



## Media Statement

### For immediate Release

#### NLC response to reports of investigations of fraud and corruption

**14 May 2019** – The National Lotteries Commission (NLC) was established in terms of the Lotteries Amendment Act (No 32 of 2013) as an entity of the Department of Trade and Industry to regulate the National Lottery as well as other lotteries.

The NLC wishes to correct media reports from 13 May 2019 which seek to suggest that the organisation is “under investigation for fraud and corruption”.

The said investigations were rather commissioned by the Board of the NLC into two funded projects.

On or about October 2018, allegations of misappropriation of funds surfaced in the media with regards to two projects:

The first is Denzhe Primary Care which was funded for the construction of a rehabilitation center in Tshwane. The second is Simba Community Development Foundation which was funded for the reconstruction of Vhafamadi Secondary School in Vuwani, Limpopo which was destroyed during community unrest in the area.

Following these allegations, the Board of the NLC commissioned independent investigations into the projects.

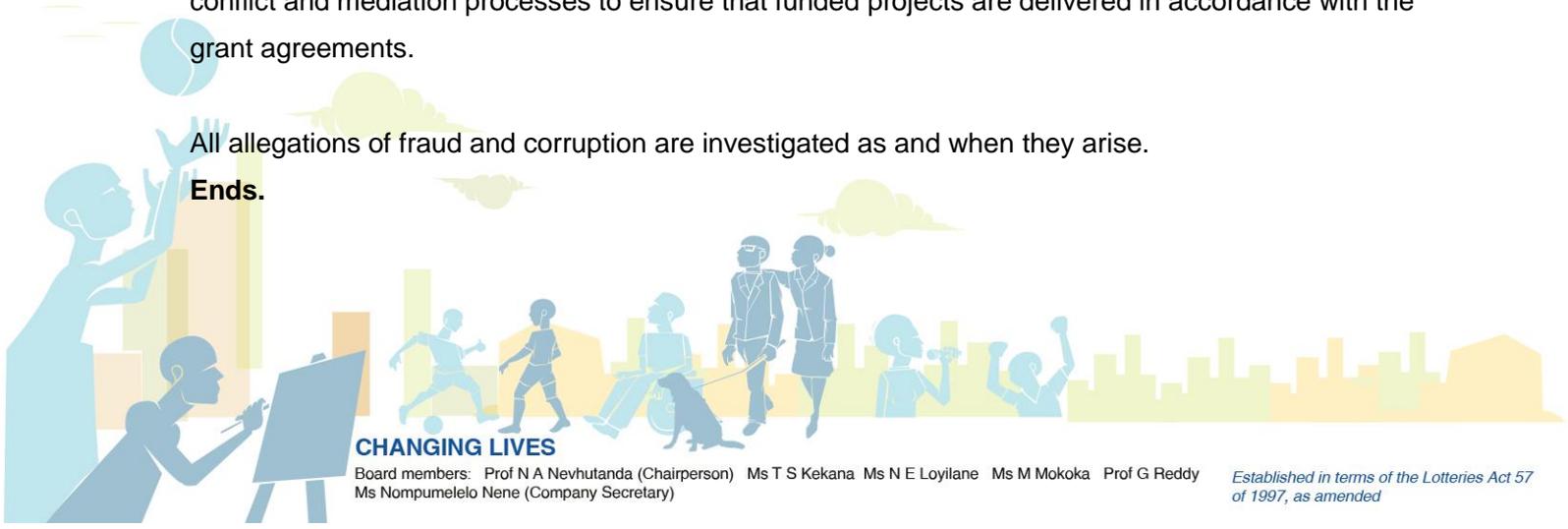
The investigations are ongoing, and the Board continuously sends updates to the Minister of Trade and Industry.

As grant maker, it is inherent within our scope of work that from time to time there arise conflict, complaints and allegations amongst and within funded organizations.

We wish to indicate that the NLC has adequate monitoring and evaluation mechanisms as well as conflict and mediation processes to ensure that funded projects are delivered in accordance with the grant agreements.

All allegations of fraud and corruption are investigated as and when they arise.

**Ends.**



**CHANGING LIVES**

Board members: Prof N A Nevhutanda (Chairperson) Ms T S Kekana Ms N E Loyilane Ms M Mokoka Prof G Reddy  
Ms Nompumelelo Nene (Company Secretary)

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



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