

GAMING BOARD OF TANZANIA



INVITATION TO APPLY

FOR THE NATIONAL LOTTERY LICENCE

NOVEMBER 2022

DISCLAIMER STATEMENT

Gaming Board of Tanzania (GBT) has prepared this Invitation to Apply (ITA) document to provide for the necessary guidance to potential Applicants of the National Lottery Licence. The ITA is not intended to commit the GBT into awarding the National Lottery Licence pursuant to the Competition. In that regard therefore, nothing in this document should be interpreted as a commitment by the GBT to award the Licence to any Applicant. Accordingly, GBT reserves the right to terminate the Competition to award the Licence without prior notice, to change the basis, the procedures and the timescale for the Invitation to Apply and the Competition, or to reject any or all of the Applications and to terminate discussions with any or all Applicants at any time.

Each person to whom the ITA is made available should undertake own independent assessment and investigation and upon obtaining necessary professional advice make informed decision. The GBT do not intend to make the ITA to form the basis for any investment decision or investment recommendation and does not constitute the investment advice.

The GBT is under no obligation to provide Applicants with additional information or to update the ITA. No representation, warranty or undertaking, express or implied is or will be made in relation to the accuracy, adequacy or completeness of this document and no reliance may be placed on any information contained within this document. No responsibility or liability is or will be accepted by either the GBT, or its officers or agents in respect of any error or misstatement in or omission from this document. No information contained in this document forms the basis for any warranty, representation or term of any contract by the GBT with any third party.

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Upon receipt of Applications by the GBT they become its property. Applicants shall give the GBT the right to use responses to this ITA for any purposes in connection with the fulfillment of its statutory duties.

Applicants or persons to whom this ITA document is made available agrees to and accepts the terms set out in this Disclaimer Statement.

Definitions

The following words will carry the assigned definitions throughout this ITA document unless the context requires otherwise:

Act: The Gaming Act No. 4 of 2003

Ancillary Activities: Activities which generate income derived from the use of lottery assets or from lottery related activities other than from ticket sales

Application: An Application as formulated in response to this ITA, or the process of submitting that Application.

Application Submission Checklist: The checklist made available by the GBT to an Applicant upon presentation of an Application.

Applicant: The legal entity that has submitted or intends to submit Application.

Bond: The Performance Bond to be provided in accordance with the National Lottery Agreement.

Competition: The competition process undertaken to award the Licence.

Consortium: The Applicant, its Application Group and Key Contractors.

Consortium Member: A person or entity that is part of a Consortium.

EPOS: Electronic Point of Sale.

Gaming Tax: The tax payable in accordance with the Act.

GBT: The Gaming Board of Tanzania.

GGR: Gross Gaming Revenue, which refers to total lottery tickets sales minus winnings.

Information and Clarification Request Form: The information and clarification request form issued by the GBT.

ISO: International Organization for Standardization (see www.iso.org).

ITA: The Invitation to Apply.

Licence: The National Lottery Licence issued under Section 41(1) of the Act.

Licence Period: A term of eight years in which the National Lottery Licence will be valid.

National Lottery Agreement: The Agreement to be entered between the GBT and the Preferred Applicant pursuant to Section 41(2) of the Act.

National Lottery: means the Lottery Scheme defined under Section 3 of the Act, whose licence is issued pursuant to Section 41(1) of the Act.

Preferred Applicant: The Applicant with whom the GBT intends to finalise the Licence.

Reserve Applicant: The Applicant with whom the GBT would intend to finalise the Licence in the event the Preferred Applicant fails to qualify for the Licence.

Restrictive Agreements: Agreements used by one party to restrict the actions of another party e.g. an agreement between Applicant and a technology supplier, which restricts the ability of that technology supplier to provide terms and/or supply another Applicant.

The Lottery: means the National Lottery.

Successful Applicant: The Preferred Applicant after the GBT has determined to be suitable for issuance of the Licence.

Technology Operation: Any aspect of the Lottery operation associated with the provision and operation of technology, including the Technology Solution, technology processes and the technology organisation.

Technology Solution: All computer hardware, software, data, gaming technology, telecommunications, data centre(s) and other facilities associated with the Lottery operation whether operated by the Applicant or a third party.

Transition: The process of preparing for the next Lottery operation, including any activities necessary for handover.

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EXECUTIVE SUMMARY

1.1 Introduction

The GBT prepared this ITA document following its studies in some jurisdictions in Europe and Africa which have successfully carried out the process of issuance of the National Lottery Licence. Considering the robustness of similar processes undertaken in the UK, South Africa, Ghana and Botswana, the preparation of this ITA has borrowed significantly from the experience of these jurisdictions, particularly that of the UK. However, where relevant, modifications have been made to more reflect our operating environment.

Suitable companies are hereby invited by the GBT to submit Application for the National Lottery Licence in Tanzania for a period of eight years. Upon expiry of the initial term of eight years, another competition shall be conducted where the winner of the current competition will be eligible to participate.

This ITA sets out detailed terms of the competition for the licence. It provides details of the Lottery opportunity with the involved process and requirements connected with submitting Application and information as to how Applications will be evaluated. The executive summary provides an overview of the ITA to assist Applicants in reading the entire document, but it is not comprehensive and hence Applicants are advised to read the entire document.

The suitable company being sought shall provide a complete solution for the Lottery, including setting up and running the Lottery; designing, building, financing and operating the requisite infrastructure and systems; designing, distributing and marketing Lottery games. Each Applicant will have to describe all of these elements in its Application. The key responsibilities of the would-be successful Applicant can be divided into two main phases as follows:

Phase One: Pre-Commencement

The Pre-Commencement phase sets out ground for takeoff. It is an important phase because it prepares for and determines success for the subsequent phase.

Key responsibilities in this phase are:

- i) Planning and risk management;

- ii) Acquisition of Premises and facilities;
- iii) Roll-out of infrastructure;
- iv) Recruiting and training of staff;
- v) Developing relevant operating guidelines and manuals;
- vi) Appointment of suppliers;
- vii) Establishing the distribution network;
- viii) Development, testing and implementation of all proposed systems; and
- ix) Concluding all pre-licensing conditions issued by GBT.

Phase Two: Launching and Operating

This is an operational phase where the actual business of the lottery begins and continues to take place. It consists of all activities associated with the operation of the lottery, namely; official launch, operational activities, contributions and compliance. The key responsibilities of the would-be successful operator are summarized in the table below:

Operational	Contributions	Compliance
i. Commencement of operation	i. Maximisation of Government revenue (gaming tax, levy and royalty)	i. Compliance with the Act
ii. Continuous development of lottery games	ii. Maximisation of return to good causes	ii. Observe the National Lottery Agreement
iii. Designing and implementing appropriate marketing strategy	iii. Transfer of unclaimed prizes	iii. Observe Propriety
iv. Management of distribution channels		iv. Prohibit children participation
v. Provision of technology solutions		v. Protect the vulnerable
vi. Management draws		vi. Good corporate governance
vii. Payment of prizes		vii. Observe performance standards

Operational	Contributions	Compliance
viii. Protection of intellectual property ix. Provision of customer service and care		viii. Assignment of rights ix. Observe own Business Plan x. Licence conditions xi. Requirement for Performance Bond

The income of the licensee will come from its operations through a retention structure which allows the Licensee to retain a proportion of income after prize payments, gaming tax, royalty, gaming levy and retailers' commission. Every Applicant needs to provide projections based on genuine and reasonably developed assumptions which set out forecasts of its business plan.

This ITA uses output specifications, where possible, which means that the GBT sets out necessary and desirable outcomes rather than a rigid technical specification. Each Applicant can therefore innovate by using own solutions within the context of the requirements of this ITA and the regulatory environment. Where the GBT has a current preference, this is stated. For instance, while each Applicant is free to choose its own type of games and methods of distribution, the GBT would ordinarily expect these to include at least a form of Lotto game and a form of scratch card game in its portfolio, with access through retailers, Internet, mobile devices and other interactive channels.

Although Applications are welcome worldwide, Applicants should note that a successful Applicant shall have to establish a physical office in Tanzania. The GBT is impartial on the nationality of the Applicant provided that the Applicant can demonstrate that it is able to fulfill the requirement set out in this ITA and that it is capable of being regulated in an efficient and effective manner as per the requirement of the Act.

1.2 GBT's Mandate on the National Lottery Licence

Section 41(1) of the Act provides for the national lottery operations to be Licenced and regulated by the GBT. The Act mandates the GBT to appoint a suitable company to conduct national lottery operations. The GBT's statutory duties are to:

- i) Ensure that the National Lottery, and any other lottery which forms part of it, is run and managed with all due propriety.
- ii) Ensure that the interest of every participant to the National Lottery, or to any lottery which forms part of it, is protected.
- iii) Ensure maximization of government revenue by way of gaming tax, gaming levy and royalty.

The primary responsibilities of the GBT are therefore to ensure propriety, player protection and revenue maximization to the Government; the main regulatory activity of the GBT shall therefore focus on these areas.

1.3 The Competition

The GBT has designed this competition process to achieve the following:

- i) High standards of propriety and player protection;
- ii) Revenue maximization;
- iii) Maximization of returns to good causes; and
- iv) Level playing field for all Applicants.

In running this Competition, the GBT's objectives and the criteria against which it will evaluate the Applications, are consistent with its mandate to safeguarding the lottery and selecting a suitable operator of the lottery. In consideration of the above, the following key principles apply:

- i) Greater use of output specification, encouraging innovation and use of each Applicant's preferred approach;
- ii) A requirement on each Applicant, from the start and throughout the Licence Period, to provide modern, flexible technology which adopts open systems principles;
- iii) A format to the ITA intended to make the requirements and evaluation criteria highly transparent;
- iv) Additional steps designed to ensure that sales projections are realistic and comparable; and
- v) An evaluation methodology that focuses on each Applicant's ability to meet Required Standards, revenue maximization and returns to good causes.

1.4 The evaluation

Each Applicant must demonstrate and satisfy to GBT that it has the capacity of delivering the proposed solution in time for the start of the Licence in December 2023. The Applicant must also demonstrate and satisfy the GBT that

it has the ability to operate throughout the Licence Period in accordance with the Agreement and regulatory environment and in a manner that enables the GBT to fulfil its statutory duties.

The GBT will select the Applicant that meets all of the required standards and that, in its opinion, offers the most economically advantageous Application that is best able to maximize statutory revenue and contribution to good causes based on analysis of the deliverability of its business plan.

GBT may, in its absolute discretion, request an Applicant to provide additional information on particular aspects of its Application at any time during the evaluation process. The GBT reserves the right to grant an Applicant the opportunity to amend its Application where the GBT considers that this will allow a deficiency in the Application to be addressed. A deficiency includes any concerns that, if not addressed, might prevent the Application from passing any required standard or meeting any other requirements set out in this ITA and Licence.

Where GBT decides to grant the opportunity to address a deficiency in respect of any required standard, then all Applicants shall be given a similar opportunity to address any deficiency in respect of the Required Standard aspects of their Applications, if necessary. Where the GBT decides to grant an opportunity to address a deficiency in respect of areas other than required standards, all Applicants shall be given a similar opportunity to address any deficiency in respect of those areas. For the avoidance of any doubt, no amendment, either upwards or downwards, may be made to Applicant's Principal Revenue Forecast, retention rates and hence forecast statutory payments and contributions to good causes at any time after the Application has been submitted. However, where there is a change to the underlying cost structure that arises because of clarification or amendment of Application, the GBT will consider this when assessing the financial soundness and realism of that Application, and when adjusting the Applicant's business plan forecasts.

1.5 The process

The Competition process shall begin with the issuance of the ITA document by the GBT starting on 18th November 2022. The deadline for submission of Application and proposals to operate the National Lottery in Tanzania shall be on 27th February 2023.

1.6 National Lottery Agreement

Prior to issuance of the licence, the GBT shall enter into an Agreement with the successful Applicant pursuant to Section 41(2) of the Act. The Agreement shall bind the GBT and the successful Applicant to implement agreed commitments between the two parties.

1.7 Performance Bond

The successful Applicant shall furnish a Performance Bond to the GBT by way of a financial guarantee issued by a bank licensed by the Bank of Tanzania or deposit with the GBT a specified amount of money for the purposes of securing the payment of financial obligations payable under the Gaming Act, the National Lottery Agreement or any other agreement pertaining thereto. The financial guarantee shall be updated periodically to reflect the financial obligations of the licensee and shall remain valid for the duration of the licence and until all liabilities arising during the licence period have been settled.

1.8 The National Lottery Logo

It is a condition of the licence that there is a National Lottery logo. The logo may have different presentation in different circumstances. The Applicant shall develop logo usage guidelines to be approved by the GBT. The logo shall be the property of the GBT and the licensee shall use the logo at all times in all matters related to the National Lottery.

CHAPTER ONE

1.0 REGULATORY FRAMEWORK

1.1 Background

This part intends to describe the gaming regulatory and institutional framework in Tanzania. Gaming is a properly regulated sector in Tanzania whereby the GBT is the sole regulator of the sector. Applicants should note that National Lottery in Tanzania forms part of the gaming activities hence regulated by the GBT. The Ministry of Finance and Planning is the parent Ministry under which the gaming sector is bestowed.

1.2 National Gaming Policy

The National Policy on Gaming Activities in Tanzania classifies gaming into three groups whereby National Lotteries is among them. The Policy requires that the National Lottery be owned by the Government, but its operation be contracted to the private sector on a competitive basis.

1.3 The Gaming Act No. 4 of 2003 (The Act)

The Gaming Act No. 4 of 2003 is the principal legislation for overseeing, monitoring and regulating the conduct of all gaming activities in Tanzania. The National Lottery Licence is issued under Section 41(1) of the Act, which require GBT to appoint a suitable company to run the National Lottery. The Gaming Regulations, 2003 forms an integral part of the Act and are intended to amplify the provisions of the Act.

1.4 The Competition

Among the important and notable features of the National Policy on Gaming Activities in respect of the National Lottery is that the operator of the National Lottery will be appointed competitively. It recognizes that there can only be one National Lottery operator at a time. However, upon expiry of term, a similar competition for the next term is conducted whereby the incumbent operator is eligible to compete. The competition for national lottery licence is open to companies inside and outside Tanzania.

CHAPTER TWO

2.0 THE PROCESS

2.1 Introduction

All Applications to run the National Lottery must comply and respond fully to the GBT's detailed requirements in this ITA. The Applicant should provide accurate information whereby all Application must contain the following:

- i) An Application Forms for the National Lottery Licence;
- ii) An Application Submission Checklist;
- iii) An Executive Summary;
- iv) Relevant vetting forms as set out in this ITA;

Upon completion of evaluation of the Applications, the GBT will select a Preferred Applicant on whom probity investigations will be conducted. The GBT may also select a Reserve Applicant on whom it would conduct probity investigation in the event clean findings are not achieved with the Preferred Applicant. Once the probity investigations have been favorably concluded, the GBT will award the Licence. Each Applicant should note that:

- i) The Licence will be awarded subject to the Preferred Applicant securing any consent, clearances, permissions, approvals or other conditions that it may require from third parties. Where appropriate, each Applicant shall provide relevant details of any such conditionality in its Application.
- ii) The GBT expects each Applicant to co-operate fully in order to enable early confirmation of the decision to award the Licence.

2.2 Contact with the GBT

Communications by all Applicants in respect of the competition for the National Lottery Licence shall be made in writing to the Director General of the GBT. All correspondences must be addressed to:

The Director General,
Gaming Board of Tanzania,
PSSSF Twin Towers – Wing A, 27th Floor,
Mission Str./Sokoine Drive
P. O. Box 1717,
Dar es Salaam, TANZANIA.
E-mail: nationallottery@gamingboard.go.tz

Applicants may communicate by e-mail or letter.

2.2.1 Prior-Submission Meetings with the GBT

Prior to submitting Application, an Applicant may request to meet with the GBT to discuss any issues arising from this ITA. GBT encourages that the request for such a meeting should be prompted by issues relating to new or innovative proposals, or in respect of those specific issues highlighted in this ITA as being ones that the Applicant may wish to raise with the GBT. The GBT reserves the right to make presentations which would be made available to all Applicants in the manner described in this ITA document.

The GBT conducted a clarification meeting on 25th October 2022 with stakeholders who indicated interest to operate the National Lottery. Such stakeholders included some who had previously collected the draft ITA issued by the GBT. During the meeting the GBT provided clarifications on various issues raised by the stakeholders concerning the draft ITA. The GBT will avail the clarifications in writing to all stakeholders who collect the ITA; within fourteen days after collection of the ITA.

2.2.2 Clarification and information requests

Request for further clarification or information must only be made to the GBT in writing. Any clarification or information arising from such requests will be published on the GBT's website, except for issues of confidentiality and commercial sensitivity. In the event an Applicant believes that the matter being raised is confidential or commercially sensitive, for example, if it relates to proprietary proposals, the Applicant must clearly state this in the request. If in its absolute discretion the GBT considers that the request and/or its response should be properly regarded as confidential or commercially sensitive, then the request and its response shall be kept confidential. In this way, the GBT intends that Applicants should be able to discuss proprietary proposals prior to submitting Applications to provide Applicants with greater clarity.

If, as a result of any requests for information or clarification above, or any communication between the GBT and an Applicant in relation to an Application or otherwise, the GBT is of the opinion that a clarification, amendment to the ITA or additional information is required to be issued to all Applicants, then the GBT shall be entitled to make any such clarification or amendment to the ITA at any time or release such additional information as it considers in its absolute discretion may be required.

2.3 Submission of Application

All Applications should be submitted to the Offices of the GBT by Monday 27th February 2023 before 1600 Hours local time to the contact address above.

2.4 Format of Submission

Each Applicant should submit only one Application, which should accord with the following requirements:

- i) Each Applicant's submission should include a duly completed Application Form for the Licence to operate the National Lottery in the manner prescribed in APPENDIX B.
- ii) Each Applicant should submit an original copy of the submission in a bound or file version. The original copy shall have the signature of two directors of the Applicant on each page of the submission. Proof of the directors' authority to sign on behalf of the Applicant shall be provided.
- iii) The original copy shall include an executive summary of the submission. It is each Applicant's responsibility to ensure that the executive summary is consistent with its submission. However, the GBT will assess the submission and not the executive summary.
- iv) Each Applicant shall provide six (6) numbered copies of the original copy. It is each Applicant's responsibility to ensure that all copies are the same as the original.
- v) Each Applicant shall also provide two copies of USB memory flash, DVD or CD-ROM discs, containing non-editable (read only) files of the submission in either Word or PDF format or, in the case of the financial information, Excel spreadsheet format. Appropriate filenames shall be specified and cross references shall be provided to the printed or typed document.

- vi) Each Applicant is responsible for ensuring that information provided in electronic form is consistent with the information provided in the printed or typed Bid. In the event of a discrepancy in information between the CD-ROM and the printed version, the printed versions of Word and PDF documents will take precedence, while the electronic version of any Excel documents shall take precedence.
- vii) The submission shall be typed in English, with each page clearly numbered and chapters and sections suitably recorded in a contents table.
- viii) The submission shall provide responses in the same order as the requests for information in this ITA document.
- ix) All responses shall be cross-referenced to the relevant section of the ITA. Each Applicant is asked only to respond to the sections marked **evidence required**. However, they must take into account the considerations outlined in each relevant chapter.
- x) Responses to each chapter should contain all the relevant information that the Applicant wishes to be assessed as against the requirements for that chapter. Cross-references to responses to other chapters should be avoided except where absolutely necessary, to avoid substantial repetition.
- xi) Each Applicant shall provide an original signed copy and one other copy of the vetting forms (**APPENDIX C**) in separate files. These files should clearly be marked 'Vetting forms'.
- xii) The submission should be delivered to the offices of the GBT in the provided address.
- xiii) No faxed or emailed submission will be accepted.

2.5 Acceptance of the terms and conditions

The submission of an Application will be taken as acceptance of the terms and conditions of this ITA. It is the responsibility of the Applicant to ensure that the Application submitted is complete.

2.6 Acknowledgement of receipt

An acknowledgement will be issued as soon as practicable in respect of each Application and any early submissions of fit and proper vetting forms. Materials once submitted shall become the property of GBT and shall not be returned.

2.7 Publication, disclosure and use of Application information

Following submission of Applications to the GBT, Applicants are requested to refrain from media contact, issuing of press releases and the distribution of other promotional material and from the staging of promotion in respect of their Applications until the announcement of the Preferred Applicant. In particular, the GBT considers that it would be helpful for each Applicant to avoid, after the closing date for submission of Applications, to release previously undisclosed information about its Application, and to utter negative comments about other Applications or Applicants.

2.8 Oral Presentation of Applications

The GBT intends to invite all Applicants to make oral presentations of their submissions. However, Applicants would not be allowed to present new information that is additional to that already submitted to the GBT unless it is in response to a request from the GBT. The GBT reserves the right to visit lotteries or other operations where services are being provided by Preferred Applicants or their Consortium Members. Each Applicant must specify three sites that the GBT might visit. In addition, the GBT may wish to visit operations other than those specified by the Applicant and for which a Consortium Member is responsible. The GBT may choose to have advisers present at any visits made.

2.9 The right of the GBT to request for clarification

Applicants may be requested by GBT to provide additional information in writing on particular aspects of their Applications. The GBT reserves the right to seek such further particulars from any Applicant at the time and in the format of its choosing. The GBT will use the point of contact indicated in the Applicant's Application Submission Checklist.

2.10 Modifications and amendments to Applications

The GBT will not accept unsolicited additional material from any Applicant after the Submission Date.

2.11 Variant Applications

Variant Applications will not be considered. Variant Applications are defined as Applications that detail materially different ways of meeting the requirements set out in this ITA, or which propose more than one Principal Forecast.

2.12 Structure of Applicants

The ITA is intended for corporate entities, which are potential Licensees. The Licensee is required to be a single purpose entity in order to ensure, as far as possible, that the Licensee focuses fully on the successful operation of the Lottery. The Licence will therefore only be awarded to a body whose Memorandum and Articles of Association, or equivalent, properly reflect this single purpose requirement. As a requirement of the Licence, the GBT must approve the contents and any changes to the Memorandum and Articles of Association of the Licensee, or any additional or equivalent documents.

Applicants may also propose a range of financial structures. The GBT would expect all Applicants to retain sufficient reserves during the Licence Period to provide them with financial stability, or to make alternative provisions to achieve this. The GBT welcomes Applicants and Consortium Members that may be based inside or outside Tanzania.

2.12.1 Participation in more than one Consortium

The GBT will allow parties to participate in more than one Consortium if they wish to do so, provided that there is no collusion and measures are put in place to ensure that this is the case. If parties choose to participate in more than one Consortium, they should not be capable of exercising control or significant influence over more than one Applicant. The GBT may, in its absolute discretion, permit such participation on receipt of prior notice together with appropriate assurances and implementation of safeguards.

2.12.2 Changes to Consortia Members

The GBT may, in its absolute discretion, accept changes to be made to any Applicant's Consortium. Where an Applicant wishes to change a member of its Consortium, that Applicant shall notify the GBT in writing prior to the changes including reasons for the intended change. The GBT may require any further information within a specified period to evaluate the impact of the changes. The GBT reserves the right to accept or refuse any changes.

2.13 Undertakings in respect of Restrictive Agreements

To qualify for participation in the competition, Applicants, or members of their consortia, shall not enter into any agreement with any retailer or supplier of equipment, gaming related software and/or scratch cards if:

- i. The agreement would, in the opinion of the GBT, have the effect of restricting the retailer's freedom to offer distribution channels to other Applicants and/or consortia;
- ii. The agreement would, in the opinion of the GBT, have the effect of restricting the retailer's freedom to determine the terms and conditions on which the retailer might offer distribution channels to any other Applicant or consortia;
- iii. The agreement would, in the opinion of the GBT, have the effect of restricting the supplier's ability to supply any relevant equipment, gaming related software and/or scratch cards to any other Applicant and/or consortia;
- iv. The agreement would, in the opinion of the GBT, have the effect of restricting the supplier's freedom to set prices, or of restricting its freedom to determine any other terms or conditions that it might wish to agree with any other Applicant and/or consortia;

Generally, no agreement shall be entered into if it contains any restriction similar or analogous in nature to those described in (i)-(iv) above and which, in the opinion of the GBT, would have the effect of materially restricting the freedom of any supplier of equipment or any retailer to reaching agreement with any other Applicant or consortia in connection with the competition for the licence. Participants to the competition shall not enter into an agreement that would prevent disclosure of any agreement of the kinds referred to in (i)-(iv) above.

2.14 Application validity period

Each Application and the information contained therein is irrevocable and must remain valid for a minimum of twelve months from 27th February 2023. Each Applicant shall indicate the maximum validity period over and above eight months, which it is prepared to accept, without adjustment to its Application.

CHAPTER THREE

3.0 EVALUATION

3.1 Evaluation of Applications

Appointment of the Licensee is the responsibility of the GBT upon conducting evaluation of Applications based on its statutory duties. The evaluation will involve assessment of the GBT specified criteria of which each Application will be required to meet. The decision to award the Licence, on the basis of this evaluation, will therefore be that of the GBT. Based on the evaluation of Applications, the GBT will appoint a Preferred Applicant, if any, on whom to conduct probity investigation. The GBT may also appoint a Reserve Applicant, on whom the GBT will conduct probity investigation in the event of adverse findings on the Preferred Applicant

3.2 Required Standards

The evaluation process will focus on the Applicant's ability to demonstrate its capability to meet the following required standards:

- i) Propriety;
- ii) Player protection;
- iii) Management ability and appropriate organizational structure;
- iv) Financial soundness;
- v) Modern technology and its suitability;
- vi) Operational risk management;
- vii) Management of transition risks;
- viii) Marketing plan;
- ix) Game plan;
- x) Player access plan; and
- xi) Revenue maximization.

Description of the required standards, the criteria against which each Applicant will be evaluated, and the evidence it needs to provide to support the evaluation are described in the respective chapters of this ITA document. Each Applicant should ensure that the response to each chapter is provided in a separate volume or volumes, and that all the information is contained within those respective volume(s), without the need for cross referencing except where absolutely necessary to avoid substantial repetition.

The ability of each Applicant to meet a required standard will be assessed alongside its ability to maximize government revenue and generate returns to good causes. Each Applicant's ability to satisfy a particular required standard must be consistent with the information provided in other areas of evaluation.

3.3 Revenue Maximization and Returns to Good causes

The GBT will assess each Applicant's ability to maximize government revenue and expected returns to good causes. It is this assessment that will determine the Applicant that will be awarded the Licence, provided other required standards are satisfied. Each Applicant is required to submit to the GBT sufficient evidence, including a comprehensively prepared and well supported Business Plan, to enable it make informed assessment on this aspect.

3.4 Ancillary Activities

The GBT is keen to encourage innovative ideas and methods to increase revenues through Ancillary Activities, and to share those increases as appropriate between the good causes and the Licensee. Once the Successful Applicant has been appointed, the GBT will consider the Applicant's proposals to implement such activities accordingly.

Ancillary Activities refers to any activity that generates income derived from the use of Lottery assets or from Lottery-related activities other than that derived from ticket sales. The definition captures activities such as:

- i. Broadcasting rights;
- ii. Use of Lottery terminals, for purposes not related to the sale of Lottery tickets; or
- iii. Advertising revenues, for example through the Lottery website and or on the lottery tickets.

Undertaking of Ancillary Activities shall require prior approval of the GBT. This is because among other things, the GBT needs to ensure that sufficient safeguards are put in place to protect the core Lottery business and brand. Subject to the foregoing the GBT would give consent where it is satisfied that a fair return can be achieved for the good causes in making such use of the Lottery infrastructure.

Applicants should note, however, that for the purposes of the Competition and evaluating Applications, they must not include any Ancillary Activities in the business plan projections. This means that the direct contributions or direct financial effects (e.g. revenues, costs, capital expenditure) of such activities must not be shown. In the event Ancillary Activities are shown, they will be ignored for the purposes of the evaluation. In this way, the GBT intends to focus the financial evaluation on the contributions to good causes driven by core Lottery-related sales.

CHAPTER FOUR

4.0 PROPRIETY

4.1 Purpose

The GBT has an overriding statutory duty to ensure that the Lottery is run with all due propriety. It must be satisfied that those likely to manage the lottery, or for whose benefit the lottery is likely to be conducted, are fit and proper.

The assessment of propriety will be carried out during the evaluation as a required standard. There are two elements to establishing propriety:

- i) The GBT must be satisfied that those who manage the business of running the Lottery are fit and proper to do so, and those for whose benefit that business would be carried out are fit and proper to benefit from it.
- ii) The GBT will also need to test the management arrangements in place, or to be put in place, to ensure that the Lottery will be run with due propriety in the future. These arrangements extend to the Licensee, its staff and suppliers.

The GBT must be notified immediately of any changes in any of the information provided in response to this part during the period between the submission of Application and the point of issuance of the licence.

4.2 Fit and proper testing

4.2.1 Requirement

Section 42(1) of the Act requires that the GBT shall grant a licence to run national lottery upon satisfaction that the applicant is fit and proper and that any person managing or benefiting from the lottery is fit and proper. The GBT will need to be satisfied as to the fitness and propriety of the organisations and personnel that are key to each Application prior to Licence Award. Applicants should note that satisfaction of tests regarding fitness and propriety will be an ongoing obligation during the course of the Licence and any Transition period.

4.2.2 Evaluation criteria

The GBT will judge propriety of the Applicant on the basis of the information made available to it. Applicants will be required to provide information to the GBT to enable it to make a judgment. The GBT may require additional information in order to complete the process. The GBT will check the accuracy and completeness of the information provided to it by Applicants with a range of agencies in Tanzania and in other jurisdictions. The details of such information provided about Applicants are confidential and the checks are carried out with this understanding.

It may be that in the course of this process the GBT will receive adverse information. For practical purposes, the types of adverse information that would cause the GBT to investigate further would include, but not be limited to, that relating to convictions for a criminal offence, censure by a regulatory authority or bankruptcy. In examining adverse information, the GBT will consider the role of the individual concerned, the nature of the adverse information and any other relevant information.

The GBT aims to allow any organisation or individual about whom it has received adverse information, or about which it otherwise has concerns, to make representations and provide any additional information which that organisation or individual considers relevant to the GBT's decision. However, the confidentiality attached to information received may limit the GBT's ability to disclose to the organisation or individual involved the full details of its concerns.

The GBT would not wish to be in a position where it would be obliged to reject an Application for the Licence by reason only of a problem in relation to an organisation or individual who is not of major importance to that Application. In such an instance, the GBT would wish to discuss the position with the relevant Applicant and invite it to make an appropriate change to deal with the difficulty. The GBT wishes to make it clear that it has no knowledge or expectation that the circumstances envisaged above will arise.

4.2.3 Evidence required

The following sections set out the evidence required in respect of the Applicant, and parties within its Consortium.

4.2.3.1 Directors and key employees

Each Applicant shall provide a list of the directors, officers and key employees of the Applicant and any subsidiaries or holding companies, together with vetting forms as set out in **APPENDIX C**. Key employees are intended to include any employees who are not directors or officers, but who are nonetheless material to the delivery of the proposals set out in the Application and are not easily replaced.

4.2.3.2 Shareholders and persons connected with the Applicant

Each Applicant shall provide:

- 1) A list of the names and addresses of all Shareholders, including their respective shareholding, in the company together with their ultimate parent companies. The list must explain the relationship of each of these parties to the Applicant and any relationship with any other member of the Consortium, and how, if at all, those relationships would change were the Applicant to be granted the Licence.

- 2) A list of directors and officers for each of the parties set out in (i) above.
- 3) Vetting forms as set out in APPENDIX C, as appropriate, duly completed by each of those persons.

4.2.3.3 Contractors and subcontractors

Applicants should note the following:

- i) A Key Contractor is defined as a party that provides services of a material nature to the Applicant, either directly or via a subcontract. The following key principles apply when considering whether a supplier or contractor falls under the definition of Key Contractor. It will do so if:
 - a) It provides services that are material to the structure and content of any Application;
 - b) If it provides services that are not commodity-type in nature but are unique, bespoke or tailored;
 - c) It is not easily replaced without material risk to the delivery of the Application or its proposals; or
 - d) The cost of an alternative supplier or contractor would likely be significantly different.
- ii) The GBT reserves the right, in its absolute discretion, to classify any contractor or supplier as a Key Contractor and to seek relevant information as appropriate.

Each Applicant shall provide:

- 1) A list of the names and addresses of all Key Contractors providing, or intending to provide, services to the Applicant.
- 2) A list of each Key Contractor's directors, officers and key employees.
- 3) A list of the names and addresses of each Key Contractor's Significant Shareholders and their ultimate parent companies, and a list of the directors and officers of those Significant Shareholders and ultimate parent companies.
- 4) Vetting forms as set out in APPENDIX C, as appropriate, duly completed by each of those persons.

4.2.3.4 Providers of financing

Applicants need only to submit vetting forms in respect of providers of financing where:

- i) Where such financing offers the provider the right or option of becoming at least 5 per cent Shareholder.
- ii) Such financing is of a highly structured and/or bespoke nature, and where the providers of such financing are not easily replaced without material risk to the delivery of the financing of the Application or where the cost of an alternative provider would likely be significantly different; or

Where any providers of financing fall within the definitions above, each Applicant must provide:

- 1) A list of the names and addresses of providers, or intended providers of such financing to the Applicant.
- 2) A list of the directors and officers of each provider of financing.
- 3) A list of the names and addresses of each financing provider's Significant Shareholders and their ultimate parent companies, and a list of the directors and officers of those Significant Shareholder and ultimate parent companies.
- 4) Vetting forms as set out in APPENDIX C, as appropriate, duly completed by each of those persons.

The GBT reserves the right, in its absolute discretion, to require any information of any provider of financing to the Applicant.

4.2.3.5 Changes in circumstances

Each Applicant must notify the GBT immediately of any changes in the identity of any of the above parties or of any material changes in their circumstances (such as, in the case of directors, officers or key employees, any conviction for a criminal offence, censure by a regulatory authority or bankruptcy) during the period between the submission of the relevant vetting form and the grant of the Licence. A confirmation will be required before the grant of the Licence from each director and proposed director and from the Applicant that the information set out in the vetting form submitted with the Application is correct. The Licence will require any subsequent changes that occur while the Licence remains in force to be notified to the GBT.

4.2.3.6 Note for Applicants

Applicants should note that following the selection of the Licensee the range of persons to which vetting will apply is likely to be wider than that set out above. The GBT reserve the right to determine persons to which vetting will apply. Applicants should note that during the Licence Period vetting checks will be repeated at regular intervals.

4.3 Arrangement for continued propriety

4.3.1 Requirement

The requirement for an Applicant to operate the Lottery with all due propriety extends to the way in which the Licensee manages its relationships with its shareholders or other beneficiaries, its staff and its contractors. It is the Licensee's responsibility to ensure that sufficient control mechanisms are, or will be, in place to maintain control of those parties and that ultimately, the reputation of the Lottery is protected. Each Applicant must be managed in accordance with high standards of corporate governance. This is in order to ensure propriety and protect the interests of participants.

4.3.2 Evaluation criteria

The GBT must be satisfied that high standards of corporate governance and other control mechanisms are in place to ensure that any significant probity or regulatory issues, whether involving the Licensee, its shareholders and other beneficiaries, or suppliers and contractors, is brought to the GBT's attention immediately. Each Applicant will need to satisfy the GBT that appropriate arrangements are in place with its staff, contractors and suppliers (particularly suppliers of its shareholder) to ensure that those relationships are clear, properly managed and transparent. Each Applicant will be assessed on the arrangements incorporated in, or intended to be incorporated in, relevant contracts. The GBT will expect the successful Applicant to lodge current versions of material contracts with it at all times throughout the Licence Period.

The GBT must also be satisfied that the successful Applicant has adequate powers to require any person who is, or appears to be, directly or indirectly interested in its share capital to supply information concerning that person's interest and, if the required information is not supplied, to suspend the voting and dividend rights attaching to any relevant shares until the position has been clarified. These powers should apply where any shares or interests in shares of the successful Applicant are, or have been transferred.

4.3.3 Evidence required

Each Applicant shall provide the following:

- 1) An overview of the measures it has, or intends to put in place, to ensure that any probity or other regulatory concerns are brought to the attention of the GBT, including:
 - a) The procedures it intends to adopt for notifying the GBT promptly of any issues that should be brought to the GBT's attention.
 - b) Its approach to corporate governance
 - c) Details of its internal audit function.
- 2) Details of the arrangements in place, or to be put in place, in respect of its employees in order to manage the recruitment and behaviour of its staff.
- 3) Details of the arrangements in place, or to be put in place, with its contractors and suppliers, and in particular shareholder suppliers, in order to manage those relationships. This must include:
 - a) Details or copies of supply contracts with Key Contractors (as defined in part 4.2.3.3). This should include information relating to the financial arrangements and terms of remuneration.
 - b) Proposals for ensuring value for money from key suppliers during the period of the Licence.

4.4 Corporate governance

4.4.1 Requirement

Each Applicant must be managed in accordance with high standards of corporate governance. This is in order to ensure propriety and to protect the interests of players. Applicants should also note that Licensees shall be required to establish a code of corporate social responsibility and a code of conduct which shall provide a code for an ethical framework for all business decisions.

4.4.2 Evaluation criteria

Each Applicant will need to satisfy the GBT that it is able to meet high standards of good corporate governance. The arrangements set out in its proposals will be tested against acceptable best practices on Good Corporate Governance. This part of the evaluation is a key element in demonstrating that the Lottery will be run with all due propriety and that clarity and transparency will be evident.

Each Applicant will also be assessed on the arrangements that it intends to put in place to ensure transparency of remuneration and incentives for directors and staff. The GBT wishes to be assured that these are consistent with achieving revenue maximization for the Government and the best possible returns to good causes.

4.4.3 Evidence required

Each Applicant must provide:

- 1) Confirmation that it will put in place appropriate measures to ensure a commitment to high standards of good corporate governance.
- 2) Details on the corporate governance structure, relevant bodies or committees and their roles, and any key processes that it has or intends to put in place.
- 3) Details on the extent to which these corporate governance arrangements extend to suppliers.
- 4) Details of any proposed employee incentive schemes, including any individual arrangements applicable to directors or other key or senior personnel that it intends to put in place.
- 5) An explanation of the approach it intends to take in respect of corporate social responsibility and in setting an ethical framework for business decisions, including any external standards that it intends to comply with, and any reporting and audit arrangements that it intends to adopt.
- 6) An outline of the plans it proposes to put in place to encourage greater public involvement in the operation of the Lottery.

4.5 Internal audit

4.5.1 Requirement

Each Applicant is required to set up and maintain an internal audit function. It may choose to outsource this to a suitable provider.

4.5.2 Evaluation criteria

Each Applicant must confirm that all internal audit services will comply with appropriate professional standards, such as the International Internal Audit Standards issued by the Institute of Internal Auditors (IIA). These requirements must be considered a minimum acceptable standard.

4.5.3 Evidence required

Each Applicant must provide confirmation that:

- 1) Appropriate standards, equivalent to or in excess of those adopted by the IIA, will be followed.
- 2) Appropriately qualified and experienced staff will be employed.
- 3) Systems of risk management will be evaluated and an assessment made as to their adequacy, efficiency and effectiveness.
- 4) The internal audit function will review the whole network of controls, including financial, operational and other management controls, established to ensure that objectives are met in the most cost-effective manner.

4.6 Arrangements in respect of employees

4.6.1 Requirement

Each Applicant is required to set out the key arrangements it intends to put in place to ensure that its employees observe appropriate standards of propriety.

4.6.2 Evaluation criteria

Consistent with its need to assure the GBT that the Lottery is run with all due propriety, the Applicant must satisfy the GBT that it will include appropriate safeguards in its recruitment and employment procedures.

4.6.3 Evidence required

The Applicant shall provide details of the safeguards it will include in its recruitment and employment procedures. This should include:

- a) Recruitment checks that the Applicant will undertake to satisfy itself of the propriety of the staff it employs.
- b) Details of terms and conditions the Applicant intends to apply to ensure the propriety of the behaviour of staff.
- c) Details of arrangements that the Applicant intends to adopt to allow staff to raise any propriety concerns or issues with senior management and with the GBT (such as 'whistle blowing' policies).

4.7 Arrangements in respect of suppliers and contractors

4.7.1 Requirement

The Applicant is required to set out the key arrangements it intends to put in place to ensure that its suppliers and contractors observe appropriate standards of propriety.

4.7.2 Evaluation criteria

Consistent with its need to assure the GBT that the Lottery is run with all due propriety, the Applicant must satisfy the GBT that it will include appropriate safeguards in its relationships with its suppliers and contractors.

4.7.3 Evidence required

Each Applicant shall provide details of the safeguards that it will include in its relationships with its suppliers, contractors and subcontractors. This should include:

- a) Any checks that the Applicant will undertake to satisfy itself of the propriety of its suppliers and contractors.
- b) Details of the contractual arrangements that the Applicant intends to adopt to ensure the propriety of the behaviour of suppliers and contractors, and that any issues are brought to its attention, and to the attention of the GBT, promptly and fully.
- c) Details of arrangements that the Applicant intends to adopt to ensure the staff of any supplier or contractor are able to raise any propriety concerns or issues with its senior management and with the GBT (such as whistle-blowing policies).
- d) The arrangements the Applicant intends to adopt to ensure value for money in respect of goods and services provided by its suppliers and contractors. The GBT is particularly concerned with understanding the arrangements that will apply to suppliers and contractors who have a financial interest in the Applicant (e.g. suppliers and contractors who are also shareholders).

CHAPTER FIVE

5.0 PLAYER PROTECTION

5.1 Introduction

Among the statutory duties of the GBT is to ensure public protection. The GBT must therefore be satisfied that the Applicant has made the necessary arrangements to ensure that the interests of every participant in the Lottery will be protected, that players are treated fairly, and that effective and rigorous measures are in place to counter excessive and underage play.

This chapter describes the requirements set out by the GBT which relate to player protection. The GBT must be satisfied that the requirements set out in this part, when implemented effectively, protect the interests of participants. However, the GBT also needs to be satisfied as part of the Competition process that these requirements remain appropriate in the context of an evolving Lottery environment and also that of specific proposals by each Applicant. The approach adopted therefore requires each Applicant to satisfy the GBT that the levels of protection afforded by the current arrangements will be maintained by confirming that it will comply with the requirements set out or, where necessary or appropriate in the context of its Application proposals, to suggest alternatives that meet or exceed those requirements.

All Applicants must link their responses to those requirements to the proposals set out in their Applications, for example, in relation to the proposed game portfolio or the proposed player access plan. Their response must take into account the proposed structure to be put in place at commencement of the Licence Period, and any changes that are anticipated over the first three years of the Licence Period. This response must be supported by details as to how the Applicants intends to resource requirements of player protection.

Each Applicant should note that the GBT reserves the right to impose arrangements or content on the Licensee in order to ensure that the interests of every participant in the Lottery are protected. Applicants should further note that some of the arrangements referred to in this chapter are reviewed regularly and may be amended from time to time.

5.2 Arrangements to protect the interests of players

5.2.1 Requirement

Applicants will be required to demonstrate that they will establish arrangements that meet the GBT's general requirements for player protection. The arrangements should include:

- i. A requirement to adopt, maintain and comply with a Player Guide for Lottery games, where tickets are bought from distributors;
- ii. A requirement to adopt, maintain and comply with a Service Guide for Lottery games which are played interactively;
- iii. A requirement to adopt, maintain and comply with a Subscription Guide where tickets are bought by subscription;
- iv. A requirement to adopt, maintain and comply with a code of practice concerning the availability of top prizes for all scratch card lotteries;
- v. A range of provisions to ensure that players have sufficient information to enable them to play Lottery games and claim any prize to which they are entitled;
- vi. A requirement that, if requested by any person, the Licensee shall provide the terms and conditions, rules, procedures and game specific rules for each Lottery game, the Player Guide, the Service Guide and the Subscription Guide in Swahili or English language as the case may be;
- vii. A requirement, unless the GBT agrees otherwise, not to engage or be involved in any manner or capacity in the use, provision or promotion of any premium charge telephone numbers or lines for any purpose connected with the Lottery or Ancillary Activities;
- viii. A requirement to adopt, maintain and comply with the terms and conditions, rules, procedures and game specific rules for each Lottery game;
- ix. A requirement to establish an efficient and effective system for handling complaints and enquiries by players and members of the public;
- x. A requirement to adopt, maintain and comply with a code or codes of practice covering advertising, sales promotion and public relations in respect of the Lottery and lottery ancillary activities; and

- xi. A requirement to ensure that at all times at least one active draw-based game is promoted in which persons may participate by purchasing tickets other than at a retail outlet. Applicants should note that the GBT is concerned that players who would find it difficult to access terminals or those players who are immobile or visually impaired should be able to access the Lottery. If an Applicant proposes alternatives, the GBT would wish to understand how these players would continue to be provided with access.

5.2.2 Evaluation criteria

The GBT must be satisfied that each Applicant will establish arrangements for player protection that meet, or are at least equivalent to, the requirements set out above, and that the Applicant will maintain the arrangements over the course of the Licence, taking account of the changes it proposes in its Application in respect of games, player access, marketing and any other issue which impacts on players.

5.2.3 Evidence required

Each Applicant must:

- 1) Confirm that it will comply with each of the requirements set out above, or propose alternatives which meet or exceed the standards set out in the requirements above, and so deliver the GBT's objective of securing player protection.
- 2) Indicate how the requirements set out above will reflect the Applicant's game, player access and marketing plans at the outset of the Licence Period, and which aspects of the arrangements and/or documents the Applicant expects to change as a consequence of the development of its game, player access and marketing plans during the first three years of the Licence.
- 3) Demonstrate how the Applicant intends to resource player protection arrangements (for example, by reference to its proposed organizational structure) and ensure compliance by its staff, suppliers and contractors with those arrangements.

5.3 Arrangements for the protection of winners

5.3.1 Requirement

Each Applicant will be required to demonstrate that it will establish arrangements that meet the GBT's requirements for the protection of winners. Such arrangements are summarized below:

- i. A requirement to ensure that all claimed valid prizes are paid to claimants;
- ii. A requirement to not disclose the identity of any person who has won a prize in any lottery or who the Licensee is aware is, or is likely to be, entitled to any share in or part of any such prize without the prior written consent of that person;
- iii. A requirement to secure that no lottery contractor, subcontractor or agent discloses the identity of any person who has won a prize in any lottery or who the Licensee is aware is, or is likely to be, entitled to any share in or part of any such prize without the prior written consent of that person;
- iv. A requirement to ensure that at every retail outlet there will be a prominently displayed notice advising players how to find out how many prizes in each tier remain unclaimed in any game offering a fixed number of prizes, including the relevant telephone number;
- v. A requirement to ensure that all participants are able to find out without payment to the Licensee and without undue inconvenience whether they have won a prize;
- vi. A requirement that the Licensee secures from its own resources that, where a prize-winning ticket can be demonstrated to have been fraudulently, erroneously or negligently cancelled, it pays to the bearer the prize to which he/she would have been entitled;
- vii. A requirement to use all reasonable endeavour to identify prize winners whose prizes may have been reduced by the payment of a prize to a person who was not entitled to purchase a ticket, and to pay to them the amount by which their prize was reduced;
- viii. A requirement that validation of tickets and payment of prizes must be prompt and not unduly inconvenience winners; and
- ix. A requirement to ensure that winners of cash prizes of **TZS 100 million** or more are provided appropriate sources of financial advice at the expense of the Licensee.

5.3.2 Evaluation criteria

The GBT must be satisfied that each Applicant will establish arrangements for player protection that meet the requirements set out above. The Applicant will maintain the arrangements over the course of the Licence, taking account of the changes it proposes in its Application in respect of games, player access, marketing and any other issue which impacts on players.

5.3.3 Evidence required

Each Applicant must:

- 1) Confirm that it will comply with each of the requirements set out above, or propose alternatives which meet or exceed the standards set out in the requirements above, and so deliver the GBT's objective of protecting winners.
- 2) Indicate how the requirements set out above will reflect the Applicant's game, player access and marketing plans at the outset of the Licence Period. Must also indicate which aspects of the arrangements it expects to change as a consequence of the development of its game, player access and marketing plans during the first three years of the Licence.
- 3) Demonstrate how the Applicant intends to resource arrangements for the protection of winners (for example, by reference to its proposed organisational structure), and ensure compliance by its staff, suppliers and contractors with those arrangements.

5.4 Protection of players' funds and prize liabilities

5.4.1 Requirements

Each Applicant will be required to demonstrate that it will establish arrangements that meet the GBT's requirement for safeguarding players' money and prize liabilities in all circumstances, including that of the failure of the Licensee. Applicants should note that this condition may be amended to reflect the Successful Applicant's proposals.

5.4.2 Evaluation criteria

The GBT must be satisfied that each Applicant will establish arrangements for the protection of players' money that meet, or are at least equivalent to, the requirements set out above, and that the Applicant will maintain the arrangements over the course of the Licence, taking account of any changes it proposes in its Application in respect of games, player access, marketing and any other issue which impacts on players. In particular, each Applicant must satisfy the GBT that the funds set aside to secure players' money and prize liabilities will be sufficient to meet those liabilities. There must be no prior claims on funds designated to meet all players' money and prize liabilities either:

- i) During the Licence Period;
- ii) Upon expiry of the Licence;
- iii) In the case of revocation of the Licence;

- iv) In the case of default by the Applicant on any financing arrangements in place during the life of the Licence; and
- v) In the case of insolvency of the Applicant.

In assessing the security of arrangements to be put in place, the GBT needs to be satisfied that all providers of services are of reputable nature and standing.

5.4.3 Evidence required

Each Applicant must:

- 1) Confirm that it will comply with the requirements set out above or propose alternatives which meet or exceed the standards set out in the requirements above, and so deliver the GBT's objective of securing the protection of players' money.
- 2) Indicate how the requirements set out above will reflect the Applicant's game, player access and marketing plans at the outset of the Licence Period.
- 3) Identify providers of any services required in setting up trust (or equivalent) arrangements.
- 4) Provide a letter of confirmation from any relevant trustee or other organisation to confirm that, that organisation will provide those arrangements proposed by the Applicant, outlining any remaining conditions to be satisfied.
- 5) Provide a letter of confirmation from the Applicant's funders that they are aware of and satisfied with the proposed arrangements and that they have been taken into account in structuring any financing.
- 6) Describe the arrangements it intends to put in place to ensure that the trustees (or equivalent) have the facilities available to them that are necessary to pay all outstanding prizes and reimburse the value of tickets purchased for a lottery where the draw does not take place in the event of Licensee default.

Applicants should note that the licence conditions relating to protection of players' money will be agreed upon with the Preferred Applicant for inclusion in the National Lottery Agreement. The intended trust (or equivalent) structure for delivering that protection is expected to be put in place prior to Licence Award. The GBT would therefore expect the Preferred Applicant to settle the detailed, underlying documents, e.g. trust deed, Performance Bond, prior to Licence Award.

5.5 Arrangements to prevent children participation

5.5.1 Requirement

Each Applicant will be required to demonstrate that it will establish arrangements that meet the GBT's requirements for preventing children to play. Each Applicant will be required to demonstrate that it will establish arrangements for the prevention of sale of tickets to children which should include:

- i) A requirement to adopt, maintain and implement a strategy to prevent play on the Lottery by persons under the age of 18 years.
- ii) A requirement to conduct tests of retailers as the GBT may require to establish whether sales have been or are being made or are likely to be made by retailers to children.

In evaluating an application to introduce a new game or a new distribution Channel, Applicants should note that the GBT will pay particular regard to the potential for children participation.

5.5.2 Evaluation criteria

The GBT must be satisfied that each Applicant will establish arrangements for the prevention of sale of tickets to children. The Applicant will maintain the arrangements over the course of the Licence, taking into account the changes it proposes in its Application in respect of games, player access, marketing and any other issue which impacts on players.

The GBT is particularly concerned with an Applicant's ability to:

- i. Actively seek to prevent children participation in the first instance;
- ii. Monitor whether games or distribution channels result in children participation; and
- iii. React speedily and appropriately to instances of children participation if they are identified.

5.5.3 Evidence required

Each Applicant must:

- 1) Confirm that it will comply with each of the requirements set out above, or propose alternatives which meet or exceed the standards set for preventing children participation.
- 2) Indicate how the requirements set out above will reflect the Applicant's game, player access and marketing plans at the outset of the Licence period. The Applicant should also outline any specific proposals or strategies in respect of the following areas:
 - i) Game research and design;
 - ii) Public information and education;
 - iii) Registration schemes and/or proof-of-age schemes;
 - iv) Accessibility of products and channels;
 - v) Support from the underlying technology solution; and
 - vi) Staff and distributor training.
- 3) Demonstrate how the Applicant intends to resource player protection arrangements (for example, by reference to its proposed organizational structure) and ensure compliance by its staff, suppliers and contractors with those arrangements.

5.6 Arrangements to ensure responsible play

5.6.1 Requirement

Each Applicant will be required to demonstrate that it will establish arrangements for the prevention of excessive play that are robust. The arrangements include:

- i) A requirement to adopt, maintain and implement a strategy to prevent excessive play of the Lottery which shall in particular deal with game research and design, marketing, public information and education, accessibility, staff and distributor training, monitoring and support for the treatment of problem gaming.
- ii) A requirement to prevent more than one draw relating to a similar game to take place in any period of one hour.

5.6.2 Evaluation criteria

The GBT must be satisfied that each Applicant will establish arrangements for the prevention of excessive play, and that the Applicant will maintain the arrangements over the course of the Licence, taking account of the changes it proposes in its Application in respect of games, player access, marketing and any other issue which impacts on players. The GBT is particularly concerned with an Applicant's ability to:

- a) Actively seek to prevent excessive play in the first instance;
- b) Monitor whether games or distribution channels result in excessive play; and
- c) React speedily and appropriately to instances of excessive play, if they are identified.

5.6.3 Evidence required

Each Applicant must:

- 1) Confirm that it will comply with each of the requirements set out above, or propose alternatives which meet or exceed the standards set out in the requirements above, and so deliver the objective of preventing excessive play.
- 2) Indicate how the requirements set out above will reflect the Applicant's game, player access and marketing plans at the outset of the Licence Period. The Applicant should also outline any specific proposals or strategies in respect of the following areas:
 - i) Game research and design;
 - ii) Public information and education;
 - iii) Registration schemes;
 - iv) Accessibility of products and channels;
 - v) Support from the underlying technology solution;
 - vi) Staff and distributor training; and
 - vii) The ways in which the proposals or strategies might work with relevant bodies, locally and internationally, involved in the monitoring and treatment of problem gaming.
- 3) Demonstrate how the Applicant intends to resource the proposed arrangements (for example, by reference to its proposed organisational structure) and ensure compliance by its staff, suppliers and contractors with those arrangements.

CHAPTER SIX

6.0 ORGANISATION

6.1 Corporate structure

This Chapter provides requirement on the overall ability of management and capacity of organization structure. The GBT must be satisfied that an Applicant has the capacity and ability to plan, organise and operate an undertaking of the nature of the Lottery. Each Applicant must also satisfy the GBT that it has, or will have, the appropriate corporate and legal structures in place to comply with the requirements set out in the ITA.

6.1.1 Requirement

The GBT must be satisfied that an Applicant has an appropriate organization structure, which can be properly filled to adequately manage the lottery. Each Applicant must be capable of being regulated efficiently and effectively and have an office physically located in Tanzania managed by personnel appropriately authorised to act on behalf of the Applicant.

6.1.2 Evaluation criteria

The GBT must be satisfied that each Applicant is, or will be, a single purpose entity formed to manage the Lottery. It will assess this by reference to the Applicant's Memorandum and Articles of Association or equivalent documents, and the Applicant's proposals set out in response to the requirements of this ITA. The GBT must also be satisfied that each Applicant is capable of being regulated effectively, no matter where the Applicant, its Consortium Members, suppliers or operations are located.

6.1.3 Evidence required

Each Applicant shall provide the following information or its nearest equivalent in relation to its current and intended arrangements:

- 1) The name of the Applicant company and any names under which it trades or has traded in the past five years;
- 2) Details of the company registration of the Applicant and each, if any, of its subsidiaries, including:
 - i) A certified copy of Certificate of Incorporation;
 - ii) A certified copy of Certificate of Compliance issued by the Registrar of Companies in Tanzania;

- iii) A certified copy of the Memorandum and Articles of Association;
 - iv) Date and place where the company is registered;
 - v) A certified copy of its Registration Certificate;
 - vi) The address of its registered office;
 - vii) Details of its principal and any other offices;
 - viii) The names of directors and company secretary;
 - ix) Other constitutional documents of the company if relevant.
- 3) Details of any companies which will be subsidiaries of the Applicant following the award of the Licence including the legal jurisdictions in which they will operate and details of their proposed activities.
 - 4) Details of the Board of Directors of the Applicant including its Non-Executive Directors. Applicants should note that the GBT expects the Board of Directors to be appointed by the time the Application is submitted. If an Applicant is unable to recruit any of its Non-Executive Directors prior to submitting its Application, the Applicant must outline the roles that it intends to fill and the recruitment strategy for achieving this.
 - 5) The names and addresses of the Applicant's auditors, legal advisers, principal bankers.
 - 6) Certified copies of Board minutes of the Applicant, or equivalent documentation, approving the contents of the Application.

6.2 Consortium structure

6.2.1 Requirement

Each Applicant will be required to have its Consortium substantially in place at the time of Application. Parties that wish to participate in more than one Consortium must ensure that where they hold confidential information in respect of those Consortia, there are adequate safeguards in place to protect all confidential information.

6.2.2 Evaluation criteria

The GBT must be satisfied that each Applicant's Consortium is substantially in place at the time the Application is submitted, in order to be satisfied that an Applicant's proposals are deliverable. The GBT requires each Applicant to have agreed heads of terms on material contracts with their Key Contractors. Where necessary, the GBT will consider the financial position and soundness of any Key Contractors and reserve the right to require further information from an Applicant to assess such financial soundness.

6.2.3 Evidence required

Each Applicant must provide:

- i) A list of all Consortium members, detailing their relationships, whether formal or otherwise, with the Applicant and the nature of any services to be provided.
- ii) For all Key Contractors, copies of heads of terms of all material contracts or copies of material contracts.
- iii) The country of incorporation and countries of operations in which its Key Contractors are located.
- iv) Where relevant, evidence of the safeguards put in place to protect confidential information held by a Consortium Member that is participating in more than one Consortium.

6.3 Consortium capability

6.3.1 Requirement

Each Applicant will be required to show that its Consortium has the requisite capability to meet the requirements set out in this ITA.

6.3.2 Evaluation criteria

The GBT needs to be satisfied that each Applicant has the capacity and ability to organise and operate an undertaking of the nature of the Lottery, and of that proposed in its Application. The GBT will be assessing each Applicant's capability with respect to that shown by its Consortium, either collectively, through its individual members or through key individuals.

The GBT will consider the experience of other comparable projects, although this will only form part of the assessment of overall capability. Where capability relates to key individuals, the GBT will assess the extent to which those

individuals have been involved in formulating the Application, the degree of commitment expressed by those individuals to seeing through the delivery of the Application proposals and, where relevant, the recruitment and handover strategy for ensuring continuity of key roles.

The GBT is particularly interested in an Applicant's capabilities, which may be demonstrated by experience of:

- 1) Lotteries, or participation in lotteries;
- 2) Planning and implementing projects of a comparable nature or complexity, or with similar characteristics;
- 3) Conducting successful operation of an undertaking of a similar nature or complexity, or with similar characteristics; or
- 4) Other key elements of the proposals set out in the Application.

Each Applicant should note that the GBT reserves the right to seek references concerning past experience by means of written references and by directly visiting referees, and to make any other enquiries at its discretion. The GBT may also decide to visit operations where services are being supplied by Consortium Members, in order to assist its evaluation.

6.3.3 Evidence required

Each Applicant must:

- 1) Set out the core capabilities and skills that are required for delivery of its Application.
- 2) For each of those core capabilities and skills, provide details of its ability to provide them, including the relevant experience attributable to any of the members of its Consortium. Where an Applicant refers to specific projects or experience, the information shall include:
 - i) A description of the functions undertaken;
 - ii) Details of when and where this experience was obtained; and
 - iii) Names, titles, roles and contact details of references.
- 3) Provide a CV for each director, non-executive director and other key personnel, where currently nominated, appointed, or in place, setting out their qualifications and experience.

Each Applicant should note that at the time of submitting an Application, it is expected to have nominated specific individuals for the

following roles, each of whom must have expressed his/her commitment to seeing through the implementation of the Application proposals in the event that the Application is successful:

- a) Board of Directors (including its Non-Executive Directors except where it has been unable to do so)
 - b) Chief Executive
- 4) Provide a list of three reference sites where relevant or comparable services are currently being supplied by Consortium Members (either individually or collectively).
 - 5) Provide the names and addresses of any expert advisers engaged to provide specialist advice to the Applicant in connection with the Lottery.

6.4 Organisation plan

6.4.1 Requirement

Each Applicant's proposed organisation structure must have sufficient capacity and capability to support, maintain and operate the Lottery in accordance with the proposals set out in its Application, and the requirements of this ITA.

6.4.2 Evaluation criteria

The GBT must be satisfied that the organisation structure each Applicant plans to put in place fully supports its business plan.

6.4.3 Evidence required

Each Applicant shall provide an organisation plan that detail the:

- 1) Organization structure and proposed key departments.
- 2) The expected numbers and the total remuneration of staff by department or function as appropriate.
- 3) Key positions in the organisation (e.g. executive and none directors, senior managers and those responsible for each department) and brief job descriptions. In addition, for each of these key positions the Applicant must set out the following:

- i) Where individuals are currently in place, appointed or nominated, the Applicant must indicate this and provide CVs setting out the qualifications and experience of each individual.
- ii) Where individuals are not in place, appointed or nominated, the Applicant must describe its strategy for filling the positions.

For the avoidance of doubt, each Applicant is required to identify the broad structure of, and grouping of responsibilities within, its planned organisation. This should include an indication of the expected size of the different parts of its proposed organisation. An Applicant is NOT required to identify an exact number of posts or job descriptions in relation to individual posts beyond those specified elsewhere in this ITA.

CHAPTER SEVEN

7.0 FINANCIAL SOUNDNESS

7.1 Requirement

Operating the Lottery is a substantial venture. Each Applicant must satisfy the GBT that there is proper financial commitment to support the proposed business plan from providers of financing across each capital structure. Each Applicant must demonstrate its capability to provide a minimum investment amount of USD 20,000,000.00 (twenty million only) or its TZS equivalent to set up and operate the lottery. The proposals must be sufficiently robust and well-developed to remove any material risk on financial grounds, that may lead to a failure to implement the set-out obligations.

Each Applicant must demonstrate its capability of being a going concern from the award of the Licence and during the period of the operations.

7.2 Evaluation criteria

Each Applicant's financial proposals will be judged as to whether they are sufficiently developed and robust to remove any material risk, on financial grounds, which may lead to a failure to meet the obligations set out in the ITA. The GBT must be satisfied that each Applicant's proposed financial structure is sufficiently robust and flexible to:

- i. Adequately support the implementation of its planned operations; and
- ii. Support ongoing operations (including maintenance of systems) and its ability to operate as a going concern throughout the period of the Licence, both under its Principal Forecast and under a variety of scenarios.

The GBT will also evaluate the extent to which each Applicant will have the capacity to continue operating while solvent, notwithstanding unplanned additional costs, capital expenditure or shortfalls in revenue. In order to assist its evaluation, the GBT will use the business plan and associated sensitivities submitted in response to this ITA.

In conducting its evaluation, the GBT will take into account key strengths and weaknesses and any particular risks affecting the Application. This is likely to lead to the assessment of a number of scenarios under which financial soundness will be tested, including ones with low sales revenues that, while the GBT may consider them to be unlikely to occur, will nonetheless assist in understanding how the Applicant's operational and financial structure would perform in such cases.

7.2.1 Equity financing

The GBT will evaluate each Applicant's response based on:

- 1) The nature of commitments expressed in statements from equity providers as to their willingness, in principle, to provide funding based on the proposals outlined in the Application and any conditions attached to the delivery of that funding. Each Applicant should note the following:
 - i) Any equity commitment letter must confirm that it has all the requisite approvals, including at least Board of Directors level, investment committee or equivalent approvals, and provide full details of any conditionality relating to delivery of financing;
 - ii) The GBT will need to be satisfied that the envisaged financing can be delivered and that providers have the financial wherewithal to support any commitments; and
 - iii) The Preferred Applicant will be required to obtain fully committed financing from its sponsors before the GBT can award the Licence.
- 2) The quantum and nature of equity in the capital structure, including any quasi-equity instruments;
- 3) The nature and impact of any support provided by parent companies.
- 4) The extent to which providers are willing to commit to additional equity funding where necessary during operations or transition and the terms upon which such commitments are made.

7.2.2 Debt financing

The GBT will evaluate each Applicant's response based on:

- 1) The level of commitments expressed in statements from lenders as to their willingness, in principle, to provide funding based on the proposals outlined in the ITA, and any conditions attached to the delivery of that funding. Each Applicant should note the following:
 - i) The GBT requires Board of Directors approved commitment letters to be provided with the Application, and full details of any conditionality relating to delivery of financing;
 - ii) The GBT will need to be satisfied that the envisaged financing can be delivered if the Applicant is selected as the Preferred Applicant; and
 - iii) The Preferred Applicant will be required to obtain fully committed financing from its debt funders before the GBT can award the Licence;
- 2) The quantum and nature of any debt in the capital structure including the level of gearing and the level of risk this places on the overall financing structure; and
- 3) The extent to which providers are willing to commit to additional funding where necessary and the terms upon which such commitments are to be made.

7.2.3 Contingency financing

The GBT will evaluate each Applicant's response based on the amount of any contingency financing available to the Applicant. It will also evaluate the conditions under which such financing will be made available, including the way in which this contributes to that Applicant's ability to mitigate risks arising as a result of unexpected cash demands.

7.3 Evidence required

Each Applicant will need to describe as clearly as possible the structure, sources, nature of commitments and flexibility of its funding arrangements, including any alternative arrangements, which may be available. Specific information requirements are:

7.3.1 Equity financing

Each Applicant must provide:

- 1) Details of the identity of the providers, or intended providers, of the Applicant's equity financing, and the amounts of their commitments or intended commitments.
- 2) Sufficient evidence to substantiate the ability of the providers, or intended providers, of the equity financing to meet their respective commitments.
- 3) Commitment letters from each provider, detailing all conditions precedent to providing finance and the relevant internal processes required to deliver the financing.
- 4) Details of the equity share capital of the Applicant at the time of submission of the Application (where applicable) and as it is intended to be following the award of the Licence.
- 5) Details regarding conversion of any other share or loan in issue, or which will be in issue following award of the licence, including all forms of preference shares and convertible loan stock.
- 6) Copies of all subscriptions, shareholders' or consortium agreements which concerns the Applicant and its share or loan capital.
- 7) Certified copies of Board minutes of the Applicant approving any arrangement for raising capital, and certified copies of Board minutes of the ultimate holding company of any corporate shareholder or other interested subscribers of shares which amounts to 5% or more of the share capital of the Applicant indicating the approval of any shareholders' subscription or consortium agreement, amount to be invested, the percentage of shareholding and any precondition for making the investment.
- 8) Information regarding the distribution policy and entitlement of shareholders.

7.3.2 Debt financing

Each Applicant must provide:

- 1) The identity of the providers, or intended providers, of the Applicant's debt financing and the amounts of any facilities or intended commitments. This should include, but is not limited to:
 - i) Overdraft facilities;
 - ii) Revolving credit facilities;
 - iii) Term loan;
 - iv) Mortgage and hire purchase facilities, finance and operating leases; and
 - v) Any loan from any consortium member of the Applicant.
- 2) Commitment letters from each debt provider, detailing all conditions precedent to providing such finance and each provider's internal processes to delivering that financing.
- 3) Details of any other debt financing including contingent liabilities and off-balance sheet financing arrangements.

7.3.3 Contingency financing

Each Applicant must provide details of any contingency financing available and a summary of the terms and conditions under which it will be made available.

CHAPTER EIGHT

8.0 TECHNOLOGY OPERATION

8.1 Introduction

Technology Operation is among the key standards of the overall operation of a successful National Lottery. In the context of this ITA, the term Technology Operation is used to mean any aspect of the Lottery operation associated with the provision, operation and management of technology. Each Applicant must satisfy the GBT that it will ensure the security, capacity, resilience and integrity of the Technology Operation, as well as its suitability as a basis for a modern lottery. The GBT must be satisfied that the Technology Operation will be developed, operated and maintained to appropriately high professional standards. A successful Technology Operation will be delivered by a combination of the appropriate technology, a well-run and experienced organisation and robust, high-quality processes.

A successful technology operation will be delivered by a combination of the appropriate technology, a well-run and experienced organization and robust high-quality processes.

8.2 Requirement

The overall Technology Operation must enable the successful delivery of each Applicant's proposals for operating the Lottery and support the high standards of propriety and player protection that are required of Lottery operations. In particular:

- i) Each Applicant must satisfy the GBT that the Technology Solution is suitable as the basis for a modern lottery and remain suitable throughout the period of the Licence;
- ii) Each Applicant should satisfy the GBT that the overall Technology Operation is capable of delivering high levels of risk management, sustainability, flexibility, openness, resilience, capacity, integrity and security required in support of Lottery operations;
- iii) The GBT must be satisfied that the technology-related development and operational processes shall be undertaken to appropriately high professional standards.

- iv) Each Applicant must satisfy the GBT that the proposed Technology Organisational Capability is capable of providing all the resources, skills and relationships necessary to meet the needs and deliver the high quality service expected of the Lottery.

8.3 Technology Solution

Each Applicant must explain how it will satisfy the criteria specified below and support the overall requirement for Technology Operation stated above.

8.3.1 Evaluation criteria

The GBT must be satisfied by each Applicant that its proposed Technology Solution provides a suitable basis for a modern lottery, from the first day of the Licence. In particular, it must:

- i) Be based upon modern technologies, which are sustainable in a cost-effective manner over the period of the Licence;
- ii) Be developed and maintained using modern design principles, standards and techniques, and maximise use of commercial off-the-shelf components, where appropriate; and
- iii) Comply with appropriate industry best practice, international standards and codes of practice in all relevant aspects of the Technology Solution, in line with generally accepted principles of open systems design and conforming to internationally accepted open systems standards.

For purposes of this ITA, modern technology refers to the latest technologies which are in general adoption within products and solutions applicable to the Lottery operation and which are current in the marketplace. The GBT must also be satisfied that each Applicant will maintain and develop its Technology Solution, so that it remains a suitable basis for a modern lottery throughout the Licence Period, including the continued adherence to international standards and industry best practice as they develop or emerge.

All third party sales channels, and any interfaces with those systems, will be evaluated against the criteria set out above. Examples of third party sales channels might include existing mobile devices, and supermarket point-of-sale-systems. In any event, and where applicable, Applicants must provide the rationale for the use of such systems.

The GBT will also be evaluating whether each Applicant's Technology Solution supports its business vision in a clear, appropriate and innovative way for the duration of the Licence Period, and that its plans for technology development and technology maintenance are consistent with this vision.

8.3.2 Evidence Required

Each Applicant must:

- 1) Describe its proposed Technology Solution, as will be fully operational at the start of the Licence Period. The description must include all significant elements of the Technology Solution including the following where applicable:
 - a) Gaming systems;
 - b) Lottery-draw technology;
 - c) Administrative and financial systems;
 - d) Management information systems;
 - e) Independent verification systems;
 - f) Telecommunications equipment and network services;
 - g) Server/data storage infrastructure;
 - h) Retailer terminal infrastructure;
 - i) Call-centre facilities, including call management, customer relationship, and knowledge management systems;
 - j) Help-desk facilities, including incident management systems;
 - k) Data centre facilities, including configuration management and other systems management systems;
 - l) Systems to be operated by the Applicant to provide other sales channels (e.g. websites, mobile apps, USSD);
 - m) Development and testing facilities;
 - n) Disaster recovery facilities (including alternative sites, if proposed);

- o) Interfaces or integrates with third party service providers, providing additional sales channels;
 - p) Use of smartcard technologies and other player registration arrangements;
 - q) Software development/distribution tools; and
 - r) Any other technology components and tools.
- 2) Explain how its proposed Technology Solution will enable delivery of the proposals set out in its Application.
 - 3) Provide a clear and appropriate technology development plan, including all proposed changes to the technology solution after commencement of operations.
 - 4) Describe its proposed technology maintenance plan, including the overall strategy and approach and the optimum/maximum replacement periods for each type of technology component of its Technology Solution.
 - 5) Provide details of its capability and, where applicable, any relevant experience attributable to any of the members of its Consortium in delivering solutions similar to those proposed in the Technology Solution. Capability need not necessarily relate specifically to the Lottery sector but to other undertakings of similar nature.

8.4 Technology organisation

Each Applicant must explain how it will satisfy the criteria specified below and support the delivery of the proposed Technology Solution in line with the overall requirements for the Technology Operation.

8.4.1 Evaluation criteria

Each Applicant must satisfy the GBT that its proposed technology organisation provides all the resources, skills and attributes necessary to:

- i) Develop, operate and manage change to the Technology Solution proposed, following establishment of the processes proposed; and
- ii) Deliver the high-quality service expected of the Lottery throughout the Licence Period.

Applicants must satisfy the GBT that the people assigned to the development and operation of the Technology Operation are, or will be, appropriately qualified and experienced for the role assigned. In addition, Applicants must satisfy the GBT that there will be adequate continuity of personnel associated with the Technology Operation throughout the licence period.

Applicants must also satisfy the GBT that their technology organisation will work together efficiently and coherently, delivering an efficient and effective operation, with clear lines of management responsibility, control and accountability. Each Applicant must satisfy the GBT that it will have sufficient, secure and well-qualified development capability and capacity to successfully deliver any changes to the Technology Operation, including the development of agreed new services.

8.4.2 Evidence Required

Each Applicant must:

- 1) Detail its proposed technology organisation, which will manage and deliver the Technology Operation, covering:
 - i) Leadership and governance;
 - ii) Organisational structure with roles, responsibilities and locations, including partners, subcontractors and suppliers;
 - iii) Estimated staff number by department, role and location; and
 - iv) Job descriptions for key roles.
- 2) State how it will ensure continuity of personnel in key roles from the initial development of the Technology Operation and throughout the Licence Period.
- 3) Provide details of capabilities and experience of the intended key personnel or where applicable, any relevant experience attributable to any of the members of its Consortium.

8.5 Technology-related operational processes

Each Applicant must use its response to this section to present its proposed processes for developing, operating and managing changes to its proposed Technology Solution, as they will exist throughout the period of the Licence. Each Applicant must explain how these will satisfy the criteria specified below and so demonstrate its capability to deliver an industry best practice Technology Operation, in line with the overall requirements for the Technology Operation.

8.5.1 Evaluation criteria

Each Applicant must satisfy the GBT that its proposed technology development, operational and change management processes meet the high professional standards appropriate for the Lottery. Each Applicant must demonstrate how its processes (and those of its suppliers, where applicable) will:

- 1) Be fit for purpose, given the characteristics of the Lottery;
- 2) Follow industry best practice; and
- 3) Comply with appropriate international and local standards, where these are applicable.

Each Applicant must satisfy the GBT that all changes which impact the Technology Operation of the Lottery will be subject to robust, agile and effective change management control, which will ensure the integrity, responsiveness and continuity of the Technology Operation throughout the Licence Period.

Each Applicant must satisfy the GBT that it will combine the need for integrity and continuity of the Technology Operation with the need for responsiveness and flexibility.

Each Applicant must satisfy the GBT that its operational and change management processes are fit for purpose and will ensure the integrity, responsiveness and continuity of the Technology Operation throughout the Licence Period.

8.5.2 Evidence Required

When responding to the specific elements outlined above, each Applicant should consider the following:

- 1) Each Applicant must provide a high-level description of its proposed processes, skills and capability for technology development, operation and change management, as outlined below. Where changes are planned to processes or capabilities (e.g. when new technologies are implemented), these must also be described;
- 2) When describing their proposed processes, each Applicant should make reference to relevant international standards and codes of practice, or equivalent, stating clearly the extent to which it will comply with these, and highlighting areas where it will not comply with such standards;
- 3) Each Applicant must demonstrate that its proposed Technology Operation will comply with the following standards and codes of practice, or their equivalents, insofar as they are relevant to the Lottery Operation:
 - i) ISO9001 for quality management of systems development, together with ISO10005, ISO10006 and ISO10007;
 - ii) ISO20000 for systems management;
 - iii) the ISO27000 series for security management; and
 - iv) World Lottery Association's Security Control Standard (WLA-SCS);
- 4) Applicants may refer to an equivalent national or such other standard or code of practice that gives a similar level of assurance to those stated above, if it is not possible to refer to its international equivalent. If they do so, Applicants must clearly state the full name of the standard, its status, its owner, the name of the equivalent international standard and any material differences between the two, as these might impact on the technology operation.
- 5) Applicants should not reproduce material from such standards or process documents in the body of their response. However, they must provide sufficient details of their proposed processes, standards and codes of practice to enable the GBT to assess whether the Technology Operation will meet the criteria stated.

- 6) Each Applicant must identify measures proposed to ensure adherence to these standards throughout their operation e.g. independent audit/formal accreditation.
- 7) Each Applicant should note that where it has committed to seeking accreditation in line with specific standards, accreditation need not be in place at commencement of the Licence. Rather the Applicant must ensure that its processes comply with any standards stated, and should seek accreditation as soon as reasonably practicable.

Each Applicant must describe the key features of its proposed technology-related processes, and associated resources and skills, in the areas below:

1) Technology Development Processes:

- i) Strategy, architecture and design authority;
- ii) Project/programme management;
- iii) Requirements definition/prototyping/proof of concept;
- iv) Procurement of systems and components;
- v) Application software development;
- vi) Infrastructure development;
- vii) Testing and acceptance, including software assurance;
- viii) Systems integration and commissioning;
- ix) Systems implementation, like data migration, cut-over, user training, business process change, benefits realisation, etc.;
- x) System and user documentation; and
- xi) Post-implementation review.

2) Technology Operational Processes:

- i) Configuration management;
- ii) Incident management;
- iii) Problem management;
- iv) Service desk;
- v) Service level management;
- vi) Capacity management;
- vii) Availability management;
- viii) IT service continuity management;

- ix) Customer relationship management;
- x) Information and communications technology infrastructure management (including terminal maintenance);
- xi) Application management;
- xii) Security monitoring and management;
- xiii) Lottery-specific system operations; and
- xiv) Management of compliance with the Licence.

3) Technology Change Management Processes:

- i) Change request/authorisation (including impact assessment and provision of adequate information in a suitable form);
 - ii) Acceptance testing and quality assurance, including system function proving tests;
 - iii) Documentation changes;
 - iv) Software and component version management;
 - v) Communication and transfer of responsibilities;
 - vi) The release of new/changed technology components into operation; and
 - vii) Contingency planning/fall-back processes.
- 4) Each Applicant must provide details of its capabilities and, where applicable, relevant experience of its Consortium members in carrying out the proposed technology-related processes and complying with the proposed standards.

8.6 Technology capability

8.6.1 Requirement

The GBT must be assured that each Applicant, or its Consortium, has the requisite capability to deliver the proposed Technology Operation.

8.6.2 Evaluation criteria

Each Applicant must satisfy the GBT that it has sufficient capability to design, build, implement and operate all elements of the proposed Technology Operation. The GBT will be assessing each Applicant's capability with respect to that shown by its Consortium, either collectively or through its individual

members. The capability and experience need not relate specifically to the lottery sector and therefore the GBT will consider experience of other comparable projects, although this will only form one area of the assessment of the Applicant's overall capability.

The GBT is particularly interested in the Applicant's capabilities, which may be demonstrated by experience relating to the delivery of comparable technology operations:

- i) Of a complexity or with similar characteristics as the Lottery; and
- ii) Requiring similar high levels of risk management, sustainability, flexibility, openness, resilience, capacity, integrity and security, as are required of the Lottery.

8.6.3 Evidence required

Applicants must provide details of their capabilities and, where applicable, any relevant experience attributable to their Consortium Members.

8.7 Management of technology-related operational risk

8.7.1 Requirement

The Technology Operation must be designed, implemented and operated so as to appropriately manage the wide range of technology-related operational risks involved. These encompass the risks associated with any incident that may have an adverse impact upon any of the required outcomes described in this ITA.

The GBT recognises that a degree of risk may be acceptable in order to exploit opportunities that have the potential to increase the return for good causes. Such risk must always be carefully managed and minimised where possible.

8.7.2 Evaluation criteria

Each Applicant must satisfy the GBT that:

- 1) It has identified and assessed all significant technology-related operational risk, including, but not limited to, risks associated with sustainability, flexibility, transparency, performance, resilience, availability, integrity and security of the Technology Operation.
- 2) It has in place adequate controls and countermeasures, contingency plans, risk management and skills to identify, monitor, control and reduce the identified risks to an acceptable level on an ongoing basis.

8.7.3 Evidence Required

Each Applicant must provide the GBT with a risk management plan relating to its period of operations. This must include, but not limited to identification of all technology-related risks considered by the Applicant to be significant during the operational period of the Licence, and a description of how such risks will be managed. Each Applicant should identify the internal or external expertise that it has used, and intends to use, to support the production and ongoing management and operation of its risk management plan and risk management framework.

8.8 Sustainability

8.8.1 Requirement

The Technology Solution must be based on modern technologies, which are sustainable in a cost effective manner over the Licence Period. The Applicant must follow an appropriate technology maintenance strategy that will ensure that all elements of the Technology Solution are fully supported and are maintainable throughout the Licence Period.

8.8.2 Evaluation criteria

The GBT must be satisfied by each Applicant that its proposed Technology Operation is based on modern technologies, which are sustainable over the Licence Period. Each Applicant must satisfy the GBT that throughout the period of the Licence each component of the Technology Solution is based on technologies that are:

- i) Fit for purpose and are relevant and appropriate to adopt at the time;
- ii) Stable and reliable, with a wide availability of support skills in the market, and which have an appropriate future development path;
- iii) Open, flexible, compatible and facilitate the integration and use of third party components or sales channels; and
- iv) Consistent with technology industry trends and enable the integration and use of new or innovative technologies.

The GBT must be satisfied that all application software will be modular in design and well-documented to enable easy support and maintenance throughout the licence period. All languages utilised in the gaming application software must be generally in use for software development at the time, well-

supported and capable of exploitation with skills readily available within the market. Each Applicant must demonstrate that:

- i) Its technology components remain supported and maintainable throughout the period of the licence; and
- ii) Third party technology components, including upgrades to current versions, are supported by a maintenance agreement throughout the period of the licence.

The GBT recognizes that Applicants may wish to utilize third party sales channels, which are primarily used for purposes other than selling lottery tickets. Examples might include existing mobile devices, interactive digital television, and supermarket point of sales systems. All third party sales channels, and any interfaces with those systems will be evaluated against the criteria set out above. Where it is satisfied that any deviations are reasonable and justified in the context of technical options available to the Applicant the GBT may, in its absolute discretion, permit the use of third party sales channels which do not meet the set out criteria. Applicants may discuss with the GBT the use of such third party sales channels in advance of submitting Application. In any event, and where applicable, Applicants must provide the rationale for the use of such systems.

8.8.3 Evidence Required

Each Applicant must:

- 1) Describe how its Technology Operation, including its proposed technology development plan and technology maintenance plan will meet the need and criteria for sustainability throughout the Licence Period.
- 2) Describe how it will use technologies and standards generally available in the ICT market, throughout the Licence Period, to achieve sustainability.
- 3) Describe its plans for ensuring alignment/convergence of its Technology Solution with industry trends, emerging standards and best practice throughout the period of the Lottery operation.
- 4) Provide an overview of all application software that will be installed as part of the Technology Solution from commencement of the Licence period, covering initial development, subsequent major modifications or enhancements and customer references.

- 5) Describe how it will ensure appropriate support and maintenance throughout the Licence Period. In particular, the Applicant must state how it will ensure that:
 - i) The technology-related skills required to maintain and support the application software can be readily replaced from the wider ICT jobs market; and
 - ii) The application-related knowledge and the business process-related knowledge required to maintain and support the application software is documented in a form that is both secure and can be assimilated quickly by new employees.
- 6) State how components which rely upon third party organisations for any aspect of its support and maintenance will continue to be supported and maintained appropriately. This must include ensuring that appropriate contracts/licences will be in place and that the terms of those contracts/licences are adhered to.
- 7) Specify which, if any, technology components will be supported and maintained by retailers and other partners. Each Applicant should specify what skills and knowledge are required by retailers' or partners' staff to support and maintain each technology component, and how this will be provided.
- 8) Declare all proprietary technologies employed within its Technology Solution that may constrain its ability to meet this requirement. Each Applicant must describe all technologies and components for which the skills and knowledge required to utilise, support and maintain the associated components are only available from within its Consortium or via any form of restrictive agreement.
- 9) Outline its capabilities and, where applicable, any relevant experience.

8.9 Flexibility

8.9.1 Requirement

The Technology Operation must be designed, implemented and operated so that it:

- i) Is responsive to changing requirements, including changes to the legislative, regulatory, political, cultural, technological and market environment; and
- ii) Allows for changes in usage, functionality, accessibility or technology to be implemented within appropriate timescales and at minimal operational risk, hence maximize returns to good causes.

Such flexibility must be designed into the Technology Operation from the start of operation. Lack of flexibility in the Technology Operation must not constrain the achievement of the outcomes described within this ITA.

8.9.2 Evaluation criteria

Each Applicant must satisfy the GBT that its proposed Technology Operation will be designed, implemented and operated so that it is responsive to changing requirements, including changes to the legislative, regulatory, political, cultural, technological and market environments.

GBT must be satisfied that the proposed Technology Operation will be designed, implemented and operated so that it allows for changes in usage, functionality, accessibility or technology to be implemented within appropriate timescales and at minimal operational risk (as might be expected of a modern lottery operation), including:

- i) Introduction of new sales channels;
- ii) Introduction of new technology into sales channels;
- iii) Introduction of new instant win, Lotto-style or other types of games;
- iv) Introduction of alternative user interfaces for existing games;
- v) Changes to the rules for games;
- vi) Changes to the rules for calculating commission, prizes, taxation, etc;
- vii) Changes to the rules for allocating sales revenue to specific good causes; and
- viii) Interoperability of the lottery operation with other third-party systems as required.

GBT must be satisfied that the proposed Technology Solution will be constructed and maintained using modern design principles with a view to ensuring a suitable degree of flexibility. In particular, it must:

- i) Allow the implementation of new games, new features or new rules, with minimal changes to software;
- ii) Facilitate the integration and interoperation with new systems or sales channels, with minimal changes to software;
- iii) Enable any required software changes to be made easily and with minimal risk of introducing errors; and
- iv) Be constructed using modern technologies and techniques that will facilitate the integration and exploitation of new technologies as they emerge.

All third-party sales channels, and any interfaces with those systems, will be evaluated against the criteria set out above. Examples of third party sales channels might include existing mobile devices, and supermarket point-of-sale-systems. In any event, and where applicable, Applicants must provide the rationale for the use of such systems.

8.9.3 Evidence Required

Each Applicant must:

- 1) Describe its overall approach to ensuring flexibility of its proposed Technology Operation, in line with the criteria specified above;
- 2) Provide indicative timescales, using realistic examples, that will apply to each type of change described above;
- 3) Describe which changes it will be able to make to the Technology Operation with little or no need for modification to, and hence retesting of, hardware or software, and how such changes will be achieved.
- 4) Describe how it will utilize best practice/state-of-the-art technologies and design techniques (such as Service-Oriented Architecture) for achieving this requirement.

- 5) State how it will ensure responsiveness of its organisation to requests from the GBT, retailers or other parties for changes to their technology operation.
- 6) Outline its capabilities and, where applicable, any relevant experience attributable to any members of its Consortium in meeting similar requirements for flexibility.
- 7) Declare all proprietary technologies employed within its Technology Solution, which may constrain their ability to meet this requirement.

8.10 Openness

8.10.1 Requirement

The Technology Solution must be developed, operated and maintained in accordance with accepted principles of open systems design and conform to relevant international consensus-based standards. Lack of openness in the Technology Operation must not constrain players, retailers, the Successful Applicant, its suppliers, its partners or a future licensee, as this may adversely impact the GBT aims.

8.10.2 Evaluation criteria

Each Applicant must satisfy the GBT that its proposed Technology Operation will meet the overall need for openness throughout the Licence Period, including the need to:

- 1) Facilitate interoperability with a range of third party systems without unnecessary constraint, including lottery terminals, EPOS systems, third party sales channels, GBT-owned systems, financial institutions, player-owned PC or mobile phones and other access devices;
- 2) Enable the implementation of interfaces with such systems quickly and easily;
- 3) Enable the replacement of major technology components (e.g. hardware platform, database management system), avoiding lock-in to specific products or proprietary architectures and enabling choice from a competitive market of commercial off-the-shelf products;

- 4) Minimise the complexity (and hence also the cost and risk) of integration of separately-sourced components;
- 5) Ensure that obsolete or superseded technologies can be readily replaced so that the Technology Operation remains maintainable in a cost-effective manner;
- 6) Maximise the likelihood of continued availability of development and maintenance skills and resources, again ensuring the maintainability and sustainability of the solution;
- 7) Minimise technical constraints to the continued use of third party and all physically-distributed systems (e.g. terminals) with a successor licensee's systems;
- 8) Enable the transfer of technology assets owned by the Licensee to a successor licensee such that the successor licensee can make full use of that technology.

Each Applicant must satisfy the GBT that:

- i) All proposed interfaces between Applicant-owned components of the Technology Operation and all third party systems meet the need for openness throughout the Licence Period.
- ii) The architecture of the Technology Solution embodies open systems principles. It must demonstrate that it is modular in design, uses widely supported and international consensus-based standards for its key interfaces, and be capable of being subjected to validation and verification to ensure the openness of those interfaces.
- iii) The Technology Solution will be compliant with major international standards, or equivalent, for openness throughout the Licence Period, including but not limited to:
 - a) Internet Protocol for systems connectivity, including lottery terminals;

- b) Web browser standards (HTTP/HTML/XHTML) for all user interfaces which access services across local or wide area networks including the internet;
 - c) SOAP and WSDL specifications for Web-services;
 - d) XML and XML schemas, as defined by W3C, where these are applicable; and
 - e) SQL, as endorsed by ISO, for all data base access.
- iv) The Technology Solution will utilise modern architectures for all terminals.

All third-party sales channels, and any interfaces with those systems, will be evaluated against the criteria set out above. Examples of third party sales channels might include existing mobile devices, and supermarket point-of-sale-systems. In any event, and where applicable, Applicants must provide the rationale for the use of such systems.

8.10.3 Evidence Required

Each Applicant must:

- 1) Demonstrate how the Technology Solution will meet the overall need for openness throughout the Licence Period.
- 2) Describe how principles of openness are embodied in the architecture of the proposed solution, including any interfaces with third party systems. The Applicant must provide a high-level reference model for the proposed solution that identifies the components that comprise the solution, the relationship between those components, and the technologies, conventions and standards that will be used to build the solution. Where specified standards are not to be used initially, the Applicant must demonstrate how the requirements for openness will be achieved, together with the timeframe in which they propose introducing such standards.
- 3) State their commitment (now and in future) to internationally accepted open standards. The Applicant must describe how it will track and ensure compatibility with internationally accepted standards throughout the period of the Lottery operation.
- 4) Declare all proprietary technologies employed within its Technology Solution, which may constrain its ability to meet this requirement.

- 5) Outline its capabilities and, where applicable, any relevant experience attributable to any members of its Consortium in meeting similar requirements for openness.

8.11 Resilience and availability

8.11.1 Requirement

The proposed Technology Operation must be designed, implemented and operated to ensure high levels of service availability, as is required to meet the expectations of users, service levels agreed with retailers and other partners, deliver the business plan and maximise overall returns to good causes. The Technology Operation must be capable of delivering high levels of reliability, resilience and recoverability and availability throughout the licence period, as might be expected of a modern lottery operation, which should mean:

- i. Failure of systems or components should be rare;
- ii. When failures occur, key services should continue to function correctly (possibly to a reduced level of function or performance); and
- iii. Failure should be repaired and normal services resumed within a reasonable timeframe.

8.11.2 Evaluation criteria

Each Applicant must satisfy the GBT that it understands the required levels of reliability, resilience, recoverability and availability, implied by its business plan, sales forecasts, and the capabilities of a modern lottery operation. The GBT must also be satisfied that an Applicant's proposed Technology Operation will meet the required levels of resilience, reliability, recoverability and availability, as stated, throughout the Licence Period, taking into account all planned changes to the Technology Operation.

Each Applicant must satisfy the GBT that it will protect against and manage all incidents that may adversely affect the availability of the Technology Operation, taking appropriate measures to minimise the impact of any system failure. Furthermore, the GBT must be satisfied that an Applicant has the necessary capabilities to manage the availability of the Technology Operation to the high levels required of the Lottery.

8.11.3 Evidence Required

Each Applicant must:

- 1) State its understanding of requirements for reliability, resilience, recoverability and availability by service/channel/access point.
- 2) State the minimum levels of reliability, resilience, recoverability and availability which it will meet, using appropriate metrics.
- 3) State how it will ensure that its Technology Operation will meet the requirements for resilience, reliability, recoverability and availability throughout the Licence Period and describe the most significant single points of failure that will exist.
- 4) State how it will ensure protection against incidents which may have an impact upon required levels of availability, reducing the likelihood of incidents as well as reducing the impact of incidents that do occur.
- 5) State how it will detect and manage incidents which result in service failure, ensuring the recovery of systems and data in a time appropriate to the potential impact of the incident.
- 6) Provide an outline business continuity and disaster recovery plan for the Technology Operation.
- 7) Outline its capabilities and, where applicable, any relevant experience attributable to any members of its Consortium in meeting similar requirements for resilience and availability.

8.12 Capacity and performance

8.12.1 Requirement

The Technology Operation must have sufficient capacity to ensure adequate system performance and throughput at all times, as required to meet the expectations of users, meet service levels agreed with retailers and other partners and deliver the business plan.

The Lottery Operation must be able to cope with volumes of transactions and user activity well in excess of those anticipated by the business plan. The Technology Operation must therefore be sufficiently scalable to allow it to cope with situations where volume of transactions and/or user activity is much greater than anticipated.

The Technology Operation must be capable of delivering high levels of performance and scalability, throughout the Licence Period, as might be expected of a modern lottery operation.

8.12.2 Evaluation criteria

Applicants must satisfy the GBT that they understand the required levels of capacity, scalability and performance, given its business plan, sales forecasts, user expectations and the capabilities of a modern lottery operation. Applicants must also satisfy the GBT that their proposed Technology Operation will meet the required levels of capacity, scalability and performance throughout the Licence Period.

The GBT must be satisfied that an Applicant has the ability to protect against, and manage all incidents, that may adversely affect the performance of the Technology Operation, taking appropriate measures to minimise any impact of systems failure. An Applicant must demonstrate to the GBT that it has the necessary capabilities to manage the capacity and performance of the Technology Operation to the high levels required of the Lottery.

8.12.3 Evidence Required

Each Applicant must:

- 1) State its understanding of requirements for capacity, scalability and performance by service/channel/access point.
- 2) State the service levels it will commit to in relation to capacity, scalability and performance, using appropriate metrics.
- 3) State how its Technology Operation will meet the requirement for capacity, scalability and performance through the presentation of a capacity plan and performance model.
- 4) The Applicant must state any assumptions it has used and must describe how it will utilise best practice methods and technologies for achieving this requirement.
- 5) Outline its capabilities and, where applicable, any relevant experience attributable to any members of its Consortium in meeting similar requirements for capacity and performance.

8.13 Integrity

8.13.1 Requirement

The Technology Operation must be designed, implemented and operated so as to ensure the overall integrity of the Lottery operation. There must be no occasion when a lottery game is played using software or other technology that is known by the operator to be materially defective or unable to ensure the integrity of the Lottery operation.

8.13.2 Evaluation criteria

The GBT must be satisfied that the proposed Technology Operation will be designed, implemented and operated so as to materially maintain the overall integrity of the Lottery operation, including but not limited to:

- i. Accurate recording of all wagers placed;
- ii. Accurate production of lottery tickets (paper or electronic);
- iii. Prevention of new wagers after a draw has closed;
- iv. Prevention of fraud;
- v. Accurate calculation of prizes;
- vi. Accurate identification of winning wagers;
- vii. Accurate matching of winning wagers to tickets/players;
- viii. Accurate payment of prizes;
- ix. Prevention of double payment or non-payment of prizes;
- x. Accurate management of player, retailer and other financial accounts;
- xi. Accurate transfer of funds;
- xii. Protection of player information;
- xiii. Ensuring all games are played by the declared rules;
- xiv. Confidentiality of player information.

The GBT must be satisfied that the proposed Technology Operation will include measures to enforce the integrity of the software, system processes and data. Each Applicant must satisfy the GBT that its processes for software assurance will adequately address all integrity-related risks associated with the sourcing of new software. The GBT must be satisfied that an Applicant has the necessary capabilities to manage the integrity of the Technology Operation to the high levels required of the Lottery.

8.13.3 Evidence Required

Each Applicant must:

- 1) State how it will ensure the integrity of the Technology Operation at all times;
- 2) Each Applicant must describe how its processes for software assurance address risks associated with software.
- 3) State how it will detect, report and manage integrity failure incidents.
- 4) Outline its capabilities and, where applicable, any relevant experience attributable to any members of its Consortium in meeting similar requirements for integrity.

8.14 Security

8.14.1 Requirement

The Lottery must be secure beyond doubt for all practical purposes, in order to ensure ongoing confidence in the operation. The security measures implemented in the Technology Operation must be based on a risk mitigation plan which is itself based on a risk analysis.

8.14.2 Evaluation criteria

Each Applicant must satisfy the GBT that:

- i. The confidentiality of information will be maintained, in terms of protecting it from unauthorized disclosure;
- ii. The integrity of information will be preserved, in terms of ensuring its accuracy and completeness, by preventing unauthorised or invalid amendment; and

- iii. The availability of information will be maintained, by ensuring that information and information systems are available when required.

Each Applicant must satisfy the GBT that:

- a) Appropriate measures will be taken to protect system components and information from damage or loss due to malicious software such as viruses, external threats such as directed denials of service attacks or internal threats such as disaffected employees. The Applicant must demonstrate that it has the necessary capabilities to manage the security of the Technology Operation to the high levels required of the Lottery.
- b) Its approach to security is based on best practice as embodied in current international standards (specifically ISO27000 and WLA-SCS), or equivalent, and that it is sufficiently flexible to accommodate anticipated developments in standards.
- c) It will demonstrate compliance against an agreed security risk management plan, security management statement and associated processes and procedures.
- d) It will manage all security related risks in a way that is proportionate to the threat, including those associated with sourcing of components of the Technology Operation outside Tanzania, the location of part or whole of the technology operation outside Tanzania and the use of technical support outside Tanzania.
- e) Incident reporting procedures will be established to ensure that suspected security breaches are reported in a timely manner and that any breaches are investigated effectively.
- f) It will demonstrate that its approach to security includes an element of continual improvement, through a process of monitoring, feedback and corrective action.

8.14.3 Evidence Required

Each Applicant must:

- 1) Provide a security risk management statement linked to its security specific risk analysis covering:
 - i) Information classification and handling in relation to the Technology Operation;

- ii) Responsibilities, authority and ownership relating to security in the Technology Operation;
 - iii) Security controls within the Technology Solution and their supporting procedures;
 - iv) Processes for information governance in development, change management, incident management and third-party relationships.
 - v) Processes for security in day-to-day operations, including ongoing monitoring and management of threats and vulnerabilities relating to the Technology Operation; and
 - vi) Processes for security vetting, training and awareness in relation to the Technology Operation.
- 2) Provide a security risk management plan which provides a more detailed analysis for all the security related risks consistent with ISO27000 and WLA-SCS;
 - 3) State how it will use internal authorisation and controls, in conjunction with independent third-party services (e.g. penetration testing) in order to demonstrate compliance against the security management statement and supporting processes and procedures.
 - 4) Outline its capabilities and, where applicable, any relevant experience attributable to any members of its Consortium in meeting similar requirements for security.

CHAPTER NINE

9.0 OPERATIONAL RISK MANAGEMENT

9.1 Requirement

Each Applicant must ensure that it has, or will have, the requisite processes and organisational capacity in place to manage all significant operating risks. Each Applicant must have a comprehensive risk assessment and risk management plan that fully satisfies the GBT of its ability to:

- i) Identify and assess significant operating risks;
- ii) Put in place sufficient measures to address those risks; and
- iii) Monitor such risks in a way that effectively supports the delivery of the Applicant's objectives.

The GBT expects any relevant risks to be specific to each Applicant's individual proposals and operational, organisation and financial structure. Each Applicant's response must address all relevant material risks, which should include, but not limited to:

- i) Risks affecting the propriety of ongoing operation – this may include risks relating to management of suppliers, relating to staff, or relating to governance arrangements;
- ii) Risks to the Licensee's ability to protect participants – children, vulnerable players and to protect players' funds.
- iii) Risks that threaten the performance of the Licensee or the delivery of Lottery services that may affect overall sales; and
- iv) Risks affecting the image and brand of the Lottery.

9.2 Evaluation criteria

The GBT will evaluate the approach that each Applicant intends to take in respect of risk management. It must be satisfied that the internal risk management structures that the Applicant intends to put in place are appropriate and sufficient to ensure the continued delivery of that Applicant's key business objectives. The GBT must be satisfied that the Applicant has taken appropriate steps to identify all significant risks. It must also be satisfied that their likelihood of occurrence and impact has been accurately identified, and that the proposed measures to address those risks are adequate. The GBT will also evaluate any contingency plans that the Applicant intends to put in place.

9.3 Evidence required

Each Applicant must provide a risk management plan relating to its period of operations. This must include, but not limited to:

- 1) Identification of all risks considered by the Applicant to be significant during the operational period of the Licence, and a description of how such risks will be managed. The details to be provided for each risk must include but not limited to:
 - i) Likelihood: The Applicant's rating of the likelihood of that risk occurring.
 - ii) Impact: An assessment of the potential impact of the risk should it occur, and the Applicant's relative rating of that impact.
 - iii) Gross risk: The Applicant's overall rating of the size of the risk before any control measures are taken.
 - iv) Strategy: A summary of the proposed strategy for handling that risk, which may include, but is not limited to:
 - a) Risk acceptance: the Applicant must explain why the risk is accepted.
 - b) Risk reduction: The Applicant must summarise measures to be taken to reduce the likelihood and/or impact of the risk.
 - v) Net risk: The Applicant's overall rating of the risk after any control measures are applied.

- 2) Details of risk management structures, processes and responsibilities to be put in place during operations, which must include:
 - i) Board level responsibilities including the roles of non-executive directors, risk committee or audit committee.
 - ii) Processes for identification and assessment of risk.
 - iii) Processes for the ownership and monitoring of risks and any associated controls.
 - iv) Risk reporting including key risk indicators and early warning mechanism.
 - v) Maintenance of a risk management plan.
 - vi) Communication of risk and risk strategy in the organization.
 - vii) The use of risk based internal audit.
- 3) Applicants should provide details of internal and external expertise they have used or intend to use to support their operational risk management plan.
- 4) Details of any contingency planning the Applicant intends to use.

CHAPTER TEN

10.0 TRANSITION

10.1 Requirement

Each Applicant must demonstrate to the GBT that it understands and will accept the possibility of being replaced by a new operator at the expiry of the Licence Period. Each Applicant must therefore satisfy the GBT on its preparedness for a smooth and successful Transition on expiry of term in the event another operator takes over.

10.2 Evaluation criteria

The GBT will evaluate the commitment of each Applicant to facilitate a smooth transition at the end of the Licence Period, should it be necessary. Each Applicant must satisfy the GBT that it shall, unequivocally, collaborate with the GBT to ensure smooth hand-over to a taking over operator in the event it fails to retain the Licence at the end of the Licence Period.

10.3 Evidence Required

Each Applicant must submit evidence to satisfy the GBT that it is willing and able to deliver Transition smoothly and successfully at the end of the Licence Period. Each Applicant must project a comprehensive Transition Plan that is fully supported with proper commitment for implementation. Each Applicant must fully satisfy the GBT that it is willing and able to identify, monitor and manage any associated significant transition risks and take appropriate action to mitigate those risks so as to ensure smooth transfer of operations at the end of the Licence Period.

CHAPTER ELEVEN

11.0 BUSINESS PLAN

11.1 Introduction

Each Applicant is required to submit a detailed business plan in support of its Application. The business plan should fully reflect the Applicant's proposed approach to running the Lottery, including financing arrangements, proposed technology and operations, gaming tax, contributions to good causes, game plan and marketing plan, player protection plan, etc.

11.2 Business plan evaluation

The business plan will contribute to a number of key parts of the evaluation:

- 1) It assists in demonstrating that each Applicant's proposals are well founded and based on a clear and realistic view of the inputs that are required to run a successful Lottery.
- 2) It is intended to satisfy the GBT on the indication of gaming tax, levy and royalty and contributions for good causes.
- 3) It plays an important role in allowing an Applicant to demonstrate financial soundness over a wide range of possible scenarios and will contribute to the GBT's assessment of an Applicant's compliance with that required standard.
- 4) Through sensitivity testing, the business plan will also demonstrate an Applicant's flexibility to adapt its approach to a range of possible developments during the entire period of the Licence, and the implications for its financial soundness and level of contributions under those scenarios.

11.3 Underlying assumptions

Each Applicant must clearly indicate the underlying assumptions for the Business Plan. All financial projections should be shown in nominal terms. Each Applicant must demonstrate to the GBT that the underlying assumptions are based on a proper study that reflects realism as far as possible. All Applicants should use the following general assumptions when preparing their business plan and projections:

- i) One term licence of eight years starting in December 2023.
- ii) Ticket sales shall be limited to Tanzania Mainland only.
- iii) All prizes due to participants shall be claimed.
- iv) The lottery tickets shall not be subject to VAT.
- v) GDP average growth rate of 6% for the eight years period.
- vi) Average inflation rate of 5% for the licence period.
- vii) Average Interbank lending rate will be 5% for the term of the licence.
- viii) The Applicant will be the only operator of the lottery for the entire period of the licence.
- ix) Return to player shall be 50% of total lottery sales throughout the term of the licence.
- x) The lottery shall be subject to gaming tax of 20% on GGR, levy of 2% on GGR and royalty of 3% on GGR during the term of the licence.
- xi) The lottery shall not be subject to corporate tax.
- xii) Any other assumptions the Applicant may consider applicable.

11.4 Form of business plan

Each Applicant is required to submit each version of its business plan in the form of an integrated, Excel based financial model, together with hard copies of the entire financial model. Supporting notes can be supplied in Word or Excel. The model should include separate worksheets showing annual Statement of Comprehensive Income, Statement of Financial Position and Statements of Cashflow for the first four years of operation.

However, if an Applicant wishes to include additional categories of financial items to reflect more accurately its business plan it should do so. Each Applicant should note that the GBT's evaluation team is likely to use the data from the output sheets of each financial model for the purpose of its own comparative analysis of business plans. This may include further sensitivity tests, as the GBT may consider necessary. It is therefore important that each Applicant submits complete information as far as possible.

11.5 Evidence required

Each Applicant must demonstrate that the projections submitted are based on reasonably and properly held assumptions. The projections should be consistent with the financial information presented elsewhere in its response, and are consistent with the proposals set out in response to this ITA.

11.5.1 Financial forecast

Each Applicant should provide a business plan that best represents its view of the financial projections that result as a consequence of the proposals set out in its Application.

Each Applicant's business plan must provide:

- i. Comprehensive financial forecast for the first four years of operation.
- ii. A commentary on its revenue projections, which should link to the justifications and forecasts provided as part of the Applicant's response to the Marketing Requirements.
- iii. Each Applicant must provide an explanation of the basis on which it has projected its own costs, including both capital and operating expenditure.
- iv. Details of its financing strategy throughout the projected period.

11.5.2 Sensitivity tests

The purpose of the sensitivity tests is to assist the GBT understand how an Applicant might adapt its approach to a range of possible developments and its financial implication over the Licence Period.

Each Applicant must therefore provide:

- 1) Outputs of the business plan for each of the following sensitivities:
 - i. All games produce 125 per cent of the revenue projected;
 - ii. All games produce 110 per cent of the revenue projected;
 - iii. All games produce only 90 per cent of the revenue projected;
 - iv. All games produce only 75 per cent of the revenue projected;
 - v. The main draw games produce only 75 per cent of the revenue projected; or
- 2) A summary of the expected impact on different types of cost and other aspects of the business plan of the changes specified in each sensitivity test.
- 3) A summary of the extent to which the Applicant would be likely to adjust its game plan, marketing plan, technology, investment plan or other aspects of its business plan in the light of the changes specified in each sensitivity test.

Each Applicant is required to provide, along with the printed copies, one or more Excel versions of its financial model in which the GBT can adjust the parameters within the above sensitivities. The GBT reserves the right to request any or all Applicants to provide further sensitivities during the evaluation period.

CHAPTER TWELVE

12.0 REVENUE MAXIMIZATION AND CONTRIBUTION TO GOOD CAUSES

12.1 Introduction

Revenue maximization refers to an Applicant's ability to generate as much turnover as is practicable and thereby maximizing gaming tax and contribution for good causes. Provided the GBT is satisfied that each of the required standards has been met, the Licence will be awarded to the Applicant that the GBT considers best able to demonstrate maximization of government revenue and contribution to good causes.

12.2 Evaluation criteria

Each Applicant should note that the gaming legislation requires the Lottery Licensee to pay gaming tax, royalty and gaming levy all of which amounts to 25 per cent of GGR as follows:

- i) Gaming tax 20 per cent of GGR;
- ii) Royalty of 3 per cent of GGR; and
- iii) Gaming levy of 2 per cent of GGR.

Subject to the Applicant meeting the required standards, the GBT will award the Applicant who is most able to demonstrate its ability to maximize overall sales while properly managing its costs. Maximization of overall sales while managing expenditure appropriately, is most likely to enhance the ability of the Applicant to maximize Government taxes, and contributions to good causes.

Applicants should also note that although the current gaming legislation does not require the Lottery Licensee to contribute to good causes the GBT recognizes the importance of contributing to various good causes. The GBT will therefore consider an Applicant, who upon satisfying required standards, demonstrates to the satisfaction of the GBT on its ability and willingness to contribute to good causes.

Each Applicant should therefore satisfy the GBT that it has the ability to maximize turnover as a prerequisite for maximizing Government revenue and contribution to good causes. Each Applicant must also satisfy the GBT on its willingness and commitment to contribute to good causes.

CHAPTER THIRTEEN

13.0 MARKETING GUIDANCE

13.1 Introduction

This chapter provides an introduction and high-level explanation of the requirements, evaluation criteria and evidence required as part of an Applicant's marketing plans. Applicants are not required to respond to this Chapter but should take into account the material set out here when responding to the marketing plans as a whole.

13.2 Overall evaluation criteria

The marketing requirements are designed to test whether each Applicant's proposals provide credibility for its Forecast. The GBT will be assessing whether there is a direct link between individual elements of the strategy and the sales forecast in order to understand the relationships and drivers that underpin the forecast returns to good causes. The GBT is seeking to test key marketing drivers for sales. Each Applicant should therefore demonstrate credible proposals for those key drivers including:

- 1) Solid understanding of the lottery environment including regulation, player behaviour, competition, technology, access channels, game dynamics, media and their likely trends during the licence period.
- 2) Games with strong, sustainable player appeal in an evolving technological and competitive environment.
- 3) Easy, convenient access for players, according to the channel preferences of the different target player segments, including taking advantage of new technology channels;
- 4) Marketing communications that are compelling and likely to motivate consumers in a central brand communications idea that demonstrates appeal and versatility across games, channels and player segments; and
- 5) A strong, credible vision and strategic thrust that responds to the evolving technological, player and competitive environment and that links the plans together. The elements of the plans should fit together and support each other, both vertically, (i.e. from strategic thrust to plans to individual proposals), and horizontally, (i.e. within each plan and across plans).

13.3 Quality of plans

The ITA sets out the evidence required in a way that will assist each Applicant to respond effectively. The quality of the thinking and presentation of the plans will be an important element in the evaluation.

Plans must be:

- 1) Credible; should be supported, where appropriate, by data and research.
- 2) Rigorous; should be structured, comprehensive, logical and well thought through.
- 3) Robust; should be able to withstand sustained challenge and scrutiny from a number of angles.
- 4) Insightful; should display understanding, creativity and synthesis of disparate sources.
- 5) Clear; should be easy to understand with the links between plans and proposals clearly flagged.

13.4 Market evolution, vision and strategic thrust

The GBT recognises that the Lottery market, technology, consumer/player behaviour and competition, may well change significantly over the eight years of the Licence. Technology, in particular, has the potential to change Lottery games, channels, communications and economics. Each Applicant should give his point of view on this evolution and the implications for the Lottery. The Applicant should also indicate his vision of the place of the Lottery in this future environment, and his strategic thrust and plans for achieving the vision. By strategic thrust, the GBT is referring to the central, directional idea that will deliver this vision, and integrates all the individual plans and proposals.

13.5 Uncertainty of forecasts

The GBT recognises that it is increasingly difficult to predict technology, consumer/player behaviour and competition in the later years of the Licence Period. However, each Applicant must give broader estimates of such things as channel mix, media plans, and sales by game/channel. Each Applicant is required to submit its forecasts, which indicate the key drivers of, and the range of uncertainty it perceives around, this forecast.

13.6 Supporting evidence

The GBT will be assessing supporting evidence for each Applicant's key assumptions and plan estimates, wherever practicable. For major initiatives, i.e. planned games and communications, each Applicant must provide evidence of research (quantitative and/or qualitative) on player appeal/intention to purchase. The research should directly support the specific recommended proposition. The GBT recognises the significant work involved in preparing professional marketing plans for the Lottery. It has therefore asked for substantial detail only where it deems it necessary.

13.7 Player protection

The requirements relating to player protection are tested separately, as a required standard. Full details of the requirements are given in Chapter 5. Each Applicant should give its full proposals on player protection in that chapter. The GBT insists that each Applicant is required to provide details of how his proposals meet player protection requirements in relation to individual game proposals and channels since player protection is an integral part of the game design and channel management.

CHAPTER FOURTEEN

14.0 MARKETING PLANS

Each Applicant is required to provide its overall plans for marketing the lottery clearly demonstrating how the plans will maximize the revenue and returns to good causes. The plans must be presented in a manner that will enable the GBT to understand key proposals and how they fit together into a coherent and effective strategy. These should cover plans in respect of marketing communication, marketing resource and sales plan.

14.1 Marketing communications plan

Each Applicant is required to set out its plans for communicating to players. These should include its brand strategy, advertising and promotion, public relations and broadcasting.

14.1.1 Requirement

Each Applicant should provide details of its marketing communication plan clearly describing the following key aspects:

- 1) Brand communication strategy: Clearly defined brand positioning and communication strategy, which is supported by research insights and evidence to justify the proposed strategy. The brand strategy must set out a compelling and durable recommendation for the brand proposition covering target market and competitive edge, with related brand architecture principles to inform execution across the proposed range of game portfolio. The strategy must set key selling messages to consumers and retailers, together with creative illustrations of how those messages will brought to life.
- 2) Media and consumer culture: An Applicant's view of the evolving media and consumer cultural environment, with an analysis of the implication for the lottery over the licence period in terms of communication strategy, media mix and cost effectiveness.
- 3) Marketing activity plan: An Applicant's marketing activity plan for the entire period of the licence. The plan must specify choice of activity and its respective level of investment and a robust supporting rationale. The activity plan must describe the high level principles by which media and activity types are selected and optimally balanced. Each Applicant must display understanding of how the cost effectiveness of different media and marketing tools can be tracked and measured, leading to better optimized marketing investment.

- 4) Public relations (PR): Each Applicant must provide:
 - i) Robust and proactive PR plan that is well integrated and embedded within the rest of marketing activity plan.
 - ii) Description on how a reactive PR approach would operate, underpinned by an understanding of inherent lottery PR issues and the opportunities and challenges they present.
 - iii) Details on how it intends to manage the PR programs under its direct control (i.e. the lottery itself and the Applicant as a licensee), in a manner consistent with related PR programs outside its direct control (i.e. the GBT, TRA, National Sports Council of Tanzania, etc.)
- 5) Broadcast (programming): Each Applicant must provide a credible plan of broadcast TV programming, including broadcasting the draws for any online games. The plan must be well integrated within the overall marketing activity plan.

14.1.2 Evaluation criteria

The GBT will evaluate each Applicant's response based on the:

- i) Appeal and versatility of the central creative idea on its brand communication strategy.
- ii) Good understanding the critical media and cultural dynamics and trends and whether such understanding is supported by credible evidence.
- iii) Whether media channels and marketing activities have been chosen in a way that will optimize return on investment and whether the proposed activities are sufficient to drive consumer behaviour and drive sales forecast.
- iv) Clear understanding of how it will manage the PR of the Lottery and its interrelationships with the diverse PR of Lottery stakeholders including the capability to defuse any potential negative issues.
- v) Whether the broadcasting proposals are likely to appeal to target player segments and whether they might contribute to increase in lottery sales.

14.1.3 Evidence required

Each Applicant shall provide:

- i) Primary research evidence amongst the target consumers to demonstrate appeal for the overall brand positioning and how the brand is communicated on key game propositions. Where secondary evidence is used (e.g. performance data from other gaming activities or indicative research), the source must be quoted and any calibrations or interpretations made explicit.
- ii) On the basis of its assessment of the current media and consumer cultural environment and key identified trends, each Applicant must provide its view on the strategic implications for the Lottery.
- iii) Market based evidence to demonstrate that its marketing activity plan will influence consumer behaviour and increase Lottery sales.
- iv) Appraisal of the key PR risks and opportunities for the Lottery over the Licence period, their implication to the Lottery and strategies for dealing with them.
- v) Overview of major broadcast ideas with illustration of key concepts and supporting rationale to demonstrate viewer appeal and evidence of broadcaster buy-in.

14.2 Marketing resource plan

Each Applicant must provide a marketing resource plan that demonstrates the organizational capability to successfully deliver the entirety of the marketing plans.

14.2.1 Requirement

The resource plan must focus on the elements of the organization structure, people and management process that are critical to the delivery of the marketing plans. Each Applicant must provide details of its proposed marketing and sales organization.

14.2.2 Evaluation criteria

The GBT will evaluate each Applicant's response based on:

- 1) An understanding of the task: Whether the Applicant has identified what is required to deliver the marketing and sales plan in terms of key roles, skills and management process.
- 2) The robustness of the proposed marketing and sales organization: Whether roles and responsibilities have been clearly defined and whether there is a sensible balance between internal management resource and outsourced agency resource.
- 3) The credibility of the team: Whether key senior executives within the management team and/ or urgency teams have the relevant experience and track record.

14.2.3 Evidence required

Each Applicant must provide:

- i) Resourcing strategy: The resourcing strategy should outline the objectives, key considerations and organizing principles that are consistent with the design of the proposed marketing and sales organization, resource selection (management and agency) and modus operandi. The strategy must define a balance between internal and external resource with supporting rationale. The strategy must explain how the marketing and sales organization will be built in the transition.
- ii) Proposed organization: Each Applicant must describe its proposed marketing and sales organization, structure and key roles and responsibilities. This should include game design and management, channel management, brand management, internal and external communication, market research and trade marketing.
- iii) Credentials of the management team: Each Applicant must provide details of its proposed key marketing and sales management team including CV for each senior member of the marketing team and recruitment strategy where individuals are not in place. Each Applicant must indicate the level and nature of lottery or gaming experience that will exist in its marketing and sales organization.
- iv) Agency credentials: Where applicable, each Applicant must provide a description of the key agencies and senior executives within those agencies who will work with the Applicant's team; must include brief agency credentials and CVs for key individuals, focusing on relevant experience.

- v) **Modus operandi:** Each Applicant must provide high-level details on how the marketing and sales organization will operate including:
 - a) **Formulation of marketing strategy:** Steps and key considerations to guide on how the strategy is devised.
 - b) **Game/channel innovation:** the principles and techniques that will underpin the creation, development and launch of new games and ways to play including the process that will be adopted for developing, testing and launching new games.
 - c) **Marketing effectiveness:** the techniques and measures that will be used to monitor the effectiveness of marketing activity.
 - d) **Channel management:** the principles, approach and processes for managing the player access channels.
 - e) **Relationship management strategy:** the approach to third party and GBT's relations.
 - f) **Recruiting and retaining talent:** How the organization will recruit personnel for the marketing organization and the ways in which personnel will be developed and rewarded.

14.3 Marketing sales plan

14.3.1 Requirement

Each Applicant should demonstrate how its marketing plans translates into sales figures. Particularly, each Applicant must clearly show the assumptions behind the sales forecast, i.e. sales by game, player segment and channel, linked to its individual proposals in the game and player access plans.

14.3.2 Evaluation criteria

The GBT will evaluate the response of each Applicant based on:

- 1) **The credibility of its sales revenue forecast:** Whether the revenue figures are credible when considered in the context of expected consumer behaviour, game sales level, channel sales rates and whether the assumptions made to derive the forecast are realistic.
- 2) **The coherence with other parts of the plan:** Whether the sales forecast is consistent with individual proposals in the game, player access and marketing activity plan.

14.3.3 Evidence required

- i) Underlying assumptions: Each Applicant must explain the key assumptions on which its sales revenue figures are based. The assumption must be linked to the game, player access and marketing communications plans, so that the GBT can clearly see how specific proposals are resulting in incremental sales revenue.
- ii) Sales revenue model in which each Applicant demonstrates that total sales revenue forecast relates to game sales, channel sales and sales by consumer segments.
- iii) Minimum marketing expenditure: Each Applicant should propose its optimal required level of marketing investment to achieve its principal forecast. The level of marketing investment should be equivalent to the level of activity contained in its marketing activity plan.

14.4 Sales revenue risk

14.4.1 Requirement

Considering the inherent uncertainty in predicting sales revenues so far into the future, the GBT must be satisfied that each Applicant has identified the risks that might lead to significant deviation from forecast revenue. Each Applicant should focus in this section on sales revenue risks (the risks inherent in the performance of a marketing plan) as opposed to operational risk and Transition risk, which are covered in the relevant chapters of this ITA document. Each Applicant should consider risks such as new marketing activities or game launches that do not deliver sales as expected, increased competition from other gaming activities, slower consumer adoption of new lottery technologies than anticipated and changes in player behaviour.

14.4.2 Evaluation criteria

The GBT will evaluate each Applicant's response based on its thorough risk identification and management, realism about risk impact and how it plans to counter them, the effectiveness of any contingency plans in mitigation of the risks.

14.4.3 Evidence required

Each Applicant must provide:

- 1) Risk evaluation: A prioritized list of the key risks inherent within the marketing plan and the potential consequences which should be quantified wherever possible. For each of the key risks, and for potential combination of risks, each Applicant must provide a brief analysis of the probability of the risk materializing and the potential impact on sales revenue and return to good causes should it occur.

- 2) Contingency plans: A brief description of the plans and activities that the Applicant would pursue for each of the risks and the extent to which it expects that the plans /activities would mitigate the risks.

CHAPTER FIFTEEN

15.0 GAME PLAN

15.1 Introduction

This section sets out the requirements, evaluation criteria and evidence required in support of Applicants' game plans. In their response, Applicants must set out their strategy, proposed game portfolio, details of individual games or class of game, and the forecast sales from each game. Each Applicant must deal with all major draw-based games separately. However, scratch card games and Interactive Instant Win-type games can each be considered as single game classes. The GBT wishes the National Lottery to be regarded as a portfolio of good quality games that appeal to people's imagination and which are seen and promoted as fun. However, the GBT shall not licence games that appear likely to encourage excessive play or which it regards as lacking effective controls to prevent under-age play or as having undesirable consequences. Therefore, in considering proposals for individual games, the GBT will have regard to the importance of ensuring that the National Lottery develops at a pace that can be sustained both for the period of the licence and for the longer term.

15.2 Game strategy and portfolio

15.2.1 Requirement

Each Applicant must explain its overall game strategy, including the rationale for how it intends to maximise turnover. Particular interest is on each Applicant's planned evolution of its game portfolio over the Licence Period so that it remains competitive, makes best use of changes in player behaviour, and best exploits the development of channels based on new technology.

15.2.2 Evaluation criteria

The GBT will evaluate each Applicant's response based on:

- 1) The potential of the game strategy and portfolio: Whether the strategy is credible, likely to deliver the forecast sales, and is realistic about assumptions on incremental sales;
- 2) Consumer coverage and clarity: Whether the recommended game portfolio is optimally sized to exploit the available market opportunities, and whether consumers will understand the role of each game within the portfolio;

- 3) Innovation and technology fit: Whether the game strategy and portfolio appropriately exploits relevant new technology platforms;
- 4) Competitive edge: How the game portfolio is robust enough to withstand increasing competitive pressure from other forms of gaming;
- 5) Commercial efficiency: Whether the recommended breadth of the game portfolio maximizes returns to good causes while optimising coverage of player segments; and
- 6) Risk: whether there is a supportable balance between maximising returns from existing games and generating incremental returns from new games, and whether there is sufficient evidence to support the implementation assumptions for the proposed new game ideas.

15.2.3 Evidence required

15.2.3.1 Overall strategy

Each Applicant must describe its game strategy, including the guiding principles that have shaped the plans, the headline game proposals, and the rationale behind the strategy including the linkage to their analysis of the current and future market and consumer and technological opportunities.

15.2.3.2 Proposed portfolio

Each Applicant must describe its game portfolio, showing how it will evolve over the Licence Period. The proposed portfolio must be supported by a clear rationale which highlights the commercial and strategic logic behind the breadth of the portfolio, the rationale for the balance between managing the existing core games and introducing new games, the distinctive consumer benefit of each game, and how the portfolio will cover the different player segments.

15.2.3.3 Source of volume

Each Applicant must provide a source of volume analysis for the proposed game portfolio, clearly showing the sales generated by each game each year. It must clearly identify the level of incremental sales for each game over time.

15.2.3.4 Use of technology

Each Applicant must demonstrate how its game strategy, portfolio and technology solution makes effective use of technology evolution, explaining why it has chosen a particular technology or channel for specific parts of its portfolio, how it sees the benefits and barriers of different technologies for different games.

15.2.3.5 Game development and use of third parties

Each Applicant must describe how, if at all, it plans to use third parties, including Consortium Members, for development of new games. The description must include those parts of the portfolio for which it would use third parties and why.

15.3 Individual games

Each Applicant is required to provide a detailed summary of each game or class of game. This must incorporate all key information about how to play the game, the consumer appeal of the game with supporting evidence, prize payout ratios, prize structures (including where relevant expected level of roll-overs) and the volume expectations for the game.

15.3.1 Evaluation criteria

The GBT will evaluate each Applicant's response based on:

- a) Evidence of sustainable player appeal including whether the game:
 - i. Has sufficient inherent appeal to justify the corresponding sales forecasts, backed up by robust, credible market research;
 - ii. Is meeting a real and distinctive consumer need and targeted at the appropriate consumer segment(s); and
 - iii. Is sustainable over its proposed life;
- b) Commercial efficiency in terms of whether a game justifies its role in the portfolio, contributing appropriately to sales and returns to good causes rather than simply substituting sales from other games and further complicating the portfolio;
- c) Practicality, including whether:
 - i. The game is feasible to implement;

- ii. It is credible that the game can be successfully operated in the way proposed;
 - iii. The assumptions for the game are sufficiently well supported by evidence, whether data led and/or qualitative assessments; and
 - iv. The game makes effective use of the technology capabilities available, and whether the game is delivered and implemented effectively within the technology solution;
- d) Brand fit – whether the proposed games are consistent with the Applicant’s recommended brand positioning; and
- e) Regulatory environment – whether the games are acceptable within the regulatory environment.

15.3.2 Evidence required

15.3.2.1 Games requirement

Each Applicant is required, for each type of game, to outline the play mechanic, proposition, delivery mechanism, prize payout ratios, prize structure, (including expected rate of rollovers), price, game name, consumer rationale and benefit, and target player segment. Each Applicant should provide a summary of its strategy and its key drivers for each relevant game. Each Applicant must provide adequate research as supporting evidence for the consumer rationale and sales estimates for each type of game wherever relevant and particularly on games which account for a substantial proportion of total sales.

Furthermore, each Applicant must describe, for each game, the proposed game platform or delivery mechanism, forecasts of volume and prize payout, by year, must be included, showing both absolute and incremental sales volume, linked to the overall source of volume analysis. Each Applicant must provide adequate research as supporting evidence for the consumer rationale and sales estimates for each type of game, where relevant and particularly on games which accounts for a substantial proportion of total sales.

15.3.2.2 Games based on new technology

For games which involve the adoption of new technologies, each Applicant must outline the assumptions it has made on the availability, and the target consumer adoption, of such technologies, its rationale (together with supporting evidence where possible) for these assumptions, its reasoning for why the technology meets the relevant consumer need and why it improves the player experience, and a summary of any substantive implications of such games to other parts of the commercial operation (e.g. retailer and sales force network and overall margin).

15.3.2.3 Game delivery and technology

Each Applicant must explain how the technology solution, described in Chapter 8, is used to deliver each game. Where appropriate, the explanation need only refer to elements of Chapter 8 rather than repeat them. The explanation need only be in sufficient detail to satisfy the GBT that the Applicant is clear on the technical aspects of delivering the game, has identified any particular issues, and has a link between the Technology Operation and the game plan.

15.3.2.4 Supporting evidence

Each Applicant must provide evidence supporting the potential of its proposed games. Such evidence will be helpful to the GBT in assessing the credibility of the individual game plans. The evidence should be in the form of adequate research. The research must provide solutions on quantitative measures of player appeal and intention to purchase supported by qualitative diagnostic evidence where relevant.

15.3.2.5 Regulation and player protection

For significant proposed new games, each Applicant must provide supporting justification for the game's ability to meet the regulatory guidelines. This includes supporting justification that the game meets the appropriate definition of what constitutes a lottery, that the game does not encourage excessive play, and that the game does not encourage underage play.

The GBT recognises that an Applicant may wish to propose games that use new technology and channels in ways that have not yet had to be evaluated within the current regulatory framework. In such circumstances, the GBT encourages Applicants to enter into dialogue with it on the regulatory implications of any new games proposed, prior to submitting Applications.

CHAPTER SIXTEEN

16.0 PLAYER ACCESS PLAN

16.1 Introduction

Each Applicant is required to set out its plans for providing players with access to play the Lottery games. Player access can be through established channels such as independent kiosks, multiple grocery and petrol stations or new channels such as Internet, mobile devices and all related hybrids. The GBT expects player access channels will be available in increasingly sophisticated and consumer acceptable forms during the Licence Period.

16.2 Channel environment

16.2.1 Requirement

Each Applicant must provide an analysis of how it sees the likely trends in access channels over the Licence Period, and how this will impact on the Lottery in terms of opportunities and threats. The analysis must cover the key trends in both established retail channels and in new channels.

16.2.2 Evaluation criteria

The GBT will evaluate each Applicant's response based on:

- 1) Understanding and analysis:
 - i) Whether the Applicant understands the critical technological, economic, cultural and consumer trends.
 - ii) Whether the analysis is supported by credible evidence, and in particular, whether the impact of new channels and their potential adoption has been appropriately factored into the thinking.
- 2) Insight and imagination: Whether the Applicant has been insightful in its assessment of the access environment and its view of the implications for the Lottery.
- 3) Translation into player access plan: Whether the key implications identified here have been appropriately translated into the rest of the player access proposals.

16.2.3 Evidence required

a) Established retail channels

Each Applicant must provide a brief assessment of likely trends in established retail channels (e.g. multiple grocery, petrol stations and independent kiosks) from now until the end of the Licence Period, and the implications for the Lottery. The analysis of retail trends may include:

- i) The likely trends in the number of stores, and percentage of all retail sales, accounted for by different retail sectors and drivers of these the trends.
- ii) Changes in technology or consumer shopping habits that will change the capability, interest and capability, interest and competitiveness of different retail sectors in selling lottery tickets.
- iii) The likely evolution of these trends (speed, extent) over the licence period, taking account of technology, required retailer action and player acceptance.
- iv) The broad implications of the lottery, in terms of channel mix, player access and experience, economics and retailer support. This analysis must be linked to the sections on channel strategy/mix, channel management and marketing investment.

b) New channels

Each Applicant must provide an assessment of potential new channels and delivery mechanisms likely to be available and the opportunities for the Lottery. New channels include mobile devices, the Internet and interactive television and all related hybrids. New channels may have profound implications for the Lottery in terms of channel mix, player experience and economics within the Licence Period and each Applicant is required to make a well-informed assessment of their likely evolution. Each Applicant shall include:

- i) An explanation of each channel and how it might operate to provide lottery games; this must be consistent with the equivalent section in the game plan.
- ii) The likely evolution of each channel (speed, extent) over the licence Period, taking account of technology, retailer required action and player acceptance.

- iii) The broad implication for the lottery, in terms of the channel mix, player access and experience, economics and channel support. This assessment must be consistent with the sections on channel strategy/mix, channel management and marketing investment.

16.3 Channel Strategy

16.3.1 Requirement

Each Applicant must provide an assessment of the retail channels to be used, including how effectively they will be used to provide player access and the key changes the Applicant would make. Each Applicant must explain its channel strategy and mix, including why it thinks that it makes best use of available channels to maximise lottery revenue and return to good causes. Of particular importance, is the Applicant's planned evolution of its channel mix over the licence period so that it makes best use of changes in established channels and growth of channels based on new technology. In addition, each Applicant must specify the minimum number of retail outlets selling draw-based games and scratch card games which it plans to commit to for each year over the licence period.

16.3.2 Evaluation criteria

The GBT will evaluate each Applicant's response based on:

- i) Availability of access: whether the plan provides each of the target segments with easy access to games, taking account of their behaviour and channel preferences, and whether the proposals for access via new channels are likely to meet player expectations of ease of access.
- ii) Commercial efficiency: Whether the channel mix is broadly optimized in terms of coverage and mix between channel types and whether the mix between established and new channels has a credible relationship to the forecast mix of sales by channels.
- iii) Evolution and new technology: Whether the plan fits with, and exploits the likely evolution of channels. Particularly, whether the plan exploits the potential of new technology channels based on realistic assessments of technological capability and consumer adoption.
- iv) Channel transition – whether the plan manages the potential changes in channel mix, including changes in the number of retailers of different types, any ramp-up of new channels and the changes in resources.

16.3.3 Evidence required

Each Applicant must provide the following evidence:

- 1) Available channel mix: Applicant assessment of the available retail channels, which should include commentary on:
 - i) How effectively does the designed channel mix makes use of the available channels.
 - ii) Its view on players` perspective on the available channels, referring to player segments. The analysis should be based on the Applicant`s own qualitative and quantitative research.
 - iii) Its view on the effectiveness of the present retail outlets relative to changes in the buying habits of consumers and its implication on lottery players.
- 2) Planned channel strategy and mix: Each Applicant must provide an explanation of its planned channel strategy and mix, including its rationale for the strategy, the evolution of the mix over time, how the strategy links to the game, marketing and communication plans, and how it intends to exploit changes in established retail channels, new channels and delivery mechanism. The strategy and mix must be linked to the target player segments of the game plan.
- 3) Minimum number of retail outlets: Each Applicant must specify the minimum number of retail outlets that it is committed to put in use each year for the period of the licence.
- 4) New channels: For each new channel, each Applicant must explain its assessment of:
 - i) The benefit of the channel, in terms of player access, experience and game delivery and the games it plans to use the channel for.
 - ii) How it sees the channel being introduced and its likely evolution over the licence period.
 - iii) How that channel will affect sales through other channels, given its characteristics and attraction to specific player segments.
 - iv) How the Applicant will manage issues such as channel support, third party control and branding of channels.

- 5) Analysis: Each Applicant must give details, including supporting analysis where appropriate, of the proposed number of outlets for established and new channels by type of retailer, sales rate (sale per outlet) by type of retailer per year, with explanation of changes over the licence period. Each Applicant must also give details on the likely cost estimates and margin of each channel by year which is consistent with the financial plan.

16.4 Management of established retailers

16.4.1 Requirement

Each Applicant must provide a plan for managing established retail channels. The plan must clearly show the proposed support in terms of type, level of resources, organisation/management etc. Each Applicant must also show how the plan provides a level of support that is both cost-effective and motivates the retailers to maximise Lottery sales.

16.4.2 Evaluation criteria

The GBT will evaluate each Applicant's response based on:

- i) Adequacy of support: whether the plan provides support for established channels that is comprehensive in terms of coverage, adequate in terms of level of resources, and coherent in terms of how the elements fit together;
- ii) Realism of the proposed financial arrangements: Whether the financial arrangements match the characteristics of different retailer groups and how the Applicant plans to balance cost minimisation on the one hand, and adequate motivation to maximise sales on the other;
- iii) Operational effectiveness and efficiency: how cost-effective the different aspects of support are, e.g. recruitment, control, sales force organisation and tasks etc; and
- iv) Channel transition – whether there are robust plans for managing any change in mix of channels, in particular the reduction in volume through channels that the Applicant envisages becoming less significant.

16.4.3 Evidence required

Each Applicant must provide the following evidence to describe its proposed retailer management arrangements:

- 1) Retailer financial arrangements: Each Applicant must outline its proposals for retailer, distinguishing between different types of payments, e.g. commission, bonuses and other incentives, loans, charges for equipment etc. The Applicant must also describe the proposed financial and contractual arrangements in cases where it will be using retailers' own terminals.
- 2) Retailer management: Each Applicant must describe its plans for managing retailers, distinguishing between different types of retailers, if appropriate. The management arrangements must cover:
 - i) Proposals for terms of contract;
 - ii) Selection, including security checks, and de-selection including criteria that would trigger deselection, (e.g. sales to underage players);
 - iii) Initial and continuing training;
 - iv) Retailer hotline and any other support arrangements;
 - v) Monitoring of performance, and action for poor performance;
 - vi) Logistics, including supply of tickets and other materials, repair of terminals etc; and
- 3) Sales force support: Each Applicant must describe its plans for the sales force to support the retailers. The description must include:
 - i) The approximate number of sales persons, number of retail outlets covered per sales person and the rationale for this number;
 - ii) The tasks to be performed by the sales force, and frequency of visit by type/size of retailer;
 - iii) Structure and management of the sales force;
 - iv) Indicative remuneration levels; and
 - v) Training and monitoring of performance.
- 4) Cost structures: Each Applicant must give a breakdown of its planned costs for managing the established retailers, in total and by type of retailer. The breakdown must include retailer commissions and other payments, sales force support, logistics, retailer selection and training, and management overheads, and show the assumptions behind the figures.

- 5) Supporting evidence: An Applicant is not required to put in place contractual arrangements with retailers but evidence supporting its ability to conclude arrangements should be provided, especially in respect of the major multiple outlets.

16.5 Management of new channels

16.5.1 Requirement

Each Applicant must provide an outline plan for each new channel and delivery mechanisms that it intends to use over the Licence Period, and how it will manage the channels. The GBT recognises that a detailed plan is not possible, but it expects each Applicant to have thought through the key issues, and have a realistic view of how it will manage the issues. This includes provision of games, channel support, third party control, and branding of channels.

16.5.2 Evaluation criteria

The GBT will evaluate each Applicant's response based on:

- i) Adequacy of support: Whether the plan provides adequate support for new channels in terms of systems, support for third party network providers, player instructions and help etc. that fits with the channel requirements, proposed games and likely player behaviour;
- ii) Transition and evolution: Whether the Applicant has planned appropriate resources for introducing the channel to players, whether the proposed support provides sufficient flexibility for evolving the channel to enable new games/formats and whether the technology solution is effective; and
- iii) Consumer protection: Whether the plans for avoidance of children and excessive play, e.g. through registration/authentication and play controls are adequate to ensure consumer protection, and whether the level of player security is likely to reassure players and support the reputation of the Lottery.

16.5.3 Evidence required

Each Applicant must provide plans for managing each channel that it is proposing to use. The plans must be in as much detail as necessary to demonstrate understanding of the key aspects of channel management, and to demonstrate that the plans are credible in supporting the Applicant's ability to generate its forecast level of sales from that channel. The details must include the following:

- i) Channel mechanics and player experience: Each Applicant must describe how each channel will function to deliver games to players, how players will interact with the channels, and the benefits and experience this will offer players. It must also describe how the channel fits with consumer/player behaviour, and the key technological and operational constraints to be overcome to maximise player acceptance. The description must be consistent with the range of games proposed in the game plan and methods of marketing communications in the marketing and communication plan.
- ii) Channels and technology solution: Each Applicant must explain how the technology solution described in Chapter 8 is used to support each channel. Where relevant, the explanation need only refer to elements of Chapter 8 to avoid repetition. The explanation must be in sufficient detail to satisfy the GBT that the Applicant is clear on the technical aspects of supporting each channel, has identified any particular issues and has a link between the Technology Operation and the Access Plan.
- iii) Contractual and financial arrangement: Each Applicant must explain what contractual/financial arrangement it plans, including open or exclusive arrangements with network providers and customer relationship owners, payment for use of third-party networks or equipment, potential co-development or arrangement for intellectual property rights and co-branding.
- iv) Player protection: Each Applicant must explain its arrangement for meeting requirements on children and excessive play and for security of player provided data. This may require specific plans for pre-registering players or for authenticating players at the point of play. The Applicant must provide evidence of how these problems can be solved with current technology, or a convincing argument that technology will evolve to provide solution.

- v) Player and channel support: For each channel, Each Applicant must describe what support is likely to be needed for players, how it plans to provide it and the resource implications. Examples of support may include game instructions delivered through the channel, customer help desk accessed via the channel and cancellation of registration directly via the channel. Each Applicant must also describe the support it plans to give the channel provider, in terms of technical support, back-up systems and training. The proposals for player and channel support must be clearly linked to the relevant parts of the game plan, marketing communications plan and marketing resources plan. This is of particular relevance where games will only be offered through selective channels, where elements of the games depend on the capability of the channel (e.g. interactivity) or where communications are through the channel.
- vi) Cost structure: Each Applicant must give a breakdown of its planned cost for managing new channels; in total and by type of channel. This must include expected changes in costs over time as technology and volume through the channel develop. Figures must be clearly linked to the resource details given elsewhere in the marketing plans and to the business plan. The breakdown must include fees to channel providers (e.g. mobile devices, interactive television, etc.), transaction costs for payments, fees to game and technology providers, player assistance (helpline, etc.) and management overheads. The relevant assumptions behind the figures must be clearly shown.
- +
- vii) Supporting evidence: Each Applicant must demonstrate and provide evidence that its proposals for new channels are viable in terms of technological feasibility, player adoption, economics and attractiveness to third party providers. The evidence may include expert opinions, examples of how the technologies are already developing, analogies with other technologies or discussion with third party providers or suppliers.

LIST OF APPENDIXES

- Appendix A - Application Submission Checklist**
- Appendix B - Application Form**
- Appendix C - Vetting Form**
- Appendix D - Information and Clarification Request Form**
- Appendix E - Anti-Corruption Pledge Form**

APPENDIX A

Application Submission Checklist

Name of the Applicant:

S/N	List of Documents	Remarks (Applicant) Tick v	Remarks (GBT)	Signature (Applicant)	Signature (GBT)
1.	Dully filled application forms				
2.	Evidence of Payment of application fee (GePG Physical receipt)				
3.	Business Plan				
4.	Dully filled personal declaration (Vetting) form for each incorporator/subscriber, and every director and senior officer.				

5.	Company's Memorandum and Article of Association.				
6.	Certificate of Incorporation				
7.	Proof of citizenship of every incorporator/subscriber, and every director and senior officer. this includes detailed Curriculum vitae and photocopy of the personal details page of the passport.				
8.	Tax Clearance from the Income Tax Office of a country of origin of the applicant and incorporator/subscriber, and every director.				

9.	Company Board of Directors' resolution to invest in Tanzania				
10.	Anti-corruption pledge Form				

Name of submitting officer:

Signature.....

Time..... Date:

Name of receiving officer.....

Signature.....



THE UNITED REPUBLIC OF TANZANIA

THE GAMING BOARD OF TANZANIA

**APPLICATION FOR A LICENCE TO MANAGE
THE NATIONAL LOTTERY**

(Made under Sections 15(1), (2) and 41 (1) of the Act)

1. In accordance with the Gaming Act, 2003 and its regulations made thereunder:-

I
(Insert full name of a person making the application)

of
(address)

duly authorized in that behalf by a body corporate specified in paragraph 2, hereby apply for a licence to manage and run the National Lottery.

2. Name of a corporate body under which the management of the National Lottery will be conducted :-

.....

Date and place of registration:

.....

.....

3. Full particulars of all partners, directors and secretary of body corporate:-

(i)
(Name and address)

.....
(description, i.e director, secretary, etc)

(ii)

(iii)
.....

....

(iv).....
.....

4. Have you or any of the persons named in paragraph 3 ever been:-

(a) convicted of any criminal offence involving fraud or dishonesty;

(b) declared bankrupt, or entered into any agreement with creditors?

If so give particulars:-

.....
.....
.....

5. State number and type of lotteries and their frequencies you wish to promote during the life of the licence applied for:-

.....
.....
.....

6. Will the lotteries be run by the company mentioned in No. 2 or through a contract with other company? If through other company, give full details of the company including company profile and contract:-

.....
.....
.....

7. As a condition of this application, kindly provide a feasibility study on the investment of national lottery including improvisation of technical know-how, management, machinery, marketing and sales, manpower, profit, research and development.

8. What do you expect will be the amount of the gross turnover for the first twelve months of the gaming business in respect of which this application is made?

.....
.....

9. State the name and address of the accountant you wish to appoint for the purpose of auditing your statement of account :-

.....
.....

Date:, 20.....

Signature

Description

FOR OFFICIAL USE ONLY

Date of which the application was received

Date set for hearing by the GBT

Attachments received

.....

Name and signature of the receiving officer of the GBT

.....

GAMING BOARD OF TANZANIA
VETTING FORMS

1. Surname:
2. First Names:
3. Nationality:
 - a) By birth
 - b) Registration.....
4. Title:
5. Maiden name:
6. Aliases, nicknames, other name changes, legal or otherwise, you have used or by which you have been known:
.....
7. Present residential address:
.....
8. Present businesses address:
.....
.....
9. Occupation:
.....
10. Telephone
 - a) Business.....
 - b) Home.....
 - c) Fax.....
11. Date of birth
12. Place of birth (City, state and country)
.....
13. Sex

14. Physical description

- a) Height
- b) Weight.....
- c) Complexion.....
- d) Colour of eyes
- e) Colour of hair
- f) Scars, tattoos or other distinguishing marks

15. Country/countries of which you are a citizen

.....

16. Marital Status..

17. Details of spouse/de facto partner

- a) Date of marriage
- b) Place where married
- c) Full name of spouse/partner.
- d) Spouse's maiden name (where applicable)
.....
- e) Date of birth of spouse/partner
- f) Place of birth of spouse/partner
- g) Spouse's/partner's occupation
.....
- h) Name and address of spouse's/partner's employer:
.....
.....
.....

18. Name and address of previous spouse(s):

a) Current full name

.....

b) Maiden surname (where applicable)

.....

c) Current address

.....

.....

.....

(If space is insufficient, supply information on attachment page)

19. Full name of father

.....

a) Date of birth

b) Occupation.....

20. Full name of mother

a) Date of birth

b) Occupation

21. Educational details:

a) Highest level of education attained

.....

b) Name of last educational institution attended:

.....

.....

c) Year education in (a) above completed

.....

d) Professional qualifications

.....

.....

22. Passport information: Passport 1 Passport 2

- a) Passport number
- b) Country.....
- c) Place of issue
- d) Date of issue
- e) Date of expiry

23. Arrests, detention and convictions (except for MINOR traffic offences):

- a) Have you ever been convicted of an offence:
- b) Arrested, detained, charged or summonsed before a court to answer for any offence or violation for any reason whatsoever, regardless of the disposition of the event?

If “yes”, to either question, provide details below. List all cases without exception.

Nature of offence	State and country	City/Town	Date of offence	Result of court case or hearing

24. Residences: List all addresses at which you have been permanently resident over the last 20 years, beginning with your current address and working backwards.

Month and Year (From – To)	Street and Number	Suburb	City	State and Country

25. Employment history:

- a) Beginning with your current employment, list your employment history, including all businesses with which you have been involved during the last 20 years.

Month and year (From – To)	Name and postal address of employer/business	Reason for leaving
Job Title	Description of duties	Contact person & Tel No.

(ii)

Month and year (From – To)	Name and postal address of employer/business	Reason for leaving
Job Title	Description of duties	Contact person & Tel No

N.B. If additional space is needed, use an attachment page

- b) Have you ever been dismissed, discharged or asked to resign from any employment or office of trust?.....

If “yes”, complete the following:

Date	Name and address of Employer/ office	Contact person	Reason for dismissal, discharge or resignation

- c) List all companies, partnerships, joint ventures or any business with which you have been associated and actively participated in the management or operation thereof as a director, partner or other capacity during the last 20 years.

.....

.....

.....

.....

.....

If space is insufficient, use an attachment page.

- d) Have any of the businesses in which you have been employed or associated with listed in (a) or (c) ever been involved in any gambling or amusement related activities?

If “yes”, complete the following:

.....

.....

.....

.....

.....

If space is insufficient, use an attachment page.

26. Personal references

Nominate three persons who are not related to you and who have known you for a period of preferably during the last five years. Referees may be asked to appraise your character and reputation.

- i. Surname
- First names
- Address.....
- Occupation.....
- Telephone.....
- Years known

ii. Surname

First names

Address.....

Occupation.....

Telephone.....

Years known

iii. Surname

First names

Address.....

Occupation.....

Telephone.....

Years known

27. Professional / Ethical history

- a) List present and past membership (within the past five years) of professional bodies.

Body	Period

- b) Have you ever been investigated or disciplined by a professional body for ethical misconduct or any other breach of rules or regulations?
.....

If “yes”, provide details

.....

.....

.....

- c) Have you ever been directly involved in the management of any company that has been placed in liquidation, judicial management, a scheme of arrangement or any other formal administration? (Include a pending arrangements)

If “yes”, provide details

.....
.....
.....

(If space is insufficient, use attachment page)

- d) Have you ever been disqualified from acting as a director of a company under any provision of Company Act , Cap 212 or overseas legislation?

If “yes”, provide details

.....
.....
.....

- e) To your knowledge, are you or have you ever been under investigation by any government authority?

If “yes”, provide details

.....
.....
.....

- f) Have you ever been granted a licence by any government authority to conduct any gambling activity?

If “yes”, provide details

.....
.....
.....
.....

- g) Have you ever been refused a license by any government authority to conduct any gambling activity or had any such license revoked?

.....

If “yes”, provide full particulars.

.....

28. Credit history

- a) Are you currently in default in payment of any debts incurred solely or jointly in your name?.....

If “yes”, complete the following

Creditor	Total amount owing TZS	Total amount in default TZS	Number of days overdue

- b) Have you ever been refused credit or been the subject of an adverse credit rating report to your knowledge?

If “yes”, provide details

.....

29. Provide brief details of any management experience you have had in the gambling industry

.....

30. Have you ever been refused a licence for employment in the gambling industry, or been disciplined by an gambling regulatory body?

If “yes”, provide details

.....

.....

.....

.....

31. Have you ever been excluded from a casino or other gambling establishment anywhere in the world?.....

If “yes”, provide details

.....

.....

.....

.....

32. Financial Information

a) Have you ever been declared insolvent or taken advantage of the laws relating to bankruptcy or insolvency?.....

If “yes”, provide details

.....

.....

.....

.....

b) Amount invested/to be invested in the applicant business and the percentage of ownership this will represent:

.....

.....

.....

CASH AT BANK

List below all bank accounts, foreign and domestic, maintained by you and your spouse

Name and address of financial institution	Names of persons appearing on account	Account No	Date opened	Type of account	Current balance

GAMING BOARD OF TANZANIA
INFORMATION AND CLARIFICATION REQUEST FORM

Further clarification or further information requests must only be made in writing to:

The Director General,
Gaming Board of Tanzania,
PSSSF Twin Towers – Wing A, 27th Floor,
Mission Str./Sokoine Drive
P. O. Box 1717,
Dar es Salaam, TANZANIA.
E-mail: nationallottery@gamingboard.go.tz

Should an Applicant wish to submit a request for information or clarification, it should use this form. The GBT will make available to all other Applicants any clarification or information arising from such requests, taking into account issues of confidentiality and commercial sensitivity as set out in this ITA.

All requests will be acknowledged by the GBT as soon as practicable. The deadline for questions to the GBT is 16 Hours on 14th February 2023.

Contact details:

Individual's name: _____

Company: _____

Address: _____

Telephone: _____

Email: _____

Representing: [Insert name of Applicant, company or other party]

Does the party submitting this request believe that the matter being raised is of a confidential or commercially sensitive nature? Yes / No (delete as appropriate)

Request for further information or clarification:

[Insert description below]

GAMING BOARD OF TANZANIA**ANTI CORRUPTION PLEDGE FORM**

(To be completed by the Applicant at a time of lodging Application for Gaming Licence)

M/S
(name of the applicant)

I/We do hereby pledge to support the **Gaming Board of Tanzania** in a fight against corruption, therefore solemnly declare and certify that no offer, gift, payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, has been made or will be made to any officer, employee or Board Member of the **Gaming Board of Tanzania**, either directly or indirectly, as an inducement or reward in connection with application for award of gaming licence or any other services rendered by the **Gaming Board of Tanzania**.

I/We formally undertake to issue instructions to our employees, agents or representatives, directing them not to offer gift, payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, to any officer, employee or Board Member of the **Gaming Board of Tanzania**, either directly or indirectly, as an inducement or reward in connection with application for award of gaming licence or any service(s).

I/We declare and guarantee that neither the applicant nor its employees, agents or representatives have been implicated, involved or sanctioned for an offence involving bribery or corruption. (Provide details of involvement, conviction or sanction if exists).

I/We commit to report to the **Gaming Board of Tanzania** or Government law enforcement agencies, any incidence of solicitation of bribery or corruption committed by an employee, officer, Board Member or any person in connection with application for award of gaming licence or any services rendered by the **Gaming Board of Tanzania**.

Name.....
(applicant's authorised signatory)

Signature.....

Date.....

(This declaration shall be witnessed by Commission for Oath)

Name.....

Qualification.....

Signature.....

Date.....

Official Stamp.....

Gaming Board of Tanzania

PSSSF Twin Towers – Wing A, 27th Floor

Mission Str./Sokoine Drive

Dar es Salaam, TANZANIA

E-mail: nationallottery@gamingboard.go.tz

Tel: +255 22 211 4500

www.gamingboard.go.tz

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