

VOTE: 123 National Lotteries and Gaming Regulatory Board

I. VOTE MISSION STATEMENT

To license, regulate, set standards, investigate and arbitrate complaints in lotteries, gaming, betting and casinos in Uganda

II. STRATEGIC OBJECTIVE

- i. Strengthen partnership with Key stakeholders
- ii. Reduce gaming harm
- iii. Increase stakeholder satisfaction
- iv. Increase revenue
- v. Improve compliance
- vi. Improve cost effectiveness and accountability
- vii. Improve governance and communication systems
- viii. Improve research and planning
- ix. Improve Business processes
- x. Improve infrastructure
- xi. Increase uptake of technology
- xii. Improve skills, Knowledge and teamwork

III. MAJOR ACHIEVEMENTS IN 2022/23

Increase in Revenue Generation from the Gaming sector

The annual revenue collection has grown from UGX 17.16 Billion in FY 2015/16 when NLGRB was established to UGX 110.5 Billion in FY 2021/22. In the 1st half of the FY 2022/23, UGX 81 Billion has so far been collected out of the UGX 119.844 Billion Projected to be collected by the end of the FY 2022/23.

Enforcement on unlicensed and non-compliant operators

In 1st half of FY 2022/23, NLGRB confiscated 185 unlicensed gaming devices from unlicensed operators. Enforcement actions like closure of non-compliant premises and closing of online sites have also been carried out on non-compliant operators. This is in line with Section 5(h) of the Lotteries and Gaming (Amendment) Act, 2018. Requests to UCC to block websites of 4 on-line illegal operators i.e. Crown Ug football, UG football, E- Cairo and BLQ football. The total number of unlicensed equipment and devices confiscated pending destructions is 1,124.

06 enforcements were undertaken on unlicensed online sites .i.e Uganda bettors' association, Crown football, UwinBet Uganda, E-Cairo, Ugafootball, and BLQ football.

Development of gaming standards. NLGRB in consultation with UNBS has developed 14 gaming software and hardware standards. The process of public review and comments has been concluded. The standards are awaiting UNBS approval.

Dispute Resolution. In line with Section 4 (m) of the Act, the Board is mandated to receive, investigate and arbitrate complaints relating to gaming and take appropriate action. During the FY 2021/22, NLGRB received and resolved 26 disputes worth UGX 78,323,234 which have all been resolved. During the 1st half of FY 2022/23, 08 disputes worth UGX 30,413,467 which have all been resolved.

Licensing. Section 27 mandates the Board to issue Casino or Gaming licenses. In 2022 the board issued 89 gaming operating licenses to 66 operators. For the calendar year 2023, the Board has to date approved 64 gaming operating licenses to 47 operators out of 87 license applications.

64 Licenses Approved

14 Gaming Standards Approved

08 Stakeholder Engagements (with operators, URA, N/V, Parliament, NBS, UNBS, UNF)

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IV. MEDIUM TERM BUDGET ALLOCATIONS

Table 4.1: Overview of Vote Expenditure (Ushs Billion)

| | 2022/23 | | 2023/24 | MTEF Budget Projections | | | | |
|--|-----------------|------------------|------------------|-------------------------|---------------|---------------|---------------|---------------|
| | Approved Budget | Spent by End Dec | Budget Estimates | 2024/25 | 2025/26 | 2026/27 | 2027/28 | |
| Recurrent | Wage | 2.484 | 1.197 | 2.484 | 2.608 | 2.869 | 3.156 | 3.472 |
| | Non-Wage | 5.598 | 0.822 | 11.092 | 11.646 | 13.975 | 16.771 | 19.957 |
| Devt. | GoU | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| | Ext Fin. | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| GoU Total | | 8.082 | 2.019 | 13.576 | 14.254 | 16.844 | 19.926 | 23.428 |
| Total GoU+Ext Fin (MTEF) | | 8.082 | 2.019 | 13.576 | 14.254 | 16.844 | 19.926 | 23.428 |
| Arrears | | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Budget | | 8.082 | 2.019 | 13.576 | 14.254 | 16.844 | 19.926 | 23.428 |
| Total Vote Budget Excluding Arrears | | 8.082 | 2.019 | 13.576 | 14.254 | 16.844 | 19.926 | 23.428 |

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Table 4.2: Budget Allocation by Department for Recurrent and Development (Ushs Billion)

| <i>Billion Uganda Shillings</i> | Draft Budget Estimates FY 2023/24 | |
|--|-----------------------------------|--------------|
| | Recurrent | Development |
| Programme:18 Development Plan Implementation | 13.576 | 0.000 |
| SubProgramme:01 Development Planning, Research, Evaluation and Statistics | 0.354 | 0.000 |
| Sub SubProgramme:03 Strategy and Corporate Affairs | 0.354 | 0.000 |
| 002 Research and Planning | 0.354 | 0.000 |
| SubProgramme:02 Resource Mobilization and Budgeting | 5.875 | 0.000 |
| Sub SubProgramme:01 Legal and Board Affairs | 0.989 | 0.000 |
| 001 Compliance and Enforcement | 0.351 | 0.000 |
| 002 Legal and Board Affairs | 0.639 | 0.000 |
| Sub SubProgramme:02 Policy, Planning and Support Services | 4.886 | 0.000 |
| 001 Finance and administration | 4.886 | 0.000 |
| SubProgramme:04 Accountability Systems and Service Delivery | 7.346 | 0.000 |
| Sub SubProgramme:02 Policy, Planning and Support Services | 0.060 | 0.000 |
| 002 Internal Audit | 0.060 | 0.000 |
| Sub SubProgramme:03 Strategy and Corporate Affairs | 7.286 | 0.000 |
| 002 Research and Planning | 7.286 | 0.000 |
| Total for the Vote | 13.576 | 0.000 |

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V. PERFORMANCE INDICATORS AND PLANNED OUTPUTS

Table 5.1: Performance Indicators

Programme: 18 Development Plan Implementation

SubProgramme: 01 Development Planning, Research, Evaluation and Statistics

Sub SubProgramme: 03 Strategy and Corporate Affairs

Department: 002 Research and Planning

Budget Output: 560035 Research and Advocacy

PIAP Output: Statistical Methodological research reports

Programme Intervention: 180511 Undertake research to improve methodologies for key statistics and indicators;

| Indicator Name | Indicator Measure | Base Year | Base Level | 2022/23 | | Performance Targets |
|---|-------------------|-----------|------------|---------|----------------|---------------------|
| | | | | Target | Q2 Performance | 2023/24 |
| Number of new statistical indicators compiled | Number | 2022/23 | 0 | 1 | | 1 |

PIAP Output: Research in gaming sector conducted.

Programme Intervention: 180602 Build research and evaluation capacity to inform planning, implementation as well as monitoring and evaluation;

| Indicator Name | Indicator Measure | Base Year | Base Level | 2022/23 | | Performance Targets |
|---|-------------------|-----------|------------|---------|----------------|---------------------|
| | | | | Target | Q2 Performance | 2023/24 |
| Number of research papers on key emerging areas of revenue collection in the Gaming Sector. | Number | 2022/23 | 0 | | | 1 |

SubProgramme: 02 Resource Mobilization and Budgeting

Sub SubProgramme: 01 Legal and Board Affairs

Department: 001 Compliance and Enforcement

Budget Output: 000024 Compliance and Enforcement Services

PIAP Output: Improved Compliance by gaming operators through audits checks and reviews

Programme Intervention: 180103 Amend and develop relevant legal frameworks to facilitate resource mobilisation and budget execution.

| Indicator Name | Indicator Measure | Base Year | Base Level | 2022/23 | | Performance Targets |
|---|-------------------|-----------|------------|---------|----------------|---------------------|
| | | | | Target | Q2 Performance | 2023/24 |
| Percentage/ Number of gaming operators compliant to rules and regulations of the Gaming industry. | Percentage | 2019-2020 | 66% | | | 87% |

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Sub SubProgramme: 01 Legal and Board Affairs

Department: 002 Legal and Board Affairs

Budget Output: 000012 Legal and Advisory Services

PIAP Output: Resource mobilization and Budget execution legal framework developed and amended

Programme Intervention: 180103 Amend and develop relevant legal frameworks to facilitate resource mobilisation and budget execution.

| Indicator Name | Indicator Measure | Base Year | Base Level | 2022/23 | | Performance Targets |
|---------------------------------|-------------------|-----------|------------|---------|----------------|---------------------|
| | | | | Target | Q2 Performance | 2023/24 |
| No. of legal frameworks amended | Number | 2022/23 | 5 | | | 2 |

Budget Output: 000032 Board Management

PIAP Output: Resource mobilization and Budget execution legal framework developed and amended

Programme Intervention: 180103 Amend and develop relevant legal frameworks to facilitate resource mobilisation and budget execution.

| Indicator Name | Indicator Measure | Base Year | Base Level | 2022/23 | | Performance Targets |
|---------------------------------|-------------------|-----------|------------|---------|----------------|---------------------|
| | | | | Target | Q2 Performance | 2023/24 |
| No. of legal frameworks amended | Number | 2022-23 | 2 | | | 5 |

Sub SubProgramme: 02 Policy, Planning and Support Services

Department: 001 Finance and administration

Budget Output: 000010 Leadership and Management

PIAP Output: Tax policy and legislative framework reviewed in line with priorities in DRM strategy

Programme Intervention: 180108 Establish an appropriate, evidence-based tax expenditure “governance framework” to limit leakages and improve transparency

| Indicator Name | Indicator Measure | Base Year | Base Level | 2022/23 | | Performance Targets |
|---|-------------------|-----------|------------|---------|----------------|---------------------|
| | | | | Target | Q2 Performance | 2023/24 |
| Reviewed Tax policy and legislative framework | Number | 2022/23 | 1 | 0 | | 2 |

SubProgramme: 04 Accountability Systems and Service Delivery

Sub SubProgramme: 02 Policy, Planning and Support Services

Department: 002 Internal Audit

Budget Output: 000001 Audit and Risk Management

PIAP Output: Capacity built to conduct high quality and impact - driven performance Audits

Programme Intervention: 180404 Enhance staff capacity to conduct high quality and impact-driven performance audits across government

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Sub SubProgramme: 02 Policy, Planning and Support Services

Department: 002 Internal Audit

Budget Output: 000001 Audit and Risk Management

PIAP Output: Capacity built to conduct high quality and impact - driven performance Audits

| Indicator Name | Indicator Measure | Base Year | Base Level | 2022/23 | | Performance Targets |
|---|-------------------|-----------|------------|---------|----------------|---------------------|
| | | | | Target | Q2 Performance | 2023/24 |
| % of planned training activities undertaken | Percentage | 2020/21 | 62% | | | 81% |
| Percentage increase in Audits undertaken. | Percentage | 2020/21 | 60% | 80% | 81% | 80% |
| Proportion of MDA/LG internal audit staff trained to conduct high quality impact driven performance audits. | Percentage | 2020/21 | 0 | 50% | 55% | 75% |

Sub SubProgramme: 03 Strategy and Corporate Affairs

Department: 002 Research and Planning

Budget Output: 000006 Planning and Budgeting services

PIAP Output: Process Evaluation Report on key interventions conducted in the 18 programs.

Programme Intervention: 180602 Build research and evaluation capacity to inform planning, implementation as well as monitoring and evaluation;

| Indicator Name | Indicator Measure | Base Year | Base Level | 2022/23 | | Performance Targets |
|--|-------------------|-----------|------------|---------|----------------|---------------------|
| | | | | Target | Q2 Performance | 2023/24 |
| Number of Process Evaluation reports on key interventions conducted in the 18 programs | Number | 2022/23 | 0 | 2 | | 1 |

Budget Output: 000019 ICT Services

PIAP Output: National Central Electronic Monitoring System to Gaming Operators Developed and rolled out

Programme Intervention: 180113 Implement electronic tax systems to improve compliance both at National and LG levels.

| Indicator Name | Indicator Measure | Base Year | Base Level | 2022/23 | | Performance Targets |
|--|-------------------|-----------|------------|---------|----------------|---------------------|
| | | | | Target | Q2 Performance | 2023/24 |
| A functional National Central Electronic Monitoring System in place | Number | 2022/23 | 0 | | | 1 |
| No. of Gaming Operators rolled onto the National Central Electronic Monitoring System. | Number | 2022/23 | 0 | | | 20 |

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VI. VOTE NARRATIVE

Vote Challenges

Rationalization

The proposed mainstreaming of the functions of the Board back to the Ministry will lead to loss of momentum in the initiatives currently being undertaken which is likely to result into a decline in revenue collection, increase in illegal gaming activities, underage gaming, and lead to gaming becoming a nuisance.

Unlicensed operators, the gaming sector has spread around the entire country, hence need for presence at regional level.

Insufficient budget allocation for FY 2023/24

Unlicensed operators and lack of country wide coverage

Negative perception on the gaming sector

Plans to improve Vote Performance

Carry out Compliance Monitoring Activity in KMP, Greater Kampala and Upcountry

Carry out Enforcement against illegal operators and non-compliant operators. Create joint task force with Police to undertake joint enforcement exercises against illegal casinos

Evaluate license applications and approvals against laws, regulations, and Board directives.

Conduct Arbitration and Dispute resolution.

Review of the Strategic plan for FY 2019/20- 2024/25

Counsel and Treatment of Problem Gamblers

Conduct 05 public awareness campaigns about the sector

Counsel and Treatment of Problem Gamblers (Rehabilitation

Train and Benchmark on the best practices in the gaming sector

Disseminate Education Materials sensitization materials to schools like Signages (Talking Compound) " Say No to Underage Gaming

Print and distribute awareness material (stickers, posters, training manual, advisory leaflets, and training materials)

Carry out Peer Education e.g., Counsellors and Psychiatrists (deterrence from gaming harms, Counselling and treatment, protection of minors, identifying problem gamblers and behavioral change)

Train and carry out staff capacity.

Roll out National Central Electronic Monitoring Systems (NCEMS)

Sensitization and awareness seminars and testing services.

Carry out Counselling services and ensuring confidentiality of HIV-related personal information. Promoting openness to break stigma and silence surrounding HIV/AIDS among staff

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VII. Off Budget Support and NTR Projections

Table 7.1: Off Budget Support by Project and Department

N/A

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| Revenue Code | Revenue Name | FY2022/23 | Projection FY2023/24 |
|---------------------|-------------------------------|------------------|---------------------------------|
| 114401 | Taxes on Lotteries and Gaming | 0.000 | 1,351,478,259.952 |
| 114526 | Other licenses | 0.000 | 0.000 |
| Total | | 0.000 | 1,351,478,259.952 |

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VIII. VOTE CROSS CUTTING POLICY AND OTHER BUDGETARY ISSUES

Table 8.1: Cross- Cutting Policy Issues

i) Gender and Equity

| | |
|------------------------------------|--|
| OBJECTIVE | To promote employment of special interest groups in the sector |
| Issue of Concern | Less employment of PWDs |
| Planned Interventions | Sensitize operators on benefits of employing PWDs |
| Budget Allocation (Billion) | 0.050 |
| Performance Indicators | All the licensed gaming operators sensitized on employment of PWDs |

ii) HIV/AIDS

| | |
|------------------------------------|---|
| OBJECTIVE | To contribute to the fight against HIV/AIDS and reduce stigma for people living with HIV/AIDS |
| Issue of Concern | Limited information and awareness about HIV/AIDS |
| Planned Interventions | Sensitization and awareness seminars and testing services. Counseling services and ensuring confidentiality of HIV-related personal information. Promoting openness to break stigma and silence surrounding HIV/AIDS. |
| Budget Allocation (Billion) | 0.011 |
| Performance Indicators | 36 employees sensitized about HIV/AIDS and tested, and treatment given to anyone found with it |

iii) Environment

| | |
|------------------------------------|--|
| OBJECTIVE | To contribute to national environmental preservation and conservation efforts |
| Issue of Concern | Environmental degradation by human activity |
| Planned Interventions | Conduct regular inspections to ensure a safe workplace environment. Encourage openness with employees by improving communication. Sensitize the staff on the new technologies that save energy and others. |
| Budget Allocation (Billion) | 0.020 |
| Performance Indicators | Open door policy conducted to improve communication. Employees sensitized on the different technologies. |

iv) Covid

| | |
|------------------------------------|---|
| OBJECTIVE | Prevent the contraction and spread of COVID-19 within the NLGRB and its stakeholders |
| Issue of Concern | Adherence to SOPs and the non-discriminatory spread of the covid-19 vaccine |
| Planned Interventions | 1. Continue spearheading and providing guidance on the fight against Covid-19(Q1,2,3,4) 2. Put in place measures to curb the spread of the virus in office spaces (Q1,2,3,4) 3. Procure and instal equipment and machines that dispense sanitizers at NLGRB. (Q |
| Budget Allocation (Billion) | 0.020 |

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Performance Indicators

Number of measures instituted

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IX. PERSONNEL INFORMATION

Table 9.1: Staff Establishment Analysis

N / A

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Table 9.2: Staff Recruitment Plan

N / A

