



The Legal Framework Governing the National Lotteries Commission

The National Lotteries Commission (NLC) was established in terms of section 146 of the Constitution, which provided for a body to regulate national lottery activities and ensure that proceeds benefit social development. The Lotteries Act 57 of 1997, as amended, gives effect to this mandate and legally establishes the NLC in terms of section 2 thereof.

The NLC oversees all lotteries in South Africa, including the National Lottery and Sports Pools, ensuring they operate fairly, transparently, and in accordance with the law. It also ensures that lottery proceeds are allocated to projects that support social and community development, protecting the public interest and contributing to the country's growth.

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Beyond its regulatory mandate, the NLC also administers lottery funding through the National Lottery Distribution Trust Fund (NLDTF), which supports organisations working in areas such as community development, arts and culture, sport, and charitable initiatives.

According to Advocate Lesedi Boihang, Executive Manager: Legal Services at the NLC, the legislation provides the foundation for how the sector is regulated and how the organisation carries out its mandate.

“The Lotteries Act establishes the legal framework within which the National Lotteries Commission regulates lottery activities and administers funding. It provides the structure for licensing, regulatory oversight, and the mechanisms through which lottery proceeds are directed towards social development initiatives,” he said.



Within the NLC, the Legal Services Division plays a pivotal role in supporting and enabling effective governance and compliance management across the organisation. The Division provides expert legal guidance on legislation and regulatory frameworks, reviews and drafts policies, service level agreements, contracts, and other legal instruments, and advises management and governance structures to ensure that all administrative and strategic decisions are lawful, procedural, transparent, and consistent with statutory requirements.

In addition, the Division manages litigation and alternative dispute resolution, oversees contractual compliance, provides advice on grant-making and funding agreements, guides on regulatory and statutory reporting obligations, supports and collaborate with all other NLC Divisions, and facilitates training and awareness initiatives to strengthen legal and compliance capacity across the organisation. Advocate Boihang explained that the Division also places significant emphasis on building legal awareness across the organisation.

“Beyond providing legal advice, the Legal Services Division plays an important role in creating awareness and understanding of the legal frameworks that governs the organisation. It is important for employees to understand these frameworks so that they are able to perform their responsibilities effectively and assist stakeholders in a manner that is compliant with the law,” he noted.

The Legal Services Division has recently conducted internal training/awareness on key legislation, including inter alia, the Protection of Personal Information Act (POPIA), the Promotion of Access to Information Act (PAIA), and the Promotion of Administrative Justice Act (PAJA), helping staff understand their responsibilities in areas such as personal data processing and its protection, transparency, and fair administrative decision-making.



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The NLC as a creature of statute, is established in terms of the Lotteries Act 57 of 1997, and operates as a Schedule 3A public entity under the Public Finance Management Act (PFMA). As such, it is required to comply with all relevant and applicable legislation governing its operations.

The legal framework underpinning the NLC is therefore designed not only to regulate lottery activities, but also to ensure that proceeds generated through the National Lottery are managed responsibly and directed toward initiatives that make a meaningful difference in communities across South Africa. By strengthening legal compliance, governance, and institutional awareness, the NLC safeguards the integrity of the lottery system while promoting social development and supporting initiatives that benefit the public.