



CRAN

Communications Regulatory Authority of Namibia



INTEGRATED ANNUAL REPORT 2023



ABOUT THE THEME

INTEGRATING DIGITAL TECHNOLOGIES INTO OUR EVERYDAY LIVES FOR A SUSTAINABLE FUTURE

The importance of digital transformation for economic growth is recognised in comprehensive national development documents, including Vision 2030, the Fifth National Development Plan (NDP5), and the Harambee Prosperity Plan (HPP II). Vision 2030 explicitly highlights the elevation of the ICT sector as a key driver of the country's economic development by 2030. Under CRAN's mandate, HPP II focuses on improving performance and service delivery through digitalisation and promoting infrastructure development to drive economic growth, social progression, global competitiveness, and investment attraction.

THE FOLLOWING ICONS WILL HELP YOU NAVIGATE THIS REPORT

STRATEGIC THEMES

Strategic Partnering



Operational Excellence



Innovation



Sustainability



CAPITALS

Financial



Manufactured



Intellectual



Human



Social and relationship



Natural



OUR KEY STAKEHOLDERS

Licensees



Board of Directors and employees



Labour unions



Government ministries



ICT Parliamentary Standing Committee



Global/regional associations



CSI beneficiaries



Investors, banks and funding agencies



Consumers, media and NGOs





TABLE OF CONTENTS

2 INTRODUCTION

ABOUT THIS REPORT

3 SCOPE, BOUNDARY AND REPORTING CYCLE

3 MATERIALITY PROCESS

3 EXTERNAL AUDIT AND COMBINED ASSURANCE STATEMENT

4 STATEMENT OF THE BOARD OF DIRECTORS

ABOUT CRAN

5 WHO WE ARE

5 OUR CORE PURPOSE, VISION, MISSION AND VALUES

6 OUR 2020 – 2023 STRATEGY AND KEY MILESTONES (AT A GLANCE)

7 WHAT WE DO

16 OUR CONTRIBUTION TO NATIONAL, REGIONAL AND INTERNATIONAL AGENDA

20 POTENTIAL SOCIO-ECONOMIC IMPACT OF ICT ON THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

21 OUR CORPORATE STRUCTURE

22 OUR KEY MILESTONES (FROM 2022 – 2023)

24 OUR BUSINESS

25 **OUR BUSINESS MODEL – HOW WE CREATE AND SUSTAIN VALUE**

28 **OUR LEADERSHIP**

28 INCOMING CHAIRPERSON'S STATEMENT

32 BOARD OF DIRECTORS

34 CHIEF EXECUTIVE OFFICER'S REPORT

40 EXECUTIVE COMMITTEE (EXCO)

42 OUR OPERATING CONTEXT

43 **OUR EXTERNAL ENVIRONMENT -**

MATERIAL TRENDS IMPACTING VALUE CREATION

48 **MANAGING OUR MATERIAL RISKS**

52 **OUR KEY RELATIONSHIPS**

56 OUR CORPORATE GOVERNANCE

57 CRAN'S GOVERNANCE FRAMEWORK

57 BOARD GOVERNANCE FRAMEWORK

62 CODE OF CONDUCT AND BUSINESS ETHICS

64 DELIVERING ON OUR STRATEGIC PLAN (2020 - 2023)

66 SUMMARY OF KEY ACHIEVEMENTS AND OUTCOMES FOR THE YEAR

72 STRATEGIC THEME 1: STRATEGIC PARTNERING

78 STRATEGIC THEME 2: OPERATIONAL EXCELLENCE

83 STRATEGIC THEME 3: INNOVATION

93 STRATEGIC THEME 4: SUSTAINABILITY

96 MOVING INTO THE NEW THREE-YEAR (2023 – 2026) STRATEGIC PLANNING CYCLE

98 ANNUAL FINANCIAL STATEMENTS

149 ABBREVIATIONS



We encourage you, as one of our interested stakeholders, to share your views and comments on this report to the Corporate Communications department at: stakeholdercomms@cran.na

INTRODUCTION





ABOUT THIS REPORT

SCOPE, BOUNDARY AND REPORTING CYCLE

The Communications Regulatory Authority of Namibia (CRAN) established a solid foundation in 2019 by adopting the principles of integrated thinking and reporting. Over the past three years, our implementation of the <IR> Framework has provided us with a deeper insight into the overall value we create for society and the economy.

Aligning our disclosure practices with the global governance shift towards integrated reporting is a fundamental aspect of our vision to promote sustainable socio-economic development in Namibia. Our commitment extends to creating telecommunications services and networks, broadcasting, postal services, and the use and allocation of radio spectrum in Namibia.

The 2023 Integrated Annual Report (IAR) offers valuable insights into our strategy, business model, operating context, material risks, stakeholder interests, performance, prospects, and governance.

We aim to provide a comprehensive overview of our business by analysing our performance in relation to CRAN's strategic objectives, highlighting both successes and challenges encountered throughout the year. In our assessment of factors that materially impact value creation, we have included the significant risks and impacts associated with our activities over the short-term (less than 12 months), medium-term (three to five years), and long-term (beyond five years).

This report focuses on the main operations and activities that contribute to CRAN's performance. Unless explicitly stated, all performance data pertains to the 12-month period ended 31 March 2023.

MATERIALITY PROCESS

This report focuses on the key factors that we consider most material to our capacity to create value and to delivering on our core purpose. It provides a concise overview of CRAN's performance, prospects and its capacity to consistently deliver sustainable value to all stakeholders. The legitimate interests of all stakeholders have been considered and all material information has been included in this report.

EXTERNAL AUDIT AND COMBINED ASSURANCE STATEMENT

An independent audit of the Authority's annual financial statements was performed by SGA Chartered Accountants and Auditors, Windhoek. However, the rest of this report has not undergone independent audit or review. Any information reported, apart from the audited financial statements, is derived from the Authority's internal records and from information available within the public domain.

CRAN has implemented a combined assurance model to ensure a coordinated approach to all assurance and governance activities. Our Audit and Risk Committee annually provides internal assurance to the Board on the execution of CRAN's combined assurance plan.

The financial, operational, compliance, and risk management controls of the Authority enable a well-governed environment that upholds the integrity of information used by CRAN for internal decision-making and external reporting purposes.



In the Board's opinion, the report provides a fair and balanced account of the Authority's performance on material matters that are deemed to impact the Authority's ability to create value over the short, medium, and long term

STATEMENT OF THE BOARD OF DIRECTORS

CRAN's 2023 Integrated Annual Report demonstrates our commitment to embracing integrated reporting, which aligns with our commitment to good governance, transparency, and accountability.

The Board acknowledges its responsibility for ensuring the integrity of this Integrated Report. In the Board's opinion, the report provides a fair and balanced account of the Authority's performance on material matters that are deemed to impact the Authority's ability to create value over the short, medium, and long term.

This report has been prepared in accordance with the International <IR> Framework of the IIRC. It complies with the recommendations outlined in the Corporate Governance Code of Namibia (NamCode) and King IV, Principle 5.

The report, including the Annual Financial Statements of the Authority for the year ended 31 March 2023, was approved by the Board of Directors on 23 July 2023, and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'T. Mufeti'.

Dr. Tulimevava Mufeti

Incoming Chairperson of the Board

(Appointed 1 May 2023)



ABOUT CRAN

WHO WE ARE

CRAN is an independent regulator established under Section 4 of the Communications Act (No. 8 of 2009) to regulate, supervise and promote the provision of telecommunications services and networks, broadcasting, postal services, and the use and allocation of radio spectrum in Namibia.

Regulations for these sectors are developed by CRAN, Licences are issued to telecommunications and broadcasting service providers, Licensees' compliance with the rules and regulations in place is monitored, and the radio spectrum is effectively planned and controlled.

OUR CORE PURPOSE, VISION, MISSION AND VALUES

Our core purpose

CRAN's core purpose is to regulate the ICT industry and thereby supporting the Namibian Government to provide for its citizens and sustain socio-economic development.

Our vision

“Access, quality and affordability for all”

To be a dynamic regulator of the Information and Communications Technology (ICT) sector that is transforming Namibia and its people into an active knowledge-based society that derives the full socio-economic benefits of ICTs.

Our mission

“To regulate the ICT and Postal sectors for the socio-economic benefit of all Namibians”

To purposefully regulate electronic communications services and networks and postal services, and the spectrum, so that all Namibians derive the full socio-economic benefits of ICTs.

Our values

Accountability	Passion	Teamwork	Respect	Innovation
Account for our actions and decisions, taking ownership in a transparent and integrated manner in all our dealings.	Passionate about our purpose, brand, people and stakeholders.	Harness the power of working together to meet our strategic objectives in a cohesive and collaborative manner.	Maintain cordial relations with our diverse internal and external stakeholders.	Harnessing financial, human and technological resources to safeguard the sustainability of CRAN over time.

OUR 2020 – 2023 STRATEGY AND KEY MILESTONES (AT A GLANCE)





WHAT WE DO

CRAN has the mandate to regulate telecommunication services and networks, broadcasting services, postal services, and the use and allocation of radio spectrum. We are furthermore mandated by the Communications Act (No. 8 of 2009) to grant, review, renew, amend, transfer, suspend and revoke Licences in the domains of broadcasting, postal, and telecommunications services within Namibia. CRAN's licensing regime is designed to be technology and service neutral, ensuring that end users have a wider range of choices when it comes to service offerings.



Commercial Broadcasting Services

A broadcasting service operating for profit. This Licence allows a Licensee to provide radio or television broadcasting services for profit.

Public Broadcasting Services

Any broadcasting service provided by the Namibian Broadcasting Corporation (NBC). This Licence allows the NBC to provide public broadcasting services as per its mandate.

Community Broadcasting Services

This Licence permits the provision of radio or television broadcasting services to a specific community, whether based on geography or a group of individuals with shared interests. The Licence is exclusively granted to non-profit associations that are registered in accordance with Section 21 of the Companies Act (No. 28 of 2004). If an association is not formally registered, it should be established based on a constitution or another agreement that includes provisions equivalent to those as outlined in Section 21.

Signal Distribution

This Licence authorises the Licensee to transmit a broadcasting signal, in its ultimate content format, on behalf of another Broadcasting Licensee, to the intended audience within the licenced geographical area.

Multiplex

This Licence grants the Licensee the permission to operate multiplexer equipment for the purpose of providing broadcasting services.

Class Comprehensive Multiplex and Signal Distribution

This Licence allows the Licensee to provide an electronic communications network service for signal distribution and operate multiplexer equipment to facilitate the delivery of broadcasting services.



Class Electronic Communications Services (ECS)

This Licence permits the Licensee to provide telecommunications services to its customers utilising the network of another Licensee.

Class Electronic Communications Network Services (ECNS)

This Licence allows the Licensee to deploy, operate and manage physical electronic communications infrastructure. The network may utilise various technologies, and the Licensee has the flexibility to enter into commercial agreements with other Licensees, such as a Class ECS Licensee, permitting them to utilise its network or use the network themselves to provide services.

Class Comprehensive Telecommunications Service Licence (ECNS and ECS)

This Licence is a combination of ECNS and ECS, granting the Licensee the authority to provide services to its customers and to own and operate a network.

Class Non Profit ECS/ECNS

This Licence authorises the Licensee to either own and operate a network or provide services on a non-profit basis.

Class Network Facilities

This Licence permits the licensee to construct, maintain, own, and provide access to one or more network elements, infrastructure, or other facilities that facilitate the provision of telecommunications services, broadcasting services, electronic communications services or application services, including content services.





Telecommunications and Postal Services

Telecommunications

Namibia has a robust ICT infrastructure that includes various components. The country is connected to global telecommunication services through international satellite links.

Telecom Namibia Ltd., and Mobile Telecommunications Ltd. (MTC) serve as the national telecommunications operators, providing telecommunications services. Namibia boasts a high population coverage of 95%, enabling direct dialling to destinations worldwide. The ICT infrastructure in Namibia encompasses telecommunications networks, internet connectivity, data centres, fibre optic cables, satellite systems, and mobile networks.

Namibia has invested heavily in the modernisation and expansion of its telecommunications networks, with 4G population coverage standing at 85%. Additionally, the country enjoys road coverage along nearly all of its major routes.

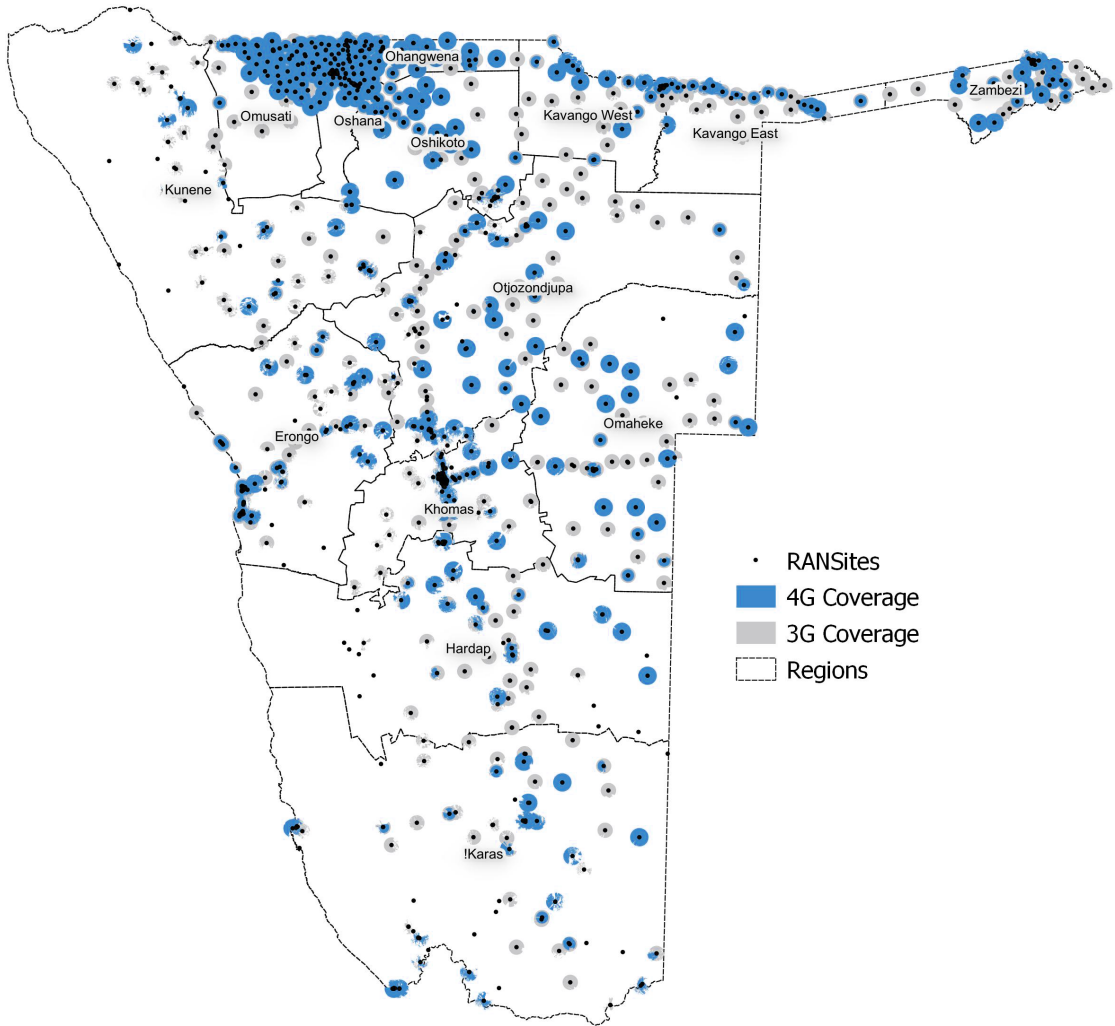
The current ICT penetration statistics and infrastructure map clearly illustrates the fast pace at which ICT is developing throughout the country. The current ICT penetration statistics are indicating that subscriptions for mobile, fixed lines, fibre and internet declined from the previous year.

Key Licence information

Indicator	Measures (2021)	Measures (2022)
Mobile operators (MTC, Paratus Telecommunications (Pty) Ltd. Telecom Namibia Ltd., UCOM Mobile Namibia)	4	4
Fixed line operators (Telecom Namibia)	1	1
International voice gateway Licences	1	1
International data gateway Licences	3	3
Mobile subscribers	2,903,446	2,766,481
Fixed line subscribers	87,588	85,802
Fixed teledensity	3.37	3.25
Mobile teledensity	111.84	104.72
Fastest mobile internet access	Fibre	Fibre
Internet users per 100 inhabitants (CRAN)	78.97	72.85
Internet users (CRAN)	2,050,075	1,924,521
Broadband internet subscribers per 100 inhabitants (CRAN)	78.94	69.02

Namibia has invested heavily in the modernisation and expansion of its telecommunications networks, with 4G population coverage standing at 85%.

ICT infrastructure map of all ICT infrastructure currently deployed in Namibia



Postal

Namibia takes pride in having one of Africa's most advanced postal infrastructures, placing it on par with global communications standards. NamPost, the national postal operator, offers a comprehensive range of services, including postal, banking, courier, philately, agency, and money transfer services. With a strategic network of 137 post offices spread across Namibia's vast geography (including 116 specifically located in rural areas), NamPost ensures broad accessibility. Each post office serves an average of 17,218 Namibians, fostering widespread reach and convenience. Moreover, NamPost maintains its affiliation with the Universal Postal Union (UPU), further reinforcing its commitment to international postal standards.

Network Infrastructure

MTC and Telecom Namibia have extensive network coverage across all regions of Namibia. They are national mobile broadband operators, with MTC having a larger footprint. However, the population coverage for 4G in Namibia is relatively low at 85%, compared to South Africa where 4G levels are above 93%. In six out of the 14 regions, the 4G population coverage is below 80%, as depicted in the table below. Notably, the Kunene Region has less than 50% 4G population coverage.



Population coverage

Regions	4G Population coverage	Objective of minimum 80% broadband coverage	Population not covered by 4G
Kunene	41%	Below	64,320
Omusati	95%	Above	12,964
Oshana	98%	Above	3,468
Ohangwena	93%	Above	20,378
Oshikoto	80%	Above	42,687
Kavango East	83%	Above	28,330
Zambezi	78%	Below	23,508
Erongo	94%	Above	12,630
Otjozondjupa	75%	Below	41,515
Omaheke	57%	Below	34,020
Khomas	97%	Above	12,346
Hardap	77%	Below	22,157
!Karas	81%	Above	17,194
Kavango West	59%	Below	38,005
Namibia	85%	Above	373,524

(Source: CRAN)

Mobile Price Benchmarking

Following discussions with mobile operators to reduce their tariffs in November 2022, particularly for data, TN Mobile has experienced a significant improvement in its ranking within Africa as of Q1 2023, specifically for the 1GB data basket. In comparison, during Q2 2022, TN Mobile held the 145th position, while MTC was ranked 136th in Africa. However, by Q1 2023, MTC had climbed to the 97th position, while TN Mobile soared to the 12th position for the 1GB data basket.

Regarding the 20GB data basket, MTC secured the 97th rank in Q2 2022, and by Q1 2023, it slightly improved to the 91st position. On the other hand, TN Mobile exhibited a significant improvement, advancing from the 46th position in Q2 2022 to the 28th position in Q1 2023 for monthly usage of 20GB.

Usage Basket	2022 Q2		2023 Q1		
	USD	MNO Ranking	USD	MNO Ranking	
MTC	1GB per month	7.95	136	4.17	97
	20GB per month	22.65	97	19.88	91
TN Mobile	1GB per month	9.64	145	0.97	13
	20GB per month	13.25	46	9.02	28

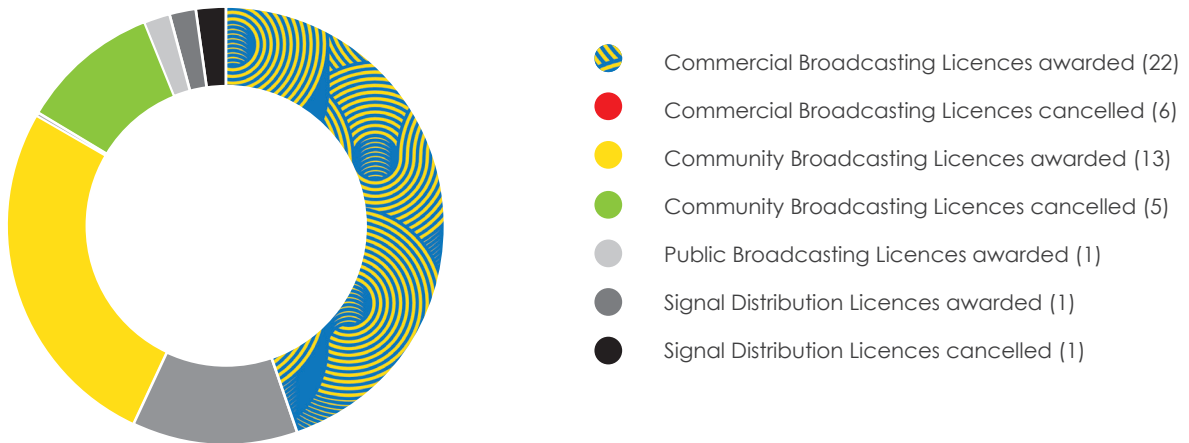
Broadcasting Service Licences

During the period under review, the Authority awarded one Commercial Broadcasting Service Licence. Additionally, the Authority approved the renewal of Licences for 13 Radio Broadcasting Service Licensees comprising of two Community Broadcasting Service Licensees and 11 Commercial Broadcasting Services Licensees, and one Television Broadcasting Service Licensee for a further period of five years and ten years respectively.

However, the Authority cancelled one Community Broadcasting Service Licence due to failure of the Licence holders to fulfil the service obligations outlined in their Licence conditions. Furthermore, one Commercial Broadcasting Licence was withdrawn in response to an application from the Licence holder.

Currently, there are 22 Commercial Broadcasting Service Licensees and 13 Community Broadcasting Services Licensees actively operating in Namibia.

Broadcasting Service Licences (2011 - 2023)



Telecommunications Service Licences

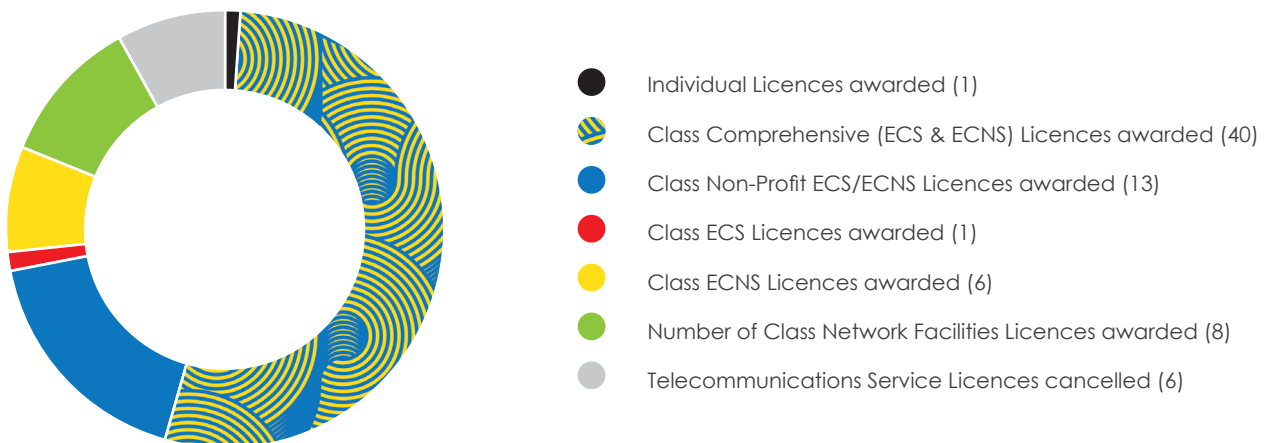
It should be noted that during the review period, the Authority was unable to complete consideration of five pending applications. These applications were either incomplete, as the applicants had not provided all the required information for consideration, or they were in the stage of being published for public comments in the *Government Gazette*.

In order to ensure compliance with licensing conditions, the Authority cancelled one Class Comprehensive Telecommunications Service Licence (ECS and ECNS) and one Class Network Facilities Telecommunications Service Licence. This action was taken due to the Licence holders' failure to provide the services as stipulated in their respective Licence conditions.

To date, there are 40 Class Comprehensive Telecommunication Service Licences in Namibia, 13 Non-profit ECS/ECNS, eight Network Facilities, six ECNS and one ECS. However, for the period under review, the Authority awarded three Class Comprehensive Telecommunications Service Licences, two Class Non-profit ECNS, one Individual Licence and one Network Facility License. Furthermore, two Class Comprehensive applications are pending, and one cancellation recorded for the period under review.

The Authority has to date awarded a total of 69 Telecommunications Service Licences, as depicted in the graph below.

Telecommunications Service Licences (2011 - 2023)



Spectrum Licences

During the period under review, the Authority awarded eight Spectrum Licences for analogue FM broadcasting services and fixed services on a first-come-first-serve basis. Additionally, the Authority approved the amendment of 42 analogue FM Broadcasting Spectrum Licences to support network upgrades made by the broadcasting licensee, thereby enhancing the delivery of broadcasting services.

The Authority acted against non-compliance by cancelling one Spectrum Licence. This decision was prompted by the Licence holder's failure to provide services in accordance with the conditions specified in the Licence.

Furthermore, the Authority has to date awarded 95 Spectrum Licences for services that can be provided without requiring a separate Telecommunications Service Licence during the period under review.

In preparation for the implementation of IMT-2020 technologies in Namibia, the Authority successfully concluded the public consultation process for its spectrum assignment strategy 2022 – 2024. This strategy outlines the Authority's objectives for effective spectrum management, provides a roadmap for spectrum assignment, and offers clarity regarding the Authority's approach to controlling, planning, administering, and licensing of radio frequency spectrum.

The final version of the strategy document was published in Government Gazette No. 7876, General Notice No. 390 on 10 August 2022.

In accordance with the aforementioned strategy, a Regulatory 6(1) Notice was published in Government Gazette No. 7895, General Notice No. 475 on 6 September 2022. This notice made 2 x 5 MHz of spectrum in the 2100 MHz spectrum band available for assignment through a spectrum auction. After the conclusion of the spectrum auction, MTC was awarded the aforementioned spectrum.

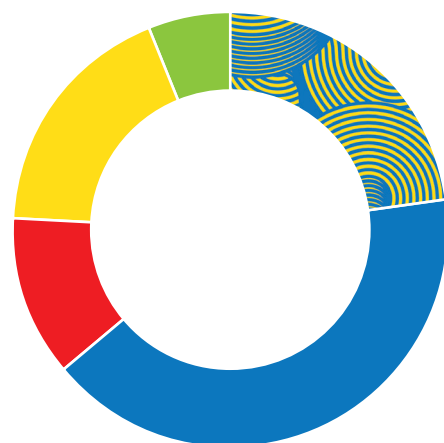
After obtaining approval of the 5G (IMT-2020) strategy by Cabinet, in accordance with Cabinet Decision No. 10TH 21.07.20/006, and its subsequent publication in the Government Gazette on 4 January 2023, the Authority took further steps. A Regulatory 6(1) Notice was issued, making 60 MHz of spectrum available in the 700 MHz and 800 MHz spectrum bands for the implementation of 4G and 5G services.






This spectrum allocation aims to facilitate the deployment of advanced 4G and 5G technologies. The Authority has initiated a spectrum auction process to assign the spectrum to eligible operators. Currently, the auction is underway and is expected to conclude in the 3rd quarter of 2023, enabling the successful bidders to utilise the spectrum for their respective services. The Authority has recently conducted a review of Annexure B to the Spectrum Licensing Procedure regulations, to provide for the inclusion of the 6 GHz and 60 GHz frequency bands into the Spectrum Licence exempt table to be effective from 3 April 2023. The release of this spectrum is aimed at facilitating the implementation of WiFi 6E and WiGiG, which will improve service delivery through WiFi offloading from fixed and mobile networks.

In addition to availing spectrum for new emerging technologies, CRAN has enhanced its spectrum monitoring capabilities by installing new monitoring equipment. This upgrade enables more efficient monitoring of spectrum usage within the borders of the Republic of Namibia and ensures compliance with the spectrum regulatory framework.

Furthermore, the Authority remains actively engaged in regulatory meetings at national, regional, and international levels. Namibia takes pride in its appointment to the Administrative Council of the African Telecommunications Union (ATU) and in serving in various leadership roles within international and regional bodies. These engagements contribute to the continuous development and advancement of the telecommunications sector in Namibia.

Spectrum Licences awarded 2022/2023



-  Fixed - 23%
-  Analogue FM Radio Broadcasting - 41%
-  Digital Terrestrial Television - 12%
-  Fixed Satellite - 18%
-  Mobile - 6%



To date, there are 26 Mobile Spectrum Licences awarded, 94 Fixed, 32 Satellite and 467 FM Analogue Spectrum Licences in Namibia. Furthermore, the Authority has thus far awarded 37 Digital Terrestrial/Analogue Television and 8,635 other Spectrum Licences.

Type of Licence	New Application/s received	Application/s awarded	Application/s amended	Application/s cancelled	Application/s pending
Mobile	0	1	0	1	0
Fixed	3	3	0	0	0
Satellite	1	0	0	0	1
FM Analogue	5	5	43	0	0
Other	152	95	57	53	0

Radio Operator Certificates for maritime and aeronautical services

The Authority is mandated to issue Radio Operator Certificates for maritime and aeronautical services.

As part of its mandate, the Authority is responsible for issuing Radio Operator Certificates for maritime and aeronautical services. The total Aeronautical and Maritime Certificates awarded to date in Namibia amounts to 1,662 and 914 respectively whereas 8,483 equipment has been typed approved thus far. However, for the period under review, the Authority issued 150 Maritime Radio Operator Certificates and 174 Aeronautical Radio Operator Certificates. Moreover, 328 equipment have been typed approved, 78 new Aeronautical applications have been received and awarded as well as 123 new Maritime applications awarded.

Namibia's ranking in terms of affordability improved from 33rd to 13th in Africa.

Tariffs and transfer of control

During the period under review, the Authority evaluated and approved a total of 17 tariff applications and received 77 tariff promotions. Telecom Namibia Limited submitted 64 of these promotions. Additionally, in the first quarter of 2023, Telecom Namibia reduced some of their tariffs to make services more affordable. As a result, Namibia's ranking in terms of affordability improved from 33rd to 13th in Africa. These positive changes can be attributed to ongoing discussions with Licensees aimed at making telecommunication services more affordable for Namibians.

Four Licensees applied for a transfer of control or transfer of Licence during the period.



OUR CONTRIBUTION TO NATIONAL, REGIONAL AND INTERNATIONAL AGENDAS

Agenda



Communications Regulators' Association of Southern Africa (CRASA) participation

CRAN'S corresponding contribution

CRAN participated in various CRASA interventions:

- Postal Committee, Electronic Communications Committee, and Annual General Meeting.
- Namibia carried out her duties as Vice - Chairperson of the CRASA Electronic Communications Committee for the forthcoming three years. Furthermore, Namibia assumed the role of Chairperson for the Spectrum Task Team within the committee, and served as Chairperson of the Type Approval task team. The committee conducted several virtual meetings to review the progress made on the assigned activities.
- The Framework on IMT-2020 Systems for Deployment of 5G Technologies in the Southern African Development Community (SADC) was submitted to the CRASA AGM for approval.
- As CRASA continues to implement the Intra-Regional Postal Quality of Service project in collaboration with the UPU utilising the latter's Global Monitoring System technology and infrastructure, Namibia concluded its participation in phase one (1) on 30 December 2021. The project is ongoing until 2023 and Namibia awaits CRASA's direction and instructions on the continuation of the project.
- Participated in all the meetings of the Economic Regulation Committee and Universal Services Committee. Namibia was selected as vice-chair for the Economic Regulation Committee and as Chairperson for the Broadband sub-committee. Namibia prepared the first SADC Broadband Report.
- The Consumer Affairs Committee meetings held during the period under review. The Committee produced model policies and guidelines on various regulatory functions to be applied by communications regulators in the SADC region.
- Bi-annual Finance and Audit Committee meetings. Namibia was selected as vice-chair for the Finance and Audit Committee two years ago, and for the period under review stepped in as Chairperson of the first Finance and Audit Committee meeting.
- Two virtual Human Resources Development Committee meetings were attended to discuss recommendations made to the Executive Committee for approval.



Agenda

CRAN'S corresponding contribution



SADC participation

CRAN participated in the following interventions:

CRAN served on the following task teams and steering committees within SADC:

- The SADC Regional Satellite Framework task team has continued to meet virtually during the COVID-19 lockdown. This task team is also attended by the Senior Spectrum and Licensing Officer: Telecommunications on an ongoing basis.
- The SADC Regional CIRT task team conducted a virtual cyber drill during December, which was well attended by the SADC member states.



Africa participation

CRAN served as champion of WRC-23 for Agenda item 1.5 and represents the interests of Africa at WRC-23, and presented ATU's contribution on the utilisation and future spectrum needs in spectrum band 470 - 698 MHz to the International Telecommunication Union (ITU) TG 6/1 task team meeting held in February 2022. Work on this agenda item is ongoing.

Namibia's participation in this workshop assisted CRAN in the research and development on E-commerce currently underway for the future development of a national E-commerce Strategy.

Namibia is a Member State of the African Telecommunications Union (ATU) and serves on the Administrative Council from July 2022.



ITU and UPU participation

CRAN served as Chairperson for ITU Working Group 2: Spectrum Sharing and Compatibility studies under Task Group 6/1 in preparation for WRC-23 on Agenda Item 1.5. Two virtual meetings were held during the period under review.

In June 2022, CRAN actively participated in two significant virtual meetings: the 4th virtual ATU preparatory meeting for WTDC-21 and the ITU inter-regional meeting in preparation for WTDC-21. These meetings were crucial in representing Namibia's interests and preparing for the upcoming ITU WTDC-21 event.

The Plenipotentiary Conference is the highest policy-making body of the ITU, held every four years. It is the key event at which the ITU member states decide on the organisation's future role, thereby determining its ability to influence and affect the development of ICTs worldwide. The Plenipotentiary Conference 2022 (PP-22) was held in Bucharest, Romania, during September and October 2022.

CRAN'S CONTRIBUTION TO NAMIBIA'S DEVELOPMENT AGENDA

Agenda	CRAN's corresponding contribution
MICT Strategic Plan 2017 – 2022	CRAN will support the MICT's Strategic Plan through the implementation of the Strategic Objective 1: "Accelerate ICT development, access and use for inclusive ICT smart Namibia" under the Strategic Pillar: ICT Development.
NDP 5	CRAN will contribute to the NDP5 through the implementation of various strategies detailed under the Strategic Pillar 1: Economic Progression by contributing to Namibia's socio-economic development – desired outcome: "By 2022, Namibia has universal access to information, affordable communication and technology infrastructure and services".
HPP II	CRAN will support the goal of the HPP II of "expanding coverage for ICTs" through the implementation of various activities detailed under Pillar 4: Infrastructure Development. This will contribute to Namibia's infrastructure development through the implementation of 'Open Access Network' infrastructure sharing regime in a bid to champion Universal Broadband Access by 2025; facilitation of a safe and robust ICT ecosystem; and attainment of Digital Television broadcasting network to all Namibian households.
Vision 2030	CRAN will contribute to the implementation of Vision 2030 through various strategies as detailed under ICT by developing a comprehensive regulatory framework for the ICT and Postal sectors and contributing to the provisioning of access to quality, reliable and affordable ICT and Postal services for economic benefits for all members of the Namibian society.
SADC Vision	CRAN will support the implementation of the Digital SADC 2027 projects identified by the SADC ICT Ministers as part of the SADC Regional Initiatives of the 4 th Industrial Revolution, the SADC Postal Strategy and the SADC E-Commerce Strategy facilitate the provision of access to quality, reliable and affordable services and enabling sector reform.
SADC e-Commerce Strategy	CRAN will support the implementation of the pillars as provided in the SADC e-Commerce Strategy and Action Plan.
SADC Master Infrastructure Development Plan	CRAN will support the implementation of the SADC Master Infrastructure Development Plan: ICT Sector Plan of August 2012 through the following projects and interventions: Policy and Regulation Harmonisation; Infrastructure; Security and Confidence in Networks and Services; e-Services and Applications; Capacity Building and Content, Research, Innovation, and Industry Development.
Digital SADC Strategy	CRAN will support the implementation of Digital SADC Strategy 2027 through the implementation of the SADC Priority Projects and CRASA Current Key Projects as reflected in the Strategy.
SADC Postal Strategy	CRAN will support the implementation of the strategic interventions under the SADC Postal Strategy (2022 – 2025), which seeks to harness and coordinate the postal sector's contribution to the three aims of the Postal Strategy, which are Market Integration and Trade Facilitation, Infrastructure Development and Enhanced Regional Integration, and Sustainable Regional Socio-Economic Development.
ATU Strategic Plan 2023 – 2027	The ATU Strategic Plan (2023 – 2027) through its Strategic Priorities/Pillars, Strategic Objectives and Operations Plan for Radiocommunications and Standards and Development Sectors will serve as a guiding document to CRAN's ISBP 2023 – 2026.



Agenda	CRAN's corresponding contribution
AU DigitalTransformation Strategy 2020 – 2030	CRAN will support the implementation of the Digital Transformation Strategy for Africa (2020 – 2030) through the four foundation pillars, namely: Enabling Environment, Policy, and Regulation; Digital Infrastructure, Digital Skills and Human Capacity; and Digital Innovation and Entrepreneurship and their corresponding policy recommendations and proposed actions.
Abidjan Postal Strategy and Business Plan 2021 – 2025	CRAN will support the implementation of the Abidjan Postal Strategy and Business Plan 2021 by taking into consideration the Strategic Pillars and contributing to Key Performance Indicators for Postal Vision 2030, which are applicable to Africa.
ITU	CRAN will support the implementation of the ITU Strategic Plan and WTDC–22 Action Plan through the development of a comprehensive regulatory framework for the ICT sector, contributing to the provisioning of access to quality, reliable and affordable services and enabling sector reform.
UPU	CRAN will support the implementation of UPU's Strategic Plan through the harmonisation and enhancement of the regulatory framework for the postal and courier sector.

POTENTIAL SOCIO-ECONOMIC IMPACT OF ICT ON THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

ICTs not only play a crucial role in the attainment of Sustainable Development Goal (SDG) 9, which focuses on industry innovation and infrastructure according to the United Nations, but they also serve as vital enablers for accomplishing all other SDGs, as outlined below.



ICTs are a key enabler to achieve SDG 1 by providing timely and accurate Information services which will help ensure equal rights to economic resources



ICTs give farmers new ways of accessing information and services for increased productivity and effectiveness of agriculture



ICTs have the potential to deliver incredible benefits across the whole of the healthcare ecosystem



There is tremendous potential to improve education globally, and especially in the developing world, with the power of ICTs through on-line platforms



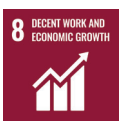
ICTs allow women and girls to access information of importance to their productive, reproductive and community roles and to obtain additional resources



ICTs will play a crucial role in ensuring the availability and sustainable management of water and sanitation for all



ICTs will play a vital role in improving energy efficiency, and in particular in reducing emissions in many sectors of the economy



ICT capacity building must be prioritised in national youth employment and entrepreneurship strategies in all countries



ICTs play and will continue to play an essential role in building resilient infrastructure, in promoting inclusive and sustainable industrialisation, and in fostering innovation



ICTs clearly have the potential to help reduce inequality, both within and between countries, ensuring that all people have equal opportunity to manage their own development



ICTs will be essential in offering innovative approaches to managing cities more effectively and holistically through applications for smart cities and efficient way of resource management



ICTs have the potential to foster sustainable consumption and production through product-specific improvements, increased dematerialization and virtualisation, and smart technologies



Smart ICT applications have the potential to improve the environment and tackle climate change. ICTs also help to foster sustainable consumption and greener lifestyles



ICTs can play a significant role in the conservation and sustainable use of the oceans – notably through improved monitoring and reporting which leads to increased accountability



ICTs can play a significant role in the conservation and sustainable use of terrestrial ecosystems and the prevention of the loss of biodiversity



ICTs play an important role in crisis management, humanitarian aid and peace building. It has proved to be a powerful aid in many areas



The spread of ICTs and global interconnectedness has great potential to accelerate human progress, to bridge the digital divide and to develop knowledge societies

Source: *itu.int*

While SDG 9 primarily focuses on infrastructure, it is essential to acknowledge the fundamental role of ICT in achieving all sustainable development goals. In this context, the implementation of IMT-2020 will enable Namibia to harness the benefits of the 4th Industrial Revolution (4IR). By adopting advanced ICT technologies, Namibia can contribute to industrial development through improved operational efficiency, enhanced workplace and worker safety, and more efficient inspections facilitated by predictive intelligence. These advancements are expected to have a positive impact on various sectors, including manufacturing, transportation, public services, education, health, agriculture, energy, logistics, and mining. Moreover, the integration of ICT can generate social value by promoting good health and well-being, improving infrastructure, fostering innovation, and facilitating the development of sustainable cities and communities, ultimately driving economic growth.

OUR CORPORATE STRUCTURE



MINISTRY OF INFORMATION AND COMMUNICATION TECHNOLOGY



BOARD OF DIRECTORS



Audit and Risk Committee



Human Resources and Remuneration Committee



Legal and Technical Committee



CHIEF EXECUTIVE OFFICER



Governance, Risk and Compliance Department



Legal Advice Department



Corporate Communication Department



Operations Department



Economics and Sector Research Department



Human Capital Department



Finance Department

OUR KEY CRAN MILESTONES (FROM 2022 TO 2023)

- CRAN announced the reduction of termination rates for Namibia effective 1 October 2022. The reduced mobile termination rates will be N\$0.05c/minute (reduced from N\$0.10c/min), fixed termination rate N\$0.05c/minute (reduced from N\$0.10c/minute), and SMS will remain at N\$0.01c per SMS.
- To address the issue of high telecommunication prices in Namibia, CRAN conducted a Pricing Study, which was concluded and discussed with Telecommunications Licensees in November 2022. As a result of this study, Namibia significantly improved its position in the African Affordability ranking, moving from the 46th cheapest country for 1GB per month in Q1 2022 to the 8th most affordable country in Q1 2023. This positive development translates to more reasonable prices for the end consumers in Namibia.
- CRAN released the 700 MHz and 800 MHz bands for 4G and 5G network deployment following consultations with industry stakeholders. The decision prioritised the utilisation of these bands for Universal Service roll-out, aiming to expand broadband services in rural areas particularly regions with below 80% 4G population coverage.
- CRAN's 5G (IMT-2020) Strategy was, approved by Cabinet (as per Decision No. 10th/21.07.20/006), and published in Government Gazette No. 8000 on 4 January 2023. The strategy accelerates Namibia's socio-economic development by leveraging advanced ICT technologies, driving digital transformation, and pursuing key objectives such as establishing a supportive legislative and regulatory framework for IMT-2020 (5G), fostering innovation, promoting a secure digital environment, and assessing environmental impact.
- CRAN published its Spectrum Assignment Strategy (2022–2024) in Government Gazette No. 7876 of 10 August 2022. The strategy promotes competition, ensures sufficient spectrum availability, meets public safety and security requirements, and enforces efficient utilisation of this limited resource. It provides licensees with a roadmap for spectrum release, offering regulatory certainty for network rollout and supporting the implementation of emerging technologies, benefiting end users.
- CRAN published RFC2350 to announce the establishment of the National Cybersecurity and Incidence Response Team (NSCIRT). To enhance its capability, CRAN appointed an Executive of Cyber Security and ICT, primarily tasked with the full operationalisation of NSCIRT. Furthermore, the Namibian government has allocated funds to CRAN for supporting NSCIRT's infrastructure needs.
- In March 2022, CRAN resolved to temporarily postpone the award of new Telecommunication and Broadcasting Service Licences for the period 01 October 2022 until 30 September 2023. The stand still period was introduced to allow for collection of data for the Market Saturation Study to be conducted. The study is designed to identify the key reasons behind the failures experienced by new Licensees in both the broadcasting and telecommunications industries. By thoroughly examining these factors, the study will make recommendations aimed at promoting a stable and vibrant ICT sector.
- The Government mandated SIM card registration in compliance with Section 73(1) of the Communications Act. CRAN is responsible to ensure the verification and registering of active SIM card owners in Namibia as per the Regulations in Part 6 of Chapter V. CRAN conducted a six-month National SIM Registration Consumer Awareness Campaign from June to December 2022 to raise public awareness about the importance and benefits of SIM card registration.
- Telecommunications service providers must ensure that the prescribed information is obtained from all customers in accordance with the regulations.
- SIM card registration in Namibia is mandatory from 01 January 2023 to 31 December 2023. Existing customers have 12 months to register, while new customer information must be registered within three months of purchase. Unregistered SIM cards will be deactivated to ensure compliance.



Memorandums of Understanding with various institutions are as follows:



Namibia Revenue Agency (NamRA)

Aimed at harmonising the implementation of laws governing the importation of telecommunications equipment into Namibia.



Namibia Statistics Agency (NSA)

Aimed at collaborating to advance common goals in the areas of data collection and analysis in telecommunications services and networks, broadcasting, postal and the allocation of radio spectrum.



National Commission on Research, Science and Technology (NCRST)

To identify roles and responsibilities in the planning of collaborative research and development, and educational and training activities.



Bank of Namibia (BON)

To establish how the regulators will interact and cooperate with each other in respect of investigations, analysis, and the handling of mobile network operators, money market, SIM registration, etc.



Namibian Police Force (NAMPOL)

To assist the Authority in the investigation of regulatory offences.



Namibian Competition Commission (NCC)

To manage and facilitate cooperation and consultation in respect of competition matters in the ICT industry.



United Nations Educational, Scientific and Cultural Organisation (UNESCO)

To establish a framework for cooperation in order to achieve a common objective of providing substantial development benefits for the broadcasting sector.



Namibia Public Workers Union (NAPWU)

To effectively manage industrial relations between CRAN and NAPWU in order to develop and foster a fair and equitable relationship between the two parties.



Namibia University of Science and Technology (NUST), University of Namibia (UNAM) and International University of Management (IUM)

To coordinate internships and capacity building.



OUR BUSINESS





OUR BUSINESS MODEL

To operationalise our strategy, our business model illustrates the process of value creation through the six essential capitals on which we depend.

HOW WE CREATE AND SUSTAIN VALUE

We strive to fulfil our core purpose through our four strategic themes and corresponding strategic objectives. These are reinforced by ongoing initiatives and newly identified initiatives outlined in the 2023 – 2026 Integrated Strategic Business Plan (ISBP). To operationalise our strategy, our business model illustrates the process of value creation through the six essential capitals on which we depend.

Value creation is impacted by our external environment and the inherent risks facing the Authority. We have taken proactive measures to mitigate potential risks that fall within our span of control. These risk mitigation strategies, as described on pages 48 to 51 are designed to enhance our resilience to ensure our ability to create value in the short, medium, and long-term. By addressing these risks, we strive to maintain a robust foundation for sustainable value creation, even in the face of uncertainties and challenges.

HOW WE CREATE VALUE



Financial

Total revenue generated for the year:
N\$91.4 million (increase of 152% from N\$36.3 million in 2022)

Our revenue is generated from:
(Telecommunications and Broadcasting Licences and regulatory levies); Spectrum fees (radio frequency Licences); Numbering fees (use of Numbering Plan); and Type Approval fees (use of equipment)



Manufactured

ICT Networks and sharing of infrastructure



Intellectual

Our culture, our expertise, procedures and processes, Licenced technology



Human

The motivation, skills, safety and diversity of our employees, partners and suppliers



Social and relationship

Strong and trusted relationships with Licensees, Board of Directors, labour unions, Government ministries, global/regional associations, CSI beneficiaries, investors, banks and funding agencies, consumers, media, NGO's; and Parliamentary Standing Committee



Natural

Spectrum, energy

STRATEGIC THEMES

- Strategic Partnering
- Operational Excellence
- Innovation
- Sustainability

VALUE CHAIN ACTIVITIES

- Regulate, supervise and promote the provision of telecommunications services and networks, broadcasting services, postal services and the use and allocation of radio frequency spectrum
- Licensing (broadcasting, telecommunications, postal services) research and analysis (trends, technical, policy)
- Develop and implement policy regulation frameworks, and enforce compliance through quality of service
- Stakeholder engagement (incl. consumer protection and education, fair competition, monitoring Licensee complaints, inclusive access, facilitating economic development and regional cooperation, investor relations)
- Sector monitoring, coordination and enforcement
- Administration
- Enforcement of good corporate governance and best practices

OUR COSTS (as at 31 March 2023)

Total operating expenditure N\$92,4 million
(2022: N\$140,382,681)

- Employee costs: N\$48,504,234
- Lease expenses: N\$795,926
- Depreciation, amortisation and impairment: N\$5,642,115
- Other expenses: N\$3,738,313
- Bad debts: N\$2,115,096
- ICT Communications: N\$4,536,821
- Legal expenses: N\$2,520,808
- Consulting and professional fees: N\$3,152,711
- Training and development: N\$1,190,159
- Projects: N\$4,586,804
- Business related trips: N\$5,155,452
- Media and communications: N\$5,260,723
- Membership and license fees: N\$2,998,413
- General operating expenditure: N\$2,250,773
- Interest expenses: N\$446,976

KEY RESOURCES

- Employees / high performance culture
- Skilled leadership
- Good governance
- Knowledge (trends, technical, policy)
- Licences
- Policy/ regulatory framework
- Financial capital / balance sheet
- Legal mandate
- Stakeholder relationships (network)
- ICT Systems



HOW WE SUSTAIN VALUE



Outcomes (the internal and external consequences, positive and negative, for the capitals as a result of our business activities and outputs)



Financial

- Regulatory levies
- Spectrum fees
- Numbering fees
- Type approval fees
- Termination rates
- Positive contribution to the growth of the ICT sector and the economy as a whole
- Adherence to the IFRS
- Safeguarding the assets of the Authority
- Actively managing the Finance function
- Sustainability and Mitigation Strategy in place



Social and relationship

- Data/ service availability
- Total Licences awarded to date:
 - CRAN has issued 1 Individual Telecommunications Service Licence, 40 Class Comprehensive (ECS & ECNS) Telecommunications Service Licences, 13 Non- Profit ECS/ECNS Telecommunications Service Licences, 1 Class ECS Telecommunications Service Licences, 6 Class ECNS Telecommunications Service Licences, 8 Class Network Facilities Telecommunications Service Licences, 1 Public Broadcasting Service Licence, 13 Community Broadcasting Service Licences, and 23 Commercial Broadcasting Service Licences.
- Released spectrum for introduction of new emerging telecommunications technologies e.g. 5G, IoT, WiFi6E, WiGiG, etc.
- Improved spectrum monitoring capability
- Stakeholder engagement and collaboration
- Fair competition and inclusive development
- Termination rates reduced to 5c/minute
- Job creation (direct and indirect)
- Protecting consumer rights/ advocacy
- Economic development
- Study conducted on pricing in the telecommunications sector, collect and analyse data for decision-making purposes
- Internship programmes
- CSI contributions
- Privacy/ cyber security and trust in the use of ICT
- Labour disputes
- Litigation
- Low capacity to enforce compliance
- Limited accessibility
- High data/ voice prices



Manufactured

- Provision of Licences (spectrum, broadcasting, telecommunications, postal services)
- Monitoring sites and vehicles
- Depreciation of assets



Human

- Employment creation/ retention, remuneration and benefits
- Career succession
- Employee safety and wellness initiatives
- Training and skills development
- High performance workforce
- Re-aligned organisational structure
- Conducted employee skills audit
- Low staff turnover
- MOPE guidelines on classifications



Natural

- Compliance and monitoring of relevant policies and procedures
- Spectrum resources
- Numbering resources



Intellectual

- Best practice governance framework and systems
- IT Systems/ portals
- Sector knowledge (trends, tech, policy)
- Policy/ regulatory frameworks
- Organisational culture
- Our brand
- Our skilled and experienced employees
- Business processes
- Providing leadership at international and regional level



OUR LEADERSHIP

Incoming Chairperson's Statement

Dr. Tulimevava Mufeti

(Appointed 1 May 2023)

I am delighted to present CRAN's achievements, challenges, and strategic outlook in fulfilling our regulatory mandate for Namibia's communications sector. This report highlights the pivotal role of ICT in driving our nation's progress.

Over the past year, CRAN has fostered a vibrant and competitive communications industry, prioritising consumer protection and sustainable growth. Our efforts focused on enhancing regulatory frameworks, promoting innovation, and creating an environment conducive to investment and technological advancements.

Summary performance of the ICT sector in Namibia

The ICT sector has consistently and positively contributed to Namibia's economy in recent years, despite the persistent economic challenges. However, in 2022, the sector experienced a slowdown, with a growth rate of 2.5%, down from 6.9% in 2021. This decline can be attributed to changing customer behaviour and the further overall economic downturn. The COVID-19 pandemic played a significant role in altering social dynamics and the demand for certain communication services. As restrictions were lifted and the positivity ratio decreased, face-to-face interactions increased, resulting in fewer minutes being used in various communication platforms and services. Despite these setbacks, our commitment to fostering a strong ICT sector and driving socioeconomic advancement in Namibia remains unwavering.

Our integrated approach to sustainable development

As the sector's regulator, CRAN is dedicated to advancing sustainable development and actively contributes to achieving the SDGs, NDP5, the NDP6 (once completed) and HPP II. Our strategic intent of ensuring universal access to affordable ICT infrastructure and services has led to improvements in education, healthcare, and government efficiency, fostering economic growth and inclusivity. We also

champion expanding ICT coverage, promoting infrastructure development, and ensuring access to quality ICT services aligned with Vision 2030.

CRAN's involvement in regional initiatives like Digital SADC 2027, SADC Postal Strategy, and e-Commerce Strategy fosters socio-economic development through accessible and reliable services. We actively support the AU Digital Transformation Strategy and the Abidjan Postal Strategy, further enhancing Africa's digital transformation.

We strive to promote regulatory enhancement and access to quality services in collaboration with international bodies like the ITU and UPU. Our integrated approach to sustainable development underscores our commitment to a connected, thriving Namibia and a digitally empowered Africa.

Our commitment is to build an inclusive and thriving ICT landscape in Namibia, fostered by fair competition, private-sector investment, and a robust policy framework. Foreign Direct Investment (FDI) is vital in bringing in additional private-sector capital, particularly crucial for economies with limited local resources. In the pursuit of private sector investment, we conducted a Telecommunications Regulatory Environment assessment to analyse market saturation, spectrum availability, and administrative procedures. We strive to create a fair competitive environment, closely monitoring and addressing instances of anti-competitive behaviour to protect consumers' interests.

Strengthening our governance frameworks and future strategies

CRAN demonstrated effective governance and management through key reforms during the reporting period. Management committees were enhanced with aligned charters and terms of reference, promoting transparency and collaboration. Successful independent internal audits in critical areas, such as legal compliance and cyber security, provided valuable insights and drove



continuous improvement. The compliance maturity assessment conducted with Deloitte & Touche strengthened the Authority's compliance framework.

With a dedication to excellence and adherence to best practices, CRAN is well-positioned to deliver impactful services, drive innovation, and shape Namibia's digital future to benefit its citizens and the nation's growth.

Financial Performance

In the past year, CRAN has made significant strides in improving internal processes, aiming to become an effective and efficient regulator. Our prudent approach ensures optimal resource utilisation, reducing overall regulatory costs while maintaining sufficient income to regulate the ICT industry, ensuring the sustainability of CRAN in the short, medium, and long term.

Regarding our financial performance for 2023, we closely monitored budget implementation through monthly variance reports and quarterly management accounts, ensuring compliance, financial transparency, accountability, and informed decision-making.

Revenue increased significantly by 152%, reaching N\$91.4 million, driven by regulatory levies, spectrum fees, numbering plans, and type approval fees. Operating expenses decreased by 34% to N\$92.4 million due to improvements in the expected credit loss allowance on trade debtors.

The financial results show a total comprehensive loss of N\$17 million, mainly attributed to the provision for bad debts. However, we generated positive cash flows from operating activities, amounting to N\$71.8 million (2022: N\$17.5 million), reflecting settlements with Licensees who initially challenged the original levy regulations in court.

Mitigating our risks

CRAN's top risks include challenges with revenue collection from regulatory fees, employee engagement, IT system failures, and the capacity to protect against cyber-attacks. To address these risks, CRAN plans to engage with Licensees, improve remuneration structures, enhance IT infrastructure safety, and develop operational structures. The Authority also focuses on business continuity, resource provision, legal process reform, compliance monitoring, and efficient procurement to mitigate identified risks and ensure sustainability.

Regulatory Framework Enhancements

CRAN has undertaken significant initiatives to strengthen the regulatory framework, ensuring it remains relevant and adaptive to the evolving needs of the industry. We have engaged with stakeholders, conducted thorough consultations, and revised policies and regulations to promote fair competition, protect consumer rights, and foster industry growth. Notably, we have implemented measures to enhance spectrum management, improve quality of service, and promote efficient utilisation of scarce resources.

Promoting Innovation and Digital Transformation

We recognize the importance of innovation and digital transformation in driving socio-economic development. CRAN has actively encouraged the deployment of new technologies and services, particularly in underserved areas, to bridge the digital divide and ensure universal access to communication services. Our support for innovative solutions, such as broadband expansion, 5G deployment, and the Internet of Things (IoT), has contributed to the growth of the digital economy and enhanced the quality of life for Namibians.

Consumer Protection and Empowerment

Protecting consumer rights and promoting their empowerment remain core priorities for CRAN. We have continued to monitor compliance with consumer protection regulations, address consumer complaints, and conduct awareness campaigns to educate the public about their rights and responsibilities. Our efforts aim to ensure fair and transparent business practices, promote affordability, and enhance the overall consumer experience in the communications sector.

Collaboration and Stakeholder Engagement

We fostered robust relationships with industry players, government agencies, and other stakeholders during the year under review. Through collaborative efforts, we harnessed diverse perspectives, shared best practices, and collectively addressed challenges. By promoting open dialogue and meaningful consultations, we ensured that our regulatory decisions were informed, transparent, and aligned with the best interests of all stakeholders.

I am furthermore, please to report that CRAN forged a Memorandum of Understanding with the Namibia Revenue Agency (NamRA) to harmonise the implementation of laws governing the importation of telecommunications equipment.

Our 2023 to 2026 Integrated Strategic Business Plan (ISBP)

The development of the new ISBP for 2023 - 2026 was a significant achievement, approved by the Portfolio Minister. The ISBP's theme, "Continuing to create value through harnessing the power of ICT," emphasises CRAN's commitment to leveraging technology for societal and economic benefits.

The ISBP aligns with national and regional agendas, emphasising sustainable development and advancing the ICT sector in Namibia. Our focus on digital transformation, market development, and consumer protection drives our commitment to providing high-quality and affordable ICT services to all Namibians. With a strong emphasis on Vision 2030, the Harambee Prosperity Plan II (HPP II), and the Fifth and Sixth National Development Plans (NDP5 and NDP6),

CRAN's strategic priorities enable us to play a pivotal role in socio-economic development.

Furthermore, the organisational structure that was approved by the Board at its December 2021 meeting has been successfully aligned with the ISBP in a manner that allows CRAN to manage its operations in a focused, responsive, and results oriented manner, to achieve its strategic objective.

Challenges and Opportunities

While we have made significant progress, we acknowledge that challenges persist. Rapid technological advancements, evolving market dynamics, and the need for continuous regulatory adaptation pose ongoing challenges.

Among these challenges include pending enablement of the Electronics Transactions Act, continuous litigation by licensees, slow procurement process which affects completion targets of our strategic initiatives, delay in the amendment of the Communications Act No. 8 of 2009 not allowing for the full regulation of the Postal sector, and a lack of gazetted Postal QoS standards to measure the operator's performance.

However, we view these challenges as opportunities for growth and improvement and have devised solutions to the identified challenges.

CRAN's future focus

CRAN will in the coming year, focus on implementing two crucial governance initiatives. Firstly, it will finalise the development of its IT Governance Framework, recognising the importance of ICT in achieving organisational objectives. This framework will establish principles, accountabilities, strategies, policies, and procedures aligned with ISO 38500 and ISO 27000 standards for IT governance and security.

Secondly, CRAN will complete the development of its Business Continuity Plans with an emphasis on resilience. These plans will adhere to the Business Continuity Institute's Good Practice Guidelines (GPG) 2018, ensuring global best practices for business continuity. The Business Continuity Programme will include risk and threat identification, response structures and plans for incidents and crises, continuous improvement, adaptability to changing environments, and delivering measurable value through defined KPIs.

Amidst external uncertainties, CRAN remains steadfast in its commitment and looks forward to solidifying its position as a regulator, delivering value across Namibia as we collectively navigate the path ahead.



Our focus on digital transformation, market development, and consumer protection drives our commitment to providing high-quality and affordable ICT services to all Namibians.



Appreciation

I sincerely thank my fellow Board Members, the Chief Executive Officer and the Executive Management team, all CRAN employees, and stakeholders for their unwavering support and dedication. We have, together, achieved significant milestones and laid the foundation for a prosperous future.

Overall, CRAN's commitment to innovation, effective regulation, and consumer-oriented policies, coupled with the dedication of its team and stakeholders, instils confidence in the Authority's ability to drive progress and positive change in the communications sector. Collaboration, progress, and positive impact are expected in the coming year.

As we continue to advance, we remain dedicated to driving positive change, promoting sustainable development, and ensuring a brighter future for Namibia through ICT.

In conclusion, on behalf of the outgoing and incoming Board, I remain confident in CRAN's ability to steer Namibia's communications sector towards sustained growth, innovation, and inclusivity.

Dr. Tulimevava Mufeti
Incoming Chairperson of the Board
(Appointed 1 May 2023)

BOARD OF DIRECTORS

In accordance with Section 9 (1) of the Communications Act (No. 8 of 2009), the former Minister of Information and Communication Technology (MICT) Honourable Stanley Simaata, announced the appointment of the new CRAN Board of Directors. The appointment was effective from 1 July 2019 until 31 June 2022, and it was subsequently renewed for a further period until 30 April 2023. The primary responsibility of the Board of Directors is to assess and evaluate the overall direction and strategy of the Authority. The following individuals have been appointed as members of the CRAN Board of Directors, serving from 1 July 2019 until 30 April 2023:



Heinrich Mihe Gaomab II (53)

*Independent non-executive
Outgoing Chairperson*
Joined the Board on 1 July 2019.

Qualifications:

MSc (Quantitative Development Economics);
BCom (Hons).

Value added to the Board:

Corporate governance, strategic leadership, business ethics, institutional change management and organisational transformation, audit and financial management, relationship management, reputational management, and executive management.

Other current roles:

Chief Executive Officer at Namibia Industrial Development Agency; (NIDA); Chairman of the Committee on Operations and Development Effectiveness (CODE); Member of the Audit and Finance, Ethics Committee, African Development Bank Group; Director of the Institute of Governance of Namibia and Institute of Directors; Founding President of the Namibia Economic Society.

Previous roles:

Executive Director, African Development Bank Group; Alternate Executive Director, African Development Bank; Chairman of the Board of Trustees, Government Institutions Pension Fund; Commissioner of the National Planning Commission; Chief Executive Officer/Secretary to the Commission, Namibian Competition Commission; Member of the Vice-President's Council on Economic Matters; Vice-President of the Group of Experts on Competition Policy and Law at the United Nations Conference on Trade and Development (UNCTAD); Deputy Director, Policy Development, Research and Regional Integration, Southern African Customs Union (SACU); Manager and Principal Economist, Policy Research and Macroeconomic Modelling and Forecasting Division(s), Research Department, Bank of Namibia.



Vivienne Katjuongua (47)

Independent non-executive Vice-Chairperson
Joined the Board on 1 July 2019
Member of the Legal and Technical Committee
Member of the Audit and Risk Committee.

Qualifications:

B. Juris; LLB (Bachelor of Laws); LLM (International Trade Investment and Business Law – Cum Laude); Postgraduate Diploma (Economics for Competition Law) Course in Digital Transformation Strategy (The University of Cape Town).

Value added to the Board:

Professional legal counsel

Other current roles:

Chief Executive Officer at Business and Intellectual Property Authority (BIPA); Member of the Law Society of Namibia and admitted as Legal Practitioner; Member of the Centre for American and International Law (Texas, USA); Member of Business Rescue Task Force (Namibia).

Previous roles:

Chief Legal Advisor and Company Secretary at Business and Intellectual Property Authority (BIPA); Advisor to the Executive Director of International Trade Centre (ITC), Geneva, Switzerland; Member of the Executive Committee of the African Union Regional Sports Council (Region 5) and Vice-Chairperson of the Regional Anti-doping Organisation, Gaborone, Botswana; Chairperson and Board member of the Namibia Sports Commission, Namibia; Director of Restrictive Business Practices at the Namibia Competition Commission; Trade Advisor to Namibia Agronomic Board (Agricultural Trade Forum); Principal Legal Officer at Government Attorneys.



Tulimevava Mufeti (44)

Independent non-executive Director
Joined the Board on 1 July 2019
Appointed as Chairperson on 1 May 2023
Member of the Human Resources and Remuneration Committee
Member of the Legal and Technical Committee.

Qualifications:

Doctor of Philosophy (Information Systems); MSc (Computer Science).

Value added to the Board:

ICT Technologies, Software Development and Information and Communications Technology for Development Research.

Other current roles:

Associate Professor: Computing, University of Namibia (UNAM).

Previous roles:

Associate Dean, School of Computing, UNAM; Head: Department of Information Systems. Head: Department of Computer Science, UNAM; Acting Coordinator: Interactive Multimedia Unit (IMMU).



Gerhard Coeln (65)

Independent non-executive Director
Joined the Board on 1 July 2019
Chairperson of the Legal and Technical Committee
Member of the Audit and Risk Committee.

Qualifications:

MBA; BSc (Electrical and Electronic Engineering)
Corporate Governance Virtual Training (PWC)
Telecommunications Policy, Regulation and Management Certificate of Competence (University of the Witwatersrand, Johannesburg).

Value added to the Board:

Supports business development through electricity infrastructure; management of assets, financial and human resources, strategic and scenario planning, corporate development, and operation of businesses.

Other current roles:

Consultant in electricity distribution and supply industry development and restructuring at local, regional, and national level.

Previous roles:

Engineer: power systems and electricity networks at Henning Seelenbinder and Partners; Engineer at Municipality of Walvis Bay, Electricity department; conducted Coastal Power Station Feasibility Study in 1998; participated in the restructuring of the Electricity Supply Industry (ESI) in Namibia; Founding CEO of Erongo Regional Electricity Distributor (RED); Public Private Partnership with Rural Maintenance (Pty) Ltd. to craft strategies for municipalities' electricity departments in South Africa.



Dorethy Elizabeth Smit (44)

Independent non-executive Director
Joined the Board on 1 July 2019
Chairperson of the Audit and Risk Committee
Member of the Human Resources and Remuneration Committee.

Qualifications:

BCom Hons (Accounting); BCom (Accounting); Chartered Accountant (South African Institute of Chartered Accountants).

Value added to the Board:

Accounting and auditing.

Other current roles:

Consultant and Entrepreneur; Member of the Institute of Chartered Accounts of Namibia (ICAN), South African Institute of Chartered Accounts (SAICA) and the Public Accountants and Auditor's Board (PAAB).

Previous roles:

Chief Financial Officer, Oryx Properties Ltd.; Employer Trustee, Chairperson and Principal Officer, Nedbank Namibia Pension Fund; Chief Financial Officer, Nedbank Namibia Ltd.



Thomas Hangula Mbome (38)

Independent non-executive Director
Joined the Board on 1 July 2019
Member of the Legal and Technical Committee
Chairperson of the Human Resources and Remuneration Committee.

Qualifications:

BSc (Systems Administration and Networks); National Diploma (Information Systems Administration); Introduction to Developing National Cyber Incident Response Plan Certificate (International Telecommunication Union).

Value added to the Board:

ICT, with extensive knowledge on both Ethernet and Wireless Local Area Network (LAN), Computer Networking and background on Computer Forensics.

Other current roles:

Data Administrator, Office of the President; Committee Member of the Training, Editorial, Certification, Advocacy and Quality Assurance Committee, at Namibia Institute of Corporate Governance.

Previous roles:

LAN and Wireless Hotspot Technician, Telecom Namibia Ltd.; Internet Protocol Technician, Telecom Namibia; Computer Technician.

Gender and age diversity



■ Male (3)
■ Female (3)



■ 30 - 45 (3)
■ 46 - 55 (2)
■ 56 - 65 (1)



OUR LEADERSHIP

Chief Executive Officer's Report

Emilia N. Nghikembua

I am pleased to present the Chief Executive Officer's Report for CRAN's 2023 Integrated Annual Report. This report highlights our accomplishments, challenges, and strategic direction as we diligently fulfil our mission of regulating the communications sector in Namibia.

As a public enterprise, CRAN provides societal value by supporting the Namibian Government's socio-economic development. We are committed to realising national development plans and contributing to international and regional agendas. Safeguarding consumers against unfair practices and ensuring high-quality services remain at the heart of our commitment to advancing Namibia's ICT and Postal sectors.

Summary Of Our Performance For The Year

As we approach the final year of CRAN's 2020 – 2023 Strategic Plan, we take pride in the significant milestones achieved during this challenging yet rewarding journey. Our commitment to enhancing Namibia's ICT sector and meeting the evolving needs of our country's digital landscape is evident through remarkable progress in various strategic initiatives. We have demonstrated dedication to advancing the ICT landscape, positively impacting citizens, businesses, and the broader economy, solidifying CRAN's position as a high-performing organisation driving socio-economic progress through innovative and sustainable ICT practices.

Throughout the review period, CRAN effectively carried out its regulatory responsibilities in the rapidly evolving communications industry. We prioritised fair competition, consumer protection, and fostering innovation and investment within the sector. Achievements included significant progress in fostering collaborative stakeholder relationships, optimising processes, promoting innovation, and effectively utilising financial, human, and technological resources for long-term sustainability. This solid foundation will be the cornerstone as we embark on our new 2023 – 2026 Integrated Strategic Business Plan.

CRAN's commitment to excellence and dedication to advancing Namibia's ICT landscape has driven us to become a high-performing organisation, as evidenced by our average organisational performance score of 3.69, surpassing the requirements outlined in our Performance Management Policy.

Improving the affordability of ICT

CRAN made strides in improving the affordability of ICT and postal services by conducting a Pricing Study for data, voice, and SMS in Namibia and engaging with operators to discuss the implementation of the study in the coming year. This initiative aims to ensure that ICT becomes more accessible to all citizens, promoting digital inclusion and bridging the digital divide in the country.

Furthermore, a comprehensive study on asymmetrical termination rates was conducted with the recommendation made for reducing the voice termination rate.

National Sim Registration Awareness Campaign

One of our key achievements was the successful implementation of the National SIM Registration Awareness Campaign, which educated the public on the importance of registering SIM cards in compliance with the Communications Act. This initiative enhanced trust in electronic transactions and improved access to secure electronic services, contributing to a safer and more legitimate use of electronic services for Namibians.

Releasing the 700 MHz and 800 MHz bands for 4G and 5G network deployment

In advanced ICT technologies, CRAN released the 700 MHz and 800 MHz bands for 4G and 5G network deployment, contributing to the acceleration of Namibia's socio-economic development through digital transformation and innovation.



Pricing Study

CRAN conducted a study to assess the affordability of services in Namibia. An engagement with operators to discuss the way forward was held in November 2022. The final draft of the study on data prices in Namibia is in the process of being updated. Information on voice and other services will be added as agreed to with operators.

Publishing of CRAN's Spectrum Assignment Strategy

CRAN's Spectrum Assignment Strategy was published during the year under review, emphasising the promotion of competition, sufficient spectrum availability, and support for emerging technologies.

Establishment of the National Security and Cyber Incident Response Team (NSCIRT)

CRAN has taken significant strides in the realm of cybersecurity by establishing the National Security and Cyber Incident Response Team (NSCIRT). To bolster these efforts, we have appointed an Executive of Cyber Security and ICT, reinforcing our commitment to ensuring a safe and robust ICT ecosystem. The NSCIRT plays a pivotal role in enhancing our nation's response capabilities to the ever-evolving cybersecurity threats, fostering a secure and resilient digital environment.

Our focus on partnerships and capacity building has led to an enhancement of staff capabilities within NSCIRT. We have also secured dedicated financial support to facilitate the establishment and smooth functioning of the team. By investing in the NSCIRT's resources and expertise, we aim to fortify our nation's cyber defence and effectively respond to cybersecurity incidents. This initiative underscores our dedication to safeguarding the integrity and security of Namibia's ICT infrastructure and ensuring a safer digital landscape for all users.

Market Saturation Study

A Market Saturation Study is ongoing to identify factors affecting new Licensees to foster a stable and vibrant ICT sector.

Facilitating the implementation of emerging technologies: 5G Strategy 2022 – 2027

The national strategy for implementing 5G technologies has received Cabinet-level approval and was officially published in *Government Gazette* No. 8000 on 4 January 2023. This forward-looking strategy covers five years (2022 - 2027) and positions Namibia to remain competitive and benefit from the transformative power of 5G.

CRAN is taking swift action to implement the strategy, engaging Telecommunications Licensees to release lower spectrum bands (700 MHz and 800 MHz) for 5G and 4G network deployment. To ensure inclusivity, CRAN published a spectrum auction bidding document, inviting licensees to participate and submit comprehensive business plans for meaningful connectivity, supporting vital services like e-education and e-health. Additionally, CRAN is reviewing the type approval framework to facilitate the importation and use of 5G-capable equipment, meeting international standards and addressing public health concerns. These initiatives showcase CRAN's commitment to advancing Namibia's technological landscape and socio-economic development.

Participation in international telecommunications bodies

CRAN's active participation in international telecommunications bodies demonstrates the Authority's dedication to being a prominent player in the global ICT arena. By serving on the ATU Council for the next four years and chairing the ITU Working Group 2 for Spectrum Sharing and Compatibility studies for WRC-23, Namibia is well-positioned to actively contribute to critical discussions shaping the future of telecommunications internationally.

CRAN's 2023 – 2026 ISBP

The new 2023 – 2026 ISBP was officially launched on 23 March 2023 in Windhoek. Building upon the previous strategy, it underpins four strategies priorities namely: Organisational Sustainability, Strategic Partnering and Collaborations, Digital Transformation, and Market Development and Consumer Protection. These priorities are aligned with the Ministerial and governmental objectives outlined in the MICT strategic plan and various national policies, including HHP II, Vision 2030, Fifth National Development Plan (NDP5), and subsequent Sixth National Development Plan (NDP6).

Aligning our Organisational Structure with the 2023 – 2026 ISBP

CRAN's organisational structure was realigned with the 2023 – 2026 ISBP, and all employees deployed into their respective positions of 01 April 2023. Moreover, to address any skill gaps resulting from this restructuring process and to identify potential training needs, CRAN initiated an organisational-wide skills audit. This strategic approach allowed CRAN to align its workforce with its objectives better and maximise its capabilities. Simultaneously, CRAN conducted an employee engagement survey and launched wellness initiatives to foster a positive and supportive work environment that enhances employee engagement and satisfaction. These efforts collectively contributed to CRAN's growth and progress, positioning CRAN as a preferred employer in the ICT sector.

Infrastructure Sharing Regulatory Framework

We prioritise the implementation of Infrastructure Sharing Regulations to promote competition, reduce investment requirements, and increase services available to consumers. Our non-discriminatory framework satisfies the obligation of sharing passive and active telecommunications infrastructure by dominant Licensees.

Licenses and Tariffs

To date, there are 23 Commercial broadcasting service licenses in Namibia, 13 community service licenses, one Public as well as one Signal Distribution. For the period under review, the Authority awarded one and renewed four commercial applications. The Authority cancelled two Telecommunications Service Licences due to non-compliance with licensing conditions, bringing the total awarded Telecommunications Service Licences to 69.

Regarding tariffs, the Authority evaluated and approved 17 tariffs and received 77 promotions during the past year. Ongoing discussions with licensees led to improvements in affordability, with Telecom Namibia reducing some tariffs and MTC submitting new tariffs for approval. These changes resulted in a significant improvement in Namibia's ranking for affordability in Africa.

Attaining 95% Digital Television Broadcasting Network

We support NBC's transition to a Direct-to-the-Home (DTH) digital television broadcasting solution, which will increase coverage to potentially 100% of Namibian households by 2025, subject to funding availability. We ensure necessary spectrum assignments for NBC's planned DTH solution.

These initiatives align with our commitment to fostering private sector investment, ensuring a secure ICT ecosystem, implementing emerging technologies, and expanding digital television coverage.

Enhancing Regulatory Effectiveness

We dedicated our efforts to enhancing the effectiveness of our regulatory frameworks to keep pace with industry advancements. Through comprehensive reviews of policies and regulations, we streamlined processes, increased clarity, and aligned ourselves with global best practices. These endeavours resulted in a more efficient regulatory environment that encourages investment, stimulates innovation, and nurtures healthy competition.

Effective Spectrum Management

CRAN prioritised the efficient management of spectrum resources to meet the growing demand for wireless services. We successfully conducted spectrum auctions and implemented measures to promote optimal spectrum utilisation. By allocating spectrum resources effectively, we supported the expansion of mobile broadband services, accelerated the deployment of 5G networks, and facilitated the growth of innovative Internet of Things (IoT) applications across Namibia.

Consumer Protection Initiatives

Our commitment to safeguarding consumer rights within the communications sector remained unwavering. CRAN diligently monitored compliance with consumer protection regulations, enforced transparency in service provision, and facilitated the resolution of consumer complaints. We also launched public awareness campaigns to empower consumers with knowledge about their rights and promote responsible usage of communication services.

Broadband Expansion and Digital Inclusion

Recognising the significance of digital inclusion, CRAN actively pursued initiatives to expand broadband coverage throughout Namibia. Through strong collaborations with industry stakeholders and government entities, we extended connectivity to previously underserved areas, bridging the digital divide and ensuring equal opportunities for all Namibians to participate in the digital economy.

Capacity Building

CRAN invested in the professional development and capacity building of our dedicated staff. We provided comprehensive training programmes and workshops to enhance their regulatory knowledge, technical skills, and understanding of emerging technologies. Equipping our team with the necessary expertise enables us to effectively tackle complex regulatory challenges and meet the evolving needs of the sector.



Our non-discriminatory framework satisfies the obligation of sharing passive and active telecommunications infrastructure by dominant Licensees.

Strengthened Stakeholder Collaboration

CRAN focuses on improving brand awareness and information sharing to foster a positive image and reputation. CRAN aims to empower and engage ICT consumers regarding their rights and obligations by establishing a strong association with its values, mission, and mandate. Transparent and trustworthy communication with stakeholders is crucial to effectively fulfilling CRAN's mission.

Various strategic initiatives, including roadshows, online campaigns, trade fair participation, corporate reports, newsletters, social responsibility projects, and nationwide activations were undertaken during the year. These efforts are geared towards enhancing stakeholder engagement and brand awareness, aligning with CRAN's strategic objectives in the digital era. The stakeholder and consumer satisfaction survey results, as well as the topics covered in panel discussions and interviews hosted by CRAN, were also addressed during this period.

Universal Access Service and Gap Analysis

The Universal Access Service Gap Analysis Report and levy regulations were finalised during the year under review. However, we encountered legal challenges that led to the temporary withdrawal of draft regulations. Despite these setbacks, we are diligently updating the report with the latest data received from operators, and we have expanded our portal to provide more relevant and comprehensive information to stakeholders.

Utilisation of the 700MHz and 800MHz spectrum bands for universal access services

We have prepared a comprehensive report on the utilisation of the 700MHz and 800MHz spectrum bands for Universal Access Services. This initiative aims to enhance coverage for communities, clinics, and schools, thereby bridging the digital divide in Namibia. The report was discussed with telecommunications licensees in November 2022, during a stakeholder engagement event held in Windhoek, where three possible assignment concepts that offer opportunities for operators to obtain spectrum and expand 4G population coverage were proposed, while adhering to the objectives

of the Communications Act. As part of our commitment to promoting fair and accessible telecommunications services, we are also working on a draft study to prescribe limits on voice and data tariffs.

Spectrum Assignment Strategy (2022 – 2024)

CRAN's Spectrum Assignment Strategy (2022 – 2024) focuses on efficient spectrum use and supporting the ICT sector's growth. It outlines objectives for spectrum management, assignment, and licensing. The strategy prepared for IMT-2020 technologies making spectrum available through an auction for advanced 4G and 5G technologies. Multiple Spectrum Licences for analogue FM broadcasting were awarded, and the 2100 MHz band was assigned to enhance 3G network coverage and service delivery.

CRAN upgraded spectrum monitoring capabilities and actively participated in regulatory meetings to contribute to the telecommunications sector's development. The strategy aims to facilitate spectrum availability, promote competition, prevent anti-competitive practices, and ensure fair distribution among market players.

Furthermore, CRAN supports emerging technologies, providing additional license-exempt spectrum for WiFi6E and WiGiG implementation and promoting network traffic off-loading to Wi-Fi hotspots and indoor access points. These initiatives demonstrate CRAN's commitment to social and economic development, embracing digital transformation, and creating opportunities within the 4th industrial revolution.

Engaging our stakeholders

CRAN emphasises building strong relationships with internal employees and external stakeholders to achieve future goals. Proactive engagement with various stakeholders, including MICT, ensures access to competitive communications services and protection from exploitation.

CRAN conducted an extensive Stakeholder and Customer Satisfaction survey to create a robust engagement plan. The survey measured satisfaction with fairness, transparency, and effectiveness in fulfilling CRAN's mandate. The insights gained will enhance stakeholder and customer satisfaction, benefiting CRAN's overall performance.

Our Human Capital

CRAN continued to demonstrate its commitment to creating a thriving work environment and investing in its human capital, a vital cornerstone of its success.

CRAN made significant efforts to recruit and promote employees, ensuring a diverse and inclusive workforce, seeing the staff complement increasing to 73 employees (from 69 in the previous year).

By fostering a continuous learning and development culture, CRAN prioritised professional and staff development, with nine employees participating in various professional development training programs and 28 employees engaged in formal staff development initiatives.

Challenges and mitigation strategies

While we made significant progress in fostering a risk-aware culture and actively implementing the Risk Management Plan, we encountered challenges throughout the year. Rapid technological advancements, limited resources, and evolving regulatory demands posed ongoing obstacles. Notably, the Authority has made significant progress and has adopted proactive approaches to address these challenges.

Furthermore, CRAN supports emerging technologies, providing additional license-exempt spectrum for WiFi6E and WiGiG implementation and promoting network traffic off-loading to Wi-Fi hotspots and indoor access points. These initiatives demonstrate CRAN's commitment to social and economic development, embracing digital transformation, and creating opportunities within the 4th industrial revolution.

Building a sustainable future through ICT

As CRAN prepares to enter the new phase of its journey with the 2023 – 2026 Integrated Strategic Business Plan, it remains committed to strengthening its performance further. By aligning strategic objectives with the core mandate defined in the Communications Act, CRAN aims to navigate the ever-changing landscape and continue advancing Namibia's ICT landscape, ultimately contributing to the country's socio-economic development and sustainable growth.

We are determined to strengthen CRAN's position as a catalyst for positive change and progress in the ICT sector. Our priorities for the coming year include actively supporting and fostering the digital transformation of the communications

sector, encouraging innovation, and facilitating investment in emerging technologies while promoting the development of local digital content and services.

Additionally, we recognise the need for a holistic policy and legislative framework to address cybersecurity concerns. Together with MICT, we are in the process of establishing the NSCIRT to strengthen security measures at a national level.

Further strengthening collaborations with industry stakeholders locally and internationally, we aim to facilitate knowledge sharing, exchange best practices, and explore new opportunities. Implementing CRAN's Spectrum Assignment Strategy will expand telecommunications and broadcasting services. At the same time, the continuation of the 5G strategy will involve releasing spectrum in mid and higher bands to support smart city initiatives, improved broadband connectivity, and specialized industry applications requiring reliable, low-latency data services.

In our pursuit of enhanced efficiency, we will enforce current regulations on infrastructure sharing and streamline administrative burden and reporting requirements, focusing on provisions for SMEs and community-based organizations. Proactively planning, coordinating, and managing functions are crucial to optimising our operations. Encouraging private investments to foster competition and attracting FDI is part of our vision for a thriving ICT market.

Lifting the moratorium on telecommunications licenses will foster more private investment, and we will explore spectrum allocation options for new entrants, including shared spectrum and spectrum parks. Furthermore, we prioritize debt collection and securing long-term office accommodation for our employees and the NSCIRT to foster a stable and conducive work environment.

We will enhance our policy and regulatory framework through comprehensive reviews and refinements to address emerging technologies, new business models, and market developments. These endeavours, amongst others, reflect our commitment to building an efficient and accessible ICT landscape, contributing to Namibia's socio-economic development and sustainable growth.



Our priorities for the coming year include actively supporting and fostering the digital transformation of the communications sector.

Appreciation

I express my heartfelt appreciation to the CRAN Board of Directors, our exceptional employees, team Wi-Fi 4.0, esteemed industry players, government agencies, and all our valued stakeholders for their unwavering support and dedication. Your collective commitment has been instrumental in shaping a vibrant, inclusive, and sustainable communications sector in Namibia.

I have absolute confidence in CRAN's capabilities to navigate the ever-changing ICT landscape and fulfil our mandate. Lastly, I extend my profound gratitude to my God, whose unwavering strength has guided me and entrusted me with the responsibility to serve our country faithfully and with integrity. Together, we will embrace opportunities, overcome challenges, and bring to life our shared vision of a connected and digitally empowered Namibia.

Emilia Nghikembua
Chief Executive Officer

EXECUTIVE MANAGEMENT COMMITTEE (EXCO)



Emilia N Nghikembua (37)

Chief Executive Officer

Joined EXCO on 1 March 2015

Qualifications: Senior Management Development Programme (SMDP), LLM (Cum Laude); MA (ICT Policy, Regulation and Management).

Specific areas of expertise: Strategic management and leadership, Law; ICT policy, regulation and management; and board governance.



Ronel le Grange (57)

Head: Electronic Communications

Joined EXCO on 21 February 2012

Qualifications: Postgraduate Certificate (International Management); Diploma (Mobile Telecommunications - with merit); BAEd.

Specific areas of expertise: National, regional, and international expertise in Spectrum Management; licensing infrastructure sharing; numbering; type approval, cyber security and quality of service.



Justus Tjituka (60)

Head: Finance

Joined EXCO on 2 February 2012

Qualifications: MBA (Financial Management); BA (Accounting, Business Management and Computer Science); Postgraduate Certificate (ICT Policy, Regulation and Management); Postgraduate Certificate (Project Management).

Specific areas of expertise: Financial and management accounting; annual financial statements; investments and liquidity management; financial planning and control; costing and budgeting; systems implementation; procurement and logistics management. Also serving currently on the NSA Board of Directors.



Helene Vosloo (54)

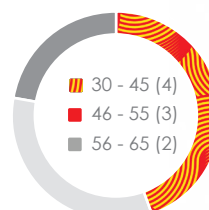
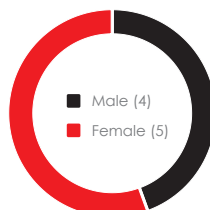
Head: Economics and Sector Research

Joined EXCO on 1 February 2012

Qualifications: BCom (Hons); MBA.

Specific areas of expertise: Economist in the regulatory environment having worked at the Electricity Control Board and CRAN. Also serving currently on the ECB Board of Directors.

Gender and age diversity





Lucrezia Henckert-Louw (45)

Head: Human Capital

Joined EXCO on 3 January 2012

Qualifications: BTech (Human Resources Management); Senior Management Development Programme (SMDP).

Specific areas of expertise: Human Capital generalist, specialising in recruitment, benefits management, organisational development; change management; labour relations; policy development; organisational wellness; talent management, strategic management and leadership.



Katrina C. Siken (48)

Head: Corporate Communication

Joined EXCO on 16 March 2015

Qualifications: BA (Hons - Integrated Organisational Communication); BA (Communication Science – with distinction). Project Management, and Management Development Programme.

Specific areas of expertise: Stakeholder engagement; reputation management, brand and corporate communication management.

Tanswell Davies (38)

Governance Executive

Joined EXCO on 13 February 2015

Qualifications: B. Juris; LLB. Admitted Legal Practitioner of the Namibian High Court.

Specific areas of expertise: Corporate law, governance, ICT law, disciplinary matters and workplace disputes, and High Court litigation.



Ruusa Ntinda (36)

Acting Head: Legal Advice

Joined EXCO on 01 March 2023

Qualifications: B. Juris; LLB (Hons), LLM Master of Law; Admitted Legal Practitioner of the Namibian High Court; Postgraduate Certificate in Compliance and Risk Management ; Diploma in Management and Leadership Development; Postgraduate Certificate in Telecommunications Policy, Regulation and Management (TPRM).

Specific areas of expertise: Regulatory Enforcement, Corporate Legal Advice and Litigation Management.

Elton Witbooi (46)

Executive: Cyber Security and ICT

Joined EXCO on 1 February 2023

Qualifications: Diploma in Business Computing, Bachelor of ICT (Honours), Bachelor of Administration, Master of Business Administration.

Specific areas of expertise: ICT Governance, Digital Transformation, Service Management.



OUR OPERATING CONTEXT





OUR EXTERNAL ENVIRONMENT - MATERIAL TRENDS IMPACTING VALUE CREATION

OUR EXTERNAL ENVIRONMENT - MATERIAL TRENDS IMPACTING VALUE CREATION

By applying an integrated thinking process, we were able to effectively determine the material matters that are relevant to our operating context and external environment. This approach has enabled us to assess the potential impact that these matters may have on our business model.

Through this approach, we can better understand the risks and opportunities that arise from these material matters. This understanding enables us to develop strategies and initiatives that align with our business objectives while also addressing the concerns of our stakeholders and the broader external environment. It ensures that our decision-making processes are well-informed, comprehensive, and considerate of the complex dynamics in which we operate, and ultimately enhances our ability to create long-term value and sustainable outcomes for the ICT sector and stakeholders.

During the materiality process, five broad themes (under which our material matters were identified, and which remain relevant during this financial period) were classified and highlighted. These themes include:

Economic environment

High-quality and affordable telecommunications services play a crucial role in enhancing the productivity of various sectors, leading to increased growth, employment opportunities, and overall economic value. By enabling seamless communication and connectivity, these services facilitate efficient business operations, collaboration, and information

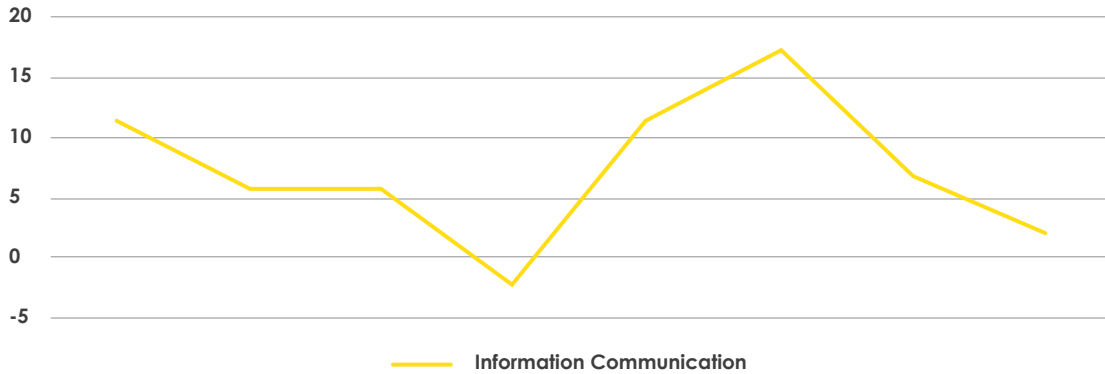
sharing. This, in turn, drives economic development by creating favourable conditions for innovation, productivity gains, and expanded market opportunities. Accessible and reliable telecommunications services are a catalyst for socioeconomic advancement, fostering a positive impact on businesses, industries, and the overall economy.

The Namibian economy has been in a recession since 2016. ICT services have, however, been one of the few sectors that were able to positively contribute towards the Namibian economy during recent years but returned to pre-Covid levels in 2022.

According to the Namibia Statistics Agency's Preliminary Annual National Accounts Publication for 2022, the Information and Communication sector recorded a growth of 2.5% in real value for 2022. This is a further decline from the 6.9% recorded in 2021 and is due to customers making less calls. More and more customers are utilising Over-the-Top (OTT) services such as WhatsApp to make calls and communicate.

The slower growth in the economic activities of the sector can be attributed to two primary factors. First, most individuals are back at their offices instead of remote locations, which may have impacted the demand for certain digital services. Secondly, the general economic decline also contributed to the overall slowdown in the sector's growth.

GDP by activity at constant 2015 prices - annual percentage change



Landline subscribers continue to decline while xDSL connections increase. Fixed-line subscriptions declined by 54% (2016-2022), reflecting an international trend as customers shifted to mobile phones. Slow ADSL subscriptions are phasing out, replaced by faster options. ADSL with 2Mbps or below fell by 99%, while overall ADSL connections grew by 34% (2016-2022). FTTH experienced rapid growth but remains a niche with specific adoption patterns.

Mobile revenue's contribution to data revenues keeps rising, with data becoming the primary revenue driver in the sector due to increasing digital services. Meanwhile, Fibre-to-the-Home (FTTH) technology has experienced rapid growth, offering high-speed internet directly to households.

Slow ADSL subscriptions are phasing out, replaced by faster options.





Implications for value	Our strategic response
<ul style="list-style-type: none"> ICT is an economic enabler and therefore CRAN needs to make decisions that mitigate regulatory risk and that lead to employment creation and value addition to Namibia's GDP. 	<ul style="list-style-type: none"> CRAN continued to issue Telecommunications and Broadcasting Service Licences to applicants who demonstrate the capacity to meaningfully contribute to the industry. This contributes towards Namibia's productivity rate since information and technology is an enabler of all economic activities. CRAN is therefore encouraging infrastructure sharing, rural roll-out of services and investments, lower tariffs, and a more competitive industry.

Implications for value	Our strategic response
<ul style="list-style-type: none"> There has never been a greater need for the ICT sector to create access to an easier, more affordable, and higher quality ICT products and services, and to become an enabler of e-services, information dissemination, and connecting people who could otherwise not meet face-to-face. CRAN has recognised the need for further development in this field and commits itself to adjusting its regulations to provide for this need. 	<ul style="list-style-type: none"> CRAN conducted a comprehensive pricing study focusing on voice, SMS, and data in response to high prices being charged for telecommunication services. The study's objective is to promote more affordable prices for ICT services in Namibia, ensuring greater accessibility and affordability for the general public. Recognising the importance of spectrum allocation, CRAN acknowledges its potential to provide a competitive advantage and enhance service quality. To facilitate the connection and provision of services to under and unserved communities, the 700 MHz and 800 MHz spectrum bands will be utilised, thereby expanding coverage and enabling improved connectivity and access to ICT services in rural areas.

Regulatory and policy environment

The primary responsibility of the Authority is to regulate the telecommunications, broadcasting and postal services in compliance with the Communications Act (No. 8 of 2009) and to formulate subordinate legislation and advocate for policies that ensure fair and transparent operations by all Licensees for the benefit of consumers, whilst creating a competitive environment for the advancement of the ICT sector in Namibia.

Implications for value	Our strategic response
<ul style="list-style-type: none"> In a world where technology urges the tides of change ever forward, it is of primary importance that regulations are current and relevant and that they support national development goals and the provision of high quality, accessible, and affordable ICT for all Namibians. 	<ul style="list-style-type: none"> CRAN is committed to realising national policy objectives, such as the HPP II activities, through prioritisation in planning of our short to medium-term goals and strategic actions to accelerate national development towards Vision 2030 and prosperity for all. As such, Pillar 4 of the HPP II, which encompasses Infrastructure Development as a catalyst for economic growth, social progression, and a contributor to global competitiveness and investment attraction, falls under CRAN's mandate and the strategic goal of expanding coverage for ICT through: <ul style="list-style-type: none"> The Implementation of an 'Open Access Network' infrastructure sharing regime in a bid to champion Universal Broadband Access by 2025. Facilitation of a safe and robust ICT ecosystem. Attaining 95% Digital Television broadcasting network to all Namibian households by 2025.

Several strategic initiatives have been put in place to support HPP II Pillar 4, as follows:

Infrastructure Sharing Regulatory Framework

Our strategy highlights the implementation of the Infrastructure Sharing Regulations as a priority. Section 50 of the Communications Act (No 8 of 2009) imposes an obligation on dominant Licensees to share infrastructure with other Licensees or carriers.

Infrastructure sharing has a number of advantages for the communications market, such as:

- The reduction in investment requirements for infrastructure deployment
- The promotion of competition
- The release of capital for strategic investments and new services
- An increase in services and products available to consumers
- A decrease in barriers to market entry for new players

CRAN's Infrastructure Sharing Regulations, introduced in October 2016, satisfies this obligation by creating a regulatory framework for the non-discriminatory and non-exclusive sharing of passive and active telecommunications infrastructure by dominant Licensees.

We have observed that dominant Licensees have generally welcomed the sharing of passive infrastructure (such as ducts, poles, buildings, sites, power supply, shelters, buildings, air-conditioning, etc.). However, several disputes have been lodged with CRAN pertaining to the sharing of telecommunications infrastructure. Some of these disputes are now pending before the Courts for final resolution.

Active infrastructure sharing (such as a facility or equipment used in the provision of a telecommunications service including all features, functions and capabilities that are provided by means of such facility or equipment) is crucial for open-access sharing to reduce costs for the benefit of consumers and can only happen when a Licensee utilises the same radio network of another operator, such as national roaming or a Mobile Virtual Network Operator.

We have noted that active infrastructure sharing in Namibia (as opposed to passive infrastructure sharing) is currently limited, with some disputes declared by Licensees pertaining to active infrastructure sharing. Of concern is the unwillingness of dominant Licensees to implement active sharing, especially with new entrants in the market. This hampers the attainment of the HPPII objectives, which calls for Open Access Networks.

Facilitate a safe and robust ICT ecosystem

In 2022, global tensions heightened significantly due to the escalating war between Russia and Ukraine, leading to a deteriorating geo-political situation. As a result, it has become imperative for countries worldwide, including Namibia, to prioritise the security of national critical infrastructure and critical information infrastructure. In this context, CRAN has taken on the responsibility of establishing the NSCIRT. The establishment of NSCIRT aims to strengthen our nation's preparedness and response capabilities in the face of evolving security threats, particularly in the realm of cybersecurity.

CRAN has formulated a comprehensive 5-phase implementation plan for the NSCIRT, with Phase Zero serving as the initial stage and encompassing preparatory activities throughout 2021 and 2022. Notably, CRAN published RFC2350, officially announcing the establishment of the NSCIRT. Additionally, CRAN forged a partnership with the Shadowserver Foundation, which provides CRAN with valuable threat intelligence data that facilitated informing our constituents about prevailing threats and vulnerabilities.

To enhance staff capabilities, CRAN prioritised capacity building by leveraging the Namibian government's relationships with various donors, including the US Embassy, to provide diverse training opportunities. The appointment of the Executive: Cybersecurity and ICT stands as a significant milestone in fortifying the NSCIRT's operational capacity.



CRAN secured a dedicated budgetary allocation from the Namibian government, specifically earmarked to address the infrastructure and human capital requirements of the NSCIRT. This financial support plays a crucial role in ensuring the effective establishment and sustained functioning of the NSCIRT.

Attain 95% Digital Television Broadcasting Network to all Namibian Households by 2025

Ten years ago, the Government, together with the Namibian Broadcasting Corporation (NBC) and the Authority, undertook a Digital Terrestrial Television (DTT) project, a major technological advancement over the previous analogue television technology. Unfortunately, due to financial constraints, the project was halted, with a decision made by NBC to instead move to a Direct-to-the-Home (DTH) digital television broadcasting solution, which allows NBC to broadcast its programmes to its viewers in Namibia through the use of satellite broadcasting systems (similar to that of MultiChoice Namibia).

As soon as NBC establishes this DTH satellite distribution network, the current 80% geographical and population coverage will potentially increase to 100% by 2025 as envisaged in the HPP II, depending on available funding.

The role of the Authority will be to ensure that NBC acquires the necessary spectrum to facilitate the deployment of the DTH solution.

CRAN secured a dedicated budgetary allocation from the Namibian government, specifically earmarked to address the infrastructure and human capital requirements of the NSCIRT.

Facilitating the implementation of emerging technologies

IMT-2020 (commonly referred to as "5G") is the fifth generation of wireless communication technologies, which follows 2G, 3G and 4G (IMT-2000) mobile technologies. Future networks will require an increasing number of innovative solutions to provide for higher traffic volumes, connection of more devices with diverse service requirements, provision of person-to-person, person-to-machine and machine-to-machine communication, reduction of costs, affordability and improved quality of user experience.

The rollout of these technologies will contribute to industrial development through improving operational effectiveness, improving workplace and worker safety and enabling faster and effective inspections through predictive intelligence. The aforementioned factors will potentially have a positive impact on the manufacturing, transportation, public services, education, health, agriculture, energy, logistics and mining industry sectors. Social value can be added through contributing to good health and well-being, enhancing infrastructure, fostering innovation and enabling sustainable cities and communities thereby promoting economic growth.

CRAN welcomed the approval and publication of the national 5G (IMT-2020) strategy in January 2023 and subsequently commence with implementation thereof as per the spectrum assignment roadmap contained in CRAN's Spectrum Assignment strategy 2022-2024. In addition CRAN also amended the spectrum licensing framework to allow for the introduction of the latest Wi-Fi technologies on spectrum licence exempt basis to support last-mile connectivity solutions to customers.

MANAGING OUR MATERIAL RISKS

Governance of risk

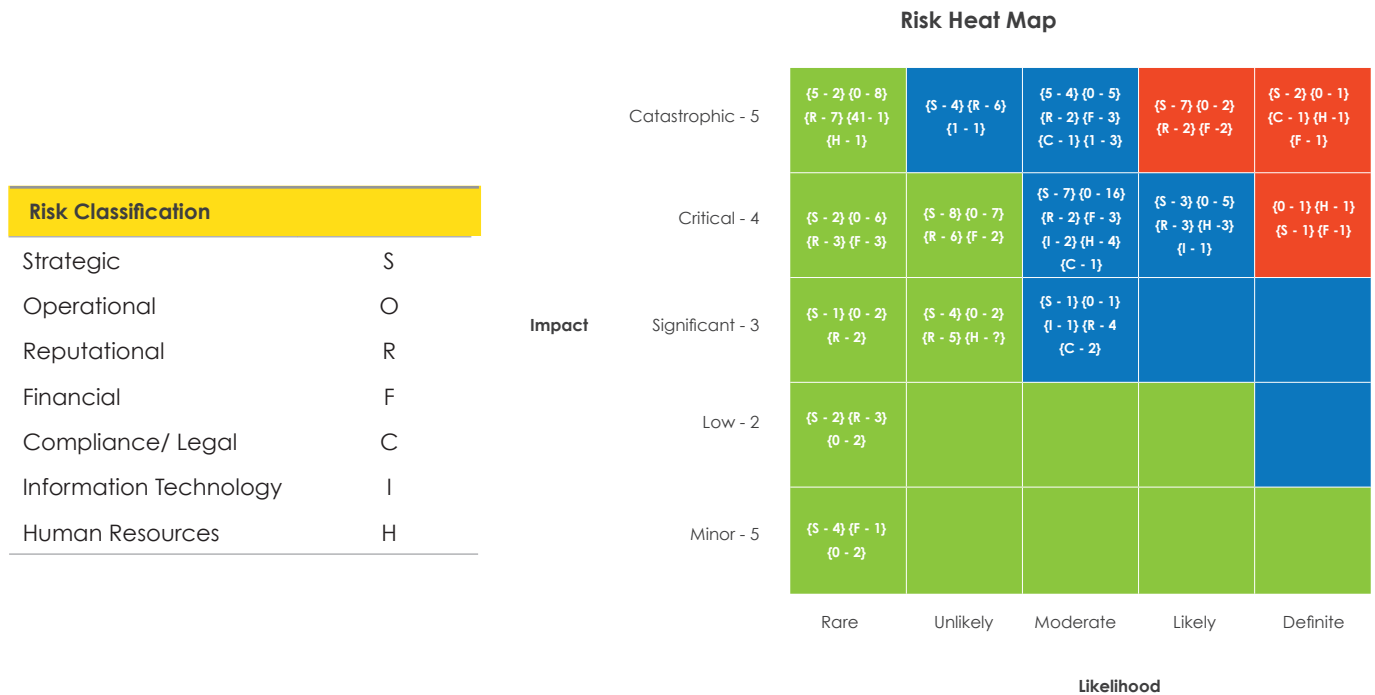
The Board is entrusted with the governance of risk within the organisation and has appointed an Audit and Risk Committee to assist it in fulfilling this responsibility. CRAN has adopted an Enterprise-wide Risk Management (ERM) process that is executed by management. This process seamlessly integrates the identification and management of potential threats into CRAN's day-to-day operations and strategic activities.

Key focus areas for the year

The members of the Risk Management Committee and Risk Champions participated in comprehensive risk management training on 14 November 2022, facilitated and presented by Deloitte and Touche. The primary objective of this training was to equip the participants with the necessary skills to optimise their performance in risk management activities. The training focused on proactive identification of emerging risks and effective management of these risks. Additionally, the risk management unit diligently carried out the implementation of the risk management policy and closely monitored the risk management process. This involved regular reviews of the risk register in alignment with the strategic plan.

Risk Heat Map

CRAN has created an organisation-wide risk heat map that provides a visual representation of the residual risks. The heat map employs different colours to denote the severity of the risks. Green cells indicate minor risks, blue cells represent moderate risks and red cells signify critical risks. The primary objective of this heat map is to visually illustrate the impact and likelihood of the residual risks after considering implementing mitigating actions. By using this classification system, CRAN can effectively categorise and assess the level of each risk, as follows:
















The figure depicted above demonstrates that the majority of CRAN's risk exposures fall within the categories of minor (green) and moderate (blue).






Top ten risk register for the year

Our risk management process has identified the top ten risks, highlighting their context, associated opportunities, risk response, the risk velocity and the value creation capitals impacted. In the subsequent table, we provide a comprehensive breakdown of the risks that have a high inherent risk-rating that directly affect the execution of CRAN's mandate and overall sustainability, along with the corresponding controls and actions implemented to effectively manage or mitigate them.

No	Risk	Context	Opportunity	Action Plan	Risk Velocity	Capitals Impacted (value creation)
1	Revenue collection - Regulatory levies	<p>CRAN has encountered challenges in collecting regulatory levies as per the newly gazetted levies and amended Section 23, primarily due to legal disputes raised by Licensees.</p> <p><i>Possible loss:</i> Inability to sustain business operations and ultimately failing to deliver on the mandate.</p>	<ul style="list-style-type: none"> Engaging Licensees with the aim of strengthening and maintaining beneficial relationships with stakeholders 	<ul style="list-style-type: none"> Implement a mitigation and sustainability action plan – response to High Court decision on amendment to Section 23 Continuous emphasis on budgetary savings and prudent expenditure practices Appeal to the Supreme Court regarding the decision by the High Court on Section 23 Amendment of Section 23 of the Communications Act 	Short-term	
2	Employee engagement - remuneration structures (bargaining unit)	<p>Challenges in retaining and attracting talent, as well as boosting staff morale, attributed to unappealing remuneration structures.</p> <p><i>Possible loss:</i> Decrease in productivity, loss of talent and potential labour disputes.</p>	<ul style="list-style-type: none"> Improve employee engagement and morale 	<ul style="list-style-type: none"> Wage negotiations with NAPWU 	Medium to Short-term	
3	Digitalisation - Information Technology (IT) environment	<p>IT system failure due to inadequate or ineffective controls (physical access controls and general server room controls) relating to data centres.</p> <p><i>Possible loss:</i> This may potentially lead to devastating system and hardware failures that may result in major data loss, interruption of critical operations as well as financial loss to the organisation.</p>	<ul style="list-style-type: none"> IT infrastructure safety Operational efficiency 	<ul style="list-style-type: none"> Develop IT governance framework Implement environmental monitoring system (EMS) Install biometrics for server rooms 	Short-term	

No	Risk	Context	Opportunity	Action Plan	Risk Velocity	Capitals Impacted (value creation)
4	National Policies - National Cyber Incident Response Team (NCIRT)	Inability and or inadequate capacity to effectively protect, detect, and respond to cyber-attacks at national level due to lack of laws and regulations. <i>Possible loss:</i> Vulnerability to cyber-attacks due to lack of relevant law in place. Reputational damage and non-fulfilment of CRAN's role under the Cyber Crime Bill.	<ul style="list-style-type: none"> Achievement of national objectives Grow revenue streams The CIRT will assist with inputs in further developing and improving the regulatory framework 	<ul style="list-style-type: none"> Develop operational structures and systems Internal capacity building for implementation preparation Secure funding (Internal and external sources) 	Long to medium term	   
5	Enhance Operational Excellence - Organisation structure review	Re-alignment of positions within the structure and/or reallocation of functions amongst departments. <i>Possible loss:</i> Disengagement at both Exco and general staff level which may result in inefficiency, poor execution of strategy and/or loss of talent.	<ul style="list-style-type: none"> Optimise operational efficiency 	<ul style="list-style-type: none"> Implement change management initiatives outlined in the stakeholder survey response report 	Medium-term	 
6	Business Continuity (BC) - Incident Response plans	The lack of Business continuity management plans and strategy <i>Possible loss:</i> Operational delays due to inadequate resilience capabilities to incidents. Financial losses due to lack of readiness for disruptions	<ul style="list-style-type: none"> Improve customer satisfaction Improve business reputation 	<ul style="list-style-type: none"> Development of BC plans and conduct training in the 2023/2024 financial year 	Medium-term	   
7	Enhance Operational Excellence - Resources provision	Inadequate resources to effectively deliver on the mandate. <i>Possible loss:</i> Operational inefficiency and reputational loss	<ul style="list-style-type: none"> Operational efficiency Stakeholder satisfaction 	<ul style="list-style-type: none"> Implement a mitigation and sustainability action plan – response to High court decision on amendment to Section 23 	Medium – short term	  



No	Risk	Context	Opportunity	Action Plan	Risk Velocity	Capitals Impacted (value creation)
8	Legal process and reform – Legal proceeding and legislative drafting	Delays in processing regulations leading to delays in regulatory transformation. Also, failure to follow the correct legal steps when dealing with legal issues. <i>Possible loss:</i> Legal challenges on the Authority's decisions, reputation loss, financial loss.	<ul style="list-style-type: none"> Stakeholder satisfaction through active consultation with stakeholders 	<ul style="list-style-type: none"> External legal advice and representation Sensitise relevant stakeholders and employees on internal processes and on timely submission of inputs in drafting process 	Long-term	  
9	Operational Excellence – Compliance monitoring	Inadequate monitoring of compliance with internal and external obligations and requirements. <i>Possible loss:</i> The risk of reputational damages, lawsuits and/or financial loss. This may be due to lack of skilled staff. Also, there is a threat of inability to detect of fraud or misconduct due to lack of clearly defined reporting system.	<ul style="list-style-type: none"> Stakeholder satisfaction Operational efficiency 	<ul style="list-style-type: none"> Development of compliance review and monitoring programme Business process automation -Business Process Reengineering project 	Medium – long term	
10	Business processes- procurement	Operation delays and inefficiencies due to lack of adherence to procurement processes and requirements <i>Possible loss:</i> Operational inefficiency, financial loss, reputational loss	<ul style="list-style-type: none"> Operational excellence Improve stakeholder satisfaction 	<ul style="list-style-type: none"> Ongoing Business process re-engineering project Develop internal procurement guidelines and training to internal stakeholders 	Medium - short term	



LOOKING AHEAD TO 2023

The Risk and Compliance Unit intends to focus on the following areas in the 2023/2024 financial period:

- Develop and maintain business continuity plans
- Review, develop and improve compliance management processes
- Improve risk management processes with emphasis on risk assessment (risk analysis)

While prioritising the aforementioned areas, the unit will simultaneously maintain its commitment to implementing the risk management policy in order to effectively identify and mitigate material risks.

OUR KEY RELATIONSHIPS

CRAN recognises the significance of fostering robust relationships with both internal employees and external stakeholders. These relationships serve as the foundation for realising CRAN's future goals. The engagement of stakeholders is a crucial function that necessitates proactive implementation of various interventions to foster meaningful dialogue with the Ministry of Information and Communication Technology (MICT) as the shareholder, and all other stakeholders.

CRAN proactively engaged with a broad range of stakeholders during the year under review to ensure their access to the full benefits of competitive communications services. The primary focus was on protecting them from exploitation and abuse, while also providing them with comprehensive information about CRAN and its role, empowering them, and fostering active engagement.

CRAN remains dedicated to building brand awareness and educating consumers about their rights and obligations. This ongoing effort is aimed at enhancing and upholding a positive image of CRAN through multiple communication channels. CRAN strives to implement the objectives outlined in the Strategic Plan to the best of its abilities. Additionally, CRAN is committed to sharing accurate, reliable and relevant information with its diverse stakeholders. We actively respond to stakeholder concerns, interests, and expectations to ensure effective communication and engagement.

CRAN remains dedicated to forging strong partnerships with key stakeholders, exploring new opportunities, and effectively addressing any challenges that arise.

Integrating ICT in all sectors of the mainstream economy is crucial for transforming Namibia into a knowledge-based, digital economy. To fulfil this vision, CRAN remains dedicated to forging strong partnerships with key stakeholders, exploring new opportunities, and effectively addressing any challenges that arise.

In the following table, we provide a brief outline of stakeholder groups that significantly influence our ability to create value. We highlight their contributions to value creation, our means of engagement, and the primary interests of stakeholders concerning our business activities.

OUR STAKEHOLDERS	CONTRIBUTION TO VALUE CREATION	HOW WE ENGAGE
------------------	--------------------------------	---------------



**Licensees
(telecommunications,
broadcasters, postal)**

- Regulatory certainty
- Contribution SDGs

- Public consultation, Government Gazettes, invitation of written comments, Face-to-face meetings, public notices and social media platforms

Priority interests: Equitable access to spectrum and numbering resources, regulatory framework

Our response: Review of regulatory framework in accordance with international trends, provide access to spectrum through the relevant regulatory process, preparation of new frameworks in line with upcoming legislation.



**Board of Directors and
Employees**

- Implement CRAN's Strategic Plan to attain a conducive regulatory environment for all stakeholders

- Integrated Annual Reports, notice board, snapper frames, website, external and internal newsletter, , Quarterly Stats newsletter, radio, TV and newspaper interviews, email correspondence and social media platforms

Priority interests: Consumer awareness and advocacy, Stakeholder engagement, Internal and external communication, Events management, Advertising, Brand/image reputation management and relationship management.

Our response: To provide timely, accurate, objective information to enable stakeholders to meet their operational objectives, as well as enable them to receive the full benefits of ICTs.



**Labour Unions
(NAPWU, WURCOM)**

- Manage industrial relations, foster a fair and equitable relationship

- Consultative meetings, written correspondences, external and internal newsletter, letters, , Government Gazettes, Integrated Annual Reports and social media platforms

Priority interests: To represent the interests of its members within the bargaining unit, for the purpose of improved relations.

Our response: Recognise NAPWU as the exclusive bargaining agent for CRAN employees in job grades A1 to D2.



**Government Ministries (MoPE,
MICT, MoGECW)**

**ICT Parliamentary Standing
Committee**

- To support the strategic importance of CRAN's mandate as outlined in the Communications Act (No. 8 of 2009) and Public Enterprises Act (No. 1 of 2019)

- Integrated Annual Reports, consultative meetings/ workshops/conferences, presentations, website, external and internal newsletter, public/stakeholder notices, Government Gazettes, radio, TV, newspaper interviews, letters, email correspondence and social media platforms

Priority interests: Remuneration framework for Board members and EXCO on senior management level, and a regulatory framework that serves the national agenda for current and future ICT needs.

Our response: Advise and support the Government Republic of Namibia in terms of the provisions of sustainable socio-economic development through telecommunications, broadcasting and postal services.

OUR STAKEHOLDERS	CONTRIBUTION TO VALUE CREATION	HOW WE ENGAGE
 <p>Global/Regional Associations (ITU, UPU, ATU, CRASA, SADC, UNESCO)</p>	<ul style="list-style-type: none"> Regional, international harmonisation and innovation <p>Priority interests: Global radio spectrum and satellite orbits.</p> <p>Our response: Annual Member State association fees and harmonisation of the Postal and ICT regulatory environment in SADC.</p>	<ul style="list-style-type: none"> Integrated Annual Reports, consultative meetings, workshops, conferences, website, external newsletter, media statements, letters, email correspondence and social media platforms
 <p>CSI Beneficiaries</p>	<ul style="list-style-type: none"> To create a positive impact for the organisation and the CSI beneficiaries <p>Priority interests: Sponsorships or donations in monetary value or in kind.</p> <p>Our response: Manage beneficiaries, decline and oraccept requests, manage handover functions, publicise corporate social investment (draft statements, design posters, post on platforms).</p>	<ul style="list-style-type: none"> Integrated Annual Reports, website, external newsletter, media statements, letters, email correspondence and social media platforms
 <p>Investors, banks and funding agencies</p>	<ul style="list-style-type: none"> Improve the sustainability of CRAN through increase sources of income and improve cost efficiencies <p>Priority interests: CRAN's revenue streamlines and financial sustainability</p> <p>Our response: Implement cost cutting measures to ensure business sustainability with income generated by alternative revenue streams</p>	<ul style="list-style-type: none"> Integrated Annual Reports, meetings, workshops, conferences, website, external, Government Gazettes, newsletter, media statements, letters, email correspondence and social media platforms

OUR STAKEHOLDERS	CONTRIBUTION TO VALUE CREATION	HOW WE ENGAGE
------------------	--------------------------------	---------------



Consumers, media, NMT, Media Ombudsman, MISA and NGOs

- Informed, engaged and empowered consumers
- Accurate and proactive dissemination of information, and positive image and reputation

- Integrated Annual Reports, meetings, workshops, conferences, website, external newsletter, Government Gazettes, media statements, letters, email correspondence and social media platforms, radio and television interviews

Priority interests: CRAN (who we are and what we do), market development, fair competition, Universal Service and Access, spectrum management, monitoring, compliance and enforcement, cyber security and consumer advocacy.

Our response: Ensure that consumers receive the full benefits of competitive communications services and protect them from exploitation and abuse, and ensure that they are informed, empowered and engaged by ensuring they have access to information about CRAN's activities.

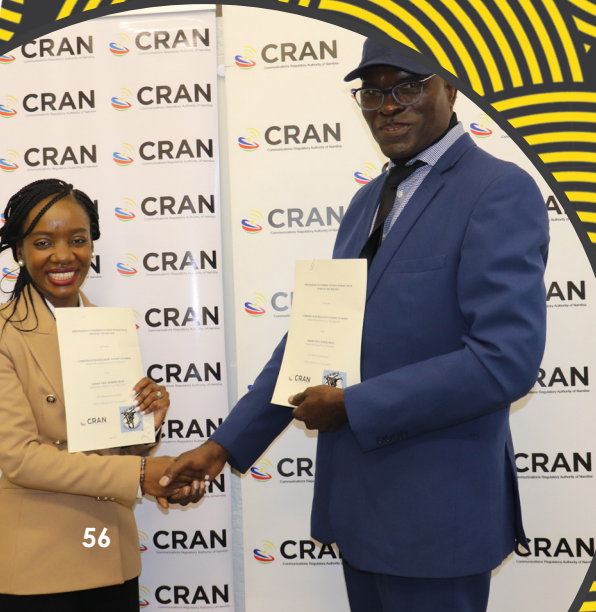
RESPONDING TO STAKEHOLDER EXPECTATIONS

Effective stakeholder engagement involves proactively identifying stakeholders, understanding their needs and expectations, conducting comprehensive stakeholder analysis, and developing a proactive plan to set realistic goals for meeting and exceeding stakeholder expectations.

To create a robust stakeholder engagement plan, CRAN conducted a comprehensive Stakeholder and Customer Satisfaction survey. The main objective was to gain a better understanding of stakeholder

and customer satisfaction regarding CRAN's interactions. The survey assessed perceptions of fairness, transparency, and effectiveness in fulfilling CRAN's mandate, ensuring certainty, promoting good governance, optimising resource utilisation, and providing professional support. The valuable insights gained from the survey will enhance our understanding and lead to improved stakeholder and customer satisfaction.

OUR CORPORATE GOVERNANCE





CORPORATE GOVERNANCE

CRAN's GOVERNANCE FRAMEWORK

CRAN, as a public enterprise, is subject to various legislations governing its operations. These include the Communications Act (No. 8 of 2009), the Public Enterprises Governance Act (No. 1 of 2019) (along with Directives issued by the Ministry of Public Enterprises), and the Procurement Act (No. 15 of 2015). Additionally, CRAN is governed by a number of internal policies concerning finance, human resources, internal audit, and electronic communications. These policies serve to guide and regulate CRAN's activities, ensuring compliance and effective governance within the organisation.

The mandates, functions, and responsibilities of the Board and its Committees are defined in the Board Charter and the terms of reference, which is derived from the relevant legislation governing CRAN. In addition, CRAN has implemented a Delegation of Authority Policy, which delegates specific functions and duties to management and sub-management committees in accordance with applicable legislation, policies, and governance frameworks. This policy ensures effective decision-making and accountability within the organisation while aligning with established governance practices.

Throughout the year, significant emphasis was placed on achieving the strategic objective of strengthening the existing governance frameworks. Numerous workshops were conducted with EXCO to review and update outdated internal policies, aligning them with industry best practices. Additionally, the terms of reference for all sub-management Committees, were thoroughly reviewed and subsequently approved. To ensure transparency and accountability, all draft policies and procedures are submitted to the Board for careful consideration and final approval.

BOARD GOVERNANCE FRAMEWORK

**Ministry of Information, Communication and Technology and
Ministry of Public Enterprises**
(Appoints Board of Directors)

**Communications Act (No. 8 of 2009)
(including regulations)**

**Public Enterprises Governance Act (No. 2 of 2006)
(including regulations and directives)**

- Established CRAN as a ICT Regulatory Authority

Regulates:

- Board and company performance
- Strategic Plan/ISBP
- Budget
- Remuneration of CEO, EXCO and Board
- Integrated Annual Report
- Investment
- Board travels

BOARD OF DIRECTORS
(Appointed by MICT and MOPE)
(Appoints CEO and EXCO)

GOVERNED BY:

- Board Charter
- Governance Policy (King IV Report)
- Delegation of Authority Policy
- Performance/Governance Agreements
- Implement Delegation of Authority Policy
- Implement Policy Development Guidelines
- Internal policies (HR, Finance, Internal Audit, Communication, Operational, Risk Compliance)
- ISBP

BOARD SUB-COMMITTEES
(Makes recommendations to the Board)

Legal and Technical Committee	Audit and Risk Committee	Human Resources and Remuneration Committee
Four Members	Three Members	Three Members
Terms of Reference	Terms of Reference	Terms of Reference
<ul style="list-style-type: none"> • Licensing • Tariffs • Legal matters • Regulations • Consumer complaints • Licensee disputes • Enforcement 	<ul style="list-style-type: none"> • Internal Audit matters • External Audit matters • Financial matters • Risk management • Internal controls • IT • Annual reporting • Combined assurance • Compliance management 	<ul style="list-style-type: none"> • Human Resource matters • Remuneration matters • Performance • Professional development and training • Organisational structure
Standing Annual submissions	Standing Annual submissions	Standing Annual submissions
<ul style="list-style-type: none"> • Update on litigation matters 	<ul style="list-style-type: none"> • Budget • Integrated Annual Report • Management accounts • Risk register • Internal Audit and Risk reports • Annual Financial Statements 	<ul style="list-style-type: none"> • Annual CPI • Performance bonuses • Annual training plan • Wage mandate • Organisational structure



Chief Executive Officer (CEO)
(Appointed by the Board)
(Appoints EXCO)

EXECUTIVE MANAGEMENT COMMITTEE (EXCO)
Appointed by the CEO and the Board of Directors

MANAGEMENT SUB-COMMITTEES

MIDDLE MANAGEMENT COMMITTEE

HEAD OF MANAGEMENT

RESPONSIBLE:

- Execution of the Integrated Strategic Business Plan, Operational Plan and budget, and governance
- Accounting Officer; Procurement matters

RECOMMENDS TO BOARD:

- Integrated Strategic Business Plan
- Management accounts
- Annual budget
- Operational plan
- Organisational structure
- Annual Financial Statements
- Policies
- Integrated Annual Report
- Professional Development and Training Plan

RESPONSIBLE FOR:

- Integrated Strategic Business Plan implementation
- Execution of policies
- CEOs Report
- Implementation of Communications Act and Regulations
- Implementation of PEGA
- Risk management

Procurement Committee	Affirmative Action Committee
Regulatory Affairs Committees: <ul style="list-style-type: none"> • Enforcement and Adjudication • Licensing • Legislative • Drafting and Sector Reform • Economics 	Occupational Health and Safety Committee
Job Evaluation Committee	Talent Management
CRAN Wage Negotiation Committee	Ad Hoc Bid Evaluation Committees
Investment Committee	Performance Moderation Committee
Ad Hoc Disciplinary Committees	Risk Management Committee
Executive Regulatory Affairs Committee	
Reports to EXCO	

BOARD MANDATE, POWERS, AND FUNCTIONS

The CRAN Board of Directors is entrusted with the responsibility of regulating the communications industry in the Republic of Namibia in accordance with the provisions of the Communications Act (No. 8 of 2009). The Board is committed to carrying out its duties in an objective, fair, transparent, and ethical manner, guided by the principles of good corporate governance and administrative justice.

As the custodian of CRAN's ISBP, the Board is responsible for ensuring that the strategic objectives outlined in the Plan are effectively managed and implemented. Being a non-executive Board, it does not engage in management or operational functions or assume any related management or operational responsibilities. Instead, it provides objective and independent leadership, offering strategic guidance to the management team to effectively execute CRAN's ISBP to fulfil the objectives of the Act.

Board of Directors

In accordance with Section 9 (1) of the Communications Act (No. 8 of 2009), the former Minister of Information and Communication Technology (MICT) Honourable Stanley Simaata, announced the appointment of the new CRAN Board of Directors,. The appointment was effective from 01 July 2019 until 31 June 2022, and it was subsequently renewed for a further period until 30 April 2023.

The primary role of the new Board of Directors is to assess and evaluate the overall direction and strategy of the Authority.

The following members were appointed as the CRAN Board of Directors effective 01 July 2019 until 30 April 2023:

BOARD COMMITTEES

To assist the Board in discharging its responsibilities, certain functions are delegated to the three Board committees constituted by the Board:

- Legal and Technical Committee
- Audit and Risk Committee
- Human Resources and Remuneration Committee

The Chairperson of the Board is not a member of any of the constituted committees.

Incoming Board

Dr. Tulimevava Mufeti (Chairperson)
Mr Elvis Nashilongo (Vice-chairperson)
Mr Gerhard Coeln
Ms Aletha Haufiku
Ms Florette Nakusera
Mr Veiko Alexander
Ms Jeanine du Toit

Outgoing Board

Mr Heinrich M. Gaomab II (Chairperson)
Ms Vivienne E. Katjiuongua (Vice-chairperson)
Ms Dorethy E. Smit
Mr Thomas H. Mbome



Legal and Technical Committee Committee members

1. Gerhard Coeln (Chairperson)
2. Vivienne Katjiuongua
3. Tulimevava Mufeti
4. Thomas Mbome

The committee consists of four Board members and is chaired by Mr Gerhard Coeln. The committee is advisory in nature and makes recommendations for approval by the Board. The functions and responsibilities of the committee includes, but are not limited to, the following:

- Considers regulations drafted under the Communications Act (No. 8 of 2009) before final submission to the Board for approval.
- Considers Licence and Spectrum Licence applications submitted to the committee by management.
- Considers all disputes, including both consumer complaints and Licensee disputes, submitted to the committee by management before final submission to the Board for approval (if so required).
- Considers all compliance and enforcement matters as submitted by management relating to the Communications Act (No. 8 of 2009) and the regulations issued thereunder before final submission to the Board for approval (if so required).
- Considers and advise on the initiation, opposition, settlement, or withdrawal of legal proceedings by or against CRAN before final submission to the Board for approval (if so required).
- Considers all tariff and rate applications before they are submitted to the Board for approval (if so required).
- Considers the proposals of management on the outcome of investigations as conducted by CRAN in terms of Section 122 of the Communications Act (No. 8 of 2009) before final submission to the Board for approval (if so required).
- Considers spectrum management policies and strategies as they may arise before final submission to the Board.



Audit and Risk Committee Committee members

1. Dorethy Smit (Chairperson)
2. Vivienne Katjuongua
3. Gerhard Coeln

The committee consists of three Board members and is chaired by Ms Dorethy Smit. The committee is advisory in nature and makes recommendations for approval by the Board. The functions and responsibilities of the committee includes, but are not limited to, the following:

- Examines CRAN's financial statements, including statements of the Universal Service Fund, prior to submission and approval by the Board.
- Reviews and recommends the annual budget of CRAN for approval by the Board.
- Oversee the Internal Audit function of CRAN.
- Recommends the appointment of external auditors and oversee the external audit process.
- Oversee, develops, and monitors the implementation of CRAN's IT governance framework.
- Make recommendations to the Board concerning CRAN's Risk Management policy and strategy.
- Monitor the implementation of the Risk Management policy and strategy by management.
- Reviews the annual financial statements, risk management reports, and other reports and information falling within the scope of its responsibilities.
- Oversees the implementation of an effective compliance framework and process.
- Reviews CRAN's compliance with applicable laws, regulations, rules, standards, contractual obligations, policies and procedures and report significant matters to the Board.



Human Resources and Remuneration Committee Committee members

1. Thomas Mbome (Chairperson)
2. Tulimevava Mufeti
3. Dorethy Smit

The committee consists of three Board members and is chaired by Mr Thomas Mbome. The committee is advisory in nature and makes recommendations for approval by the Board. The functions and responsibilities includes, but are not limited to, the following:

- Advises and recommends to the Board on policy and strategy for the remuneration and incentivisation of CRAN's employees.
- Undertakes an annual review of the remuneration packages and advise the Board on the annual adjustments that might be necessary.
- Reviews any proposed changes to the organisational structure of CRAN and recommend to the Board thereon.
- Monitor and oversee all transformation and affirmative action issues.
- Reviews the Human Resources policies and procedures of CRAN and recommend revisions as necessary to the Board.
- Advises the Board on performance related salary increases for all employees.
- Monitor the employee training and development programmes.
- Monitors and oversee all labour relations issues.

Governance Executive: Role and responsibilities

The Governance Executive is appointed by the CEO and the Board with the primary responsibility of, amongst other duties, providing administrative support to the Chairperson and the Board. He or she reports administratively to the CEO and functionally to the Board. One of the key roles of the Governance Executive is to assist the Chairperson in ensuring the proper conduct of Board and Committee meetings, facilitating the induction of newly appointed Board members, and providing overall support to the Board in effectively discharging its responsibilities.

The Governance Executive is accountable to the Board for ensuring compliance with Board procedures and all relevant legal, policy, and governance requirements. Acting as a central source of guidance and advice, the Governance Executive provides the Board as a whole and individual members with the necessary guidance to fulfil their responsibilities in the best interest of CRAN.

Furthermore, the Governance Executive is responsible for overseeing risk management, compliance, and business continuity within the organisation.

Disclosure of interest

The Chairperson of the Board Mr Mihe Gaomab II serves as a non-executive Board member of the Capricorn Group Holdings Ltd., which is the parent company of Capricorn Connect (Pty) Ltd., a Licensee regulated by the Authority.

Ms Dorethy Smit has a professional relationship with Paratus Namibia Holdings Ltd. Dr. Tulimevava Mufeti is an employee of the University of Namibia. Prior to Dr. Mufeti's appointment to the Board, a Memorandum of Understanding (MOU) was signed between UNAM and the Authority, outlining provisions for internships at CRAN. It is also relevant to mention that UNAM itself is a Licensee of CRAN.

Attendance at Board and Board Committee meetings

During the period under review, CRAN held a total of five ordinary Board meetings; four special Board meetings; one Board retreat; five Legal and Technical Committee meetings; five Audit and Risk Committee meetings and five Human Resources and Remuneration Committee meetings. All minutes, in respect of these meetings, were approved and officially signed off by the respective Board and committees.

Attendance at meetings during the year under review is as follows:

Director	Category	Board Meeting	Board Retreat	Special board Meeting	Legal and Technical Committee	Audit and Risk Committee	Human Resources and Remuneration Committee
	Meetings held	5	1	4	5	5	5
Heinrich Gaomab II	Non-executive Chairperson (from 1 July 2019)	2 Chair	1	3	N/A	N/A	N/A
Vivienne Katjuongua	Non-executive Vice-Chairperson (from 1 July 2019)	5	1	2	3 Chair until 31/12/2021	3	N/A
Dr. Tulimevava Mufeti	Independent non-executive Director (from 1 July 2019)	5	1	4	5	N/A	5 Chair until 01/01/2021
Dorethy Smit	Independent non-executive Director (from 1 July 2019)	4	1	2	N/A	5 Chair	2
Thomas Mbome	Independent non-executive Director (from 1 July 2019)	5	1	4	5	N/A	5 Effective 01/01/2022
Gerhard Coeln	Independent non-executive Director (from 1 July 2019)	5	4	N/A	5 Effective 01/01/2022	5	N/A

CODE OF CONDUCT AND BUSINESS ETHICS

CRAN implemented a robust Business Ethics and Code of Conduct Framework to ensure that all employees consistently uphold, at all times, the highest ethical standards of conduct in the achievement of the objectives as outlined in the Communications Act (No. 8 of 2009), and upholding CRAN's Vision, Mission and Values.

The Business Ethics and Code of Conduct Framework serves several important purposes, including:

- Promoting ethical behaviour: The framework encourages

all stakeholders, including Board members, employees, suppliers, contractors, and others, to uphold ethical practices in their interactions and operations with CRAN.

- Ensuring legal compliance: It ensures that all individuals associated with CRAN comply with applicable laws and regulations, fostering a culture of adherence to legal requirements.
- Building positive labour relationships: The framework fosters healthy labour relations and creates a harmonious work environment, promoting mutual respect and understanding among employees.
- Encouraging good corporate governance: The



framework reinforces the practice of sound corporate governance principles, emphasising accountability, transparency, and responsible leadership throughout CRAN.

By implementing and adhering to this Business Ethics and Code of Conduct Framework, CRAN aims to maintain the highest standards of integrity and professionalism in its operations and interactions with stakeholders.

Policies reviewed and approved

Eight policies were reviewed and/or approved by the Board in the interest of improving the governance environment within the organisation and to align them with best practice.

- Investment Management Policy
- Staff ICT Policy and Procedures
- Affirmative Action Policy and Procedures
- Grievance Policy and Procedures
- Overtime Policy
- Employee Wellness Policy and Procedures
- Acceptable ICT Use Policy
- IT Backup and Recovery Policy

Governance activities for the year

Governance and management:

The organisation implemented governance reforms, enhancing the effectiveness of management committees and aligning their charters and terms of references with corporate governance best practices.

Internal audits and compliance:

Successful independent internal audits were conducted in key business areas, including the legal framework, spectrum monitoring, contracts and legal documents, and cyber security.

A compliance maturity assessment was undertaken to improve the organisational wide compliance framework and compliance management function, in collaboration with external consultant Deloitte & Touche.

Identified shortcomings from the internal audits will be monitored and addressed by CRAN.

Strategic planning:

A new Integrated Strategic Business Plan (ISBP) for the period 2023 - 2026 was developed and will be effective from 1 April 2023. The ISBP was approved by the Portfolio Minister in February 2023. Stakeholder engagement sessions were held to gather input and ensure alignment with National, Regional and International Frameworks.

The ISBP adopts the balanced scorecard approach and follows the nine key steps to success, with operationalisation through the Annual Business and Financial Plans that were developed with the ISBP.

The theme of the ISBP is **“Continuing to create value through harnessing the power of ICT”** - This builds on celebrating a decade of value created through harnessing the power of ICT in Namibia. The Theme is forward-looking and embraces the continuation of creating value throughout the 2023 – 2026 strategic planning cycle and beyond.

The strategic plan will focus on the following strategic themes:

- Operational sustainability
- Strategic partnering and collaboration
- Digital Transformation
- Market development and customer protection



LOOKING AHEAD TO 2023

During the 2023/2024 financial year, CRAN will implement the following governance initiatives:

IT Governance Framework: CRAN will finalise the development of its IT Governance Framework, recognising the critical role of ICT in achieving organisational objectives. This framework establishes the elements of IT governance, including principles, accountabilities, strategies, policies, and procedures. It aligns with the ISO 38500 family of standards on the governance of IT and the ISO27000 family of standards on IT security.

Business Continuity Plans: CRAN will complete the development of its Business Continuity Plans, emphasising resilience as a key discipline. The plans adhere to the Business Continuity Institute's Good Practice Guidelines (GPG) 2018, which provides for global good practices for business continuity.

CRAN's Business Continuity Programme includes:

- Identification of risks and threats
- Creation of response structures and plans to address incidents and crises and promotes validation and continuous improvement
- Flexibility to adapt to internal and external operating environment changes
- Delivery of measurable value through defined KPIs

DELIVERING ON OUR STRATEGIC PLAN (2020 - 2023)





DELIVERING ON OUR STRATEGIC PLAN (2020 - 2023)

CRAN's Strategic Plan for 2020 – 2023 encompasses four strategic themes: Strategic Collaboration, Operational Excellence, Innovation, and Sustainability. These themes are actualised through twelve strategic objectives to drive our organisation forward. These objectives include:

- *Achieving relevant, mutually beneficial, and fair stakeholder relationships:* We strive to establish strong and collaborative partnerships with our stakeholders, including industry players, government agencies, and the public. We aim to create an environment of trust, understanding, and cooperation by fostering open and constructive dialogue.
- *Ensuring a well-resourced organisation with aligned processes:* We are committed to having the necessary infrastructure and skilled personnel resources to carry out our mandate effectively. By aligning our processes with industry best practices, we aim to deliver high-quality outputs that benefit the ICT industry and our stakeholders.
- *Promoting innovation for flexible solutions and frameworks:* We recognise the importance of innovation in driving growth and addressing the evolving needs of the industry. We encourage developing and adopting new technologies, solutions, and frameworks that provide flexible and efficient services. We aim to build trust and confidence among our stakeholders through improved turnaround times and quality processes.
- *Harnessing financial, human, and technological resources:* We are dedicated to the long-term sustainability of CRAN, which involves prudent financial management, effectively utilising our human resources, staying abreast of technology and implementing these strategic objectives.

We aim to create an environment of trust, understanding, and cooperation by fostering open and constructive dialogue.

The main goal of the 2020 – 2023 ISBP is to achieve the strategic objectives as set out in CRAN's third Strategic Plan. Through this, CRAN intends to create a regulatory framework that effectively tackles the challenges faced by the ICT industry and the Postal sector. The emphasis is on ensuring strong compliance and enforcement measures and promoting good governance practices for Namibia's ICT and Postal sectors, which will benefit all Namibians.

Executive management evaluated the progress of each strategic objective, with corrective steps identified to ensure the implementation of the strategic initiatives. The strategic review meeting identified challenges experienced during the year under review and recommended actions to overcome them.

An implementation plan was compiled from the key issues identified, which will be used to measure the progress of all strategic initiatives against the specific quarterly targets set.

The Strategic Plan is typically operationalised by developing annual plans aligned with strategic objectives. The annual plans outline the outputs to be delivered at the end of a specific year and establishes the annual targets used to measure performance levels. This will enable us to achieve our goals successfully.

The following highlights and challenges were noted during the review process:

- The various departments successfully implemented the 2022/2023 Operational Plan (based on strategic objectives) during the period under review.
- CRAN's average organisational performance score for the period under review was 3.69, which exceeds performance in terms of CRAN's Performance Management Policy. This result indicates that CRAN is a high-performing organisation.

- a. 3% scored below 1.00 to 3.29 (poor performance)
 - b. 4% of employees scored between 3.30 and 3.49 (meets requirements)
 - c. 89% of employees scored between 3.50 and 4.00 (exceeded performance)
 - d. 4% of employees scored above 4.00 to 4.14 (exceptional performance)
- The turnaround times of some of the strategic initiatives were impacted by our human capital, budget constraints, economic recession and the cancellation of some services by service providers.
 - There has been significant improvement in cross-functional support and coordination between departments in the implementation of projects. This has improved the quality and outcomes of the deliverables and turnaround times. The involvement of middle management in this process has improved.
 - Additional focus needs to be placed on directly linking the strategic objectives to the core mandate of CRAN as set out in the Communications Act (No. 8 of 2009). However, several projects focus and specific areas such as competition, infrastructure sharing, market-entry, consumer protection, and expansion, will be formalised as part of the ISBP 2023 – 2026.
 - The organisation's risk culture has improved significantly, with an active focus on implementing the Risk Management Plan.

SUMMARY OF KEY ACHIEVEMENTS AND OUTCOMES FOR THE YEAR



National SIM Registration Awareness Campaign

OUTCOMES

CRAN launched a campaign on 7 June 2022 to educate the public on the importance of registering SIM cards. This increases trust in electronic transactions and allows secure access to electronic services. It is a positive step for the safe and legitimate use of electronic services. Namibia commenced with mandatory registration of SIM Cards on 1 January 2023.



Development of the 5G (IMT-2020) Strategy

OUTCOMES

The Cabinet directed the Authority to develop the IMT-2020 Strategy (5G) for Namibia from 2022 – 2027, with public consultations held. The final strategy was approved by Cabinet on 4 January 2023 as published in the Government Gazette No. 8000. 5G brings economic and social benefits, boosting manufacturing, information and communication, healthcare, retail, and agriculture sectors.



Spectrum Assignment Strategy 2022 - 2024

OUTCOMES

The Authority concluded the public consultation on the Spectrum Assignment Strategy 2022 – 2024, outlining objectives, roadmap, and clarifying spectrum management. The final strategy was published in Government Gazette No. 7876, General Notice No. 390, on 10 August 2022. The strategy promotes competition by minimising constraints on spectrum use, allowing similar services on different platforms.



Assess the affordability of ICT services by 2022

OUTCOMES

CRAN conducted a study to assess the affordability of services in Namibia. An engagement with operators to discuss the way forward was held in November 2022. The final draft of the study on data prices in Namibia is in the process of being updated. Information on voice and other services was added as agreed to with operators.



Market Saturation Study

OUTCOMES

This Telecommunications Regulatory Environment assessment for 2023 analyses whether the Namibian telecommunications market is conducive for private sector investment.

The study further addresses issues on what can be done to incentivise private sector investment in Namibia and to determine the potential for private investors to enter the ICT market.



Termination Rates

OUTCOMES

Following consultations with telecommunications operators, the voice termination rate was reduced from 10c/min to 5c/min, effective 1 October 2022. This change brings relief to smaller operators who pay termination rates to MTC.

Consumers will not directly benefit from the reduced price for voice calls. Still, they may indirectly benefit from increased competition in the industry which will increase the variety of services and products.



Public Choice Award

OUTCOMES

CRAN participated in the University of Namibia's Annual Career Fair and Employment Expo in April 2022, focusing on "Discover opportunities for a successful future." CRAN was honoured as the event's top exhibitor and received a Public Choice Award for exceptional branding, informative service, friendliness, and adherence to the code of conduct.



Reduction in pending cases before litigation

OUTCOMES

CRAN noted a significant reduction in cases pending before the Courts of justice during the review period. This has resulted in the Authority saving costs and implies a reduction in legal and reputational risk.



Namibia's participation on the ATU Council and the ITU

OUTCOMES

Namibia was elected to serve on the ATU Council for four years. The Authority also chairs the ITU Working Group 2, specifically focusing on Spectrum Sharing and Compatibility studies within Task Group 6/1, in preparation for WRC-23 on Agenda Item 1.5.



Universal Access Service and Gap Analysis

OUTCOMES

The Universal Access Services Gap Analysis Report and levy regulations have been finalised. However, the draft regulations had to be withdrawn due to ongoing litigation. Nonetheless, the report is being updated with new data from the operators, and the portal is being expanded to provide more relevant information.

Additionally, a report on utilising the 700MHz and 800MHz spectrum bands for universal access services has been prepared and was discussed with the Telecommunications Licensees in November 2022 and it was agreed that the spectrum would be made available to Licensees to expand coverage.

The spectrum auction documentation prepared enables Licensees to bid for this spectrum resulting in an increase of rural coverage for 4G services.



Transfer of Communications House

OUTCOMES

CRAN has successfully appealed against an earlier Cabinet decision that would have forced the Authority to purchase the Communications House from Government. The Communications House will now be transferred to CRAN at no cost.



Approval of the ISBP for the period 2023 – 2026

OUTCOMES

The new ISBP was approved by the Line Minister in February 2023. The ISBP was crafted to strategically direct, monitor and evaluate the Authority's overall performance in line with the Government's strategic objectives for universal access to information, affordable communication, deployment of digital infrastructure and postal services for economic benefits for all.



Approval of the Annual Business and Financial Plan for the 2023 – 2024 financial year

OUTCOMES

The Annual Business and Financial Plan gives effect to the ISBP 2023 – 2026 for the period 2023 – 2024 and was approved by the Line Minister in February 2023 and will ensure the strategic objectives and goals are executed in accordance with the mandate of CRAN.



Implementation of the new Organisational structure

OUTCOMES

The successful implementation of the new organisational structure resulted in the deployment of employees in alignment with CRAN's mandate and strategic plan. The creation of new positions ensures that CRAN has a skilled and experienced workforce capable of fulfilling its mandate effectively. The new structure will be implemented with effect 1 April 2023



Improvement in income collections from levies, spectrum, numbering fees and a reduction in bad debts

OUTCOMES

The initiative has led to a 66% reduction in bad debts, 18% collection of Regulatory levies, 100% collection of numbering plan invoices, 81% collection of spectrum invoices, 50% collection of spectrum auction fees.



Improved spectrum monitoring and management capabilities

OUTCOMES

Improved monitoring capabilities, by purchasing one fully equipped monitoring vehicle, replacing obsolete equipment at the Windhoek High School Monitoring Site and restoration of the Walvis Bay monitoring sites with new state of the art equipment. The new monitoring equipment have capabilities to monitor and manage 5G networks.



Publication of the RFC 2350 for the NSCIRT

OUTCOMES

CRAN published RFC2350 to announce the establishment of NSCIRT. To enhance its capability, CRAN appointed an Executive of Cyber Security and ICT, primarily tasked with the full operationalisation of (NSCIRT). Furthermore, the Namibian government has allocated funds to CRAN for supporting NSCIRT's infrastructure needs.





Strategic theme 1: Strategic Partnering

Strategic Objective	Strategic Initiatives	Key Performance Indicator	Accountability
Improve brand awareness	<ul style="list-style-type: none"> Develop a Stakeholder Engagement Plan 	% successful implementation of brand awareness campaigns/ stakeholder satisfaction surveys	Head: Corporate Communication
Improve information sharing	<ul style="list-style-type: none"> Communication Plan (three years), including brand awareness and information sharing and use of available technology as an information-sharing tool 	% completion of Corporate Communication Plan % completion of initiatives identified in the Stakeholder Engagement Plan Actual vs planned campaign/ projects	Head: Corporate Communication
Increase customer satisfaction	<ul style="list-style-type: none"> Design, improvement, and collection of data and reporting on customer satisfaction index and develop initiatives to improve the satisfaction rate if needed 	% increase in customer satisfaction	CEO
Increase stakeholder satisfaction		Increase % in stakeholder satisfaction	CEO



Strategic theme 2: Operational Excellence

Strategic Objective	Strategic Initiatives	Key Performance Indicator	Accountability
Improve frameworks, systems, and tools	• Existing projects (ASMS & SAGE integration)	% of completion of integration between ASMS and SAGE X3	Head: Electronic Communications
	• Upgrade existing systems	% of completion of existing system upgrades	Head: Finance
	• Data collection improvement	Portals are finalised and operational	Head: Economics and Sector Research
	• Public Key Infrastructure (PKI)	% of completion of the implementation of PKI	
	• NSCIRT implementation	% implementation of the NSCIRT (as per phase 0 of the implementation plan)	
	• E-Signature Accreditation	% of completion of the implementation of Accreditation of E-signatures	
	• Upgrade existing systems		
Improve quality management and systems	• Develop an internal compliance framework to ensure better enforcement	Report on % non-compliance	Governance Executive
Improve business processes	• Business process re-engineering project	Decrease turnaround times on decision-making details	Manager: Postal
Improve the organisational structure	• New project to review the structure	Implementation of approved structure in line with the change management plan	CEO
Improve employee engagement	• Increase information-sharing platforms	% increase in employee engagement information sessions	Head: Human Capital
Improve knowledge and skills	• Increase information-sharing platforms	% number of employee participants in skills audit conducted	Head: Human Capital
		% change in identified knowledge gaps	
		Plan vs actual execution of training	
		Compliance with all requirements of the performance management system	
		Plan vs actual	
		Plan vs actual	



Strategic theme 3: Innovation

Strategic Objective	Strategic Initiatives	Key Performance Indicator	Accountability
Improve frameworks, systems and tools (develop, review and improve the regulatory framework)	New Projects: <ul style="list-style-type: none"> • Business intelligence • Public Key Infrastructure • NSCIRT implementation • E-signature accreditation 	Planned vs actual execution and resourcing of projects	Head: Electronic Communications Head: Legal Advice



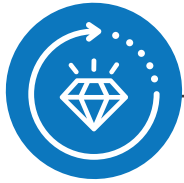
Strategic theme 4: Sustainability

Strategic Objective	Strategic Initiatives	Key Performance Indicator	Accountability
Improve cost efficiencies	<ul style="list-style-type: none"> • Review current systems and implement improvements/ changes to systems • Raise awareness of procurement processes • Asset transfer • Internal data management 	% of IT audit recommendations implemented Number of awareness workshops with departments % of NCC assets transferred N/A	Head: Finance
Increase income	<ul style="list-style-type: none"> • Improve collection of income 	% Increase in Income collection	Head: Finance
Asset transfer	<ul style="list-style-type: none"> • % asset transfer from NCC 	Finalisation of the conveyancing process of the transfer of the Communications House, the appointment of architects and funding modalities	Head: Finance
Internal data management	<ul style="list-style-type: none"> • Complete phase 1 of procurement of data/ document management system (DMS) 	Finalise Terms of Reference for DMS procurement	Head: Finance



STRATEGIC THEME 1: STRATEGIC PARTNERING

Achievement of relevant mutually beneficial stakeholder relationships.



Value Creation Targets

- Successful implementation of the corporate communications strategy and engagement plan, brand awareness campaign, and stakeholder satisfaction surveys.
- A corporate communications strategy and plan responsive to stakeholder needs and expectations.

Improve brand awareness and information sharing

Establishing brand awareness among stakeholders is crucial for the Authority as it develops and improves its regulatory framework. Brand awareness initiatives create an association with the Authority's values, mission, vision, and mandate, resulting in a positive image and reputation. Promoting achievements and positioning the Authority's brand positively are key objectives. Brand awareness empowers, engages, and informs ICT consumers about their rights and obligations.

CRAN aims to share accurate, reliable, and relevant information with stakeholders to align the business strategically, clarify roles and responsibilities, and foster integration. By being transparent, trusted, and well-positioned with stakeholders, CRAN can effectively fulfil its mandate.

Increase customer and stakeholder satisfaction

CRAN focuses on designing, improving, and collecting data on customer satisfaction to report on the satisfaction index. Initiatives are developed to enhance the satisfaction rate. Additionally, CRAN prioritises consumer advocacy, stakeholder engagement, and effective communication for disseminating information, increasing brand awareness, and educating consumers about their rights.

The Corporate Communication Department is crucial in providing stakeholders with timely and objective information through various communication tools, including the website, newsletters, public notices, social media, and the integrated annual report.

CRAN prioritises consumer advocacy, stakeholder engagement, and effective communication for disseminating information, increasing brand awareness, and educating consumers about their rights.



OUR 2023 PERFORMANCE

In today's digital era, brand awareness and stakeholder engagement are crucial for organisational success. CRAN implemented various initiatives to achieve the strategic objectives under this strategic theme, including specialised surveys, roadshows, online campaigns, trade fair participation, corporate reports, newsletters, social responsibility projects, and nationwide activations, as described below.

- ✓ Throughout the review period, the Communication Department achieved all the set targets and even surpassed some of them.
- ✓ Focus was placed on proactively creating awareness on CRAN and its mandate through disseminating information pertaining to type approval, SIM registration awareness, consumer rights and obligations.
- ✓ Several brand awareness and stakeholder engagement Initiatives were held during the year under review. These events allowed CRAN to interact directly with stakeholders and obtain valuable feedback on various matters.
- ✓ A stakeholder and customer satisfaction survey was conducted in the previous financial year to gain an enhanced and in-depth understanding of stakeholder and customer satisfaction in relation to CRAN's fairness, transparency, effectiveness in implementing the mandate, creating certainty, good governance, effective resource utilisation and professional support, and to use such enhanced understanding towards achieving improved levels stakeholder and customer satisfaction. The survey found that CRAN employees, customers, consumers, and stakeholders were satisfied and engaged with CRAN, surpassing the benchmark of 80%. The highest rating was accorded to stakeholders who surpassed the benchmark at a rating of 82.4%, and stakeholders surpassed the benchmark of 80%, whereas customers and employees recorded satisfactory ratings, but below the benchmark of 80% and consumers were found to be neutral at a rating of 66.6%. In response to these surveys, an internal committee was established, dedicated to executing various activities aimed at improving stakeholder satisfaction.
- ✓ Two impactful campaigns were conducted to enhance brand awareness for the Type Approval Application (Via social media and online platforms) and the SIM Registration campaign (via social media, online platforms and roadshows).
- ✓ An online campaign was initiated to foster awareness of legal terms, conditions, and Child Online Protection. Recognising the importance of educating the public about these vital topics, CRAN seeks to create a safer online environment and ensure that individuals are well-informed of their rights and responsibilities.
- ✓ Active participation in trade fairs and exhibitions served as a significant platform for CRAN to connect with stakeholders and the general public. Notable events included the UNAM Career Fair, the Ongwediva Annual Trade Fair, and the Namibia 4IR Conference. Through these avenues, CRAN showcased its services, and expertise, establishing itself as a prominent ICT regulator while engaging with a diverse range of stakeholders.
- ✓ CRAN diligently provided regular updates on type approval, and SIM card registration through various media channels. By disseminating information and maintaining an open line of communication, we ensured that stakeholders remained well-informed and up-to-date with relevant developments.
- ✓ A comprehensive approach to stakeholder engagement was adopted, involving the development of media statements and monthly social media content updates. This strategy aimed to foster engagement, enhancing communication, and maintaining a strong connection with stakeholders.
- ✓ CRAN hosted a stakeholder event to launch its ISBP 2023 – 2026 in line with the provisions of the Communications Act (No. 8 of 2009) and the Public Enterprises Governance Act (No. 1 of 2019) in March 2023.
- ✓ CRAN demonstrated a commitment to knowledge sharing and community outreach through the publication of newsletters. Six internal newsletters and two external newsletters were produced, covering a diverse range of topics. These publications served as valuable resources, disseminating information and promoting industry insights among stakeholders.
- ✓ Effective communication with internal stakeholders ensures their awareness of the organisation's activities and information. In this regard, the department diligently drafted, designed, and distributed internal messages, facilitating the seamless sharing of crucial information among the internal stakeholders. This proactive approach enhances transparency, fosters engagement, and strengthens CRAN's overall alignment.

OUR CORPORATE SOCIAL INVESTMENT (CSI) INITIATIVES AND PUTTING BACK INTO SOCIETY

As a public enterprise, CRAN remains dedicated to achieving national development plans and international and regional agendas, particularly in developing Namibia's ICT and Postal sectors. We actively support the Government, communities, businesses, and individuals in their efforts to create a better future for the nation.

Therefore, during the period under review CRAN actively engaged in various corporate social investment initiatives totalling approximately N\$287,010.00.

MTC We Race Together

CRAN sponsored and participated in the MTC We Race Together charity initiative held at Independence Stadium in May 2022, aiming to raise funds for underprivileged communities and promote unity among Namibians. The CRAN team secured the bronze medal in the 2G category, finishing 3rd.

The project brought together over 140 individuals from diverse backgrounds across Namibia to participate in a 4x100m relay, fostering a sense of togetherness and social change. CRAN warmly welcomed this initiative and contributed N\$30,000.00 to support the cause.



Values Champions Community Outreach Campaign

The values teams participated in a community outreach activity for which each team received N\$4,000.00 from CRAN to donate to an orphanage and old age home of their choice and spend time with the community members at the selected outreach activity. Values Teams were encouraged to raise an additional N\$1,000.00 (minimum) total donation of N\$5,000.00.

Team Accountability visited a kindergarten based in Ombili, Katutura's informal settlement recommended by Hope for Life Africa. The kindergarten caters for 37 kids aged between one to seven years. Team Accountability raised N\$8,460.00 and donated blankets, clothing, food and toys towards the kindergarten.

Team Passion visited the Kids Alive based in Otjomuise and Bridge of Hope Soup Kitchen based in Malaka-Draai, Katutura respectively. Kids Alive caters for eight children, while Bridge of Hope Soup Kitchen caters for 132 children aged between three months to 13 years for both respective homes. Team Passion raised N\$6,100.00 and were able to donate various food items towards both homes. Additionally, the team refilled the gas cylinder used for cooking at the Bridge of Hope Soup Kitchen.

Team Innovation visited a kindergarten based in Ombili, Katutura's informal settlement recommended by Hope for Life Africa. The kindergarten caters for 37 kids aged between one to seven years. Team Accountability raised N\$8,460.00 and donated blankets, clothing, food and toys towards the kindergarten.

Namibia 4IR Conference

CRAN attended and participated at Namibia's Fourth Industrial Revolution (4IR) Conference themed "4IR as an enabler of green and inclusive industrialisation" in June 2022 at Safari Court & Conference Centre in Windhoek. The 4IR Conference aimed to validate Namibia's readiness assessment and preliminary recommendations on 4IR done by the Task Force Team and provide a networking and collaboration platform for private and public sectors on 4IR technology. CRAN sponsored N\$50,000.00 towards the event, emphasising its commitment to technological advancements and sustainable development in the country.



Girls in ICT Day Competition

CRAN ran an essay competition for school-going girls in Grades 9 to 12 in Namibia for Girls in ICT Day Competition. The learners were required to answer the following question in their essays: "Does Namibia provide safe and reliable access to the internet and digital tools for the youth?"

The essay competition provided a platform for girls to air their views on the topic, which boosted their interest in the ICT sector .

CRAN donated N\$15,000.00 towards purchasing devices for the winners.

World Radio Day

CRAN joined relevant industry stakeholders and the rest of the world in celebrating the 12th edition of World Radio Day on 13 February 2023, under the theme "Radio and Peace".

CRAN donated N\$5,000.00 as part of its CSI towards this event.

CRAN donates towards Nossob River Trail Walk/Run

The Your Turn Move (YTM) Foundation hosted the White Nossob Trail Run/Walk on 19 November 2022 in Witvlei, Omaheke Region. The YTM Foundation aims to impact and transform people's lives towards better, stronger, and sustainable futures. Additionally, they remind communities that it is their Turn to Move, be informed, be empowered, learn, and become skilled to claim their rightful place in society and to create sustainable socio-economic opportunities.

CRAN donated 100 water bottles towards the Nossob River Trail Walk/Run event.



NUST International Conference on Information Systems and Emerging Technologies (ICISSET – 2022)

CRAN sponsored its MoU partner, NUST Faculty of Computing and Informatics towards the hosting of the ICISSET – 2022. The event was hosted under the theme "Emerging Technologies for Sustainable Development" and was hosted in November 2022.

ICISSET – 2022 is an international conference for researchers and practitioners to present and discuss recent innovations, trends, results, experiences, and concerns in the several aspects of Information Systems. The conference aimed to provide a platform to researchers and practitioners from academia and industry to meet and share cutting-edge development in the field of information systems.

CRAN sponsored N\$5,000.00 towards the hosting of the event.

Windhoek Residents Mayoral Trust

Windhoek Residents Mayoral Trust hosted an Annual Elders' Christmas Lunch in December 2022, in all ten constituencies of Khomas Region. The purpose of the event was to reach out to the vulnerable elders in communities of Windhoek, especially elders with no family ties.

CRAN sponsored N\$5,000.00 towards hosting the Mayoral Elders Christmas Lunch.

Ehaveco Events

Ehaveco Events hosted a Vision Board Experience in January 2023, at the Village Opera House. The 2023 Vision Board Experience is a Namibian youth-led empowerment event led by Mavis Elias and Martha Abner. The event aimed to facilitate the process of empowering Namibian young professionals and scholars to create SMART goals in seminar style workshops.

CRAN donated 100 pens towards the Vision Board Experience event.

MICT Launch of the National Cybersecurity and Awareness Raising Plan

In March 2023, MICT launched the National Cybersecurity Strategy and Awareness Raising Plan for 2022 - 2027 at A. Shipena Secondary School. The plan aims to enhance cyber resilience and digital security, enabling innovation and promoting social and economic growth in Namibia.

CRAN supported the event by donating 100 pens and 50 water bottles, demonstrating its commitment to cybersecurity awareness and preparedness in the country.

CRAN donates laptops to public schools

In March 2023, CRAN donated a total of 28 laptops (15 new and 13 used) valued at approximately N\$150,000.00 to the Ministry of Education, Arts and Culture. The laptops were distributed to eight schools in different regions of Namibia, aiming to bridge the digital divide and promote universal access to ICTs.

This initiative reflects CRAN's commitment to supporting the Government's vision of transitioning to e-teaching, e-learning, and virtual learning environments in schools, ensuring equal opportunities for students to access modern educational resources.





IMPLEMENTATION OF THE UNIVERSAL ACCESS AND SERVICE FUND

An important upcoming initiative is the establishment and implementation of the Universal Access and Service Fund, aimed at enhancing information access, especially in unserved and under-served areas. CRAN's core value proposition guides this effort, emphasising the promotion of trust and maintaining positive relationships with stakeholders, building brand loyalty and recognition, stimulating innovation, and endorsing accountability.

The Universal Access Services Gap Analysis Report and levy regulations have been finalised. However, the draft regulations were withdrawn due to ongoing litigation. The report is currently undergoing updates with new data from operators, and the portal is being expanded to provide more relevant and comprehensive information.

Furthermore, a report on utilising the 700MHz and 800MHz spectrum bands for universal access services was finalised and discussed with Telecommunications Licensees in November 2022. It was agreed that the spectrum would be available to Licensees to expand coverage, further contributing to improved access in underserved areas.



OUR FOCUS FOR 2024

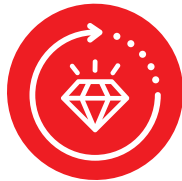
We will in the 2024 financial year endeavour to complete the following:

- Further improve customer and stakeholder satisfaction (internally and externally) by developing and implementing an Integrated Stakeholder Engagement, and Communications Plan aligned with the 2023 – 2026 ISBP
- Further strengthen our commitment to providing excellent customer service by developing a Customer and Stakeholder Service Charter for CRAN
- Raise awareness on consumer protection through advocacy initiatives
- Raise awareness on the responsible and safe disposal of e-waste
- Raise awareness on Child Online Protection
- Upon finalisation the litigation on Section 23, the Regulations in respect of UAS Levy will be finalised
- Implement the recommendation of the UAS report on the utilisation of the 700 MHz to 800 MHz spectrum for UAS



STRATEGIC THEME 2: OPERATIONAL EXCELLENCE

A well-resourced organisation with aligned processes, providing quality output to the benefit of the industry.



Value Creation Targets

- Increased utilisation of existing systems and tools
- Increased capacity to respond to emerging trends
- Increase income collection mechanisms and capabilities
- Successful implementation and improvement of frameworks, systems and tools
- Knowledgeable employees empowered to effectively carry out the mandate
- Attain 100% integration between ASMS and SAGE X3
- Upgrade existing systems as per budget provisions
- Improve on data collection from industry
- Finalisation of regulations on reporting obligations
- Update of portals as required by business needs, including updates of all broadcasting portals and all telco portals in line with the Data Collection Regulations
- Finalisation of Universal Access and Service (UAS) Portal
- Implementation of PKI and NSCIRT
- Implementation of Accreditation of E-signatures
- Knowledge building and successful implementation and improvement of regulatory frameworks, internal IT systems and monitoring tools to empower CRAN's workforce to implement if mandate effectively
- Building an extensive ICT industry database through data collection via reporting obligations to support evidence based decision making in implementation of Namibia's development goals

OUR 2023 PERFORMANCE

Improve frameworks, systems and tools

Regulating a dynamic economic sector requires CRAN to continuously develop, review and improve its regulatory framework in addition to its internal systems and tools. During the strategic period, CRAN continued implementing several internal improvements to its systems and to improve efficiency. Importantly CRAN would prepare for and implement its mandate, as contained in the Electronic Transactions Bill and Cyber Crime Bill once Parliament approves the two Bills. In doing so, CRAN would promote trust and security in the use of ICT services and strive to promote growth in the digital economy of Namibia.

- ✓ All portals for Telecommunications, Broadcasting, and Postal Licensees were updated and finalised. The UAS portal was updated with a radio propagation model and made available to all Licensees.
- ✓ Insourcing of IT functions to improve security and efficiency. CRAN took a principled decision to insource the management of its email and firewall platforms. Plans for the migration of these

platforms are formulated. Email migration to the online M365 platform has started and is scheduled for completion in Q2 of FY2023/24. The Cloud Computing, policy, an enabler of using the M365 platform, will be implemented in the financial year 2023/2024.

Implementation of NSCIRT

- ✓ Phase 0 of the five phases NSCIRT implementation plan commenced based on a zero budget, with 50% completion by the end of the financial year. The implementation plan provides a set of activities aimed at operationalising the National Security and Cyber Incident Response Team (NSCIRT).
- ✓ The TRFC-2350 advertisement directed by the MilCT was published on CRAN's website. CRAN published RFC2350 to announce the establishment of NSCIRT. Implementation of the NSCIRT including NSCIRT's infrastructure needs. CRAN has appointed the Executive: Cybersecurity and ICT with effect from 1 February 2023 to continue to build capacity for NSCIRT. The Government of the Republic of Namibia has allocated funding which enables CRAN to finance the infrastructure needs of the NSCIRT.



Improve Quality Management System

Quality management is a continuous effort by CRAN to ensure long-term stakeholder and customer satisfaction. Quality management ensures an improved working culture, processes, services, and systems for long-term sustainability.

- ✓ The Risk and Compliance team is conducting internal policy compliance audits, on a continuous basis, to identify the shortcomings and non-compliance in respect of policies within the organisation. The team benchmarked with other entities in light of improving CRAN's compliance framework in order to add more value to the current compliance assessment activities and processes within the organisation.
- ✓ Furthermore, a compliance maturity assessment was conducted by Deloitte and Touche CRAN's Internal Audit consultant. The report was presented in March 2023. The assessment identified the shortcomings in our compliance management and recommended improvements. The recommendations proposed in the report will be implemented in the next financial year as far as possible.

Improve Business Processes

Business Process Re-engineering (BPR) is the practice of rethinking and redesigning the way work is conducted for improved support of an organisation's mandate and the optimisation of costs to ensure sustainability. The project involves reviewing existing business processes, documenting new processes, developing a change management process, and automating a specific process.

The BPR project was initiated in 2020 to improve work processes and reduce costs for sustainable operations. It leverages technology for improved efficiency.

- ✓ The BPR project Workstream 2, Level 3 mapping was concluded ahead of schedule in December 2021.
- ✓ Workstream 3, level 4 mapping, initially planned for 1 April 2022, commenced in February 2022 and has subsequently been completed. Alignment with the revised organisational structure and Change Management Plan was a crucial component of this workstream, and was successfully completed.
- ✓ Workstream 4 and 5 is currently underway, with Workstream 5 planned for completion in September 2023.



OUR FOCUS FOR 2024

We will in the 2024 financial year endeavour to complete the following:

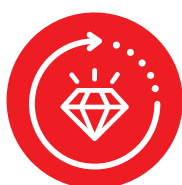
- Conduct system audits to establish needs for optimisation, integration, and implementation of functionalities
- Implement integrated data management platforms and systems
- Design and implement a business intelligence and project management framework
- Implement business process reengineering and automation



OUR HUMAN CAPITAL

The Human Capital department manages the organisation's human resources and various strategic and administrative functions related to employee management and development. The primary objective is to foster employee engagement, increases productivity, and enhanced value contributed by employees.

Talent acquisition, performance management, compensation, and employee relations, the department oversees every aspect of human resource services to ensure the organisation has a skilled, motivated high-performing staff complement.



Value Creation Targets

- An organisational structure designed to execute CRAN's mandate
- An engaged workforce that is passionate about the CRAN brand

OUR 2023 PERFORMANCE

During the period under review, we focused our human resource efforts on creating an environment where people thrive by developing and retaining a high-performance culture through investing in our human capital. We believe

this will lead to a passionate workforce living out our core values, thereby enabling the organisation to become an employer of choice.

Staff complement

The Authority's staff complement stood at 73 (2022: 69) employees as of 31 March 2023, and as depicted below:

Description	Statistics
Total number of employees	73
Number of males	24
Number of females	38
Number of employees with disabilities	2
Number of temporary employees/interns	9

Staff recruitment

The table below shows the employees recruited between 1 April 2022 and 31 March 2023.

Description	Statistics
Total number of employees	7
Number of males	4
Number of females	2
Number of employees with disabilities	1
Number of temporary employees/interns	6

Promotions

The table below indicates that four (three males and one female) were promoted between 1 April 2022 to 31 March 2023.

Description	Statistics
Total number of employees	4
Number of males	3
Number of females	1
Number of employees with disabilities	0

Resignations

The table below indicates that three employees (two males and one female) resigned between 1 April 2022 to 31 March 2023.

Description	Statistics
Total number of terminations/resignations	3
Number of males	2
Number of females	1



Staff turnover

Staff turnover for the period under review increased from 0.99% in the previous period to 5.9% during the period under review. A labour turnover rate of 10% annually in Namibia is considered the norm and within an acceptable range.

Professional Development

The process through which CRAN develops, enhances, and improves the skills, competencies, and overall participation in business-related seminars, workshops, online courses, and training related to the operations of CRAN.

The table below indicates employees who attended professional development training during the period under review.

Description	Statistics
Total number of employees	9
Number of males	6
Number of females	3

Staff Development

Staff development is promoted by offering formal studies for employees to obtain formal qualifications.

The table below indicates statistics related to employees who underwent formal training through staff development initiatives during the period under review.

Description	Statistics
Total number of employees	28
Number of males	9
Number of females	19

Improve the organisational structure

- ✓ The organisational structure project has been successfully aligned. This comprehensive process entailed benchmarking with other regulators, thorough employee consultations and engagements, implementation of the change management plan, review and alignment of job descriptions, job grading, and the deployment process.
- ✓ The deployment exercise was successfully implemented with effect from 1 April 2023.

Organisational wide skills audit

- ✓ Following the completion of the organisational realignment project, the organisation-wide skills audit was initiated. The primary objective of this project is to address any skills shortages identified during the structural changes and to identify training needs for the training plan.

Improve employee engagement

- ✓ The employee engagement survey was completed externally for the period 2021 – 2022. The employees were overall satisfied and engaged at a rating of 71.4%. The Authority is in the process of implementing wellness initiatives to increase engagement to the required 80%. Initiatives such as health screening, massage therapy, psychosocial therapy support, and various team building interventions were undertaken during the period under review.

Increase information-sharing platforms

- ✓ CRAN intends to share accurate, reliable and relevant information with stakeholders to steer the business in one direction. This will allow for the coordination of the business strategic intent, creating a clear understanding of roles and responsibilities that will lead to an integrated and coherent team.
- ✓ Creating information-sharing platforms will allow CRAN to be positioned as a transparent organisation that is trusted, supported and well-positioned with its various stakeholders. In creating these platforms, the organisation aims to increase the employee engagement index and trust levels across all levels of the organisation.

Human Capital initiatives

The Human Capital department conducted the following interventions for the period under review:

- ✓ Affirmative Action Committee meetings
- ✓ Performance engagement sessions with various departments
- ✓ Succession planning engagement session with EXCO
- ✓ Health and Safety Committee meeting
- ✓ Wage negotiations with Namibia Public Workers Union (NAPWU)
- ✓ Quarterly social club gatherings
- ✓ Organisational structure engagement sessions
- ✓ Initiatives to build and embrace CRAN's values
- ✓ Wellness activities and initiatives

Improve knowledge and skills

Operating in a dynamic environment, CRAN swiftly responds to the flow of information. Our commitment to quality regulations and empowered employees drives us to prioritise knowledge and skill development, ensuring expertise across various areas. During the review period, our focus was on the following areas:

✓ **Succession Plan Implementation**

We are realigning the succession planning process with the new organisational structure following the completion of the organisational skills audit, as it is interdependent.

✓ **Training and Development Plan**

We achieved an impressive 82% completion rate for the training and development plan during the review period.

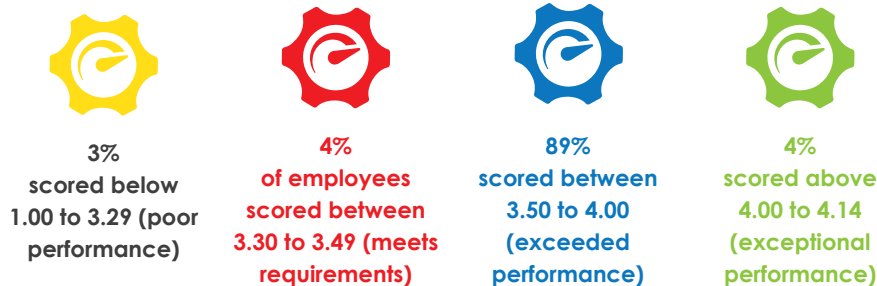
✓ Regulatory capacity building on trends in sector reform and regulation for the digital economy was a priority during the review period, with a workshop on leadership's role in framing the digital economy.

✓ Furthermore, a Cyber Security and Spectrum Assignment Strategy/training information sharing session was held and attended by CRAN employees.

Performance management

✓ During the review period, the organisation demonstrated its capability to execute the 2022/2023 Operational Plan in alignment with strategic objectives, exemplifying a high-performing culture.

✓ CRAN's average organisational performance score of 3.69 surpassed the Performance Management Policy standards and highlighted the organisation's dedication to excellence. The majority of employees, comprising 92%, exceeded expectations with scores ranging from 3.50 to 4.00, while an exceptional 4% achieved outstanding scores between 4.00 to 4.14, making significant contributions to CRAN's success. Furthermore, 4% of employees met the requirements with scores between 3.30 and 3.49, collectively forming a solid foundation for future growth and achievements. This impressive achievement is a testament to CRAN's commitment to fostering a culture of excellence and setting a stable platform for continued success.



Statutory reporting

✓ CRAN submitted its Affirmative Action report for the period under review and received its compliance certificate from the Office of the Equity Commissioner.



OUR FOCUS FOR 2024

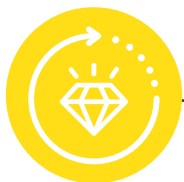
We will in the 2024 financial year endeavour to complete the following:

- Develop an integrated plan with interventions on employee engagement and corporate wellness
- Develop and implement training and development plan to develop requisite skills for emerging technologies and approaches to regulation
- Reform Performance Management System
- Finalise CRAN office accommodation needs



STRATEGIC THEME 3: INNOVATION

Innovation will lead to flexible solutions and frameworks, building trust through improved turnaround times and improved quality processes based on relevant resources.



Value Creation Targets

- Forward-looking Regulatory Framework to enhance innovation and adaptation to new technologies
- Diverse products and services increasing consumer choice in the sector.
- Innovation leads to increased competition and lower prices of products and services to consumer
- A strong, competitive and robust sector

DEVELOP, REVIEW AND IMPROVE THE REGULATORY FRAMEWORK

Regulating a dynamic economic sector requires CRAN to strive to continuously develop, review and improve its regulatory framework in addition to its internal systems and tools. Apart from the framework created by the Communications Act (No. 8 of 2009) and its supporting regulations, CRAN proactively prepared to implement the mandate of the Electronic Transactions Act (No. 4 of 2019) as soon as Section 20 and Chapter 5 are operationalised. The Cyber Crime Bill includes provisions that will expand the mandate of CRAN. The provisions of the Cyber Crime Bill will promote trust and security in the use of ICT services and strive to promote growth in the digital economy of Namibia.

OUR 2023 PERFORMANCE

The Authority is conducting a regulatory impact assessment (RIA) to assess the positive and negative effects of proposed and existing regulations and non-regulatory alternatives. The RIA process involves defining regulatory objectives, analysing policy options, and evaluating potential positive and negative impacts on various stakeholders. Engaging with stakeholders and considering feasibility and risks are also key components of the assessment. The RIA promotes evidence-based policymaking, transparency, and accountability in regulatory decision-making.

Furthermore, our ongoing focus remains on enhancing and streamlining internal processes to eliminate duplication and improve overall efficiency.

STATUS OF FINALISATION OF REGULATIONS ON LEGISLATIVE DRAFTING PLAN AS OF 31 MARCH 2023

Finalised regulations

The following regulations were finalised during the period under review:

REGULATION	GAZETTE PUBLICATION DATE
Imposition of further conditions on Telecommunications Service Licensees in terms of Section 72(4) of the Communications Act (No. 8 of 2009) relating to matters prescribed by the Minister responsible for Communications by virtue of the Regulations in terms of Part 6 Of Chapter V of the Communications Act (No. 8 of 2009)	General Notice No. 180, Government Gazette No. 7797, 28 April 2022
Amendment to Regulations Prescribing the National Numbering Plan for use in the Provision of Telecommunications Services in the Republic of Namibia, Numbering Licence Fees and Procedures for Number Licences	General Notice No. 675, Government Gazette No. 7961, 22 November 2022
Amendment to Regulations Prescribing Procedures Regarding Application for, and Amendment, Renewal, Transfer and Cancellation of Spectrum Licences	General Notice No. 161, Government Gazette No. 8060, 3 April 2023

LEGISLATION OR REGULATIONS	DESCRIPTION	STATUS
Amendment of the Communications Act (No. 8 of 2009)	Proposed amendments to the Communications Act (No. 8 of 2009)	CRAN provided comments to the MICT, and the Ministry of Justice during public consultations
Regulations in terms of section 53 (20)(a) of the Act (Price Cap Regulations)	Imposition of a cap on tariffs charged for telecommunications services	CRAN is concluding a price determination study in consultation with telecommunications operators and the general public. Comments received will be incorporated into the final report
Amendment to Type Approval Regulations	Amendment of Type Approval Regulations to streamline approval processes and facilitate efficient importation of telecommunication equipment	Final Regulations submitted to the Board of Directors for consideration and approval in Quarter 1 of the next financial year.
Postal Quality of Service Standard	Amendment to the license conditions of Public Postal Operator to provide for compliance monitoring of the quality of service parameters	The proposed amendments are being finalised in consultation with the Public Postal Operator
Amendment to the FM Analogue Frequency Channeling Plan in April 2023	Review of the FM Analogue Frequency Channeling Plan to identify new frequencies for assignment and to ensure efficient spectrum management and use	Final regulations to be considered by Executive Regulatory Affairs Committee (ERAC)
Amendment to Spectrum Fees Regulations	Review regulations to be in line with inflation	Draft regulation finalised, (rulemaking to commence in Quarter 1 of the next financial year)
Amendment to QoS Regulations	Review existing regulations to make improvements based on user experience	Draft to commence in Quarter 1 of the next financial year
Amendment to the Infrastructure Sharing Regulations	Review of regulations pursuant to Regulatory Impact Assessment	Draft to commence in Quarter 1 of the next financial year
Determination of Dominant Position in the Telecommunications Sector	Dominance determination in terms of section 78 of the Communication Act	Statutory deadline for the next Dominance determination will be in 2024
Amendment to the Regulations Prescribing the National Numbering Plan for use in the provision of Telecommunications Services in the Republic of Namibia, Numbering Licence Fees and Procedures for Number Licences	The regulations were amended in respect of the numbering fees chargeable, and the amended regulations were published in the Government Gazette with effect from 22 November 2022	The amended regulations were published in the Government Gazette effective 22 November 2022
Amendment to the Regulations Prescribing Reporting Obligations for Licensees	Review existing regulations pursuant to the review and improvements made to the Quality of Service regulations based on user experience	Draft to commence after finalisation of RIA



PROTECTING CONSUMERS AGAINST UNFAIR PRACTICES THROUGH OUR REGULATORY FRAMEWORK

The Communications Act (No. 8 of 2009) mandates the Authority to protect consumers in the telecommunications, broadcasting and postal sectors against unfair consumer practices. In implementing this mandate, the Authority enacted the Adjudication Regulations, which outline procedures and mechanisms for resolving complaints and adjudicating disputes received from consumers.

The Adjudication Regulations empower the Authority to adjudicate over the following types of complaints:

- Non-compliance or breach of a Licence or Licence condition
- Non-compliance or breach of a contract
- Non-compliance or breach of the Act or regulations; and
- Including, but not limited to billing, charges and refunds, service delivery and product delivery, confidentiality of information, customer services, treatment, service interruptions and dropped calls.

Regulation 8 (1) of the Adjudication Regulations mandates service providers to establish clear and easily-understood internal complaints resolution procedures for addressing customer complaints submitted directly to them. Furthermore, Regulations 8(2) and 8(3) stipulate that Licensees must submit annual consumer complaints reports and internal complaint resolution procedures for complaints submitted directly to them.

The following pages provide an overview of consumer complaints and trends, and shows progress in the adjudication of complaints in compliance with the Adjudication Regulations, from 1 February 2022 to 31 January 2023.

TELECOMMUNICATIONS SERVICE LICENCES

During the period 1 February 2022 – 31 January 2023, the Authority had 66 telecommunication service Licensees, from 61 in the previous year. The Licensees were required to submit their annual consumer complaints reports and their internal procedures for the resolution of disputes for the period 1 February 2022 – 31 January 2023.

Thirty-two (32) of the 66 Telecommunication Service Licensees were obligated to comply with Regulation 8 by virtue of the type of Licence they hold. The remainder of the 34 Licensees hold a Class Non-Profit ECNS Licence or have not commenced services and therefore have no obligation to submit consumer complaint reports.

On 6 December 2021, the Authority sent out a notice to all Licensees requesting them to submit their annual consumer complaint reports on or before 31 January 2022. The data submitted was analysed and is presented in the following pages.

ANNUAL CONSUMER COMPLAINT REPORTS

As observed in the table below, all 32 Licensees have submitted their Annual Reports and Internal Complaints Procedures. Telecommunications Consumer Complaints for the period 01 February 2022 – 31 January 2023

Telecommunications Consumer Complaints for the period 01 February 2022 – 31 January 2023

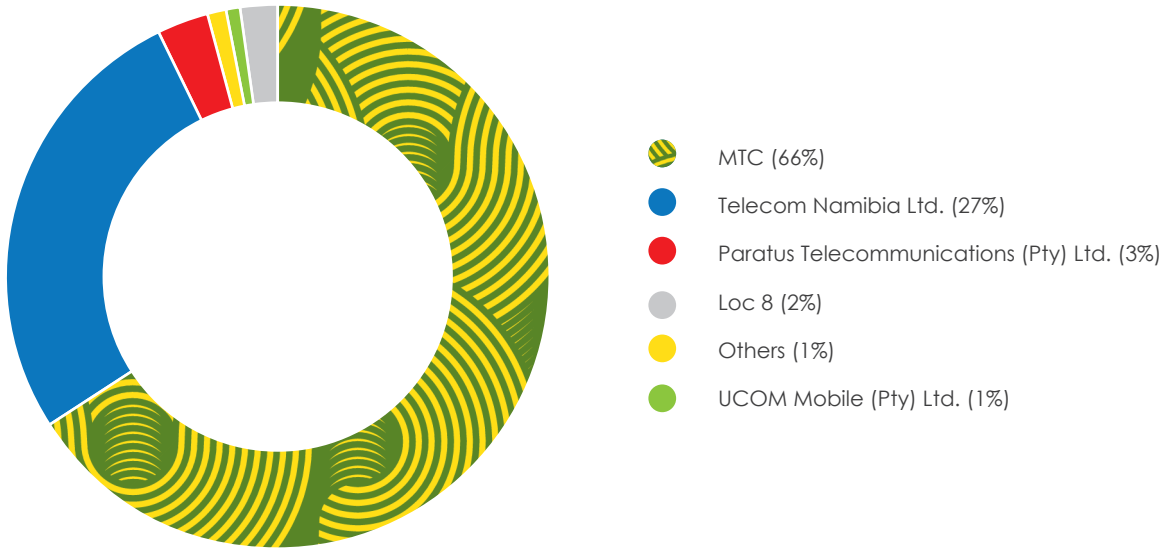
The table on the next page indicates the number of consumer complaints submitted to the Licensees, and the time frame during which the Licensees finalised these complaints. Licensees' obligation is to attend to complaints within 14 days of receipt. If Licensees fail to finalise the complaint, they are obliged to advise the consumer to approach the Authority for relief.

In total, 19,208 complaints were lodged by consumers, and 17,953 of these complaints were resolved within 14 days. Only 1,255 were resolved after 14 days, of which 19 complaints were escalated to CRAN during the period under review.

It can further be observed that out of the 32 Licensees, only 14 had received customer complaints, while the remaining 19 Licensees received no complaints during the year under review.

LICENSEE	TOTAL NUMBER OF CUSTOMERS	COMPLAINTS RECEIVED	RESOLVED WITHIN 14 DAYS	RESOLVED AFTER 14 DAYS	COMPLAINTS NOT RESOLVED	COMPLAINTS DELIVERED TO CRAN
MTC	1,567,265	12,578	12,566	12	0	12
Telecom Namibia Limited	696,037	5,124	4,056	1,068	0	11
Paratus Telecommunications (Pty) Ltd.	17,359	583	583	0	0	0
Africa Online(Pty)Ltd.	8,901	30	30	0	0	0
MetaGalaxy Space Science &Technology CC	-	0	0	0	0	0
CompuServe CC	-	0	0	0	0	0
Converged Telecommunications Solutions (Pty) Ltd.	-	0	0	0	0	0
Salt Essential IT (Pty) Ltd.	119	2	1	1	0	0
Dimension Data Namibia (Pty) Ltd.	-	0	0	0	0	0
Wi-Tel	2,667	50	50	0	0	0
UCOM Mobile (Pty) Ltd.	1,547	273	273	0	0	0
Telepassport Communications (Pty) Ltd.	495	50	50	0	0	0
Misty Bay Investment 140 CC	189	0	0	0	0	0
Acunam Namibia IT (Pty) Ltd.	52	2	2	0	0	0
Demshi Investment Holdings (Pty) Ltd.	-	0	0	0	0	0
Omnitel Namibia (Pty) Ltd.	1,172	32	32	0	0	0
IT Guru Solutions CC	352	26	26	0	0	0
Coastal Network Solutions	230	60	60	0	0	0
Powercom (Pty) Ltd.	-	0	0	0	0	0
Namibia Power Corporation (Pty) Ltd.	5	0	0	0	0	0
Blue Telecommunications Namibia (Pty) Ltd.	-	0	0	0	0	0
Focus Engineering Services CC	-	0	0	0	0	0
Oblixx Communications Networks CC	654	8	6	2	0	0
City of Windhoek	-	0	0	0	0	0
Capricorn Connect (Pty) Ltd.	-	0	0	0	0	0
Integrated Communication Systems CC	-	0	0	0	0	0
Virtua-Technologies (Pty) Ltd.	-	0	0	0	0	0
Lizalex Communications Service (Pty) Ltd.	-	0	0	0	0	0
Data Continuity Namibia (Pty) Ltd.	-	0	0	0	0	0
Schoemans Technology (Pty) Ltd.	-	0	0	0	0	0
Loc8 Mobile	32	343	309	34	0	0
Q-Kon Telecom Namibia	149	473	434	39	0	0

Total number of complaints received by Licensees



The above graph indicates the distribution of consumer complaints among different Licensees. MTC received 66% of the total complaints, followed by Telecom Namibia with 27%, Paratus Telecommunications (Pty) Ltd. with 3%, Loc8 with 2%, and UCOM Mobile (Pty) Ltd., with 1%. The rest of the Licensees collectively received less than 1% of the complaints.

These statistics represent the total number of complaints received but not in comparison to the number of its customers,

When comparing the number of complaints to the number of customers, Telecom Namibia had the lowest complaint rate, with only 0.74% of its customers lodging complaints. MTC had the second lowest complaint rate, with 0.8% of its customers filing complaints during the reporting year.

On the other hand, Loc8, with a customer base of 32, had the highest complaint rate, with 1008% (or 343) of its customers submitting complaints. Coastal Network Solutions had the second highest complaints relative to its customers at 26%, followed by UCOM Mobile (previously known as MTN Business Solution (Pty) Ltd), with 17.8% of its customers filing complaints. Telepassport received complaints from 10% of its customers, IT Guru Solutions CC from 7.4% of its customers. Acunam Namibia IT (Pty) Ltd. from 3.8% of its customers, and Paratus Telecommunications (Pty) Ltd. from 3.4 % of its customers.

Compared to the previous year (2021 – 2022), MTC's complaints increased from 48% to 66%, while Telecom Namibia Limited's complaints decreased from 30.3% to 27%. UCOM Mobile (Pty) Ltd. also experienced a decrease from 7% to 1% in its complaint rate.

COMPLAINTS REFERRED TO THE AUTHORITY

The Authority received 23 complaints against telecommunication service Licensees during the period under review. Of these 23 complaints, 12 were lodged against Telecom Namibia Limited, and 11 against MTC.

As of 31 January 2023, 16 complaints were resolved, and seven complaints remained unresolved. Comparing these statistics with those of the 2021/2022 period, it was observed that the total number of complaints resolved by the Authority decreased from 88% to 70%, while the number of complaints unresolved by the Authority increased from 12% to 30%.

It is also important to mention that, of the resolved complaints, nine were received from Telecom Namibia, and ten from MTC. Regarding the unresolved complaints, six are from Telecom Namibia Limited and one from MTC.

The Authority received one general complaint against non-licensees, which falls outside its jurisdiction for dispute resolution. This complaint is not included in the statistics of this report. Additionally, the Authority received a complaint against CSS Tactical, a reseller of Telecom Namibia. Although CSS Tactical is not a Licensee, the Authority conducted an investigation under Section 53 of the Act to assess if CSS Tactical was complying with the requirements for resellers.

NATURE OF THE COMPLAINTS RECEIVED BY THE AUTHORITY

This part of the report deals with the nature of the complaints received by the Authority.

Telecom Namibia Limited

Of the 12 consumer complaints received by the Authority against Telecom Namibia, nine complaints related to billing, two complaints related to service quality, and one complaint related to service delivery.

The billing complaints related mainly to instances of overcharging and errors in the invoices issued by Telecom Namibia. The complaints received relating to service quality focused on issues such as poor network quality and inadequate service connectivity, mainly in the Otjomuise, Rocky Crest, and Khomasdal areas. The service delivery relates to the failure to install services at the customer's premises after a subscriber agreement was concluded.

Mobile Telecommunications Limited

Of the 11 consumer complaints received by the Authority against MTC, six related to billing issues, four were related to delays and poor connection in the quality-of-service, and one complaint did not fall within the jurisdiction of the Authority.

There has been a significant increase in billing complaints received by the Authority during the year under review, increasing from four complaints (25% of total complaints) in the previous year to twelve complaints (54% of total complaints). There has also been an increase in quality-of-service complaints, from four complaints (25% of total complaints) to nine complaints (36% of total complaints).

On a positive note, there has been a 100% reduction in complaints related to delays in service delivery, with no such complaints reported during the current reporting period.

However, it is important to mention that 9% of the complaints received during the year were beyond the jurisdiction of the Authority.

BROADCASTING SERVICE LICENSEES' COMPLAINTS STATISTICS

During the Period 1 February 2022 – 31 January 2023, the Authority had 35 Broadcasting Service Licensees. These Broadcasting Licensees were required to submit their annual consumer complaints reports from 1 February 2022 – 31 January 2023 by 31 January 2023.

During the period under review, all Licensees except Omaheke Community Radio fulfilled the obligation to submit their annual consumer complaint reports and internal complaints procedures. However, an investigation conducted by the Authority on 31 January 2023 revealed that Omaheke Community Radio is not actively broadcasting. However, despite this issue, Omaheke Community Radio remains a recognised Licensee and is expected to comply with the reporting requirements.

COMPLAINTS SUBMITTED DIRECTLY TO LICENSEES

The table below depicts the number of complaints received by Broadcasting Service Licensees directly from their consumers:

Broadcasting Consumer Complaints for the period 01 February 2022 – 31 January 2023

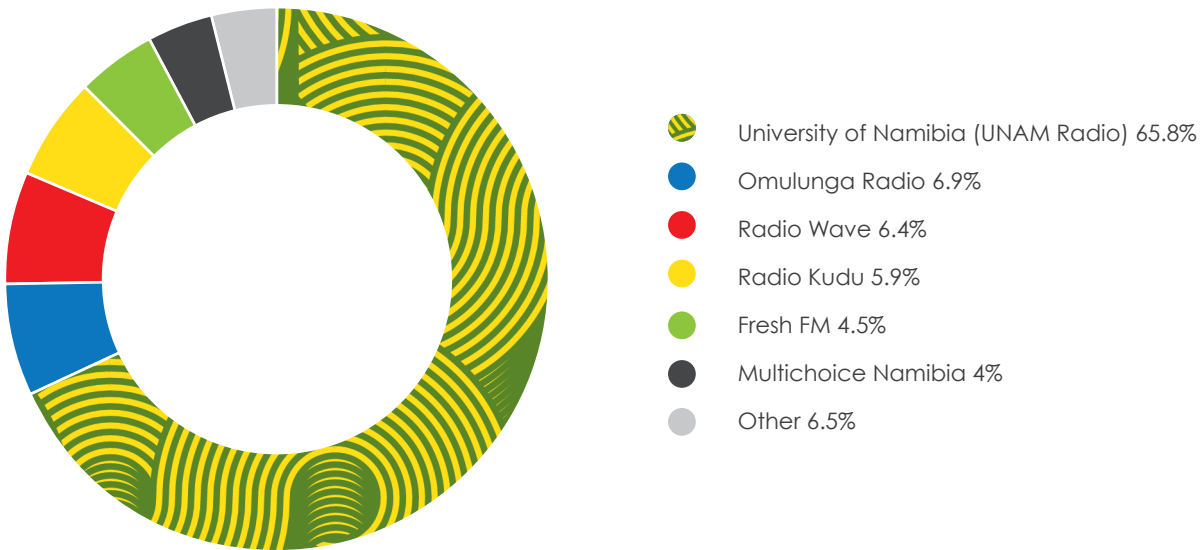
LICENSEE	COMPLAINTS RECEIVED	RESOLVED WITHIN 14 DAYS	RESOLVED AFTER 14 DAYS	COMPLAINTS NOT RESOLVED	COMPLAINTS DELIVERED TO CRAN
Fresh FM (Pty) Ltd.	9	9	0	0	0
Cosmos Digital Namibia (Pty) Ltd.	2	1	0	0	1
Media Network for Christ	0	0	0	0	0
One Africa Television (Pty) Ltd.	1	1	0	0	0
Omulunga Radio (Pty) Ltd.	14	14	0	0	0
Trinity Broadcasting	0	0	0	0	0
Radio Kudu (Pty) Ltd.	12	12	0	0	0
Radio Wave CC	13	13	0	0	0
Radio 100 (Pty) Ltd.	2	2	0	0	0
University of Namibia (UNAM Radio)	133	21	92	0	0
West Coast FM (Pty) Ltd.	0	0	0	0	0
99FM (Pty) Ltd.	0	0	0	0	0
Multichoice Namibia (Pty) Ltd.	8	6	0	0	2
Hitradio Namibia CC	0	0	0	0	0
Carol Ann van der Walt	0	0	0	0	0
Shipi FM	0	0	0	0	0

LICENSEE	COMPLAINTS RECEIVED	RESOLVED WITHIN 14 DAYS	RESOLVED AFTER 14 DAYS	COMPLAINTS NOT RESOLVED	COMPLAINTS DELIVERED TO CRAN
Shal'om Messenger Ministries	0	0	0	0	0
Trustco Administrative Support Services (Pty) Ltd.	0	0	0	0	0
Radiance Consulting and Trading Services t/a Rapids FM	0	0	0	0	0
Southern Sun Media Trust t/a Karas FM	1	1	0	0	0
Oranjemund Community Radio	0	0	0	0	0
Kunene Community Radio	-	-	-	-	-
Satelio Television Namibia	0	0	0	0	0
Adventist Development and Relief Agency Namibia	0	0	0	0	0
Namibian College of Open Learning	0	0	0	0	0
Urban Café Radio	0	0	0	0	0
John Walenga t/a Eagle FM	7	7	0	0	0
Universal Media CC	0	0	0	0	0
The Free Press of Namibia (Pty) Ltd.		1	0	0	0
Focus Community Radio	0	0	0	0	0
Gospel Mission Ministries	0	0	0	0	0
Infinity Investments CC	0	0	0	0	0
Otji Investment CC	0	0	0	0	0

The table below illustrates that out of the 35 Broadcasting Licensees, only 11 Licensees received consumer complaints during the period under review. Out of these complaints received, only three were escalated to the Authority. One complaint was received against Cosmos Radio, while Multichoice Namibia, accounted for two complaints.

LICENSEE	COMPLAINTS RECEIVED	COMPLAINT %
Fresh FM	9	4.5
Cosmos Digital Namibia (Pty) Ltd.	2	1
One Africa Television (Pty) Ltd.	1	0.5
Omulunga Radio (Pty) Ltd.	14	6.9
Radio Kudu (Pty) Ltd.	12	5.9
Radio Wave CC	13	6.4
Radio 100 (Pty) Ltd.	2	1
University of Namibia (UNAM Radio)	133	65.8
Multichoice Namibia (Pty) Ltd.	8	4
Southern Sun Media Trust t/a Karas FM	1	0.5
John Walenga t/a Eagle FM	7	3.5

Percentage of Complaints received by Broadcasting Licensees



The graph above provides statistics on consumer complaints received by Broadcasting Licensees, indicating a total of 202 complaints from February 2022 – January 2023. This represents an increase from 174 complaints received during the corresponding period last year.

Among the Licensees, the University of Namibia (UNAM Radio) received the highest complaints recorded at 65.8%, followed by Omulunga Radio with 6.9%. Radio Wave accounted for 6.4% of the complaints, while Radio Kudu and Fresh FM received 5.9% and 4.5% respectively. Multichoice Namibia received 3.9% of the complaints; the remaining Licensees had complaints below 3.5%.

Of the complaints received by the Authority, two were against Multichoice Namibia, and one was against Kosmos Radio.

CONSUMER EDUCATION

The Authority is committed to empowering consumers with the knowledge and tools they need to make informed decisions and receive high-quality ICT services. To achieve this, the Authority has initiated a robust consumer education campaign. The campaign focuses on providing consumers with valuable information about the terms and conditions typically included in ICT subscription agreements and enabling them to understand the implications of these terms. By equipping consumers with this knowledge, they can make informed choices and have greater control over their ICT services.



LITIGATION MATTERS

Of the 12 consumer complaints received by the Authority against Telecom Namibia, nine complaints related to billing, two complaints related to service quality, and one complaint related to service delivery.

COURT CASE	SUMMARY OF THE CASE	AMOUNT IN DISPUTE	STATUS UPDATE
1. CRAN//MTC HC-MD-CIV-MOT-GEN-2020/00526	On 14 December 2020, MTC filed an application to challenge the constitutionality of the amended Section 23 of the Communications Act (No. 8 of 2009)	N\$43,000,000.00	Judgment was handed down on 31 August 2022. Section 23 of the Communications Act (No. 8 of 2009), as amended by the Communications Amendment Act 9 of 2020, and the regulations prescribed pursuant to this provision, were declared unconstitutional. CRAN has filed for a notice of Appeal to the Supreme Court. The hearing date to be held on 14 April 2023,
2. Mobile Telecommunications Ltd. vs Chairperson of the Communications Regulatory Authority of Namibia HC-MD-CIV-MOT-REV-2022/00332	MTC filed an application requesting a court order to: 1. Stay the implementation of the CRAN's decision of 29 September 2021 wherein a declaration was made that the MTC has extra capacity in its network and/or that it must enter negotiations with MTN confirmed by the second respondent on 28 January 2022 2. Suspending the operation of the decision of 29 September 2021, pending the final determination of this application by the above Honourable Court 3. Ordering, restraining and/or directing the second respondent not to take any steps to enforce its decision of 29 September 2021	N/A	The matter is postponed to 15 May 2023 for a status hearing. The parties are to file a joint status report on or before 10 May 2023 indicating the further conduct of the matter insofar as it relates to rule 76 (6).
3. CRAN// MTN BUSINESS SOLUTIONS HC-MD-CIV-ACT-CON-2022/04618	CRAN issued summons to MTN Business Solutions for outstanding monies owed to the Authority in the amount of N\$ 7,384,713.84 in respect of spectrum fees and regulatory levies	N\$17,535,079.32	The summons was issued on 24 October 2022, and MTN Business Solutions defended the matter on 26 October 2022. The matter was referred to court ordered mediation.
4. MTC//CRAN and 4 others (Tripartite Agreement) HC-MD-CIV-MOT-REV-2022/00598	MTC is challenging the decision of the Authority in which the Authority declared the Tripartite Agreement anti-competitive	N/A	The matter is opposed and has been postponed to 14 June 2023.
5. Paratus//City of Windhoek, & CRAN	CRAN received a Notice of Motion on 25 August 2020 of an application filed by Paratus against CRAN. Paratus is seeking the Court to review and set aside, alternatively declared in contravention of Article 18 of the Constitution:	N/A	The matter was heard in the High Court on 20 September 2022. Judgement to be delivered.

REGULATORY SUMMONSES

During the period under review, CRAN issued three regulatory summonses for failure by Licensees to submit regulatory reports.



OUR FOCUS FOR 2024

We will in the 2024 financial year endeavour to complete the following:

- Review existing regulatory frameworks
- Advocate for responsible and safe disposal of e-waste
- Implement NSCIRT Phase Zero
- Provision of input into E-commerce policies and other developmental agendas
- Conduct regulatory impact assessment
- Develop and implement a consumer protection advocacy plan
- Develop and implement an application for complaints submissions
- Enforcement and adherence to the National Frequency Band Plan
- Enable the deployment of new technologies utilising spectrum
- Conduct spectrum audits
- Establish research development programs.
- Establish collaboration platforms and programs with sector specific regulators to encourage uptake of ICTs
- Develop and establish tech hubs and e-villages to encourage innovation and youth participation in ICTs
- Develop recommendations of market saturation study
- Conduct QoS compliance assessment for postal, broadcasting and telecommunications services
- Operationalisation of Universal Service Fund
- Advocate for universal service fund operationalisation
- Formulate strategy to ensure expansion of broad band coverage to schools and underserved areas
- Formulate price cap regulations on the provision of voice and data services.
- Conduct a price cap on VSAT and USSD Code
- Conduct taxation study



STRATEGIC THEME 4: SUSTAINABILITY

Harnessing financial, human and technological resources to safeguard the sustainability of CRAN over time.



Value Creation
Targets

- Collections on regulatory Levies, Numbering Plan, Spectrum Bill Run, Spectrum Auction and Type Approval
- Reductions in bad debts written off
- IDU: upgrade, reports customisation
- ASMS: module modifications reports and automated integration, implementation of WEBCP functionalities
- SAGE X3 (Contract management and fixed assets register (FAR) clean-up

CRAN is committed to becoming a more effective and efficient regulator by streamlining its internal processes. This transformation aims to optimise resource utilisation, reduce regulatory costs in the ICT industry, and enhance CRAN's ability to oversee the sector effectively. The strategic approach focuses on maintaining a balance between cost control and sufficient revenue to ensure CRAN's sustainability in the long run. The organisation's dedication to better regulatory outcomes fosters innovation and growth within the ICT industry.

With its internal processes streamlined, CRAN is better equipped to address emerging challenges and adapt to the rapidly changing technological landscape. By continuously striving to optimise its resource utilisation, CRAN aims to remain a resilient and forward-looking regulator, promoting the sustainable development of the ICT sector over the short, medium, and long term.

OUR 2023 FINANCIAL PERFORMANCE

Budget commentary

Budget implementation is closely monitored through monthly variance reports distributed to management and quarterly management accounts distributed to the Board and Management for their information, review, and action. This meticulous monitoring ensures compliance with internal budgetary requirements, financial transparency, accountability and informed decision making.

The total revenue for the review period of N\$91.4 million was 4.4% less than the budget of N\$91.8 million. This variance is a result of accurate estimates of revenue resources. During the same period, total administrative and other operating expenditure of N\$92.4 million was incurred, which resulted in a 13% surplus of N\$14.4 million over the budget of N\$106.8 million. Notably, the Authority generated positive cash flows from operating activities, amounting to N\$71.8 million (compared to N\$17.5 million in 2022). This positive outcome was attributed primarily to the decrease in trade receivables, which arose from settlements reached with the Licensees. These Licensees had initially challenged the original levy regulations in a court of law. The resolution of these legal disputes contributed significantly to the improved cash flows for the Authority.

Financial results

- The Authority recorded a total comprehensive loss of N\$17.4 million for the period under review, representing a decrease of 114% from the prior year's surplus of N\$119.6 million.
- Comparing the current year's total loss with the prior year's surplus, the overall financial performance declined.
- The primary reason for this loss was the movement in the provision for bad debts, negatively impacting the Authority's financial position.

	2023	2022	% change	2021
	N\$'000	N\$'000		N\$'000
Revenue	91,431	36,296	152%	33,249
Other income	154	371	-58%	54
Other operating gains (losses)	(397)	(55)	622%	(8)
Movement in credit loss allowance	(23,859)	219,508	-111%	-
Administrative expenses	(58,389)	(53,995)	8%	(51,986)
Other operating expenses	(34,059)	(86,154)	-60%	5,030
Operating profit	(25,119)	115,971	-122%	(13,661)
Investment revenue	8,522	3,901	118%	4,266
Finance costs	(447)	(234)	91%	(295)
Profit/(Loss) for the year	(17,044)	119,638	-114%	(9,690)
Other comprehensive income	-	-	0%	-
Total comprehensive income/(loss) for the year	(17,044)	119,638	-114%	(9,690)

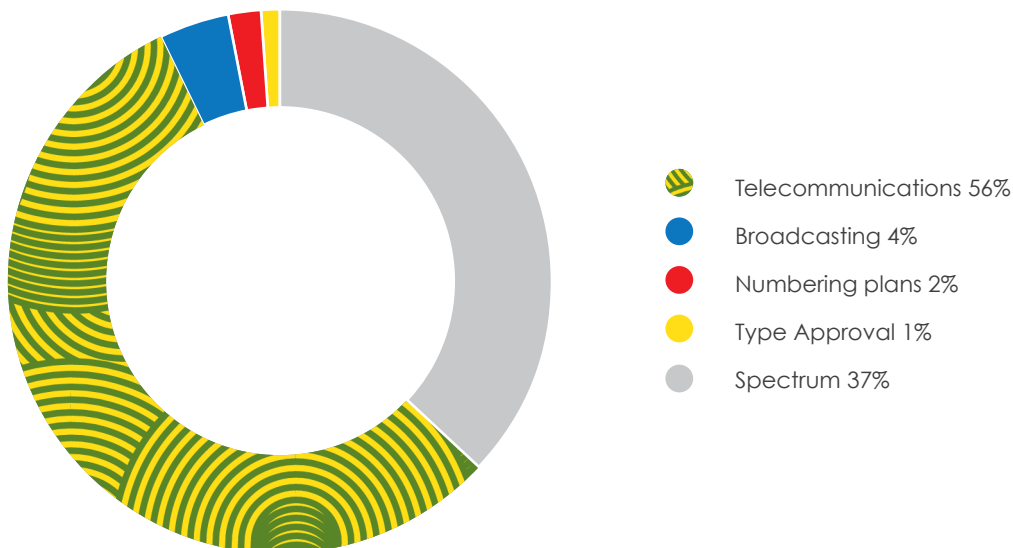
Revenue

Revenue for the year under review exhibited a remarkable increase of 152%, surging from N\$36.3 million in 2022 to N\$91.4 million in 2023. This significant improvement compared to the previous year can be attributed to the implementation of the new Regulatory Levy Regulations and the formula-based spectrum, which positively impacted the revenue streams.

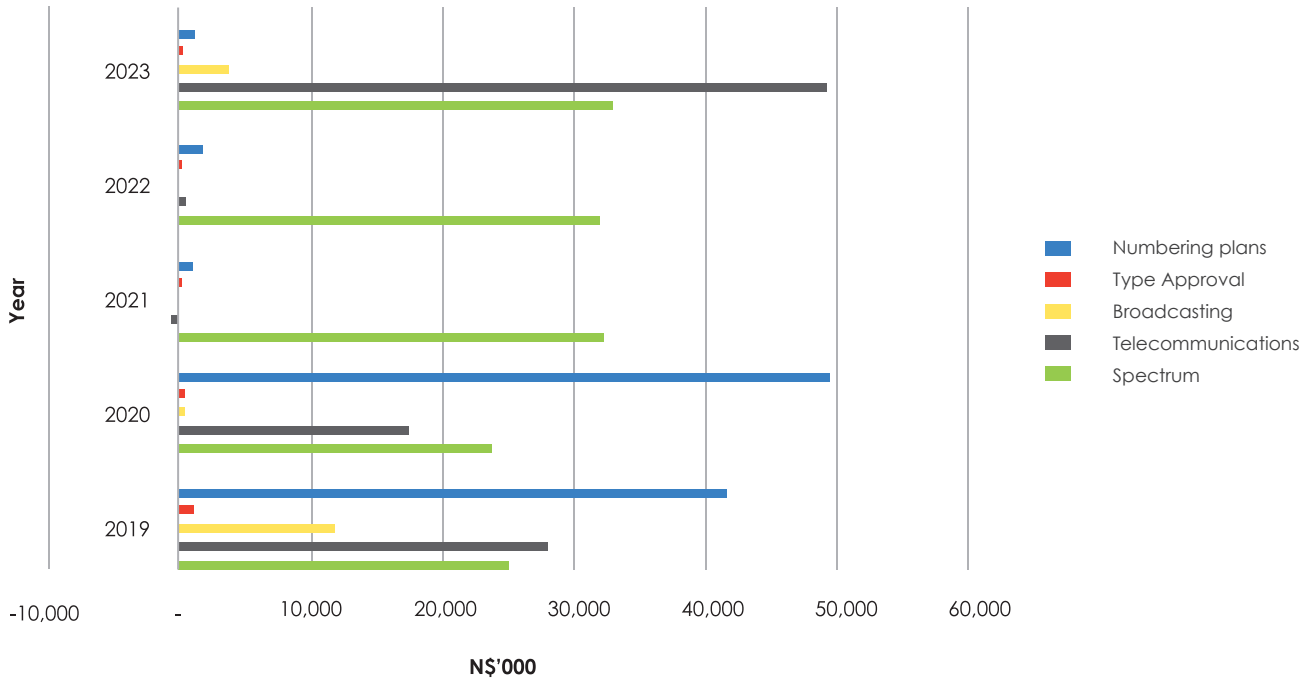
The revenue comprises various components, including regulatory levies from Telecommunications and Broadcasting Service Licensees, spectrum fees, revenues from numbering plans, and type approval fees. Regulatory levies are calculated based on a progressive license fee formula that caps the maximum percentage at 1.5%, calculated as a percentage of the operators' turnover.

Notably, the regulatory levies invoiced to Telecommunications and Broadcasting Service Licensees constitute 56% and 4% of the revenue, respectively. A significant portion of the revenue, amounting to 37%, is generated from spectrum fees derived from radio licenses. Type approval fees account for 1.0% of the total revenue and stem from charges for using telecommunications equipment in Namibia. Additionally, numbering fees contribute 2% to the revenue of Telecommunications Licensees utilising numbering plans.

2023 REVENUE BREAKDOWN



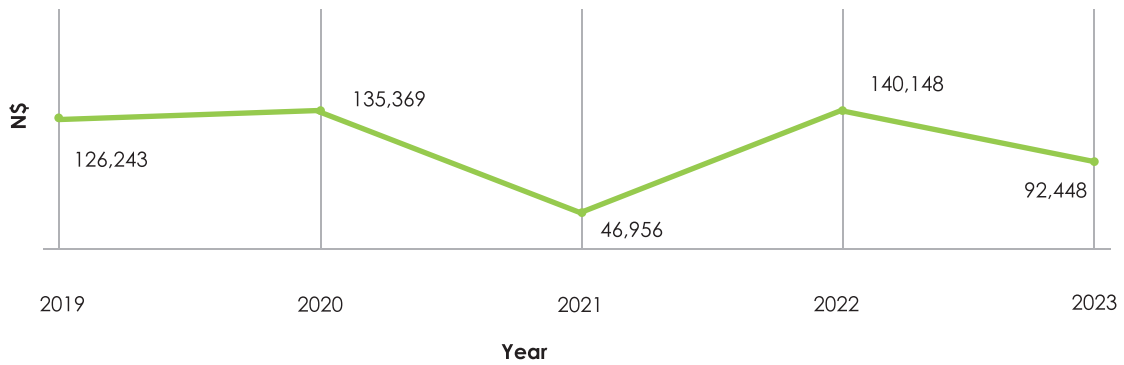
5 YEAR REVENUE TREND - N\$'000



Operating expenses

Operating expenses experienced a 34% decrease, declining from N\$140 million in 2022 to N\$92.4 million in 2023. This significant improvement can be attributed to the substantial decrease in the bad debts written off during the financial year in comparison to the previous period.

5 YEAR EXPENSES TREND - N\$'000



Assets

As of 31 March 2023, the total assets of the Authority amounted to N\$248 million, showing a decrease of N\$2 million compared to N\$250 million on 31 March 2022.

Key activities for the reporting period

- ✓ The department focused on two key priorities: debt collection and improving the debtor's database. As part of its efforts, the department successfully migrated the debtor's management process from ASMS to SAGE X3, resulting in a more streamlined and efficient system.



OUR FOCUS FOR 2024

We will in the 2024 financial year endeavour to complete the following:

- Increase revenue collection
- Implement internal and external debt collection monitoring measures
- Implement the mitigation and sustainability plan as well as the costing model

MOVING INTO THE NEW THREE-YEAR (2023 – 2026) STRATEGIC PLANNING CYCLE



MOVING INTO THE NEW THREE-YEAR (2023 – 2026) STRATEGIC PLANNING CYCLE

In pursuit of enhancing the ICT and Postal sectors in Namibia, CRAN has implemented the 2023 – 2026 ISBP. This plan aims to establish a comprehensive regulatory framework that fosters fair competition, innovation, and accessibility for all stakeholders. By doing so, CRAN contributes to the development of a reliable and efficient ICT and Postal infrastructure, benefiting the entire population of Namibia.

The next financial period, 2023/2024, will mark the first year of implementing CRAN's newly developed three-year ISBP. This plan strategically directs, monitors, and evaluates the Authority's overall performance in alignment with the Government's objectives for universal access to information, affordable communication, and the deployment of digital infrastructure and postal services for economic benefits across Namibian society.

The regulatory framework established by CRAN provides guidance and direction to industry players, ensuring their adherence to best practices and compliance with relevant regulations. Through enforcement of these standards, CRAN aims to safeguard the interests of all Namibians, promoting transparency, accountability, and the delivery of quality services in the ICT and Postal sectors.

The 2023 – 2026 ISBP adopts four strategic themes:

1. Organisational Sustainability
2. Strategic Partnering and Collaboration
3. Digital Transformation
4. Market Development and Consumer Protection

Over the next three years, our focus will be on implementing these strategic themes and corresponding objectives as outlined below.

Strategic themes, their descriptions and corresponding strategic objectives



Organisational Sustainability

Covering aspects of organisation capacity regarding skills audit, evaluation of technology, expansion of mandate, internal processes, and financial resources to ensure the sustainability of CRAN over time .

1. Improve employee engagement and corporate wellness
2. Improve business processes, usage of systems, tools, and functionalities
3. Improve financial sustainability



Strategic Partnering and Collaboration

Enhancing stakeholder engagements with customers, service providers, Government, and inter-governmental organisations to achieve CRAN's strategic objectives.

4. Improve customer and stakeholder satisfaction



Digital Transformation

Focusing on the regulatory framework for digital transformation, 5G Strategy for Namibia, capacity building required, review of tariffs, infrastructure sharing, and ensure integration of all digital technologies into all areas of business, commerce, and Government.

5. Improve regulatory effectiveness
6. Improve the deployment of digital infrastructure
7. Improve quality of services



Market Development and Consumer Protection

Access of services to all, especially vulnerable groups, to make the ICT market more vibrant, foster market competition by lowering entry barriers, reducing costs, increasing affordability of devices, and reviewing licensing conditions and protecting consumers from exploitation and abuse in respect of price, quality, variety of services and user equipment supplied.

8. Increase Universal access to communications services
9. Improve consumer protection
10. Improve affordability of services



CRAN

Communications Regulatory Authority of Namibia

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023





COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

GENERAL INFORMATION

Country of incorporation and domicile	Namibia
Nature of business and principal activities	The Authority is established under Section 4 of the Communications Act (No. 8 of 2009) to regulate, supervise and promote the provision of telecommunications services and networks, broadcasting, postal services and the use and allocation of radio spectrum in Namibia.
Directors	Dr. Tulimevava Mufeti (Chairperson) Mr. Elvis Nashilongo (Vice-chairperson) Mr. Gerhard Coeln Ms. Aletha Haufiku Ms. Florette Nakusera Mr. Veiko Alexander Ms. Jeanine du Toit
Registered office	Communications House 56 Robert Mugabe Avenue Windhoek Namibia
Business address	Communications House 56 Robert Mugabe Avenue Windhoek Namibia
Postal address	Private Bag 13309 Windhoek Namibia
Bankers	Bank Windhoek Limited
Auditors	SGA Chartered Accountants and Auditors (Namibia) Registered Auditors
Secretary	Mr. Tanswell Davies
Legal advisors	Dr Weder, Kauta and Hoveka Inc. Shikale & Associates Sisa Namandje Incorporated Denk Law Chambers Ileni Velikoshi Incorporated

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

CONTENTS

	Page
Corporate Governance Statement	101
Independent Auditor's Report	102 - 105
Members' Responsibilities and Approval	106
Members' Report	107 - 108
Statement of Financial Position	109
Statement of Surplus or Loss and Other Comprehensive Income	110
Statement of Changes in Equity	111
Statement of Cash Flows	112
Accounting Policies	113 - 127
Notes to the Annual Financial Statements	128 - 146
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Statement of Comprehensive Income	147 - 148



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

CORPORATE GOVERNANCE STATEMENT

The Communications Regulatory Authority of Namibia (The Authority) is committed to the principles of integrity, safety, professionalism, transparency, responsibility and accountability. The member recognise the need for management to conduct the business of the authority accordingly and in accordance with generally accepted corporate practices, the Authority's policies and the laws of Namibia.

1. Members of the board

The board meets regularly. The roles of the Chairperson and Chief Executive Officer do not vest in the same person and the Chairperson is a non-executive member. The Chairperson provides and encourages proper deliberation of all matters requiring the board's attention, and obtains optimum input from the other members. The Chairperson also ensures that all decisions of the board are clearly documented and are likely to advance the Authority's interests.

1.1 Non-executive members

The board has seven non-executive members. Non-executive members are appointed for specific terms and re-appointment does not occur automatically.


2. Authority secretary and professional advice

All members have access to the advice and services of the Authority's secretary, who is responsible to the board for ensuring that board procedures are followed. All members are entitled to seek independent professional advice about the affairs of the Authority and at the Authority's expense.

3. Internal control system

The Authority maintains systems of internal control over financial reporting and over safeguarding of assets against unauthorised acquisition, use or disposition. These controls are all designed to provide reasonable assurance to the Authority's management and members of the board regarding the preparation of reliable published financial statements and the safeguarding of the Authority's assets. The system includes a documented organisational structure and division of responsibility, established policies and procedures which is communicated throughout the Authority and used for the proper training and development of its people.

There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention of overriding controls. Accordingly, even an effective internal control system can provide only reasonable assurance with respect to annual financial statement preparation and the safeguarding of assets. Furthermore, the effectiveness of an internal control can change with circumstances.


Member

Windhoek, Namibia


Member

23 July 2023

Date:



CHARTERED
ACCOUNTANTS
& AUDITORS

Telephone: +264 61 276 000 | Facsimile: +264 61 232 309
Email: windhoek@sga-na.com | www.sga.com.na
Physical: 24 Orban Street, Klein Windhoek, Windhoek, Namibia
Postal: P.O. Box 30, Windhoek, Namibia, 10005

PRACTICE NUMBER 9417

INDEPENDENT AUDITOR'S REPORT

To the Minister of Information and Communication Technology

Opinion

We have audited the annual financial statements of the Communications Regulatory Authority of Namibia set out on pages 102 to 146, which comprise of the members' report, the statement of financial position as at 31 March 2023, the statement of surplus or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended 31 March 2023, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Communications Regulatory Authority of Namibia as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Communications Act (No. 8 of 2009).

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of annual financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, which required significant auditor attention in performing the audit of the annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon.

Key Audit Matter	How the matter was addressed in the audit
<p>Recognition of Revenue, completeness and accuracy Revenue relating to rendering of services, which is recognised in the financial statements, are material and comprise of telecommunications, numbering, spectrum, broadcasting and type approval. Due to the significance of service revenue, it was considered a key audit matter.</p>	<p>During the audit we satisfactorily determined the accuracy, completeness and occurrence of revenue through significant substantive testing and related test of controls.</p>
<p>Recoverability assessment of trade receivables Trade receivables of the Authority comprise mainly receivables in relation to the Authority's services rendered for communications related activities.</p> <p>The increasing challenges in the economy and operating environment in the country during the year have increased the risks of default on receivables from the Authority's customers. In particular, in the event of insolvency of customers, the Authority is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>The recoverable amount was estimated by management based on their specific recoverability assessment on individual debtors with reference to the aging profile, historical payment pattern and the past record of default of the customer. Management would make specific provision against individual balances with reference to the recoverable amount.</p> <p>For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables are required for the identification of impairment events and the determination of the impairment charge.</p>	<ul style="list-style-type: none"> • Tested the accuracy of ageing of trade receivables at year end on a sample basis; • Obtained a list of outstanding receivables and identified any debtors with financial difficulty through discussion with management; • Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and to consider if any additional provision should be made; • Tested subsequent settlement if any, of trade receivables after the balance sheet date on a sample basis; and • Ensured that the requirements of IFRS 9 with respect to trade receivables have been considered and applied. <p>We found the key judgements and assumptions used by management in the recoverability assessment of trade receivables to be supported based on the available evidence.</p>



CHARTERED
ACCOUNTANTS
& AUDITORS

Telephone: +264 61 276 000 | Facsimile: +264 61 232 309
Email: windhoek@sga-na.com | www.sga.com.na
Physical: 24 Orban Street, Klein Windhoek, Windhoek, Namibia
Postal: P.O. Box 30, Windhoek, Namibia, 10005

PRACTICE NUMBER 9417

INDEPENDENT AUDITOR'S REPORT (continued)

Material uncertainty related to going concern

We draw attention to Note 21 in the financial statements, which indicates that the Authority incurred a net loss of N\$17,043,957 (2022: surplus of N\$119,638,041) during the year ended 31 March 2023 and generated positive cash flow from operating activities amounting to N\$71,818,982 (2022: N\$17,504,144). The Authority's ability to generate revenue during the current financial year was severely impacted by the High Court decision of 31 August 2022 stating that the Communications Amendment Act and its regulations were unconstitutional. The Authority has appealed this decision to the Supreme Court and is awaiting the outcome of the appeal. Furthermore, the surplus generated in the 2022 financial year was mainly due to a positive movement of N\$219,508,088 in the allowance for expected credit losses and does not reflect the actual ability of the Authority to generate revenue and incur a surplus. As stated in Note 21, these events or conditions indicate that a material uncertainty exist that may cast significant doubt on the Authority's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The board members are responsible for the other information. The other information comprises the detailed statement of comprehensive income as set out on pages 147 to 148 which we obtained prior to the date of this auditor's report, which is expected to be made available to us after that date. Other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the members for the Annual Financial Statements

The members are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Communications Act (No. 8 of 2009), and for such internal control as the members determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the members are responsible for assessing the Authority and the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

INDEPENDENT AUDITOR'S REPORT (continued)

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and the business activities within the Authority to express an opinion on the annual financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



SGA
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: R Cloete
Partner

Windhoek...Namibia
24 July 2023

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

MEMBERS' RESPONSIBILITIES AND APPROVAL

The members are required in terms of the Communication Act (No. 8 of 2009) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Authority as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the Authority and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the members of the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Authority and all employees are required to maintain the highest ethical standards in ensuring the Authority's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Authority is on identifying, assessing, managing and monitoring all known forms of risk across the Authority. While operating risk cannot be fully eliminated, the Authority endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.


The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

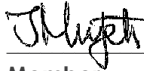
The members have reviewed the Authority's cash flow forecast for the year to 31 March 2024 and, in light of this review and the current financial position, they are satisfied that the Authority has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Authority's annual financial statements. The annual financial statements have been examined by the Authority's external auditors and their report is presented on pages 102 to 105.

The annual financial statements set out on pages 107 to 148, which have been prepared on the going concern basis, were approved by the board of directors on 11 July 2023 and were signed on their behalf by:

Approval of financial statements

Member 


Member

Windhoek, Namibia

23 July 2023

Date



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

MEMBERS' REPORT

The board members have pleasure in submitting their report on the annual financial statements of the Communications Regulatory Authority of Namibia for the year ended 31 March 2023.

1. Incorporation

The Authority is established in terms of section 4 of the Communications Act (No. 8 of 2009), and came into effect on 18 May 2011.

2. Nature of business

The Communications Regulatory Authority of Namibia (CRAN) was established to regulate, supervise, and promote the provision of telecommunication services and networks, broadcasting, postal services, the use and allocation of radio spectrum in Namibia and regulate the type approval and technical standards for telecommunications equipment in Namibia.

There have been no material changes to the nature of the Authority's business from the prior year.

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the Authority are set out in these annual financial statements.

4. Board Members

The members in office at the date of this report are as follows:

Directors	Designation	Nationality	Changes
Dr. Tulimevava Mufeti (Chairperson)	Non-executive	Namibian	Appointed Monday, 1 May 2023
Mr. Elvis Nashilongo (Vice-chairperson)	Non-executive	Namibian	Appointed Monday, 1 May 2023
Mr. Gerhard Coeln	Non-executive	Namibian	Appointed Monday, 1 May 2023
Ms. Aletha Haufiku	Non-executive	Namibian	Appointed Monday, 1 May 2023
Ms. Florette Nakusera	Non-executive	Namibian	Appointed Monday, 1 May 2023
Mr. Veiko Alexander	Non-executive	Namibian	Appointed Monday, 1 May 2023
Ms. Jeanine du Toit	Non-executive	Namibian	Appointed Monday, 1 May 2023
Mr. Heinrich M. Gaomab II (Chairperson)	Non-executive	Namibian	Resigned Sunday, 30 April 2023
Ms. Vivienne E. Katjuongua (Vice-chairperson)	Non-executive	Namibian	Resigned Sunday, 30 April 2023
Ms. Dorethy E. Smit	Non-executive	Namibian	Resigned Sunday, 30 April 2023
Mr. Thomas H. Mbome	Non-executive	Namibian	Resigned Sunday, 30 April 2023

Changes in term

The previous Board's term ended on 30 April 2023, and a new Board was appointed on 01 May 2023.

5. Members' interests in contracts

During the financial year, no contracts were entered into in which members or officers of the Authority had an interest and which significantly affected the business of the Authority.

6. Events after the reporting period

On Friday, 14 April 2023, the Authority appealed the below High Court decision of 31 August 2022 to the Supreme Court and judgement on the appeal is pending.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

MEMBERS' REPORT **Continued**

On 31 August 2022 the High Court of Namibia delivered judgement on the court challenge on the constitutionality of the amended Section 23 of the Communications Act (No. 8 of 2009) brought about by Mobile Telecommunications Limited. In view of the High Court's ruling, Section 23 of the Communications Act (No. 8 of 2009) as amended and any regulations prescribed pursuant to this provision were declared unconstitutional and null and void in its entirety.

The High Court failed to pronounce itself on the consequences of invalidity and as a result the order of invalidity is from the date the amendment was operationalised, introducing an element of retrospectivity. This means that the Levy collection will unfortunately not continue forthwith.

The members are not aware of any other material event which occurred after the reporting date and up to the date of this report.

7. **Going concern**

The Authority incurred a net loss of (N\$17,043,957) (2022: surplus of N\$119,638,041) for the year ended 31 March 2023 and generated positive cash flow from operating activities amounting to N\$71,818,982 (2022: N\$17,504,144).

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the Authority has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Authority is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Authority. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Authority.

8. **Secretary**

The Authority secretary is Mr. Tanswell Davies.

Postal address: Private Bag 13309
Windhoek
Namibia

Business address: Communications House
56 Robert Mugabe Avenue
Windhoek
Namibia

9. **Auditors**

SGA continued in office as auditor of the Authority for the year 2023.

10. **Income tax status**

The Authority is exempt from income taxes in terms of the provisions of section 16(1)(e) of the Income Tax Act, No. 24 of 1981. A written confirmation to this effect was received from the Ministry of Finance on 9 September 2012.



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note(s)	2023 N\$	2022 N\$
Assets			
Non-Current Assets			
Property, plant and equipment	4	15,552,600	3,349,603
Right-of-use assets	5	4,616,276	839,657
Intangible assets	6	525,201	1,926,609
Other financial assets	22	14,888,890	37,222,222
		35,582,967	43,338,091
Current Assets			
Other financial assets	22	167,333,333	82,333,333
Trade and other receivables	7	30,901,047	80,271,264
Cash and cash equivalents	8	14,468,721	44,321,134
		212,703,101	206,925,731
Total Assets		248,286,068	250,263,822
Equity and Liabilities			
Equity			
Reserves		113,249,728	113,249,728
Accumulated surplus		105,912,865	122,956,825
		219,162,593	236,206,553
Liabilities			
Non-Current Liabilities			
Lease liabilities	5	1,037,650	-
Current Liabilities			
Trade and other payables	9	23,661,312	12,471,496
Lease liabilities	5	3,826,268	907,590
Provisions	10	598,245	678,183
		28,085,825	14,057,269
Total Liabilities		29,123,475	14,057,269
Total Equity and Liabilities		248,286,068	250,263,822

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

STATEMENT OF SURPLUS OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note(s)	2023 N\$	2022 N\$
Revenue	11	91,431,289	36,295,981
Other operating income		154,293	370,634
Other operating gains / (losses)	12	(397,088)	(54,908)
Movement in credit loss allowances	13	(23,858,767)	219,508,088
Administrative expenses		(58,389,317)	(53,994,584)
Other operating expenses		(34,059,031)	(86,153,811)
Operating (loss) / surplus	13	(25,118,621)	115,971,400
Investment income	14	8,521,640	3,900,927
Finance costs		(446,976)	(234,286)
(Loss) / Surplus for the year		(17,043,957)	119,638,041
Other comprehensive income		-	-
Total comprehensive (loss) / income for the year		(17,043,957)	119,638,041



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

STATEMENT OF CHANGES IN EQUITY

	Deferred capital	Accumulated surplus	Total equity
	N\$	N\$	N\$
Balance at 1 April 2021	113,249,728	3,318,784	116,568,512
Surplus for the year	-	119,638,041	119,638,041
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	119,638,041	119,638,041
Balance at 1 April 2022	113,249,728	122,956,822	236,206,550
Loss for the year	-	(17,043,957)	(17,043,957)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(17,043,957)	(17,043,957)
Balance at 31 March 2023	113,249,728	105,912,865	219,162,593

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

STATEMENT OF CASH FLOWS

	Note(s)	2023 N\$	2022 N\$
Cash flows from operating activities			
Cash generated from operations	15	58,725,871	12,232,295
Interest income		13,093,111	5,506,135
Finance costs		-	(234,286)
Net cash from operating activities		71,818,982	17,504,144
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(12,841,379)	(1,498,818)
Proceeds from sale of property, plant and equipment	4	46,672	40,824
Purchases of intangible assets	6	-	(30,457)
Movement in fixed deposits	22	(85,000,000)	-
Net cash from investing activities		(97,794,707)	(1,488,451)
Cash flows from financing activities			
Payment on lease liabilities	5	(3,876,688)	(3,572,341)
Total cash movement for the year		(29,852,413)	12,443,352
Cash and cash equivalents at the beginning of the year		44,321,134	31,877,782
Cash and cash equivalents at the end of the year	8	14,468,721	44,321,134



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES

1. Significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Communications Act (No. 8 of 2009).

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Namibia Dollar, which is the Authority's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Authority uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Authority's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Authority for similar financial instruments.

The fair value of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Authority established fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment testing

The Authority reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023**ACCOUNTING POLICIES** (continued)**1.2 Significant judgements and sources of estimation uncertainty (continued)****Useful lives of property, plant and equipment**

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of carparks and cubicles, motor vehicles, furniture and fixtures, office equipment, IT equipment, spectrum tools and spectrum monitoring system and computer software are determined based on Authority replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

The residual values of each asset are reviewed and adjusted if appropriate, at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in estimate.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 10.

1.3 Property, plant and equipment

Property, plant and equipment are tangible assets which the Authority holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Authority, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Authority. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.3 Property, plant and equipment (continued)

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Carports and cubicles	Straight-line	25 Years
Furniture and fixtures	Straight-line	10 years
Motor vehicles	Straight-line	4 years
Office equipment	Straight-line	3 years
IT equipment	Straight-line	3 years
Spectrum tools	Straight-line	3 years
Spectrum monitoring	Straight-line	3-7 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.4 Intangible assets (continued)

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	3 years

1.5 Financial instruments

Financial instruments held by the Authority are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the Authority, as applicable, are as follows:

Financial assets which are debt instruments:

- Amortised cost; or
- Fair value through other comprehensive income.

Financial liabilities:

- Amortised cost.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

Other financial assets at amortised cost

Classification

Fixed-term deposits (note 22), are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these fixed deposits give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Authority's business model is to collect the contractual cash flows on these fixed deposits.

Recognition and measurement

Fixed-term deposits are recognised when the Authority becomes a party to the contractual provisions of the fixed deposits. The fixed deposits are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the fixed deposits, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.5 Financial instruments (continued)

Impairment

The Authority recognises a loss allowance for expected credit losses on all fixed deposits measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective fixed deposits.

The Authority measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a fixed deposit has not increased significantly since initial recognition, then the loss allowance for that fixed deposit is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a fixed deposit. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a fixed deposit that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the Authority considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a fixed deposit being credit impaired at the reporting date or of an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a fixed deposit has increased significantly since initial recognition, the Authority compares the risk of a default occurring on the fixed deposit as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Authority considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a fixed deposit is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the Authority has reasonable and supportable information that demonstrates otherwise.

By contrast, if a fixed deposit is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the fixed deposit has not increased significantly since initial recognition.

The Authority regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.5 Financial instruments (continued)

Definition of default

For purposes of internal credit risk management purposes, the Authority consider that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the Authority considers that default has occurred when a fixed deposit is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write off policy

The Authority writes off a fixed deposit when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Fixed deposits written off may still be subject to enforcement activities under the Authority recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the fixed deposit at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Fixed deposits are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the fixed deposit, external credit ratings (if available), industry of counterparty etc.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Authority has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Authority measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and vice versa.

An impairment gain or loss is recognised for all fixed deposits in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance (note 13).

Credit risk

Details of credit risk related to fixed deposits are included in the specific notes and the financial instruments and risk management note (note 3).

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of a fixed deposit is included in profit or loss in derecognition gains / (losses) on financial assets at amortised cost.



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.5 Financial instruments (continued)

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 7).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Authority's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade receivables are recognised when the Authority becomes a party to the contractual provisions of the trade receivables. The trade receivables are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the fixed deposits initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment

The Authority recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Authority measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The Authority makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 7.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance (note 13).

Write off policy

The Authority writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Authority recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.5 Financial instruments (continued)

Credit risk

Details of credit risk are included in the trade and other receivables note (note 7) and the financial instruments and risk management note (note 3).

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of a fixed deposit is included in profit or loss in derecognition gains / (losses) on financial assets at amortised cost.

Trade and other payables

Classification

Trade and other payables (note 9), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Authority becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Trade and other payables expose the Authority to liquidity risk and possibly to interest rate risk. Refer to note 3 for details of risk exposure and management thereof.

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Derecognition

Financial assets

The Authority derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Authority neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Authority recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Authority retains substantially all the risks and rewards of ownership of a transferred financial asset, the Authority continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities

The Authority derecognises financial liabilities when, and only when, the Authority obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.6 Tax

Income tax

No provision for tax is required as the Authority is exempt from taxation in terms of section 16(1)(e) of the Income Tax Act, No. 24 of 1981.

1.7 Leases

The Authority assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Authority has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Company as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Authority is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Authority recognises the lease payments as an operating expense (note 13) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However, as an exception to the preceding paragraph, the Authority has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the Authority is a lessee are presented in note 5 Leases (Authority as lessee).

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.7 Leases (continued)

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Authority uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the Authority under residual value guarantees;
- the exercise price of purchase options, if the Authority is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the Authority is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 5).

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 5).

The Authority remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the Authority will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.7 Leases (continued)

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Authority incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Authority expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.8 Impairment of non-financial assets

The Authority assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Authority estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023**ACCOUNTING POLICIES** (continued)**1.8 Impairment of non-financial assets (continued)**

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.9 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.10 Employee benefits**Short-term employee benefits**

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. The Authority has no further payment obligations once the contributions have been paid.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Authority's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.11 Provisions and contingencies

Provisions are recognised when:

- the Authority has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 20.

1.12 Revenue from contracts with customers

The Authority recognises revenue from the following major sources:

- Regulatory levies
- Spectrum
- Type approval fees
- Numbering plan
- Interest received (trading)

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Authority recognises revenue when it transfers control of a product or service to a customer.

The 5 Step Revenue Method:

- Step 1: Identify the contract with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Regulatory levies

The amendment of Section 23 of the Communications Act (No. 8 of 2009) dealing with the collection of Regulatory levies has been promulgated in the Government Gazette No. 7274, Notice No. 155, dated 15 July 2020, and it is therefore enforceable. CRAN is authorized in terms of the amendment to prescribe regulations regarding the determination and imposition of the Regulatory levies on licensees. Given the above approval, CRAN drafted and approved the framework for the new Levy Regulations in line with the provisions of the Communications Amendment Bill. The new regulations were published and came into effect on 22 June 2021 as per the Government Gazette No. 7558 of 22 June 2021 Notice No. 232. Revenue from levies is recognised when the audited financial statements of the telecommunications and broadcasting operators are submitted to the Authority, which is at a point in time.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.12 Revenue from contracts with customers (continued)

Spectrum fees

Any person intending to provide a class telecommunications and broadcasting service as contemplated in the Act and Regulations Setting out Broadcasting and Telecommunications Service License Categories, must submit, in writing to the Authority, an application for a class telecommunications or broadcasting service license. Any person intending to use spectrum, where the Authority, in its sole discretion, determines that spectrum use license applications will be processed on a first come, first served basis, must submit, in writing an application. Once approved the license will be awarded. The fees are set out in the relevant Gazette. The Authority collects fees from the renewal of annual license fees, administration fees relating to service licences and spectrum use license fees.

Revenue is recognised when the fees becomes due annually for Spectrum, at a point in time.

Type approval fees

Any person or entity who intends to connect telecommunications equipment to an electronic communication network in Namibia for purposes of electronic communications and use, sell or offer for sale telecommunications equipment within the Republic of Namibia must apply for type approval to the Authority in respect of telecommunications equipment prior to the use, connection, sale for re-sale thereof within the Republic of Namibia. All fees are payable in advance and are non-refundable. The fees are set out in the relevant Gazette.

Revenue is recognised when the application fee is received, at a point in time.

Numbering plan

This applies to the application for and use of Namibian numbering resources by telecommunications services licensees. The Authority shall notify each licensee annually of the chargeable fee that they must pay to the Authority for the use of the numbering resources allocated to them. The prices are set out in the relevant Gazette.

Revenue is recognised when the audited figures of the utilisation of numbering resources are provided, at a point in time.

1.13 Revenue other than from contracts with customers

Interest is recognised in surplus or loss using the effective interest rate method on the outstanding balance from the debtor.

1.14 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

ACCOUNTING POLICIES (continued)

1.14 Borrowing costs (continued)

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.15 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Namibia Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

1.16 Deferred capital

The Namibian Communication Commission (NCC), the predecessor of CRAN, ceased to exist on 18 May 2011 and have since been replaced by CRAN as the new regulator. The assets and liabilities of the predecessor regulator, The Namibian Communication Commission (NCC), were to be transferred to the new regulator, CRAN, after a final audit was concluded. To get started CRAN needed a cash injection to commence its activities and on that basis, an amount of N\$37 million was transferred from The Namibian Communication Commission (NCC) to CRAN during the year ended 31 March 2012.

The final assets and liabilities were transferred in the last financial year. The value of the cash received was N\$76 million and the other assets were N\$152,770. The assets were not recorded by CRAN. The liabilities included the taking over of security services and municipal accounts at the monitoring sites.

Before the transfer the cash injection of N\$37 million was classified as a non-current liability. The intention changed with the final transfer. It was restated as Deferred capital from 2018 onwards.

1.17 Contribution to Universal Service Fund

On 18 May 2011, the Communications Act (No. 8 of 2009) came into effect. The Minister, has commenced Part 4 of Chapter V, which deals with Universal services on 01 December 2016 (Government Gazette No. 6188 of 01 December 2016). The Universal Service Fund was therefore established in law, and no contributions can be made to it due to litigation. The Minister may, as provided in section 136(2), commence this on such date as he determines and subject to the Amendment of Section 23(2)(a) of the Communications Act (No. 8 of 2009). The amendment will regulate the levy to be imposed on the licensees.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Authority has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

- Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9
- Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16
- Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37
- Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41

2.2 Standards and interpretations not yet effective

The Authority has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Authority's accounting periods beginning on or after 1 April 2023 or later periods:

Standard/Interpretation:	Effective date: Years beginning on or after
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined *
• Lease liability in a sale and leaseback	1 January 2024
• Initial application of IFRS 17 and IFRS 9 - Comparative information	1 January 2023
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	1 January 2023
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	1 January 2023
• Definition of accounting estimates: Amendments to IAS 8	1 January 2023
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	1 January 2024
• IFRS 17 Insurance Contracts	1 January 2023

* In December 2015, the IASB postponed the effective date of the amendment indefinitely pending the outcome of its research project on the equity method of accounting.

Management has assessed the impact of these new and revised standards on the Authority not to be material.



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

3. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2023

	Note(s)	Amortised cost	Total	Fair value
Other financial assets	22	182,222,223	182,222,223	182,222,223
Trade and other receivables	7	30,658,201	30,658,201	30,658,201
Cash and cash equivalents	8	14,468,721	14,468,721	14,468,721
		227,349,145	227,349,145	227,349,145

2022

	Note(s)	Amortised cost	Total	Fair value
Other financial assets	22	119,555,555	119,555,555	119,555,555
Trade and other receivables	7	80,078,934	80,078,934	80,078,934
Cash and cash equivalents	8	44,321,134	44,321,134	44,321,134
		243,955,623	243,955,623	243,955,623

Categories of financial liabilities

2023

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	9	23,661,314	-	23,661,314	23,661,314
Finance lease obligations	5	-	4,863,918	4,863,918	4,863,918
Provisions	10	598,245	-	598,245	598,245
		24,259,559	4,863,918	29,123,477	29,123,477

2022

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	9	12,471,499	-	12,471,499	12,471,499
Finance lease obligations	5	-	907,590	907,590	907,590
Provisions	10	678,183	-	678,183	678,183
		13,149,682	907,590	14,057,272	14,057,272

Capital risk management

The Authority's objective when managing capital is to safeguard the Authority's ability to continue as a going concern in order to provide benefits for stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Authority consists of cash and cash equivalents disclosed in note 8, as disclosed in the statement of financial position.

There are no externally imposed capital requirements.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

3. Financial instruments and risk management (continued)

Financial risk management

Overview

The Authority is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The Authority's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Authority's financial performance. Risk management is carried out by the finance department under policies approved by the board. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

Credit risk

Credit risk is the risk of financial loss to the Authority if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Authority only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Credit risk exposure arising on cash and cash equivalents is managed by the Authority through dealing with well-established financial institutions with high credit ratings.

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss. Credit loss allowances are also recognised for loan commitments and financial guarantee contracts.

In order to calculate credit loss allowances, management determine whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

Management apply the principle that if a financial asset's credit risk is low at year end, then, by implication, the credit risk has not increased significantly since initial recognition. In all such cases, the loss allowance is based on 12 month expected credit losses. Credit risk is assessed as low if there is a low risk of default (where default is defined as occurring when amounts are 90 days past due). When determining the risk of default, management consider information such as payment history to date, industry in which the customer is employed, period for which the customer has been employed, external credit references etc. In any event, if amounts are 30 days past due, then the credit risk is assumed to have increased significantly since initial recognition. Credit risk is not assessed to be low simply because of the value of collateral associated with a financial instrument. If the instrument would not have a low credit risk in the absence of collateral, then the credit risk is not considered low when taking the collateral into account. Trade receivable and contract assets which do not contain a significant financing component are the exceptions and are discussed below.



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

3. Financial instruments and risk management (continued)

Where necessary, the assessment for a significant increase in credit risk is made on a collective basis. Management typically adopt this approach when information relevant to the determination of credit risk is not available on an individual instrument level. Often, the only information available on individual instruments which could indicate an increase in credit risk, is "past due" information. It is typical that more forward-looking information is generally more readily available on a collective basis. Therefore, making the determination on a collective basis, helps to ensure that credit loss allowances are determined on the basis of lifetime expected credit losses before they reach the point of being past due. Forward looking, macro-economic information is applied on a collective basis when it is readily available without undue cost or effort. When loss allowances are determined on a collective basis, management determines the loss allowances by grouping financial instruments on the basis of shared credit risk characteristics.

For trade receivables and contract assets which do not contain a significant financing component, the loss allowance is determined as the lifetime expected credit losses of the instruments. For all other trade receivables, contract assets and lease receivables, IFRS 9 permits the determination of the credit loss allowance by either determining whether there was a significant increase in credit risk since initial recognition or by always making use of lifetime expected credit losses. Management have chosen as an accounting policy, to make use of lifetime expected credit losses. Management does therefore not make the annual assessment of whether the credit risk has increased significantly since initial recognition for trade receivables, contract assets or lease receivables.

The maximum exposure to credit risk is presented in the table below:

	Note(s)	2023			2022		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Other financial assets	22	182,222,223	-	182,222,223	119,555,555	-	119,555,555
Trade and other receivables	7	71,485,119	(40,584,072)	30,901,047	96,996,569	(16,725,305)	80,271,264
Cash and cash equivalents	8	14,468,721	-	14,468,721	44,321,134	-	44,321,134
		268,176,063	(40,584,072)	227,591,991	260,873,258	(16,725,305)	244,147,953

Amounts are presented at amortised cost or fair value depending on the accounting treatment of the item presented. The gross carrying amount for debt instruments at fair value through other comprehensive income is equal to the fair value because the credit loss allowance does not reduce the carrying amount. The credit loss allowance is only shown for disclosure purposes. Debt instruments at fair value through profit or loss do not include a loss allowance. The fair value is therefore equal to the gross carrying amount.

Liquidity risk

The Authority is exposed to liquidity risk, which is the risk that the Authority will encounter difficulties in meeting its obligations as they become due.

The Authority manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

3. Financial instruments and risk management (continued)

2023	Note(s)	Less than 1 year	1 to 2 years	Total	Carrying amount
Non-current liabilities					
Lease liabilities		-	1,037,650	1,037,650	1,037,650
Current liabilities					
Trade and other payables	9	23,661,312	-	23,661,312	23,661,312
Lease liabilities	5	3,826,268	-	3,826,268	3,826,268
Provisions	10	598,245	-	598,245	598,245
		28,085,825	1,037,650	29,123,475	29,123,475
2022					
	Note(s)	Less than 1 year	Total	Carrying amount	
Current liabilities					
Trade and other payables	9	12,471,499	12,471,499	12,471,499	12,471,499
Lease liabilities	5	907,590	907,590	907,590	907,590
Provisions	10	678,183	678,183	678,183	678,183
		14,057,272	14,057,272	14,057,272	

Foreign currency risk

The Authority does not hedge foreign exchange fluctuations.

The Authority reviews its foreign currency exposure, including commitments on an ongoing basis.

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The Authority is exposed to various risks associated with the effect of fluctuations in the prevailing levels of market rates of interest on its cash resources and investments. The cash resources are managed to ensure that surplus funds are invested in a manner to achieve maximum returns while minimising risks. The Authority places its funds in both fluctuating interest earning call deposits and fixed term deposits which are adjusted on a short term basis based on changes in the prevailing market related rates.

Further, these call deposits are due on demand and the fixed term deposits are due within a 3 month period. The call account and fixed term deposits amounting to N\$158 million (2022: N\$100 million) are exposed to cash flow interest rate risk, however considering the short term maturity of these deposits, these risks are minimised.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

3. Financial instruments and risk management (continued)

Increase or decrease in rate	2023	2023	2022	2022
	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
Changes in one basis point	1,594,687	(1,594,687)	1,043,211	(1,043,211)

4. Property, plant and equipment

	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	55,070	(15,419)	39,651	55,070	(13,217)	41,853
Furniture and fixtures	4,337,560	(3,170,804)	1,166,756	4,340,212	(2,841,502)	1,498,710
Motor vehicles	2,681,863	(573,254)	2,108,609	1,547,944	(1,314,362)	233,582
Office equipment	1,289,968	(1,222,570)	67,398	1,246,057	(1,088,662)	157,395
IT equipment	4,635,127	(3,622,523)	1,012,604	3,973,486	(3,287,090)	686,396
Spectrum tools	863,563	(485,102)	378,461	722,799	(231,801)	490,998
Spectrum monitoring system	17,116,216	(6,337,095)	10,779,121	12,322,279	(12,081,610)	240,669
Total	30,979,367	(15,426,767)	15,552,600	24,207,847	(20,858,244)	3,349,603

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Depreciation	Total
Buildings	41,853	-	-	(2,202)	39,651
Furniture and fixtures	1,498,710	23,826	(7,097)	(348,683)	1,166,756
Motor vehicles	233,582	1,584,448	-	290,579	2,108,609
Office equipment	157,395	62,100	-	(152,097)	67,398
IT equipment	686,396	846,516	-	(520,308)	1,012,604
Spectrum tools	490,998	140,763	-	(253,300)	378,461
Spectrum monitoring system	240,669	10,183,726	-	354,726	10,779,121
	3,349,603	12,841,379	(7,097)	(631,285)	15,552,600

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
Buildings	44,056	-	-	(2,203)	41,853
Furniture and fixtures	1,853,123	115,181	(27,933)	(441,661)	1,498,710
Motor vehicles	376,637	-	-	(143,055)	233,582
Office equipment	300,271	28,461	-	(171,337)	157,395
IT equipment	762,407	485,732	-	(561,743)	686,396
Spectrum tools	1,397	677,908	-	(188,307)	490,998
Spectrum monitoring system	279,791	191,536	-	(230,658)	240,669
	3,617,682	1,498,818	(27,933)	(1,738,964)	3,349,603

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2023 N\$	2022 N\$
--	-------------	-------------

5. Leases (Authority as lessee)

The Authority leases office buildings. The average lease term is 3 years (2022: 3 years).

Details pertaining to leasing arrangements, where the Authority is lessee are presented below:

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	7,386,041	(2,769,765)	4,616,276	5,802,697	(4,963,040)	839,657

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are as follows:

Buildings	4,616,276	839,657
Additions to right-of-use assets		
Buildings	7,386,041	839,657

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 13), as well as depreciation which has been capitalised to the cost of other assets.

Buildings	3,609,422	3,358,627
-----------	-----------	-----------

Other disclosures

Interest expense on lease liabilities	446,976	234,286
Variable lease payments not included in the measurement of lease liabilities included in operating expenses	795,926	914,758

Lease liabilities

The maturity analysis of lease liabilities is as follows:

Within one year	3,826,268	907,590
Two to five years	1,037,650	-
	4,863,918	907,590
Non-current liabilities	1,037,650	-
Current liabilities	3,826,268	907,590
	4,863,918	907,590



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2023 N\$	2022 N\$
--	-------------	-------------

6. Intangible assets

	2023			2022		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer Software	10,776,875	(10,251,674)	525,201	10,793,434	(8,866,825)	1,926,609

Reconciliation of intangible assets - 2023

	Opening balance	Amortisation	Total
Computer Software	1,926,609	(1,401,408)	525,201

Reconciliation of intangible assets - 2022

	Opening balance	Additions	Amortisation	Total
Computer Software	3,683,976	30,457	(1,787,824)	1,926,609

7. Trade and other receivables

Financial instruments:

Trade receivables	70,248,102	95,864,495
Loss allowance	(40,584,072)	(16,725,305)
Trade receivables at amortised cost	29,664,030	79,139,190
Deposit on building	-	36,037
Interest receivables	889,726	811,874
Other receivables	104,445	91,833

Non-financial instruments:

Deposits	242,846	192,330
----------	---------	---------

Total trade and other receivables

30,901,047	80,271,264
-------------------	-------------------

Split between non-current and current portions

Current assets	30,901,047	80,271,264
----------------	------------	------------

Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

At amortised cost	30,658,201	80,078,934
Non-financial instruments	242,846	192,330
	30,901,047	80,271,264

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

7. Trade and other receivables (continued)

Exposure to credit risk

Trade receivables inherently expose the Authority to credit risk, being the risk that the Authority will incur financial loss if customers fail to make payments as they fall due.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The Authority measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Authority's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

	2023	2023	2022	2022
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Less than 30 days past due: 54% (2022: 61%)	39,742,069	21,500,506	1,025,524	604,685
31 - 60 days past due: 54% (2022: 61%)	23,402	-	(15,512)	(93,411)
61 - 90 days past due: 24% (2022: 37%)	31,212	7,351	(54,205)	(21,187)
91 - 120 days past due: 38% (2022: 30%)	6,899,438	2,646,006	5,984,761	1,775,698
More than 120 days past due: 70% (2022: 82%)	23,551,981	16,430,209	88,923,927	14,459,520
Total	70,248,102	40,584,072	95,864,495	16,725,305



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2023 N\$	2022 N\$
8. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	21,388	16,522
Bank Windhoek - bank balance	1,108,030	4,096,097
Bank Windhoek - short-term deposits	13,339,303	40,208,515
	14,468,721	44,321,134

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating

Bank Windhoek Limited (AA(NA)/A1+(NA)/A(ZA) - Global Credit Ratings	14,447,333	44,304,612
---	------------	------------

9. Trade and other payables

Financial instruments:

Trade payables	15,252,742	5,111,799
Provisions for leave pay and bonuses	5,950,442	5,399,306
Other accrued expenses	-	33,300
Other payables	2,458,128	1,927,091
	23,661,312	12,471,496

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

10. Provisions

Reconciliation of provisions - 2023

	Opening balance	Utilised during the year	Total
Provision - Severance pay	678,183	(79,938)	598,245

Reconciliation of provisions - 2022

	Opening balance	Utilised during the year	Total
Provision - Severance pay	845,251	(167,068)	678,183

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	Note(s)	2023 N\$	2022 N\$
11. Revenue			
Revenue from contracts with customers at a point in time			
Rendering of services		86,859,818	34,690,773
Revenue other than from contracts with customers			
Interest received (trading)		4,571,471	1,605,208
		91,431,289	36,295,981
Disaggregation of revenue from contracts with customers			
The company disaggregates revenue from customers as follows:			
Rendering of services			
Telecommunications		48,699,997	684,586
Numbering		1,335,843	1,975,527
Spectrum		32,569,946	31,721,847
Broadcasting		3,804,656	-
Type approval		449,376	308,813
		86,859,818	34,690,773
Timing of revenue recognition			
At a point in time			
Telecommunications		48,699,997	684,586
Numbering		1,335,843	1,975,527
Spectrum		32,569,946	31,721,847
Broadcasting		3,804,656	-
Type approval		449,376	308,813
		86,859,818	34,690,773
12. Other operating gains (losses)			
Gains (losses) on disposals, scrappings and settlements			
Property, plant and equipment	4	39,575	12,891
Foreign exchange gains (losses)			
Net foreign exchange loss		(436,663)	(67,799)
Total other operating gains (losses)		(397,088)	(54,908)



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	Note(s)	2023 N\$	2022 N\$
13. Operating profit (loss)			
Operating profit (loss) for the year is stated after charging (crediting) the following, amongst others:			
Auditor's remuneration - external			
Audit fees		321,926	298,080
Remuneration, other than to employees			
Consulting and professional services		3,152,711	4,286,988
Leases			
Variable lease payments		795,926	914,758
Total lease expenses		795,926	914,758
Depreciation and amortisation			
Depreciation of property, plant and equipment		631,285	1,738,964
Depreciation of right-of-use assets		3,609,422	3,358,627
Amortisation of intangible assets		1,401,408	1,787,824
Total depreciation and amortisation		5,642,115	6,885,415
Movement in credit loss allowances			
Trade and other receivables		23,858,767	(219,508,088)
Other			
Other operating gains / (losses)	12	(397,088)	(54,908)
Expenses by nature			
The total administrative expenses and other operating expenses are analysed by nature as follows:			
Employee costs		48,504,234	43,763,753
Lease expenses		795,926	914,758
Depreciation, amortisation and impairment		5,642,115	6,885,415
Other expenses		3,738,313	3,163,495
Bad debts		2,115,096	64,134,657
ICT Communications		4,536,821	4,337,532
Legal expenses		2,520,808	2,264,889
Consulting and professional fees		3,152,711	4,286,988
Training and development		1,190,159	855,629
Projects		4,586,804	1,247,934
Business related trips		5,155,452	1,750,683
Media and communications		5,260,723	2,689,300
Membership and license fees		2,998,413	2,564,926
General operating expenditure		2,250,773	1,288,436
Interest expense		446,976	234,286
		92,895,324	140,382,681

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2023 N\$	2022 N\$
14. Investment Income		
Interest income		
Investments in financial assets:		
Bank and other cash	8,521,640	3,900,927
15. Cash generated from operations		
Loss before taxation	(17,043,957)	119,638,041
Adjustments for non-cash items:		
Depreciation, amortisation, impairments and reversals of impairments	5,642,115	6,885,415
Gains on sale of assets and liabilities	(39,575)	(12,891)
Losses on exchange differences	-	67,799
Movements in provisions	(79,938)	(167,068)
Movement in loan receivable	22,333,333	(59,555,555)
Net Impairments and movements in credit loss allowances	23,858,767	(219,508,088)
Adjust for items which are presented separately:		
Interest income	(13,093,111)	(5,506,135)
Finance costs	-	234,286
Changes in working capital:		
(Increase) decrease in trade and other receivables	25,511,450	170,003,818
Increase (decrease) in trade and other payables	11,636,787	152,673
	58,725,871	12,232,295
16. Commitments		
Authorised capital expenditure		
Not yet contracted for and authorised by directors	6,829,620	3,783,350
This committed expenditure relates to capital expenditure that was authorised, but not contracted for.		



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2023 N\$	2022 N\$
17. Changes in liabilities arising from financing activities		
Reconciliation of liabilities arising from financing activities - 2023		
	Opening balance	Cash flows
		Closing balance
Finance lease liabilities	907,590	3,956,328
	907,590	3,956,328
Total liabilities from financing activities	907,590	4,863,918
Reconciliation of liabilities arising from financing activities - 2022		
	Opening balance	Cash flows
		Closing balance
Finance lease liabilities	1,284,405	(376,815)
	1,284,405	(376,815)
Total liabilities from financing activities	1,284,405	907,590
18. Directors' emoluments		
Non-executive		
2023		
		Fees for services as director
		Total
Dr. Tulimevava Mufeti		166,989
Mr. Gerhard Coeln		180,102
Mr. Heinrich M. Gaomab II (Chairperson)		103,396
Ms. Vivienne E. Katjuongua (Vice-chairperson)		152,468
Ms. Dorethy E. Smit		161,413
Mr. Thomas H. Mbome		185,242
		949,610
2022		
		Fees for services as director
		Total
Dr. Tulimevava Mufeti		171,820
Mr. Gerhard Coeln		161,677
Mr. Heinrich M. Gaomab II (Chairperson)		110,004
Ms. Vivienne E. Katjuongua (Vice-chairperson)		156,328
Ms. Dorethy E. Smit		173,828
Mr. Thomas H. Mbome		163,692
		937,349

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2023 N\$	2022 N\$
19. Related parties		
Relationships		
Line Ministry with significant influence		Ministry of Information and Communication Technology (MICT) Ministry of Public Enterprises (MOPE)
Entities reporting to the MICT and MOPE		Telecom Namibia Limited Mobile Telecommunications Limited Namibia Broadcasting Corporation
Members of key management		E Nghikembua (Chief Executive Officer) J Tjituka (Head: Finance) (Retired: 31/10/2022) L Henckert Louw (Head: Human Capital) R Le Grange (Head: Electronic Communications) H Vosloo (Head: Economics and Sector Research) K Sikeneni (Head: Corporate Communication and External Relations) T Davies (Governance Executive) R Ntinda (Acting Head: Regulatory and Corporate Legal Services) E Witbooi (Executive: Cybersecurity and ICT)
Related party balances		
Loan accounts - Owing (to) by related parties		
Telecom Namibia (Limited)	37,222,223	59,555,555
Amounts included in Trade receivable (Trade Payable) regarding related parties		
Telecom Namibia (Limited)	13,226,100	1,445,011
Mobile Telecommunications Limited	28,278,026	70,000,000
Namibia Broadcasting Corporation	434	(339)
Related party transactions		
Interest paid to (received from) related parties		
Telecom Namibia (Limited)	(4,571,471)	(1,605,208)
Purchases from (sales to) related parties		
Telecom Namibia (Limited)	(20,709,027)	(8,683,422)
Mobile Telecommunications Limited	(43,321,730)	(9,259,022)
Namibia Broadcasting Corporation	(1,098,805)	(1,072,853)
Compensation to directors and other key management		
Short-term employee benefits	12,173,095	10,333,568



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

20. Contingencies

COURT CASE	SUMMARY OF THE CASE	ACTION TO BE TAKEN BY THE BOARD	STATUS UPDATE	AMOUNT SPENT ON LEGAL PRACTITIONERS
1. CRAN// MTC HC-MD-CIV-MOT- GEN-2020/00526	On 14 December 2020, MTC filed an application to challenge the constitutionality of the amended section 23 of the Communications Act (No. 8 of 2009)	Noting purposes	Judgement was handed down on 31 August 2022. Section 23 of the Communications Act (No. 8 of 2009), as amended by the Communications Amendment Act (No. 9 of 2020), and the regulations prescribed pursuant to this provision, are hereby declared unconstitutional. CRAN has filed for a notice of Appeal to the Supreme Court, Hearing date was on 14 April 2023, we await Judgment from the Supreme Court	N\$670,390.78
2. Mobile Telecommunications LTD vs Chairperson of the Communications Regulatory Authority of Namibia HC-MD- CIV- MOT-REV- 2022/00332	MTC filed an application requesting a court order to: 1. Stay the implementation of the CRAN's decision of 29 September 2021 wherein a declaration was made that the MTC has extra capacity in its network and/or that it must enter negotiations with MTN confirmed by the Second Respondent on 28 January 2022. 2. Suspending the operation of the decision of 29 September 2021 pending final determination of this application by the above Honourable Court. 3. Ordering, restraining and/or directing the second respondent not to take any steps to enforce its decision of 29 September 2021.	Noting purposes	The parties were required to file a joint status report on or before 10 May 2023 indicating the further conduct of the matter insofar as it relates to the rule 76 (6). Matter is postponed to 05 June 2023 for status hearing. MTC had initially requested more time to analyse the record filed.	N\$665,085.00

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

20. Contingencies (continued)

3. CRAN// MTN BUSINESS SOLUTIONS HC-MD-CIV-ACTCON- 2022/04618	CRAN issued out summons to MTN Business Solutions for outstanding monies owed to the Authority in the Amount of N\$ 7,384,713.84 (Seven Million, Three Hundred and Eighty-Four Thousand, Seven Hundred and Thirteen Namibian Dollars and Eighty-Four cents) in respect of spectrum fees and Regulatory Levies.	Noting purposes	The summons was issued on 24 October 2022 and the matter was defended by MTN on 26 October 2022. The parties are involved in settlement negotiations, and requested the matter to be postponed to 22 June 2023 to finalise the negotiations. Ucom has not yet responded to our counter settlement offer and we are in the process to amend the particulars of claim in order to apply for summary Judgement, should we still not get an answer from Ucom	N\$110,719.72
4. MTC// CRAN & 4 others (Tripartite Agreement) HCMD- CIV-MOTREV- 2022/00598	Mobile Telecommunications Limited is challenging the decision of the Authority in which the Authority declared the Tripartite Agreement anti-competitive.	Noting purposes	The matter is opposed and has been postponed to 14 June 2023. MTC has supplemented its founding affidavit and other documents, we are in the process of finalizing the answering papers and expert reports.	



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2023 N\$	2022 N\$
21. Going concern		
<p>The Authority incurred a net loss of (N\$17,043,957) (2022: surplus of N\$119,638,041) for the year ended 31 March 2023 and generated positive cash flow from operating activities amounting to N\$71,818,982 (2022: N\$17,504,144).</p> <p>The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.</p> <p>The directors believe that the Authority has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors are satisfied that the Authority is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Authority. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Authority.</p>		
22. Other financial assets		
<p>Loans receivable and fixed deposits are presented at amortised cost, which is net of loss allowance, as follows:</p>		
Nedbank Namibia Limited	40,000,000	-
The above fixed deposit bears interest at 7.65% and matures on 9 May 2023.		
Namibia Post Limited	30,000,000	20,000,000
The above fixed deposit bears interest at 7.35% and matures on 9 May 2023.		
Bank Windhoek Limited	40,000,000	20,000,000
The above fixed deposit bears interest at 7.55% and matures on 9 May 2023		
First National Bank Namibia Limited	35,000,000	-
The above fixed deposit bears interest at 7.35% and matures on 19 June 2023.		
Letshego Bank	-	20,000,000
The above fixed deposit bears interest at 4.80% and matures on 19 May 2022		
Telecom Namibia Limited	37,222,223	59,555,555
The loan is repayable in equal instalments over 36 months and bears interest at prime rate.		
	182,222,223	119,555,555
Split between non-current and current portions		
Non-current assets	14,888,890	37,222,222
Current assets	167,333,333	82,333,333
	182,222,223	119,555,555

Exposure to interest rate risk

Refer to note 3 for details of interest rate risk management for investments in other financial assets.

Fair value of other financial assets

The fair value of other financial assets approximates their carrying amounts.

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2023 N\$	2022 N\$
23. Deferred capital		
<p>The Namibian Communications Commission (NCC), the predecessor of CRAN, ceased to exist on 18 May 2011 and was replaced by CRAN as the new regulator. The assets and liabilities of the predecessor regulator, the Namibian Communication Commission (NCC), were to be transferred to the new regulator, CRAN, after a final audit is concluded. To get started CRAN needed a cash injection to commence its activities and on that basis, an amount of N\$37 million was transferred from the Namibian Communication Commission (NCC) to CRAN during 2011. This was an advance and the correct amount will be determined and accounted for at a later date, after the completion of the audit of The Namibian Communication Commission (NCC) and approval from Cabinet.</p> <p>Cabinet approved the transfer of the Namibian Communication Commission (NCC) assets and liabilities, including the bank balance of N\$76 million on the 23rd of July 2019.</p> <p>The official confirmation on the respective asset values (Spectrum Monitoring System) and determination of the liabilities (Monitoring sites) was received from the Ministry of Information and Communication Technology. A decision was made not to account for the assets, since their value are less than N\$1,000 and or older than 10 years.</p>		
Cash	<u>113,249,728</u>	<u>113,249,728</u>



COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

DETAILED STATEMENT OF COMPREHENSIVE INCOME

	Note(s)	2023 N\$	2022 N\$
Revenue			
Rendering of services		86,859,818	34,690,773
Interest received (trading)		4,571,471	1,605,208
	11	91,431,289	36,295,981
Other income			
Other income		154,293	370,634
Other operating gains (losses)			
Gains on disposal of assets or settlement of liabilities	12	39,575	12,891
Movement in credit loss allowances	13	(23,858,767)	219,508,088
Foreign exchange losses	12	(436,663)	(67,799)
		(24,255,855)	219,453,180
Expenses (Refer to page 148)		(92,448,348)	(140,148,395)
Operating (loss) profit		(25,118,621)	115,971,400
Investment income	14	8,521,640	3,900,927
Finance costs		(446,976)	(234,286)
Profit (loss) for the year		(17,043,957)	119,638,041

COMMUNICATIONS REGULATORY AUTHORITY OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS | For the year ended 31 March 2023

DETAILED STATEMENT OF COMPREHENSIVE INCOME (continued)

	Note(s)	2023 N\$	2022 N\$
Other operating expenses			
Auditor's remuneration - external audit	13	(1,153,188)	(1,132,211)
Amortisation		(1,401,408)	(1,787,824)
Bad debts		(2,115,096)	(64,134,657)
Building expenses		(1,545,811)	(1,439,678)
Business related trips		(5,155,452)	(1,750,683)
Computer expenses		(43,081)	(10,012)
Consulting and professional fees		(3,152,711)	(4,286,988)
Depreciation		(4,240,707)	(5,097,591)
Employee costs		(48,504,234)	(43,763,753)
Employee wellness		(710,151)	(418,669)
General operating expenditure		(2,250,773)	(1,288,435)
ICT communications		(4,536,821)	(4,337,532)
Lease rentals		(795,926)	(914,758)
Legal fees		(2,520,808)	(2,264,889)
Media and communications		(5,260,723)	(2,689,300)
Membership and license fees		(2,998,413)	(2,564,926)
Motor vehicle expenses		(286,082)	(162,926)
Projects		(4,586,804)	(1,247,934)
Training and development		(1,190,159)	(855,629)
		(92,448,348)	(140,148,395)

The supplementary information presented does not form part of the annual financial statements and is unaudited



ABBREVIATIONS

ATU	African Telecommunications Union
BPR	Business Process Re-engineering
CEO	Chief Executive Officer
COW	City of Windhoek
CRAN	Communications Regulatory Authority of Namibia
CRASA	Communications Regulators' Association of Southern Africa
DTT	Digital Terrestrial Television
ECNS	Electronic Communications Network Services
ECS	Electronic Communications Services
EXCO	Executive Management Committee
HPP II	Harambee Prosperity Plan II
ICT	Information Communication Technology
ITU	International Telecommunication Union
ISBP	Integrated Strategic Business Plan
MISA	Media Institute of Southern Africa
MoGECW	Ministry of Gender Equality and Child Welfare
MoPE	Ministry of Public Enterprises
MICT	Ministry of Information and Communication Technology
MOU	Memorandum of Understanding
MTC	Mobile Telecommunications Limited
NAMPOL	Namibian Police Force
NBC	Namibian Broadcasting Corporation
NAPWU	Namibia Public Workers Union
NDP5	Fifth National Development Plan
NSA	Namibia Statistics Agency
NSCIRT	National Cybersecurity and Incidence Response Team
PKI	Public Key Infrastructure
SADC	Southern African Development Community
UNAM	University of Namibia
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UAS	Universal Access and Services

(Appreciation extended to Paratus, PowerCom and NBC for photos provided.)





CRAN

Communications Regulatory Authority of Namibia

Communications House | 56 Robert Mugabe Avenue | Windhoek, Namibia
Moth Centre, Units 1, 3, 4, 5, & 21, Peter Müller Street, Windhoek, Namibia
Private Bag 13309, Windhoek (10005), Namibia

Tel: +264 61 222 666

Email: stakeholdercomms@cran.na

✕ @CRANamibia

📷 cranamibia

f Communications Regulatory Authority of Namibia (CRAN)

in Communications Regulatory Authority of Namibia (CRAN)

www.cran.na