



THE BANKING
ASSOCIATION
SOUTH AFRICA

**Public Hearings on the desirability of the
Remote Gambling Bill (PMB 3 – 2015)**

National Assembly Portfolio Committee on Trade and Industry

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CRITICAL ISSUES

- BASA made detailed submission on this matter in 2011
- Our position is consistent to this day
- BASA agnostic about whether on-line gambling should be regulated
- We appreciate problems of unregulated gambling, but regulate if authorities have capacity and willingness to monitor and enforce





- Banks can't monitor and enforce because this is not possible for following reasons:
 - National Payments System world-class, globally integrated and globally regulated
 - System standardised to cope with large volumes of transactions
 - Can't identify reasons for transactions
 - On-line gambling originating in countries where legal is processed real time and system can't identify transaction as being for gambling





- On-line gambling is often consolidated into total gambling operations and thus "hidden" in business operations
- Service providers often use legitimate fronts
- Banks will act to stop on-line gambling transactions if authorities track, monitor and identify. An example of this is the SARB EXCOM, which identifies "major players" and banks act accordingly





CONCLUSION

- SA banking sector 5th most stable sector in world according to 2014/15 Global Competitive Report - National Asset
- Bank business is to raise deposits, hold these in trust and leverage funds to extend credit responsibly, so that deposits are protected. Banks heavily regulated for this business.
- Banks already regulated by various regulatory authorities, like SARB, NCR and others





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THANK YOU
Questions