



Media Statement

For immediate Release

NLC statement on the Carte Blanche feature ‘Missing Lotto Millions’, aired on Sunday, 14 April 2019

14 April 2019 – The National Lotteries Commission (‘the Commission’) has noted a feature on M-Net’s current affairs programme, Carte Blanche titled “Missing Lotto Millions”.

The Commission would like to make it clear that it has policies and procedures on grant adjudication and allocation as stated in the Lotteries Act and wishes to reiterate that due process has been complied with in the appointment of implementing entities for the execution of the projects referred to.

Denzhe Primary Care

In October 2016, the Commission proactively funded a rehabilitation center in Pretoria through a non-profit organization, Denzhe Primary Care. This was based on priority funding areas identified by the Commission due to the high rate of substance abuse in the country. This funding was approved in line with Sec 2A (3) of the Lotteries Amendment Act 32 of 2013 for the building and equipping of a drug rehabilitation center. The project was duly adjudicated by the relevant independent distributing agency. The beneficiary complied with all mandatory requirements in terms of the funding regulations.

The Commission follows strict governance processes, and employees are required to disclose matters of conflict of interests where applicable. Where allegations have been made, the Board instituted investigations and was satisfied with the reports given.

In 2018, the Commission was notified of civil and criminal matters between the beneficiary (Denzhe) and its service provider appointed to operate the facility (House Regeneration). Some of the challenges include issues around certification, operations of the facility, and concerns that House Regeneration went on to utilize the facility without proper certification from the relevant authorities. Initially, the Commission had instituted its own independent investigation and assessment on the matter, however this has been halted pending the outcome of court processes.

Dinosys NPC and Zibsifusion NPC

These projects were funded in response to challenges experienced by schools in the rural parts of Eastern Cape and Limpopo where the disadvantaged communities still struggle with the basic right to sanitation.

Once again, this funding was approved in line with sec 2A (3) of the Lotteries Amendment Act 32 of 2013, which permits direct intervention in the form of pro-active funding, the Commission saw it fit to intervene and respond to this cause.

The Commission has funded the construction of ablution facilities in twenty (20) schools within the jurisdiction of the most disadvantaged communities in Limpopo and the Eastern Cape with the intention of ensuring safety and restoring the dignity of the black children in post democratic South Africa. To this end the Commission has appointed professional, independent engineers to assist in the quality assurance of these projects and the monitoring and evaluation thereof.

We assure the South African public and our beneficiaries that the NLC remains committed to clean governance and all allegations of misuse of funds by the beneficiaries are taken seriously and investigated thoroughly.

Ends.

Issued by:

Ndivhuho Mafela

Head: Stakeholder Relations, Marketing and Communications

National Lotteries Commission

012 432 1330 / 082 737 8370 / Email: Ndivhuhom@nlcsa.org.za

www.nlcsa.org.za

