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NATIONAL LOTTERIES COMMISSION
a member of **the dti** group

National Lotteries Commission (NLC)
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Regulations for Lottery Funding to help all NGOs

Date: 17 May 2017

Embargo: None

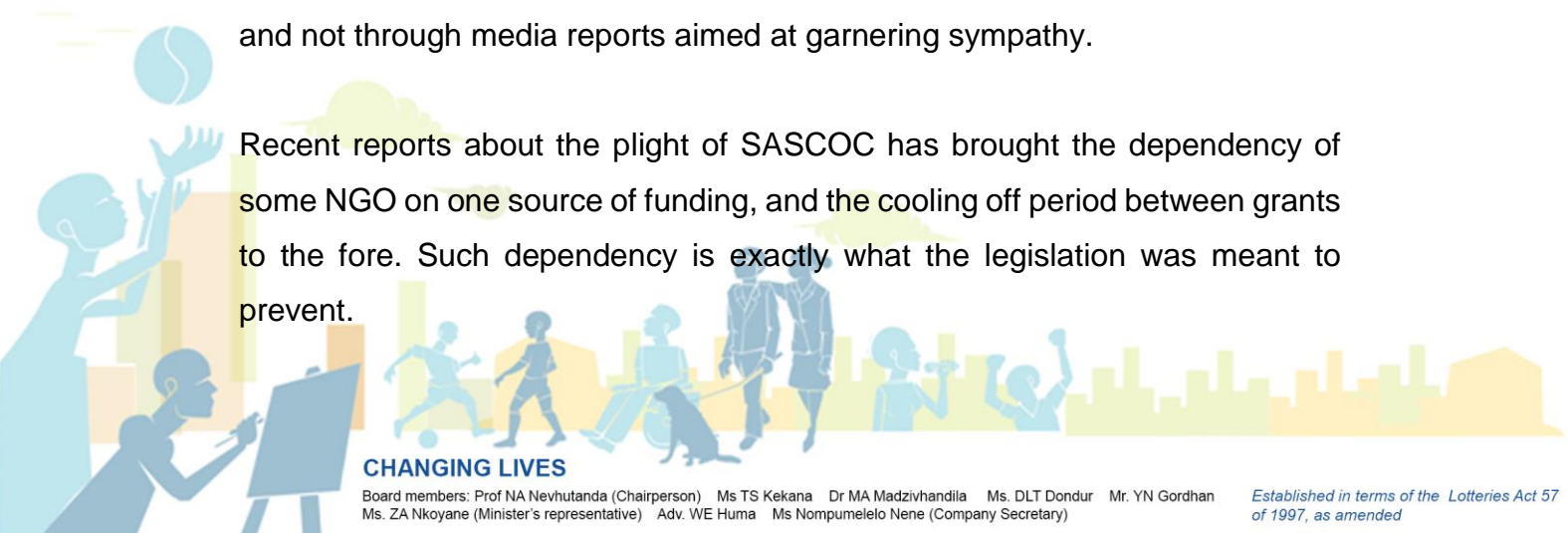
Each year the National Lotteries Commission (NLC) receives over 14 000 applications for funding. The Rand value of the requests exceeds R70 billion from a budget of R1.6 billion, showing that the need of the NGO sector far exceeds what the NLC has to make its contribution to changing lives.

In order to address this, the South African Government approved the amendment of the Lotteries Act and promulgated new regulations in 2013 and 2015.

Some of the changes include: proactive active funding based on NLC research; full-time Distributing Agencies to decide on applications within 150 days; funding is only for activities within South Africa; a cooling-off period between grants to prevent dependency on the NLC for funding; and applicants have to show proof of other funding and their sustainability plans.

Legislation has to be adhered to and any change to legislation is outside the control of the NLC. NLC encourages any NGO that finds the current regulations too prescriptive or restrictive, to lobby SA lawmakers through proper channels and not through media reports aimed at garnering sympathy.

Recent reports about the plight of SASCOC has brought the dependency of some NGO on one source of funding, and the cooling off period between grants to the fore. Such dependency is exactly what the legislation was meant to prevent.



CHANGING LIVES

Board members: Prof NA Nevhutanda (Chairperson) Ms TS Kekana Dr MA Madzivhandila Ms. DLT Dondur Mr. YN Gordhan
Ms. ZA Nkoyane (Minister's representative) Adv. WE Huma Ms Nompumelelo Nene (Company Secretary)

Established in terms of the Lotteries Act 57 of 1997, as amended

SACCOC has received over R700 million from the NLC since inception of lottery funding in 2000. The most recent grant of R70 million was paid in June 2016 and has to be reported on satisfactorily before any new funding can be considered. The NLC awaits this report. The cooling off period also comes into play because legislation dictates that NGOs can only apply for new funding 12 months after the last payment. The cooling off period ends in June 2017 and is also subject to SASCOC submitting its outstanding report. Any concerns of SASCOC is therefore unwarranted and premature.

The SASCOC CEO is also quoted as saying that his organisation is now relegated to that of a National Federation. This is untrue. The 2016 open call for applications targeted sports bodies from National Federations all the way down to Sports NGOs. There is only one Macro Body for Sports in SA and that is SASCOC. At the time of the advertisement in 2016, SASCOC was not eligible for funding because it had just been paid R70 million in June 2016. It would have been prudent of SASCOC to have asked for clarity from the funder that they are clearly dependent on before taking this to the media.

In previous years, SASCOC was funded for, amongst others, team preparation for international events. National Federations of Sport were also funded for international events. The new regulations do not make provision for activities outside the borders of SA. However, preparation and participation within SA would be available within the applications submitted.

The NLC is committed to meeting its mandate of changing lives in South Africa, within the stipulations of the Lotteries Act and Regulations. NGOs need to also look at how they design their budgets and to look at cutting costs given the limited funds available.

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