

MEDIA STATEMENT

Monday, 12 February 2024

Attention: Journalist/ News Editors
For Immediate Release

FREE STATE LIQUOR BOARD WARNS ASPIRANT LIQUOR REGISTRANTS OF ENGULFING FRAUD

Bloemfontein - As the regulatory body, the Free State Gambling, Liquor and Tourism Authority (FSGLTA) has been entrusted with the regulation of the liquor industry amongst other mandates. There are numerous prescripts that govern and control the industry ranging from trading, manufacturing to compliance. These are done in the endeavour to regulate consumption, curb the illegal trading and manufacturing of illicit liquor. Powers vested in the FSGLTA ensure that the entity becomes the only regulators that issue trading rights to traders in consultation with other institutions that share powers and mandates with the entity. The legibility of trading requires few requirements before the Board can award the license, this includes applications lodged by aspirant traders or consultants that need to be met without any prejudice.

With high unemployment and shrinking public sector purse more people turn to see liquor trading as a cheaper method of business opportunity and this has seen a huge spike in the number of applications in recent years. This had also seen a high-rise level of fraudulent activities associated with applications. This was identified by the number of applicants who turn up at the entity's doors to collect licenses that have not been lodged, registered, and adjudicated upon.

The entity took a stand to go on a publicity drive to raise awareness and educate aspirant applicants to be aware of engulfing fraudulent activities that are making rounds in the province. The modus operandi of these scammers revolves around fast-tracking of applications process, which could not be a reality as there is a register that is kept ensuring that the process is transparent and fair to all applicants. It has come to the entity's attention that there are individuals soliciting money from unsuspecting individuals under the guise of assisting with liquor license applications. Some of these perpetrators even go as far as impersonating employees of the Authority.

As part of application processes all applicants are required to submit detailed documentation, undergo background checks, and comply with zoning laws and health regulations. It is essential for individuals seeking a liquor license to engage with reputable consultants or directly with the regulatory agency to navigate this process lawfully.

We want to emphasize the importance of distinguishing between legitimate liquor license consultants and scammers. Legitimate consultants provide valuable expertise and assistance throughout the application process, ensuring compliance with all legal requirements and regulations. They typically operate transparently and are registered with relevant authorities. On the other hand, scammers exploit individuals by promising quick

approvals or offering to expedite the process for a hefty fee. They often lack proper credentials and may use deceptive tactics to swindle money from their victims.

The entity urges anyone who encounters suspicious activity or believes they have been targeted by fraudulent individuals to report such incidents immediately. They are requested to report such incident to Head of Licensing at FSGLTA on **051 4040 302/04/39** during business hours. Additionally, individuals can reach out to local law enforcement or regulatory authorities to report any instances of fraud or misconduct.

Protecting consumers and maintaining the integrity of the licensing process is paramount to us. By remaining vigilant and informed, we can work together to combat liquor license fraud and ensure a fair and transparent process for all applicants.

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