



CRAN

Communications Regulatory Authority of Namibia

SPECTRUM AUCTION
885-890 MHz and 930-935 MHz
REQUEST TO BID

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SPECTRUM AUCTION 885-890 MHz AND 930-935 MHz

REQUEST TO BID

1. INTRODUCTION

The spectrum 885-890 MHz and 930-935 MHz forms part of the 900 MHz allocated to MOBILE, on a primary basis, except aeronautical mobile services as set out in the Frequency Band Plan of Namibia published in Government Gazette No. 6160, General Notice No. 424 dated 28 October 2016. Frequency channel arrangements for this spectrum band are set out in ITU-R Rec. M.1036-6.

The Communications Regulatory Authority of Namibia (hereinafter referred to as "the Authority") published a notice in Government Gazette No. 7511, General Notice No.152 on 19 April 2021 in terms of Regulation 6(1) of the Regulations prescribing Procedures regarding Application for and Amendment, Renewal or Transfer of Spectrum Licences as published in Government Gazette No. 6888, General Notice No. 105 on 29 April 2019.

The said notice serves to inform the public that the assignment of the aforementioned spectrum band for MOBILE services will be made on a competitive basis by means of a spectrum auction.

2. LEGAL CONTEXT

The Authority was established by the Communications Act of 2009 (Act No.8 of 2009). The Authority's duties in respect of spectrum management is set out in sections 99(1) and (2) of the said Act and read as follows-

- "(1) The Authority is vested with the control, planning, administration, management and licensing of the radio spectrum.*
- (2) In controlling, planning, administering, managing and licensing the use of the radio frequency spectrum, the Authority must comply with the applicable standards and requirements of the International Telecommunication Union and its Radio Regulations, as agreed to or adopted by Namibia"*

The Authority is also vested with the powers to prescribe a frequency band plan, aimed at defining how radio spectrum must be used, ensuring that such utilisation is managed in an orderly, efficient and effective manner and providing opportunities for the introduction of the widest range of telecommunications services. Section 101 empowers the Authority to issue spectrum licenses conferring on the licensee the right to use, or cause any person in his or her employ or under his or her control to use a transmitter for any prescribed purpose.

The Authority's Spectrum Assignment Strategy as published in Government Gazette No. 6776, General Notice No. 673, dated 26 November 2018 sets out key objectives for the management of spectrum as stated hereunder-

- (i) Facilitate the availability of spectrum to be use as a tool to develop communications services and access to ICT infrastructure as a basis for social and economic development in urban and rural areas;
- (ii) Promote the effective and efficient use of spectrum within the digital dividend to address gaps in communications services and access to ICT infrastructure;
- (iii) Set conditions for spectrum use to ensure efficient use of a scarce resource and prevent anti-competitive practices such as hoarding of spectrum; and
- (iv) Ensure fair distribution of spectrum between market players to provide services in conjunction with the category of service licence awarded;

3. TIMELINES

The planned timelines for key elements of the spectrum auction process are indicated below-

Publication of the Request to Bid inviting public comments	19/04/2021
Deadline for submission of comments	19/05/2021
Provision of answers by the Authority	28/05/2021
Deadline for Bidders to submit applications	11/06/2021
Confirmation of Bidders	18/06/2021
Date of Spectrum Auction	30/06/2021
Notification of Results	03/08/2021

Payment Deadline	17/08/2021
Granting of Spectrum Licence	23/08/2021

4. STRUCTURE OF THE REQUEST TO BID

The Request to Bid sets out the-

- (i) The date, time and place for Spectrum Auction;
- (ii) The spectrum to be assigned;
- (iii) Validity period of the spectrum licence;
- (iv) Licence conditions subject to which the spectrum licence will be issued;
- (v) Bidder qualification criteria and conduct;
- (vi) Publication of Request to Bid;
- (vii) Application to participate in spectrum auction;
- (viii) Qualification process for Bidders;
- (ix) Communications during the spectrum auction process;
- (x) Notification and publication of spectrum auction results;
- (xi) Payment of spectrum fees;
- (xii) Issuance of spectrum licences; and
- (xiii) Cancellation and return of spectrum licences awarded by spectrum auction;

5. DATE, TIME AND PLACE OF SPECTRUM AUCTION

The spectrum auction will take place on 30 June 2021 at 09h00 in Windhoek.

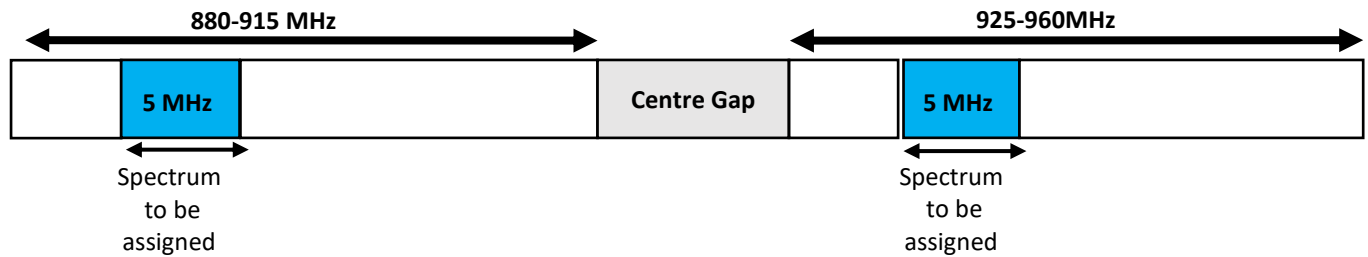
6. SPECTRUM TO BE ASSIGNED

This section should be read together with the following regulatory notices-

- (i) The Frequency Band Plan of Namibia as published in Government Gazette No. 6160, General Notice No. 424 dated 28 October 2016; and
- (ii) The Regulations prescribing Procedures regarding Application for and Amendment, Renewal or Transfer of Spectrum as published in

Government Gazette No. 6888, General Notice No. 105 dated 29 April 2019 (hereinafter referred to as “the spectrum licensing regulations”).

The Authority intends to assign 2x 5 MHz in the spectrum band 880-915 MHz paired with 925-960 MHz (FDD) for MOBILE services. The spectrum blocks to be assigned are shown in the diagram below-



The Authority will assign the “right-to-use” the spectrum on a competitive basis by means of a spectrum auction as indicated below-

(i) **Lot A:**

885-890 MHz (1x 5 MHz) paired with 930-935 MHz (1x 5 MHz)

The reserve price is the minimum price that the Authority will accept for each lot in the spectrum auction process as set out hereunder-

Lot A: N\$ 5,700,000.00 (Five Million Seven Hundred Thousand Namibian Dollars)

A bidder is required to submit an application to bid in order to participate in the spectrum auction indicating the lot it intends to bid for.

7. VALIDITY PERIOD OF SPECTRUM LICENCE

The spectrum licences awarded via the aforementioned spectrum auction will be valid for a period of ten (10) years from date of publication in the Government Gazette.

8. LICENCE CONDITIONS SUBJECT TO WHICH THE SPECTRUM LICENCE WILL BE ISSUED

8.1 General spectrum licence conditions

The spectrum licence as awarded is subject to all provisions of the Communications Act, Act. No. 8 of 2009, and the Regulations prescribing Procedures regarding Application for, and Amendment, Renewal, Transfer and Cancellation of Spectrum Licences as published in *Government Gazette* No. 6888, General Notice 104 dated 29 April 2019.

The holder of the spectrum licence is duly authorized to-

- (i) transmit any signal by radio waves, use radio apparatus to receive any signal transmitted by radio waves or instruct, permit or prohibit any person(s) in their employ or under their control to perform any of these actions; and
- (ii) use or cause any person in their employ or under their control to use a transmitter for any prescribed purpose or to use a radio frequencies or radio receiver for any purpose and in the manner prescribed or determined in the spectrum licence concerned.

The spectrum licence awarded shall not confer any ownership rights of the frequencies indicated on the spectrum licence certificate, but only grant the licensee a right-to-use the spectrum assigned.

The spectrum licence awarded authorizes the holder of the said licences to utilize the frequencies specified on the spectrum licence certificate within the borders of the Republic of Namibia. The spectrum licence is further awarded subject to any other licence conditions as set by the Authority.

Efficient use of spectrum must be adhered to at all times. The Authority may request the Licensee to proof efficient use of the frequencies specified on the spectrum licence certificate.

The spectrum use licence is awarded for the sole use of the licence holder. The trading or subleasing of the spectrum licence awarded, is strictly prohibited.

Hoarding of spectrum is strictly prohibited.

Transfer of the spectrum licence without prior approval by the Authority is strictly prohibited.

8.2 Licence Term and Renewal

The spectrum licence will be valid for a period of ten (10) years from date of issuance/publication of the final notice in the *Government Gazette*.

A Licensee must apply for the renewal of its spectrum licence not less than six (6) months prior to the expiry date of the spectrum licence. The Authority will consider to renew the spectrum licence for a further period of ten (10) years. The license fees payable on renewal will be as prescribed in the Gazette at the time of renewal.

The spectrum licence, will not be renewed, if the Licensee has contravened the provisions of the Communications Act or one or more of the licence conditions set out by the Authority.

8.3 Technical Conditions

The Licensee shall comply in its use of the frequencies specified on the spectrum licence certificate to ITU regulations and recommendations and the Frequency Band Plan for Namibia as published in the *Government Gazette* from time to time.

The Licensee must prevent harmful interference with other licensees in the same or adjacent spectrum bands.

8.4 Rollout Obligations

The Licensee shall utilize the frequencies specified on the spectrum licence certificate to provide mobile services maintaining a download data speed of not less than 2 Mbps in accordance with the definition of broadband services as set out in the National Broadband Policy for the Republic of Namibia: 2019-2029

Further thereto the aforementioned policy sets out the following targets for the provisioning of broadband services to schools-

80% of schools are to be provided with broadband infrastructure and services by 20/21 which should be increased to 95% by 21/22.

Based on the Authority's assessment, delivery of broadband services to schools are non-compliant to this target. Thus the Authority has identified twenty five (25) schools with either no services or only 2G mobile services to date which will

be attached as licence conditions to the spectrum licence to be awarded to ensure that broadband services are expanded to schools as required

The Licensee must utilize the frequencies as specified on the spectrum licence certificate to meet the rollout obligations for the provision of broadband services in areas as set out hereunder within the first three (3) years of the licence period-

No.	Geographical Area	Region	School Name	Longitude	Latitude
1	Ncaute,	Kavango West	Ncaute Primary School	19.828813	-18.372476
2	Naucova	Kavango West	Naucova Primary School	19.164097	-18.009235
3	Naucova,	Kavango West	Mpuku Primary School	19.12361	-18.09306
4	Taratara	Kavango East	Taratara Primary School	20.322222	-18.215833
5	Brukaros	!Karas	Kutenhoas Primary School	17.40888	-25.6672
6	Rietoog	Hardap	Witkrans Primary School	16.415556	-23.754722
7	Ehombe	Kunene	Ehomba Primary School	13.83111	-17.49028
8	Sesfontein	Kunene	Elias Amxab Combined School	13.617809	-19.12551
9	Okanguati	Kunene	Etengua Primary School	13.034445	-17.472681
10	Okanguati	Kunene	Epupa Primary School	13.23075	-17.0452
11	Etanga	Kunene	Etoto Primary School	14.11427	-17.62436
12	Otjerunda	Kunene	Etoto West Primary School	14.03723	-17.5949
13	Ombombo	Kunene	Hungua Primary School	14.106.39	-18.91806
14	Otjondeka	Kunene	Otjondeka Primary School	14.23417	-18.6317
15	Khorixas	Kunene	Welwitchia Junior Secondary School	14.98233	-20.3741
16	Epembe	Ohangwena	Amwiimbi Primary School	16.45889	-17.6772
17	Rietfontein	Omaheke	Helena Primary School	20.215833	-21.855833
18	Rietfontein	Omaheke	Vergenoeg Primary School	19.889722	-22.089722
19	Onesi	Omusati	Okomakwiya Primary School	14.57724	-17.5934
20	Brukaros	!Karas	J.A Kahuika Primary School	17.709722	-25.7625
21	Brukaros	!Karas	Kaitsi !Gubeb Combined School	17.7727	-25.9983
22	Omaruru	Erono	Otjiperongo Junior Primary School	14.57861	-20.8647
23	Rietoog	Hardap	W.J.D Cloete Junior Secondary School	16.557778	-23.968333
24	Mayara	Kavango East	Kangongo Primary School	21.16194	-17.9547
25	Kandjimi	Kavango East	Kandjimi Murangi Secondary School	18.72889	-17.6772

The Licensee is under no obligation to construct its own tower infrastructure in order to meet the aforementioned rollout obligations but may enter into infrastructure sharing agreements with other licensees as provided for in terms of the infrastructure sharing regulations.

8.5 Payment of Spectrum Fees

The spectrum licence will be issued subject to payment of the auction price in full as follows-

- (i) the licence fee will be payable over a period of ten (10) years from date of issuance;
- (ii) The licence fee will be payable in advance in ten (10) equal amounts to be paid on an annual basis; and
- (iii) The licence fee each year will be payable on or before the payment deadline of 23 August 2020 on each year.

In case of no payment, delayed or incomplete payment received by the deadline(s) as set out the in the results notification, the Authority has the right to cancel the spectrum licence.

Should the spectrum licence be renewed, the Licensee will be required to pay the annual spectrum fees as set out in the spectrum fee regulations at the time of renewal.

8.6 Reporting, Monitoring and Compliance

The Licensee must report quarterly to the Authority on its progress to meet the rollout obligations as set by the Authority.

All reports must be submitted utilising the Authority's portal in respect of reporting requirements set out in Government Gazette No. 7445, General Notice No. 24 dated 1 February 2021.

Furthermore the Licensee must submit a quarterly compliance report on the imposed rollout obligations as per the network rollout plan submitted in terms of section 11.4 of this bidding document inclusive of implementation time lines for the next quarter.

The Authority may, in the course of carrying out its obligations under the Act and regulatory framework require the Licensee to provide information, so as to enable it to-

- (i) To assess efficient use or hoarding of spectrum;
- (ii) Monitor and enforce quality of service, compliance with licence conditions;
- (iii) Addressing harmful interference; and
- (iv) Monitor and enforce any provisions of the Act or other regulations.

8.7 Cancellation

The Authority reserve the right to cancel the spectrum licence on non-payment of spectrum fees, contravention of the provisions of the Act or the Regulations prescribing Procedures regarding Application for, and Amendment, Renewal, Transfer and Cancellation of Spectrum Licences in terms of regulation 19 of the aforementioned regulations.

If the licensee fails to make payment of the spectrum price or part of the spectrum auction price as per the payment schedule set out in the result notification the Authority will cancel the licence in terms of regulation 19 of the aforementioned regulations.

If a licensee has their spectrum licence cancelled, the spectrum auction price paid and any other payments relating to the spectrum licence, will not be refunded by the Authority.

9. BIDDER QUALIFICATION CRITERIA AND CONDUCT

9.1 Bidder Qualification

Participation in the spectrum auction process will be limited to those Bidders that meet the evaluation criteria as set out by the Authority.

Participation in the application and qualification process nor the spectrum auction process should not be construed, in any way whatsoever as an acceptance or approval of any proposals made by the Bidder in its Request to Bid.

In terms of regulation 6(3)(j) of the Spectrum Licensing Regulations the Authority will consider the following evaluation criteria during the Bidder qualification process-

- (i) The Applicant complied with the procedures to submit a Request to Bid;
- (ii) The Applicant paid the application fee on submission of its Request to Bid;
- (iii) The Applicant complied with the terms and conditions relevant to the Request to Bid;
- (iv) The Applicant is not an affiliate or business associate of another Bidder or has ownership or financial interest in respect of another Bidder who submitted a bid relating to the same Request to Bid;

- (v) Did not submit more than one bid relating to the designated lot stipulated in the request to bid;
- (vi) The Applicant, consisting of a consortium, does not include an existing telecommunications service licensee;
- (vii) The Applicant holds a Class Comprehensive telecommunications service licence (ECS & ECNS) or Individual telecommunications service licence (ECS & ECNS) in the Republic of Namibia and meet the following criteria-
 - a. Demonstrated its ability to meet the rollout obligations and technical licence conditions by submission of a detailed technical rollout plan;
 - b. Demonstrated its ability to operate the network and provide electronic communications services in the Republic of Namibia by submission of a detailed business plan and proof of financial resources;
- (viii) The Applicant being a new entrant in the Republic of Namibia meets the following criteria-
 - a. Demonstrated its ability to meet the rollout obligations and technical licence conditions by submission of a detailed technical rollout plan;
 - b. Demonstrated its ability to operate the network and provide electronic communications services in the Republic of Namibia by submission of a detailed business plan and proof of financial resources;
 - c. Submitted a duly completed application form for a Class Comprehensive telecommunications service licence (ECS & ECNS)
- (ix) The Applicant cannot be-
 - a. Insolvent or the subject of a liquidation or winding-up application; or
 - b. In the process of passing or having passed a resolution for voluntary winding up; or
 - c. In default of loan payments or in negotiations regarding debt settlement proceedings;
- (x) The Applicant must have demonstrated its ability to meet the financial requirements of-
 - a. Paying at least the reserve price for the lot in respect of which it submitted a bid;
 - b. Building and operating a telecommunications network and providing telecommunications services by providing-

- i. An detailed financial plan which indicates the annual and total funding requirement for the building and operation of the telecommunications network and provision of telecommunications services until the business operation concerned becomes self-funding;
- ii. Detailed financing plan which demonstrates the amount and timings of the sources of funds which will be used to meeting the funding requirement referred above;
- iii. Independent evidence of the availability of the funds identified in the financial plan;

9.2 Participant's conduct

Bidders and Applicants, collectively referred to as "Participants" includes any additional entity or person who has knowledge of a Participant's confidential information. Such entities or persons may include financiers, consultants, legal advisors and vendors. Participants must provide a list of such entities or persons in their application and must notify the Authority of any change to the list.

Participants must refrain from any activity, which may compromise the integrity of the spectrum auction process including the sharing of confidential information and rules of conduct as set out below.

9.2.1 Confidential information

Confidential information means any information which, if known to another participant, may influence its conduct during the spectrum auction process.

Confidential information relates to –

- (i) Participation in the spectrum auction process itself;
- (ii) The participant's business case, financial information, spectrum lot and bid value; and
- (iii) Auction bidding strategy.

It is possible that a Participant is unaware that it has an entity or person with knowledge of confidential information in common with another Participant. If the Authority identifies that two (2) or more Participants have an entity or person in common it shall-

- (i) Notify in the Applicants concerned and provide a deadline by which they may apply for an exemption from the Rules of Conduct relating to such entities or persons; or
- (ii) Require one or more of the Applicants to end the involvement of such persons or entities in their participation in the spectrum auction process; or
- (iii) Exclude the affected Applicants from the spectrum award process.

Participants seeking an exemption must demonstrate to the Authority that measures have been put into place to ensure that no confidential information is shared between Participants. The Authority may take appropriate actions to verify that such measures exist and are effective. The Authority may, at its sole discretion, grant an exemption from the Rules of Conduct relating to common persons or entities with access to confidential information.

If the Authority does not grant an exemption, and the Applicants do not rectify the breach of conduct to the satisfaction of the Authority, the Authority will exclude the Participants from further participation in the spectrum auction process.

If it is not possible to rectify the situation by the deadline set by the Authority and no exemption has been granted, then one or more of the Participants may withdraw from the spectrum auction process prior to the deadline so that it is not necessary for the Authority to exclude all affected parties.

If the commonality is identified later in the spectrum auction process, the Authority may take whatever action it deems necessary to ensure the integrity of the spectrum auction process.

9.2.2 Rules of Conduct

The Rules of Conduct governing the behavior of Participant are applicable from the date of publication of the draft Request to Bid to the date on which the Authority publicly announce the award of spectrum licences.

Participant must refrain from any activity which may result in compromising the integrity of the spectrum auction process. Such activities may include, but are not limited to-

- (i) Submitting false or misleading information as part of its application;
- (ii) Failing to update the Authority in a timely manner of any material changes to information provided as part of the application process;

- (iii) Submitting more than one application relating to the same lot stipulated in the Request to Bid;
- (iv) Communicating confidential information to any other Participant either by making such information public or by communicating such information directly or indirectly via a third party to another Participant and/or seeking to obtain confidential information in relation to any other Participant;
- (v) Communicating with other Participants or undertaking any activity with the intention to collude or attempt to collude with another Bidder in order to distort or manipulate information;
- (vi) Entering into any agreement with another Participant in respect of the spectrum award process or the subsequent use or sharing of any spectrum licence which may be granted as a result of the spectrum auction process;
- (vii) Seeking to communicate directly or indirectly with the Authority's staff, management and board members or advisors in relation to the spectrum auction process other than by the mechanisms described in the Request to Bid; and
- (viii) Any other breach of the spectrum auction rules.

A participant must notify the Authority in writing if it has evidence to believe that it or another Participant has or may have breached the Rules of Conduct.

9.3.3 Penalties

If the Authority finds a Participant to be in breach of the Rules of Conduct, the Authority may, at its sole discretion, apply a penalty to that Participant.

Penalties may include, but are not limited to, one of the following-

- (i) Exclusion of the spectrum auction process;
- (ii) Suspension or revocation of the Participant's spectrum licence assigned via spectrum auction.

The Authority may also seek penalties for breach of the Rules of Conduct under regulation 28 of the licensing procedure regulations.

If a breach of the Rules of Conduct occurred due to the actions of other entities and persons then the Authority may, at its sole discretion, waive or limit the penalties if it can be shown that the breach occurred without the Participant's knowledge, or that the Participant had taken all reasonable steps

to avoid the breach or that the breach has not materially damaged the integrity of the spectrum auction process.

10. PUBLICATION OF REQUEST TO BID

The Authority will publish the Request to Bid on the Authority's website (www.cran.na), in the Government Gazette, send it via email to all telecommunications service licensees and provide a paper copy on request. Notification of the publication of the final Request to Bid and any additional information will also be sent directly to any interested party or telecommunications service licensee that registered with the Authority.

Any party or telecommunications service licensee interested in participating in the spectrum auction process may submit, in writing, comments to the Authority in respect of any aspect of the Request to Bid within fourteen (14) days from date of publication.

The Authority will respond collectively to comments within fourteen (14) days without identifying the party that submitted the question by email to all entities that submitted comments.

Any party not wishing any part of its comments to be communicated to all parties, should clearly mark the relevant part/s as "confidential" and the Authority will take this into account in terms of section 29 of the Communications Act when deciding whether to communicate such comments and responses.

11. APPLICATION TO PARTICIPATE IN SPECTRUM AUCTION

11.1 Application Procedure and Deadline

The application must consist of the following-

- (i) One (1) duly completed application form as set out in **Annexure A**;
- (ii) Three (3) hard copies of the application information listed in section 11.2, 11.3, 11.4, and 11.5 of the Request to Bid;
- (iii) One (1) electronic copy on USB or CD included with hard copies of the same information requested in (ii);
- (iv) A completed copy of the application checklist as set out in **Annexure C**.

The application documents, must be delivered in a sealed package and marked only with the words “**APPLICATION FOR PARTICIPATION IN 885-890 MHz and 930-935 MHz SPECTRUM AUCTION 2021**” addressed to:

The Chief Executive Officer

Communications Regulatory Authority of Namibia

Unit 4 & 5, Moth Centre, Robert Mugabe Ave

Windhoek

Namibia

The application deadline is **16h00 on 11 June 2021**.

Applications must be delivered by hand or courier. All applications will be dated and time stamped. Applicants will be given a receipt acknowledging the submission of their Application.

Any application received after the application deadline will not be opened ,and will be returned and will not be considered by the Authority.

No applications will be opened by the Authority before 16h00 on 11 June 2021.

Applicants are obliged to inform the Authority of any material change in their circumstances, which affect the information provided in their application.

11.2 General information

All Applicants must provide all general information as set out hereunder-

- (i) Application form, attached hereto as **Annexure A**, duly completed and signed by the Applicant's authorized signatories;
- (ii) Appropriate evidence that the two (2) persons signing the application form are duly authorized by the Applicant to do so. Appropriate evidence may include-
 - a. A board resolution from the Applicant; and
 - b. An irrevocable power of attorney.
- (iii) Appropriate evidence that the three (3) persons who will be bidding on behalf of the Applicant (Authorised Agents) are duly authorized by the Applicant to do so. Appropriate evidence will include-
 - a. A board resolution from the Applicant;
 - b. An irrevocable power of attorney; or

- c. Equivalent evidence from an Applicant not based in the Republic of Namibia supported by a legal opinion from a duly registered legal company in the Applicant's country of domicile.
- (iv) The declaration to abide by the Rules of Conduct including restrictions on confidential information and spectrum auction rules as set out in Annexure B, duly completed and signed by the Applicant's authorized signatory.
- (v) Proof of payment of the application fee of ten thousand Namibian Dollars (N\$10,000.00) to the following bank account-

Account Name: Communications Regulatory Authority of Namibia

Bank Name: Bank Windhoek

Account Number: 8002848071

Branch: Capricorn

Branch Code: 486-372

Type of Account: Cheque Account

- (vi) Certified copies of the following documents of the Applicant-
 - a. Memorandum and Articles of Association for registered companies
 - b. Certificate of incorporation for registered companies or certificate of compliance for foreign companies;
- (vii) In the case of consortiums the following information must be provided
 - a. Members of consortiums;
 - b. Legal documentation indicating the structure of the consortium;
 - c. Confirmation that the consortium shall be jointly and severally liable for meeting the terms of the spectrum licence;
 - d. For each consortium member-
 - i. Memorandum and Articles of Association for registered companies
 - ii. Certificate of incorporation for registered companies or certificate of compliance for foreign companies
 - e. The declaration contained in Annexure B must be signed by all members of any consortium;
 - f. An identified lead member, duly authorized to bind the consortium, appointed by a written power of attorney. The power of attorney must also be provided.
- (viii) The Authority reserve the right to request any further information in respect of the application, at its sole discretion, to determine whether

the participation of the Applicant complies with the laws of the Republic of Namibia and the spectrum auction rules.

11.3 Information related to associates, affiliates, entities and persons

Consortiums and/or non-licensed parties must provide all information listed below of all consortium members.

Applicants must provide the following information-

- (i) Complete ownership structure of the Applicant with sufficient information to identify the ultimate owner and controlling interest in the Applicant;
- (ii) The identity of any person or entity that the Applicant knows to be or reasonably believe to be also associated or affiliated with another Applicant;
- (iii) Ground for exemption should an Applicant wish to seek exemption on the Rules of Conduct based on an association or affiliation with another Applicant;
- (iv) The identity of persons or entities who have knowledge of the Applicant's confidential information. The Applicant must provide the following information in respect of identified person or entities-
 - a. Name;
 - b. Position; and
 - c. Organization.

11.4 Technical and Operational Information

Applicants, who holds an existing telecommunications service licence, should submit-

- (i) Certified copies of their licence certificate;
- (ii) Evidence that it is in good standing with the Authority. A licensee is in good standing when it has paid all spectrum, numbering, type approval, license fees and regulatory levies to the Authority. Licensees with any levies/fees outstanding are not in good standing and cannot participate in this auction. Licensees that have payment plans with the Authority are deemed to be in good standing if they are up to date with the payment plan. Licensees that have defaulted on their payment plans are not in good standing and should not participate in this auction.
- (iii) A detailed annual technical network rollout plan which demonstrates its ability to meet the network rollout obligations and other licence

conditions as specified in section 8.3. This plan should as a minimum include-

- a. The number of sites to be implemented at the end of each year;
- b. Coverage maps in respect of each site showing which schools will be provided with services;
- c. Transmission and backhaul plan;
- d. Network equipment cost assumptions; and
- e. Total annual network related capital expenditure.

Applicants who do not hold a telecommunications service licence in the Republic of Namibia should submit-

- (i) An application for a Class Comprehensive telecommunications service licence (ECS & ECNS) as in terms of the Regulations regarding Licensing Procedures for Telecommunications and Broadcasting Service Licences and Spectrum Use Licences as published in *Government Gazette* No. 4785, General Notice No.272 dated 29 August 2011.
- (ii) A detailed annual technical network rollout plan which demonstrates its ability to meet the network rollout obligations and other licence conditions as specified in section 8.3 This plan should, as a minimum include-
 - a. Spectrum and technology strategy;
 - b. The number and location of sites to be implemented at the end of each year;
 - c. Coverage maps in respect of each site showing which schools will be provided by services;
 - d. Transmission and backhaul plan;
 - e. Network equipment cost assumptions; and
 - f. Total annual network related capital expenditure.
- (iii) A detailed business plan that demonstrates the Applicant's ability to operate the network as set out in (i) and provide telecommunications services in the Republic of Namibia. This plan should, as a minimum include-
 - a. Organisational structure;
 - b. Executive board members with certified copies of their IDs;
 - c. Products and services planned at launch;
 - d. Sales, marketing and distribution strategy;
 - e. Technical operation of network;
 - f. Customer service;
 - g. Latest audited financials and
 - h. Billing.

All Applicants must provide a financial plan demonstrating their ability to meet the financial requirements to pay, as a minimum, the Reserve Price for the spectrum licence to be awarded via spectrum auction, construction and operation of the network and providing telecommunications services. This plan should include, as a minimum-

- (i) Indicate the annual and total funding requirement for the build and operation of the network and telecommunications services utilising the spectrum licence as awarded;
- (ii) Capital and operational expenditure
- (iii) Independent evidence of availability of funds identified in the financing plan.

11.5 Demand for lot

The Applicant must specify the lot which it is legally bound to make a Bid(s) for during the spectrum auction.

For avoidance of doubt, the Applicant can only bid for the lot specified in its application form. The Applicant is legally bound to bid for the specified lot during the spectrum auction.

Should there be no interest in a specific lot it will be withdrawn from the auction and the Authority will inform the licensees of its decision in this regard.

12. QUALIFICATION PROCESS FOR BIDDERS

The Authority will consider all applications submitted by the application deadline.

Applications will first be reviewed based on compliance to application requirements. Applicants will be deemed non-compliant if-

- (i) The Applicant has not adhered to the application requirements set out in section 13;
- (ii) The Applicant has not paid the application fee;
- (iii) The Applicant is not in good standing with the Authority.

The Authority will secondly review all compliant applications against the Rules of Conduct in respect of associated and affiliated Applicants.

If the Authority found an Applicant to be associated or affiliated with another Applicant, the Authority shall notify the Applicants affected and set the deadline by which time the Applicants must-

- (i) Apply for an exemption from the Rules of Conduct in respect of associates and affiliates;
- (ii) Nominate a single entity to participate in the spectrum auction;
- (iii) Bring the relationship to an end; or
- (iv) Refrain from further participation in the spectrum auction.

Applicants, whom remain non-compliant with the Rules of Conduct in respect of associates and affiliates by the deadline specified above, may be disqualified at the sole discretion of the Authority. Such an Applicant will not be permitted to participate in any further stages of the spectrum auction process.

At the same time as the review of the Rules of Conduct in respect of associated and affiliated Applicants, the Authority will also review all compliant applications to identify whether two or more Applicants have an entity or person in common.

The Authority will notify the Applicants affected and set the deadline by which time the Applicants must-

- (v) Apply for an exemption from the Rules of Conduct in respect of such entities or persons;
- (vi) End the involvement of such entities or persons in the spectrum auction process; or
- (vii) Refrain from further participation in the spectrum auction.

Applicants, whom remain non-compliant with the Rules of Conduct in respect of common entities or persons by the deadline specified above, may be disqualified at the sole discretion of the Authority. Such an Applicant will not be permitted to participate in any further stages of the spectrum auction process.

Lastly, the Authority will review all compliant applications that conform to the Rules of Conduct on associates, affiliates and common entities or persons against the Bidder qualification criteria set out in section 11.1 of the Request to Bid. The Authority may request additional information from the Applicant, if required, in order to make a determination whether the Applicant has met all qualification criteria.

The Authority will individually inform Applicants that have qualified as Bidders in the spectrum auction. The Authority will also notify Applicants that have not met the qualification criteria.

If, at any time during the spectrum auction, a Bidder is found to have submitted information that is materially incomplete or incorrect, the Authority will take whatever measures deemed necessary. Necessary measures may include terminating the Bidder's participation in the spectrum auction or nullifying the results of the spectrum auction.

The notice to Applicants informing them that they have qualified as Bidders, will also include the spectrum auction model to be followed and any additional instructions given by the Authority.

13. COMMUNICATION DURING THE SPECTRUM AUCTION PROCESS

13.1 Communication prior to the start and end dates of the spectrum auction process

The Authority will email all relevant information, documents and updates to Applicants and Bidders.

Prior to the spectrum auction start date and after the spectrum auction, Application and Bidders can contact the Authority either via email or in writing-

Chief Executive Officer

Communications Authority of Namibia

Unit 4 & 5, Moth Centre, Robert Mugabe Ave

Windhoek

Namibia

Email: SpectrumAuction@cran.na

13.2 Communication during the spectrum auction process

The Authority may use phone or email to send individual messages to Bidders.

Bidders should not need to contact the Authority during the auction process except in exceptional circumstances. In an exceptional circumstance, Bidders can communicate with the Authority via email, SpectrumAuction@cran.na.

14. AUDITING OF AUCTION RESULTS

The Authority will contract an external auditing firm to audit the outcome of the spectrum auction prior to notification of successful bidders.

15. NOTIFICATION AND PUBLICATION OF SPECTRUM AUCTION RESULTS

The Authority will notify all successful Bidders in writing, after conclusion of the spectrum auction. The notification will set out-

- (i) The spectrum lot(s) that have been awarded to the Bidder;
- (ii) The total auction price that the Bidder is required to pay to the Authority; and
- (iii) The deadline by which the initial payment is to be made as well as subsequent annual payments until the auction price is paid in full to the Authority.

The Authority will publish the results of the spectrum auction in terms of regulation 9 of the spectrum licensing regulations in the Government Gazette and one newspaper with national circulation. The public notice will contain the following information-

- (i) The number of Bidders that participated in the spectrum auction;
- (ii) The identity of the successful Bidder(s);
- (iii) The spectrum assigned to each successful Bidder; and
- (iv) The auction price paid by each Bidder.

Participants in the spectrum auction are prohibited from announcing or publishing information pertaining to the spectrum auction, until such time that the Authority has made the spectrum auction results public.

16. PAYMENT OF SPECTRUM FEES

Bidder(s) are required to make payment in full by the payment deadline(s) as set out in the result notification from the Authority.

The due amount(s) will be stipulated in Namibian Dollars.

Payments should be made to-

Account Name: Communications Regulatory Authority of
Namibia

Bank Name: Bank Windhoek

Account Number: 8002848071

Branch: Capricorn

Branch Code: 486-372

Type of Account: Cheque Account

In case of no payment, delayed or incomplete payment received by the deadline(s) as set out the in the results notification, the Authority has the right to cancel the spectrum licence. The Authority will further give notice of cancellation of the spectrum licence in terms of regulation 19 of the spectrum licensing regulations.

17. ISSUANCE OF SPECTRUM LICENCES

In cases where the successful Bidder is an existing telecommunications service licensee, the Authority expects to grant the spectrum licence in accordance with the spectrum auction results upon approval by the Authority's Board of Directors provided that the successful Bidder has paid the applicable spectrum fees on or before 17 August 2021.

In cases where the successful Bidder does not hold a telecommunications service licence, the successful Bidder will be required to apply for a telecommunications service licence.

The submission of an application for a telecommunications service licence by the Participant to the spectrum auction in no way constitute an automatic award of such service licence should the participant become a successful bidder on completion of the auction process.

The Authority will only award the spectrum licence if the Board of Directors have granted approval of the applicable telecommunications service licence.

Should the Board of Directors not grant approval for issuance of the telecommunications service licence, the Authority will refund all monies paid to the Authority in respect of the spectrum auction to the Bidder.

18. CANCELLATION AND RETURN OF SPECTRUM LICENCES AWARDED BY SPECTRUM AUCTION

A Licensee may at any time submit an application for withdrawal of its spectrum licence in terms of regulation 16 of the spectrum licensing regulations.

If a successful Bidder fails to make payment of the spectrum price or part of the spectrum auction price as per the payment schedule set out in the result notification the Authority cancel the licence in terms of regulation 19 of the spectrum licensing regulations.

If a Licensee has their spectrum licence cancelled, the spectrum auction price paid and any other payments relating to the spectrum licence from date of issuance to date of cancellation will not be refunded by the Authority.

ANNEXURE A: APPLICATION FORM

In terms of section 101(2) of the Communications Act, Act No. 8 of 2009, read with regulation 6 of the Regulations prescribing Procedures regarding Application for, and Amendment, Renewal Transfer and Cancellation of Spectrum Licences, as published in Government Gazette No. 6888, General Notice No. 104 dated 29 April 2019, a person or licensee intending to participate in the spectrum auction to be held on **30 June 2021** is required to complete this application form.

The application form must be submitted together with the application fee and all supporting documentation as set out in the Request by; the submission deadline of **16h00 on 11 June 2021**.

APPLICANT:

Applicant (full and official names)	
Company Registration No.	

CONTACT PERSON:

Contact Person: (Full and Official Name(s))	
Physical Address	
Postal Address	
Telephone Number(s)	
Facsimile Number(s)	

Email Address(s)	
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SIGNATORIES TO APPLICATION FORM

Name and Position of the two(2) persons whom will sign the application form	Person 1:
	Name
	Position
	Person 2:
	Name
	Position

PERSONS RESPONSIBLE FOR BIDDING

Three (3) authorised persons whom will be responsible for bidding	Person 1:
	Name
	Address
	Email
	Phone
	Person 2:
	Name
	Address
	Email

	Phone
	Person 3:
	Name
	Address
	Email
	Phone

LOT BEING BID FOR

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AUTHORISED SIGNATURES

Authorised signatures	Person 1:
	Signed
	Date
	Person 2:
	Signed
	Date

ANNEXURE B: DECLARATION

_____ and _____, having been appointed as authorized agents of _____ hereby undertake, warrant and declare on behalf of the Applicant, that:

- (i) The Applicant is entitled to participate in the spectrum auction process and has obtained the necessary approval in this regard;
- (ii) The information contained in the Applicant's application is correct;
- (iii) The Applicant will inform the Authority of any material change(s) to the information provided in its Application;
- (iv) To its knowledge, the Applicant confirms that it is not associated or affiliated with another Applicant or another entity which might reasonably be expected to be an Applicant;
- (v) The Applicant will take all reasonable measures to ensure that confidential information is not disclosed to another party other than those who needs access to the confidential information.
- (vi) The Applicant will refrain from any action that could have an adverse effect on the spectrum auction process;
- (vii) The Applicant shall comply with the Spectrum Auction Rules as contained in the Request to Bid;
- (viii) The Applicant confirms that it has the financial resources to meets is obligations under the terms and payment schedule and to meet the licence conditions as set by the Authority were it to be awarded a spectrum licence through the spectrum auction process.

Applicant Name _____

Signed for and on behalf
of the Applicant _____

(Signature of those persons who are empowered to bind the Applicant or otherwise
authorized to bind the Applicant)

Name of Signatory in

Block capital letters _____

Date _____

If the Applicant is a partnership, joint venture or equivalent, the declaration must also be signed by the relevant partners or participants.

As partner/participant

Name of Signatory in

Block capital letters

Date

ANNEXURE C: APPLICATION CHECK LIST

All Applicants are required to complete the checklist to confirm all information is included in the applications;

1	Completed and signed application form (Annexure A)	
2	Application for Class Comprehensive telecommunications service licence (ECS & ECNS) in case of a new entrant	
3	Completed and signed declaration (Annexure B)	
4	3 hard copies and 1 electronic copies of the following documents	
	(a) Evidence of authorization to sign the application form	
	(b) Evidence of authorization to bid on behalf of the Applicant	
	(c) Proof of payment of the application fee	
	(d) Certified copies of memorandum and articles of association, certificate of incorporation or certificate of compliance	
	(e) In case of consortiums: members of the consortium, legal documentation on the structure of the consortium, confirmation of joint and several liability for meeting the terms of the spectrum licence, certified copies of memorandum and articles of association, certificate of incorporation or certificate of compliance, a signed declaration (Annexure B) for each consortium member and a power of attorney for the authorized signatory on behalf of the consortium	
	(f) Information relating to associates, affiliates, entities and person if applicable as set out in section 12.3	
	(g) Technical and operational information as set out in section 12.4	
5	Completed checklist	