



WELCOMING REMARKS BY

**EMILIA NGHIKEMBUA,
CHIEF EXECUTIVE OFFICER**

AT THE

**COMMUNICATIONS REGULATORY AUTHORITY OF
NAMIBIA'S (CRAN) WORKSHOP ON THE NEW
REGULATIONS PRESCRIBING LICENCE FEES AND
REGULATORY LEVIES**

Date: Friday, 23 July 2021

Venue: Virtually/Panellist join in CRAN Boardroom,

Unit 21

Time: 10h00

- Director of Ceremonies,
- Esteemed ICT Stakeholders,
- CRAN Executive Management and team,
- Members of the Media,
- Invited guests,
- Ladies and Gentlemen,

Good morning and a very warm welcome on this chilly winter morning! Thank you for accepting our invitation to our important virtual workshop pertaining to the new **Regulations prescribing Licence Fees** and **Regulatory Levies** under Section 129 of the Communications Act, (No. 8 of 2009).

As many of you may be aware, there are two types of license fees that are applicable Licensee, namely the Licence Fees for applications, issuance, renewal, transfer and amendment for the various licence categories, and as listed in column 1 of the table contained in Annexure A of the Government Gazette No. 7559, General Notice No. 238, dated 22 June 2021. The other fees are for the Regulatory Levy payable by Licensees as listed in column 1 of the table contained in Annexure B.

Director of Ceremonies,

Allow me to provide a brief background on Regulatory Levies. CRAN set out regulatory levies and licence fees as outlined in Section 23 of

the Communications Act, (No. 8 of 2009) in 2012. The regulatory levies validity and constitutionality was contested in the High Court and thereafter the Supreme Court of Namibia. In June 2018, the Supreme Court of Namibia declared Section 23(2)(a) of the Communications Act unconstitutional, based on the argument that there were no limits on the powers granted to CRAN to set the regulatory levy.

In July 2020 and pursuant to the Supreme Court judgement, the Communications Amendment Act (No. 6 of 2020) was published to amend Section 23 of the Communications Act for the purpose to align same to the judgement. Therefore, the workshop today sets the principles to measure the levy and fee determination against the Communications Amendment Act and provide recommendations on the way forward.

Director of Ceremonies,

Licence fees and regulatory levies enable regulators to carry out specific functions and activities such as:

- Allocation of scarce resources such as spectrum for the optimal use thereof;
- To defray regulatory costs;
- Ensuring that the set price is reasonable and high enough to avoid frivolous applications;
- To defray administrative costs for the application and the decision making process for assignment; and

- To support administrative efficiency.

Therefore, a licence fee of N\$50,000.00 is payable for the issuance of a new licence with the exception of community Broadcasting Service Licences and non-profit ECS and ECNS Licences. Fees for profit making licences will remain at N\$10,000.00 and all other services and non-profit making licences will remain at N\$500.00.

A licence fee unless and as otherwise advised by the Authority shall be paid by means of electronic funds transfers or direct deposits into the Authority's bank account. Additionally, application fees are not refundable and proof of payment must be attached to all applications.

Director of Ceremonies,

In terms of regulatory levies, Licensees must submit audited annual financial statements and/or signed and sworn annual financial statements no later than six (6) months after such Licensee's financial year-end, submit to the Authority its. A Licensee may however, within three (3) months before the due date of such submission, apply to the Authority in writing for an extension, such extension may be granted if good cause is illustrated.

Subsequently, the regulatory levy is payable and is based on a Licensee's turnover as reflected in the audited annual financial

statements of a Licensee. Equally, annual financial statements may be signed and sworn by the Licensee's accounting officer in the event where a Licensee is not required by law to provide audited financial statements and does not voluntarily have such financial statements audited.

In the event where a Licensee's turnover is not accounted for separately and such Licensee provides other products or services or conducts other business not regulated under the Communications Act, the Licensee must attach a separate ring-fenced statement to the audited annual financial statements and/or annual financial statements.

On receipt of a Licensee's audited annual financial statements and/or signed or sworn annual financial statements, the Authority shall issue the Licensee with an invoice stating the amount of the regulatory levy payable by such Licensee. A Licensee must pay the regulatory levy within 30 days after receipt of the invoice.

The Authority may, upon written application and on good cause shown by a Licensee, authorise a Licensee to pay the regulatory levy in equal monthly instalments of not more than six (6) months. A Licensee wishing to pay the regulatory levy in instalments must submit such written application to the Authority at least three (3) months prior to the due date of payment of the regulatory levy.

Director of Ceremonies,

In conclusion, the regulatory levies collected by the Authority are utilised to advance the objectives of the Communications Act. Additionally, also to defray costs that are incurred in fulfilling the policy objectives of the Communications Act.

With those few words, I humbly urge and encourage everyone to actively participate in this process today as we anticipate fruitful deliberations. I am certain that our strategic relationship with you, our esteemed stakeholders, will develop and continue to strengthen through this consultative workshop and other future engagements.

I thank you!