



NLC STRENGTHENS OVERSIGHT AND TRANSPARENCY IN SOUTH AFRICA'S LOTTERY SECTOR

The National Lotteries Commission (NLC) continues to play a leading role in ensuring the integrity, transparency, and accountability of South Africa's National Lottery and Sports Pools. In a recent **News24 Podcast**, **Ms. Makhotsa Nkuna**, Executive: Regulatory Compliance at the NLC, outlined the Commission's regulatory framework, clarified its distinction from the National Lottery and Sports Pools operator, Itluba and highlighted the importance of compliance in building public trust.



THE ROLE OF THE NLC

As the regulatory authority responsible for overseeing the National Lottery, Sports Pools, and other lotteries, the NLC operates under the **Lotteries Act (No. 57 of 1997)** as amended to ensure fair and transparent operations. The Commission monitors compliance with licence conditions, oversees the distribution of proceeds to worthy causes, and upholds public confidence in the system. Regulation within the lottery sector remains critical for protecting consumers, preventing fraud, and maintaining fairness. Through its oversight function, the NLC ensures that the National Lottery operates in a manner that benefits South African society and promotes responsible participation.

"The National Lottery must always reflect fairness, accountability, and social benefit — values that are central to the NLC's regulatory approach," said Ms Nkuna.

A ROBUST COMPLIANCE FRAMEWORK

The NLC's compliance framework is based on legislation and strengthened through rigorous oversight mechanisms. These include regular audits, risk assessments, and on-site inspections of the National Lottery and Sports Pools operator's systems and financial processes. Regular draw monitoring and verification further reinforce operational integrity. Ms. Nkuna emphasised that the NLC's approach balances enforcement with sector growth. "While we maintain strict compliance, we also recognise the importance of supporting innovation and responsible development within the lottery environment," she noted.

"The NLC further promotes responsible play by supporting initiatives aimed at preventing gambling-related harm, enforcing social responsibility standards, and monitoring underage participation."

REGULATORY MANDATE AND ENFORCEMENT

The NLC's regulatory mandate spans five key areas: licensing, ensuring fairness, promoting responsible play, combating illegal lotteries, and overseeing the distribution of funds. This comprehensive approach allows the Commission to sustain a compliant and transparent operating environment. Illegal lotteries continue to present challenges, undermining both consumer protection and legitimate operations. The Commission works closely with the **South African Police Service (SAPS)** and other law enforcement agencies to investigate and shut down illegal operators. Public awareness initiatives also play a vital role in educating consumers about the risks of unregistered or fraudulent lotteries. The NLC further promotes responsible play by supporting initiatives aimed at preventing gambling-related harm, enforcing social responsibility standards, and monitoring underage participation.

CLARIFYING THE DIFFERENCE: NLC VS ITHUBA

Some members of the public confuse the NLC with Ithuba. The distinction lies in their respective roles: the NLC is the **regulator**, while Ithuba is the **licensed operator** responsible for managing the National Lottery. The Commission ensures compliance through regular checks, performance monitoring, and enforcement actions in line with licence conditions. Penalties and corrective measures are imposed and implemented when obligations are not met, maintaining accountability across the sector.

LOOKING TO THE FUTURE

The NLC continues to modernise its regulatory function through **digital systems, real-time data monitoring, and international collaboration**. These advancements enhance oversight and ensure alignment with global best practices. Beyond regulation, the NLC contributes to national development through the **National Lotteries Distribution Trust Fund (NLDTF)**, which receives **27% of National Lottery proceeds**. These funds support projects in the fields of arts, culture, heritage, sport, and charitable initiatives, creating lasting social and economic impact in communities across South Africa.

"The National Lottery is not merely a game of chance — it is a national asset that, when responsibly regulated, continues to uplift communities and contribute to South Africa's development," Ms Nkuna added.

