



TOTALISATOR AND BOOKMAKER REQUEST FOR APPLICATION

RESPONSES BY THE GAMBLING
AUTHORITY TO PUBLIC COMMENTS



Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
General	Does a Totalisator licence allow for Betting in foreign pools?	Yes, a Totalisator licence allows for betting in foreign pools in the form of a merger or commingling of pools. However, such should be legal pools licensed in their various jurisdictions and on legal contingencies and events allowed in terms of the laws of Botswana and subject to approval by the Authority	NONE
General	What is the difference between a BOOKMAKER and TOTALISATOR ? I think the definition given in the draft does not provide a clear distinction.	<p>The definitions provided in the RFA were drawn from the Act and we acknowledge that the reading of the two definitions together may create a bit of confusion.</p> <p>However, the understanding and distinction between the two (2) terms should be universally clear in that a Totalisator shall only offer pool betting and wagering options and pay out in the form of dividends and on the other hand, a Bookmaker shall only offer fixed-odds bets and pay out on predetermined odds.</p>	NONE

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
General	Are there any further, more detailed technical specs/instructions available relating to (Central Electronic Monitoring System (CEMS), data transfer, local server, and general infrastructure for physical and online operations.	<p>Indeed, there will be technical specifications for all systems which will be supporting betting operations (Bookmaker and Totalisator). As mentioned under one of the comments below, this will be a separate process after the applications have been granted.</p> <p>The Authority views testing, certification, and approval of gambling equipment as a separate process defined by internationally recognized technical standards. It should be noted that Botswana will not reinvent the wheel in this respect, but consider acceptance of certification of reputable regulatory authorities and jurisdictions.</p>	NONE
5.2.1	<p>Clause in Draft RFA</p> <p>Persons under the age of 21 are prohibited from participating in gambling activities.</p> <p>Public Comment</p> <p>Prohibition of persons under the age of 21 years. Noting the age demographics and profile of Botswana, we humbly suggest that this be critically looked into, and be revised to age 18. The restrictions may have come from the Act, but we believe the Act was drafted with casinos in mind and are woefully unsuitable for application across the gaming universe.</p>	The age restriction shall remain as prescribed in the Gambling Act 2012 as this is what the law provides.	NONE

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
6.3.2	Clause in Draft RFA Applicants conference fee of Three Thousand Pula (BWP 3, 000.00) must be paid prior to the conference date. The bidders conference shall take place at a venue to be announced on the VDR. Potential Applicants are to provide their own transportation and accommodation.	The Applicants conference fee will be paid by each potential applicant. All potential applicants will be allowed a maximum of four (4) representatives.	<p>We propose amendment of the RFA to state the following:</p> <p><i>“Applicants conference fee of Three Thousand Pula (BWP 3, 000.00) must be paid prior to the conference date. The Applicants conference shall take place at a venue to be announced on the VDR.”</i></p> <p>We also propose addition of a new Clause 6.3.2.1 to the RFA which must read, as follows:</p> <p><i>“The fee of P3000.00 to be paid will be for the Applicants conference of this RFA which will incidentally cover both types of licences provided for by this RFA. Each Applicant will be allowed a maximum of four (4) representatives”.</i></p>
	Public Comment Is the P3000 fee for the Bidders Conference paid per person in attendance or per potential applicant?		
6.5.2	Clause in Draft RFA Submissions will only be accepted on 07 August 2023 from 08:00 till 17:00 CAT and no early or late submissions will be accepted.	The clause is clear and not ambiguous. However, the Authority has considered to include an additional clause that speaks to the process of submitting applications through securing appointments for submission by individual applicants within the set submission dates.	<p>We propose for a new additional clause 6.5.2.1 which shall read as follows:</p> <p><i>“Applicants are required to schedule and secure an appointment for the submission of the application 7 days before the submission date”</i></p>
	Public Comment In the event the Authority seeks to vary this, controversy from the previous submission as a teacher, it must be clear and unambiguous.		

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
6.7.1	Clause in Draft RFA	The Authority is the custodian of the Investigation Fees Policy and all relevant requirements of this policy have been interpreted and applied in this Request for Applications. As such, there is no need for the Investigation Fees Policy to be attached as an annexure to the Request for Applications. However, a provision will be made in the RFA providing more explanation of the implications of these fees.	<p>Clause 6.7.1 shall be amended to read as follows:</p> <p><i>“All Applicants shall be required to pay investigation costs in terms of the Investigation Fees Policy. These fees will be determined by the scope of expenses to be incurred during an investigation such as administrative, background checks, travelling, accommodation and meals, report writing, Public Notices and public hearing expenses.</i></p> <p>We also propose a new Clause 6.7.1.1, which must state as follows:</p> <p><i>“Applicants are required to pay a deposit for investigation costs upon submission of the application as follows: Bookmaker Route Operator: P 70,000.00 Independent Bookmaker: P 40,000.00 Totalisator: P 190, 000.00</i></p> <p><i>The Investigation Costs should not be deemed as application fees. At the end of the investigations the Authority will provide the applicant with a detailed account of the investigation costs. Any monies to the credit of the applicant will be refunded whereas if there is any shortfall, the applicant will be required to pay the shortfall”.</i></p>
	Public Comment		
	All Applicants shall be required to pay the investigation costs as per the Authority’s Investigation Fees Policy.		
	Please provide as an annexure to the RFA for ease of reference.		

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
6.9	Clause in Draft RFA RFA Document Fee: BWP2 500.00 Applicants Conference Fee: BWP3 000.00 Bookmaker Application Fees: BWP5 000.00 Bookmaker Site Application Fees: BWP 5 000.00 Annual Licence Fee: BWP 5 000.00 Total BWP 20 500.00	<p>Indeed, this is what is anticipated by the RFA in terms of the Applicants conference fee. We will have an additional clause which will read, as follows:</p> <p><i>“The fee of P3000.00 to be paid will be for the Applicants conference of this RFA which will incidentally cover both types of licences”.</i></p>	<p>The proposed amendments and additions to the RFA mentioned in 6.7.1 above will apply to this request for clarification, as well.</p>
	Public Comment Fees: Is the BWP 3 000 per licence application? We suggest that the application provide for dual licenses, so as not to have to pay twice for the Bidders conference.		
7.2	Clause in Draft RFA Licensing of Bookmaker operations should adopt a form, model and concept of operation of a route business network. These forms of operations are often regarded as more cost-effective for owners of premises and promote transformation and empowerment of new entrants in the gambling industry through entering into service agreements with route operators, who will be direct holders of Bookmaker Licences.	<p>The model, form and concept prescribed for a Bookmaker Licence is not a mere suggestion or a prerequisite for licence consideration, but how the Authority found it plausible for empowerment of the citizens.</p> <p>However, this request for clarification allowed the Authority the opportunity for Bookmaker operations independent from a Route Bookmaker Operator, subject to compliance with all general licensing requirements for suitability and citizen empowerment.</p>	<p>We propose that the definitions should include an “Independent Bookmaker Operator” and should be defined as:</p> <p><i>“a company licensed as a Bookmaker in terms of section 33 of the Act who on his or her own account carries on a business of taking bets at defined premises on fixed odds without the involvement of a Bookmaker Route Operator”.</i></p>

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
7.2	<p>Public Comment</p> <p>Model, Form and Concept for a Bookmaker Licence. We refer to Page 17, 7.2 of the Request for Applications – Betting Licenses – Bookmaker and Totalizator 2023 where it states the following:</p> <p>Licensing of Bookmaker operations should adopt a form, model, and concept of operation of a route business network. These forms of operations are often regarded as more cost-effective for owners of premises and promote transformation and empowerment of new entrants in the gambling industry through entering into service agreements with route operators, who will be direct holders of Bookmaker Licenses. Is the concept of Route Business operation a mere suggestion by the Authority or a prerequisite for licence consideration?</p>	<p>Primarily this will include shareholding or profit sharing on a 60:40 ratio in that type of licence to allow for an option of independent Bookmaker operation.</p> <p>The Authority will revise the RFA to make the requirements for this model clear to all potential applicants, including the fees which will be required for such type of Bookmaker Licenses.</p>	<p>We further propose that the first sentence of clause 7.2 be amended to state as follows:</p> <p><i>“Licensing of Bookmaker operations should adopt a form, model and concept of a route business network or independent Bookmaker Operator”</i></p> <p>In addition, we find it appropriate to amend clause 9, to accommodate four (4) Independent Bookmaker Operator licenses, however the empowerment requirements should remain consistent with those of a Bookmaker Route Operator.</p> <p>The intention of this amendment is to make provision for an Independent Bookmaker who will only be allowed to operate at one betting site and no such entity should be allowed to own and operate two of such operations in the country nor hold more than 30% in two of such operations.</p> <p>This is merely to avoid a situation where one company owns two or more independent bookmaker sites.</p>

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
7.7	Clause in Draft RFA A Bookmaker Route Operator may not own or hold equity of more than fifty percent (50%) of the approved Bookmaker sites held under that Licence or any other similar type of licence in the Country.	We have noted your comment but we disagree with the proposed change and we believe that clause 7.7 properly articulates the intention of the Authority to achieve its citizen empowerment objectives. We are of the view that the proposed amendment will inherently create conflict of interest.	NONE
	Public Comment Can directors of the Bookmaker route operator lease premises for Bookmaker sites owned by entities that they have interests in? We propose that the restriction be for premises owned by the route operator as a juristic person, but its directors (individually or severally) be allowed to own or be part of the juristic persons that own the bookmaker sites, provided the juristic persons are not the same, in which case the 50% restriction will apply.		

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
9.13	Clause in Draft RFA Reference is made to Diagram 1, titled “Proposed Bookmakers and Totalisator per District.” Which includes the following: <i>“The Northwest District: Bookmaker: 2 outlets Totalisator: 2 branches”</i>	<p>We note your comment. The Authority has accordingly revised the Location Plan of Betting sites to include independent betting sites, of which one is located in the North West Region.</p> <p>It is imperative that the Authority carries the responsibility to avoid the over stimulation of the latent demand for gambling and to ensure that licensing of gambling activities is conducted in a responsible manner. In this regard, there will be a need for regular assessment of the socio-economic impact of gambling on the citizens of Botswana.</p>	<p>We have revised Diagram 1 attached hereto, as “Annexure A”, and we propose a new clause 9.16 which reads as follows:</p> <p><i>“The Authority will conduct socio-economic impact studies with the view to assess the impact of betting on society to inform future allocation and distribution of licences.”</i></p>
	Public Comment I think that the North West region should have an additional BOOKMAKER outlet. TOTALISATOR branch since it’s the epicentre of Botswana’s tourist attraction.		
9.8	Clause in Draft RFA All betting and wagering activities must be conducted on a certified and approved betting and wagering system. No Bookmaker or Totalisator Operator shall offer betting and wagering online without an appropriate Bookmaker or Totalisator Licence and activation of at least two (2) Betting Sites. A licensed Bookmaker or Totalisator must have offices in Botswana.	Response to Public comment 1: The technical and structural specifications provided in the RFA are minimum requirements not intended to constrain business models, concepts, innovation, and creativity of the applicant. The Authority does not desire to prescribe an extensive list detailing what will be acceptable or not, the intention is to allow Applicants to present the best models which will provide physical retail operations, while allowing online operations.	Proposed amendment for Public comment 1: NONE

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
9.8	Public Comment 1 Distribution of Betting Operations. Are there any technical and structural specifics relating to physical gambling establishments as referred to in the draft RFA?	Response to Public comment 2: The Applicant must have been licensed and should have activated two retail or physical operations before the introduction of an online solution or platform for betting, with the exception of an Independent Site Operator.	Proposed amendment for Public comment 2: Clause 9.8 will be amended to exempt an Independent Bookmaker Operator from the site requirement of activation of two betting sites before applying to operate online. We propose the following amendment:
	Public Comment 2 We refer to Page 20, 9.8 of the Request for Applications – Betting Licences – Bookmaker and Totalizator 2023 where it is stipulated that: No Bookmaker or Totalisator Operator shall offer betting and wagering online without an appropriate Bookmaker or Totalisator Licence and activation of at least two (2) Betting Sites. A licensed Bookmaker or Totalisator must have offices in Botswana.	The intention of the Authority is to avoid a situation where an applicant will only propose an online betting application and only operate online. The applicant must have established and activated physical retail premises before applying for activation of an online platform for betting. In addition, for ease of regulation of the business affairs of a licensee, a licensed Bookmaker or Totalisator must have offices in Botswana.	<i>“All betting and wagering activities must be conducted on a certified and approved betting and wagering system. No Bookmaker Route Operator or Totalisator Operator shall offer betting and wagering online without an appropriate Bookmaker or Totalisator Licence and activation of at least two (2) Betting Sites. A licensed Bookmaker or Totalisator must have offices in Botswana.”</i>

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
9.15	Clause in Draft RFA <p>The Authority may at any time issue an amendment to the RFA and publish the appropriate notices. The Authority shall have sole discretion as to the distribution of Bookmaker and Totalisator sites in the Country and shall prescribe such allocations by Districts from time to time as an addendum to this RFA.</p>	<p>There should first be a clear distinction between online betting and virtual betting. These are two different betting concepts and for purposes of this RFA virtual betting is not allowed. Virtual betting in this regard is understood to mean betting on virtual events (simulated events), but not real live events.</p> <p>In this respect, we would like to limit the application of online betting to remote placing of bets or wagers on legal contingencies or live events.</p>	
	Public Comment <p>Online betting license: confirm if this is a separate application for this, or just a distribution channel or games model. We propose that online (or virtual) be treated as a distribution channel and be assumed and evaluated as part of the RFA submission.</p>	<p>The RFA specifically separates an application for online betting from the applications for licences.</p> <p>This means that an Applicant must first be found suitable for a Betting license before lodging an application for Online Betting.</p> <p>In addition, the Authority intends to first determine the suitability and ability of applicants to operate betting before entertaining an application for Online Betting.</p> <p>While Online Betting may be perceived to be “a distribution channel”, it requires a lot of technical and public protection mechanisms which should be evaluated separate from this process.</p>	

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9.15		<p>This has been clearly outlined in clauses 9.5,9.6, and 9.8 of the RFA. Which read as follows:</p> <p>“9.5 Both a Bookmaker and Totalisator may facilitate betting and wagering online upon Application to the Authority for approval of the appropriate software and platform. While Applicants who are interested in online betting are expected to make an additional submission on the concept and model of the online platform they intend to use, approval of such will be a separate process to be undertaken by the Authority.</p> <p>9.6 Evaluation of online betting concepts, models or platforms, operating procedures and rules will be considered as the use of an alternative solution for processing bets and wagers and as such, the Authority in making a determination on their approval will apply variant fees and levies.</p> <p>9.8 All betting and wagering activities must be conducted on a certified and approved betting and wagering system. No Bookmaker or Totalisator Operator shall offer betting and wagering online without an appropriate Bookmaker or Totalisator Licence and activation of at least two (2) Betting Sites. A licensed Bookmaker or Totalisator must have offices in Botswana.”</p>	

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10.	<p>Clause in Draft RFA</p> <p>A person under the age of twenty-one (21) years may not enter any designated area or take part in any gambling on a Bookmaker or Totalisator site or access any online betting website. A Licensee or employee of such Licensee shall not permit any person who is under the age of twenty-one (21) years to enter or remain in a designated area or to take part in any gambling or to handle or operate a Bookmaker or Totalisator Licence.</p> <p>Public Comment</p> <p>Prohibition of Gambling by certain persons. We reiterate the comments made on 5.2.1 above and add that employment opportunities are reduced by restricting access to under 21s.</p>	<p>We reiterate our response under clause 5.2.1 above and restate that age restriction shall remain as prescribed in the Gambling Act 2012 as this is what the law requires of regulation of gambling in Botswana.</p>	NONE

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
11.5.2	Clause in Draft RFA The outcome of every betting event or contingency must be electronically recorded and be available to officers of the Authority for inspection or audit from time to time.	The RFA hereto refers to Betting and not LPM, which is a different form of gambling using what is commonly known as Limited Payout Machines (gambling machines). There will be a separate RFA for LPM and such comments may be made when that process unfolds. In respect of Betting, the RFA requires a wagering and betting system which must comply with specific technical standards, including recording requirements.	NONE
	Public Comment The recording must be defined, as for some LPM it would be difficult to record, and unnecessarily cumbersome. High amounts could possibly be recorded, records must have a retention period.	Moreover, there will be an opportunity for each licensee to develop internal controls procedures in terms of Regulation 78 of the Gambling Regulations of 2016 which provides that: “(1) A licensee shall establish and maintain administrative measures and accounting procedures for the purpose of exercising effective control over the licensee’s internal affairs... (3) (c) a detailed, narrative description of the administrative and accounting procedures of the licensee.”	

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
11.5.5.3	Clause in Draft RFA	We find this comment unclear, however, we will respond to what we suspect to be its essence.	NONE
	Mechanism to ensure full compliance with the “Know Your Client” (KYC) requirements and to comply with all anti-money laundering guidelines of the Country.	We have already indicated the evaluation process of online betting will be a separate process after the licensing process of the two forms of betting provided for in this RFA as stated in clauses 9.5, 9.6, and 9.8.	
	Public Comment Where such are not augmented or are existing through established avenues such as MNOs (for virtual or online games)	Any aspect relating to that process will be properly outlined subsequent to the issue of betting licenses in terms of this RFA.	
11.5.5.4	Clause in Draft RFA	Please note that there will be an opportunity for each licensee to develop internal control procedures in terms of the requirements of Regulation 78(1) which reads as follows:	NONE
	Record of all betting transactions and odds.		
	Public Comment All betting transactions and odd. Consider having time limits (90 days, 120 etc.	<i>“A licensee shall establish and maintain administrative and accounting procedures for the purpose of exercising effective control over the licensee’s internal control.”</i>	

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
12.2.2	<p>Clause in Draft RFA</p> <p>No Bookmaker or Totalisator betting and wagering system may be distributed and installed at site and exposed for play, unless such system has been certified according to the approved technical standards and specifications approved and registered by the Authority.</p> <p>Public Comment</p> <p>Certification of equipment. Considering the possible delays – consider type approvals from other jurisdictions as acceptable.</p>	<p>The Authority will consider certification of gambling equipment from other jurisdictions and make a determination of whether such certification meets approval standards acceptable to the Botswana gaming industry.</p>	<p>We propose to amend clause 12.2.2 which will read as follows:</p> <p>No Bookmaker or Totalisator betting and wagering system may be distributed and installed at site and exposed for play, <u>unless such system has been certified according to the approved technical standards and specifications approved and registered by the Authority</u></p> <p><i>“unless such a system is submitted with a Test Report and Letter of Certification from a Test Laboratory Approved by the Authority”</i></p>
12.2.3	<p>Clause in Draft RFA</p> <p>All gambling equipment shall be supplied and maintained by licensed manufacturers, suppliers and distributors.</p> <p>Public Comment</p> <p>Gambling equipment OEM. Consider publishing the list of approved OEMs and be open to locally manufactured equipment.</p>	<p>Our understanding of Original Equipment Manufacturer (OEM), is licensed manufacturers, suppliers and distributors of gambling equipment. In terms of this RFA and its processes the list shall be made available upon request by potential applicants</p>	<p>We propose to add Clause 12.2.3 to communicate such and it is intended to read as follows:</p> <p><i>“All gambling equipment shall be supplied and maintained by licensed manufacturers, suppliers and distributors and the list of such Service Providers shall be made available upon request by potential applicants”.</i></p>

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12.4.3	Clause in Draft RFA	The context of this requirement is consistent with the relevant Botswana legislation. Please refer to Financial Intelligence Act of 2022, Counter Terrorism (amendment) Act of 2022 and the Financial Intelligence (Implementation of United Nations Security Council Resolutions) Regulations, 2022. General reading and understanding of legislation applicable in Botswana formed the basis of this RFA and in any instance where potential applicants strongly feel that there is omission or out of context requirement in the RFA, such should urgently be brought to the attention of the Authority.	NONE
	Anti Money Laundering and Counter Financing of Terrorism and Financing the Proliferation of Weapons of Mass Destruction.		
	Public Comment		
	Anti Money Laundering and Counter Financing of Terrorism and Financing the Proliferation of Weapons of Mass Destruction. Contextualize to Botswana Acts (proliferation of weapons of mass destruction part).		

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
13.2.1	<p>Clause in Draft RFA</p> <p>13.2 An Application for site licensing must be submitted one (1) month after the granting of the Licence by the Authority. In considering those Applications, the Authority shall evaluate the following elements for suitability of business premises:</p> <p>13.2.1 The location and size of the premises.</p> <p>Public Comment</p> <p>Consider preferable specifications as guidelines to the applicants, or waive this requirement entirely, and say the placing of gaming equipment should allow for adequate playing privacy.</p>	<p>The guidelines provided for under clause 13.2.7 which reads as follows;</p> <p><i>“Space of not less than one-hundred metres squared (100m2) per Bookmaker and Totalisator site must be maintained. The Applicant should outline all control and supervision (including surveillance systems at all sites) measures in the Application for the Licence”.</i></p> <p>In light of the above, we are of the view that the guidelines provided above are adequate and allow for an opportunity for a variety of different business models, creativity and innovation by applicants which should not be stifled by onerous prescriptions or specifications.</p> <p>One of the critical objectives of this RFA is to allow competitive proposals on the best bid evaluation principles, and therefore appropriate for a process of this nature.</p>	NONE

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
13.2.7	Clause in Draft RFA	The Authority views the 100sqm space to be reasonable and sufficient for sound spread of the intended operations. Therefore, this clause will be retained.	NONE
	<p>Space of not less than one-hundred metres squared (100m2) per Bookmaker and Totalisator site must be maintained. The Applicant should outline all control and supervision (including surveillance systems at all sites) measures in the Application for the Licence.</p> <p>Public Comment</p> <p>Space between bookmaker and Totalisator site. The 100sqm spacing could be too much, consider saying separated by visible entrances. Consider if the premises are on separate floors of a multi-story building</p>		
13.2.7	Clause in Draft RFA	The clause that refers to technical specifications is clause 13.3. We do not agree that Technical Standards should be published with the RFA as testing, certification and approval of gambling equipment will be a separate process after the decision of the Authority on granting and refusal of applications. The process of gambling equipment testing, certification and approval is distinct in nature and if included in the current process, it will create a lot of confusion.	NONE
	<p>Space of not less than one-hundred metres squared (100m2) per Bookmaker and Totalisator site must be maintained. The Applicant should outline all control and supervision (including surveillance systems at all sites) measures in the Application for the Licence.</p> <p>Public Comment</p> <p>These must be published with this RFA or waived for this application.</p>		

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14.5	<p>Clause in Draft RFA</p> <p>The hours of operation of Bookmaker and Totalisator Licences shall form part of the conditions of the Licence. The hours of operation of all Betting Site shall be subject to the aproval of the Authority. In this regard, the Authority shall consider hours of operation which are appropriate for the type of business and related activities at these sites.</p> <p>Public Comment</p> <p>These need to be published in the RFA as the financial modelling will largely depend on operating hours and days. The restriction will not apply for online gaming.</p>	<p>The operating hours have been left up to the applicant to propose to the Authority. The Authority will not stipulate operating hours in the RFA, as this could potentially constraint some financial models intended by potential applicant.</p> <p>The generic requirement will be for operating hours not to be in contravention with any law of the country. This will obviously be subject to approval by the Authority or form part of the license conditions.</p>	<p>We propose amendment of clause 14.5 which shall read as follows:</p> <p><i>“The hours of operation of Bookmaker and Totalisator Licensees shall form part of the conditions of the Licence. Applicants are required to note the provisions of section 131 of the Gambling Act on the sale of intoxicating liquor in gambling premises. Notwithstanding the aforesaid, the proposed hours of operation of all Betting Sites shall be subject to the approval of the Authority.”</i></p>
18.1.3	<p>Clause in Draft RFA</p> <p>Details of financial control considerations, including sufficient details to enable the Authority to verify the control structure and control mechanisms applicable to the Applicant, also specifying the situation and arrangements in case of failure of the business</p> <p>Public Comment</p> <p>Auditors’ confirmation of Dormancy. Does not consider the possibility of SPVs or consortia, add the proviso in that regard.</p>	<p>Any structure presented to the Authority as an applicant in terms of this RFA shall account for its financial position, including the required confirmation from its Auditors, Accountants or Company Secretaries.</p>	<p>We are proposing however to remove the word “dormant” because the Companies (Amendment) Act, of 2018 deleted the provision that allowed companies to maintain a dormant status.</p> <p>We therefore propose to amend clause 18.1.5.3, as follows:</p> <p><i>“All new companies which have not commenced business operations, will be required to submit confirmation from their Auditors, Accountants or Company Secretaries that the company has not been operational, including the relevant period.”</i></p>

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18.1.11	Clause in Draft RFA	There is a sperate process for the approval of the management companies and such shall be governed by section 37 of the Act. If an Applicant would like same to be considered with the application, all suitability requirements outlined in this RFA, Act and the Regulations must be met.	NONE
	<p>Where a management company is appointed to manage and/ or provide services to a Licensee, the management company shall seek prior approval from the Authority.</p> <p>Public Comment</p> <p>Management company approval. Some agreements precede license award, in essence before authority/approval of GA, consider requiring ones appointed after the award/or during license period, if such had not been part of the Fit and Proper tests during evaluation.</p>		
18.1.12	Clause in Draft RFA	GGR is only derived from gambling activities and does not factor in finance costs or expenses. We believe that finance costs should be dealt with under any scheme or arrangement for financing of the intended business operations or any arrangement in respect of funding and repayment of loans. If there is any loan arrangement from which finance costs will flow, such should be separated from the management fee requirements in terms of this RFA. The requirement for the 5% is specifically for the management fee and no other arrangement.	NONE
	<p>Management fees and any costs recovered from the Licensee must not exceed five percent (5%) of the GGR of the Licensee</p> <p>Public Comment</p> <p>Exclude finance costs reconciling with the 3 years stipulation for payment of any loans</p>		

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18.1.13	<p>Clause in Draft RFA</p> <p>A minimum of twenty percent (20%) of all fees paid to the management company must be invested in skills transfer and development of the Citizens who are shareholders in the Licence. The Authority shall consider the promotion of empowerment, including women and youth in the betting market vital to any Application.</p> <p>Public Comment</p> <p>20% to skills transfer and development of citizen shareholders – does this mean shareholding in the license holder or the management company? Does contribution to the Training Levy suffice? Consider requiring an equivalent of 20% of the management fees minimum must be invested in training, in the first three or five years, after which period training may be cheaper or unnecessary.</p>	<p>Your comment is noted. However, we would like to clarify that the 20% of the management fees must be invested in skills transfer and development of the shareholders of the bookmaker and totalisator licensee.</p> <p>The training levy would not suffice to cover the purpose of this requirement as this is meant for general staff training and development.</p> <p>The emphasis on shareholders is categorically for the purpose of empowerment in the gambling industry.</p> <p>For as long as the management company is involved in the business of the licensee this requirement shall be retained.</p>	NONE

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
19.1	<p>Clause in Draft RFA</p> <p>19.1 The Application shall contain full employment details, including:</p> <p>19.1.1 The strategy for creating sustainable employment opportunities.</p> <p>19.1.2 How the Applicant will ensure that the maximum number of job opportunities are provided to citizens.</p> <p>Public Comment</p> <p>Employment details possibly incomplete. We propose adding the word Employment “creation” details in the clause.</p>	From the reading of the clauses referred to in the RFA, we believe that they adequately cover critical requirement for employment creation and therefore there is no need to amplify them.	NONE
19.1.7	<p>Clause in Draft RFA</p> <p>19.1 The Application shall contain full employment details, including:</p> <p>19.1.7 Strategies for the promotion of local empowerment regarding skills development.</p> <p>Public Comment</p> <p>We propose adding “and transfer” at the end of the sentence</p>	We agree with the public proposal. We will amend the RFA accordingly.	<p>We propose that clause 19.1.7 be amended to read as follows:</p> <p><i>“Strategies for the promotion of local empowerment in respect of skills development and transfer.”</i></p>

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
20.1	<p>Clause in Draft RFA</p> <p>The Bookmaker Route Operator or Totalisator must ensure that training related to the following areas of operation is provided for the operation and general upkeep of Bookmaker or Totalisator to all its employees of a site in respect of:</p> <p>20.1.1 Regulatory training, including training on compliance to all laws applicable to the Site Operator (e.g., liquor, health and safety, etc.).</p> <p>20.1.2 Gambling related training (especially on how to operate and play Bookmaker Licences).</p> <p>20.1.3 Basic business management skills training.</p> <p>Public Comment</p> <p>Training: the frequency, duration and NQF points not specified. We propose the GA consider further definition on the suggested parameters.</p>	<p>Gambling-related training has been left for the applicants to make proposals to the Authority. The Authority will not stipulate the parameters related to training in this RFA.</p>	<p>NONE</p>

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
22.1.2	<p>Clause in Draft RFA</p> <p>Spend at least one percent (1%) of its monthly GGR towards projects to empower communities in the Country.</p> <p>Clause 22.1 reads as follows:</p> <p><i>“Spend at least one percent (1%) of its monthly Gross Gambling Revenue (GGR) towards projects to empower communities in the country”</i></p> <p>Public Comment</p> <p><i>1% CSR – vague as it infers with spending every month. We propose that the clause read as equivalent of its actual 1% GGR per year on CSR projects,</i></p>	<p>While the interpretation of this clause could address both monthly and annual spend, we agree with the requested amendment.</p>	<p>We proposed to amend clause 22.1.2, as follows:</p> <p><i>“Spend an amount of not less than one percent (1%) of the annual projected Gross Gambling Revenue (GGR) towards Corporate Social Responsibility (CSR) projects to empower communities in the Country.”</i></p>

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
25.8	Clause in Draft RFA	Your comment is noted, however, the arrangement as stipulated in the RFA is such that a Bookmaker Route Operator and a Bookmaker Site Operator should share revenue on a ratio of 60:40 (60% Route Operator and 40% Bookmaker Site Operator) this is meant to promote empowerment of citizens. The proposed 40% in lieu of rental payments will undermine the objectives of empowerment mentioned above. It is our expectation that the rental agreement will be between the Bookmaker Site Operator and the landlord and such, necessary rental payments should be made at that level.	NONE
	Public Comment 40% revenue split – can this amount be included in the rent. The commercial agreement could be entitlement to the 40% in lieu of rental payments,		
27.1	Clause in Draft RFA	In terms of the provisions of section 108(2)(c) of the Gambling Act (2012), which reads; - <i>“(2) A minor shall not – ... (c) conduct or make available any gambling activity.”</i> We therefore submit that we are bound by the provisions of this section of the Act and cannot make any exceptions in this regard.	NONE
	Public Comment Corporate structure youth: revise in light of the prohibition on under 21 participations in gambling. The comments shared above are reiterated here.		

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
30.2	Clause in Draft RFA An Applicant should also include artist impressions of the interior and exterior of the proposed site and technical plans approved by Ministry of Land Management, Water and Sanitation Services.	Your comment is noted, and while the requirement in terms of this clause is retained, we also appreciate that in some instances there may be a justifiable account of the delay in receiving a response from the relevant authorities in respect of this requirement. We agree that there is substance to the qualification of this requirement to accommodate this eventuality, however, applicants will be expected to provide proof of submission and justification of the delayed response from the relevant authorities for evaluation by the Authority, as part of the application.	We propose an addition to be made to this clause to read, as follows: “The Applicant should provide sound and reasonable proof with the application that the technical plans been submitted for approval and this should be accompanied by an explanation from the relevant Authority on the cause of the delay for consideration by the Authority”
	Public Comment Approval from Ministry of Land Management, Water and Sanitation Services. In case of delayed responses from the Ministry, provide for the application to be accepted with proof of submission. The correct authority maybe the Local Councils for sites, and these are notorious for deferrals etc. the timelines for submission are tight to accommodate this. Consider pending the approval for sites (or conditional approval) pending the local.		

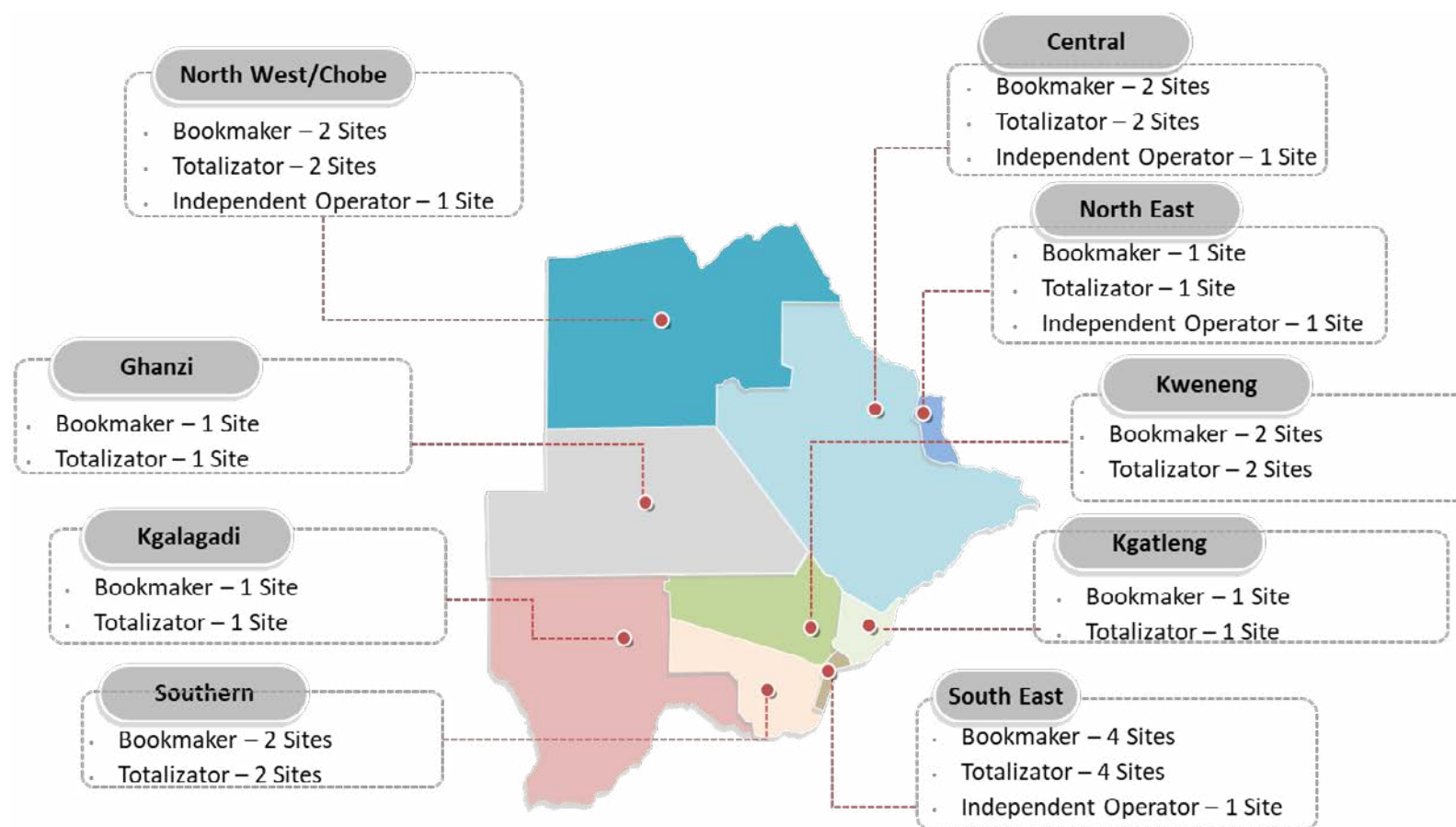
Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
33.	Clause in Draft RFA	Clause 33.1.6 of the RFA provides for a Bingo Hall as permitted premises for betting operations. Yes, Bingo operation may run concurrently with Betting operation or co-exist, however, it must be noted that this licensing process is exclusively for betting and does not run concurrently with licensing for Bingo operations.	NONE.
	33.1 The operation of Bookmaker or Totalisator site maybe conducted in the following types of premises; -		
	33.1.6. A Bingo Hall.		
	Public Comment		
	We will also be applying for Bingo Licences in Botswana. Will the Bingo Licence process run concurrently with the Betting Licence process?		

Clause	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
36.9.2	<p>Clause in Draft RFA</p> <p>36.9.1 All intellectual property rights in this RFA document, and the information contained or referred to in it, remain the property of the Authority and no Applicant shall obtain any right, title or interest therein. This RFA document, including all its annexures, may not, under any circumstances whatsoever, be reproduced, copied or stored in any medium, in whole or in part, without the prior written approval of the Authority, other than as strictly required for the preparation of an application in respect of this RFA or other than as strictly required by the advisors</p> <p>36.9.2 All Applications received by the Authority shall immediately upon receipt become the property of the Authority. Each Applicant, by its response to this RFA, grants to the Authority the right to use, copy or modify Applications in terms of this RFA for any purposes in connection with the fulfilment of the Authority's statutory duties.</p> <p>Public Comment</p> <p>The Authority must inform the Applicants when their surrendered IP is utilised elsewhere to enable appropriate disclosures with relevant partners in the event there are NDAs in place.</p>	<p>The comment is noted, however, the applicant must still submit the required information and caution the Authority that such IP and related information is part of protected disclosures in terms of a third-party agreement (NDA), which must be submitted with the application.</p> <p>Irrespective of the response above, we have noted that clause 36.9.1 requires review for purposes of clarification and herewith makes the proposal for the necessary amendment.</p>	<p>We propose that clause 36.9.1 be amended to read, as follows:</p> <p><i>"The Applicant retains all Intellectual propriety rights in respect of the information supplied with the application, whilst the Authority holds ownership and control of the application and the documentation submitted therewith."</i></p>

Annexure A

Additional Response To Clause 7.2:
Allocation and Distribution of
Betting Operations.





	Southern	South East	Kweneng	Kgatleng	Central	North East	North West / Chobe	Ghanzi	Kgalagadi
Bookmaker	2	4	2	1	2	1	2	1	1
Totalizator	2	4	2	1	2	1	2	1	1
Independent Operator	0	1	0	0	1	1	1	0	0

Annexure B

**Responses by the Gambling Authority
to Submissions from the
International Betting Integrity Association**

Ref.	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
1	<p>Receipt of submissions from IBIA.</p> <p>IBIA is an independent betting integrity monitoring body with members in many countries around the world that offer online betting. They submitted their comments to the RFA after the closing date.</p>	<p>The Gambling Authority determined the closing date for submission of public comments merely to control the process flow of introduction of betting in the country. The objective was not necessarily to close out public comments for any evaluation purposes of bids or anything which could impact on the fairness of this process.</p>	<p>While the submission of these comments was late, there are no implications on fairness of the processes, instead an opportunity to consider international standards to be incorporated in this RFA. It will therefore be appropriate to also share these comments and our responses with the public.</p>
2	<p>Observations about the intention of the submissions.</p> <p>The submission seeks to encourage participation of betting licensees in Botswana to be members of IBIA in order to benefit from international networks on integrity alert, data sharing, reporting suspicious betting, match-fixing and corruption. The submission seeks amendment of the RFA to include registration with one of the international integrity alert associations</p>	<p>The proposition of licenced online betting operators joining the International Integrity Alert Association is sound and bears substantial benefits for licenced betting operators. The relationship and links with international bodies such as IBIA seek to improve the standard of industry protection, from which operators and regulators such as the Gambling Authority will derive immense benefits.</p> <p>However, the Gambling Authority may not compel any applicant to commit to membership in any association at this stage or even after licensing. While this is desirable for the promotion of fairness and integrity, it is important for the GA to remain independent and not be found giving favour to one such organisation or group of such institutions.</p> <p>Further, the GA may, after licensing, require its licensees to participate in the development of a Code of Conduct, which may, among other things, promote affiliation with such international bodies.</p>	<p>While the RFA may not be amended to make provision for affiliation with international integrity associations, there are critical elements of regulatory requirements that the GA may add to the RFA, and such are dealt with below. The membership submissions made by IBIA may find space for engagement after applicants have been awarded licences and as a mechanism to enhance regulatory compliance and the development of risk management measures for customers, operators, and regulators.</p>

Ref.	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
3	International experiences, models and suggestions.	We submit that the experience of other jurisdictions in dealing with integrity alert associations such as IBIA could have been brought about by the maturity of this sector of the gambling industry in those countries, making it much easier for operators and regulators in those jurisdictions to make such determinations. In respect of Botswana, this sector is still new from a regulatory point of view and has been riddled with illegality. It is therefore important for the GA to usher in a regulatory regime with extreme caution while appreciating the essence of the choices made by those countries.	NONE
4	Data sharing amongst licensees and regulators	We agree that data sharing amongst operators is crucial, however, this can best be dealt with in the form of a voluntary association of betting operators in Botswana who may also make choices about extending the same arrangement to international bodies. Certainly, the GA will appreciate the sensitivity around the confidentiality of such information and how it is managed as this may impact on rights of certain individuals. This will not necessarily deter the GA from approving such arrangements in the future. We are aware that regulators have signed memoranda of understanding and collaboration agreements which strengthen their efforts to better regulate this industry and related protocols to clearly defined.	We do not think there is a need at this stage to amend the RFA to accommodate this proposition.

Ref.	Public Comment / Clarification	Response by the Gambling Authority	Proposed Amendments to the RFA
5	Industry risks The following have been identified from the reading of the IBIA submission as omissions from the RFA: Match-fixing regulatory requirements Identification of suspicious bets Unfair products Corruption Reporting requirements Illegal or Unlicensed gambling.	Indeed, these are inherent challenges in the online betting space and should be considered, and it is advisable to make provisions for the same in the RFA.	We propose amendment of the RFA to state under clause 12.3 to include the points raised to be covered in the system of internal control.
6	The licensee must adopt security and integrity mechanisms when conducting fixed odds or Totalisator betting. In particular, the licensee must provide evidence to the Authority that it is a member of, or has a contractual relationship with, an approved international sports integrity monitoring body.	We agree with the submission that information in respect of the operation of this form of gambling will require a high level of security, and a lack of that may entirely compromise the integrity of games or events upon which bets are placed. This may also create serious problems in respect of the resolution of punter complaints or any matter that may require the attention of the GA to maintain public order or effective regulation.	We propose an amendment to the RFA to state under clause 12.3 that the points raised are to be covered in the system of internal control.
7	Proposed License Conditions	It must be noted that licence conditions come right at the end of the licensing process, and in the main, the RFA may have made reference to a variety of aspects that may require regulatory intervention after the licences have been granted. Such matters may not be adequately canvassed in the RFA as they may later take a variety of forms, such as internal control procedures, rules, a code of conduct, or even standard operating procedures. It is therefore undesirable to burden the RFA with such requirements	Out of all the proposed licence conditions by the association, we found only one that we may consider, albeit too early in the process to do so. The rest of the proposed licence conditions seem more practical in the environment where the GA resolves to make membership or participation in international integrity bodies compulsory. There is no need at this stage to make a proposal for licence conditions, specifically in respect of membership in these international bodies.

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