



CRAN

Communications Regulatory Authority of Namibia

THE START OF POSTAL REGULATION IN NAMIBIA

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2ND Postal Public Hearing
30 January 2019



ESTABLISHMENT

COMMUNICATIONS ACT NO. 8 OF 2009.

CRAN ESTABLISHED - 18 MAY 2011

CRAN's MANDATE

- ❑ To regulate Telecommunications, Broadcasting and the Postal sector



OBJECTIVES OF THE ACT

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



PART A



CONCISE SUMMARY OF 1ST PUBLIC HEARING

HELD ON
8 AUGUST 2018

GENERAL OVERVIEW OF THE 1ST PUBLIC HEARING

- ❑ CRAN is mandated by Section 129 of the Communications Act no 8 of 2009, read with regulation 7 regarding rule-making procedures to host public hearings;
- ❑ CRAN published a **General Notice no. 374** dated 17 July 2018 on a 30 days notice period – inviting the public and industry players to submit written comments to the Authority on the proposed postal regulations;
- ❑ CRAN also Published a Notice inviting the public to attend the said open session.

GENERAL OVERVIEW CONT.....

- ❑ 1st Public Hearing was held on 8 August 2018 at NIPAM;
- ❑ Purpose was to share information regarding the intended regulatory framework;
- ❑ To meet CRAN's stakeholders, share information, as well as develop relationship and contact with the postal and courier industry players.
- ❑ Discuss and exchange ideas pertaining to the intention to make regulations regarding postal and courier services regulations in the Namibian **Gazette no. 6651**

STAKEHOLDER SUBMISSIONS

- ❑ CRAN received written comments from:
 - ✓ DHL Express –Sub Saharan Africa(DHL) – 2 August 2018
 - ✓ Namibia Logistics Association (NLA)– 3 August 2018
 - ✓ Namibia Post Limited (Nampost) - September 2018

RESULTS OF THE 1st PUBLIC CONSULTATION

- ❑ The consultation involved Government, Industry Stakeholders, and the General Public.
- ❑ The style of comments varied and involved short textual suggestions, and detailed views presented orally.
- ❑ Many of the comments provided relevant inputs and a practical guide to the current regulations.

SUMMARY OF COMMENTS & ACTION TAKEN

Comment:

- ✓ Whether the Postal Service Definition contained in the Communications Act includes courier services from a policy perspective;

Action taken:

- ✓ To stick to the definition contained in the Act which involves “ the business of receiving, collecting, dispatching, conveying and delivering postal articles and transmitting and delivering telegrams and of performing incidental services

SUMMARY OF COMMENTS & ACTION TAKEN

CONT.....

- ✓ **The definition of Universal Postal Services:** The concern is that if it is intended to be equivalent to USO it may fall short of what may also make USO a role of all operators:

Action taken:

- ✓ Both UPS and USO are only intended for Nampost.
- ✓ UPS is intended for Nampost to provide basic postal services to all points in Namibia considering the elements of accessibility, speed, reliability, finance setting and price setting for affordability by customers.
- ✓ USO is intended for Nampost to provide basic postal services within the UPU network example the provision of reserves services such as the production and provision of P O Boxes and of Postage Stamps

SUMMARY OF COMMENTS & ACTION TAKEN

- ✓ DHL and NLA raised a concern regarding the intended regulation and its impact on market liberalization most especially the upcoming smaller players.

- ✓ **Action Taken:**

To put Courier Regulation on hold pending the conclusion of a Regulatory Impact Assessment. The RIA will establish the extend of regulatory intervention needed in the courier industry.

SUMMARY OF COMMENTS & ACTION TAKEN

- ✓ **QoS** – Concern on whether it is necessary to regulate QoS and if so to what extend.

Action Taken:

- ✓ Nampost's QoS shall look at the delivery and collection of mail to and from post offices and postal agencies;
- ✓ Nampost shall look at the delivery times considering the UPU delivery standards; Nampost is required to inform the Authority of such scheduled delivery standards;
- ✓ Annual Reporting on customer complaints;
- ✓ Complaints handling procedures within Nampost;
- ✓ Performance Reporting

SUMMARY OF COMMENTS & ACTION TAKEN

✓ **Concern regarding the level of levy collection:**

Action Taken:

CRAN is currently reviewing Section 23 of the Act.

SUMMARY OF COMMENTS & ACTION TAKEN

- ✓ **To define postal services in the proposed regulations:**

Action taken

Postal services is currently defined in the Act.

- ✓ **To outline Nampost's US Obligations in the regulations;**

Action Taken:

The current draft regulations make provision for Nampost's Universal Service Obligations under regulation 6 and more fully described in article 17 of the UPU Convention.

SUMMARY OF COMMENTS & ACTION TAKEN

- ✓ **Concern regarding regulation 4 on Licensing categories** – that if the intention is to have 2 licensing categories (DPO & couriers only) then it would mean that all courier companies would become postal operators. Nampost proposed for 3 license categories namely DPO, Couriers and private Operators.

Action Taken - The courier services category has been put on hold. The current regulations sets out the DPO and Private Postal operators only.

- ✓ **Concern regarding regulation 5** on why CRAN intends to impose the 30 kg weight limit if there are no reserved areas allocated in the regulations;

Action Taken: Regulation 5 has been deleted.

However, provision is now made under Regulation 6 for the provision of basic and supplementary services for DPO, with reference made to Article 17 of the UPU Convention.

SUMMARY OF COMMENTS & ACTION TAKEN

- ✓ **Delivery time schedules** – Concern on why CRAN intends to regulate delivery time schedule of courier services.

Action Taken: This provision has been deleted due to the couriers services regulation put on hold.

- ✓ **Regulation 6 (5) (f)** – Concern regarding the handling of sensitive and confidential licensee information by CRAN staff members.

Action taken: Provision is made under Section 28 (7) (a) of the Act read with regulation 17 of the draft regulations.

SUMMARY OF COMMENTS & ACTION TAKEN

Regulation 7 (b) - Concern was based on what informs the DPO's license validity period of 15 years.

Action Taken: Provision is Now made under Regulation 8 (1) for the license to be valid for 20 years , based on viability assessment.

SUMMARY OF COMMENTS & ACTION TAKEN

✓ Concern relating to Cost Accounting Regulations:

This Provision has been removed from the draft regulations.

CRAN may determine the Cost Accounting procedures to be followed by licensees in future.

END OF PART A

PART B

PROPOSED WAY FORWARD

LIGHT “TOUCH” REGULATION

PROVISIONS OF THE ACT

- ❑ Section 95 (1) provides for the prohibition of the provision of postal services without a license in Namibia.
- ❑ Section 95(2) – “The Minister may by notice in the Gazette determine a date from which Namibia Post Limited will require a license authorizing the rendering of postal services”.
- ❑ In terms of Section 96 (1) the Authority may, after having received an application, issue a postal service license conferring the right to provide postal services for such period as may be prescribed.
- ❑ In terms of Section 96 (2)(c) the Authority may impose conditions that relate to any other matter that may be necessary to implement and regulate the postal industry in Namibia.

PROVISIONS OF THE ACT

- In terms of Section 129 (a) The Authority may make regulations prescribing the forms and procedures for any application made to the Authority

PROVISIONS OF PROPOSED REGULATIONS

- ❑ Proposed postal service licence categories are:
 - Designated Posta Operator License
 - Private Postal Operator License

- ❑ The current proposed draft regulations Prescribes:
 - ✓ Application procedures;
 - ✓ Duration periods;
 - ✓ material breaches; Renewal;
 - ✓ Transfers, Refusal to issue/approve a transfer, and
 - ✓ Amendment procedures
 - ✓ Prescribes license application fees for postal service licenses

BENEFITS OF A LIGHT “TOUCH” POSTAL REGULATION

- ❑ Allocate Reserved rights to the DPO in terms of USO;
- ❑ Ensure QoS;
- ❑ Ensure consumer protection,
- ❑ Ensures the adherence of the Government to International laws and standard requirements.

UPCOMING REGULATIONS

The Authority is expected to further develop the following sets of regulations for the Postal industry:

Regulations regarding:

- ❑ The submission of Interconnection agreements;
- ❑ Consumer complaints handling procedures,
- ❑ Quality of Service; and
- ❑ Dispute resolutions.

WAY FORWARD

- ✓ To license Nampost with a Designated Postal Operator License;
- ✓ Conduct a Regulatory Impact Assessment Study for Courier Services in Namibia;
- ✓ Regulate Courier services depending on the outcome of the RIA.

THE END

