



CRAN

Communications Regulatory Authority of Namibia

THE START OF POSTAL & COURIER REGULATIONS IN NAMIBIA

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Public Hearing

ESTABLISHMENT

COMMUNICATIONS ACT NO. 8 OF 2009.

CRAN ESTABLISHED - 18 MAY 2011

ONE OF CRAN'S MANDATES

- ❑ To regulate the postal sector

OBJECTIVES OF THE ACT



- ❑ To promote the availability of a wide range of high quality, reliable and efficient postal services to all users in the country
- ❑ To ensure fair competition
- ❑ To provide consumer protection
- ❑ To assure Quality of Service

POLICY PROVISIONS

- ❑ Establishment of an enabling framework for postal services development in Namibia guided by the following principles:
- ❑ Liberalization;
- ❑ Fair Competition; and
- ❑ Regulatory certainty

POSTAL MARKET STUDY of 2015

- ❑ CRAN conducted a study in partnership with Analysys Mason, Sunflower Associates & Postal and Logistics Consulting Worldwide in 2015
- ❑ Main objective of the study to do a postal and courier market structure analysis, current legislative and policy issues in the Postal Sector in Namibia.
- ❑ Stakeholders (service providers & users) were requested to provide views on the need for regulation in the sector with one of the following question:
- ❑ Do you see any merits in licensing postal and courier services? If so, what types of providers should be licensed and what rights and obligations should be contained in the licenses?

POSTAL MARKET STUDY (cont)

- ❑ Which other way – other than licensing - can CRAN use to improve its insight into the courier market in Namibia?
- ❑ **Service users (Customers)** saw merits in licensing and regulating couriers, citing poor service respectively by couriers.
- ❑ However, **Service Providers** did not recognize the need for regulation unless such an exercise would impose a credible and obvious benefits for the industry and its customers to avoid unbalanced regulatory burdens.

POSTAL MARKET STUDY (Cont)

- ❑ The study considered regulatory models in the SADC Region respectively South Africa and Botswana in addition to many which then paved way for:
 - ✓ CRAN to introduce a monitoring system which measures services and volumes, prescribe delivery times and accurate delivery.

- ❑ **STUDY RECOMMENDATIONS:**
 - ✓ Introduction of a DPO License with obligations;
 - ✓ Introduction of a Class licensing regime for couriers, excluding price regulation, to allow free competition amongst players, and ensure QoS, Postal Security and Consumer protection. I.e a Light Touch Regulatory Frame Work
 - ✓ Develop Interconnection guidelines for the DPO and Courier services.

REGULATORY APPROACH

-PURPOSE

- ❑ To create an enabling regulatory environment that will promote market growth through fair competition practices within the postal market of Namibia.
- ❑ To oversee the development of the postal market and delivery of services at acceptable levels of quality.
- ❑ To ensure the integrity, confidentiality and security of postal items of consumers.
- ❑ To ensure uniformity, accessibility, affordability etc.
- ❑ To have a full understanding of the postal market in Namibia through regular reporting

STAKEHOLDERS IN THE POSTAL SECTOR

Stakeholders in the postal sector are as follows:

- Government through the Ministry of ICT – Maker of the Policies and Legislation**
- The Regulator or Authority - CRAN**
- Public Postal Operator (NamPost) and Courier Service Operators**
- The Customers**

ROLE OF THE GOVERNMENT

- ❑ Assumes responsibility for overall policy formulation and establishes the legal framework for the postal sector in Namibia:
 - National Postal Policy of 2009
 - and the Communications Act of 2009

NOTE: Chapter VII of the Communications Act of 2009 has not yet been enacted by the Minister.

The Minister will only enact this part of the Act once the Regulator has finalized these Licencing Regulations

ROLE OF THE REGULATOR

- ❑ **Licensing** - grant, renew, amend, transfer and suspend or revoke licences and impose licencing conditions
- ❑ **Ensure** that operators are technically, financially and managerially capable of carrying out services specified in their licences.
- ❑ **Universal Service** – define and ensure the scope of universal postal services.
- ❑ **Compliance** - Monitor, control, inspect and regulate postal and courier services and ensure that these series are provided and operated in accordance with relevant legislation.
- ❑ **Quality of Service** – establish universal postal service standards; set universal service targets; and measure quality of service.
- ❑ **Protect consumers** in respect of quality of services.

ROLE OF THE REGULATOR (Cont)

- ❑ **Competition** - promote, develop and enforce fair competition and equality of treatment among licensees in the postal sector in accordance with the postal regulatory framework.
- ❑ **Encourage** the sharing of networks between operators (interconnection)

ROLE OF THE SERVICE PROVIDERS

PUBLIC POSTAL SERVICE LICENSEE (Nampost)

- ❑ To provide a universal postal service
- ❑ Obligated to apply for a licence to operate a public postal services.
- ❑ To provide interconnection opportunities for mail presented by other licensed operators on commercial terms
- ❑ To provide a seamless postal service throughout the country through Universal Services Obligations.
- ❑ Submit an annual report to the Authority.
- ❑ Submit statistical information as and when required by the Authority.
- ❑ Ensure mail integrity and security.
- ❑ Inform customers of product features, service standards and quality targets.
- ❑ Submit tariff and service fee information to the Authority

ROLE OF THE SERVICE PROVIDER (Cont)

Courier Service Licences

- To provide commercial postal/courier services in Namibia.
- Ensure integrity and security
- Submit annual reports to the Authority.
- Submit statistical and service route information as and when required by the Authority.
- Must have consumer complaints procedures in place

ROLE OF CUSTOMERS

As users of services and products, their role is to know their:

- Right of access to postal services
- Right of Non-Discrimination;
- Right Privacy;
- Right to know service standards and quality targets
- Right to complain about poor quality of service
- Right to fair terms of service

PROVISIONS OF THE COMMUNICATIONS ACT

Postal Definition as per the Communications Act No. 8 of 2009

- ❑ **Postal service** is the business of receiving, collecting, dispatching, conveying and delivering postal articles and of transmitting and delivering telegraphs and of performing all incidental services
- ❑ **Section 95 (1)** provides for the prohibition of the provision of postal services without a license in Namibia.
- ❑ **Section 95(2)** – “The Minister may by notice in the Gazette determine a date from which Namibia Post Limited will require a license authoring the rendering of postal services”.

PROVISIONS OF THE COMMUNICATIONS ACT (Cont)

- ❑ In terms of **Section 96 (1)** the Authority may, after having received an application, issue a postal service license conferring the right to provide postal services for such period as may be prescribed.
- ❑ In terms of **Section 96 (2)(c)** the Authority may impose conditions that relate to any other matter that may be necessary to implement and regulate the postal industry in Namibia.

PROVISIONS OF THE COMMUNICATIONS ACT (Cont)

- ❑ In terms of **Section 98 (d)** The Authority, with the approval of the Minister, may make regulations “prescribing any services involving the transportation of packages or documents to be postal services for the purpose of this Chapter”
- ❑ In term of **Section 98 (e)** the Authority may prescribe “...anything that in terms of Chapter 7 of the Act may or must be prescribed”.
- ❑ In terms of **Section 129 (a)** The Authority may make regulations prescribing the forms and procedures for any application made to the Authority

Benchmarking in SADC on postal license categories

SADC MEMBER STATES LICENSE CATEGORIES

COUNTRY	C 1	C 2	C 3	C 4	C 5	C 6
LESOTHO	Public Postal Service License	Courier Service license				
TANZANIA	Designated Postal Operator License	International Courier Operators	Domestic Courier operators	Inter-City Courier operators	Intra-city operators	East African Operators
ZAMBIA	Public Postal Operator	International and Domestic Couriers	Domestic Courier	Local Couriers		
MALAWI	Designated Public postal operator	International Commercial Couriers	Domestic Commercial Couriers	Inter-city Commercial Couriers	Intra-city Commercial Couriers	Transporters Commercial Couriers

SADC MEMBER STATES LICENSE CATEGORIES (Cont)

COUNTRY	C 1	C 2	C 3	C 4	C 5	C 6
ESWATHINI	National Postal Operator license	International Commercial Courier License	Domestic Commercial Courier License			
ZIMBABWE	Postal Service General License	International Courier License	Domestic Courier License			
MAURITIUS	Postal Service license	Courier Service license				
MOZAMBIQUE	National Postal Operator License	International Commercial Courier license	Domestic Commercial Courier License			
SOUTH AFRICA	Designated Postal Operator license	Courier Service license				

SADC MEMBERS STATES LICENSE CATEGORIES (Cont)

COUNTRY	C 1	C 2	C 3	C 4	C 5	C 6
BOTSAWANA	Designate d Postal Operator License	Courier service License				
SOUTH AFRICA	Designate d Postal Operator License	Courier Services (Registration Regime)				

PROVISION OF PROPOSED REGULATIONS

- ❑ **Proposed postal service licence categories:**
 - **Public Operator Postal License**
 - **Courier License.**

- ❑ **Prescribes: Application procedures, Duration periods, material breaches, Renewal, Transfer, Refusal to issue/approve the transfer, amendment procedures**

- ❑ **Prescribes license application fees for postal service licenses**

PROPOSED LICENSE FEES

CATEGORY OF LICENSE	NEW LICENSE APPLICATION	AMENDMENT OF LICENSE	TRANSFER OF LICENSE	RENEWALS
Public Operator Postal License	N\$ 10 000	N\$ 10 000	N\$ 10 000	N\$ 10 000
Courier Service License	N\$ 10 000	N\$ 10 000	N\$ 10 000	N\$ 10 000

WHY LIMIT TO 2 LICENSING CATEGORIES

- ❑ Act has a Service Neutral Licensing Principle.
- ❑ Applicability for DPO and Couriers only.

BENEFITS OF A LIGHT TOUCH POSTAL REGULATION

- Protect the DPO in terms of USO**
- Allow Free Competition amongst couriers without regulating prices in courier market**
- Accessibility**
- Uniformity**
- Affordability**
- Dispute Resolution amongst players.**
- Retains and increases service provider & customer relations**
- Profitability in the absence of price regulation (the More customers treated with good QoS, the higher the returns to business).**
- This exercise ensures the adherence of the Government to International laws and standard requirements.**

FORTHCOMING REGULATIONS



Upon completion of these regulation, the Authority is expected to further develop the following sets of regulations for the Postal industry:

- ❑ Annual Levies
- ❑ Regulations regarding Dispute resolutions between licencees
- ❑ Regulations regarding Consumer Complaints handling procedures
- ❑ Regulations regarding Interconnection Agreements between operators.

Thank you

Questions to the panel

