



## EMERALD FOUNDATION SPRUCES UP CARE CENTRE FOR VAAL VOLUNTEER ANGELS

The retired ladies from the National Council for African Women (NCAW) in Sebokeng work tirelessly to care for the ill and frail, and to provide hot meals for needy schoolchildren in the area. Now these "granny angels" also have refurbished offices from which to carry out their good deeds, thanks to the Emerald Foundation.

On Monday, 14 September, there was an air of festivity in the Sebokeng township's Zone 3, when staff from Emerald Casino Resort paid a visit to mark the official handover of the NCAW's newly renovated facility – the NCAW Home-Based Care Centre.

The NCAW is a national non-profit organisation that mainly comprises retired volunteers who have been trained as caregivers. The organisation's health desk co-ordinator, Elsie Molefakgotla, explained that the old building – which had been bought with international donor funding – had been rather dilapidated. The intrepid ladies of the NCAW got stuck in with some DIY work, until the Emerald Foundation stepped in to complete the job.

A number of local suppliers and contractors donated goods, services and time for this worthy cause. Work that was carried out included fencing, electrical work, painting, tiling, installing a geyser, landscaping, irrigation and laying a driveway, with Emerald maintenance staff lending a helping hand.

The result is a facility that the NCAW can be proud of, and that is a validation of all the hard work they undertake in the community.

In addition to providing home-based care to some 200 patients with HIV/AIDS, tuberculosis and other chronic diseases, this humble group also runs a soup kitchen for a local school, Itokisetso Primary. A number of learners from the school treated the guests to a rousing hymn during the unveiling of the home-based care centre.

Emerald Casino Resort CEO Martin Rice, who was personally involved in the project, thanked the NCAW for the "incredible" work they do in the community.



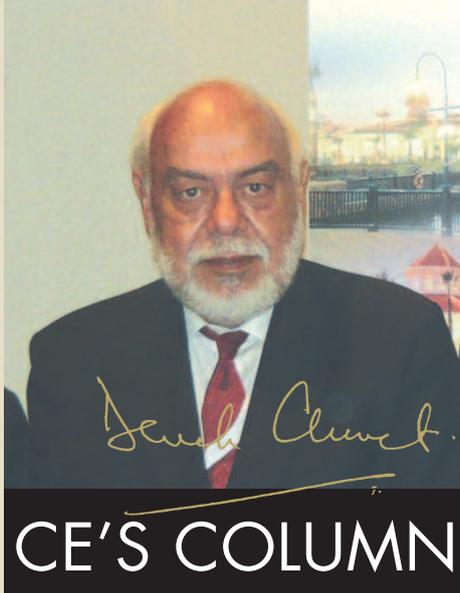
Commercial banks should also be aware that by facilitating transactions involving illegal Internet gambling expenditure or receipts, they run the risk of prosecution under "proceeds of crime" provisions in the Financial Intelligence Centre Act (FICA) and other related legislation.

It has therefore been gratifying to note that the National Gambling Board has begun to take action against those who seek to receive "winnings" from these illicit operations. As a result of the NGB's approach to the South African Banking Association, the commercial banks have begun to remit monies won as a result of this activity to the National Gambling Board. While the number of such cases thus far has been limited, it is a clear indication that both the regulatory authorities and the banking sector are taking this scourge seriously and are prepared to act decisively to protect the legitimate interests of CASA members and other gaming service-providers who operate within the bounds of the law.

While the National Gambling Amendment Act of 2008 provides for the legalisation of interactive gambling, the regulations that will make this possible are still before Parliament's trade and industry portfolio committee. It is possible that further consideration of these regulations may be held over until the committee has received the report of the Gambling Review Commission appointed by the Minister earlier this year. However the legislative process proceeds, we are still some way from the full regularisation of Internet casino facilities.

Until then, it is intolerable that the stringently-regulated, law-abiding casino sector should be subjected to unfair competition from the activities of an array of illegal operations that adhere to no restraints, advertise their services without regard for public welfare and offer no protection to their customers.

A recently-published research report by the National Responsible Gambling Programme has pointed out that, while gambling problems are limited in South Africa and are being conscientiously addressed, the medium-term picture is



**For some time, CASA has been expressing its dissatisfaction about the proliferation of illegal Internet gambling sites. It cannot be stressed too strongly that the advertising, promotion and operation of such activities remains unlawful in terms of the National Gambling Act and that to receive "winnings" from these operators is illegal. Likewise, the Reserve Bank's exchange control rules make it illegal for South African residents to participate in foreign betting activities, and contravention of this rule may lead to the withdrawal of a transgressor's credit or debit cards and to prosecution.**

disturbing because of the rise of Internet and other remote forms of gambling. The report describes Internet gambling as "the elephant in the room" which seems certain to dominate the entire regulatory and harm-minimisation space in the future.

It emphasises that the inevitable dramatic growth in the number of South Africans gambling on the Internet will raise acute problems for policy-makers, regulators and responsible gambling service-providers. It is for this reason that CASA has submitted substantial and exhaustively-researched recommendations to the relevant authorities in order to ensure that the final regulations governing such activity protect players from dishonest and unfair practices, deny access to minors, enable the monitoring of problem gamblers and limit the scope of advertising.

And there is ample evidence that regulation of this type has already succeeded in providing South Africans with safe, reputable and honest gambling opportunities. The same NRGF report shows that the number of problem gamblers in South Africa has remained constant since the NRGF conducted its first prevalence study in 2005. It confirms what previous studies in South Africa and in comparable jurisdictions internationally have found, namely that problem gambling numbers tend to be low compared to other social problems and their prevalence does not tend to increase overall. While gambling problems range from the mild to the very severe, the study established that over 95% of the adult population experiences no problems of any kind, with only 0.5% experiencing very severe problems and about a further 4% more or less mild problems.

Based on a representative survey of 3 000 adult South Africans living in Johannesburg, Pretoria, Durban and Cape Town, the report shows, too, that public attitudes towards South Africa's legalised gambling regime have remained consistently positive over the past five years – suggesting that the industry's adherence to the highest standards of regulation, probity and social responsibility has paid fulsome dividends. In 2008 - when the study was conducted – 44.6% of respondents indicated that they were happy with the current regulatory framework, while 23% thought there should be fewer opportunities to gamble legally. This represents a significant increase over the figure for 2005, when 34.37% of respondents said they were satisfied with the status quo and 47.6% were ambivalent but accepted the situation.

As the NRGF report says, it is not impossible to use technology to tame technology. But this can only be achieved within the framework of a clearly articulated and well regulated set of rules. If we have managed to get it right in the case of land-based casinos, there is no reason why we should fail to do the same for Internet gambling activity. But until that regulatory framework is in place, the National Gambling Board, the Reserve Bank and the commercial banks are correct in applying the full force of the law to what remains an unlawful and uncontrolled sector.

# AERCT, Carnival City and DRD Gold Partner in Agricultural Project

**The Afrisun East Rand Community Trust (AERCT) has partnered with Carnival City and DRD Gold to develop a tunnel farming project to benefit 31 unemployed Ekurhuleni residents, to the tune of over R1 Million.**

The project seeks to create jobs, alleviate poverty, develop skills in agriculture and create a sustainable business for the Caritas HIV Hospice Centre, where it is based. The tract of land also houses a pre-school for AIDS orphans, who will also benefit from the project. Participants will be trained in business & financial management and marketing during a 5-week training session.

Candidates were selected from the pool provided by outpatients at the Caritas Hospice, recently-retrenched DRD Gold employees and unemployed people from the Ekurhuleni area.

AERCT Executive Trustee Sandy Hattingh believes that it is a rare privilege for Carnival City, the Afrisun East Rand Community Trust and DRD Gold to have been granted an opportunity to make a difference in the local community. "We look forward to seeing this project up and running and can't wait to stand side by side to celebrate the new lease on life that this project has given to the community," she says.

Project participants will also benefit from the fact that while they are training, all the entities behind the project will be doing their best to ensure the project's success, with the provision of the required equipment and tools & tunnels taken care of and soil testing and preparation already undertaken.



The Botshabelo Creation Development Centre (BCDC) received a donation of 21 textile machines from the Windmill Corporate Social Investment (CSI) Thabo Trust. The sewing, overlockers and embroidery machines were officially handed over on 30 July by Mr. Rickert Hermann, a committee member of Windmill and Mr. Sam Chaka, a board member of Windmill and Chairperson of Thabo Trust.

"We are so humbled to receive these machines as it will help our centre as we train people who are willing to make a difference in their lives and for others", said Julia Letele, the Centre Manager. The donation ceremony was

attended by other board members of the centre and the employees of the Windmill Casino, Ms. Karen Coetzer and Evone Fernandes.

The Windmill CSI Thabo Trust was formed as a way of giving back to the community of Botshabelo and Thaba-Nchu after the Thaba-Nchu Sun closed down and people lost their jobs. The dividends for the trust are from Windmill Casino and the trust has already helped with a building at Botshabelo Centre for vulnerable children worth R450,000, Moipone Primary School in Thaba-Nchu and renovations at the Ereskuld worth R47,000 and Mmabana received a kiln worth R112,000.

## WINDMILL CSI DONATES TEXTILE MACHINES TO BCDC





## BUILDING AN EFFECTIVE REGULATORY FRAMEWORK: HOW DO WE MEASURE UP?

No one could have accurately predicted the recent expansion of gaming worldwide. History will view the 1990s as the world's great experiment with casino gaming. Twenty years ago, Nevada was alone in the United States in using the gaming industry to stimulate tourism and growth. Outside the United States, only a few casino venues existed.

With expansion has come confusion, particularly in the area of regulation. Jurisdictions that rushed and blindly adopted the regulatory systems of Nevada, New Jersey or Great Britain found they created more problems than they solved. While Nevada, New Jersey and Great Britain have effective regulatory systems, their authors designed their respective systems to reflect unique policy goals, capabilities, expertise, and history. Little chance exists that a new jurisdiction will have the same circumstances as an existing jurisdiction to allow mere copying of a regulatory system.

Regulation is important to assure public confidence in the integrity of the games and to increase public acceptance by removing any perception that criminals have ownership interest in the casinos. Governments should also be aware that regulation can inadvertently stifle the growth of an industry. If the goal of a jurisdiction is to use casino gaming to stimulate tourism and raise revenue, the best regulatory system will achieve its regulatory goals at the least cost to the regulated and with the least interference with the operator's business judgment. This is important in a world economy with increased competition."

Foreword: International Casino Law (Cabot et al, 1993) by Grant Sawyer: Governor of Nevada (1959 – 1967)

Some twelve years into the formal regulation of licensed casino gambling in South Africa, it is appropriate to focus critically on what has been achieved to date, in an attempt not only to determine whether our current regulatory framework meets the objectives it was intended to serve in the most efficient and effective manner, from the perspective of regulators and licensees alike, but also, equally importantly, whether it is flexible and durable enough to meet the demands posed by the ever-changing economic and technological landscape in which it operates.

Sawyer's remarks above contain a salutary reminder of a central truth which is often overlooked; namely that effective regulation is a two-way street which benefits the regulator and the industry alike. When regulation is effective, a stable and vibrant gaming industry will follow, resulting in a demand from new operators seeking to invest in gaming operations in the relevant jurisdiction.

What then are the central elements of good regulation in the South African context? As part of the answer to this question, it is important to establish what the legalisation of the industry was designed to achieve. The Wiehahn Commission, which in 1995 released its seminal "Report on Gambling in South Africa", which was to form the philosophical bedrock of the subsequent legalisation of gambling in the country, highlighted the following key considerations in motivating the legalisation of the industry:

- (i) the virtually complete prohibition on gambling had been, and would continue to be, unsuccessful and would continue to feed the growth of a predatory illegal industry;
- (ii) the continued ban on gambling would drive revenue outside of the country to neighbouring states, where no such ban existed, whereas licensed gambling would provide much-needed revenue to the fiscus;
- (iii) the legalisation of gambling would result in economic development and the creation of employment opportunities, and
- (iv) the Board foresaw "that many facets of the tourist, leisure, and free-time industry in South Africa could benefit substantially from a legalised system of gambling".

It is clear from the above that as the licensed gambling industry in South Africa was born of the need primarily "to use casino gaming to stimulate tourism and raise revenue", Sawyer's remarks are a useful touchstone for measuring the effectiveness of regulation in this country. It is therefore important to focus on the extent to which the regulation of casino gambling has created enough scope for the growth of the industry, and steered clear of over-regulation, in order to achieve this underlying objective.

In South Africa, as anywhere in the world, policy goals must be clearly defined by government, conveying a clear vision as to what the industry should achieve; effectively published and consistently applied, so as to ensure predictable outcomes and jurisdictional stability. The National Gambling Act, Act 33 of 1996,

*continued on back page*

# EMFULENI RESORTS TO INVEST R1 BILLION IN PORT ELIZABETH

**Emfuleni Resorts has been chosen by the Eastern Cape Gambling and Betting Board as the preferred bidder for the casino licence in Port Elizabeth following their specified plans to enlarge and improve the Boardwalk Casino.**

The casino and its adjoining Entertainment World have attracted more than 24 million visitors since opening in October 2000, but the licence expires in 2010. The final granting of the new 15-year licence depends on the approval of the responsible provincial MEC, and the negotiation of conditions.

In terms of the bid, Emfuleni will invest R1 billion in a five-star hotel, an international convention centre, a new smoking casino, the longest water tunnel in the world, musical fountains, a spa and fitness centre, new gaming machines and additional parking.

It is proposed that the total number of direct jobs would increase from 480 to about 2100 once the development is fully completed. The total number of indirect jobs

would almost double from 4300 to about 8300 in 2025.

At the start of the new 15-year licence period, Emfuleni would have an effective black economic empowerment (BEE) shareholding of 52.1 percent, of which 35.6 percentage points would be held in the Eastern Cape.

In addition to this, the Boardwalk would be committed to sourcing at least 55 percent of its goods and services from locals and 65 percent of the total from BEE suppliers countrywide.

Emfuleni projected that it would also commit 1 percent of its net profit after tax towards the social investment projects and 3 percent to the development of new enterprises over the licence period. This would amount to an estimated R120 million

and most of it would be allocated to community projects aimed at benefiting black residents of the Eastern Cape and would also be of significant benefit to local communities.

During the licence period it is estimated that the Boardwalk would contribute about R600m to the fiscus by way of taxes, levies and fees and as much as R26bn to indirect household income in the Eastern Cape province. It is predicted that by 2025 the cumulative contribution to gross domestic product could amount to as much as R50bn.

The renewal of the licence would mean a continuation of a subsidy now paid to the Fish River Sun, together with a capital injection of R30m, which will in turn maintain critically needed jobs in a depressed area.



**As part of the 'Touching Lives' Campaign, Suncoast has announced their support of 'Vukukhanye Community Upliftment Initiatives' as their chosen charity for the next financial year.**

# Suncoast supports community upliftment with Vukukhanye Community

Suncoast's partnership with Vukukhanye, a public benefit organization based in Chesterville, Durban, aims to contribute positively to the social, environmental and law enforcement levels of the community.

"We are humbled and privileged to be able to play a part in improving the quality of life for the entire community of Chesterville, both through financial support and the investment of time and effort by our staff," said Suncoast's executive director Mike Dowsley. "The introduction of the bursary sponsorship is especially exciting for us as it adds a new dimension to any of our previous CSI commitments and we look forward to seeing the impact of the support for a long time to come."

Suncoast will provide eight school and tertiary bursaries, which will include school fees and financial support for other expenses. In addition, sports equipment and gear will be donated to Vukukhanye's 'Sport For All' project, with 100 children being enrolled to take part in the project.

Vukukhanye was formed in 2001 in response to the serious threat to child and family welfare caused by the HIV/Aids epidemic in Chesterville and Cato Manor. The organisation's activities cover a wide range of areas including feeding schemes, the establishment of the Zamokuhle and Bamba Izandla creches, adult literacy training, skills training and income generation projects, a rape crisis centre, a disabled people's support group and HIV/Aids education and care via the Chesterville Satellite Hospice.

"Our focus is on the holistic development of the community of Chesterville," says Vukukhanye's chief executive officer Anthony van der Meulen. "Areas of strategic activity include orphans and vulnerable children, early childhood development, youth and adult education, development and community safety and HIV/Aids."



# MYKONOS CASINO MAKES LANGEBAAN'S SKATEPARK A REALITY

The project is financed by a R770 000 grant from Mykonos Casino and Saldanha Bay Municipality made the ground available. The skatepark is to be designed and built by Clive Crofton who has designed 20 skateparks over the last 12 years. Crofton said that Langebaan's park is to be a combination skatepark and plaza and it will be up to international standards.

Apparently skate plazas are the latest in international trends. With handrails, banks and ledges, they reflect the street essence of skateboarding. Skateparks feature half pipes and designed ramps. Langebaan's park will have a bit of both, said Crofton. There will be a 4-foot half pipe, bowl, double set stairs with handrail, curved and straight ledges, wall rides and manual pads.

The park will suit all skateboarding levels and styles, from easy for beginners to being fun for advanced skateboarders. The park will also include a small youth centre

Langebaan's first skatepark and youth centre was officially announced in July 2009. What began three years ago as Lynn Pearson of Play's (Parents Lobbying for Active Youth) little dream has resulted in a R770 000 project that organisers hope will set a trend for similar youth projects in surrounding towns.

with a hall, canteen, kiosk, outdoor eating area and ablution facilities.

Play together with the Langebaan Biker Boys and other role players have formed a committee to drive the project. Christie Oosthuizen, project manager, said they expect to have the skatepark completed by mid-September and construction on the youth centre will then commence. A date for the official opening of the skatepark and centre has not been set, but it is hoped that it will be up and running by December.

A management team will be appointed to take care of daily supervision at the park and to ensure that no illegal activities such as drug trafficking take place. A nominal fee will be asked for use of the skatepark.

In an eco-friendly touch, the planned installation of a water tank for the collection of rain water in turn will be used for sprinkling the lawn and garden areas.

In Vredenburg a similar project is hoping to get off the ground soon.



## Mysteries and wonders of the Wild Coast area inspiration for tour guides

In 2006, 35 keen locals from the rural Amadiba community in the Eastern Cape were given the opportunity to be trained as tourist guides through a 12-month registered THETA course by the Esayidi FET College.

The Wild Coast Sun provided the training facilities and assisted the students with nine months of practical experience in guiding tourists on the Wild Coast Sun Heritage Beach Walk to the Petrified Forest.

In the end, 32 students qualified and received their Tour Guide certificates in 2007. Three students, and residents of the Mzamba community, were employed by local tour operator Mzamba Tours, which also heads up the Wild Coast Sun Heritage Beach Walks on behalf of Wild Coast Sun.

Nkosinathi (Bennie) Mbotho, lead tour guide at Mzamba Tours, and who

regularly guides the Wild Coast Sun visitors to the fossil beds said "I am thankful that the hotel is so vigilant in protecting the fossil beds, as this has given the community an opportunity to be part of the tourism industry and promote small business development in the area".

As a young boy, Mbotho always enjoyed showing people the natural beauties of his local community, including the beaches. More than 30 years later he is still as inspired by the mysteries and wonders of the area and shares his passion and knowledge with the guests of the resort.



## EMPOWERMENT PAYS

Amy Filander joined Mykonos Casino in January 2008 as a payroll administrator. She has had the opportunity to attend numerous training courses giving her the opportunity to develop herself within her chosen career. "Working in the casino industry has definitely given me a broader knowledge and skill base, says Amy."

# BITTEN BY THE BUG

Starting his career as a slots attendant, Denver Adams has been in the casino industry for the past nine years. Denver always knew he had the potential to go further, and within one year received a promotion to senior floor attendant and shortly thereafter another promotion to supervisor. He has attended several training courses which he says has made him a stronger more confident person. Denver currently holds the position of casino duty manager at Mykonos Casino, and as he says "the bug has bitten".



## Legal WATCH *continued from page 4*



articulated the broad policy goals of government, but did not focus on how the outcomes which it identified were to be achieved. This was left to the various provincial legislatures, which entered the terrain of gambling regulation with no related expertise and, in many cases, relied on the experience of other more seasoned international regulators. It was gradually discovered, however, that a copy-and-paste approach to regulation failed to meet the defining jurisdictional circumstances of the country itself, and that South African solutions would have to be devised to meet South African challenges. Provincial gambling boards – quite rightly – sought to address these challenges as they developed the required expertise. However, as the various boards developed at different paces, different priorities and fixed policies were formulated at different junctures, leading to disparate approaches to key areas of regulation as between provinces. The subsequent thrust towards greater uniformity and standardisation has, to a large extent, eased fragmented provincial approaches towards regulation, although certain challenges remain. By way of example, in the context of broad-based BEE, the settled policy of the national government, as set forth in the Codes of Good Practice, continues to be supplemented by various specific requirements articulated by provincial gambling boards.

As Sawyer remarks, over-regulation should consciously be avoided where

the objectives of the industry are to promote revenue generation and the stimulation of tourism. Over-regulation generally occurs where broad policy is overlooked in favour of micro-management, or an excessive degree of attention to procedural detail. Experience in South African has shown that a risk-based approach to regulation is a key component of effective regulation as it enables the regulator to ensure ongoing focus – by regulatory officials and industry alike – on agreed industry objectives. This approach also prevents uncritical, mechanical regulation, which does not measure industry performance against defined policy goals, and ensures optimal use of regulatory resources. Experience has shown that those provinces whose regulation is based on risk assessments, work-shopped with the industry, have achieved the most focused regulation. However, there is room for more self-regulation, at a purely procedural level, by licence holders. In such a scenario, the role of the regulator would be to ensure that the licence holder addresses procedural transgressions promptly and appropriately, and to impose penalties only when this is not done, rather than to penalise the transgressions themselves.

In addition, while effective regulation clearly involves protection of the public interest, it is important to recognise that the public interest can be misconstrued – where gambling has been legalised

by government, moral objections to gambling have been finally considered and should not be confused with the public interest, as often occurs. Moreover, the public interest should be advanced primarily through ongoing education, which research has proven to be the key to informed decision-making by the public, rather than by knee-jerk regulatory responses.

Effective regulation also recognises that the vulnerability of the gambling industry to criminal interference is largely a function of the technological controls which are available and put in place and that the available controls will therefore dictate the level of regulation required. It is therefore of crucial importance that industry stakeholders provide regulators with adequate information as to the nature and effect of the technological controls in place.

Finally, effective regulation is irreconcilable with complacency. It requires continuous critical self-evaluation by regulatory authorities and the licensed industry alike. The ongoing development of a vibrant industry brings with it new demands, which in turn must be communicated, understood and shaped into effective policies based on a mutual goal – the maintenance of a credible and responsible casino industry in South Africa. While we have gone a long way towards creating an environment for effective regulation in South Africa, further improvement is always possible.