

REGULATIONS MADE IN TERMS OF

Lotteries Act 13 of 2017

sections 85(1), 85(2) and 72(3)

Lotteries Regulations

Government Notice 256 of 2021

([GG 7694](http://www.lac.org.na/laws/2021/7694.pdf))

came into force on date of publication: 1 December 2021

The Government Notice which publishes these regulations notes that the regulations in Parts 1-2 were made under section 85(1) of the Act, the regulations in Parts 3-9 were made under section 85(2) of the Act with the concurrence of the Lotteries Board, and the regulations in Part 10 were made under section 72(3) of the Act after consultation with the Lotteries Board.

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Annexure 1: Fees and Penalties

Annexure 2: Forms

[The names of several of the Forms in the text of the regulations differ from   
the names that appear here, as indicated here in the annotation notes.]

Form 1: Application for State Lottery Licence

[“Application for State Lottery or Sports Pool Licence”]

Form 2: State Lottery Licence

[“State Lottery or Sports Pool Licence”]

Form 3: Application for Duplicate State Lottery Licence

[“Application for Duplicate State Lottery Licence or Sports Pool”; the word Licence   
appears to have been omitted at the end of the name that appears in the text]

Form 4: Application for Grant from Trust Fund

Form 5: Application for Registration as Benevolent Society

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Form 7: Application for Approval to Conduct Lottery under Society Scheme

[“Application for Approval to Conduct Lottery under Benevolent Society Scheme”]

Form 8: Application for Certification as Lottery Manager

Form 9: Certificate of Lottery Manager

[“Certificate as Lottery Manager”]

PART 1

INTRODUCTORY PROVISIONS

**Definitions**

**1.** In these regulations a word or expression to which a meaning has been assigned in the Act has that meaning and, unless the context otherwise indicates -

“advertising material” means exclusive material, which refers to a promotional competition printed or displayed on any individual item of goods promoted by such competition and which are for sale to the public;

“exempt entertainment” means a bazaar, sale, dinner, dance, sporting event or other entertainment of a similar character if there are no cash prizes;

“exempt entertainment lottery” means a lottery conducted for members of a benevolent society established and conducted for purposes not connected with lotteries, gambling or betting;

“goods and services” means goods or services which are ordinarily manufactured, sold, supplied, distributed or delivered or in any other way form a substantial part of the business of the promoter involved in a promotional competition in the calendar year in which that promotional competition is held;

“organ of State” means -

(a) any office, ministry or agency as defined in the Public Services Act, 1995 (Act No. 13 of 1995);

(b) a local authority council as defined in the Local Authorities Act, 1992 (Act No 23 of 1992);

(c) a regional council as defined in the Regional Councils Act, 1992 (Act No. 22 of 1992); and

(d) any other functionary or institution exercising a power or performing a function in terms of the Namibian Constitution or exercising a power or performing a function in terms of any law; and

“the Act” means the Lotteries Act, 2017 (Act No. 13 of 2017).

PART 2

STATE LOTTERY OR SPORTS POOL

**Application for licence to conduct State Lottery or sports pool**

**2.** (1) After the Board invites interested parties to apply in terms of section 31(1) of the Act, a person who wishes to conduct the State Lottery or sports pool must apply on Form 1 set out in Annexure 2 attached to the copy of the request for a proposal referred to in that subsection.

(2) An application made under subregulation (1) must -

(a) be submitted to the Chief Executive Officer in seven-fold, one original and six copies;

(b) be accompanied by the documents and information requested by the Board; and

(c) be accompanied by proof of payment of the application fee set out in Annexure 1.

**Consideration of application for licence to conduct State Lottery or sports pool**

**3.** (1) On the closing date for applications to conduct the State Lottery or sports pool, or as soon as possible afterwards, the Chief Executive Officer must -

(a) register the applications received; and

(b) in writing, inform each applicant of the receipt of his or her application.

(2) The Chief Executive Officer must, as soon as possible after the closing date, cause a notice to be published in the *Gazette* and two newspapers circulating widely in Namibia at the cost of the applicants, calling for written objections to the applications referred to in subregulation (1) from interested parties within the time period specified in the notice.

(3) On receipt of objections, if any, the Chief Executive Officer must -

(a) provide the applicant with a copy of every objection lodged, and the applicant or his or her legal representative may, within 14 days from the date on which an objection is provided to him or her, lodge with the Chief Executive Officer any reply which he or she may wish to make to the objection; and

(b) inform the chairperson of the Board of the number of applications and objections received.

(4) On receipt of the information referred in subregulation (3)(b), the chairperson of the Board must determine a date for a meeting to consider each application and objections, if any, for short-listing.

(5) When a date has been determined for the consideration of applications as contemplated in subregulation (4), the Chief Executive Officer must inform the applicants and any objector, if any, or their legal representatives of the date of the meeting.

[The word “any” is superfluous in combination with the phrase “if any”.]

(6) All information required to accompany an application or an objection must be complete and final when the Board considers the application, and failure to supply any information requested by the Board in terms of the Act and these regulations, constitutes sufficient grounds for refusing the application.

(7) Any false or misleading statement, or failure to provide full and accurate information in an application, is sufficient reason to refuse the application.

(8) The Board must consider each application according to the information and documents submitted and may, pursuant to section 32(2) of the Act, request the applicant or objector, if any, to appear before the Board.

(9) The Board must select the best candidates for the short-list and recommend a successful applicant for the licence.

(10) The Board must provide the Minister with -

(a) a list of the short-listed applications; and

(b) the recommended application to be issued with the State Lottery licence.

**Grant of licence to conduct State Lottery or sports pool**

**4.** (1) If the Minister grants an application under section 33 of the Act, and the applicant has -

(a) paid the fees for issuing of the licence as set out in Annexure 1; and

(b) complied with any condition imposed by the Minister under section 35, including the condition imposed by subregulation (2),

the Board may not issue a licence to operate the State Lottery on Form 2 of Annexure 2.

[It appears that the word “not” in the closing phrase   
of subregulation (1) may have been included in error.]

(2) The Board may not issue the licence under subregulation (1) unless the successful applicant produces proof that the applicant has paid an amount of N$ 100 000 000 to the Board as security or given some other form of guarantee required by the Board and approved by the Minister.

(3) The amount of money or guarantee referred to in subregulation (2) is refundable or redeemable at the expiry of the licence or when the licence is surrendered or cancelled, except that the money or guarantee is not refundable or redeemable if -

(a) the licensee has any outstanding fees or levies which are payable to the Board; or

(b) the licensee has any outstanding prizes that are due to any person who has won the lottery conducted under the licence.

(4) If any money is outstanding as contemplated in subregulation (3), the Board must first deduct the outstanding money from the secured amount or recover the money before refunding or redeeming the security as set out in subregulation (3).

(5) During the duration of the licence the Board may, for the benefit of its funds, invest any money advanced to it as security under this regulation in any manner with the approval of the Minister.

(6) A licensee to whom a licence to conduct the State Lottery has been issued in terms of subregulation (1) must, on or before 31 December in each year, or within such extended period as the Board may allow, pay to the Board the annual fee set out in Annexure 1.

**Duplicate licence to conduct State Lottery or sports pool**

**5.** (1) A licensee may apply to the Board on Form 3 set out in Annexure 2 for a duplicate State Lottery licence if the original licence is lost, destroyed or mutilated.

(2) An application made under subregulation (1) is accompanied by the fee set out in Annexure 1.

[There is a discrepancy between the heading of regulation 5 (which refers to a “duplicate licence to conduct a State Lottery or sports pool”) and the text of subregulation (1) (which refers only to

“a duplicate “State Lottery licence”). Form 3 in Annexure 2 refers to both.]

PART 3

ALLOCATION OF MONEY IN TRUST FUND

**Percentages in respect of allocation of funds**

**6.** The balance in the Trust Fund as contemplated in section 44(3) of the Act, is allocated as follows -

(a) not more than 47 percent for charitable expenditure;

(b) not more than 28 percent for expenditure on, or connected with, the arts, culture, sport, national heritage and conservation;

(c) not more than 23 percent for expenditure on, or connected with, youth empowerment, psychosocial disorders, science and innovation; and

(d) not more than two percent for expenditure approved by the Minister in respect of miscellaneous category for national emergencies such as droughts and floods.

[The word “the” appears to have been omitted before the phrase “miscellaneous category”.]

**Requirements for allocation of funds for charities**

**7.** Subject to section 45(1) of the Act, a person applying for a grant for charitable expenditure must do so on Form 4 set out in Annexure 2, and if it is a body it must -

(a) be established for charitable, benevolent or philanthropic purposes, including friendly societies, welfare organisations and conduit organisations or trusts in respect of any such organisations or institutions;

(b) state in its constitution or other founding document that its income and property are not distributable to its members, employees or managers, except as reasonable compensation for services rendered;

(c) indicate that changes in the composition of its membership or management will not substantially affect its continued existence;

(d) establish that it aims to improve the quality of life of people and communities who are disadvantaged by poverty or social exclusion;

(e) establish that the body -

(i) funds or intends to fund projects which enable people to become involved in activities which improve the quality of life of the community as a whole;

(ii) funds or intends to fund projects which assist those at greatest disadvantage or excluded from the community, especially projects pertaining to elderly people, the disabled and children; or

(iii) provides or intends to provide facilities for the under-privileged;

(f) indicate that the projects undertaken or to be undertaken will be for the public good and that there is a clear demand for such project;

[The word “project” at the end of paragraph (f) should be plural to accord with   
the first part of the paragraph; alternatively, the word “projects” in   
the first part of the paragraph should be singular.]

(g) indicate that the intended project produces or will produce significant improvements or new developments which would not have otherwise taken place;

(h) establish that the project or intended project is financially viable and capable of being implemented;

(i) establish that it has adequate measures and procedures for the proper application of sound economic and effective management;

(j) ensure that proper accounting records are kept;

(k) furnish a written report pertaining to its financial state of affairs and activities; and

(l) indicate the procedure for changing its constitution or founding document in respect of its aims.

**Requirements for allocation of funds for arts, culture, sport, national heritage and conservation**

**8.** Subject to section 45(1) of the Act, a person applying for a grant for expenditure for arts, culture, sport, national heritage and conservation must do so on Form 4 set out in Annexure 2, and if it is a body it must -

(a) be established to promote the arts, culture, sport, national heritage and conservation;

(b) state that its income and property are not distributable to its members, employees or managers, except as reasonable compensation for services rendered;

(c) indicate the changes in the composition of its membership or management will not substantiality affect its continued existence;

[The word “the” in the phrase “indicate the changes…” was probably intended   
to be “that” (“indicate that changes…”), as in regulation 7(c). The word “substantially”   
is misspelt in the *Government Gazette*, as reproduced above.]

(d) ensure that it aims to -

(i) enable people throughout the country to enjoy a range of art activities both as audience and participants;

(ii) make the arts accessible to more people;

(iii) help remove barriers to enjoyment of the arts which may be caused by inadequate facilities; or

(iv) promote consciousness of, or to preserve, culture or national historical, natural or architectural heritage;

(e) ensure that it -

(i) funds or intends to fund projects -

(aa) which address the under-provision of facilities outside the principal centres of the population;

(bb) to improve or refurbish existing venues;

(cc) within art forms which are inadequately provided for;

(dd) which extend access to the arts; or

(ee) which promote consciousness and aim to preserve culture or heritage;

(ii) enables people to become involved in activities which contribute to the development of the arts, culture, sport, national heritage and conservation;

(iii) funds or intends to fund projects which assist disadvantaged communities to become involved in the arts, culture, sport, national heritage and conservation;

(iv) provides or intends to provide facilities in respect of the arts, culture or national historical, natural or architectural heritage and conservation which are accessible to communities;

(f) indicate that the projects undertaken or to be undertaken will be for the public good and that there is a clear demand for such projects;

(g) indicate that the project undertaken or to be undertaken will safeguard and enhance the natural, cultural or architectural heritage and conservation of Namibia;

(h) indicate that the project or intended project will produce historical, natural, cultural or architectural heritage which would not otherwise have taken place;

(i) ensure that the project or intended project is financially viable and capable of being implemented;

(j) ensure that it has adequate measures and procedures for the proper application of sound economic, efficient and effective management;

(k) ensure that proper accounting records are kept;

(l) furnish a written report pertaining to its financial state of affairs and activities; and

(m) indicate the procedure for changing its constitution in respect of its aims.

**Requirements for allocation of funds for youth empowerment, psychosocial disorders, science and innovation**

**9.** Subject to section 45(1) of the Act, a person applying for a grant for youth empowerment, psychosocial disorders, science and innovation purposes must do so on Form 4 set out in Annexure 2, and if it is a body it must -

(a) be established for youth empowerment, psychosocial disorders, science and innovation purposes;

(b) state that its income and property are not distributable to its members, employees or managers except as reasonable compensation for services rendered;

(c) indicate that changes in the composition of its membership or management will not substantially affect its continued existence;

(d) establish that it -

(i) funds or intends to fund projects which enable people to become involved in activities which contribute to the development of youth, psychosocial, disorders, science and innovation;

[The comma after the word “psychosocial” appears to be superfluous. Furthermore,   
subparagraph (i) appears to have an unintended meaning in respect of its reference   
to projects “which contribute to the development of… psychosocial disorders”.]

(ii) funds or intends to fund projects which assists disadvantaged communities to become involved in concerned activities;

[The verb “assists” should be “assist” to be grammatically correct.]

(iii) provides or intends to provide youth empowerment, psychosocial; disorders, science and innovation facilities which are accessible to communities, including children and the disabled;

[The semicolon after the word “psychosocial” is superfluous.]

(iv) will reasonably maintain such facilities;

(e) indicate that the projects undertaken or to be undertaken will be for the public good and that there is a clear demand for such projects;

(f) indicate that the project or intended project produces or will produce significant improvements or new development in sport or recreation which would not otherwise have taken place;

(g) ensure that the project or intended project is financially viable and capable of being implemented;

(h) ensure that it has adequate measures and procedures for the proper application of sound, economic, efficient and effective management;

(i) ensure that proper accounting records are kept;

(j) furnish a written report pertaining to it financial state of affairs and activities; and

[The pronoun ‘it” should be “its” to be grammatically correct.]

(k) indicate the procedure for changing its constitution in respect of its aims.

**Requirements for allocation of funds for miscellaneous purposes**

**10.** (1) Subject to section 44(3)(d) of the Act, the Board may proactively fund expenditure approved by the Minister for miscellaneous purpose of national emergencies such as droughts and floods.

[The word “the” appears to have been omitted before the phrase “miscellaneous purpose”.]

(2) Subject to section 45(1) of the Act, a body applying for a grant in respect of any matter approved by the Minister as contemplated in subregulation (1) must -

(a) state that its income and property are not distributable to its members, employees or managers except as reasonable compensation for services rendered;

(b) indicate that changes in the composition of its membership or management will not substantially affect its continued existence;

(c) ensure that it aims to improve the quality of life of people and communities who are disadvantaged by poverty or social exclusion;

(d) indicate that the projects undertaken or to be undertaken will be for the public good and that there is a clear demand for such projects;

(e) indicate that the project undertaken or to be undertaken will promote social inclusion and encourage community involvement;

(f) indicate that the project or intended project produces or will produce significant improvements or new development which would not otherwise have taken place;

(g) ensure that the project or intended project is financially viable and capable of being implemented;

(h) ensure that it has adequate measures and procedures for the proper application of sound, economic, efficient and effective management;

(i) ensure that proper accounting records are kept;

(j) furnish a written report pertaining to its financial state of affairs and activities; and

(k) indicate the procedure for changing its constitution in respect of its aims.

**Categories of grants**

**11.** (1) The grants contemplated in section 45 of the Act are categorised as -

(a) small grants for applications for funding not exceeding N$500 000;

(b) medium grants for applications for funding exceeding N$500 000 but not exceeding N$5 000 000; and

(c) large grants for applications for funding exceeding N$5 000 000.

(2) Irrespective of the amount applied for, the distribution committee may on its own discretion determine the grant amount to be made to each recommended applicant, after duly considering the monies available for distribution, the number of applications received and government priorities.

[The phrase “on its own discretion” should be “in its own discretion” for correct English idiom.]

(3) An applicant to whom a small grant is made must, at such period as may have been imposed at the time when a grant is made, submit to the Board a report detailing how the grant funds were used, together with all supporting invoices and any other relevant documents for the purposes of financial accounting.

(4) An applicant to whom a medium grant is made must, at such period as may have been imposed at the time when a grant is made, submit to the Board an independently reviewed financial statement as determined by the Board.

(5) An applicant to whom a large grant is made must, at such period as may have been imposed at the time when a grant is made, submit to the Board an audited financial statement in respect of the grant so awarded,

(6) An applicant who has been awarded a grant not exceeding N$10 000 000 is, subject to subregulation (7), only required to submit an independently reviewed financial statement as determined by the Board.

(7) Irrespective of the amount of grant made to an applicant, if that applicant is required to submit an audited financial statement in terms of any other law, the said applicant must submit to the Board an audited financial statement.

(8) An applicant to whom a grant was made by the Board is not eligible to apply for another grant within a period of 12 months from the date of receipt of that grant, irrespective of whether the project is different from the one previously applied for.

(9) If an organisation applies for multi-year funding, the Board in consultation with the Minister may, prior to the approval of funds for a maximum period of three years, consider the availability of funds and government priorities.

(10) The Board may, at any time, conduct a site visit in order to verify any information and operations of the organisation which has applied for or received a grant from the Board.

**Factors to be considered when allocating grants**

**12.** (1) When making a recommendation to the Board in terms of section 46 of the Act, the distribution committee must consider:

(a) general development in Namibia, with specific reference to the regional, economic, financial, social and moral interests of Namibia and the enhancement of the standard of living of all the people in Namibia; and

(b) regional and local interests including -

(i) the number of lottery tickets sold in each region;

(ii) the population of each region; and

(iii) the financial requirements of each region.

(2) The priorities for distribution of funds must contribute to -

(a) developmental needs, enhancement of social and moral responsibility; and

(b) economic viability of programmes designed to advance rural, under privileged and poor communities.

[A hyphen is missing in the term “under-privileged”, which could   
alternatively be written as the single word “underprivileged”.]

PART 4

APPLICATION PROCESS AND PROCEDURES FOR DISTRIBUTION COMMITTEE

**Invitation for applications**

**13.** (1) The Board may publish, more than once a year, an invitation for applications for grants in terms of section 45(1) of the Act to be made to the Board, and the Board must -

(a) provide administrative support in order to facilitate the adjudication of applications for funding on recommendation of the distribution committee;

(b) implement programmes to -

(i) educate and raise awareness of the grant making process; and

(ii) provide financial management training or capacity building training to applicants for grants, if the Board is of the view that applicants do not possess such skills and that the said skills are necessary for the successful execution of projects which are funded by the Board; and

(c) with the approval of the Minister, develop and publish widely, including placement of information on the organisational website, the procedures to be followed in the allocation of funds to worthy good causes after taking into consideration government priorities and any report compiled after research conducted, if any.

(2) The Board must publish invitations for grant applications as required by section 45(1) of the Act including, placement of information on the organisational website, and timelines for application required by both the Board and the distribution committee on the processing of grant applications from the time of receipt to final adjudication and payment.

[The comma after the word “including” should appear before that word to properly offset the phrase “including placement of information on the organisational website”.]

(3) In an invitation for applications published in terms of section 45(1) of the Act, the Board may set a cap on the amount an organisation may apply for in respect of that request, irrespective of the number of projects that may be specified in such an application.

**Application for grant**

**14.** (1) An application for a grant must be made to the distribution committee on Form 4 set out in Annexure 2.

(2) On receipt of an application for a grant, the distribution committee must determine whether the application meets the criteria and whether the applicant has submitted all the mandatory documents with the application, and -

(a) if the application does not meet the criteria or contain all the mandatory documents, such application is declined on the basis that it does not meet the criteria or that it is an incomplete application, and the applicant is informed of the outcome of the application in writing; or

(b) if the application meets the criteria and contains the mandatory documents, the distribution committee must proceed to assess the application in accordance with the requirements.

(3) When considering an application made under subregulation (1), the distribution committee may -

(a) at any time request any additional information or documents, other than mandatory documents required to accompany the application form; and

(b) take into consideration the fact that an applicant has had funding that was previously granted to it withdrawn for whatever reason.

(4) When considering an application for a grant, the distribution committee must -

(a) ensure that not less than five percent of the total amount at the disposal of the committee for grants in any financial year is allocated for distribution in respect of every region; and

(b) finalise its adjudication within 90 days from the closing date of the invitation published in accordance with section 45(1) of the Act.

(5) If the distribution committee fails to comply with the time period stipulated in subregulation (4)(b), it must -

(a) within seven days of the lapsing of the 90 days referred to in subregulation (4)(b) in writing furnish the Board with reasons for the failure; and

(b) take all necessary steps to finalise processing of the application within a period of 30 days.

(6) A distribution committee may recommend to the Board -

(a) to approve or decline a grant;

(b) to approve the grant, with or without conditions;

(c) to approve a grant subject to a condition that -

(i) the grant be paid in full or in trenches;

[The word “tranches” is misspelt in the *Government Gazette,* as reproduced above.]

(ii) the grant be paid after receipt of a positive pre-grant site inspection or visit; or

(iii) the grant be paid subject to a site visit being conducted during or after utilisation of the grant to satisfy the Board that the grant was utilised for purposes for which it was approved.

(7) On finalisation of the adjudication process, the distribution committee must communicate its recommendations to the Board within three days.

(8) Subject to section 47(1) of the Act, the Board must, within 30 days of receipt of the recommendations from the distribution committee, in writing -

(a) inform the applicant of the outcome of the adjudication;

(b) if the application is refused, inform the applicant of the reasons within seven days;

(c) if the application is successful, send the grant agreement to the applicant and such grant agreement is open for acceptance for a period of 30 days; or

(d) if acceptance of the offer or the grant agreement is not received within 30 days, withdraw the grant by giving notice to the applicant.

(9) If a grant agreement is accepted and received within 30 days, payment must be effected within 10 days of the receipt of the accepted agreement.

(10) The grant agreement must, in addition to any condition, stipulate the powers of the Minister to prohibit or withdraw a grant, or impose conditions.

(11) If the Board approves a grant to an organisation which serves as a conduit for further distribution of the funds to the beneficiaries, in accordance with the purposes of the Act, such organisation must comply with the procedure and conditions stipulated in these regulations to ensure that such further distribution conforms to the direction of the Minister.

(12) The Board may only receive and consider an application for funding from an applicant who applies through an agent representative or conduit if -

[A comma appears to be missing between the words “agent” and “representative”.]

(a) the applicant has been in existence for less than six months on the date of submission of the application; or

(b) there is a clear need for a project in a community and that community is not organised through a recognised legal entity.

(13) If an applicant applies for a grant through an agent, a representative or conduit, the application must be accompanied by a statement by the applicant providing reasons why it requires assistance.

(14) If an application for a grant lodged in terms of subregulation (13) is considered and approved by the Board -

(a) the total amount that may be charged by the agent, a representative or conduit for services rendered by it to the grant beneficiary may not exceed five percent of the amount of the grant, or an amount not exceeding N$150 000 whichever is the lesser; and

(b) the agent, representative or conduit must, before transfer of any grant funds -

(i) submit a plan to the Board setting out how it will transfer the requisite skills to build the capacity of the assisted organisation or community; and

(ii) furnish a report to the Board on the actual execution of the plan submitted within six months of the transfer of the initial funds or such period as has been determined in the terms and conditions of the grant.

(15) Organisations receiving funds through conduits cannot apply directly to the Board for funding unless such organisations are no longer conduit recipients, and in that case can submit applications directly to the Board.

(16) The Board may, at any time, take steps to verify the information of the applicant and operations of the organisation which has applied for or received a grant including, conducting an onsite visit.

[The comma after the word “including” should appear before that word to properly   
offset the phrase “including conducting an onsite visit”.]

**Applications not to be considered**

**15.** Subject to section 49 of the Act, the distribution committee or the Board may not consider applications for funding for activities implemented -

(a) outside the borders of Namibia;

(b) by organisations established for profit or in furtherance of objectives of a for-profit organisation;

(c) by organs of State excluding, educational and welfare institutions; and

[The comma after the word “excluding” should appear before that word to properly   
offset the phrase “excluding educational and welfare institutions”.]

(d) by political parties.

**Appeal procedures**

**16.** (1) An applicant for a grant who under section 47(3) of the Act intends to appeal to the Minister against the decision of the Board, other than a decision regarding the amount of the grant approved must, within 14 days from the date the applicant received notification of the decision of the Board -

(a) submit, to the Board a written notice of appeal against the decision, which notice must be signed by the applicant or by an authorised officer of the applicant; and

(b) attach to the notice, a copy of the decision and a statement laying out the basis of the appeal.

(2) On receipt of documents set out in subregulation (1), the Board must refer the matter to the Minister.

(3) In considering an appeal against the decision of the Board, the Minister -

(a) must finalise the appeal and take a decision, if the documents submitted with the notice of appeal contain information which in the opinion of the Minister, is sufficient for the Minister to reach a fair decision; or

(b) may request the Board or the applicant to provide the Minister with further information or documents which the Minister considers necessary for determining the appeal.

(4) If the applicant fails to provide the requested information to the Minister within 14 days from the date on which the applicant received the request, the appeal lapses.

(5) The appeal decision must be made within 60 days from the date on which the notice of appeal was received or the date on which the documents contemplated in subregulation (3)(b) were received.

**Reporting by person to whom grant has been paid**

**17.** (1) A person to whom a grant has been paid from the Trust Fund must from time to time as required by section 51 of the Act submit to the Board -

(a) reports in respect of the grant and its activities in relation to any money allocated to it for purposes of the Act and as provided for under the relevant grant agreement; and

(b) audited accounts of all amounts paid to it from the Trust Fund at the frequency determined from time to time by the Board in writing.

(2) The Board may, for purpose of subregulation (1), make different determinations in respect of different recipients if circumstances reasonably allow or demand differentiation.

(3) A person to whom a grant has been paid from the Trust Fund must submit to the Board any information relating to the grant which the Board may from time to time, in writing, require to be furnished.

**Payments of grant**

**18.** (1) The distribution committee must after approval of a grant application by the Board and finalising any administrative matters in association with the grant -

(a) in writing notify the Board;

(b) together with the notification contemplated in paragraph (a) submit to the Board, the grant agreement signed by the person in respect of whom a grant has been approved; and

(c) report to the Board or furnish the Board with any information on any other matter which the Board may from time to time in writing request the distribution committee to submit in this regard.

(2) The Board must, subject to subregulation (3), pay into a bank account of the person in respect of whom a grant has been approved -

(a) the amount approved by the Board; or

(b) the first instalment of the amount approved by the Board, and thereafter, at intervals determined by the Board, the other instalments of the amount so approved.

(3) If payment of a grant approved by the Board -

(a) is conditional, the amount of the grant is paid into the bank account of the person only after the condition has been met or complied with; or

(b) is to be made in instalments and the juristic person for whatsoever reason is in breach of any law or the grant agreement, the Board may, without in any way detracting from any other rights or remedies it or any person may have in law relating to the grant -

(i) suspend payment of any further instalments until the juristic person has remedied the breach and, if applicable, has paid any penalty which relates to that breach; or

(ii) terminate payment of any further instalments to the juristic person.

(4) If the Board exercises its rights in terms of subregulation (3), the Board must immediately in writing notify the Minister and the person of the fact.

(5) The distribution committee may, for purpose of subregulation (2)(b) in a notification contemplated in subregulation (1)(a) in writing, advise the Board to pay the grant amount to the person in instalments and, in that case, the notification must indicate -

(a) when or on which occurrences taking place, the instalments have to be paid; and

(b) the amounts that have to be paid.

PART 5

EXEMPT ENTERTAINMENT LOTTERIES

**Advertisement of exempt entertainment lotteries**

**19.** (1) A lottery incidental to exempt entertainment may be advertised through -

(a) the postal services;

(b) newspapers;

(c) the distribution of pamphlets; and

(d) radio stations, but not broadcasting nationally.

(2) An advertisement contemplated in subregulation (1) must state -

(a) the purpose of the lottery incidental to exempt entertainment;

(b) the beneficiary of the lottery;

(c) the price of the tickets;

(d) how the tickets are to be sold;

(e) the closing date for participation in the lottery;

(f) when the draw is to take place;

(g) the manner in which the winners of the lottery is to be determined;

[The verb “is” should be “are” to be grammatically correct.]

(h) the prizes to be won in the lottery;

(i) the fact that the determination of the winner is final and that no correspondence in that regard may be entered into;

(j) the fact that prizes may not be exchanged for cash amounts;

(k) the fact that all prizes have to be allocated; and

(l) how the winners are to be notified.

**Amount for purchasing prizes**

**20.** The total amount utilised for expenses incurred in purchasing of the prizes for a lottery incidental to exempt entertainment may not exceed N$10 000.

**Information on tickets**

**21.** If tickets are printed for a lottery incidental to exempt entertainment, the following information must appear on the tickets -

(a) the name and address of the person conducting the lottery;

(b) the closing date of the lottery;

(c) the price of the ticket; and

(d) the date and place of the draw of the lottery.

**Price of tickets**

**22.** The price for a ticket to be sold in respect of a lottery incidental to exempt entertainment may not exceed an amount of N$10.

**Value of tickets**

**23.** The total value of the tickets or chances sold or to be sold in a lottery incidental to exempt entertainment may not exceed N$30 000.

**Exemptions**

**24.** (1) In this regulation, “applicant” means the person who applies to the Board in terms of subregulation (4).

(2) The Board, subject to any condition it considers fit, may grant an exemption with regard to the regulations contemplated in subregulation (4) in respect of any specific lottery incidental to exempt entertainment, and such exemption applies only to that lottery incidental to exempt entertainment.

(3) The Board may, subject to subregulation (7), alter or withdraw any exemption granted in terms of subregulation (2).

(4) A person intending to conduct a lottery incidental to exempt entertainment may, 90 days prior to the start of a specific lottery incidental to exempt entertainment and in respect of that specific lottery incidental to exempt entertainment, apply to the Board in writing for an exemption in terms of subregulation (1) from regulation 19, 20, 21, 22 or 23.

(5) In the application contemplated in subregulation (4), the applicant must in addition to any other information submitted in terms of this regulation -

(a) identify the regulation in respect of which exemption is sought;

(b) provide reasons for every exemption sought;

(c) provide all relevant information necessary for the Board to consider the matters stated in subregulation (6); and

(d) provide an address which the Board may use for purposes of subregulation (7)(a).

(6) In considering any application made under subregulation (4), the Board must have regard to all relevant factors, including -

(a) the history of lotteries incidental to exempt entertainment previously conducted by the applicant, if any;

(b) the target market of the proposed lottery incidental to exempt entertainment; and

(c) measures to ensure that the lottery incidental to exempt entertainment is conducted in accordance with its rules.

(7) If the Board intends to alter or withdraw any exemption granted in terms of subregulation (2), the Board must -

(a) give notice of its intention to the applicant at the address provided by the applicant in its application made under subregulation (5)(d);

(b) in the notice contemplated in paragraph (a) specify -

(i) the reasons for its intention to alter or withdraw the exemption;

(ii) the date from when the alteration or withdrawal is to become effective; and

(iii) the corrective measure, if any, which the applicant must take in order for the Board not to alter or withdraw the exemption and by when such measure must be taken; and

(c) afford the applicant a reasonable opportunity to make representations in respect of the notice.

(8) The Board must compile a list for its current financial year, to be updated on the last working day of every month, containing information in respect of -

(a) every person to whom an exemption has been granted in terms of subregulation (2);

(b) the nature of the exemption granted in terms of subregulation (2); and

(c) any other information in respect of exemptions the Board considers necessary.

(9) A person to whom an exemption has been granted under subregulation (2) does not acquire any right or legitimate expectation in respect of future lotteries incidental to exempt entertainment because an exemption has previously been granted by the Board under that subregulation in respect of any other lottery incidental to exempt entertainment.

PART 6

PRIVATE LOTTERIES

**Price of tickets**

**25.** The price for a ticket to be sold in respect of a private lottery may not exceed an amount of N$10.

**Value of tickets and prizes**

**26.** (1) The total value of the tickets sold or to be sold in a private lottery may not exceed N$30 000.

(2) The total value of the prizes to be won in any private lottery may not exceed N$30 000.

**Frequency of private lotteries**

**27.** (1) A person may not conduct more than 12 private lotteries annually.

(2) For purposes of subregulation (1) -

(a) “annually” means a period of 12 months commencing on 1 January; and

(b) a lottery is deemed to have been conducted in the year in which the winners of prizes are announced to the participants.

**Information on ticket**

**28.** If tickets are issued for a private lottery, the following information must appear on the tickets -

(a) the closing date of the private lottery;

(b) the price of the ticket; and

(c) the date of the draw of the private lottery.

**Exemptions**

**29.** (1) In this regulation, “applicant” means the person who applies to the Board in terms of subregulation (4).

(2) The Board may, subject to any condition it considers fit, grant an exemption with regard to the regulations contemplated in subregulation (4) in respect of any specific private lottery, and such exemption applies only to that private lottery.

(3) The Board, subject to subregulation (7), may alter or withdraw any exemption granted in terms of subregualtion (2).

[The word “subregulation” in the phrase “subregulation (2)”   
is misspelt in the *Government Gazette*, as reproduced above.]

(4) A person intending to conduct a private lottery may, 90 days prior to the start of a specific private lottery and in respect of that specific private lottery, apply to the Board in writing for an exemption from the application of regulation 25, 26, 27 or 28.

(5) In the application contemplated in subregulation (4), the applicant must in addition to any other information submitted in terms of this regulation -

(a) identify the regulation in respect of which exemption is sought;

(b) provide reasons for every exemption sought;

(c) provide all relevant information necessary for the Board to consider the matters stated in subregulation (6); and

(d) provide an address which the Board may use for purposes of subregulation (7)(a).

(6) In considering any application made in terms of subregulation (4), the Board must have regard to all relevant factors, including -

(a) the history of private lotteries previously conducted by the applicant, if any;

(b) the target market of the proposed private lottery; and

(c) measures to ensure that the private lottery is conducted in accordance with its rules.

(7) If the Board intends to alter or withdraw any exemption granted in terms of subregulation (2), the Board must -

(a) give notice of its intention to the applicant at the address provided by the applicant in its application in terms of subregulation (5)(d);

(b) in the notice contemplated in paragraph (a) specify -

(i) the reasons for its intention to alter or withdraw the exemption;

(ii) the date from when the alteration or withdrawal is to become effective; and

(iii) the corrective measure, if any, which the applicant must take in order for the Board not to alter or withdraw the exemption; and

(iv) by when such measure must be taken; and

(c) afford the applicant a reasonable opportunity to make representations in respect of the notice.

(8) The Board must compile a list for its current financial year, to be updated on the last working day of every month, containing information in respect of -

(a) every person to whom an exemption has been granted in terms of subregulation (2);

(b) the nature of the exemption granted in terms of subregulation (2); and

(c) any other information in respect of exemptions the Board considers necessary.

(9) A person to whom an exemption has been granted by the Board under subregulation (2) does not acquire any right or legitimate expectation in respect of future private lotteries because an exemption has previously been granted by the Board under that subregulation in respect of any other private lottery.

PART 7

BENEVOLENT LOTTERIES

**Terms and conditions for conduct of benevolent lotteries**

**30.** (1) Rules of a benevolent lottery must include the following -

(a) the purpose of the benevolent lottery for which approval is sought and the project which is to benefit from the lottery must be stated on the ticket;

(b) the finalists of a benevolent lottery must be chosen in the manner determined by the person who conducts that benevolent lottery who may be the lottery manager;

(c) a decision by the person who conducts the benevolent lottery with regard to the determination of a finalist or finalists in a benevolent lottery is final;

(d) the rules of a benevolent lottery must specify if prizes may be exchanged for cash;

(e) the closing date of the benevolent lottery and the date and place of the draw or draws must be determined before commencing with that benevolent lottery;

(f) every prize to be won in a benevolent lottery must on conclusion of that lottery be awarded to the winner or winners; and

(g) the person who conducts a benevolent lottery may stipulate reasonable and lawful conditions as may be necessary for participation in such lottery.

(2) The rules of a benevolent lottery may further provide for the proper monitoring of any draw in that benevolent lottery.

(3) If insufficient tickets are sold to cover the intended prize, the prize will be calculated *pro rata* otherwise any money paid for participation in the lottery must be refunded to the participants.

**Registration of benevolent lottery**

**31.** (1) A person who wishes to register a benevolent society as contemplated in section 60(1) of the Act must apply on Form 5 set out in Annexure 2.

(2) A registered benevolent society must pay to the Board -

(a) the respective fee or levy set out in Annexure 1; and

(b) the respective fee or levy set out in Annexure 1 for each benevolent society lottery conducted on behalf of the benevolent society.

(3) In an application for the registration of a benevolent society under subregulation (1) the applicant must -

(a) state the names and addresses of the executive management of the benevolent society;

(b) state the name and address of the auditor or bookkeeper of the benevolent society;

(c) state the purposes for which the benevolent society was established;

(d) furnish a statement pertaining to the financial state of affairs and business of the benevolent society;

(e) confirm that the income and property of the benevolent society are not distributable to its members or managers, except as reasonable compensation for services rendered;

(f) indicate whether the financial transactions of the benevolent society are conducted by means of a banking account, and details of the banking account;

(g) state the date for the end of the financial year of the benevolent society;

(h) indicate whether it is a body corporate and has an identity and existence distinct from its members or managers;

(i) confirm that the benevolent society will keep proper accounting records in order to comply with section 61(3)(a) of the Act;

(j) indicate whether provision has been made for the continued existence of the benevolent society despite changes in the composition of its membership or management;

(k) state whether the members or managers have any rights in the property or other assets of the benevolent society solely by virtue of their being members or managers;

(l) specify the powers of the benevolent society;

(m) specify the organisational structures and mechanisms for its governance;

(n) set out the rules for convening and conducting meetings, including quorums required for and the minutes to be kept at those meetings;

(o) indicate the manner in which decisions are to be made;

(p) set out the procedure for changing its constitution and indicate if, how and why its constitution has been amended in the two years immediately prior to the date of the application for registration;

(q) set out the procedure by which the benevolent society may be wound-up or dissolved;

(r) indicate whether any asset remaining after all its liabilities have been met, when it is being wound-up or dissolved, will be transferred into another benevolent society having similar objectives;

(s) state whether the benevolent society has been registered previously in terms of the Act and whether application for such registration was refused or whether such registration has been suspended or revoked or has expired;

(t) attach a copy of the constitution of the benevolent society; and

(u) attach a copy of the resolution to conduct the benevolent lottery and to apply for approval of the lottery.

(4) On registration of a benevolent society in accordance with section 60(2) of the Act, the Board must, on payment of the fee set out in Annexure 1, issue to the society a certificate of registration on Form 6 set out in Annexure 2.

**Nature and requirements of scheme**

**32.** (1) The scheme contemplated in section 56(c) of the Act must specify -

(a) the address of the office or head office of the benevolent society;

(b) the registration number of the benevolent society issued by the Board on application contemplated in regulation 31;

(c) the name of the person responsible for conducting the benevolent lottery;

(d) the name of the person who is responsible and accountable for the financial management of the benevolent lottery;

(e) the purpose for which the benevolent lottery is conducted;

(f) that the benevolent society has adequate resources to conduct the benevolent lottery in accordance with sound financial principles and methods;

(g) the prizes to be won in the benevolent lottery;

(h) a detailed description of the manner in which the finalist or finalists, if any, and the winner or winners of the benevolent lottery will be determined and the date, time and place;

(i) the manner in or by which finalist or finalists and the winner or winners will be notified of the outcome of the draw or draws or other process of determining a winner or winners;

[The word “the” appears to have been omitted before the phrase “finalist or finalists”.]

(j) the place, if any, and the manner in which participants in the benevolent lottery may obtain information in respect of the outcome of the lottery;

(k) the price of a ticket sold in aid of the benevolent lottery;

(l) the number and total value of tickets to be sold in the benevolent lottery;

(m) who the beneficiaries of the benevolent lottery are, what benefit they will receive and what needs the benefits will meet;

(n) the date of the approval of the benevolent lottery scheme by the benevolent society and proof of such approval;

(o) the categories of persons to whom and by whom benevolent lotteries tickets may not be sold, if any; and

(p) procedures for dealing with unclaimed prizes.

(2) A benevolent society that wishes to conduct a benevolent lottery must, for each specific event or project in a scheme, apply for authorisation as contemplated in section 57(1) of the Act.

(3) The application referred to in subregulation (2) must be -

(a) made to the Board on Form 7 set out in Annexure 2 for every new lottery event or project in a scheme; and

(b) accompanied by the relevant fee set out in Annexure 1.

**Provision of security by responsible lottery manager**

**33.** The Board may require the lottery manager to provide reasonable security or a guarantee in the amount and in the form determined by the Board.

**Persons and categories of persons who may not participate in benevolent lotteries**

**34.** If any category of persons is prohibited from participating in a benevolent lottery as contemplated in regulation 32(1)(o), a person belonging to such a category of persons may not participate in that lottery.

**Frequency of benevolent lotteries**

**35.** (1) A benevolent society may not conduct more than six benevolent lotteries in any year.

(2) A person may not conduct on his or her own account or conduct on behalf of a benevolent society more than six benevolent lotteries in any year.

(3) For purposes of subregulation (1), “year” means a period of 12 months commencing on 1 January.

(4) A lottery is deemed to have been conducted in the year in which the winner or winners of prizes are announced in public.

**Value of tickets and prizes**

**36.** (1) The total value of the tickets sold in a benevolent lottery may not exceed N$2 000 000.

(2) The total value of prizes to be won in a benevolent lottery may not exceed N$1 000 000 per society per year.

**Purpose for sale of lottery tickets**

**37.** Tickets for benevolent lotteries may be sold and persons may be invited to purchase such tickets only for -

(a) the promotion of the benevolent society conducting the benevolent lottery or on whose behalf it is conducted; or

(b) other purposes which are not for private gain or commercial undertaking and approved by the Board.

**Information on reverse side of ticket**

**38.** The reverse side of every ticket distributed or sold, must specify -

(a) the name and registration number of the benevolent society, as contemplated in section 58 of the Act, which is conducting the benevolent lottery or on whose behalf it is conducted;

(b) the price of tickets and prizes to be won in the benevolent lottery, if not appearing on the front of the ticket;

(c) the closing date of the benevolent lottery and the date and place of the draw or draws, if not appearing on the front of the ticket;

(d) a reference to the rules referred to in regulation 30 may be obtained; and

[There appear to be some words missing in paragraph (d); it may have been intended to require a reference to where or how the rules referred to in regulation 30 may be obtained.]

(e) if a cash equivalent of a prize may be won, the amount.

**Marketing of benevolent lotteries**

**39.** Any marketing material in respect of a benevolent lottery must state -

(a) the purpose of the lottery;

(b) the price of the tickets;

(c) if the tickets will be sold;

(d) the prizes to be won;

(e) the closing date for participation in the lottery;

(f) when the draw will take place; and

(g) when and if the names of winners will be published.

**Prescribed areas of marketing**

**40.** Tickets for a benevolent lottery may be advertised, marketed, promoted or sold anywhere within Namibia unless the Board determines otherwise.

**Permitted expenses in respect of benevolent lotteries**

**41.** (1) Subject to subregulation (2), expenses in a benevolent lottery may be incurred only in respect of -

(a) costs for printing and distribution of tickets;

(b) the fees of the lottery manager;

(c) actual marketing costs for the lottery;

(d) actual expenses incurred by the person conducting the lottery in connection with the lottery;

(e) actual expenses incurred in connection with the awarding of the prize; and

(f) any other expenses necessary for the proper conducting of the lottery.

(2) If the total proceeds of a benevolent lottery -

(a) are equal to or less than N$1 000 000, the expenses referred to in subregulation (1) may not exceed 15 percent of the proceeds of that benevolent lottery; or

(b) exceed N$1 000 000, such expenses may not exceed 10 percent of the proceeds of that benevolent lottery.

**Exemptions**

**42.** (1) In this regulation, “applicant” means the person who submits an application to the Board in terms of subregulation (4).

(2) The Board may, subject to any condition it considers fit, grant an exemption with regard to the regulations contemplated in subregulation (4) in respect of any specific benevolent lottery, and such exemption applies only to that benevolent lottery.

(3) The Board may, subject to subregulation (7), alter or withdraw any exemption granted in terms of subregulation (2).

(4) A person intending to conduct a benevolent lottery may, 90 days prior to the start of a specific benevolent lottery and in respect of that specific benevolent lottery, apply to the Board in writing for an exemption from the application of regulation 35(1), 36(1), 38, 39 or 40.

(5) In the application contemplated in subregulation (4), the applicant must in addition to any other information submitted in terms of this regulation -

(a) identify the regulation or subregulation in respect of which exemption is sought;

(b) provide reasons for every exemption sought;

(c) provide all relevant information necessary for the Board to consider the matters envisaged in subregulation (6); and

(d) provide an address which the Board may use for purposes of subregulation (7)(a).

(6) In considering any application made in terms of subregulation (4), the Board must have regard to all relevant factors, including -

(a) the history of the applicant and the benevolent society intending to conduct the benevolent lottery;

(b) the history of benevolent lotteries previously conducted by the applicant and the benevolent society, if any;

(c) the amount of monies paid to or the extent of benefits received by persons in need or other beneficiaries;

(d) the costs of benevolent lotteries previously conducted by the applicant and the benevolent society;

(e) the amounts spent on marketing and advertising benevolent lotteries previously conducted by the applicant and the benevolent society;

(f) if applicable, the amounts paid to other persons who previously conducted benevolent lotteries on behalf of the applicant and the benevolent society;

(g) the target market of the proposed benevolent lottery; and

(h) measures to audit the benevolent lottery.

(7) If the Board intends to alter or withdraw any exemption granted in terms of subregulation, the Board must (2) -

(a) give notice of its intention to the applicant at the address provided by the applicant in its application in terms of subregulation (5)(d);

(b) in the notice contemplated in paragraph (a) specify -

(i) the reasons for its intention to alter or withdraw the exemption;

(ii) the date from when the alteration or withdrawal is to become effective; and

(iii) the corrective measure, if any, which the applicant must take in order for the board not to alter or withdraw the exemption; and

[The word “Board” should be capitalised.]

(iv) by when such measure must be taken; and

(c) afford the applicant a reasonable opportunity to make representations in respect of the notice.

(8) The Board must compile a list for its current financial year, to be updated on the last working day of every month, containing information in respect of -

(a) every person to whom an exemption has been granted in terms of subregulation (2);

(b) the nature of the exemption granted in terms of subregulation (2); and

(c) any other information in respect of exemptions the board considers necessary.

[The word “Board” should be capitalised.]

(9) A person to whom an exemption has been granted by the Board under subregulation (2), does not acquire any right or legitimate expectation in respect of future benevolent lotteries because an exemption has previously been granted by the Board under that subregulation in respect of any other benevolent lottery.

PART 8

LOTTERY MANAGERS

**Application for lottery manager certificate**

**43.** (1) A person who wishes to apply for certification as a lottery manager as contemplated in section 66(1) of the Act must apply on Form 8 set out in Annexure 2 and such application must be accompanied by -

(a) the relevant fee set out in Annexure 1;

(b) copies of the educational and professional qualifications and experience in financial management of the applicant;

(c) two recent passport photographs of the applicant; and

(d) a police clearance certificate that is not older than 3 months from the date on which it was issued.

(2) A person may be certified as a lottery manager under subsection (3) of section 66 of the Act if such person is not subject to any of the disqualifications referred to in subsection (4) of that section or section 34 of the Act.

**Provision of security by lottery managers**

**44.** If a benevolent lottery is to be conducted by a lottery manager, the Board must require the lottery manager to provide security or a guarantee in the amount and in the form the Board considers reasonable.

**Lottery manager certificate**

**45.** The Board must, on payment of the fee set out in Annexure 1, issue to the applicant a certificate as lottery manager on Form 9 set out in Annexure 2.

**Appeals to Minister**

**46.** (1) A person who wishes to appeal against the decision of the Board as contemplated in section 66(7) of the Act must submit an appeal to the Minister within 14 days after the person has been notified of the decision of the Board.

(2) The appeal referred to in subregulation (1) must -

(a) be in writing and signed by the appellant; and

(b) identify the decision being appealed against, give particulars of the decision and state the grounds of appeal.

PART 9

APPLICATIONS, FEES AND PENALTIES FOR LATE PAYMENTS

**Applications, licences and certificates**

**47.** (1) An application in terms of the Act may not be submitted to the Board unless the application is made in the respective completed form set out in Annexure 2 and the appropriate application fee set out in Annexure 1 has been paid to the Board.

(2) An application fee paid as contemplated in subregulation (1) or any part of such is not refundable to the applicant.

**Fee for certificates**

**48.** The Chief Executive Officer may not, in terms of any provision of the Act, issue a certificate unless the fee prescribed for such a certificate in Annexure 1 has been paid to the Board.

**Penalties for late payments of fees**

**49.** If the amount payable in terms of these regulations in respect of any fee is not paid in full to the Board before the expiry of the period allowed by these regulations for the payment of such fee, the licence holder concerned is liable to pay a penalty set out in Annexure 1.

PART 10

PROMOTIONAL COMPETITIONS

**False information about competitions**

**50.** (1) A person may not directly or indirectly in relation to a promotional competition inform another person that a participant has -

(a) won a competition, if -

(i) a competition in fact has not been conducted;

(ii) the person has not in fact won the competition;

(iii) the prize for that competition is subject to a previously undisclosed condition; or

(iv) the person is required to offer further consideration for the prize, after the results of the competition have been announced; or

(b) a right to a prize -

(i) to which the person does not in fact have a right;

(ii) if the prize was generally available or offered to all similarly situated persons or class of persons; or

(iii) if, before becoming eligible to receive the prize, the person is required to offer further consideration for the prize or to purchase any particular goods or services.

(2) A person who contravenes or fails to comply with subregulation (1) commits an offence and is on conviction liable to a fine not exceeding N$10 000 or to imprisonment for a period not exceeding two years, or to both such fine and such imprisonment.

**Offer to participate in competition**

**51.** (1) An offer to participate in a promotional competition must clearly state -

(a) the benefit or competition to which the offer relates;

(b) the steps required by a person to accept the offer or to participate in the competition;

(c) the basis on which the results of the competition will be determined;

(d) the closing date for the competition;

(e) the medium through or by which the results of the competition will be made known; and

(f) any person from whom, any place if, and any date and time on or at which -

(i) a person may obtain a copy of the competition rules; and

(ii) a successful participant may receive any prize.

(2) The requirements of subregulation (1) may be satisfied either -

(a) directly on any medium through which a person participates in a promotional competition;

(b) on a document accompanying any medium contemplated in paragraph (a); or

(c) in any advertisement that -

(i) is published during the time and throughout the area in which the promotional competition is conducted; and

(ii) draws attention to and is clearly associated with the promotional competition.

**Minimum age of participants**

**52.** (1) A promoter may not offer or award to a person under the age of 18 years, a prize or benefit comprising or consisting of or involving goods or services which in terms of a law, code of conduct or ethics, agreement or rule may not -

(a) be sold or supplied to;

(b) be used by; or

(c) in any other way benefit, a person under the age of 18 years.

(2) Advertising material in respect of a promotional competition or which offers or awards goods or services contemplated in subregulation (1) may not be directed at persons under the age of 18 years in respect of those goods or services.

**Nature of prizes**

**53.** (1) A promoter may not offer or award goods, services or benefits as prizes to a particular winner in a promotional competition -

(a) in respect of which the sale, possession, use, distribution, rendering or delivery is unlawful;

(b) which are substantially similar to goods, services or benefits offered or awarded as prizes in a competition, game or sports pool conducted by or on behalf of the State Lottery during the period in which that promotional competition is being held;

(c) in respect of which the possession, use, rendering, distribution or delivery is dependent on the payment of a fee or any consideration to any person in order to fully possess or use the prize;

(d) in respect of which any licence, approval, endorsement, sanction, consent, agreement or any form of authorisation by -

(i) any organ of State;

(ii) a legal guardian of a person; or

(iii) any other person,

is required for the lawful possession or use of those goods, services or benefits; or

(e) if, subject to subregulation (2), the winner of a prize is expected or obliged to endorse, promote or advertise the goods or services of the promoter, unless that winner after being publicly announced as a winner of the promotional competition is informed of such in writing consents to endorse, promote or advertise the goods or services of the promoter.

[It appears that the word “and” may have been omitted before the word “consents”.]

(2) If the winner referred to in subregulation (1)(e) is a person under the age of 18 years, any consent given by that person is not sufficient without the written consent of the legal guardian of that person.

(3) Any provision in the rules of a promotional competition requiring the prize winner to -

(a) permit the use of his or her image in marketing material;

(b) participate in any marketing activity; or

(c) be present when the draw is taking place or the winners are announced,

without affording him or her the opportunity to decline an invitation to do so or informing him or her of the right to decline such an invitation, is void.

**Advertising material**

**54.** The rule of a promotional competition relating to the manner and date of announcing the winners of the competition must be published in advertising material promoting that competition.

**Prohibited participation**

**55.** (1) A person who is -

(a) a director, member, partner, an employee or agent of or a consultant to a promoter; or

(b) a spouse, life partner, parent, child, brother, sister, business partner or an associate of a person contemplated in paragraph (a),

may not participate in a promotional competition held by that promoter.

(2) The promoter of a promotional competition may not award a prize to any of the persons referred to in subregulation (1).

(3) Any advertising material in respect of a promotional competition must in legible type alert prospective participants in that competition to the prohibitions referred to in subregulations (1) and (2).

**Electronically transmitted entry**

**56.** (1) The promoter of a promotional competition may not require any consideration to be paid by or on behalf of any participant in the promotional competition, other than the reasonable costs of posting or otherwise transmitting an entry form or device.

(2) The reasonable cost of electronically transmitting an entry referred to in subregulation (1) may not exceed N$10.

(3) The reasonable cost stated in subregulation (2) includes the total cost for all subsequent electronic communication to the participant in respect of that particular entry.

**Requirements for promotional competitions**

**57.** (1) The promoter must ensure that an independent accountant, registered auditor or legal practitioner as approved by the Board, oversees and certifies the conducting of the competition and must report this through the internal audit reporting or other appropriate validation or verification procedures of the promoter.

(2) For the purposes of -

(a) section 72(4)(b)(i) of the Act, the maximum value of prizes which may be offered in each calendar year is the amount of N$12 000 000; and

(b) section 72(4)(b)(ii) of the Act, the maximum number of prizes which may be offered in each calendar year may not exceed six, each of which may not exceed a total value of N$1 000 000.

(3) For the purposes of section 72(4)(b)(iv) of the Act, the minimum value for the purpose of excluding a competition from being a promotional competition is N$5.

(4) Subject to section 72(4)(g) of the Act and to subregulation (1), the person who conducts a promotional competition must, for a period of at least three years, retain -

(a) full details of the promoter, including identity or registration numbers, addresses and contact numbers;

(b) the rules of the promotional competition;

(c) a copy of the offer to participate in the promotional competition;

(d) the names and identity numbers of the persons responsible for conducting the promotional competition;

(e) a full list of all the prizes offered in the promotional competition;

(f) a representative selection of materials marketing the promotional competition or an electronic copy of such materials, but such copy must be easily accessible in a generally available format;

(g) a list of all instances when the promotional competition was marketed, including details on the dates, the medium used and places, if the marketing took place;

(h) the names and identity numbers of the persons responsible for conducting the selection of prize winners in the promotional competition;

(i) an acknowledgment of receipt of the prize signed by the prize winner or legal guardian, if applicable, and his or her identity number, and the date of receipt of the prize, or if this is not possible, proof by the promoter that the prize was sent by post or other electronic means to the winner using his or her provided details;

(j) declarations by the persons contemplated in paragraph (d) made under oath or affirmation that the prize winners were to their best knowledge not directors, members, partners, employees, agents or consultants of or any other person who directly or indirectly controls or is controlled by the promoter or marketing service providers in respect of the promotional competition, or the spouses, life partners, business partners or immediate family members of the persons responsible for conducting the promotional competition;

(k) the basis on which the prize winners were determined;

(l) a summary describing the proceedings to determine the winners, including the names of the persons participating in determining the prize winners, the date and place where that determination took place and whether those proceedings were open to the general public;

(m) whether an independent person oversaw the determination of the prize winners, and his or her name and identity number;

(n) the means by which the prize winners were announced and the frequency of such announcement;

(o) a list of the names and identity numbers of the prize winners;

(p) a list of the dates when the prizes were handed over or paid to the prize winners;

(q) in the event that a prize winner could not be contacted, the steps taken by the promoter to contact the winner or otherwise inform the winner of his or her winning a prize; and

(r) in the event that a prize winner did not receive or accept his or her prize, the reason for his or her not so receiving or accepting the prize, and the steps taken by the promoter to hand over or pay the prize to that prize winner.

(5) A promoter must, on request in writing by the Board, immediately at his, her or its own expense submit a report based on documents or materials referred to in subregulation (4) to the Board.

**Exemptions**

**58.** (1) In this regulation, “applicant” means the person who submits an application to the Board in terms of subregulation (4).

(2) The Board may, subject to any condition it considers fit, grant an exemption with regard to the regulations contemplated in subregulation (4) in respect of any specific promotional competition, and such exemption applies only to that promotional competition.

(3) The Board may, subject to subregulation (7), alter or withdraw any exemption granted in terms of subregulation (2).

(4) A person intending to conduct a promotional competition may, 90 days prior to the start of a specific promotional competition and in respect of that specific promotional competition, apply to the Board in writing for an exemption in terms of subregulation (1) from the application of regulation 53, 54, 56 or 57.

(5) In the application contemplated in subregulation (4), the applicant must in addition to any other information submitted in terms of this regulation -

(a) identify the regulation or subregulation in respect of which exemption is sought;

(b) provide reasons for every exemption sought;

(c) provide all relevant information necessary for the Board to consider the matters envisaged in subregulation (6); and

(d) provide an address which the Board may use for purposes of subregulation (7)(a).

(6) In considering any application made in terms of subregulation (4), the Board must have regard to all relevant factors, including -

(a) the history of the applicant and the promoter intending to conduct the promotional competition;

(b) the history of promotional competitions previously conducted by the applicant and the promoter, if any;

(c) the amount of monies paid to or the extent of benefits received by persons in need or other beneficiaries;

(d) the costs of promotional competitions previously conducted by the applicant and the promoter;

(e) the amounts spent on marketing and advertising promotional competitions previously conducted by the applicant and the promoter;

(f) if applicable, the amounts paid to other persons who previously conducted promotional competitions on behalf of the applicant;

(g) the target market of the proposed promotional competition; and

(h) measures to audit the promotional competition.

(7) If the Board intends to alter or withdraw any exemption granted in terms of subregulation, the Board must (2) -

(a) give notice of its intention to the applicant at the address provided by the applicant in its application in terms of subregulation (5)(d);

(b) in the notice contemplated in paragraph (a) specify -

(i) the reasons for its intention to alter or withdraw the exemption;

(ii) the date from when the alteration or withdrawal is to become effective; and

(iii) the corrective measure, if any, which the applicant must take in order for the board not to alter or withdraw the exemption,

and by when such measure must be taken; and

[The word “Board” in subparagraph (iii) should be capitalised. The structure of paragraph (b) is reproduced as it appears in the *Government Gazette*, but the closing phrase appears to belong with subparagraph (iii); paragraph (b) may have been intended to appear as follows, using the same structure as regulation 24(7)(b):

“(b) in the notice contemplated in paragraph (a) specify -

(i) the reasons for its intention to alter or withdraw the exemption;

(ii) the date from when the alteration or withdrawal is to become effective; and

(iii) the corrective measure, if any, which the applicant must take in order for the Board not to alter or withdraw the exemption, and by when such measure must be taken; and”.

Alternatively, paragraph (b) may have been intended to mirror regulations 29(7)(b) and 42(7)(b).]

(c) afford the applicant a reasonable opportunity to make representations in respect of the notice.

(8) The Board must compile a list for its current financial year, to be updated on the last working day of every month, containing information in respect of -

(a) every person to whom an exemption has been granted in terms of subregulation (2);

(b) the nature of the exemption granted in terms of subregulation (2); and

(c) any other information in respect of exemptions the Board considers necessary.

(9) A person to whom an exemption has been granted by the Board under subregulation (2), does not acquire any right or legitimate expectation in respect of future promotional competitions because an exemption has previously been granted by the Board under that subregulation in respect of any other promotional competition.

ANNEXURE 1

FEES AND PENALTIES

|  |  |
| --- | --- |
| APPLICATION AND REGISTRATION FEES | N$ |
| Application for State Lottery or sports pool licence | 150 000 |
| Issuing of original State Lottery or sports pool licence | 1 000 000 |
| Guarantee in respect of State Lottery licence (refundable) | 100 000 000 |
| Duplicate State Lottery or sports pool licence | 10 000 |
| Annual fee for State Lottery or sports pool licence | 250 000 |
| Application for registration of benevolent society | 1 000 |
| Registration and benevolent certificate | 2 000 |
| Application for lottery manager certificate | 500 |
| Lottery manager certificate | 4 000 |
|  |  |
| REGISTRATION OF EACH SCHEME BY SOCIETY |  |
| 1. For each lottery promoted by a society, the total prize value does not exceed N$10 000 | nil |
| 2. For each lottery promoted by a society, the total prize value exceeds N$10 000 but not N$50 000 | 200 |
| 3. For each lottery promoted by a society, the total prize value exceeds N$50 000 but not N$100 000 | 320 |
| 4. For each lottery promoted by a society, the total prize value exceeds N$100 000 but not N$500 000 | 530 |
| 5. For each lottery promoted by a society, the total prize value exceeds N$500 000 up to N$1 million | 1 000 |
|  |  |
| PENALTIES FOR LATE PAYMENT OF ANNUAL FEES - PART 10 |  |
| On the outstanding amount | 10% |

ANNEXURE 2

To view content without printing, scroll down.

To print at full scale (A4), double-click the icon below.



[Note that the names of the Forms in the ARRANGEMENT OF REGULATIONS do not all match the names of the Forms that appear in Annexure 2. The Forms in the Annexure are reproduced as they appear in the *Government Gazette*. Misspellings and other errors in the Forms are not annotated.]

