



## Chairperson's Report

It is with great pleasure to report on further strides the National Gambling Board (the Board) made in the past twelve months.

One of the main objectives of the Board is to set and promote national norms and standards for the South African gambling industry. This can only be achieved if all gambling regulatory bodies pull in the same direction.

To ensure co-operative government in this industry, we should adhere to the letter and spirit of the supreme law of the land, our Constitution. The decision of the Constitutional Court in December 2001 in the matter between the Board, the Premier of KwaZulu-Natal and KwaZulu-Natal (KZN) Gambling Board, again reminded us of this non-negotiable requirement of our Constitution. The court ordered the KZN Premier and the Minister of Trade and Industry, Mr Alec Erwin, to comply with their constitutional obligation of co-operative government as contemplated in terms of section 41 of the Constitution.

The CEO's Forum - a forum which brings together Chief Executive Officers of all provincial licensing authorities (PLAs) under the chairmanship of Board CEO, Mr Sfiso Buthelezi - has added a lot of value and helped the process of co-operative government.

Other forums that have contributed to this objective are the following: Legal Compliance Forum, Horseracing and Betting Forum, Law Enforcement Forum as well as the Limited Payout Machines Industry Forum.

Promotion of responsible gambling remains one of our priorities. Last year we hailed the birth of the South African Advisory Council on Responsible Gambling (SAACREG), a body comprising gambling industry operators and regulators. Flowing from SAACREG, the South African Responsible Gambling Trust (SARGT) was established in 2002. The Trust's primary objective is to manage, on behalf of SAACREG, all programmes of the National Responsible Gambling Programme (NRGP), a casino-led responsible gambling initiative.

The Board also continued the process of setting up the necessary systems to pave way for the limited payout machines (LPMs) industry and appointed Zonke Monitoring Systems (Pty) Ltd as the operator of a central electronic monitoring system (CEMS) for LPMs. We pride ourselves on the integrity with which the bidding and selection process was conducted.



Chris Fismer  
Chairperson

The CEMS aims to record and monitor all transactions and significant events associated with linked LPMs throughout the country. We are looking forward to the day when the CEMS will go live. The LPM industry will afford small businesses a chance to participate in the gambling industry. Black Economic Empowerment (BEE) also stands to benefit from the LPM industry and we hope that licensing of route and site operators will soon take off.

Illegal gambling operation is an international scourge and should be removed from the face of the South African jurisdiction. This report period saw the continued successful fight against illegal gambling operators through co-operation among the Board, PLAs and South African law enforcement agencies.

The KwaZulu-Natal Provincial Prosecuting Director and the South African Police Services (SAPS) deserve special mention. Their commitment led to the successful prosecution of a number of illegal gambling operators and a dramatic decrease in this illicit activity.

The coming year is again going to be challenging for the Board. More norms and standards should be formalised through regulations. It is my desire to see, among others, the promulgation of regulations on horseracing and Internet gambling. We anticipate that a new National Gambling Act will be passed to facilitate effective and efficient regulation of the gambling industry.

We would like to intensify the education of the public about responsible gambling. Research on the Economic Impact of Gambling in South Africa since 1994 is under way. Findings of this study will add a further scientific basis for policy formulation on a national level.

I would like to take this opportunity to thank Minister Erwin and his Department officials, as well as the Trade and Industry Parliamentary Portfolio Committee, for their leadership and support. In addition, I would like to extend my gratitude to the Board for the support given to me as the Chairperson.

Finally, my appreciation also goes to the Board's CEO and his staff for ensuring that we carry out the Board's mandate efficiently and effectively.

Chris Fismer  
Chairperson