populations. The impact may vary by region and economic conditions, potentially benefiting some areas while introducing risks in others.

Further, the LPM sector has experienced negative growth over the last year attributed to stake and prize limits which have remained unchanged since LPMs were first regulated. As such research to determine the optimal stake and prize limits in the Limited Payout Machines (LPM) is currently underway to inform the appropriate stake and prize limits that will strike a balance that supports industry sustainability, protects players from excessive losses, and ensures that gambling remains a controlled, responsible form of entertainment.

Regulatory Challenges

The current regulatory framework faces several challenges. Anecdotal evidence has raised concerns around a surge in gambling

advertising, particularly in betting advertising. Betting sponsorships also have become a prominent feature of South African sports, increasing the public's exposure to gambling. South Africa's gambling advertising laws do not cater for time and sponsorships restrictions as seen in other countries and critics argue that advertising in a constrained economic environment entices risk-taking behaviours and lures even non-gamblers to try their luck at winning on gambling games. This may contribute to increased problem gambling. International best practice points to stricter regulations on time, sponsorships, and content of advertisements. In other parts of the world, regulators are looking to increased advertising restrictions as a measure to reduce the harms associated with gambling.

The ongoing issue of illegal gambling remains a significant threat to the legitimate economy. The ease of access and increased prevalence of such activities, undermines the legitimate gambling industry, causing significant loss in revenue and contribution to the fiscus. Detection and enforcement are hampered by issues such as tracing of financial flows and jurisdictional complexities, highlighting the need for greater cooperation with financial institutions and internet service providers.

The establishment of the National Stakeholders Priority Committee has resulted in the development of national strategies to combat illegal gambling nationwide. Collaborated efforts by key stakeholders and other regulators in law enforcement and all sectors of society are necessary to ensure a holistic response towards the combat and suppression of illegal gambling operations.

The gambling environment is continuously changing due to new technology with a host of new products coming into the market. This presents a challenge for a gambling regulator, as the NGB, and requires the regulator to be innovative and agile in achieving its objectives. In an effort to support improved industrial performance, dynamism and competitiveness of local companies, the NGB currently monitors the LPM sector through a technologically driven National Central Electronic Monitoring System (NCEMS), ensuring that gambling revenues are accurately captured and allocated to the relevant stakeholders.

4.1 External environment analysis

The NGB regularly scans and monitors the macro-environment to identify factors that have an impact on the gambling industry and NGB's ability to execute its mandate.

Political

South Africa has transitioned from a period of single-party dominance, which characterized the previous six administrations, to a Government of National Unity in its 7th administration. This shift may lead to significant national policy changes, including potential reforms in interactive gambling regulation. For the NGB, this presents an opportunity as it awaits the approval and promulgation of the National Gambling Amendment Bill. Additionally, as the country advances towards its Medium-Term Development Plan, aligned with the National Development Plan, there is potential for the revival of the National Gambling Policy Council (NGPC) to resolve disputes between the NGB and PLAs.

The purpose of the National Gambling Amendment Bill of 2018 is to provide for the reconfiguration of the NGB to become the National Gambling Regulator (NGR) led by a Chief Executive Officer (CEO) without a board structure; the automatic forfeiture of unlawful winnings to the NGR; the extension of the NCEMS to other modes of gambling; and the enhancement of the powers of the national inspectorate to curb illegal gambling activities; amongst others. Passing the Bill could lead to amendments addressing challenges and illegal gambling enforcement.

Urgent attention should be given to the prescription of certain dates in terms of transitional provisions contained in the Schedule to the National Gambling Act, 2004, matters of excluded persons and national registers, re-certification of gambling machines and devices, the remittance of unlawful winnings to the NGB in terms of section 16 and Form NGB2.

Certainty is required to deal with disputes urgently and expeditiously between the NGB and PLAs regarding interpretation and implementation of the NGA; implementation of the B-BBEE Act, 2003; and alignment of laws to give effect to the underlying spirit of co-operative governance. The existing challenges that hinder the effectiveness of the National Gambling Policy Council (NGPC) continue to impede the NGB achieving its mandate.

Economic

The overall economic health of South Africa directly affects the gambling industry. Economic downturns can lead to decreased consumer spending on entertainment,

including gambling. However, they can also drive individuals toward gambling as a means of income, particularly in low-income areas, leading to harmful financial consequences and potentially increasing illegal gambling activities, which undermine legal operations and erode the tax base.

In 2024, interest rates in South Africa reached a 15-year high, placing tremendous cost-of-living pressures, and increased debt pitfalls, on the average consumer. Despite this, participation in gambling has risen, with punters seeking it as an income source due to declining disposable incomes. This trend has particularly harmful effects in poorer communities.

South Africa's population, currently around 62 million, is projected to reach 66.4 million by 2030. However, this growth is not matched by sufficient economic expansion, with unemployment at 32.9%. Notwithstanding this, the gambling industry has seen a 5% increase in direct employment, rising from 32,677 in FY2022/23 to 34,316 in FY2023/24.

Additionally, inflationary pressures affect the LPM sector, where bet limits have remained unchanged, reducing profitability. LPM sector has been operating in an environment that has not kept up with the rise in inflation. As a result, the minimum and maximum bet amounts have remained the same since the inception of the LPM sector. The impact of the current status quo is an erosion of the economic value derived from the sector by all stakeholders. The NGB has seen a reduction of the prescribed monitoring fees as a percentage of gross gambling revenue (GGR) from 6% to 5.61% due to the increase in installed LPMs to more than 15,000 machines nationwide. The reduced

prescribed percentage has resulted in a decline in revenue since the beginning of the 2023/24 financial year.

The NGB 2023/24 financial period was characterized by a reduction in revenue collection by the National Treasury. **the dtic's** grant funding was reduced during 2023/24. A funding reduction remains possible if the prevailing economic conditions do not improve.

As revenue collection challenges persist due to economic stagnation, and the extension of the National Central Electronic Monitoring System (NCEMS) to all gambling modes offers economic potential. An opportunity exists for the NCEMS to be rolled out to other modes of gambling so that significant events relating to all modes can be monitored by the NGB. An extension of the NCEMS to other modes presents an opportunity for a significant increase in locally produced goods and services which would be required to establish an NCEMS that encompasses all modes.

Industry transformation has been slow, with major acquisitions by established operators creating barriers to entry for new participants. The industry has experienced significant acquisitions by established operators, which risks undermining the limited progress made toward transformation. These developments create additional barriers to entry for new participants in the sector.

Social

Whilst gambling serves as entertainment and an economic contributor, it is also associated with addiction, financial hardship, and family breakdowns. Gambling addiction,

especially in a country facing high unemployment and income inequality, deepens financial distress for economically vulnerable individuals, leading to further poverty and social issues. To mitigate these risks, the NGB must ensure operators implement robust safeguards, such as self-exclusion programs and responsible gambling guidelines.

The increasing proliferation of gambling advertising in South Africa is normalizing gambling, especially in conjunction with sports. This growing exposure encourages excessive gambling and poses a social threat by targeting vulnerable groups, including minors, due to a lack of strict regulations.

Aggressive marketing targeting lower-income groups, can encourage individuals to spend beyond their means. Advertisements that glamorize gambling, often use public figures or influencers, and can normalize gambling without adequately highlighting the risks involved. This is especially concerning for younger audiences who may be more susceptible to such messages and less aware of the dangers. The pervasive presence of gambling ads across media platforms, including television, social media, and sports sponsorships, heightens the risk of exposing children and adolescents to gambling, potentially leading to problem gambling later in life.

Sponsorships between unlicensed gambling operators and sports teams, events, or influencers compound the issue by granting these operators a sense of legitimacy. By associating with reputable brands and public figures, unlicensed operators may mislead the public into believing they are trustworthy and compliant with national regulations, undermining consumer protection efforts.

The NGB's role in monitoring and controlling gambling advertisements is crucial to protect vulnerable segments of society.

Illegal gambling adds to negative social issues, as it is easily accessible and difficult to regulate. Society exposed to illegal gambling is not afforded the requisite protection, leaving consumers vulnerable.

Technology

The gambling industry is undergoing significant technological transformation, driven by the rise of digital platforms, Interactive gambling, and the increasing use of data analytics. The growth of bookmakers' interactive offerings is one of the most significant technological shifts in the industry. Many traditional forms of gambling, such as sports betting, have moved online, making gambling more accessible to a broader audience.

This shift brings both opportunities and challenges for the NGB, particularly in ensuring that bookmakers adhere to national regulations and responsible gambling practices when offering the placing of a bet online. For the NGB, adapting to these technological developments is crucial to effectively regulate the industry, ensure compliance, and protect the public from the risks associated with gambling.

The NCEMS system is technologically based and requires a consistent review of new technologies available to enhance it. These technologies enable a smooth running of the NCEMS, a significant reduction of meter irregularities, and a decrease in the number of journals needed to address these irregularities.

A new generation of gambling punters has entered the market – one which is technologically savvy, and whose members are accustomed to online transactions. As more young people gain access and are likely to use technology in various ways in their lives, it is important for the NGB to be vigilant of the growing population of a technologically literate generation and to identify strategies that will guide and assist this group with the awareness of the dangers of gambling.

The use of mobile devices enables convenient gambling and may encourage new types of players. Specifically, game developers have recognized that millennials are less drawn to games of pure chance and instead favour games that involve skill. Consequently, they have tailored their offerings to cater to this market segment.

The proliferation of technology-driven gambling methods presents challenges in terms of regulation and enforcement. It has created opportunities for increased illegal gambling, especially online gambling by minors, facilitated by easy access via mobile devices. Regulators now grapple with the growing challenge of mobile device-based gambling, which can lead to issues such as over-stimulation and problem gambling.

As the gambling landscape diversifies and embraces novel technologies, questions arise about the adaptability of the existing regulatory framework. The NGB must contemplate whether it is necessary to develop a legal framework specifically tailored to govern gambling products and services, rather than maintaining a technologically neutral stance.

The NGB will continue to monitor the impact of technology through conducting research to build a knowledge base for advice to its stakeholders.

Environment

Climate change affects the global economy and tourism, potentially impacting the gambling industry's attractiveness to tourists. The industry's high energy consumption and electricity costs necessitate monitoring and exploration of greener alternatives.

The NCEMS enables the NGB to monitor the LPM sector by connecting to LPM machines using an internet connection, thereby eliminating the need to travel to the sites. This method of monitoring LPMs eliminates the entity's contribution to carbon emissions as the need to travel to the sites is eliminated.

The non-regulated disposal of legal and illegal gambling machines when they become obsolete or are replaced requires responsible management. Gambling machines may contain harmful materials, such as electronic components, plastics, and metals, which can be hazardous to the environment if not disposed of properly. Improper disposal can lead to illegal dumping of waste. Enforcement efforts are necessary to ensure that all gambling machines are disposed of properly, preventing environmental damage and promoting responsible waste management practices.

Legal

The law regarding the legalised modes of gambling is clear. However, the application of the NGA has identified various challenges. There is also a need to address the

misalignment between the application of national and provincial legislation. Currently, there is an expectation that all provincial legislation is drafted to ensure alignment with the NGA. However, it is within the nature of legislation that while there may be agreement on what law states, there can often be disagreement on how to interpret what the law says. As a result, this can lead to inconsistency in the application of gambling laws, in the absence of clear norms and standards to ensure uniformity in approach from province to province.

One of the most pressing issues for the NGB is that bookmakers licensed at the provincial level are using their online presence to offer services nationwide. This undermines the intent of provincial licensing and raises issues regarding jurisdiction, enforcement, and revenue distribution between provinces and the national government.

Legislative gaps, misinterpretations, and issues with online gambling and advertising need addressing.

A rising trend has been observed where the licensed bookmakers through their provincial licensing authority offer online bets on the outcome of events such as casino games and other contingencies in and outside their jurisdictions, which is in contradiction with the NGA.

There is therefore an anticipated dispute to arise as operators would have obtained that authorization from their licensing authorities to enable these betting games across the country. Such disputes are mostly resolved between the Members of the Executive Councils and the Minister of **the dtic** through the National Gambling Policy Council.

Intervention from the NGPC is therefore necessary to resolve such matters.

The inability to enforce certain sections of the NGA is hugely influenced by the delay in the proclamation of certain gambling regulations.

Poor execution of warrants and inconsistencies in sanctions against illegal gambling can significantly undermine efforts to combat illegal gambling. These issues can lead to the withdrawal of cases against illegal gambling, allowing illegal operations to flourish while eroding public trust in the regulatory system. Addressing these challenges is crucial for developing a fair and effective framework to combat illegal gambling activities.

4.2 Internal environment analysis

The NGB has distinguished itself, based on effective systems, processes, resources and organizational culture, as an efficient, effective and well-recognized gambling regulator that maximizes its potential for the benefit of stakeholders, staff and management. The following strategic human capital pillars have been identified for the next five (5) years in order to ensure that human capital issues are effectively addressed:

- a) Create a high-performance organizational culture, recognizing teamwork and spirit;
- b) Create a learning and development organizational culture;
- c) Strategic talent acquisition and retention for organizational effectiveness;
- d) An overhaul of the organizational reward strategy;
- e) An integrated information management system;

f) Legislative compliance and diversity.

The NGB is required to comply with the prescripts of the B-BBEE Act, 2003. As such, an assessment was conducted by a B-BBEE verification agency against the requirements contained in the B-BBEE generic scorecard applicable to government enterprises. The NGB was rated with a B-BBEE compliance Level 8 status i.e. a non-compliant entity. Notwithstanding this, the NGB will continue to implement measures to improve its compliance level and adhere to the letter and spirit of the B-BBEE Act, 2003.

ICT systems and processes are in place within the NGB. The ICT infrastructure is adequate and is positioned to enable the organisation to perform its functions effectively and efficiently thus ensuring that the NGB is able to deliver on its mandate.

The different programs of the NGB are underpinned by a budget that is based on the grant funding from **the dtic**, as well as the revenue generated through monitoring of the LPMs over the MTEF period. The overall financial plan takes into account the asset management plan to ensure the NGB has adequate levels of capital and liquidity to meet the regulatory and operational requirements on a sustainable basis.

SWOT analysis

Strengths

Comprehensive Regulatory Authority

The NGB continues to maintain its position as the premier regulatory authority in the gambling industry in South Africa. Empowered by the NGA, the NGB wields extensive legal and regulatory power to ensure that gambling operations within the country are conducted fairly, transparently,

and in accordance with national interests. The NGB's mandate covers key aspects of regulation, licensing, oversight, and enforcement across various gambling sectors, including casinos, bingos, betting, and LPMs.

The NGB plays a crucial role in ensuring the alignment between national regulations and PLAs. While PLAs are responsible for issuing gambling licenses within their respective provinces, their regulations must conform to the NGA. This creates a harmonized national framework in which provincial legislation supports, but does not conflict with, national legislation. The NGB's oversight over provincial authorities ensures uniform standards across the country, minimizing inconsistencies or regional discrepancies in the enforcement of gambling laws.

The NGB has the authority to monitor the market share and market conduct and socio-economic patterns of gambling in the republic as mandated in terms of the NGA. Access to the established national repository for gambling statistics and information as well as access to jurisdictional gambling information enables the NGB to share information with other industry regulators, government and stakeholders with a view to inform decision making.

As the national gambling regulator, it is important to embrace our regulatory obligations and pay particular attention on those who may be at risk. The NGB has authority to protect society against the harmful effects of gambling and illegal operators through its broad-based public education programme.

To ensure that the public is made aware of the risks and socio-economic impact of gambling, and the distinction between legal and illegal gambling, the NGB has in place a National Programme on Broad-based Public Education. The operational framework provides an integrated and multi-dimensional mechanism, using diverse communication platforms and methodologies to reinforce messages on responsible gambling as well as compulsive and addictive gambling and illegal gambling. This includes face-to-face and online tools, mass communication channels, and working with and through partner organisations to reach a wider target audience.

Legal Framework

South Africa has a well-established legal framework for gambling, providing a solid foundation for the NGB to operate within. The NGA is the national legislation governing the regulation of the gambling industry and prescribes how licensing is to be conducted by Provincial Licensing Authorities. The provincial legislations thus exist only to support the NGA.

Policy Development and Advocacy

The NGB actively contributes to the formulation of gambling policy at the national level. Its influence extends beyond enforcement, as it advises the government on policy issues, including regulatory reforms, technological advancements, and the evolving nature of the gambling landscape (e.g., online gambling, interactive gambling, etc.). This policy advisory role enhances the NGB's ability to address emerging challenges in the industry.

Revenue generation

The gambling industry remains a critical contributor to South Africa's revenue generation through taxes, levies, and licensing fees. The NGB plays a vital role in ensuring that these revenues are properly accounted for and used to support public services and is essential for supporting government expenditure, making the NGB's regulatory role integral to the country's economic development.

Consumer Protection

In terms of the NGA, the NGB has the powers to monitor and enforce compliance with the provisions of the Act, which is considered a strength to protect consumers from fraudulent and unfair gambling practices with a focus on illegal gambling and harm reduction.

The NGB is empowered in terms of section 33 and 77 of the NGA and other supporting legislation to carry out the enforcement mandate. The NGB has Authority to -

- appoint inspectors to enforce gambling legislation;
- assign inspectors to conduct inspections and investigation;
- conduct investigations and recommend forfeiture of unlawful winnings.

The NGB has established relationship with other law enforcement agencies operating within the Criminal Justice System Cluster to collaborate efforts using legislative authorities towards addressing illegal gambling. The NGB enforcement team can be requested to assist any PLA struggling to enforce against unlawful gambling occurring in that PLA's jurisdiction.

Weaknesses

One of the most significant weaknesses of the NGB is its limited authority to directly enforce compliance among PLAs. While the NGB has the power to conduct oversight and evaluate the compliance of PLAs with the NGA and provincial legislation, it does not have the authority to directly resolve non-compliance issues or penalize PLAs that fail to meet regulatory standards. Instead, this responsibility falls under the purview of the NGPC, which has historically been ineffective in addressing these issues.

There is lack of autonomy to tackle illegal gambling as the NGB requires the presence of PLA inspectors and other law enforcement agencies to conduct enforcement interventions in terms section 77 of the NGA.

Opportunities

The NGB's National Central Electronic Monitoring System (NCEMS), currently used to monitor the Limited Payout Machine (LPM) sector, provides a real-time tool to track gambling activities and revenue generation. The system could be extended to other gambling modes beyond LPMs, such as casinos, bingos and betting platforms. This will enhance transparency as the NGB can gain better oversight of all gambling activities nationwide. It would allow for real-time monitoring of revenue across various sectors and help identify irregularities or underreporting and help maximize the collection of gambling taxes and levies.

The legalization and regulation of interactive gambling present a significant opportunity for the NGB to capture a growing market while ensuring consumer protection and increasing government revenue. Currently, much of the interactive gambling market

operates outside of strict regulatory control, with provincially licensed bookmakers offering online betting services that are not fully integrated into the national regulatory framework. Legalizing interactive gambling, particularly online casinos, could open up this lucrative sector to new entrants under a well-regulated regime.

Legalizing and regulating interactive gambling would also give the NGB more control over consumer protection measures. Licensed operators would be required to implement responsible gambling tools, such as self-exclusion programs, deposit limits, and age verification, to ensure that online gamblers are adequately protected. This would help reduce the risks of problem gambling in an online environment, where players may be more susceptible to addiction.

Development of a national legal framework can attract new market entrants which would encourage greater competition, innovation, and market diversification, bringing new products and services to the gambling sector. New operators could bring increased investment, job creation, and technological innovation to the industry.

Currently, sports betting is taxed at a lower rate than casino gambling. Considering the exponential growth rate of online sports betting, the government could impose higher tax rates on these activities. This could significantly increase tax revenues from a sector that is projected to grow substantially, allowing the state to collect its fair share of taxes from this burgeoning market. The State could also permit interactive gambling to

allow punters access to a regulated growth market instead of gambling with illegal interactive gambling operators which leads to loss of revenue to fiscus and no protection for punters.

The seventh administration of the South African democratic government creates renewed impetus to tackle structural and legislative challenges affecting gambling regulators, gambling operators and gambling punters.

The NGB has the opportunity to leverage on the authority of other regulators, enforcement agencies, Internet service providers, banks and other statutory bodies through collaboration on matters of common interest. These include, amongst others, focus on other gambling related crimes such as money laundering and terrorist financing as well as illegal gambling. The NGB has opportunity to sign MOUs with the relevant agencies to achieve its mandate.

Threats

The inactivity of the NGPC presents a substantial threat to the NGB's ability to resolve key regulatory conflicts and enforce compliance. As the NGPC is responsible for mediating disputes between national and provincial regulatory bodies, its lack of engagement leaves critical compliance and policy issues unresolved.

The NGB relies on the NGPC to address non-compliance issues identified in PLAs and without regular NGPC sittings, compliance issues remain unresolved, leading to inconsistencies in how gambling laws are applied and enforced across different provinces.

The inability to resolve conflicts with PLAs weakens the NGB's authority, creating a fragmented regulatory landscape where provinces may interpret or apply national gambling laws differently. This leads to regulatory inconsistencies, further threatening the integrity of the national gambling framework.

Continued existence of unlicensed and illegal gambling operators poses a significant threat to the integrity of the industry. There are delays in the amendments to legislation necessary to prevent, detect and prosecute illegal gambling.

TOWS Analysis

The NGB can combine its strengths and weaknesses with the opportunities and threats in the external environment to develop strategic options for the regulation of the gambling industry.

The NGB will utilize the regulatory authority to monitor market share and market conduct as well as monitor socio-economic patterns of gambling in the republic to build a capable state in the regulation of gambling by contributing to the gambling body of knowledge and informed regulation and investment decision making.

The NGB can address the jurisdictional conflicts between national and provincial regulatory authorities by using its authority to advocate for a national gambling licensing framework.

This would ensure consistency in how gambling operations are regulated and prevent provincially licensed bookmakers

from exploiting national online markets without adhering to national rules.

The NGB aims to strengthen state capacity by utilizing its regulatory authority to enhance oversight of PLAs and ensure effective regulation across the gambling sector.

Leveraging the NCEMS, the NGB will improve monitoring and regulation of the LPM sector, capturing crucial data on revenue generation, machine installations, The NGB will contribute to the building of a capable state in the regulation of gambling by utilizing its regulatory authority to provide a broad-based public education programme to promote public awareness campaigns and to educate consumers about the risks and benefits of gambling.

The NGB will leverage its National Broad-based public education programme to reach a wider audience and collaborate with other

organisations with related mandates to develop better informed and responsible citizens.

The NGB has committed itself to addressing transformation by procuring goods and services that are locally produced by black-owned entities.

and the geographic distribution of gambling venues to inform policy decisions. The NGB will increase employment opportunities and job retention through the appointment and management of the NCEMS operator.

The NGA empowers the NGB to conduct investigations on unlawful winnings, and proceeds obtained from illegal gambling activities in order for them to be forfeited to the State. By concluding the investigations on reported unlawful winnings, there is therefore a potential of over five million rands (R5 000 000.00) to be forfeited to the State.

PART C: MEASURING OUR PERFORMANCE

5. Financial Information

5.1. Financial Plan

The NGB relies on two main sources of revenue [grant revenue and limited payout machine (LPM) monitoring fees] to execute the strategic plan and annual performance plan. It is projected LPM fees will account for approximately 83% of total revenue, while the grant revenue is expected to contribute an estimated 13% of total revenue. The balance of the revenue, 4% will be derived from interest earned on short-term investments. It must be noted that while the LPM monitoring fees will contribute a significant portion of the estimated revenue, a corresponding

expenditure of 83% will be incurred to defray NCEMS service fees.

5.2. Expenditure trend

Expenditure on goods and services is set to decrease from R272.2 million in 2024/25 to R246.6 million in 2027/28. Goods and services will account for 76.8 percent of total expenditure, largely attributable to the operations of one of the national registers, the National Central Electronic Monitoring System.

Table 1: Income and Expenditure

R Thousand	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	AUDITED OUTCOMES			BUDGET ESTIMATES			
Revenue							
Grant from the dtic	35 928	36 477	33 152	34 641	35 790	37 189	39 211
NCEMS monitoring fees	221 049	247 257	236 384	225 249	220 032	219 000	215 000
Interest received	2 521	5 918	7 195	5 779	5 880	5 640	5 520
Rental income	0	0	1 565	2 193	2 252	2 410	2 579
Other miscellaneous income	400	311		4 700	0	0	0
Total Revenue	259 898	289 963	278 296	272 562	263 954	264 239	262 310
Expenditure							
Employee costs	37 460	41 271	50 024	54 055	57 284	59 451	61 704
Subsistence & travel	27	4 890	4 607	1 301	1 620	1 962	1 962
Administration costs	8 786	11 441	11 974	11 915	11 054	8 254	6 274
NCEMS service fees	182 482	206 012	196 795	187 120	179 726	169 725	163 725
Professional services	3 598	6 784	9 556	11 541	8 609	7 461	6 961
Depreciation	3 274	2 597	1 865	2 185	1 377	1 377	2 186
Other operating expenses	2 368	2 765	4 659	4 124	3 551	3 944	3 827
Total Expenditure	237 995	275 760	279 480	272 241	263 221	252 174	246 639
Surplus	21 903	14 203	-1 184	321	733	12 065	15 671

5.3. Asset and liability management

It is projected that the NGB's assets will be adequate to cover total liabilities throughout the entire MTEF period. All tangible assets

have been insured with a reputable registered insurer.

5.4. Cash flow projections

Table 2: Cash flow projections

Cash Flow Description	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	BUDGET ESTIMATES			AUDITED OUTCOMES			
R Thousand							
Cash receipts from stakeholders	258 992	291 699	270 757	272 561	263 954	264 239	262 310
Rent received	582	0	1 225	2 192	2 252	2 410	2 579
Transfers received	35 928	36 477	33 152	34 641	35 790	37 189	39 211
Interest	2 512	5 553	7 378	5 779	5 880	5 640	5 520
Limited payout machine monitoring fees	219 970	249 669	229 002	225 249	220 032	219 000	215 000
Other income				4 700			
Cash paid to stakeholders	228 051	268 028	268 959	272 241	263 220	253 463	246 639
Current payments	228 051	268 028	268 959	272 241	263 220	253 463	246 639
Compensation of employees	37 852	39 566	49 143	54 055	57 284	59 451	61 704
Goods and services	190 199	228 462	219 816	218 186	205 936	194 012	184 935
Cash flow from operating activities	30 941	23 671	1 798	320	734	10 776	15 671
Cash flow from investing activities	-1 016	0	-3 300	-1 550	-600	-650	-700
Cash flow from financing activities	99	0	0	0	0	0	0
Net increase / (decrease) in cash and cash equivalents	30 024	23 671	-1 502	-1 230	134	10 126	14 971

5.5. Capital expenditure programmes

Capital expenditure projects for the medium term will be limited to the replacement of computers as they reach the end of their useful lives.

5.6. Dividend policies

The NGB is a Schedule 3A public entity established in terms of the National Gambling Act. The organisation is funded from grant allocations from **the dtic**. The dividend policy does not apply to the NGB.

6. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The NGB is mandated, amongst other functions in the NGA, to co-ordinate activities relating to the exercise of concurrent competence within the national and provincial spheres of government to establish certain uniform norms and standards. These provisions apply throughout the Republic about casinos, bingo, LPMs and betting, so that gambling activities are effectively regulated, licensed, and controlled.

The NGB strategy is premised on the institution continuing its active role in regulating the gambling industry. A multidimensional regulatory approach involving supervision, cooperation and enforcement is a consideration for the successful execution of the NGB's mandate.

This will be implemented through various key outputs which will be delivered through the programmes Gaming Control and Compliance, Enforcement, Corporate Services and Research and Finance and Procurement.

7. PROGRAMME 1: GAMING CONTROL AND COMPLIANCE

7.1. Purpose

The Gaming Control and Compliance Division (GCCD) provides mandated operational core functions in terms of the National Gambling Act, 2004, (Act 7 of 2004). The GCCD provides technical analysis of the modes of gambling, system audits and enforcement in line with statutory imperatives as provided for in gambling legislation. It provides reliable information through national centralised databases and contributes towards providing accessible, transparent and sufficient access for economic citizens to ensure the ease of

doing business. The sub programmes of the GCCD are set out as follows:

7.2. Functional National Registers

The NGB is the custodian of national registers in terms of the NGA. The Act requires that the NGB must establish and maintain, in the prescribed manner and form national registers to provide a national repository of gambling sector-specific information. The NGB is required to provide the information in its registry to PLAs in the prescribed manner and form to ensure information sharing and compliance as contemplated in the Act.

7.3. National Central Electronic Monitoring System (NCEMS)

The NGB is obliged by section 27 of the NGA read with regulation 14 of the National Gambling Regulations to supply, install, commission, operate, manage and maintain a National Central Electronic Monitoring System ("NCEMS") which is capable of detecting and monitoring significant events, associated with any LPM that is made available for play in the Republic and analysing and reporting data according to the requirements of sections 21 to 26 of the NGA. NCEMS is essentially a system to track each LPM operated by a Route Operator (RO) or Independent Site Operator (ISO) in terms of location and status; record and validate every transaction on the LPM in real-time, and periodically report collected data.

The NCEMS enables the NGB to fulfil its oversight responsibility over the PLAs in terms of section 65 of the Act, maintain the

national register in terms of section 21 of the NGA, monitor and evaluate the PLAs compliance with the NGA and enables the NGB to assist the PLAs to detect and suppress unlawful gambling and unlicensed gambling activities.

7.4. Gaming Control

The NGB will monitor and analyse technological developments that affect gambling regulation and provide advice on the compliance of gambling machines and devices in terms of the NGA. The NGB will review and analyse the certification of gambling products, new gambling products, and the adoption of technology in the gambling industry in accordance with the

technical standards (SANS1718) developed by the South African Bureau of Standards in accordance with the Standards Act.

7.5. Compliance

The NGB will ensure compliance with section 33 of NGA which requires the NGB to evaluate the issuing of national licences by PLAs and the compliance monitoring of licensees by PLAs. The section further requires the NGB to conduct oversight evaluations of the performance of PLAs, in a manner stipulated in section 34 of the NGA so as to ensure that norms and standards are applied uniformly and consistently by all PLAs.

7.6. Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Audited performance			Estimated performance and baseline	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Facilitated jobs sustained for industry needs and economic competitiveness	Section 27 of the NGA appointment and monitoring of the NCEMS operator for jobs sustained	Number of jobs sustained through the appointment of NCEMS operator and report produced	N/A	N/A	N/A	N/A	30 jobs sustained through the appointment of NCEMS operator and report produced	30 jobs sustained through the appointment of NCEMS operator and report produced	30 jobs sustained through the appointment of NCEMS operator and report produced
Facilitated revenue generation in the economy through investment in a NCEMS for the LPM sector	Facilitated R2.5 billion revenue generation in the LPM sector to strengthen the domestic economy	Rand value revenue generation facilitated in the LPM sector	N/A	N/A	N/A	Estimated R2.1 billion revenue generated in the LPM sector	Facilitated R2.5 billion revenue generation in the LPM sector	Facilitated R2.5 billion revenue generation in the LPM sector	Facilitated R2.5 billion revenue generation in the LPM sector
Enhanced regulation of the gambling industry to inform gambling policy development	Evaluation regulatory notices issued in nine (9) provinces	Number of evaluation regulatory notices issued	N/A	N/A	N/A	N/A	Nine (9) evaluation regulatory notices issued	Nine (9) evaluation regulatory notices issued	Nine (9) evaluation regulatory notices issued

7.7. Output Indicators, Annual and Quarterly Targets

Output indicators	Annual targets 2025/2026	Q1	Q2	Q3	Q4
Number of jobs sustained through the appointment of NCEMS operator and report produced	30 jobs sustained through the appointment of NCEMS operator and report produced	30 jobs sustained through the appointment of NCEMS operator and report produced	30 jobs sustained through the appointment of NCEMS operator and report produced	30 jobs sustained through the appointment of NCEMS operator and report produced	30 jobs sustained through the appointment of NCEMS operator and report produced
Rand value revenue generation facilitated in the LPM sector	Facilitated R2.5 billion revenue generation in the LPM sector and report produced	Facilitated R625 million revenue generation in the LPM sector and report produced	Facilitated R625 million revenue generation in the LPM sector and report produced	Facilitated R625 million revenue generation in the LPM sector and report produced	Facilitated R625 million revenue generation in the LPM sector and report produced
Number of evaluation regulatory notices issued	Nine (9) evaluation regulatory notices issued	Two (2) evaluation regulatory notices issued	Three (3) evaluation regulatory notices issued	Three (3) evaluation regulatory notices issued	One (1) evaluation regulatory notices issued

7.8. Explanation of planned performance over the medium-term period

The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the NGB's mandate.

The appointment and monitoring of the NCEMS operator under Section 27 of the NGA ensures the smooth operation of the LPM sector. This system creates jobs both directly (NCEMS operator, compliance officers, technicians) and indirectly (in related sectors such as hospitality and tourism). Ensuring job retention through a stable and well-regulated LPM sector keeps workers in place and provides long-term employment opportunities in the regulated gambling industry.

The generation of R2.5 billion in revenue within the LPM sector through the NCEMS allows the government to reinvest funds into economic and social development programs creating a stable, revenue-generating environment in the LPM sector, contributing to overall economic growth and sustainability.

Evaluations will be conducted on the performance of PLAs with a view to detect and report deficiencies in respect of the issuance of national and provincial licences. Section 53 of the NGA relates to the transformation and empowerment of historically disadvantaged individuals (HDIs). Oversight ensures that PLAs comply with these regulations, promoting economic transformation by creating opportunities for black-owned and HDI-led businesses to thrive in the gambling industry.

Description of planned performance in relation to the programmes outputs

The NGB will continue to monitor the technical compliance of the gambling games, machines and devices, assessing new products ensuring that the industry is compliant to thereby facilitating the contribution of the gambling industry to the economy. The contribution to the economy will also be supported by maintaining an operational NCEMS and a report will be produced in each quarter.

Engagement with **the dtic** on the Gazetting of Regulation 2 and 8(4) dealing with the exclusions of people from gambling and recertification of gambling machines are on-going and conclusion on these will promote an ethical state.

To evaluate PLA compliance with gambling legislation, the NGB will conduct PLA oversight in all quarters of the financial year and report on the level of compliance for each PLA and the industry as a whole.

The NGB will produce reports to the NGPC, through the Minister of Trade, Industry and Competition in terms of section 65(2). This is intended to advise the NGPC on matters of national policy relating to casinos, racing, gambling and wagering and on the determination of national norms and standards regarding any matter in terms of the NGA that should apply generally throughout the Republic; and recommend to the NGPC changes to bring about uniformity in the laws of the various provinces in relation to casinos, racing, gambling and wagering, thereby enabling an environment for investment and improved competitiveness through structural reforms.

7.9. Programme resource considerations

Programme 1 - Gaming Control & Compliance (GCCD)							
Rand thousand	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Audited Outcomes			Budget Estimates			
<u>Economic classification</u>							
Current payments	191 923	211 043	215 857	198 962	191 905	182 715	177 178
Compensation of employees	7 514	12 211	16 577	8 647	11 853	12 309	12 784
Goods and services	184 409	198 832	199 280	190 315	180 052	170 406	164 394

Explanation of the resources contribution towards achieving the outputs

The resource budget for Gaming Control and Compliance will enable the achievement of the outputs of:

- Section 27 of the NGA appointment and monitoring of the NCEMS operator and jobs retained;
- Facilitated R2.5 billion revenue generation in the LPM sector;
- Conducted oversight of PLAs compliance with S53 of the NGA on economic and social development

issues and increased participation of HDIs in the mainstream gambling industry;

- Regulatory compliance oversight conducted in the Gambling industry.

The budget includes NCEMS service fees which will enable NGB to fulfil oversight responsibility in terms of S27 of the NGA. The budget will also assist in maintaining the National Registers in terms of S21 of the NGA.

8. PROGRAMME 2: ENFORCEMENT

8.1. Purpose

This programme is mandated in terms of the Act to undertake co-operative activities to prevent and suppress illegal gambling activities and investigate suspected cases of unlawful gambling activities.

Through collaborated efforts with law enforcement agencies and other stakeholders the enforcement division, mandated by section 33(c) of the NGA will assist PLAs to ensure that unlicensed gambling activities are detected in compliance with section 66(2) and (3) of the NGA.

The programme engages in collaborative efforts with other law enforcement agencies and relevant stakeholders to prevent and suppress illegal gambling activities. Further, the programme monitors the integrity of the processes and provides inputs in the development and maintenance of gambling technical standards.

In complying with section 16(4) of the NGA, this programme will ensure that the circumstances of the gambling activity of any winnings withheld and remitted to the NGB are investigated and if found to be illegally obtained, such funds are forfeited to the State.

8.2. Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Audited performance			Estimated performance and baseline	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Red Tape Reduction	Targeted investigations completed within twenty-five (25) days on illegal gambling matters	Turn-around time to complete investigations on illegal gambling activities	N/A	N/A	N/A	N/A	Completed investigations on illegal gambling activities in less than twenty-five (25) days	Completed investigations on illegal gambling activities in less than twenty-three (23) days	Completed investigations on illegal gambling activities in less than twenty (20) days
Protection of the regulated gambling industry	Enforcement interventions to combat illegal gambling	Number of interventions to combat illegal gambling through raids and inspections initiated	N/A	N/A	N/A	Four (4) enforcement interventions to protect the gambling industry through raids initiated and cases registered with the SAPS	Sixteen (16) interventions to combat illegal gambling through raids and inspections initiated	Sixteen (16) interventions to combat illegal gambling through raids and inspections initiated	Sixteen (16) interventions to combat illegal gambling through raids and inspections initiated

8.3. Output Indicators, Annual and Quarterly Targets

Output indicators	Annual targets 2025/2026	Q1	Q2	Q3	Q4
Turn-around time to complete investigations on illegal gambling activities	Completed investigations on illegal gambling activities in less than twenty-five (25) days	Investigation completed within twenty-five (25) days from receipt of all information	Investigation completed within twenty-five (25) days from receipt of all information	Investigation completed within twenty-five (25) days from receipt of all information	Investigation completed within twenty-five (25) days from receipt of all information
Number of interventions to combat illegal gambling through raids and inspections initiated	Sixteen (16) interventions to combat illegal gambling through raids and inspections initiated	Four (4) interventions to combat illegal gambling through raids and inspections initiated	Four (4) interventions to combat illegal gambling through raids and inspections initiated	Four (4) interventions to combat illegal gambling through raids and inspections initiated	Four (4) interventions to combat illegal gambling through raids and inspections initiated

8.4. Explanation of planned performance over the medium-term period

The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the NGB's mandate including, where applicable, priorities in relation to women, youth and people with disabilities

It is imperative that legislation is continuously reviewed for the reduction of red tape. Through the substantive review of the National Gambling Legislative Framework to unlock bottlenecks in the gambling industry the NGB aims to provide a regulatory environment that enables business sustainability.

To enhance legal and regulatory reforms in the gambling industry, draft amendments to regulations 3, 5, 6, 7 and 13 of the LPM Regulations 2000 and Regulation 13 of the National Gambling Regulations 2004 will be proposed for red tape reduction and the ease and cost of doing business.

Completing investigations within a specified timeframe demonstrates the NGB's commitment to addressing illegal gambling activities. This reassures legal operators that the regulatory framework is effective and actively protecting their businesses from unfair competition.

Enforcement interventions, such as raids, fines, and shutdowns of illegal gambling operations, directly protect the legal industry by removing unlicensed competitors who do not adhere to regulations designed to protect consumers and ensure fair play.

These actions uphold the integrity of the regulated industry by ensuring that only licensed and compliant businesses can operate, protecting consumers from potential fraud, unsafe environments, and unfair practices that may be associated with illegal gambling.

Description of planned performance in relation to the programmes outputs

By implementing the collaborated efforts with other agencies, to prevent and detect illegal gambling, the licensed gambling industry will be protected, and unlawful winnings obtained from these activities forfeited to the State.

Notices will be issued against unlicensed operators, business owners and building's landlords. Upon failure to refrain from providing unlicensed gambling activities, joint enforcement actions such as raids will be undertaken, and assets used in the commission of the offence seized and where orders granted assets forfeited to the State.

8.5. Programme resource considerations

Programme 2: Enforcement							
Rand thousand	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Audited Outcomes			Budget Estimates			
<u>Economic classification</u>							
Current payments	0	0	0	8 376	9 032	9 355	9 619
Compensation of employees	0	0	0	8 087	8 414	8 737	9 072
Goods and services	0	0	0	289	618	618	547

Explanation of the resources contribution towards achieving the outputs

The resource budget for Enforcement will enable the achievement of the outputs of:

- Targeted investigations completed within twenty-five (25) days on illegal gambling matters and processed for forfeiture by the courts;
- Enforcement interventions to combat illegal gambling.

9. PROGRAMME 3: CORPORATE SERVICES AND RESEARCH

9.1. Purpose

The Corporate Services and Research Division (CSRD) provides mandated operational core functions in terms of the National Gambling Act, 2004, (Act 7 of 2004). The division specifically provides a broad-based public education and awareness programme as well as an economic analysis of gambling sector performance of the industry.

The CSRD provides support services to the NGB to ensure satisfactory internal and external stakeholder engagement, and seeks to attain a conducive work environment, which enhances business efficiency. CSRD comprises of the following subdivisions, Human Capital Optimisation (HCO), Legal Services, Research, IT, and Corporate Governance. The sub programmes of the CSRD are set out as follows:

9.1.1. Legal Services

Legal Services provides corporate legal services to the NGB in form of legal opinions, legal advice, legislative drafting, litigation, drafting and vetting of contracts and records management. Legal Services ensures that NGB's interests are promoted and protected in its business operations and further ensures that the NGB operates within the ambit of the law. Records Management ensures that there is proper maintenance of records, access to and protection of information.

9.1.2. Corporate Governance

Corporate Governance coordinates implementation of Planning and Reporting Frameworks to enhance the effectiveness

and efficiency of governance and achievement of performance deliverables. Corporate governance also focuses on Risk Management to assist with identification, assessment and mitigation of strategic, operational and reputational risks that may hinder the NGB from achieving its objectives.

9.1.3. Information Communication Technology (ICT)

The function of the ICT unit is to support the NGB in matters of ICT strategic development and maintenance of the communication and management systems, thereby safeguarding the assets of the NGB. The unit ensures that the ICT support functions are carried out in a manner that supports the strategic objectives and the mission statement of the NGB. ICT is geared at supporting and enhancing the overall organizational performance through the provision of assistive technologies.

9.1.4. Human Capital Optimisation (HCO)

HCO focuses on integrated management of the work environment in order to optimise and nurture human capital to ensure business efficiency is obtained and ensure that there is a conducive environment wherein balanced labour relations are maintained.

9.1.5. Research and Advisory Services

Mandated in terms of S65(1) and S65(2) of the NGA, the NGB monitors socio-economic patterns of gambling activity within the Republic; monitors gambling sector performance, market share and market

conduct in the gambling industry.

A broad-based public education programme about the risks and socio-economic impact of gambling will be facilitated through educational campaigns. The aim is to maintain social dialogue with industry stakeholders on the consequences of the overstimulation of gambling, compulsive and addictive gambling, and the negative impact of participating in any unregulated gambling activity.

9.2. Outcomes, Outputs, Output Indicators and Targets

Outcome	Output	Output indicators	Audited performance			Estimated performance and baseline	MTEF targets		
			2021/22	2022/23	2023/24		2024/25	2025/26	2026/27
Workplace readiness	Implemented Human Capital Strategy on mentoring and coaching to enhance skills and employability	Number of reports on implementation of the Human Capital Strategy on mentoring and coaching	N/A	N/A	N/A	N/A	Two (2) employment opportunities facilitated and report produced	Two (2) employment opportunities facilitated and report produced	Two (2) employment opportunities facilitated and report produced
Data-driven insight on market dynamics in the gambling industry for informed decision making	Gambling Sector performance analysis of the four sectors in the gambling industry for provision of market intelligence	Number of reports on Gambling Sector performance produced	Over-achieved Eight (8) reports were produced: Four (4) reports (based on unaudited data) and one (1) annual report on audited gambling sector performance were submitted to the Accounting Authority Three (3) reports on socio-economic	Over-achieved Seven (7) reports were produced: Three (3) reports (based on unaudited data) and one (1) annual report on audited gambling sector performance were submitted to the Accounting Authority Three (3) reports on socio-economic	Over-achieved Nine (9) reports were produced: Four (4) reports (based on unaudited data) and one (1) annual report on audited gambling sector performance were produced Four (4) reports on socio-economic	Four (4) reports (based on unaudited data) and one (1) annual report on data-driven insight on market dynamics in the gambling industry for informed decision making produced.	Four (4) reports (based on unaudited data) and one (1) annual report on data-driven insight on market dynamics in the gambling industry for informed decision making produced	Four (4) reports (based on unaudited data) and one (1) annual report on data-driven insight on market dynamics in the gambling industry for informed decision making produced	

National Gambling Board
Annual Performance Plan 2025/26-2027/28 FY

Outcome	Output	Output indicators	Audited performance			Estimated performance and baseline	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
			implications of market share and market conduct in the gambling industry were submitted to the Accounting Authority.	implications of market share and market conduct in the gambling industry were submitted to the Accounting Authority	implications of market share and market conduct in the gambling industry were produced				
Increased investment in the LPM sector	Research on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector	Number of reports on research on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector produced	N/A	N/A	N/A	One (1) consolidated report on research on the impact of the gambling industry for informed regulation produced	One (1) consolidated evidence-based advisory report on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector	One (1) consolidated evidence-based advisory report on the impact of gambling produced	One (1) consolidated evidence-based advisory report on the impact of gambling produced
							Four (4) requests to the Minister for the LPM sector to proceed into Phase 2 implementation of LPM rollout in Mpumalanga, KZN, Limpopo and North-West		

National Gambling Board
Annual Performance Plan 2025/26-2027/28 FY

Outcome	Output	Output indicators	Audited performance			Estimated performance and baseline	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Increased public awareness to educate and inform people on the harmful effects of gambling	Broad-based community outreach interventions conducted to inform and educate the public on risks and socio-economic impact of gambling	Number of broad-based community outreach interventions conducted	N/A	N/A	N/A	Forty (40) broad-based community outreach interventions conducted to inform and educate the public on risks and socio-economic impact of gambling	Forty (40) broad-based community outreach interventions conducted to inform and educate the public on risks and socio-economic impact of gambling	Forty (40) broad-based community outreach interventions conducted to inform and educate the public on risks and socio-economic impact of gambling	Forty (40) broad-based community outreach interventions conducted to inform and educate the public on risks and socio-economic impact of gambling

9.3. Output Indicators, Annual and Quarterly Targets

Output indicators	Annual targets 2025/2026	Q1	Q2	Q3	Q4
Number of reports on employment opportunities to enhance skills and employability	Two (2) employment opportunities facilitated, and report produced	Prepare and conclude one (1) Mentoring and Coaching Plan One (1) report on the implementation of the mentoring and coaching plan	One (1) report on the implementation of the mentoring and coaching plan	One (1) report on the implementation of the mentoring and coaching plan	One (1) report on the implementation of the mentoring and coaching plan on employment opportunities facilitated
Number of reports on Gambling Sector performance produced	Four (4) reports (based on unaudited data) and one (1) annual report on data-driven insight on market dynamics in the gambling industry for informed decision making produced	One (1) report on gambling sector performance (4th quarter, FY2024/25) produced	One (1) report on gambling sector performance (1st quarter, FY2025/26) produced One (1) annual report on data-driven insight on market dynamics in the gambling industry for informed decision making produced	One (1) report on the gambling sector performance (2nd quarter, FY2025/26) produced	One (1) report on gambling sector performance (3rd quarter, FY2025/26) produced
Number of evidence-based advisory report on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector produced	One (1) consolidated evidence-based advisory report on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector	One (1) evidence-based advisory report on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector produced	One (1) evidence-based advisory report on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector produced	One (1) evidence-based advisory report on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector produced	One (1) consolidated evidence-based advisory report on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector
	Four (4) requests to the Minister for the LPM sector to proceed into Phase 2 implementation of LPM rollout in Mpumalanga, KZN, Limpopo and North-West				Four (4) requests to the Minister for the LPM sector to proceed into Phase 2 implementation of LPM rollout in Mpumalanga, KZN, Limpopo and North-West
Number of broad-based community outreach interventions conducted	Forty (40) broad-based community outreach interventions conducted to	Ten (10) broad-based community outreach interventions conducted to	Ten (10) broad-based community outreach interventions conducted to	Ten (10) broad-based community outreach interventions conducted to	Ten (10) broad-based community outreach interventions conducted to

National Gambling Board
Annual Performance Plan 2025/26-2027/28 FY

Output indicators	Annual targets 2025/2026	Q1	Q2	Q3	Q4
	inform and educate the public on risks and socio-economic impact of gambling	inform and educate the public on risks and socio-economic impact of gambling produced	inform and educate the public on risks and socio-economic impact of gambling produced	inform and educate the public on risks and socio-economic impact of gambling produced	inform and educate the public on risks and socio-economic impact of gambling produced

9.4. Explanation of planned performance over the medium-term period

The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the NGB's mandate including, where applicable, priorities in relation to women, youth and people with disabilities

Creating employment opportunities will ensure equitable representation of women, youth, and people with disabilities in employment and other economic initiatives will contribute towards building an inclusive economy and prosperous South Africa

Furnishing regulators, industry and stakeholders with comprehensive analysis of the performance of the four sectors within the gambling industry (casinos, betting, LPMs, and bingo) will ensure that the NGB provides valuable data on trends, profitability, risks, and market dynamics. Investors use this data to assess which sectors present the most growth potential or the least risk, allowing for more strategic and well-informed investment decisions.

Research on the social, economic, and regulatory impact of the gambling industry equips both regulators and investors with critical insights that influence decision-making. Investors gain a better understanding of how potential regulatory changes, social trends (like public sentiment toward gambling), and economic factors (like tax regimes or consumer spending patterns) may impact their investments. Research on market behaviour, such as shifts in player preferences or emerging technologies, also

informs investors about the best opportunities for growth or innovation in the gambling sector.

Community outreach plays a critical role in educating diverse groups about the gambling industry, including its benefits and risks. Through these interventions, the public is informed about responsible gambling practices, consumer rights, and available support services for those experiencing gambling-related harm. These outreach programs can target underserved or vulnerable communities such as rural areas or townships, offering education tailored to their specific needs. This ensures that the gambling industry is understood not only by frequent participants but also by those who may be unaware of the industry's dynamics or risks.

9.5. Description of planned performance in relation to the programmes outputs

The planned performance is to undertake gambling sector performance analysis of trends, economic market structure and empirical research on the impact of gambling on a quarterly basis and report on this by way of published articles disseminated to various stakeholders in the industry.

The NGB plans to undertake broad-based community interventions to educate the public and raise awareness about the risks and socio-economic impact of gambling aimed at encouraging responsible gambling.

9.6. Programme resource considerations

Programme 3: Corporate Services & research Division							
Rand thousand	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Audited Outcomes			Budget Estimates			
<u>Economic classification</u>							
Current payments	26 577	43 029	43 661	51 693	48 143	44 971	44 900
Compensation of employees	22 501	19 500	23 414	27 354	26 687	27 681	28 714
Goods and services	4 076	23 529	20 247	24 339	21 456	17 290	16 186

9.7. Explanation of the resources contribution towards achieving the output

The CSRD budget will enable the achievement of the outputs of:

- Gambling Sector performance analysis of the four sectors in the gambling industry
- Research on the socio-economic impact of the licensed LPM industry in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector
- Broad-based community outreach interventions conducted

The resource budget for Research will enable the achievement of the output of monitoring market share and market conduct in the gambling industry by ensuring that empirical research is undertaken through quantitative and qualitative research to inform and advise on legislative and policy development.

The resource budget for Stakeholder Engagement includes multimedia campaigns that can reach a wider audience with respect to broad-based public education messages on the risks and harms of gambling. These include radio, TV and billboards.

10. PROGRAMME 4: FINANCE AND PROCUREMENT SERVICES

10.1. Purpose

This programme provides strategic financial management support and procurement services to the organisation. Finance and Procurement Services facilitate the overall management of the NGB and provide strategic financial management support to the organisation. It is the custodian of financial resources. The division comprises of two units that provide specialised support services to the NGB.

The NGB, as an agency of **the dtic** and an organ of State, strives to be a cautious steward for the management of State resources allocated to it to carry out its mission. Section 74 of the NGA provides an opportunity for the NGB to grow its revenue base in addition to its grant allocation, the collection of any fees payable, or any other money accruing to the NGB from other sources.

The Finance and Procurement Services division combined the performance expectations outlined in the Business Plan with the fiscal accountability demonstrated by its ability to design and implement a financial model that alleviated its sole dependency on a grant allocation. It was crucial for the NGB to manage statutory reporting requirements and achieve its performance with great financial accountability.

The Finance and Procurement Services division took cognizance of the current economic climate; and will continue to adopt cost containment measures introduced by the National Treasury. To this end, financial efficiencies are envisaged on cost items,

which include travel, accommodation, catering and the use of consultants. The following sub-divisions contribute to the provision of services by the Finance and Procurement Services:

10.2. Finance

The Finance sub-programme maintains reliable financial records which are prepared regularly for both internal and external stakeholders. These financial records are presented to external auditors annually to obtain an independent opinion on whether the NGB's financial records fairly present the state of its financial position, performance and cash flows. The NGB achieved a clean audit for the 2023/24 financial year, which is consistent with performance since 2015/16 Financial Year.

10.3. Procurement

The Procurement sub-programme endeavors to procure goods and services in a manner that is fair, equitable, transparent, competitive and cost-effective. This is achieved by ensuring that goods and services procured are in line with the objectives of the NGB as set out in the Strategy and Annual Performance Plan. The SCM sub-programme also ensures that all procurement prescripts are complied with and that all SCM reporting requirements are met.

Internal controls include Finance and SCM strategies, policies and procedures which are reviewed annually to ensure their continued

effectiveness and compliance with statutory requirements. These controls are tested by internal auditors to verify that they are adequate.

10.4. OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

Outcome	Outputs	Output indicators	Audited performance			Estimated performance and baseline	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Commitment to procuring local goods and services to contribute to the local economy for sustainable growth	70% of total public procurement spend on local producers to increase local market competitiveness	% total public procurement spend on local producers	New Indicator	New Indicator	New Indicator	R76.3 million committed to procuring local goods and services	70% of total public procurement spend on local producers to increase local market competitiveness	70% of total public procurement spend on local producers to increase local market competitiveness	70% of total public procurement spend on local producers to increase local market competitiveness
Commitment to spend on procurement of goods and services from black-owned entities to enhance supplier development and economic inclusion	60% of total public procurement spend on goods and services from black-owned entities to increase market share	% of total public procurement spend on goods and services from black-owned entities	New Indicator	New Indicator	New Indicator	R80 million spend on procurement of goods and services from black-owned entities	60% of total public procurement spend on goods and services from black-owned entities to increase market share	60% of total public procurement spend on goods and services from black-owned entities to increase market share	60% of total public procurement spend on goods and services from black-owned entities to increase market share

10.5. Output Indicators, Annual and Quarterly Targets

Output indicators	Annual targets 2025/2026	Q1	Q2	Q3	Q4
% total public procurement spend on local producers	70% of total public procurement spend on local producers to increase local market competitiveness	70% of total public procurement spend on local producers to increase local market competitiveness	70% of total public procurement spend on local producers to increase local market competitiveness	70% of total public procurement spend on local producers to increase local market competitiveness	70% of total public procurement spend on local producers to increase local market competitiveness
% of total public procurement spend on goods and services from	60% of total public procurement spend on goods and services from black-	60% of total public procurement spend on goods and services from black-	60% of total public procurement spend on goods	60% of total public procurement spend on goods and services from black-	60% of total public procurement spend on goods and services from black-

National Gambling Board
Annual Performance Plan 2025/26-2027/28 FY

Output indicators	Annual targets 2025/2026	Q1	Q2	Q3	Q4
black-owned entities	owned entities to increase market share	owned entities to increase market share	and services from black-owned entities to increase market share	owned entities to increase market share	owned entities to increase market share

10.6. Explanation of planned performance over the medium-term period

The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the NGB's mandate including, where applicable, priorities in relation to women, youth and people with disabilities

The NGB intends to spend on locally manufactured goods and services through an NCEMS operator that has established and maintains an NCEMS on behalf of the NGB in terms of Section 27 of the NGA.

The NCEMS operator is responsible for operating all the aspects of the NCEMS on a commercial basis and shall generate its revenue by means of levying a service fee for services and/or products rendered to defined system users (Route Operators and Independent Site Operators) on behalf of the NGB.

The NCEMS Operator offers a system that is 100% locally manufactured. As such all costs incurred by the NGB in relation to payments effected contribute in its entirety to locally manufactured goods as well as related services.

10.7. Description of planned performance in relation to the programmes outputs

The planned performance in relation to the NGB's commitment to spend on locally produced goods and services will entail ensuring that the NCEMS operator is paid timeously in terms of its contractual obligations. All payments made to the

NCEMS operator will translate into a contribution to locally manufactured goods and services as the NCEMS is 100% locally produced.

Alignment with Industrial Policy and Strategic Review 2024

the dtic has in place an Industrial Policy which seeks to transform the structure and trajectory of economic growth through three priority anchors namely **Decarbonisation, Diversification and Digitalisation.**

The NGB thus aligns with the new Industrial Policy strategic area of Diversification through:

- Total value committed to procure local goods and services and;
- Total spend on goods and services procured from black owned entities.

The commitment over the MTEF period, to procure R160 million (which translates to 70% procurement against total goods purchased) in local goods and services every year helps develop and sustain local manufacturing and service industries by ensuring demand for locally produced goods and job creation. Allocating R120 million (which translates to 60% procurement against total goods purchased) for goods and services from black-owned entities promotes inclusivity, equity, and transformation in the economy. By prioritizing local goods and services, the targets help reduce reliance on imports, thereby diversifying the gambling industry away from being overly dependent on foreign suppliers.

10.8. Programme resource considerations

Programme 4: Finance and Procurement Division							
Rand thousand	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Audited Outcomes			Budget Estimates			
<u>Economic classification</u>							
Current payments	19 496	21 688	19 962	13 211	14 140	15 133	14 942
Compensation of employees	7 444	9 560	10 033	9 968	10 331	10 725	11 134
Goods and services	12 052	12 128	9 929	3 243	3 809	4 408	3 808

10.9. Explanation of the resources contribution towards achieving the output

The resource budget for Finance sub-programme will enable the achievement of the outputs for the spend on locally produced goods and services as well as transformation imperatives that are planned.

The NCEMS will also provide the basis for the calculation of fees payable to determine the value of local content contribution by the NGB.

11. UPDATED KEY RISKS AND MITIGATION FROM THE SP

#	Outcomes	Outcome Indicator	Key Risks	Risk Mitigations
1.	Facilitated jobs sustained for industry needs and economic competitiveness	Jobs sustained through appointment of NCEMS operator	Inability to sustain jobs due to breach of the SLC by the NCEMS operator resulting in cancellation of the contract and subsequent job losses	Contract management of the NCEMS SLC through monthly meetings
2.	Workplace readiness	Employment opportunities through internship and learnership programmes	Inequitable distribution of employment opportunities by NGB due to non-availability of funds to implement public employment programme resulting in failure to empower youth	Conclude MOU with Public Service Sector-Education and Training Authority (PSETA)
3.	Facilitated revenue generation in the economy through investment in a NCEMS for the LPM sector	Revenue generation in the LPM sector	Existence of a grey market in the gambling industry due to offering of non-compliant gambling products and services to punters which results in limited investment in the gambling industry	- Compliance notices issued to PLAs - Continuous engagement with NRCS, SABS and PLAs - Conduct technical analysis of gambling products to identify non-compliant products and facilitate their removal from the market
4.	Enhanced regulation of the gambling industry to inform gambling policy development	Evaluated regulatory compliance in the gambling industry	Non-cooperation by PLAs due to concurrent legislative competencies resulting in misalignment with national gambling policy and national legislation	- Continuously advise the dtic on developments in the gambling industry for policy intervention - Implement annual compliance oversight evaluation strategy - Regular and improved communication with PLAs
			Non-compliant gambling industry due to lack of uniformity and consistency in the implementation of gambling legislation, resulting in lack of confidence in the regulation of the industry	- Invoke the Intergovernmental Relations Framework Act - Issue deficiency notices on non-compliance of PLAs - Engaging PLAs during compliance monitoring pre-planning stage

#	Outcomes	Outcome Indicator	Key Risks	Risk Mitigations
5.	Red Tape Reduction	Reduced turn-around time to complete investigations on illegal gambling activities	Delays in processing unlawful winnings from illegal gambling activities due to incomplete information received from the reporting entities resulting in failure to implement the mandate to process unlawful winnings by either forfeiting to the state or refunding to the punter	- Engagement with remitting institutions in detecting suspected unlawful gambling winning transactions - Implement unlawful gambling winnings standard operating procedures - Substituted service application for untraceable punters - Institute <i>ex parte</i> applications for untraceable S16 matters
6.	Protection of the regulated gambling industry	Interventions to combat illegal gambling	Inadequate and non- initiation of raids, notices and legal actions to protect the gambling industry against illegal operations due to failure to collaborate with relevant authorities resulting in loss of revenue to the fiscus	Implement Enforcement interventions against illegal gambling operators
			Increased participation in internet-based gambling activities and increase in illegal internet gambling establishments due to offering of illegal gambling to punters and ease of access to illegal internet gambling resulting in loss of revenue to the regulated gambling industry	Quarterly engagement with relevant authorities and network service providers to block access to illegal gambling websites
7.	Data-driven insight on market dynamics in the gambling industry for informed decision making	Monitored market share and market conduct of the four (4) sectors in the gambling industry	Inability to accurately and reliably report gambling trends due to inaccurate and incomplete data provided by PLA's on the gambling industry resulting in incorrect advice on the gambling industry provided.	- Conduct gambling sector performance analysis using secondary data sources - Engagement with PLAs on ratification of incomplete and inaccurate data - Undertake audit of gambling statistics annually
8.	Increased investment in the LPM sector	Conducted evidence-based research on further prescribed allocation of LPMs in four provinces	Failure to conduct empirical evidence-based research and measure the socio-economic impact of the gambling industry	Ongoing research using secondary data sources.

#	Outcomes	Outcome Indicator	Key Risks	Risk Mitigations
			due to research bias resulting in ill-informed policy decision-making	
9.	Increased public awareness to educate and inform people on the harmful effects of gambling	Implemented broad-based public education programme on the risks and socioeconomic impact of gambling	Uninformed and uneducated people due to limited information on legal, responsible, compulsive, and addictive gambling resulting in participation in illegal forms of gambling	Ongoing implementation of broad-based public education programme informed by evidence-based research
10.	Commitment to procuring local goods and services to contribute to the local economy for sustainable growth	Total value committed to procure local goods and services	Limited expenditure on locally produced goods and services due to absence of a local market for goods and services resulting in an outflow of expenditure to foreign suppliers	Set specific goals for local content in procurement requests
11.	Commitment to spend on procurement of goods and services from black-owned entities to enhance supplier development and economic inclusion	Total value spend on goods and services procured from black owned entities	Inability to spend on goods and services from black owned entities due to unavailability of black owned entities to supply goods and services required by the NGB resulting in failure to meet transformation imperatives	Set specific goals to spend on black-owned entities listed on the National Treasury's Central Supplier Database (CSD)

12. PUBLIC ENTITIES

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget
National Gambling Board	National Gambling Act, 2004 (Act 7 of 2004)	• Section 27 of the NGA appointment and monitoring of the NCEMS operator for jobs sustained • Implemented Human Capital Strategy on mentoring and coaching to enhance skills and employability • Facilitated R2.5 billion revenue generation in the LPM sector to strengthen the domestic economy • Gambling Sector performance analysis of the four sectors in the gambling industry for provision of market intelligence • Research on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector • 70% of total public procurement spend on local producers to increase local market competitiveness • 60% of total public procurement spend on goods and services from black-owned entities to increase market share • Evaluation regulatory notices issued in nine (9) provinces • Broad-based community outreach interventions conducted to inform and educate the public on risks and socio-economic impact of gambling • Targeted investigations completed within twenty-five (25) days on illegal gambling matters • Enforcement interventions to combat illegal gambling	R 267.4 million

13. INFRASTRUCTURE PROJECTS

No.	Project Name	Programme	Description	Outputs	Start Date	Completion Date	Total Estimated Cost	Current Year Expenditure
Not Applicable								

PART D: TECHNICAL INDICATOR DESCRIPTION

14. GCCD Technical Indicator Description

The National Gambling Board (NGB) has developed a set of Technical Indicator Description (TID) in line with the identified outputs. These include desired performance for the Annual Performance Plan (APP). The purpose of the TID is to track on-going performance.

The GCCD TID also reflect equity concerns and value for money in the use of resources. In developing the TID, specific attention was given to developing a TID related to economy, efficiency and equity considering that effectiveness is assessed in relation to

the achievement of the NGB's outputs, baselines and targeted performance.

Programme performance TID are reliable, well-defined, verifiable, cost-effective, appropriate and relevant. These are linked to the baseline information and targets expressed in terms of planned performance in order to ensure that the management processes are in place to collect the information required to track performance against each indicator and that each output meets the SMART criteria (specific, measurable, accurate, relevant and timely)

14.1. Technical Indicator Description (TID): Number of jobs sustained through the appointment of NCEMS operator and report produced

TID 1		
#	Indicator title	Number of jobs sustained through the appointment of NCEMS operator and report produced
1	Definition	Contract manage the NCEMS operator in compliance with section 27 of the NGA
2	Source of data	NCEMS operator contract management reports
3	Method of calculation/assessment	- Four (4) reports per annum produced: ➢ One (1) report per quarter
4	Means of verification	- Use National Electronic Monitoring System (NCEMS) to verify significant events and financial transactions emanating from the LPM industry - Employment records obtained from the NCEMS operator
5	Assumptions	- Availability of valid, accurate and complete data uploaded for licensed LPMs and devices provided to the NGB for purposes of monitoring, evaluation and reporting - Continuous operation of the NCEMS operator
6	Disaggregation of beneficiaries (where applicable)	N/A
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Number of reports on monitoring of the NCEMS operator and jobs sustained produced. - Four (4) reports per annum produced: ➢ One (1) report per quarter Qualitative: Nature and content, and whether objectives have been met - Cumulative
9	Reporting cycle	Quarterly and Annually
10	Desired performance	Fully compliant with targeted performance
11	Indicator responsibility	Senior Manager: Compliance Oversight

14.2. Technical Indicator Description (TID): Rand value revenue generation facilitated in the LPM sector.

#	Indicator title	TID 2 Rand value revenue generation facilitated in the LPM sector
1	Definition	Fully operational NCEMS and system analysis of data, detection and monitoring of significant events associated with any LPM made available for play in the Republic to enable revenue generation in the LPM sector
2	Source of data	NCEMS
3	Method of calculation/assessment	- Actual gross gambling revenue generated in the LPM sector - Cumulative
4	Means of verification	Use National Electronic Monitoring System (NCEMS) to verify financial transactions emanating from the LPM industry
5	Assumptions	Minimum 95% system availability and valid, accurate and complete data on licensed LPMs reported through the NCEMS
6	Disaggregation of beneficiaries (where applicable)	N/A
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Rand value of revenue generated by licensed LPMs Qualitative: N/A
9	Reporting cycle	Quarterly and Annually
10	Desired performance	Fully compliant with targeted performance
11	Indicator responsibility	Senior Manager: Compliance Oversight

14.3. Technical Indicator Description (TID): Number of evaluation regulatory notices issued

#	Indicator title	TID 3 Number of evaluation regulatory notices issued
1	Definition	Assessment of the gambling industry's adherence to relevant laws, policies, and regulations, PLAs compliance with gambling legislation, and monitoring technological and legislative developments in the gambling industry.
2	Source of data	PLAs reports, Legislation in the Republic of South Africa, the Constitution, the NGA and Regulations, and provincial legislation, national registers, Test reports, SABS, LPM and licensees
3	Method of calculation/assessment	- Nine (9) evaluation regulatory notices issued per annum: ➤ Two (2) evaluation regulatory notices issued in Q1 ➤ Three (3) evaluation regulatory notices issued in Q2 ➤ Three (3) evaluation regulatory notices issued in Q3 ➤ One (1) evaluation regulatory notices issued in Q4 - Cumulative
4	Means of verification	NGA, Compliance checklist, data from national registers, LOCs, NRCS, NCEMS and gambling licence
5	Assumptions	- PLAs co-operation. - Access to PLAs information - Access to copies of licenses, LOCs, test reports and other relevant documents - Accurate interpretation of the law - Availability of accurate data and information to inform the advice
6	Disaggregation of beneficiaries (where applicable)	N/A

TID 3		
#	Indicator title	Number of evaluation regulatory notices issued
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Nine (9) evaluation regulatory notices issued per annum: ➤ Two (2) evaluation regulatory notices issued in Q1 ➤ Three (3) evaluation regulatory notices issued in Q2 ➤ Three (3) evaluation regulatory notices issued in Q3 ➤ One (1) evaluation regulatory notices issued in Q4 - Cumulative Qualitative: Nature and content and whether objectives have been met
9	Reporting cycle	Quarterly and Annually
10	Desired performance	Fully compliant with targeted performance
11	Indicator responsibility	Senior Manager: Compliance Oversight

15. ENFORCEMENT TECHNICAL INDICATOR DESCRIPTION

The National Gambling Board (NGB) has developed a set of Technical Indicator Description (TID) in line with the identified outputs. These include desired performance for the Annual Performance Plan (APP). The purpose of the TID is to track on-going performance. The TID also reflect equity concerns and value for money in the use of resources. In developing the TID, specific attention was given to developing a TID related to economy, efficiency and equity considering that effectiveness is assessed in relation to the achievement of the NGB's

outputs, baselines, and targeted performance. Programme performance TID are reliable, well-defined, verifiable, cost-effective, appropriate, and relevant. These are linked to the baseline information and targets expressed in terms of planned performance to ensure that the management processes are in place to collect the information required to track performance against each indicator and that each output meets the SMART criteria (specific, measurable, accurate, relevant and timely).

15.1. Technical Indicator Description (TID): Turn-around time to complete investigations on illegal gambling activities

#	Indicator title	TID 1 Turn-around time to complete investigations on illegal gambling activities
1	Definition	Time taken from the initiation of an investigation into suspected cases of unlawful gambling activities until the completion of the investigation
2	Source of data	- NGB Bank statement depicting funds deposited to the NGB unlawful winnings bank account. - Unlawful Winnings Database - Completed NGB2 forms and prescribed documents - Other relevant information submitted by banks, gambling operators and PLA's - Information from punters
3	Method of calculation/assessment	- Average of the actual number of days taken to investigate each matter - Investigations commence from the date all information is received and concluded on the date of signature of the investigations report. - Each investigation should be concluded within 25 calendar days - Cumulative
4	Means of verification	Investigation report with supporting documents (including the investigation diary)
5	Assumptions	- Availability of valid, accurate and complete data - Co-operation from PLAs, banks and operators - Co-operation from punter - Submission of all relevant information
6	Disaggregation of beneficiaries (where applicable)	N/A
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Turnaround time to complete investigations
9	Reporting cycle	Quarterly
10	Desired performance	Fully compliant with targeted performance
11	Indicator responsibility	Senior Inspector: Enforcement

15.2. Technical Indicator Description (TID): Number of interventions to combat illegal gambling through raids and inspections initiated

#	Indicator title	TID 2 Number of interventions to combat illegal gambling through raids and inspections initiated
1	Definition	Measurable count of actions taken to address illegal gambling activities through inspections and raids conducted and cases handed over to relevant enforcement agencies
2	Source of data	- Illegal Gambling Threat Analysis Report from the National Stakeholders Priority Committee to Combat Illegal Gambling - Complaints from the public - National Stakeholders Priority Committee to Combat Illegal Gambling (SPCIG) Meeting minutes
3	Method of calculation/assessment	- Sixteen (16) enforcement interventions undertaken per annum: ➤ Four (4) enforcement interventions undertaken per quarter - Cumulative
4	Means of verification	- Detected illegal gambling activities reported to relevant enforcement agencies (CAS number) - Report on number of inspections and raids conducted - Notices issued to landlords and operators - Workshops and meetings held with other enforcement agencies
5	Assumptions	- Cooperation by enforcement agencies - Availability of valid accurate and complete data
6	Disaggregation of beneficiaries (where applicable)	Fully compliant with targeted performance
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Number of interventions to combat illegal gambling through raids and inspections initiated - Sixteen (16) enforcement interventions undertaken per annum: ➤ Four (4) enforcement interventions undertaken per quarter - Cumulative Qualitative: N/A
9	Reporting cycle	Quarterly and Annually
10	Desired performance	Fully compliant with targeted performance
11	Indicator responsibility	Senior Inspector: Enforcement

16. CSRD TECHNICAL INDICATOR DESCRIPTION

The National Gambling Board (NGB) has developed a set of Technical Indicator Description (TID) in line with the identified outputs. These include desired performance for the Annual Performance Plan (APP). The purpose of the TID is to track on-going performance.

The TID also reflect equity concerns and value for money in the use of resources. In developing the TID, specific attention was given to developing a TID related to economy, efficiency and equity considering that effectiveness is assessed in relation to

the achievement of the NGB's outputs, baselines and targeted performance.

Programme performance TID are reliable, well-defined, verifiable, cost-effective, appropriate and relevant. These are linked to the baseline information and targets expressed in terms of planned performance in order to ensure that the management processes are in place to collect the information required to track performance against each indicator and that each output meets the SMART criteria (specific, measurable, accurate, relevant and timely).

16.1. Technical Indicator Description (TID): Number of reports on implementation of the Human Capital Strategy on mentoring and coaching

TID 1		
#	Indicator title	Number of reports on implementation of the Human Capital Strategy on mentoring and coaching
1	Definition	Development of learning objectives for internship and learnership opportunities aimed at improving their skills
2	Source of data	Mentoring and Coaching Plan
3	Method of calculation/assessment	- Four (4) reports per annum produced: ➢ Three (3) quarterly reports ➢ One (1) consolidated report
4	Means of verification	Mentoring and Coaching Agreements
5	Assumptions	- Availability of funds to employ interns and availability of sector-funding for learnerships. - Development of an internship and learnership programme
6	Disaggregation of beneficiaries (where applicable)	N/A
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Number of reports on gambling sector performance produced. - Four (4) reports per annum produced: ➢ Three (3) quarterly reports ➢ One (1) consolidated report Qualitative: Nature and content, and whether objectives have been met - Cumulative
9	Reporting cycle	Quarterly and annually
10	Desired performance	Fully compliant with targeted performance
11	Indicator responsibility	Senior Manager: Human Capital Optimisation

16.2. Technical Indicator Description (TID): Number of reports on gambling sector performance produced

TID 2		
#	Indicator title	Number of reports on gambling sector performance produced
1	Definition	Trend analysis of revenue generation, turnover, taxes and market growth in the gambling industry
2	Source of data	Statistical information submitted by PLAs as required quarterly and annually
3	Method of calculation/assessment	- Five (5) reports per annum produced: ➤ One (1) report per quarter ➤ One (1) annual report in quarter two (2)
4	Means of verification	Excel spreadsheets submitted by PLAs, NCEMS
5	Assumptions	PLAs submit valid, accurate and complete data timeously as and when required by the NGB for purposes of reporting
6	Disaggregation of beneficiaries (where applicable)	N/A
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Number of reports on gambling sector performance produced. - Five (5) reports per annum produced: ➤ One (1) report per quarter ➤ One (1) annual report in quarter two (2) Qualitative: Nature and content, and whether objectives have been met - Cumulative
9	Reporting cycle	Quarterly and annually
10	Desired performance	Fully compliant with targeted performance
11	Indicator responsibility	Senior Manager: Strategy and Organisational Performance

16.3. Technical Indicator Description (TID): Number of reports on research on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector produced

TID 3		
#	Indicator title	Number of reports on research on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector produced
1	Definition	Research on the broader implications of gambling on the economy and society, and potential issues related to addiction and responsible gambling.
2	Source of data	Desktop research, interviews/focus groups with stakeholders and/or the public
3	Method of calculation/assessment	- Four (4) reports per annum produced: ➤ Three (3) quarterly reports ➤ One (1) consolidated report - Four (4) requests to the Minister for the LPM sector to proceed into Phase 2 implementation of LPM rollout in Mpumalanga, KZN, Limpopo and North-West
4	Means of verification	Research data, interviews/focus groups with stakeholders and/or the public, Excel spreadsheets submitted by PLAs; Reports from Stats SA; Statistics from the South African Reserve Bank, World Bank and any other credible source of statistical information
5	Assumptions	- Co-operation from research participants - Availability of historical evidence to inform the subject matter of the analysis and research

TID 3		
#	Indicator title	Number of reports on research on the socio-economic impact of the licensed LPM sector in Mpumalanga, KZN, Limpopo and North-West to increase investment in the LPM sector produced
6	Disaggregation of beneficiaries (where applicable)	N/A
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Number of reports on the socio-economic impact of the licensed LPM industry in Mpumalanga, KZN, Limpopo and North-West produced. - Four (4) reports produced per annum: ➤ Three (3) quarterly reports ➤ One (1) consolidated report Qualitative: Nature and content, and whether objectives have been met - Cumulative
9	Reporting cycle	Quarterly and annually
10	Desired performance	Fully compliant with targeted performance
11	Indicator responsibility	Senior Manager: Strategy and Organisational Performance

16.4. Technical Indicator Description (TID): Number of broad-based community outreach interventions conducted

TID 4		
#	Indicator title	Number of broad-based community outreach interventions conducted
1	Definition	Events/campaigns, as well as other initiatives undertaken as stated in the Broad-Based Public Education and Awareness Programme.
2	Source of data	Publications, public awareness campaigns / programs / interventions
3	Method of calculation/assessment	- Number of broad-based community outreach interventions conducted on the risks and socio-economic impact of gambling conducted. - Forty (40) per annum: ➤ Ten (10) interventions per quarter - Cumulative
4	Means of verification	Articles; media releases; audio clips; video clips; photos; invitations; email confirmations; attendance registers; number of hits on NGB website; social media number of likes, sharing of social media content, and/or comments; number of TV viewership for specific programme, number of listenership on radio
5	Assumptions	- It is assumed that all education and awareness campaigns/programs/interventions will take place as planned. - Targeted audience has been impacted through the targeted intervention
6	Disaggregation of beneficiaries (where applicable)	N/A
7	Spatial transformation (where applicable)	N/A
8	Calculation type	- Quantitative: Forty (40) per annum: ➤ Ten (10) interventions per quarter - Cumulative

TID 4		
#	Indicator title	Number of broad-based community outreach interventions conducted
9	Reporting cycle	Quarterly
10	Desired performance	To have an educated punter who is a responsible gambler; empowered by the education and awareness initiatives conducted on the risks associated with problem gambling and the socio-economic impact thereof
11	Indicator responsibility	Senior Manager: Strategy and Organisational Performance

17. FINANCE AND PROCUREMENT TECHNICAL INDICATOR DESCRIPTION

The National Gambling Board (NGB) has developed a set of Technical Indicator Description (TID) in line with the identified outputs. These include desired performance for the Annual Performance Plan (APP). The purpose of the TID is to track on-going performance.

The TID also reflect equity concerns and value for money in the use of resources. In developing the TID, specific attention was given to developing a TID related to economy, efficiency and equity considering that effectiveness is assessed in relation to

the achievement of the NGB's outputs, baselines and targeted performance.

Programme performance TID are reliable, well-defined, verifiable, cost-effective, appropriate and relevant. These are linked to the baseline information and targets expressed in terms of planned performance in order to ensure that the management processes are in place to collect the information required to track performance against each indicator and that each output meets the SMART criteria (specific, measurable, accurate, relevant and timely

17.1. Technical Indicator Description (TID): % total public procurement spend on local producers

#	Indicator title	TID 1 % total public procurement spend on local producers
1	Definition	Expenditure incurred with respect to a fully operational NCEMS and the collection of monitoring fees in the Republic
2	Source of data	- National Central Electronic Monitoring System Operator reconciliations and supporting documents. - Invoices - Bank statements
3	Method of calculation/assessment	Actual expenditure incurred for payments that are made to the NCEMS Operator at the end of each quarter as a percentage of total procurement spend multiplied by 100
4	Means of verification	- Data from NCEMS - Bank statements to confirm payments made. - Invoices to confirm values
5	Assumptions	- Availability of valid, accurate and complete data uploaded for licensed LPMs and devices as and when required by the NGB for purposes of monitoring, evaluation and reporting - Reliance on quarterly local content reports from the NCEMS operator.
6	Disaggregation of beneficiaries (where applicable)	N/A
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Rand value spend on the NCEMS Operator divided by total procurement spend multiplied by 100 Qualitative: N/A
9	Reporting cycle	Quarterly and Annual
10	Desired performance	Fully compliant with targeted performance

#	Indicator title	TID 1 % total public procurement spend on local producers
11	Indicator responsibility	Senior Manager: Finance

17.2. Technical Indicator Description (TID): % of total public procurement spend on goods and services from black-owned entities

#	Indicator title	TID 2 % of total public procurement spend on goods and services from black-owned entities
1	Definition	Expenditure incurred with respect to procurement of goods and services from black owned entities as defined in the B-BBEE Act
2	Source of data	- National Central Electronic Monitoring System Operator reconciliations and supporting documents - Invoices - Bank statements
3	Method of calculation/assessment	Actual expenditure incurred for payments that are made to black owned entities as a percentage of total procurement spend
4	Means of verification	- Data from NCEMS - Bank statements to confirm payments made. - Invoices to confirm values
5	Assumptions	- Availability of valid, accurate and complete data uploaded for licensed LPMs and devices as and when required by the NGB for purposes of monitoring, evaluation and reporting - Entities provide valid accurate and complete B-BBEE certificates
6	Disaggregation of beneficiaries (where applicable)	N/A
7	Spatial transformation (where applicable)	N/A
8	Calculation type	Quantitative: Simple count – Rand value spend on payments effected to black owned entities divided by total procurement spend multiplied by 100 Qualitative: N/A
9	Reporting cycle	Quarterly and Annual
10	Desired performance	Fully compliant with targeted performance
11	Indicator responsibility	Senior Manager: Finance

PART E: LINKS TO OTHER PLANS

18. FRAUD PREVENTION PLAN

The FPP has been revised and approved and is herewith attached as (Annexure A) for ease of reference.

19. MATERIALITY AND SIGNIFICANCE FRAMEWORK

This framework outlines the acceptable levels of materiality and significance that have been approved by the Accounting Authority. (Refer to Annexure B)

20. RISK REGISTER

The NGB reviews organisational potential risks annually and ensures that mitigating measures are put in place to address the identified risks (refer to Annexure C).

21. SERVICE DELIVERY STANDARDS

This document outlines the acceptable turnaround times that have been approved by the Accounting Authority and agreed upon with the relevant Executive Authority with respect to service delivery targets (refer to Annexure D).

