

**Welcoming Remarks
Jochen Traut
Acting Chief Executive Officer**

**Oral hearing on the proposed universal service regulations
Tuesday, 28 July 2015**

- Representatives from the telecommunications industry,
- Representatives from the ICT industry in general,
- CRAN colleagues present here,
- Consumers of ICT Services,
- Members of the Media,
- Ladies and Gentlemen.

Good morning and welcome,

Today, I would like to start my speech by reading to you, the first two paragraphs from the forward of the Universal Access and Service Policy for ICTs; they read as follows:

I quote: “Namibia seeks to foster the existence of a society and economy where information and knowledge are an abundant resource for individuals and communities and businesses, in homes and offices, or via public access points, at schools and institutions of further education, at libraries, post offices, hospitals, clinics and government offices, for small entrepreneurs, for women, children and men, for those with disabilities and other marginalised groups, in towns, urban townships and rural settlements.

Namibia seeks to tackle the ‘digital divide’ and to promote a society in which the information and communications technology sector is a key enabler of social development and economic growth for individuals, households and businesses, regardless of economic status or geographic location, in a services sector-led economy.” ***End of quote.***

Ladies and gentlemen

The vision has been set; and starting today right here, right now at this public hearing, the journey has begun for CRAN, with the help of its telecommunication stakeholders, to translate this vision into reality. We are mandated by Part 4 of the Communications Act to

establish the Universal Service Fund and to prescribe the minimum set of services that should be made available by licensees in the target areas.

The ground work already begun when CRAN started to collect information on the network status of each licensee in 2013 as per regulations setting out Cost Accounting Procedures and Reporting Requirements published in Government Gazette no. 5357 of 06 December 2013. Licensees are required to submit all information on a bi-annual basis.

CRAN is now in the process of loading this information onto a database and a GIS system that will also contain all co-ordinates of schools and clinics as well as information on power grids.

CRAN is thus already commenced with conducting what we term a Market GAP analysis.

The current TV-White Space study by MyDigitalBridge that started last year in August is part of CRAN's effort to find a cost effective and sustainable solution in under serviced areas based on the optimal use of spectrum.

A further milestone was achieved in October 2014 when CRAN appointed Mr. Melvin Angula as the Head of the UAS department. Melvin is tasked with the job of operationalising Part 4 of the Act and to search for and identify cost effective solutions for the projects that will be identified after the completion of the GAP analysis study.

CRAN has been hard at work not only , conducting benchmarking exercises, capacity building training, and eventually drafting the two pieces of regulations which we are about to share here with you today.

The two draft regulations in question are as follows:

- The proposed regulations to impose a universal service levy on telecommunications service licensees; and
- The proposed regulations prescribing the provision of universal services by telecommunications service licensees.

These two regulations must be read together with the UAS Policy as published in Government Gazette no. 5169 of 08 April 2013 and the Communications Act of 2009 Part 4

Ladies and gentlemen

Section 56 subsection 2 of the Act, gives CRAN the power to impose a universal service levy on telecommunications licensees. Please note – only telecommunication licensees will be required to contribute to this fund and will also be the only beneficiaries of the fund and the identified projects. CRAN has identified that as a short coming in the current Act and we are in discussion with the Ministry of ICT to add broadcasters and postal licensees as contributors to the fund and beneficiaries of the fund since in a converging ICT environment these two industries can and will play an important part to bring universal services to the underserviced rural area's.

This levy will be paid into the Universal Service Fund; and CRAN will administer that fund separately from its other obligations and projects and it is from this fund, with its own accounts and booking system, from which the universal services projects we have been talking about are going to be paid for and in some cases subsidised.

The success of the UAS project roll-out is however dependent on availability of funds in the USF fund which will depend on the final levy amount and many other regulations and actions such as the forthcoming infrastructure sharing regulations and the National Broadband Policy that currently in a very draft form as well as the future spectrum assignments and the enforcement and monitoring activities associated with it quality of service and type approval regulations are already in place.

One thing CRAN will not compromise on is that all infrastructure and services that are going to be deployed through the UAS fund will have to adhere to the minimum standards for quality of service and the cost to the consumers must be affordable.

With these few words, let me invite you to engage with us in a meaningful discussion for the next big step of moving the ICT environment in Namibia to the next level to the benefit of the consumer in the underserviced rural areas.

Thank you!

ENDS