



Republic of Zambia
MINISTRY OF FINANCE

DRAFT

GAMING AND LOTTERIES REGULATORY POLICY

2019

Contents

FOREWORD.....	2
ACKNOWLEDGEMENTS.....	5
WORKING DEFINITIONS	7
ABBREVIATIONS AND ACRONYMS.....	10
INTRODUCTION	11
SITUATION ANALYSIS	13
VISION.....	19
RATIONALE	19
GUIDING PRINCIPLES.....	21
OBJECTIVES.....	23
POLICIES AND STRATEGIES	24
IMPLEMENTATION FRAMEWORK.....	28
INSTITUTIONAL ARRANGEMENT	28
LEGAL FRAMEWORK	29
RESOURCE MOBILIZATION AND FINANCING.....	29
MONITORING AND EVALUATION	30

FOREWORD

Sustaining socio-economic growth and stability requires a holistic view of the economy where there is recognition of each industry and its contributions to the country's socio-economic development. The Government of the Republic of Zambia has recognized the gaming and lotteries industry as one such industry whose contributions can be substantial to the country's socio-economic development. Other African countries are gaining a fair amount of wealth



from the industry. For instance, the Ventures Africa had projected the combined size of the gaming and lotteries industry to over \$37 billion dollars for Kenya, Nigeria and South Africa as at end 2018. Further, there's been a global advancement in technology and the drive to increase financial inclusion which has introduced electronic and online financial platforms. The electronic and online financial platforms vis a vis mobile money and online banking have consequently led to the unanticipated proliferation of betting and lotteries outlets.

The Country has seen a rise in the incorporation of lotteries and betting entities while the monitoring and supervision mechanism of the industry has remained static for years. As of end 2018, Zambia had registered and licensed twenty-four (24) casinos and the number rose to thirty-four (34) as of end August 2019. The number of licensed betting and lottery businesses is high compared to other countries in the region which stood at over fifty (50) as of end 2018. The current numbers of gaming and lotteries entities is not only extravagant, but the entities are also operating in undesignated areas.

The unanticipated dynamism in technology and the proliferation of operators has necessitated robustness and effectiveness in the enforcement of the industry's legislative framework. In addition, the current regulatory framework has conspicuous weaknesses and loopholes, which crystalized mainly because the framework dates as far back as the 1970s and has not considered the transitions in Zambia's economic systems.

The sector is currently regulated by six (06) fragmented pieces of legislation and administered by different ministries such as the Ministry of Finance, Ministry of Tourism and Arts and Ministry of Local Government

The Sector's overarching problem is lack of a clear policy direction to provide strong regulatory framework that will strengthen the Industry. Further, the fragmented pieces of legislation have made enforcement, monitoring and supervision difficult. Consequently, it is necessary for strict monitoring and inspections to be instituted with the aim of bringing more awareness and sanity to the industry. Developing and executing such a policy and legal framework presents Government with a significant challenge. The industry has grown and fast sprouting from a mostly land and scratch card based to an on-line one. The games have also significantly changed in nature. As the industry's demographics and impetuses of its customers change, a demand is placed on government to adjust its licensing and regulatory approach.

The industry has also been infiltrated by suspected illegal activities of a financial nature which calls for robust and transparent licensing and risk-based supervision and monitoring. The current regime has not promulgated effective, proportionate, and dissuasive sanctions that would deter would be illegal players. The mutual evaluation of Zambia on Anti Money Laundering Countering Financing of Terrorism (AML/CFT) system or regime of 2007 as well as that of

2019 conducted by the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) established that the gaming industry in Zambia caused money laundering risk because it was not effectively supervised. To this effect, a recommendation was made to the Zambian authorities to establish a gaming authority to oversee and effectively supervise the operations of the casinos, lotteries, betting, and horse betting.

Therefore, government should, in a transparent and balanced manner, license and control gaming and lotteries pursuits participated in by the many players throughout the country. Government must ensure and safeguard the best possible enforcement of the law and compliance with licensing conditions, increase revenue to the Treasury, improve services to the consumer and support effective protection for those who may be vulnerable to addiction.

In view of the foregoing, the Ministry of Finance as well as the Ministry of Tourism and Arts has found it expedient to establish a Gaming and Lotteries Regulatory (GLR) Policy. The main objective of this Policy document will be to ensure that there is a policy framework for the Regulation, Supervision and Monitoring in the Gaming and Lotteries Industry. This Policy shall also ensure that all pieces of Legislations governing the Lotteries and Gaming Sector are repealed and harmonized to form one Regulatory Act that will establish a Gaming and Lotteries Authority. It is the firm view of the two Ministries that without a new independent regulatory authority, of a sufficient scale, the all-inclusive reform required for the industry would not be possible. The Authority will provide competence over matters relating to casinos, racing, pools and betting, provide for protection of the vulnerable persons, address the social impact, and provide for the continued regulation of the Sector such as, improvement and control of sector practices and ensure maximum government revenue collection from the industry.

HON. DR. BWALYA K.E. NG'ANDU, MP
MINISTER OF FINANCE

ACKNOWLEDGEMENTS

In formulating the Gaming and Lotteries Regulatory Policy, comprehensive consultations were carried out with various stakeholders in order to tap from the wealth of expertise and come up with a policy document that should result in the attainment of Government's desired impact. In view of that, due appreciation is extended to all stakeholders who participated in the formulation and preparation of this policy document.



The Ministry of Finance would like to recognize and pay tribute to all organizations, institutions and individuals that in one way or another made invaluable contributions to the development of this policy.

Taking cognizance of the limited space to mention all contributors to the policy, the Ministry of Finance acknowledges and gives special thanks to the following institutions for their valuable inputs:

- Ministry of Justice
- Ministry of Home Affairs
- Ministry of Tourism and Arts
- Ministry of Labour and Social Security
- Drug Enforcement Commission
- Financial Intelligence Center

Lastly, I wish to commend the unwavering commitment of the Investments and Debt Management department, Office of the Accountant General and the Controller of Internal Audit Section of the Ministry of Finance for their hard work and for ensuring that the

policy development process comes to fruition. I sincerely thank you all.

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WORKING DEFINITIONS

In this document, unless the context otherwise requires:

Administrative Ministry

means the line ministry or sector ministry under which a particular entity or the Authority falls

Bank

means a company authorised to conduct banking business in accordance with the Banking and Financial Services Act

Consumer

means a person who purchases or offers to purchase goods or services supplied by an enterprise in the course of business and includes business person who uses the product or service supplied as an input to his or her own business, a wholesaler, a retailer, and a final consumer in accordance with the Competition and Consumer Protection Act

Financial Institution

shall have the meaning assigned to it in the Banking and Financial Services Act. It shall also mean a company, other than a bank, providing a financial service

Gambling

means accepting, recording, or registering bets, or carrying on a policy game or any other lottery, or playing any game of chance, for money or other thing of value

Money laundering

has the meaning ascribed to that expression in section 1 of the Financial Intelligence Centre Act;

Pool

means any competition organized for the gain of the promoter in which for a monetary or other material reward the public are invited to foretell the result of any race, game or event , and includes a pool operated on the system known as fixed odds betting pool on the result of any race, game or event

Gaming Industry

includes gaming and lotteries regulated in accordance with the National Law.

The Authority

means the Regulatory body established to regulate, monitor and issue licenses in the gaming and lotteries industry. License includes to register, approve or certify operators in gaming and lotteries industry in

	accordance with the terms of any applicable National Law
Casino	means any premises kept and managed for the purpose of gaming
Gaming	means the playing of a game of chance for winnings in money or monies worth, and the word “game” shall be construed accordingly

ABBREVIATIONS AND ACRONYMS

DEC	Drug Enforcement Commission
FIC	Financial Intelligence Center
GLRA	Gaming and Lotteries Regulatory Act
GLRP	Gaming and Lotteries Regulatory Policy

GRZ	Government of the Republic of Zambia
MLGH	Ministry of Local Government and Housing
MLSS	Ministry of Labour and Social Security
MoF	Ministry of Finance
MoHA	Ministry of Home Affairs
MoJ	Ministry of Justice
MoTA	Ministry of Tourism and Arts
SLB	State Lotteries Board
TEVETA	Technical Education, Vocational and Entrepreneurship Training Authority

INTRODUCTION

The Government of the Republic of Zambia jointly through the Ministry of Finance and the Ministry of Tourism and Arts has realized the need to modernize the regulatory regime of the Zambian gaming and lotteries industry. The industry has become large, fast growing and evolving from the traditional land-based and scratch-card based gaming to online. The approach, demographics and customer motivations have equally changed necessitating a review of the

prevailing pieces of legislation governing the industry. In order to remain relevant and keep abreast to the dynamics in the gaming and lotteries industry, it has become necessary for GRZ to establish a Gaming and Lotteries Regulation Policy. Currently, there is no integrated government policy which provides guidelines and procedures for the operators in the Zambian gaming and lotteries industry and ensure that the State has a more systematic approach to regulation of the industry.

A modern policy framework is necessary to facilitate the establishment of the regulatory, monitoring and supervisory framework for the gaming and lotteries sector. The Sector is currently being governed by various fragmented legislation, resulting in the fragmentation in the governance structure of the gaming and lotteries sector. In addition and coupled with the fact that there is no unified national regulator institution has resulted in vices such as the proliferation of illegal activities in and around gaming and lotteries activities, increased social ills which include among others, mental disorder, gender-based violence and gambling by minors. Additionally, the developments in the gaming and lotteries industry, inter alia advancement in technological has changed the landscape of the gaming industry to include internet-based gaming and lotteries. This has posed new and unique challenges necessitating the need to update and unify the current legislation and the need for a single entity to focus on the regulation and control of the whole industry.

Additionally, the weak existing legislation governing the gaming and lotteries sector has led to loss of revenue on the part of Government due to lack of proper monitoring and supervisory mechanisms in place and provides a basis for corrupt and illegal activities.. The policy must ensure the best possible enforcement of the law and compliance with licensing conditions, improvement in services to the consumer and enhanced support to effectively protect those who may be vulnerable

to gaming and lottery addictions and subsequently increase revenue to the National Treasury.

In view of the foregoing, clearly defined policy guidelines together with the introduction of an effective regulatory framework would lead to government achieving its intended socio-economic objectives by taking advantage of the opportunities presented by the gaming and lotteries industry.

The main sections of this policy document include the Situation Analysis, Vision, Policy Rationale, Guiding Principles, Policy Objectives, Institutional Arrangement, Legal Framework, Resource Mobilization & Financing, Monitoring and Evaluation, Policies & Strategies and Implementation Framework.

SITUATION ANALYSIS

The gaming and lotteries sector, is one of the oldest and presently functioning sectors in Zambia, existing since the 1950s. As of late 2010s there has been a worldwide expansion in gaming and lotteries activities and increased reliance of governments on revenues from the industry. The industry has continued to grow into a powerful economic force in most economies. In as much as the industry has a considerable potential to contribute to employment creation and government revenue, weaknesses notable weaknesses in the policy and legal framework have been observed. Such weaknesses have led to among others, huge losses of government revenue in terms of taxes and levies, detrimental exposure of minors to gambling and in certain instances used as a conduit for money laundering.

The industry has also been infiltrated by suspected illegal activities of a financial nature which calls for robust and transparent licensing and risk-based supervision and monitoring. The current regime has not

promulgated effective, proportionate and dissuasive sanctions that would deter would be illegal players. The mutual evaluation of Zambia on Anti Money Laundering Countering Financing of Terrorism (AML/CFT) system or regime of 2007 as well as that of 2019 conducted by the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) established that the gaming industry in Zambia caused money laundering risk because it was not effectively supervised. To this effect, a recommendation was made for the Zambian authorities to establish a gaming authority to oversee and effectively supervise the operations of the casinos, lotteries, betting, and horse betting.

The industry has grown and evolved from the outmoded land-based and paper-based to electronic and online platforms. The change in gaming and lotteries styles, demographics and customer motivations has not been reciprocated by developments in the monitoring and supervision regime. The regulatory framework is not only outdated and but also has many loopholes making it difficult to regulate the sector. The situation has been exacerbated by the industry being governed by fragmented pieces of legislation. The sector is currently governed by:

- i. The Lotteries Act Chapter 163, No. 13 of 1994 an Act which provides for the control and regulation of lotteries and for the setting up of a Lotteries Control Board;
- ii. The Tourism and Hospitality Act No. 13 of 2015; an Act which provides for the granting of casino licenses;
- iii. The Pools Act Chapter 165, No 13 of 1994; an Act which provides for the regulation of pools competitions;

- iv. The Gaming Machines (Prohibition) Act. Chapter 92, No. 13 of 1994; an Act to repeal the Gaming Machines Act and to prohibit the keeping of gaming machines;
- v. Betting and Control Act, No. 13 of 1994, an Act which provides for the establishment of a betting control and licensing board, licensing of book makers and betting premises and for the general improvement of control over book making and betting practices in Zambia; and
- vi. The State Lotteries Act, Chapter 328, No. 11 of 1994 an Act which provided for the establishment of the State Lotteries Board, promotion and conduct of lotteries and pools by the State Lotteries Board;

In 2018, Government undertook a situational analysis study of the gaming and lotteries outlets in Lusaka, Copperbelt and Northwestern Provinces the provinces which had considerably more gaming and lotteries presence at the time of study. The Study was undertaken to assess the gaming and lotteries business environment and inform government policy on the industry. The specific objectives of the situational analysis were to understand the ownership and shareholding structure of companies; types of games offered by company; the companies' revenue collection systems; the companies' remittance of revenue; the business environment and operations; the company's clientele; number of employees; how the companies' give back to society and strengths and challenges faced company.

The situational analysis study revealed that gaming and lotteries entities could be grouped into two categories, that is, (i) casinos and (ii) lottery & betting businesses. The study was undertaken on the tabulated registered casinos and betting and lottery entities:

CASINOS	
Name of Entity	Location
Casino Marina	Lusaka
Golden Galaxy Casino	Lusaka
Lusaka Royale Casino	Lusaka
Victory Club Casino	Lusaka
Emperor Casino	Lusaka
Great Wall Casino	Lusaka
Royal Casino	Ndola, Copperbelt Province
Vince Casino	Ndola, Copperbelt Province
Giant Dragon Casino	Kitwe, Copperbelt Province
Tenda Casino	Solwezi, North-Western Province
BETTING AND LOTTERIES OUTLETS	
Name of Entity	Location
M-Bet Limited	Headquartered, Lusaka
Bola Bet Limited	Headquartered, Lusaka
Castle Bet Limited	Headquartered, Lusaka
Mega Bet Limited	Headquartered, Lusaka
Gamotech Sports Betting Limited	Headquartered, Lusaka
Premier Betting Limited	Headquartered, Lusaka
Bet Bio Limited (Betpawa)	Headquartered, Lusaka

The general observation was that the entities had similar challenges according to their size. Other notable observations were:

- i. There was risk of duplication of efforts and overlapping of jurisdiction over the sector owing to the fragmented pieces of legislation, rendering the monitoring and supervision ineffective and making enforcement of laws difficult and leading to loss of revenue by government;
- ii. In a radius of 20-30 metres, there were about two (02) or more betting centres. For instance, in Kalingalinga, Lusaka, it was observed that in a radius of 20 metres, there were 5 betting

centres namely Gametech, Premier betting, Africa bet and Gal sports betting;

- iii. Casinos did not request customers for identification such as National Registration Cards or Passports. As such, in case of any criminal acts such as money laundering, it would be difficult to trace perpetrators. The entities advised that if they implemented such a policy they would lose out on clients since it was not law;
- iv. Betting centres did not have mechanisms in place for age restriction, deterrence mechanisms for vulnerable persons and basic knowledge of the customers;
- v. Casinos and betting centres did not have restrictive operating hours, they operate twenty-four-seven (24/7) daily;
- vi. There are companies operating online betting and casino games using the license issued by the Betting Control Board. However, the Betting and Control Act does not encompass online games and there is no legislation that regulates online casinos;
- vii. It was observed that there was need to harmonise legislation to accommodate the immigration inspections in casinos and betting places. A number of foreign nationals were working in casinos, but it was not clear what kind of work permits they were issued;
- ix. No Zambian had full or majority ownership of a casino or betting company. Zambians held less than 5% interest in casinos and betting companies;

Springing from the Study, it was recommended that:

- i. GRZ should urgently develop a policy and subsequently enact an Act of parliament that will harmonize the fragmented pieces of legislation and establish a regulator of gaming and lotteries in Zambia;
- iii. GRZ should make it mandatory for both employees and employers of casinos and betting centres to be registered with an appropriate association to work in casinos and betting centres;
- iv. Betting companies should be charged according to the number of machines they operate in a specific center and that restrictions be made on the type of machines to be imported. In Addition to the General License issued to operate casinos and betting centers, the machines should be registered, and a fee charged for every machine imported;
- vii. In order to encourage Zambians to participate in the sector, investment incentives should be given to locals that are in the gambling sector. However, there should be a Minimum capital (investment) prescribed by the regulator to protect consumers and creditors from hastily established and potentially insolvent firms;
- viii. The regulator should set up a Fund which will be financed by fees from operators. The Fund will be used for amongst others, protection of the vulnerable and finance emergency inspections;
- xiii. Additional Registration requirements for online betting companies, such as compelling the companies to have physical presence in Zambia, should be introduced in order

to accommodate for dispute resolution, early cash out of jackpots amongst others;

- xiv. TEVETA be requested to develop a curriculum for employees earmarked to work in casinos and betting centres;
- xv. Operating licenses for casinos and betting centres should be enhanced to restrict operating hours; and
- xvi. Payments of every transaction made with betting centres and casinos should be made through bank visa or mobile banking platforms registered with ZICTA.

VISION

To establish an effective, efficient and well-regulated gaming and lotteries industry preserving community welfare, maintaining customer satisfaction and adequately contributing to domestic revenue.

RATIONALE

As a result of lack of clear policy direction, best possible enforcement of the law and compliance with licensing conditions and lack of an independent regulatory authority of sufficient scale, comprehensive reform in the sector will not be possible. The Zambian gaming and lotteries sector, is faced with the following identified challenges:

LACK OF AN ELECTRONIC MONITORING SYSTEM

Zambia does not have an effective central electronic monitoring system capable of monitoring the operations of the industry.

Technological advancement in the industry has led to the proliferation of advanced electronic and online gambling making monitoring and supervision difficult due to the old regulatory framework which has remained static for years.

SUSPICIOUS TRANSACTIONS

Zambia has over the years been trying to curb the vices of money laundering, corruption and fraud. However, the gaming and lottery industry lacks proper systems to register and monitor individuals and corporate bodies engaged in the activities of the industry has led to illegal operations and corrupt practices.

EXPOSURE OF MINORS TO GAMBLING ACTIVITIES

The existing weak legislation system lacks proper mechanisms for inspecting the types of gaming and lottery activities allowable in the industry. The industry has exposed minors and vulnerable persons to the negative effects of the gaming and lottery activities.

LACK OF NORMS AND STANDARDS

The gaming and lottery activities should be in line with the internationally accepted standards and best practices. However, the Zambia gaming and lotteries industry has not put in place clearly defined norms and standards.

OVERLAPS IN THE ISSUANCE OF LICENSE

Currently, there are overlaps in the issuance of licenses. The Ministry of Finance, Ministry of Tourism and Arts and Local Municipal Councils have been issuing gaming and lotteries licenses without clear boundaries, hence creating overlaps leading to inefficiencies in the regulatory framework.

NON-PROSECUTION AND PENALIZATION OF VIOLATORS

The gaming and lotteries regulatory authorities lack proper systems to detect suspicious transactions in the industry. This has made prosecution and penalization of violators difficult.

LACK OF TRIBUNAL FOR SETTLING OPERATOR-PLAYER DISPUTES

The existing legislative regime has not provided for a tribunal to promptly settle conflicts between operators and players in the industry making conflict resolution difficult.

LOSS OF GOVERNMENT REVENUE

The State has no proper facilities and systems in place, to register, monitor and collect revenues in terms of fees, taxes and levies from the gaming and lotteries industry. This has led to loss of substantial revenue on the part of Government.

GUIDING PRINCIPLES

The Policy shall be guided by the following principles:

Openness, Transparency and Accountability

The Regulator should ensure that all activities related to the gaming and lotteries are implemented and administered in a transparent and accountable manner. The management and operation of the activities in the industry should be regularly reported to uphold the public's trust that gaming and lottery activities are being conducted and managed in the best interest of the people of Zambia.

Integrity of Lotteries and Gaming activities

The Regulator should set criteria and rules for the responsible conduct and management of all gaming and lottery activities in Zambia to protect the integrity of the industry. Further, the Regulator should clearly set out governance and regulatory regimes in order to provide appropriate checks and balances.

Good Corporate Governance

The Regulator should embrace good corporate governance and should focus on its core business in line with the mandate for which it was created.

Protection of minors and vulnerable persons

The Regulator should monitor the industry to make sure that the activities are conducted fairly and openly, and that minors and vulnerable persons are protected from the negative effects of gaming and lotteries.

Crime and illegal activities

The Regulator should ensure that crime and illegal activities are kept out of the gaming and lotteries industry

Provision of Entertainment

The Regulator should ensure that the gaming and lotteries industry provides various types of entertainment to the public.

Notice of Probability of Winning games

The Regulator should ensure that the probability to win a game is set according to international best practices in the gaming and gambling sector.

Revenue generation

The Regulator should complement Government's efforts in revenue generation. The introduction of proper monitoring and supervisory mechanisms should help Government increase revenue collections from the industry.

OBJECTIVES

The primary objectives of the policy shall be:

- a) To develop a legal framework for the regulation and control of all gaming and lottery activities;
- b) To preserve the integrity of Zambia as a responsible global citizen by ensuring an efficient and effective gaming and lottery regulatory regime;
- c) To develop an appropriate institutional arrangement for coordination and supervision of the regulator; and
- d) To ensure that regulatory systems are up to date with technological advancements to enhance all time compliance.
- e) To promote skills development in the industry in order to meet the needs of the gaming and lotteries industry;
- f) To promote responsible gambling in order to minimize the harmful effects of gambling activities and protect vulnerable persons from exploitation;
- g) To promote fair practices in gaming and lotteries in order to create a level playing field in the industry; and

- h) To strengthen monitoring and supervision of the gaming and lotteries industry in order to prevent money laundering and any other related financial crimes by 2021.

POLICIES AND STRATEGIES

To achieve the objectives and principles stated above, the following specific policies and strategies shall guide Government and the Regulatory Authority:

The Responsible Minister in consultation with key stakeholders shall develop a legal framework for the regulation and control of all gaming and lottery activities;

- (a) Enact a National Gaming and Lotteries Act to provide a legal framework to legitimise the regulator's roles and functions including its access to the gaming and lotteries operator information; The Ministry of Finance and Tourism and Arts will in conjunction with the Ministry of Justice draft legal framework to be enacted by parliament to legitimise the establishment of the Regulator .
- (b) Describe the responsibilities of the line Minister and Regulator's Board and enshrine the Minister's powers and responsibilities regarding the appointment of Directors, the roles of the Boards, the regulatory and monitoring framework, annual reports and dividends in the gaming and gambling Act.
- (c) Ensure prevention of gaming and lottery from being a source of or associated with crime or disorder or money laundering; To achieve this, the regulator would have in the short to

medium term tighten screening of proprietors as well as gambling patrons and

- (d) Develop an effective and efficient monitoring and supervisory framework to enhance compliance and payment of fees by operators to Government. The regulator in conjunction with Ministry of Finance would have to ensure that there was standardization in the way fees were paid by all operators in the gaming sector

The Responsible Minister in consultation with key stakeholders shall ensure that the integrity of Zambia as a responsible global citizen is preserved;

- (a) Ensure the regulator develops an efficient and effective gaming and lottery monitoring and supervisory regime capable of observing to a large extent cash and online transactions within the sector in order to minimize potential illegal financial activities in the sector.
- (b) Ensure that the regulator sets out standards for the operations in the industry to cover both premises and equipment, personnel and procurement of equipment and services. The regulator shall ensure that screening for operators and players in the sector were thoroughly screened in order to discover and prevent individual with questionable track record from infiltrating the sector
- (c) Ensure that all gaming and lottery activities are conducted responsibly, fairly and honestly where the privacy of a player is respected. The regulator shall strictly ensure that operators put in place mechanisms to ensure that the privacy, fairness

and honest is always promoted by way of putting in place measures to monitor all the activities.

- (d) Ensure that minors and other vulnerable persons are protected from the negative effects of gaming and lotteries. Further the regulator institution shall ensure that a fund is created and administered by the Regulator which funds would be used to mitigate the negative effects of gaming and gambling and matter incidental to the operation of the sector.
- (e) Ensure the protection of society from the over-stimulation of the demand for gaming and lottery. The regulator shall ensure that advertisement on gambling are highly censured and possibly banned from children friendly media, schools, markets place etc. as a measure to curb over stimulation of demand for gambling and gaming.

The Responsible Minister in consultation with key stakeholders shall put in place an appropriate institutional arrangement for coordination and supervision of the regulator;

- (a) Establish institutional arrangements outlining the roles, responsibilities and functions of key stakeholders. This would be aimed at ensuring that there would be no duplication of resources and oversight roles by spending agencies that are key stakeholders in the sector.
- (b) Ensure coordination and collaboration among stakeholders on gaming and lotteries matters. Key stakeholder institutions are required to collaborate on any intervention that is aimed at enhancing the general performance of the gaming and

gambling sector. This is aimed at addressing potentially conflicting isolated intervention in the sector.

- (c) Create a national gaming and lotteries authority under the Minister of Finance which will be headed by the Director General who will manage the day to day activities of supervising and monitoring of the gaming and lotteries industry. The Authority will develop a database of all the gaming and lotteries operators including their financial and non-financial performance. It shall be the responsibility of the Regulator to ensure that the existing as well as prospective operators of the Lottery and gambling business were thoroughly screened and vetted in order to mitigate against infiltration in the sector by persons of questionable background.
- (d) Provide financial sustainability, control and discipline in line with applicable legislation and policy prescripts and create a sustainable and financially efficient Regulatory Authority in the medium to long-term.
- (e) Establish proper systems to collect fees and taxes associated with the functions of gaming and lotteries. The regulator shall be expected to set targets for fees and taxes to be collected from the sector for each financial year and such targets should mirror industrial thresholds in the region.

The Shareholding Minister shall ensure that regulatory systems are up to date with technological advancements to enhance all time compliance;

- (a) Develop new regulatory techniques and acquisition of modern technology for effective monitoring and regulating of

advanced electronic gaming and lottery machines in order to stay abreast with current developments in the industry.

- (b) Ensure certification of all gaming and lotteries machines to avoid loss of revenue by government and non-compliance by operators. Only lottery machines and equipment that can be competently be monitored shall be licenced to operate in Zambia. This is aimed at ensuring that there no loopholes for revenue loss on the part of government at any given time.
- (c) Ensure that the regulator is innovative and up to date with current trends in the gaming and lotteries industry. The regulator shall be expected to subscribe to the International and Regional Associations for gambling so as to stay abreast of developments in the industry.

IMPLEMENTATION FRAMEWORK

In order to realize the vision and objectives of this policy, there is need for appropriate implementation framework which articulates the institutional arrangements, legal framework, resource mobilization, monitoring and evaluation.

INSTITUTIONAL ARRANGEMENT

Government recognizes the role played by the gaming industry in the National Economy and is committed to the creation of an enabling environment that will ensure its sustainable development and realization of full potential. The governance structure of the national gaming authority will on the apex, comprise of the Board of Directors, Senior and Middle Management and the ordinary employees. The

board will be responsible for creation and governance of the Regulator. The day to day activities shall be coordinated and carried out by management.

The industry will consist of casinos, pools, bingo, and sports betting and other internationally accepted games. The companies operating in the sector will be private sector companies which shall be regulated by Government.

LEGAL FRAMEWORK

The legislation will stipulate the responsibilities of action and the limits of authority. The government will provide a clear and transparent legal and regulatory framework that will ensure that the gaming activities in the country are effectively regulated controlled policed and licensed. The legal framework shall provide for a suitable regulatory regime that will promote private sector efforts to develop gaming activities and services in accordance with the internationally accepted standards and practices.

RESOURCE MOBILIZATION AND FINANCING

As a part of the Medium-Term Expenditure and Annual Budget, GRZ will allocate resources for the establishment and operation of the Authority at least in the initial period of operation, but the authority could ultimately be self-financing through license fees and duties charged to operators.

For sustainability, the Authority shall welcome both domestic and foreign investors to invest in the gaming sector with priority in hostels, tourism and other underdevelopment community areas. The promotion of joint-equity ventures between local and foreign partners will also be encouraged.

MONITORING AND EVALUATION

The Ministry of Finance and Ministry of Tourism and Arts shall be ultimately responsible for monitoring and evaluation of the implementation of the provisions of this policy. The two ministries shall conduct period monitoring exercises to assess adherence to the provisions of the policy and to determine whether interventions activities are contributing towards achievement of the policy goal and identified development objectives.