Gaming Regulators Africa

Prof Linda de Vries, Chairperson, National Gambling Board
• African University-UWC

University of the Western Cape
Cape Town, South Africa
African Responses and solutions for African challenges Forum

Academic/ Policy Role player because of commitment of UWC towards transformation

Linda de Vries
Africa- My Africa!

• Why our future should be made in Africa? (Ozwald Boateng, 2013)
• Accelerated growth-
• 2012-IMF estimated GDP growth of 35%
• Sierra Leone- 2012- 35 % economic growth
• Until 2010- Past 10 years fastest growing economies- 6 came from Sub-Saharan Africa.
• Next 5 years-IMF forecasts -7 out 10 top places – Africa (Ethiopia, Tanzania, Mozambique, Congo, Ghana, Zambia and Nigeria)
OAU and successor - AU-

• 2013 Celebration 50 year of OAU
• Nkosazana Dlamini Zuma- AU Chairperson (First Female)
• 50\textsuperscript{th} year celebration of African Development Bank – $22bn to boost Infrastructure in for Africa with Africa’s reserves!!
• Need $69bn for roads, wireless connectivity, clean water, electricity, railways, ports, etc.
• Guarantee of Africa for own development
The United Nations and its member states adopted the Millennium Development Goals for 2015 with key outputs.

- Goal 1: Eradicate Extreme Poverty
- Goal 2: Achieve universal primary school education
- Goal 3: Promote gender equity and empower women
- Goal 4: Reduce child mortality
- Goal 5: Stimulate entrepreneurship (SMME; development)
Organisational Excellence

Organisational reengineering – for economic, efficient and effective utilization of people, process and systems. E.g. leading research and thought leadership for country and continent,

Capacity building on a continental level - the NGB facilitated a symposium on the regulatory processes and processes of world class regulation for the casino and gaming industries of Southern Africa, offered by the Institute for the Study of Gambling and Commercial Gaming, University of Nevada, Reno.

2011- Bill Eadington – skyped 41 scholars on gambling policy, and regulation for effective leadership

2002- Bill Eadington – seminar in Cape Town- Policy makers
Leadership of the debate concerning new forms of gambling

The NGB is building our knowledge & capacity in order to effectively regulate our gambling industry – we continue to learn and grow as we face the challenges of rapid technological developments which affect gambling regulators and the protection of the public.

Build institutional capacity in the gaming industry; strengthen collaboration with African states to fight corruption and money laundering in the region (Bi Annual, GRAF; ESAAMLGand IAGRA etc)
Various Forums of leadership

GRAF

Bi Annual- Industry, Regulators and other stakeholders

Stakeholder meetings

Sharing our research
Regulation, policymaking and legislation within the member states of the GRAF

- Kenya and Botswana reported on their new policy preparations that were taking
  - Draft legislations in place with the hope of approving a new legislative framework in 2012.
- 2012 Malawi reported that it was re-looking at the role and relationship between gambling and lotteries.
- 2. Reflection on the asset that Africa has the most: its people
  - It was reported that the NGB, in partnership with the University of Nevada's Gaming Institute, had conducted a training programme for regulators. The programme was attended by over 40 regulators from Malawi, Tanzania, Kenya, Zimbabwe, Botswana, Namibia and South Africa.
  - The training – which used relevant and useful case studies – focused on compliance, responsible regulation, audit and forensic knowledge, safety of punters and anti-money laundering. Feedback from this training was positive and the GRAF's education and training committee was encouraged to sustain the programme.
- The Chairperson's report on completed work included efforts to elevate the recognition of the process to make GRAF known to regional bodies and economic communities on the continent.
- 3. Technological advancements and illegal gambling
  - It was proposed that a substantive database of legal machines should be developed within countries in order to tackle challenges around the cross-border movement of machines and illegal gambling.
  - Tanzania and South Africa announced a joint proposal to share the existing machine register being managed by the NGB. The success of this project is expected to protect most jurisdictions from illegal and faulty gambling machines that are being moved from one jurisdiction to another.
  - It was noted that not much has been done with respect to research matters within the GRAF member states. The NGB had conducted a tracker research on the prevalence of gambling among South Africans. The conference noted that GRAF member states must find a way to include illegal and interactive gambling in any joint research study that would be undertaken.
Financial Task Force -

• Policies and standards focusing on money laundering. It consists of nine regional bodies, and has since provided 40 recommendations on money laundering. In 2001, the FATF was tasked with giving special recommendations on terrorist financing.
Financial Task force-Fraud

• The critical areas to focus on for GRAF members were:
  • Online banking versus online gambling
  • Understanding standards
  • Having minimum standards
  • Regulators: knowledgeable about international law
  • Knowledge of continental and regional state law
GRAF Situational

• Zimbabwe, although having a very tight gambling regulation, has challenges with online gambling

• Tanzania will introduce online linked to land based licence participants

• Mozambique- 2013 –Elections but invited new entrants into their market.

• Angola fastest
MOU- Member States

• 11 member countries with associate members
• Hosted 9\textsuperscript{th} Annual Graf Forum-Tanzania
• 2011-2012- Immediate Past Chairperson - Prof Linda de Vries, Chairperson, National Gambling Board
• 2013-Chairperson Tanzania
• Mozambique host country- GRAF conference 2013
GRAF MEMBER STATES

LEGISLATION

• Malawi –ACT reported that it was re-looking at the role and relationship between gambling and lotteries.
• Zimbabwe –ACT, although having a very tight gambling regulation, has challenges with online gambling.
• Overhaul of the current gambling legislative framework. It was noted that this GRAF should allow member states to shape some of the regulatory frameworks to harmonise and...
MEMBER STATES - LEGAL POSITION

• South Africa = NGB Act 2004 – to be amended awaiting parliamentary outcomes pertaining to the Gaming Review Commission recommendations. These outcomes are expected to lead to the

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• overhaul of the current gambling legislative framework.

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SA Gambling Regulatory Review process

• Gaming Review Commission- Report –served with recommendations at NCOP in April 2013

• After wide consultations with industry, public, stakeholders and various provinces constituencies.

• Extensive process with a wide range of recommendations to address harmonisation of legislation and uniform norms and standards
MOU with various jurisdictions

- Malawi with Eastern Cape
- Botswana = supported by NGB
- Mpumalanga – supported Tanzania
- Training and capacity building (UNLV - EDT)
- Address cross border movement of machines
- Tanzania- NGB data base of machines-legal, licensed, registered and tested.
Sharing the Gambling rights and privilege

- Clear outcomes
- Impact on society
- Benefits required
- Built into licensing conditions
- Contractual obligations
- Investment in local economy
- Local skills used/trained
Lessons

• Collectively strengthen member states
• Each one teach one- works
• Cost per trainee cheaper on continent for continent
• More impact on quality regulation
• Sharing of expertise benefit all
• Distance, proximity and context makes it sensible
• Seen harmonisation and support in areas
Successes and continental growth

• Responsible gambling programme and its implementation
• Training
• Audits and compliance
• Probity of applicants and sharing of information
• Elimination of bad elements who does border hopping
• Protection of vulnerable
Challenges

• Many are observers - report to political principles
• Continuity of governance partners
• Sovereign state of members
• Money laundering
• Interactive gambling (Case of Swaziland vs. Gauteng (SA))
• Language/ French, Portuguese, Spanish speaking
• Costs – carried by Secretariat, NCB
Africa Unite for Growth and Development

- I'm an African, not because I was born an African but because Africa was born in me. Kwame Nkrumah –
- World economic Forum –Africa- in Cape town 2013(May) had more world leaders present than before.
- Growth is assured, development is inevitable
- African resources will no longer enslave but unlock a growing economy
- Service and entertainment sector will add value to the African Renaissance.
References:
Graf Report 2011-12
NGB reports 2011 and 2
New African May 2013