SUBMISSION ON THE PROPOSED AMENDMENTS TO THE LOTTERIES ACT NO 57 OF 1997

PREPARED BY SOUTHERN AFRICAN YOUTH MOVEMENT & ALLIANCE OF YOUTH NGO’s

PRESENTED BY
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Southern African Youth Movement is a South African NGO with regional interest (SADC)

SAYM was established in 2002 in Kimberly in a regional consultative forum

SAYM has conducted a research for the National Lotteries Distribution Trust Fund with specific focus on NGO Funding practices in South Africa
STRUCTURAL & OVERSIGHT WEAKNESSES

The Act must make compulsory the inclusion of the youth, women and people with disabilities in the board.

The legislation in its current form is the primary constraint to the workings of the NLB resulting in the operational inefficiencies identified in the Discussion Document.

The Board of the National Lotteries Board (Commission) is the custodian of the National Lotteries Distribution Trust Fund but yet has very little to do with the distribution process of the funds to applicants.

The disbursements made by the Distribution Agencies must be approved by the Board of the NLB to ensure effective accountability and oversight.

The Distribution Agency must account to the Board both operationally and strategically.

The Distribution Agencies conduct assessment, evaluation, adjudication and awarding of the funds to the applicants and this conflicts the basic principles supply chain management.
The Civil Society must work towards the attainment of the objectives set by the Government.

The Civil Society must work closely with government as envisioned by the National Development Plan and many Government policy positions.

The National priorities set by Government and those pursued by the civil society must be complimentary.
The Board must make recommendations for appointment of the members of the Distribution Agencies to the Minister for approval instead of the Minister appointing them directly since the Board accounts to both the Minister and Parliament in any case.

The Board must be empowered to sanction the Distribution Agencies on both operational and strategic levels and make recommendations for any remedial action to the Minister.

The Chairpersons of the Distribution Agencies must sit in ex-officio capacity in Board Meetings.

There is no evidence that points to the strategic weaknesses necessitating the extension of the number of Board members to 11, the current size of the Board must be maintained.
The impression that these challenges emanate as a result of the members of the Distribution Agencies being part-time must be dismissed, the solution is the full accountability by the Distribution Agencies to the Board.

These challenges are as a result of the structural weaknesses caused by the independence of the Distribution Agencies from the custodian of the funds they disburse which is the Board.

This condition breeds an environment of hostility and poor planning as experienced in the past between these “institutions” due to the autonomous nature of the Distribution Agencies.

Sound and efficient planning by the Distribution Agencies in consultation with the Board with clear time-lines will resolve the challenges of pro-longed turnaround periods.
Appointment of the Distribution Agency Members as full-time will have serious financial implications, the problem is structural and not operational.

Appointment of the Distribution Agency Panel members must be strictly based on availability of the panellists and a sound operational plan with clear dates and timelines developed and approved by the board to allow all members to clear their schedules and enforced by the Board.

The individuals appointed must not have any interest whatsoever towards the activities for which the funds are intended, without compromising the skills and expertise requisite of discharging the task at hand.

The Panel Members must be subjected to all the ethics codes of practice binding the Board and its structures.
GRIEVANCE CHANNELS FOR APPLICANTS

The inclusion of the Internal Review Mechanism for the aggrieved applicants in the Act must be supported.

The Board must have the final and binding decision on the grievance process.
The role of the state in any market based economy like ours is to create a conducive environment for private sector to flourish.

The period of the licence is too short and it doesn’t make business sense, rather it be 10 years because worldwide is 15 to 20 years.

This model will ensure that operators invest much more with knowledge that theirs is a long-term investment.

The Act must include clauses that empower the Minister to appoint a “Caretaker operator” in case of the revocation instead of a state organ.
KEY RECOMMENDATIONS

The National Lotteries Board must be re-named the National Lotteries Commission headed by a Commissioner appointed by the Minister in consultation with the Board.

The application process must be simplified for new and smaller organisations.

The Chairpersons of the Distribution Agencies must sit in the Board as Ex-officio.

Clear distinction between the functions of the Minister and the Board.
SUPPORTED PROPOSALS

- Improvement of the administrative processes through introduction of a paperless and technologically advanced administrative systems to fast-track the application processing.

- Education and training should be compulsory for all adjudicators and as such should be regulated so that they are well versed with criteria.

- There should be a dedicated arm responsible Education and Awareness.

- Pro-active funding must be informed by research and aligned to national priorities and must be granted by the Board.

- The Act must be harmonized with other pieces of legislation that exists within this space.
The Distribution Agencies must account both operationally and strategically to the Board.

Monitoring and Evaluation of the Conduit Funding must be enhanced.

The licence must be awarded for a minimum of 10 years in order to motivate more investment.
THANK YOU!!!