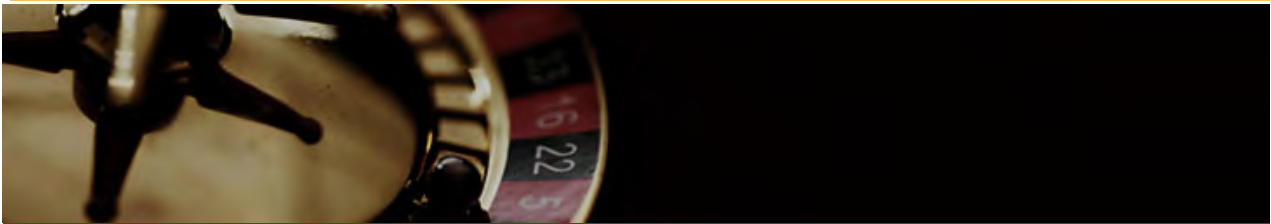


# TO THE POINT

THE OFFICIAL NGB NEWSLETTER ISSUE 1 2017



## IN THIS ISSUE:

- Focus on gambling awareness campaigns
- NGB's priorities for FY2017
- Gross Gambling Revenue rises
- Latest research findings on illegal gambling in South Africa
- Closing down illegal establishments



**Gamble illegally**  
and suffer the consequences

Know what is legal.  
Contact the National Gambling Board.

[www.ngb.org.za](http://www.ngb.org.za) or 01000 33 475

Prison time or a heavy fine



**WINNERS KNOW WHEN TO STOP**  
National Responsible Gambling Programme [www.nrgp.org.za](http://www.nrgp.org.za)  
Problem Gambling Counselling Line: 0800 006 008 or 076 675 0710



## FOREWORD

The National Gambling Board (NGB) has pleasure in publishing Issue 1 to inform and educate its stakeholders and the public.

There has been numerous highlights for the NGB ranging from assistance to close down illegal establishments in partnership with other stakeholders, input into amendment of legislation, ongoing monitoring of gambling sector performance, compliance oversight over Provincial Licensing Authorities, participation in various public awareness events and campaigns, as well as research report released about the socio-economic impact of illegal gambling in South Africa.

In this issue, we highlight the journey and significant strides that NGB has made and is undertaking in future and wish to keep you informed – To the Point – with relevant and the latest information.

We trust that you will enjoy the read!

## NGB focusses on awareness campaigns

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The NGB launched an awareness campaign which was rolled out in Gauteng, Western Cape and Mpumalanga during September to November 2016. Billboards, banners in newspapers, live reads on radio and advertisements on social media were used to make the public aware of the nature of gambling, the consequences of illegal gambling with specific focus on illegal online gambling, where to report fraudulent and illegal gambling activities, as well as where and how to get assistance with problem or addictive gambling.

There has been an increase in illegal and online gambling with many people not knowing the consequences i.e. forfeiture of money won and criminal charges. Through education and awareness, NGB aims to inform the public about the legal and illegal modes of gambling. The campaign is an opportunity for South Africans to be fully aware of the consequences when gambling, to encourage the public to gamble legally and responsibly, as well as to be excluded from gambling if required with the assistance of the NGB or any other Provincial Licensing Authority (PLA).

The Department of Trade and Industry (**the dti**) in collaboration with the NGB, have embarked on a national education

roadshow in all provinces from September to December 2016 to create awareness amongst the public about responsible gambling and the socio-economic consequences of gambling, as well as to conduct public consultation in order to gather comments from the public on the draft National Liquor Amendment bill 2016 and the National Gambling Amendment Bill 2016.

NGB has also compiled a corporate brochure that is distributed at all public events and published on our website: [www.ngb.org.za](http://www.ngb.org.za). This detailed brochure is a useful source of information about the establishment of the NGB, its mandate, the different functions and roles of NGB and PLAs, how to gamble responsibly, how to identify addictive gambling behaviour, where to report illegal gambling activities, where to get assistance with regard to problem gambling and how to get excluded, if required. Contact details of all the PLAs are also provided.

Educating the South African public by means of personal interaction and various communication media empowers everyone to make the right choices and gamble responsibly and have fun.

Do you **know your limit** when GAMBLING?

Gambling is Pure **LUCK**  
When your luck runs out, **STOP!**

[www.ngb.org.za](http://www.ngb.org.za)



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or SMS 076 675 0710



**the dti**  
Department of Trade and Industry  
REPUBLIC OF SOUTH AFRICA

**NGGB**  
National Gambling Board  
South Africa  
a member of the dti group

## NGB'S PRIORITIES FOR FY2017



NGB Administrator  
**Ms Caroline Kongwa**

### KEY POINTS

1. NGB is responsible for the oversight and regulation of the gambling industry in the country and to preserve the integrity of South Africa as a responsible global citizen.

2. The NGB's strategic plan articulates the strategic vision of the NGB in dealing with enforcement, determining the size of the industry through evidence-based information gathering and/or research; monitoring the market share and conduct; ensuring concurrent legislative oversight by assisting Provincial Licensing Authorities in detecting parallel gambling activities; and facilitating integrated strategic information portal evolution of the gambling industry and optimisation of organisational excellence.

3. The impact of continued prohibition of online gambling and other forms of illegal gambling provides a new challenge for the NGB, in that, new and better methods of identification and eradication of illegal operations and operators, together with the law enforcement and prosecution authorities, now constitute a priority for NGB.

4. The NGB's planning processes are integrated with **the dti's** strategic plans.

5. The NGB will assist with the

overhaul of gambling legislation and its authoritative advisory role to **the dti**.

6. The NGB will establish certain uniform norms and standards, applicable to national and provincial regulation and the licensing of certain gambling activities in collaboration with **the dti**.

7. The three main Strategic Outcomes-Orientated Goals (SOOGs) are to enforce compliance, enhance stakeholder liaison and statutory services and optimising organisational excellence.

8. NGB's financial performance will be guided by available resources and the strategic objectives. The spending focus regarding the Medium Term Strategic Framework period, will be on the following areas:

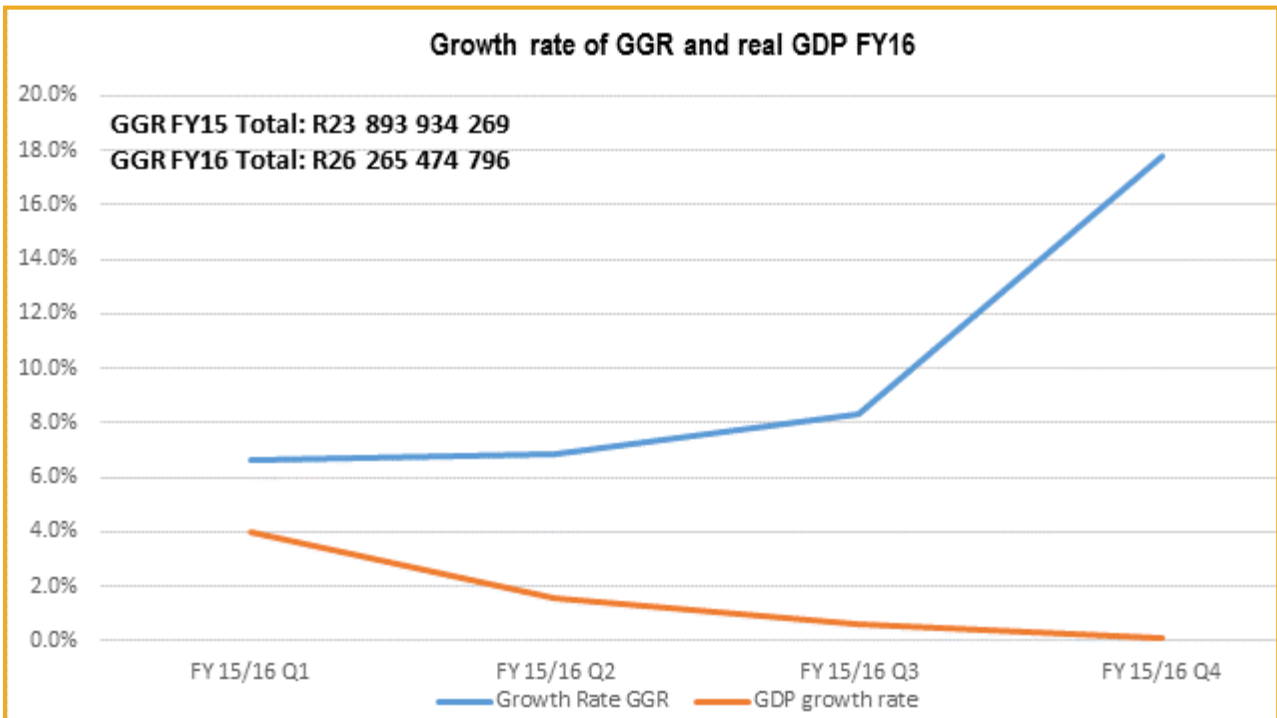
- i. Inputs into the development of gambling policy and regulation
- ii. Conduct regulatory oversight and enforcement of compliance
- iii. Dialogue with stakeholders
- iv. Suppression of illegal gambling
- v. Provision of reliable information through the establishment and maintenance of national systems.

## Gross Gambling Revenue rises despite slow growth in economy

NGB monitors the movement of Gross Gambling Revenue (GGR) from all modes of gambling against real Gross Domestic Product to understand the real economic value of the gambling industry, as well as to understand how changes in the growth of the economy affect gambling sector performance. From economic theory, one would expect that if the economy grows, there would be increased consumer spending and therefore increased discretionary spending on gambling activities consequently resulting in increased revenues.

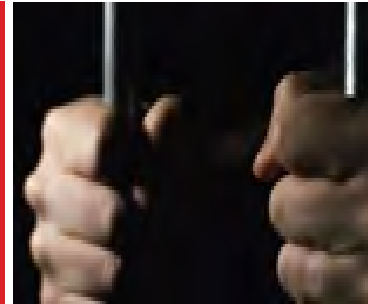
However, if there is an economic downturn, we expect the vice versa-reduced consumer spending and ultimately reduced revenues.

FY15/16, however, shows a different picture to economic expectations. Despite a slump in the growth of the economy as GDP growth declined throughout the four quarters, the growth rate of total GGR (all modes) followed an increasing trend. This would appear to imply that gambling activities are immune to changes in the growth of the economy but may, however, depend on the mode of gambling engaged in during this period.



Real GDP growth rate sourced from Statistics South Africa

## Illegal gambling on the increase in South Africa – study reveals



NGB embarked on a research study during 2016 to determine the socio-economic impact of illegal gambling, and especially online gambling, in South Africa, as well as the NGB's role to combat illegal gambling.

The legal gambling industry makes a huge contribution to the national fiscus through levies and taxes. This industry and its contribution are being seriously threatened by a growing illegal gambling industry. Besides the loss in revenue, this illegal industry leaves the economy unprotected against its negative socio-economic impact. It also impacts the capacity of enforcement agencies that continue with the battle to eradicate it.

Research results from the study indicated that the total value add impact of illegal online gambling in South Africa is an estimated R586 million compared to an estimated R1,3 billion lost in Gross Domestic Product (GDP) due to land based illegal gambling modes such as fafi, dices and unlicensed limited payout machines. Illegal online gambling's contribution to employment creation is lower than the land based legal gambling due to the nature in which it operates as it is not inherently labour intensive.

International studies cited in the research study suggested higher levels of problem gambling among online players than non-internet gamblers. The South African study reveals that problem gambling was 12% higher among online gamblers than land based illegal gamblers. In South Africa, it has been found that the highest risk category (in terms of problem gambling) is the young, male, lower income group. This at risk group has access to online gambling through mobile technology increasing the potential exposure to a risky environment for these individuals. The nature of online gambling makes it easily accessible and makes self-exclusion more difficult for problem gamblers, as mobile devices become an increasingly integral part of daily life.

Considering all the negative implications of online

gambling, it is important that government continue to prohibit online gambling by working with other stakeholders to implement control mechanisms to assist in the fight to both protect punters and industry investors.

Overall, the study recommends the following key recommendations in terms of a framework to combat illegal gambling:

- Amendment of current laws to ensure interactive, internet and other terminology used can be substituted for online in legal proceedings
- Adjust other laws so that the focus shifts to enforcement of illegal gambling to assign more resources for enforcement, legal procedures, etc.
- Change law to rather outline uniform criteria for processes/duties so that PLAs can concentrate on enforcement more to ensure that standards are met
- Improve the volume of enforcers in each province and ensure they have the tools needed to combat online gambling effectively
- Assign all enforcers peace officer powers
- Assign enforcers legal authority to conduct raids without warrants or to compile necessary legal documents for raids
- Collaborate with major banking institutes to stop online gambling transaction processes
- Collaborate with domain regulators to restrict domestic access to illegal online gambling sites
- Form forums including representatives from different and relevant regulators / agencies / institutions that support the enforcement of illegal gambling
- Set advertising standards to ensure that exposure to illegal online gambling is limited and penalties are adequate
- Ongoing awareness campaigns to educate gamblers (and the public) about online gambling legislation and its penalties for obstruction, as well as problem gambling (consequences and treatment options)

A summarised report based on this research is published on the NGB website: [www.ngb.org.za](http://www.ngb.org.za)

## NGB assists in combatting illegal gambling



It was for the very first time that the NGB was involved in closing two (2) illegal gambling establishments. This was also part of a Radio 702 breaking news media release by the SAPS.

This achievement was matched by NGB Enforcement's team consultation with PLA's from Western Cape and Eastern Cape. The interaction was also the first of its kind and has initiated the platform for relationship enhancement in the fields of Enforcement.

## Report any illegal or unlicensed gambling activity

[fraudalert@ngb.org.za](mailto:fraudalert@ngb.org.za)  
or 012 686-8800

Contact NGB or any Provincial  
Licensing Authority.



## Winners know when to stop



For further information contact the Stakeholder Liaison Division at NGB: 420 Witch-hazel Avenue, Eco Glades 2, Block C, Eco Park, Centurion, 0144  
Direct switchboard: **086 722 7713** or **010 003 3475**  
International callers: **+27 10 003 3475 / 086 618 5729**  
email: [info@ngb.org.za](mailto:info@ngb.org.za) Website: [www.ngb.org.za](http://www.ngb.org.za)