REPUBLIC OF SOUTH AFRICA

NATIONAL GAMBLING AMENDMENT BILL

(As amended by the Mediation Committee (National Assembly and National Council of Provinces))
(The English text is the official text of the Bill.)

(MINISTER OF TRADE, INDUSTRY AND COMPETITION)

[B 27D—2018] ISBN 978-1-4850-0558-2

GENERAL EXPLANATORY NOTE:

[]	Words in bold type in square brackets indicate omissions from existing enactments.			
		Words underlined with a solid line indicate insertions in existing enactments.			

BILL

To amend the National Gambling Act, 2004, so as to amend and delete certain definitions; to provide for meetings to be hybrid or virtual; to provide for the procedure for the forfeiture of unlawful winnings to the National Gambling Board; to provide for the quorum to make a final decision in the second meeting with the majority of the members present in that meeting; to provide for the powers of the national inspectorate to curb payments emanating from illegal gambling activities; to enhance the powers and duties of the gambling inspector; and to provide for matters connected therewith.

RE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Amendment of section 1 of Act 7 of 2004, as amended by section 1 of Act 10 of 2008

- **1.** Section 1 of the National Gambling Act, 2004 (hereinafter referred to as the "principal Act") is hereby amended—
 - (a) by the insertion after the definition of "manufacturer, supplier or maintenance provider" of the following definition:
 - "'meeting' includes a meeting where some or all members are not physically present in the same venue and the meeting is conducted utilising virtual technology;" and;

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- (b) by the insertion after the definition of "route operator" of the following definition:
 - "'significant event' means a condition which makes a game unplayable or affects the outcome of a gambling activity and is recorded in a gambling machine or gambling device;".

Insertion of section 10A in Act 7 of 2004

2. The following section is hereby inserted in the principal Act after section 10:

"Register of unlawful gambling operators

- **10A.** (1) The board must keep a register of unlawful gambling operators.
- (2) Any gambling operator listed in the register of unlawful gambling operators will be disqualified from obtaining a licence for a period of five years, from the day of being listed in the register.
- (3) Any gambling operator listed in the register may motivate to the board for removal from the register.

(4) Any decision to list a gambling operator in the register by the board | is subject to review by the courts.".

Amendment of section 14 of Act 7 of 2004, as amended by section 14 of Act 10 of 2008

- **3.** Section 14 of the principal Act is hereby amended by the addition of the following subsection:
 - "(13) All operators must remove excluded persons from their marketing mail list after being informed of the exclusion.".

Amendment of section 16 of Act 7 of 2004

- **4.** Section 16 of the principal Act is hereby amended by the substitution for subsection 10 (4) of the following subsection:
 - "(4) Upon receiving any winnings under subsection (3), the board must investigate the circumstances of the relevant gambling activity, and either—
 - (a) deliver the winnings to the person who won **[them]**, if the board is satisfied that—
 - (i) the gambling activity was lawful[,]; and
 - (ii) the winner [was] is not a minor at the time of the relevant gambling activity; or
 - (iii) the winner is not an excluded person at the time of the activity; or
 - (b) [apply to the High Court for an order declaring the winnings forfeit to the 20 State] subject to the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000), declare the winnings to be forfeited to the board.".

Amendment of section 18 of Act 7 of 2004

- **5.** Section 18 of the principal Act is hereby amended by the substitution for subsection (2) of the following subsection:
 - "(2) The operation of limited pay-out machines must be incidental to and not be the primary business conducted in any premises licensed as a site, if that site falls within an incidental use category determined by the Minister in terms of section $[26(1)(b)] \ \underline{26(2)}$."

Amendment of section 25 of Act 7 of 2004

- 6. Section 25 of the principal Act is hereby amended—
 - (a) by the substitution in subsection (1)(c) for subparagraph (iv) of the following subparagraph:
 - "(iv) the [South African Bureau of Standards] National Regulator for Compulsory Specifications."; and

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- (b) by the substitution for subsection (2) of the following subsection:
 - "(2) Upon receiving a test report in terms of this section, the [South African Bureau of Standards] National Regulator for Compulsory Specifications must analyse the test results relative to the standards referred to in section 24(c), and applicable standards for the machine or device concerned, and if the machine or device complies with the applicable standards, issue a letter of certification in respect of the machine or device to—
 - (a) the person requesting the certification;
 - (b) the applicable provincial licensing authority; and
 - (c) the board.".

Amendment of section 27 of Act 7 of 2004

- 7. Section 27 of the principal Act is hereby amended—
 - (a) by the substitution for subsection (1) of the following subsection:

- 4 "(1) The board must establish and maintain a national central electronic monitoring system capable of-(a) detecting and monitoring significant events associated with any limited pay-out machine, casino, bingo or betting activity that is made available for play in the Republic; and (b) analysing and reporting [that] data in accordance with the prescribed requirements;";
- (b) by the substitution for subsection (2) of the following subsection:
 - "(2) The board may contract with any person who must acquire a national licence to supply any or all of the products or services required 10 to fulfil its obligations in terms of subsection (1), but any such contractor must not be a person who, or firm that, is disqualified as a licensee in terms of section 50.";
- (c) by the substitution in subsection (3) for paragraphs (a), (b) and (c) of the following paragraphs, respectively:

"(a) standards for—

(i) the operation of the national central electronic monitoring system; and

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- (ii) the collection and analysis of data through that system;
- (b) the frequency and nature of reports to be produced by the board in 20 respect of the operation of the system; [and]
- other matters related to the functioning of the national central electronic monitoring system[.]; and";
- (d) by the addition in subsection (3) of the following paragraph:
 - "(d) the implementation date for the national central electronic moni- 25 toring system for casino, bingo and betting activities.";
- (e) by the substitution for subsection (4) of the following subsection:
 - "(4)(a) Every [limited pay-out] gambling machine or gambling device as contemplated in this section that is made available for play must be electronically linked to the national central electronic monitoring system, and the licensee of that machine or device must pay the prescribed monitoring fees in relation to that machine or device.
 - (b) The Minister may, for purposes of subsection (1) and after consultation with the Council, determine any extent of the operation of the national central electronic monitoring system.";
- (f) by the substitution in subsection (5) for paragraph (b) of the following paragraph:
 - "(b) the licensee of each [limited pay-out] gambling machine or gambling device linked to the system access to prescribed data on the system that originated from that machine or device."; and
- (g) by the substitution of subsection (6) of the following subsection:
 - "(6) A contravention of subsection (4)(a) is a breach of licence, subject to administrative sanctions in terms of this Act or the applicable provincial law.".

Amendment of section 33 of Act 7 of 2004, as amended by section 22 of Act 10 of 45 2008

- 8. Section 33 of the principal Act is hereby amended by the deletion of the word "and" at the end of paragraph (j), the insertion of the expression "; and" at the end of paragraph (k) and the addition of the following paragraph:
 - "(l) consider applications and motivations from the provincial licensing authori- 50 ties for acquisition of additional limited pay-out machines, for purposes of compliance with the approved criteria,".

Amendment of section 43 of Act 7 of 2004, as amended by section 30 of Act 10 of 2008

- 9. Section 43 of the principal Act is hereby amended—
 - (a) by the substitution for subsection (2) of the following subsection:

"(2) A provincial licensing authority must immediately advise **[each]** other provincial authorities and the board if that provincial licensing authority **[of a suspension or revocation of]** suspends or revokes a national licence.".

Amendment	of section	62 of A	ct 7 of 2004

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- 10. Section 62 of the principal Act is hereby amended by the addition in subsection (1) of the following paragraph after paragraph (e):
 - "(eA) policy and legislative amendments to ensure alignment; and".

Insertion of section 63A in Act 7 of 2004

11. The following section is hereby inserted in the principal Act after section 63: 10

"Meeting quorum

- **63A.** Despite section 63(6), if a motion has been tabled at a meeting of the Council at which less than five voting members contemplated in section 61 are present, the motion may be passed at the next meeting of the Council, if it is supported by—
- (a) the Minister; and
- (b) the majority of the other voting members of the Council present at that meeting.".

Amendment of section 65 of Act 7 of 2004, as amended by section 38 of Act 10 of 2008

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- 12. Section 65 of the principal Act is hereby amended by the deletion in subsection (1) of the word "and" at the end of paragraph (eA) and the insertion after paragraph (eA) of the following paragraph:
 - "(eB) collecting and retaining the monitoring fees for all modes of gambling; and".

Insertion of section 66A in Act 7 of 2004

13. The following section is hereby inserted in the principal Act after section 66:

"Inter-governmental relations in relation to gambling activities

- **66A.** For purposes of supporting the objects and functions of the board and to strengthen collaborative work with other government departments or institutions responsible for matters related to gambling, the board—
- (a) may enter into agreements with any other organ of state as contemplated in the Constitution, to provide for the joint exercise or performance of their respective powers and functions contemplated in 35
- (b) may establish a forum or similar body for such purposes.".

Insertion of section 76A in Act 7 of 2004

this Act; and

14. The following section is hereby inserted in the principal Act after section 76:

"Powers of national inspectorate

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- **76A.** (1) An inspector may, with or without an inspector appointed in terms of a provincial law and together with other enforcement agencies—
- (a) investigate illegal gambling activities in South Africa;
- (b) serve the suspected illegal operators with a notice to stop operating pending an investigation, litigation or prosecution;

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 (c) have powers to interact with related inspectorates to investigate and report cases related to illegal gambling activities; (d) upon proof of an illegal operator, inform the landlord to lawfully evict the illegal operator from the premises; (e) ensure compliance of gambling institutions with the provisions of the Act; and (f) work collaboratively with relevant institutions to monitor and establish measures to curb illegal or unlicensed gambling activities. (2) The board must notify a financial institution including a bank contemplated in the Banks Act, 1990 (Act No. 94 of 1990), and any internet service provider to cease business with an operator that has been operating in contravention of this Act. (3) No financial institution may process unlawful payment transactions for illegal gambling activities to which this Act applies and which are prohibited under the Financial Intelligence Centre Act, 2001 (Act No. 38 of 2001)." 	100			
Amendment of section 77 of Act 7 of 2004				
 (a) by the substitution for the heading of the following heading: "[Powers and duties of] Inspections by inspector"; and (b) by the substitution for subsection (3) of the following subsection: "(3) Without prior notice, an inspector, with or without an inspector appointed in terms of provincial law, may do [any thing] anything contemplated in subsection (2) for the purpose of carrying out the responsibilities of the board in terms of section 65(1)(a) or (b)." 	20			
Amendment of section 87 of Act 7 of 2004, as amended by section 42 of Act 10 of 2008				
16. Section 87 of the principal Act is hereby amended by the deletion of the word "and" at the end of subparagraph (ii) of paragraph (f) and the insertion in subsection (1) of the following paragraph after paragraph (f): "(fA) criteria to be observed by the board to approve limited pay-out machines in excess of five; and".				
Repeal of item 5 of Schedule 1 to Act 7 of 2004				
17. Item 5 of Schedule 1 is hereby repealed.				
Short title and commencement	35			
18. This Act is called the National Gambling Amendment Act, 2025, and comes into				

Repeal of

Short title

18. This operation on a date fixed by the President by proclamation in the Gazette.