

NATIONAL LOTTERIES COMMISSION

PRESENTATION



NATIONAL LOTTERIES COMMISSION

a member of **the dti** group



Background

- Established through the Lotteries Act 57 of 1997 as amended
- In operation for 21 years and distributed over R 20 billion
- Distributes on average around R 1.6 billion per annum
- Eastern Cape and Limpopo Provincial Offices were established in 2010 and all other provinces were established in 2014/15 financial year
- Recent amendments to legislation (2013) were aiming at facilitating enhancement of service delivery and fulfilment of mandate

Who's Who?



Minister of Trade & Industry

**Awards operator license
Issues Regulations
Appoints DA members**



National Lotteries Commission

**Regulator
National Lottery operated by Ithuba
Other Lotteries
Trustee to NLDTF**

National Lottery Distribution Trust Fund

**Distribution
Process applications and make payments**

**Charities DA
47%**

**Sport and Recreation DA
28%**

**ACENH DA
23%**

**Miscellaneous DA
2%**

The Distributing Agencies (DAs) adjudicate applications and make grants in line with set criteria.



Who is Eligible for Funding?

- Non Profit Organisations (NPO)
- Public Benefit Trusts
- Non Profit Companies (NPC)
- Public Schools, Universities and TVET

Funding Categories

Grant Category	Value	Prescribed Application Form
Small	Not more than R500 000	FORM 2010/2
Medium	R500 001– R5 million	FORM 2010/1
Large	R5 million and above	FORM 2010/1

Link to Guidelines

<http://www.nlcsa.org.za/arts-and-culture/>

<http://www.nlcsa.org.za/charity/>

<http://www.nlcsa.org.za/sport-and-recreation/>

<http://www.nlcsa.org.za/wp-content/uploads/2018/04/Nationa-Lotteries-Commision-54X10-3-Final.pdf>

NLC Funding Model – Application Based

- The Lotteries Act 57 of 1997 as amended provides for two types of funding in terms of s2A (3) and (4).
- Ordinarily, funding by the NLC is application based and prescribed in terms of s2A (4) of the Act, where the Commission is expected to invite applications for grants from worthy good causes in the prescribed manner.
- This is normally referred to as the application process as opposed to what is ‘termed’ Proactive Funding which will be addressed below.

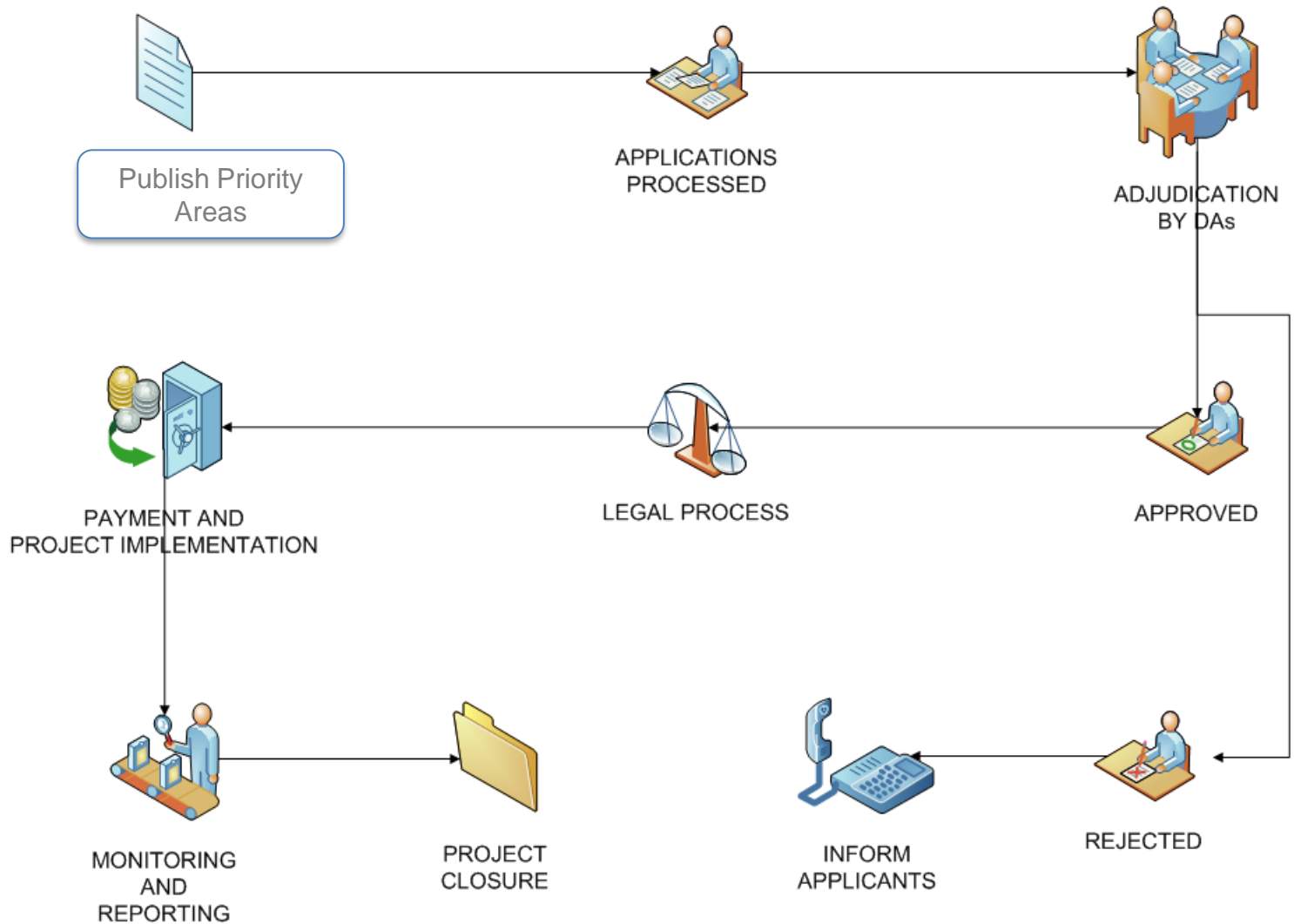
NLC Funding Model – Pro-Active Funding

- Section 2A(3) of the act states that the Commissioner may, upon request by the Minister, Board or on its own initiative in consultation with the board, conduct research on worthy good causes that may be funded without lodging an application prescribed in terms of this Act.
- Elements of Proactive Funding: based on research; could be initiated by the Minister, Board or Commission in consultation with the B(oard; and no application is required
- Proactive Funding has assisted the NLC to directly intervene in areas of need without having to wait for the public to apply through NPOs, CBOs, NPCs or Public Benefit Trusts. This has been so remarkable that direct interventions have been possible even in instances where communities were not formalised and there were no community entities like NPOs who could assist.

NLC Funding Model – Pro-Active Funding

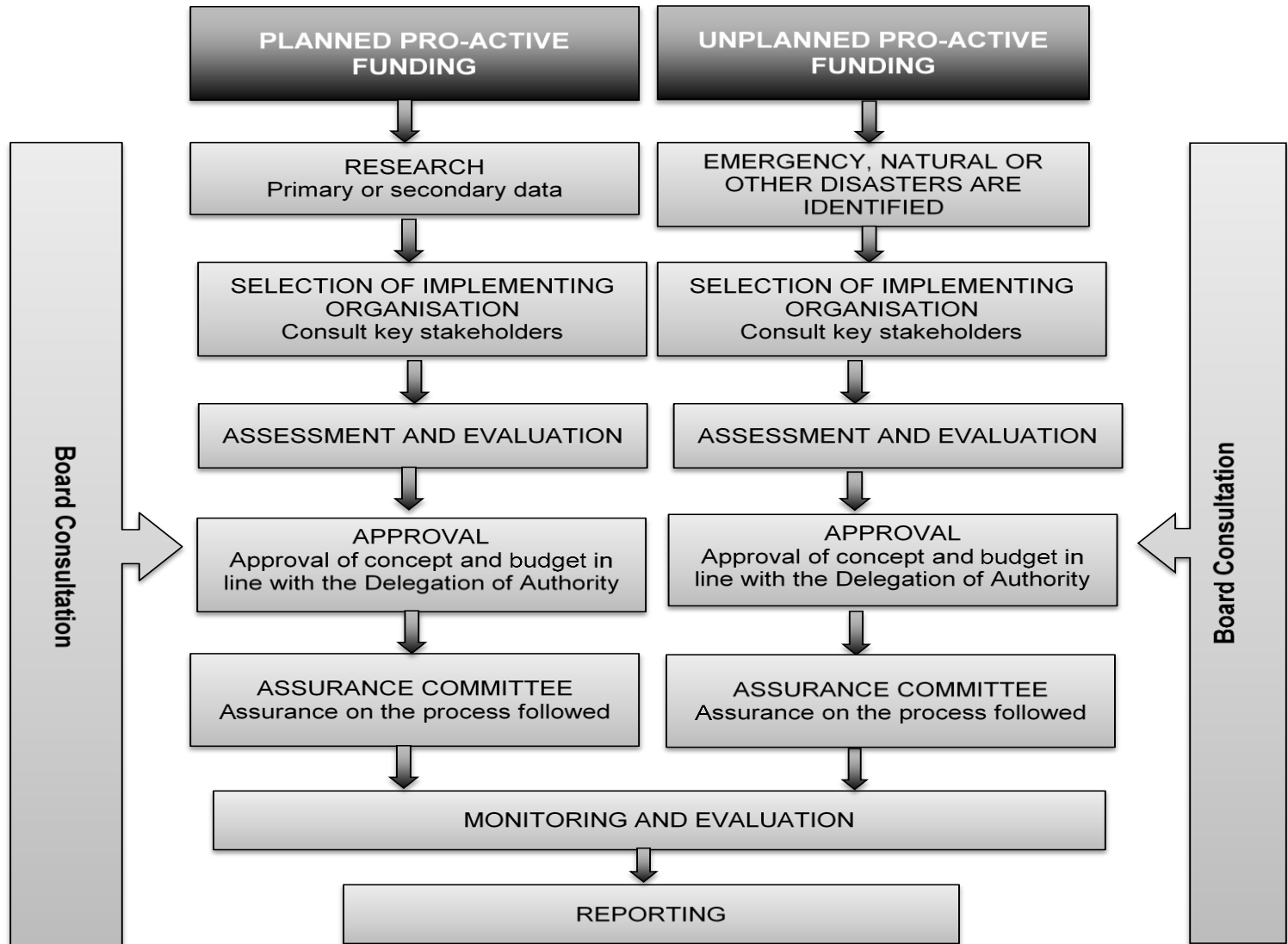
- To ensure transparency and accountability, the NLC has adopted a proactive funding framework to assist with an open and formalised process that will facilitate basic checks and balances before any allocation is done. In this respect, an Assurance Committee has been established (consisting of Distributing Agencies from different sectors) for this purpose. In terms of the law, at least 5% must be allocated to each province annually. Some provinces like the North West, Northern Cape, Free State and others, that have been unable to get the requisite funding because of low number of registered and eligible entities in those provinces. This method of funding has been instrumental in ensuring that most of these provinces and rural communities are identified and direct interventions have been made.
- Proactive funding represents only 10% of total annual funding by the NLC.

Responsive Funding (Application Based Funding)



Strategic Funding (Pro-Active Funding Framework)

High Level Overview of Pro-Active Funding Process



2018/19 Application Based Funding (Audited)

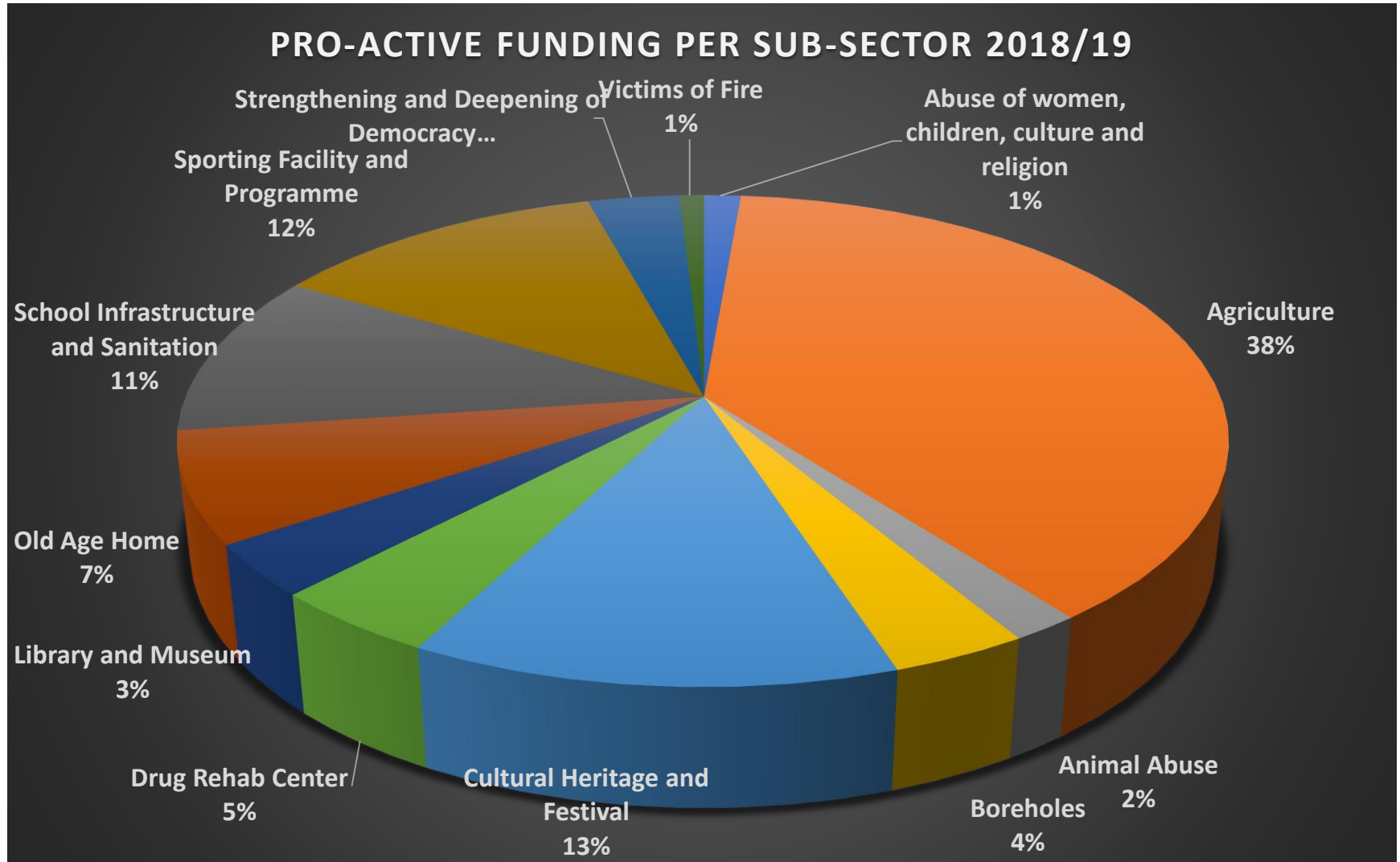
Application-based sector allocations (R'million)



Arts	390,847
Charities	548,699
Miscellaneous	41,127
Sports	329,623

Application based funding in accordance with published funding areas for 2018/19.

2018/19 Pro-Active Funding (Audited)



Total of R 223 866 565,65 allocated through pro-active funding within 2018/19 financial year

Key Turn-Around Times

- All applications received are adjudicated within 150 days
- Applicants are notified about the outcome of adjudication within 30 days from the date of adjudication
- All approved applications are paid within 60 days from the date of receipt of signed Grant Agreement

Monitoring and Evaluations

- The NLC visits funded projects to determine the impact of funding by:
 - Collecting data on job creation
 - Collecting data on training and development
 - Verifying environmental impact projects
 - Verifying capital and infrastructure projects

Contact Details

<p>Postal Address Grant Funding Office Private Bag X101 Brooklyn Square, 0075 Tel: 08600 65383</p>	<p>Eastern Cape Office Phase 4A, Waverly Office Park Phillip Frame Road, Chislehurst East London,5200 Tel: 043 813 3510</p>
<p>Free State Office 321 Corner Ryk & Stateway Welkom,9459 Tel: 057 815 3010</p>	<p>Gauteng Office Block D, Hatfield Gardens 333 Grosvenor Street Hatfield,0083 Tel: 08600 65383</p>
<p>KwaZulu-Natal Office Office 22, Smart Xchange Building 5 Walnut Road Durban,4001 Tel: 031 817 4410</p>	<p>Limpopo Office 5 Landross Mare Street Polokwane, 0699 Tel: 015 299 4660</p>
<p>Mpumalanga Office 25 Rood Street Sonheuwel Dorp Nelspruit, 1200 Tel: 013 813 4810</p>	<p>Northern Cape Office 9 Roper Street, Suite D Kimberley, 8300 Tel: 053 813 4310</p>
<p>North West Office 16 Aerodrome Crescent Industrial Side, Mahikeng, 2745 Tel: 018 815 3010</p>	<p>Western Cape Office Manhattan Place 130 Bree Street Cape town, 8000 Tel: 021 816 1810</p>



Thank You

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