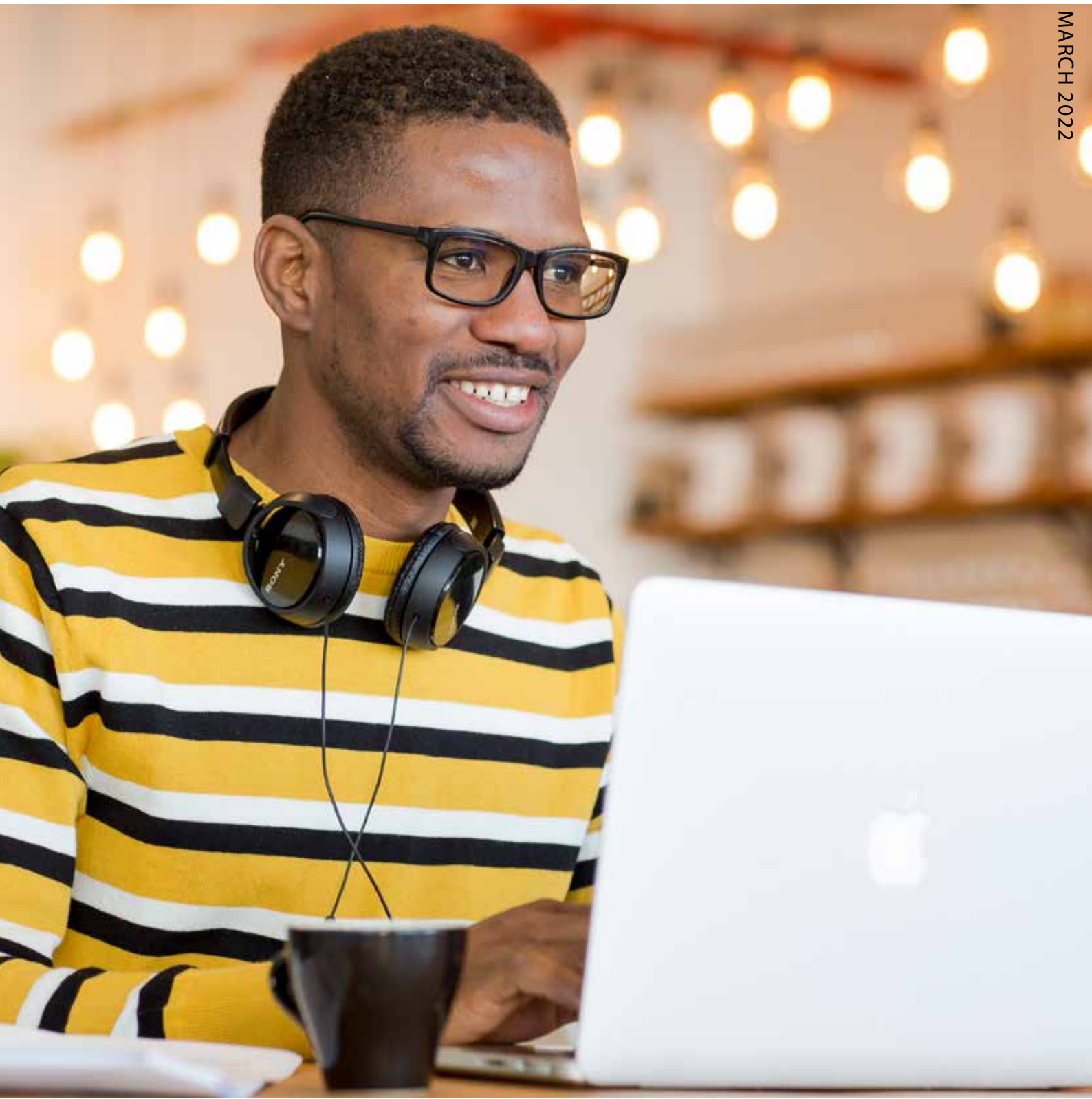




CRA Nicles

Communications Regulatory Authority of Namibia

SPECIAL EDITION | MARCH 2022



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EDITORIAL

DEAR VALUED ICT STAKEHOLDERS,

We are pleased to publish yet another informative edition of our external newsletter, the CRANicles. The purpose of this special publication is to give account and overview on Rates and Tariff Regulations, processes and procedures.

Tariffs are published rates and other charges under which a customer may receive telecommunication services from a Licensee. Licensees must file all rates and charges with the Authority for review and approval, in accordance with the Communications Act (No. 8 of 2009).

According to Section 53 (9) of the Communications Act, tariffs must contain all pertinent information concerning rates and charges for services and they should include all deposits, non-recusing charges and monthly charges, as well as terms and conditions applicable to the provision of services by the corresponding licensee. Moreover, tariffs should also include rights and remedies available to customers in the event of unauthorised charges or other disputes or claims over billing or the provision of services, and any other information requested by the authority pursuant to this section.

Additionally, the Act further provides that licensees may withdraw a tariff after filing prior to the Authority's decision on the tariff. If a tariff is rejected, the Authority may require that prior rates remain in effect and may determine temporary rates to be in effect until a new tariff is proposed by the licensee and permitted to come into operation.

If the Authority receives evidence at any time after a tariff has come into operation that there are grounds for rejecting the tariff, the Authority may investigate its reasonableness which investigation must be concluded within five months.

Visit our website www.cran.na under the Economics section for more information on tariffs. For queries and/or verification on Rates and Tariffs, kindly email our Economics and Sector Research Department at economics@cran.na.

Please contact the Corporate Communication Department and provide us with your views, comments and/or queries on this publication by sending an email, for the attention of the editor, to communications@cran.na

Katrina Siken
Head: Corporate Communication



02

“The Auhtority has revised the delegation in the approval of tariffs, to ensure effecient and expectant approval of tariffs as from 01 April 2022. Tariffs appraisals will therefore be finalised in a shorter period of time”.

Greetings valued Stakeholder,

The main objective of tariffs regulations is to encourage movements towards affordable and competitive pricing. In addition, the regulations aim to protect operators from market anti-competitive practices, as well as ensuring that licensees generate reasonable returns.

The common tariffs setting principals used by operators are cost-based pricing principles, competitive pricing principles and expansion of network provision (ENP) principles. Consumers benefit from the regulation of tariffs through provision of services at affordable rates, improved quality of service, and consumer protection against discriminatory prices.

As you may be aware, Section 53 of the Communications Act (No. 8 of 2009) provides the legal framework for the application and approval of tariffs. This should be read in conjunction with the Regulations Regarding the Submission of Interconnection Agreements and Tariffs.





10th CRAN

Communications Regulatory Authority of Namibia
YEAR ANNIVERSARY CELEBRATION

Section 53 of the Communications Act, provides that all rates and charges received in respect of any telecommunications service may only be provided with a Telecommunications Licence, and must be in accordance with a tariff filed and permitted to come into operation. The Authority has to date not yet prescribed services for which the filing of a tariff is not necessary if in its opinion, there is competition in the market for the provision of those services.

The submission and approval of tariffs does not apply to a temporary reduction in any rates charged by a Licensee if:

1. Such rates do not apply for a period longer than three months;
2. Such rates are for promotional or advertising purposes only; and
3. All relevant particulars relating to the rates concerned are given to the Authority no later than the date on which the fact that special rates will be charged are made known to the general public.

Tariff amendment regulations were implemented to ensure transparency, affordability, quality of service and to ensure consumer protection.

Valued stakeholder, I believe this special edition of the CRANicles shall provide you with valuable information on rates and tariffs and the importance of regulation thereof. I trust that you find this special edition of the CRANicles informative and useful.

“Pushing ICT Forward!”

Emilia Nghikembua
Chief Executive Officer

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COST-BASED PRICING PRINCIPLE

What is CB pricing?

Cost-based pricing imply that tariffs have to be aligned to the underlying costs of providing the services. Equally, no operator should offer tariff or rates or charges that are below the actual cost of providing services.

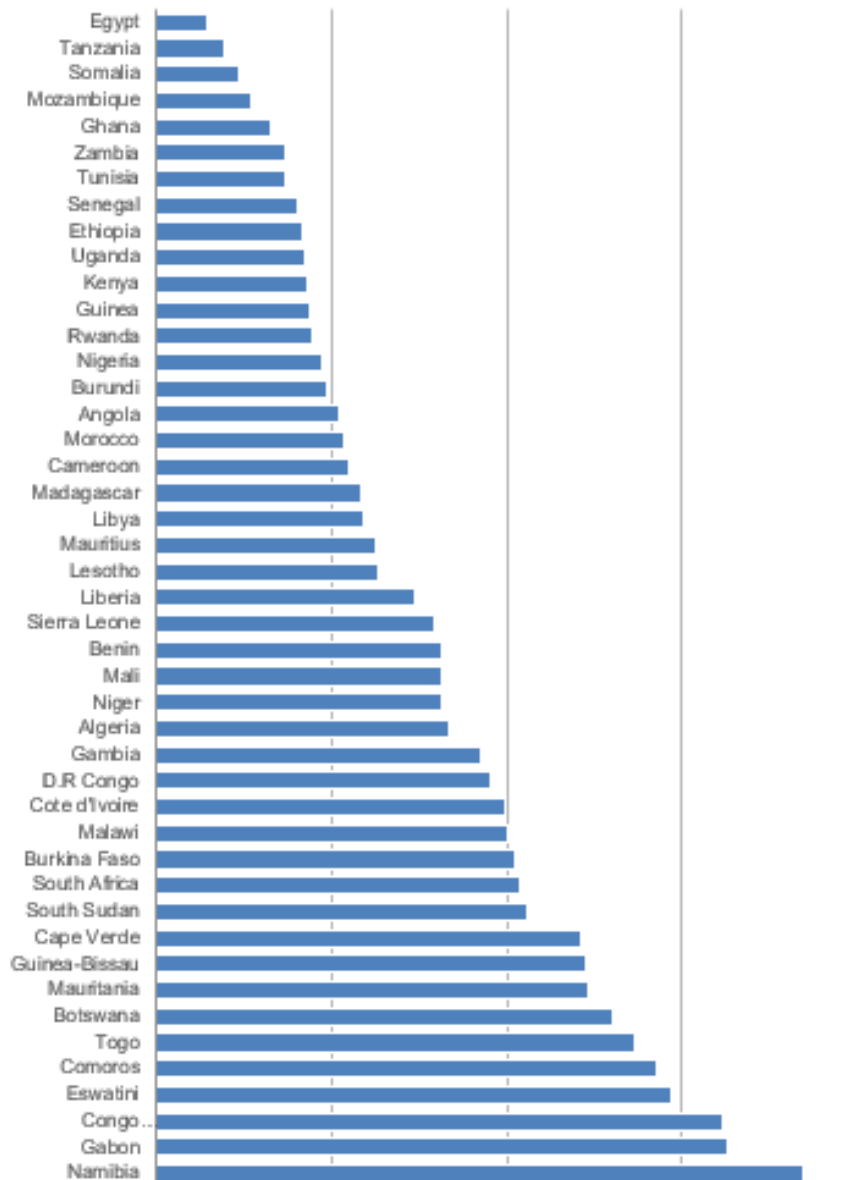


Figure 9. Prices for 1GB prepaid data per month in Q1 2021, cheapest in country (Source: RIS)



GOOD TO KNOW

At CRAN, we regulate tariffs so that rates and charges for ICT products and services are fair and competitive. This is done to ensure that all consumers are charged fairly and to create a level playing field for all ICT service providers!

COMPETATIVE PRICING PRINCIPLE

04

What is CP principle?

CP principle means that prices continuously drop in reaction to market competition and the deals have similar product specifications. The pictures below demonstrates some examples:

MTN Business **4G LTE BOZZA**

N\$235.00 <small>RN\$12 on contract term</small> <small>Up to 200MBPS download speed</small> <small>Up to 24Mbps upload speed</small> 30 GB Data Limit	N\$350.00 <small>RN\$12 on contract term</small> <small>Up to 300MBPS download speed</small> <small>Up to 24Mbps upload speed</small> 60 GB Data Limit	
N\$429.00 <small>RN\$12 on contract term</small> <small>Up to 300MBPS download speed</small> <small>Up to 24Mbps upload speed</small> 90 GB Data Limit	N\$625.00 <small>RN\$12 on contract term</small> <small>Up to 300MBPS download speed</small> <small>Up to 24Mbps upload speed</small> 150 GB Data Limit	N\$979.00 <small>RN\$12 on contract term</small> <small>Up to 300MBPS download speed</small> <small>Up to 24Mbps upload speed</small> 250 GB Data Limit

Stay connected and experience fast, reliable 4G LTE

To find out more contact: 084 000 0000 or email: Namibia.CallCentre@mtn.com | Installation fee of N\$1652.17 (once off) or N\$240 Admin fee applicable.

HOME USERS - ZERO VAT | BUSINESS - VAT 15%. All prices are VAT Excl. Terms and conditions apply.

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REACH FOR THE SKY

SKY-Fi 10
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Per month excl. VAT
 Speeds of up to 10 Mbps

SKY-Fi 15
N\$999
Per month excl. VAT
 Speeds of up to 15 Mbps



VISION | MISSION | VALUES

~ VISION ~

Access, quality and affordability for all.

~ MISSION ~

To regulate the ICT and Postal sector for the socio-economic benefit of all Namibians.

~ VALUES ~

Accountability
Passion
Teamwork
Respect
Innovation



Communications Regulatory Authority of Namibia (CRAN)



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EXPANSION OF NETWORK PROVISION

On the other hand, the ENP principle entails that tariffs are set at a level that attracts the interest of both consumers and operators. This principle tries to balance the element of affordability of services by consumers, and sustainability for the operators, to expand network, improve Quality of Service and attract investors. In addition, if the tariffs are high, it will constrain the demand and therefore lower tariffs have the possibility of limiting investments in the market.



The Authority has sixty (60) days after receiving all required information to evaluate the tariff and make a decision. If the Authority is not in a position to take a decision within this time period, the licensee will be informed that the Authority is postponing the commencement of the tariff for a period not exceeding ninety (90) days, which period being the maximum number of days within which the Authority may postpone its decision.

Once the Authority approves the tariff, the Authority will inform the licensee and the final notice will be published in the Gazette. If the tariff is not approved or approved with conditions, the Authority will similarly inform the licensee of the decision with the reasons for such decision, upon which the licensee can request a reconsideration of decision within a period of 30 days.

2 Government Gazette 16 November 2009 No. 4378

Act No. 8, 2009

COMMUNICATIONS ACT, 2009

ACT

To provide for the regulation of telecommunications services and networks, broadcasting, postal services and the use and allocation of radio spectrum; for that purpose the establishment of an independent Communications Regulatory Authority of Namibia; to make provision for its powers and functions; the granting of special rights to telecommunications licensees; the creation of an Association to manage the .na internet domain name space and for matters connected therewith.

(Signed by the President on 28 October 2009)

BE IT ENACTED by the Parliament of the Republic of Namibia, as follows:



CRANicles

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