

Our Ref: C&L/Notice 11
Enq: compliance@ecgb.org.za

NOTICE TO ALL LICENSEES

RE: COVID-19 PANDEMIC -SUBMISSIONS BY THE GAMBLING INDUSTRY

1. We refer to the notice of 28 May 2020.
2. The Eastern Cape Gambling Board (“the Board”) has considered the submissions from the gambling industry for relief measures to mitigate against the impact of the COVID-19 pandemic (“the pandemic”) on their businesses.
3. The Board has noted that the submissions comprise of requests for dispensation from the regulatory framework that are generic to the gambling industry as a whole, some that are specific to the casino, bingo, limited payout machine or bookmaking sectors and others that relate to the operations of a specific licensee.
4. The Board is not empowered to provide dispensation from the provisions of the Eastern Cape Gambling Act, 1997 (“the Act”) and / or the regulations promulgated thereunder. The dispensation sought from the aforesaid components of the regulatory framework will require statutory amendments or relief considerations that mainly fall within the prerogative of the provincial legislature and the MEC for the Department of Economic Development, Environment and Tourism (“DEDEAT”).
5. To this end the MEC was provided with the details of the submissions that fall within his and the provincial legislature’s powers on 14 July 2020. The MEC has responded to the Board and the engagement is continuing.
6. The relief measures within the Board’s power are limited to those recorded in conditions of licence, including guarantees and other undertakings and for operational matters. The Board has decided that it may exercise its discretion to grant dispensation from conditions of licence in terms of the provisions of section 33(2) of the Act to those aspects that would apply to the gambling industry as a whole or to specific sectors within the industry. Dispensation sought by individual licensees, such as the reduction of the headcount of employees that will result in the amendment of specific undertakings recorded in conditions of licence require compliance with the provisions of section 35 of the Act.
7. It is the Board’s considerate view that whilst the Unemployment Fund temporary employer/employee relief scheme (“UIF TERS”) continues to make payment to employees who are not able to return to work there is no basis for licensees to apply to the Board for the approval to reduce their headcount. Licensees are urged to consider alternative measures to preserve the approved headcount. Although the impact of the pandemic has severely affected the gambling industry the indications are that the impact will not be permanent.
8. Licensees are reminded that the undertakings made in an application for a licence apply for the duration of that licence and can only be amended on good cause shown.
9. We will notify licensees as soon as there are new developments.

Board Members: Adv. N Mayosi (Chairperson); A Mfenyana; NH Mlenzana; O Mtati (Deputy Chairperson);
TM Huisman; M Vena; P White; RM Zwane (Chief Executive Officer)

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Yours sincerely



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