



## state security

State Security Agency  
REPUBLIC OF SOUTH AFRICA

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***Conclusion of Investigation: National Lotteries Commission: Leakage of Sensitive Information to the Media***

1. The letter from the Chairperson of the NLC, Professor NA Nevhutanda with no reference number, dated 01 December 2019, refers.
2. The investigation by the State Security Agency (SSA) yielded the following:
  - 2.1 The media articles emanating from the NLC relate in the majority of cases to alleged corruption and other alleged irregularities.
  - 2.2 The official NLC information concerned was sensitive and privileged in nature, but not classified in terms of the prescripts of the Minimum Information Security Standards (MISS).
  - 2.3 Project information on the Grant Management System (GMS) was previously (at the time of the leakages) accessible to all NLC employees having access to the system, with no demarcation or compartmentalisation.

Sehungo Setokuphepha Keembuso      Sitsaxenghoxengentsho      I-Arhente yoKhuselo kaRhulumente      Zhendodzi la Vhulavhedzi la Muvhuro  
Setheo sa Tshireletso sa Mmulo      Setheo sa Tshireletso sa Fuzo      Xiyenge xa Vuhlayisaki bya Mjuno      Boemedi ba Tshireletso Pusong  
Ikoru yezokuphepha kweLizwe      UPhiko Lwezokuphepha Kwezwe

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- 2.4 The leakage of the relevant sensitive official NLC information to the media does not pose a threat to national security. However, the impact of the information security breaches concerned is reputational in nature.
- 2.5 No evidence of a factual and incriminating nature against any of the suspected NLC employees could be identified from the information and data interrogated.
- 2.6 The prevalence of alleged corruption and irregularities within the NLC and at its beneficiaries does provide ample motive to have such exposed in the media.
3. In view of the findings, the following are proposed:
  - 3.1 Information security awareness training of NLC personnel is lacking and requires urgent attention. Such training should include the prescripts of the MISS, specifically regarding the classification of sensitive information.
  - 3.2 The NLC has to apply and enforce information security policies. Enforceable information security standards and controls will prevent and deter information security breaches in the form of leakages of sensitive/classified official information to various entities, including the media.
    - 3.2.1 The protection of state information (classified information) is a legal imperative aimed at protecting the sovereignty and integrity of the State. However, the aforementioned applies to appropriately classified information only and does not prevent any individual from blowing the whistle on corruption (irregular or illegal activity).
    - 3.2.2 State institutions, including the NLC, need to ensure that they comply with all security prescripts, including classifying documents as per the criteria set out in the MISS as well as other pieces of legislation such as the General Intelligence Laws Amendment Act 11 of 2013.
    - 3.2.3 The NLC should establish the correct formal channels that should be followed by employees that want to provide information on any untoward activity in the NLC. The aforementioned should create a safe channel that would not prevent or discourage employees from blowing the whistle. A whistle-blowers policy, based on the Protected Disclosures Act 25 of 2000, is a requirement.
    - 3.2.4 Failure to have a dedicated anti-corruption channel will result in employees presenting such cases outside of the NLC. Given the magnitude of corruption in state institutions, it remains crucial that it ensures that the NLC complies with all security prescripts and that its focus is on ensuring that illegal and irregular conduct is adequately mitigated against

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and by ensuring an adequate channel for whistle-blowers to report untoward conduct without being intimidated.

- 3.3 The NLC should pursue any forthcoming disciplinary hearings of NLC employees based on the findings and evidence emanating from their own investigations, and that of the appointed private company.
- 3.4 The ongoing involvement of the SSA will be advisory in nature in terms of information security, focusing on preventative measures to avert reoccurrences.
- 3.5 The NLC needs to address the following information and personnel security matters, in which the SSA can provide assistance:
  - Security screening of personnel;
  - Information security awareness training of personnel;
  - Technical Surveillance Counter Measures (TSCM) targeting relevant sensitive areas;
  - Network vulnerability assessment of relevant Information Communication Technology (ICT) systems, including the GMS.
- 3.6 The NLC should ensure that adequate capacity is provided for data storage involving the detailed billing records on the telephone management system to allow for follow up investigation, retrieval of evidence, auditing, and trend analysis purposes. The same approach applies to the storage of footage of CCTV security systems.
- 3.7 The identified security loopholes need to be addressed by the client in consultation with the responsible SSA Security Advisor.
4. The SSA deems this investigation closed.
5. Thank you for your attention.

  
ZA Mkhwanazi  
For the Director-General: SSA