



**Postal Policy  
for the  
Republic of Namibia  
2009**

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18 February 2009

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## Foreword

Namibia has a well established postal service. This service is experiencing significant change which is characterised by increased customer expectations, increased competition, technological changes, and the internationalisation of business, particularly in cross-border mail, express mail and logistics.

Postal customers, especially business customers, demand better quality of service and a wider range of products and solutions. Only reliable and highly flexible postal systems can meet the new market needs and develop a clear customer orientation. Direct competition, not only in the international express and courier services but also in other market segments, and indirect competition by means of electronic substitution such as mobile telecommunications, fax, e-mail and electronic data interchange challenge the traditional mail service. Technological change, however, is not only a threat for the postal industry but also provides major opportunities to significantly improve the postal system and to develop new value added services. The increasing internationalisation of trade in goods and services requires a matching response from the postal system. Cross border mail plays an important role in supporting global business.

In Namibia, postal services are regarded as an integral part of the overall information infrastructure of the country. A reliable postal system is as important as a well working telecommunications and ICT sector and is at the heart of a well developed communications sector combining electronic communications with physical delivery of goods and information and with financial transactions to all citizens in the country.

This document provides a Postal Policy (the 'Policy') for Namibia. The Policy should be read in conjunction with three other policies, namely Information Technology, Telecommunication and Broadcasting. These four policies have also been combined into this overarching policy document that is in line with national, regional, continental and global developments in the ICT sector.

In developing this Policy, the point of departure has been to facilitate the growth of ICT in Namibia. In so doing, the Policy has been developed after extensive consultation with stakeholders and in depth research into international trends and guidelines from the Universal Postal Union (UPU) and the Common Market for Eastern and Southern Africa (COMESA). Core Postal Policy elements include access to affordable, efficient and quality postal services in Namibia. The rendition of universal postal services is a national imperative and should also play an important part in integrating all regions into the social and economic development of Namibia.

The Namibian Government's Vision 2030 document stipulates that ICT must be the most important sector in the economic development of the country by 2030. Core to the achievement of this Vision is a demand driven need to transform Namibia into a knowledge based economy. This Policy supports Vision 2030 and national development targets. The aim of this Policy is to provide Namibia with a clear vision

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and policy direction that will drive national development in the years ahead. The document also sets out a strategic implementation plan with short, medium and long term actions to ensure the growth of ICTs in Namibia.

Namibia has not had a Postal Policy since its independence 1992. This Policy builds on the existing legislation (Post and Telecommunications Establishment Act 17 of 1992 and Post and Telecommunications Act 19 of 1992) and sets the course for the future. The new Information Communications Bill (yet to be promulgated) should give effect to major parts of this Policy through enhanced legislation.

**Honourable Joel Kaapanda**

*Minister of I&CT*

February 2009

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## 1 Introduction

This document sets out the Postal Policy (the 'Policy') for Namibia. The Policy will be combined with the Telecommunications, Information Technology (IT) and Broadcasting policies into an overarching Information, Communications and Technology (ICT) Policy document that are in line with national, regional, continental and global developments.

Postal services are increasingly seen as part of the converged ICT sector. The postal service is the most basic and most common means by which messages can be communicated and goods delivered. The postal service is a basic necessity serving the entire public. It also serves as an important medium of communication for business and commerce.

Modern postal services form an integral part of the overall information infrastructure of Namibia. A reliable postal system is as important as a well working telecommunications and ICT sector and is at the heart of a well developed communications sector combining electronic communications with physical delivery of goods and information and with financial transactions to all citizens in the country.

The postal sector has an important role to play in the attainment of Namibia's socio - economic developmental goals.

- a. Affordable, efficient and high quality services. A broad, reliable and efficient supply of postal services in Namibia is promoted. These services should be of international standards and rendered at the lowest, commercially reasonable price whilst allowing operators and service providers the opportunity to make a commercially acceptable return on investments.
- b. Universal services. The postal sector should provide universal service to all citizens in terms of access to postal services, quality and affordability.
- c. Regional balance. Postal services should play an important part in integrating all regions into the social and economic development of Namibia.

By providing universal services, postal services can also provide the increased access to information that is essential to poverty reduction in the Information Age. Like telecommunications and power, postal services provide a core infrastructure that is essential for economic growth.

The Namibian Government's Vision 2030 stipulates that by 2030 Namibia should be a knowledge based economy. This Policy is framed in the context of Vision 2030 and National Development Plans. The aim of this Policy is to contribute to this by providing Namibia with clear policy guidelines in the development of its postal services in the years ahead.

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## 2 Purpose of document

The purpose of this document is to set out the Postal Policy and the Regulatory Framework for the Republic of Namibia.

## 3 Definitions

Postal service is broadly defined as is the delivery of letters, printed matter, or mailed packages, including acceptance, collection, sorting, transportation, or other ancillary functions (such as financial services and transportation). Postal services are performed (with facilities provided) in connection with:

- The collection, transmission, and delivery by land, water, or air transportation of postal articles
- The production of postage stamps, philatelic products and the use of franking meter machines for prepaid postage charges
- The acceptance, transmission and payment of money from one place to another place - commonly referred to as money ordering or money transfer.

In this Postal Policy of Namibia, the following definitions apply:

- Post means a system for the collection, dispatch, conveying and delivery of postal articles. Postal articles are delivered to a small container (pillar box or other receptacle), installed on post office and private premises as a point of mail delivery
- Post office means any building, house, room, equipment or place or mobile facility where postal articles are received, processed, dispatched or delivered by a postal operator
- Postal operator means an operator licensed to provide postal services. This includes public and private postal operators.

The UPU Letter Post Regulations and Parcel Post Regulations applicable at any time apply in Namibia.

Namibia excludes the following value added postal services from its Postal Policy:

- Courier services. This service entails an individualised and time sensitive service for collection / acceptance, conveying and delivery of documents, parcels and packages on a door – to - door basis.
- Savings bank. This means any form of deposit taking, as well as other financial instruments.

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#### **4 The postal sector in Namibia – a national imperative**

The postal sector in Namibia is well established. As an integral part of the information and communications system and one of the basic utilities in the social and economic life, the vision of the postal sector is to fulfil a wide range of social and economic needs of the nation by providing a vital and efficient means of contact within and between the institutions of Government, public sector, private organisations and business and consumers. The postal sector has to develop and be the market leader in the provision and delivery of postal services that satisfy the communications needs of its customers. Efficient and reliable communications play a vital role in the attainment of the Millennium Development Goals (MDGs) and therefore are an integral part of the Information and Communications Technology (ICT) sector.

The mission of the postal sector in Namibia is to develop and maintain a sustainable countrywide postal infrastructure that will meet public, business, household and individual postal communications needs. The development of a national and sub-regional postal network provides universal access to postal services at standard and affordable prices to the entire public. The aim is to create a reliable, national postal network that provides efficient and cost effective communications, and ultimately facilitates sustainable economic growth. The provision of a universal postal service to every area of the country will constitute the basic responsibility of the Designated Postal Operator (DPO). This encompasses traditional postal services and further enables the public to send and receive written and electronic messages, goods, financial services and other related postal products.

The aim of this Postal Policy is to ensure that high quality postal services are offered at reasonable prices and that a universal service, with uniform tariffs, is provided. Therefore, the Government's dual goals are to:

- Sustain and further enhance postal services which satisfy the needs of business and individual consumers at affordable prices; and
- Create a postal service, which is able to succeed in increasingly demanding national and international markets
- Create the market as an attractive means of communication that benefits business, institutions and private customers.



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## **5 Establishment of an enabling framework for postal services development in Namibia**

Namibia should contribute to the development of global physical, electronic and financial networks.

Namibia subscribes to development market model with liberalised postal and courier markets. Whilst both these markets are open for competition, only the postal market is regulated. The designated postal operator has a universal service obligation.

Namibia's approach therefore extends the role of the designated postal operator beyond a protected sole Universal Service Obligation (USO) focused model, to a more market-based, consumer-driven approach. The role of the designated postal operator reflects enhanced USO service provisions and extends into related and unrelated value-added activities. It is also characterised by an investment in information technology, improvement of financial reporting systems, the development of a comprehensive sales and marketing programme, and the addition of new products and services, such as local and international courier.

### **5.1 Guiding principles**

#### **5.1.1 Liberalisation**

Postal services are provided in a liberalised and competitive market environment. The objective of liberalisation in Namibia is to better satisfy customer needs, to increase market efficiency and to foster market growth.

The regulatory framework will ensure a well-regulated market regime through licensing, while ensuring that the designated postal operator continues to provide universal postal services in a cost effective manner so that it attains sustainability and financial viability. The principle of cost recovery will apply in the provision of the universal postal services. As a general rule the designated postal operator will ensure that postal services are cost effective and self financing; and will avoid implementation of activities or programmes that result in financial distortion that eventually jeopardise its ability to maintain the universal service.

#### **5.1.2 Competition**

Regulated competition in the postal market ensures that postal operators compete with each other in providing services efficiently and at acceptable levels of quality and price. The aim is to ensure market led and customer oriented postal providers that satisfy the needs and expectations of users of postal services.

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### 5.1.3 Regulation

The principal purpose of regulation is to create an enabling environment that will promote market growth and efficiency through fair competition practices within a statutory framework covering the postal market, operators, services and consumers. An independent Regulatory Authority oversees the development of the postal market and delivery of services at acceptable levels of quality and price.

## 5.2 Roles and structures within the postal sector

The roles of stakeholders in the postal sector are separated and defined as follows:

- Government as the policy maker
- Regulator for the postal sector
- Designated postal operator and private postal operators
- Postal customers (users).

### 5.2.1 Role and responsibilities of Government

Government (via the Ministry of Information and Communication Technology) assumes responsibility for overall policy functions and establishes the legal framework for the ICT sector.

The roles and responsibilities of Government are as follows:

- a. Government (via the Ministry of Information and Communication Technology) assumes responsibility for overall policy functions and establishes the legal framework for the postal sector
- b. The Minister of I&CT may impose specific conditions on the postal sector
- c. The Minister of I&CT is responsible for all postal related legislation and provides inputs into other legislation that may affect the postal sector
- d. The Minister of I&CT may appoint a Strategic ICT Advisory Council and / or Advisor on ICT Policy related matters
- e. An Act of Parliament establishes an autonomous Regulatory Authority. The Minister of I&CT appoints the Board of the Regulatory Authority
- f. ICT Policy making is separated from regulatory and shareholding functions and responsibilities within the Ministry of I&CT. The ICT Policy Unit's responsibilities are as follows:
  - i. Participate in international postal consultation platforms, such as UPU, African Union and Southern African Development Community postal initiatives
  - ii. Research policy development trends – global and regional
  - iii. Obtain stakeholder requirements

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- iv. Translate Vision 2030 and National Development Plans into Postal Policy requirements
  - v. Draft policy and regulations (Information, Media, IT, Telecommunications, Broadcasting, Postal, Convergence)
  - vi. Consult all stakeholders
  - vii. Liaise with and brief the legal drafters
  - viii. Produce final draft / amendment for Minister's approval
  - g. Monitor current policy, legislation and regulations (i.e. liaison with the Regulator and the operators)
  - h. The Ministry of I&CT prescribes Government's internal ICT policy and practices.

### **5.2.2 Role and responsibilities of the Regulatory Authority**

The Regulatory Authority is juristic person and operates independently from the Ministry of I&CT and is governed by a Board of Directors. The Board is appointed in accordance with the State Owned Enterprises Governance Act (2006).

The responsibilities of the Regulatory Authority to the Ministry of I&CT are:

- a. Implement Government Policy as notified by the Minister of I&CT
- b. Provide advice and make policy recommendations to the Minister of I&CT
- c. Advise the Minister of I&CT on postal matters
- d. Participate in international for a such as Southern African Postal Regulators Association (SAPRA)
- e. Assist the Ministry in negotiations with international bodies and operators
- f. Represent Government at international regulatory meetings
- g. Report to the Parliament through the Minister of I&CT on all activities in the sector, including charges paid by consumers.

The specific responsibilities of the Regulatory Authority are:

- a. Regulate and direct the postal sector
- b. Ensure compliance with legislation and regulations directives
- c. Grant, renew, amend, transfer and suspend or revoke licences
- d. Ensure operators are technically, financially and managerially capable of carrying out services specified in their licences
- e. Protect consumers and purchasers in respect of prices, quality and variety of services

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- f. Provide guidelines to the designated postal operator regarding tariff setting for reserved areas of postal services
  - g. Promote efficient competition amongst service providers and operators
  - h. Ensure postal services are operated in a manner best suited to the economic and social development of the country
  - i. Ensure provision of quality universal postal service. This includes setting targets for universal services and ensuring equitable remuneration of the provider of universal postal services by various means, when the tariffs charged for the universal services are lower than the actual costs
  - j. Determine service standards and quality targets for universal postal services by the designated postal operator
  - k. Review and respond to customer complaints
  - l. Promote equitable access to and use of the extensive public postal network; benchmark and monitor tariffs (including interconnection) and reports to the Minister. Act as arbitrator in cases of deadlock or dispute on tariffs
  - m. Appoint an independent agent to assess the standards and performance of the designated postal operator
  - n. Promote sub-regional, regional, and global integration of postal regulatory practices
  - o. Facilitate improvement of the quality of service in the postal production chain
  - p. Encourage the sharing of networks between operators (interconnection) at fair and equitable rates
  - q. Initiate and participate in the establishment of a comprehensive national address system and postal code system.

### **5.2.3 Market structure**

The Namibian postal market structure is subject to market and competitive forces. The sector is partially liberalised. The designated postal operator is tasked with a universal service obligation.

Incoming cross-border mail delivered through the UPU network is not liberalised. Incoming cross-border mail not delivered to post boxes, private bags and home letter boxes and is liberalised, while courier express documents and parcels will be an integral part of the liberalised courier and express mail services in the country. Postal parcels for business entities, which are part of an integrated logistics supply chain, are not part of the reserved postal services and are liberalised. As the universal service obligations for the designated postal operator is based on delivery of mail into post boxes, private bags and home letter boxes, all mail transferred directly to addressees will be outside the scope of the universal postal services.

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#### 5.2.4 Roles of sector

Postal operators are responsible for providing efficient, affordable and quality postal services to Namibians.

- a. Designated Postal Operator (DPO)
  - i. Tasked to build and maintain postal infrastructure in Namibia and to provide a universal postal service and is granted a concession licence for this business. The designated postal operator is also required to apply for a licence to operate commercial postal services
  - ii. Provide interconnection facilities for mail presented by other licensed operators on commercial terms to provide a seamless postal service to all locations in Namibia
  - iii. Promote the utilisation of existing postal outlets in the rural areas as Multi-Purpose Community Centres to offer integrated information and communication services as a way of enhancing rural access
  - iv. Submit an annual report to the Regulatory Authority
  - v. Submit statistical information as required by the Regulatory Authority
  - vi. Ensure mail integrity and security
  - vii. Inform customers of product features, service standards and quality targets
  - viii. Educate customers on postal codes and addresses
  - ix. Participate in the development of the national postal code and address system
  - x. Provides a money transfer and money ordering services.
  
- b. Private postal operators
  - i. Apply for a postal license to operate commercial postal services in Namibia
  - ii. Submit an annual report to the Regulatory Authority
  - iii. Ensure mail integrity and security
  - iv. Submit statistical information as required by the Regulatory Authority.

#### 5.2.5 Ownership structures

The participants, excluding the designated postal operator, in the postal sector are privately owned. The designated postal operator is publicly owned.

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## 5.2.6 Role of customers

Customers are users of the services and procure products and services as required. Customers are however protected as follows:

- Right of access to postal services if the commercial conditions are met
- Non-discrimination
- Right of access to details of billing information
- Right to complain about quality, delay, quantity, tariff of postal service provided
- Right to fair terms of services
- Privacy
- Right to be protected from misleading advertising and harmful contents
- Right to know product features, service standards and quality targets.

## 5.3 Policies for the postal sector

### 5.3.1 Competition

#### Policy statement -1:

The Government will create an equitable, fair, just and competitive environment based on the principles of the free market and open, unfettered access to products and services. Excluding the reserved postal market, all other postal and courier services are deregulated and only subject to transport and related regulations.

#### Justification:

Competition instils a spirit of innovation and excellence in service. The non-reserved service areas are open for competition.

#### Policy statement -2:

All postal operators will be subject to a licence fee payable annually. In addition, a once off market entry fee will be levied.

#### Justification:

Namibia's small domestic postal market, compounded by a dispersed public, low public densities and long travel distances, requires the maintenance of the national postal network as a national imperative.

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Policy statement -3:

Government recognises that the growth in electronic telecommunications has expanded the communications market, reducing the postal services' percentage of market share drastically and threatening the volumes of the current postal services. If the postal sector is to protect its mail volumes or maintain its share of the communications market relative to its competitors, a fundamental rethinking of the entire role, strategy, and operational systems of the postal service is imperative.

Government is committed to:

- Make the postal sub-sector a priority area for development by including postal reform and development in the national development plan
- Support the efforts of postal operators to utilise modern technology and electronic communications in developing new products and offering value added services
- Encourage the development of postal products that utilise and support globalisation of industry and technology
- Participate in UPU postal development and reform activities, by promoting the use of state-of-the-art technologies through computerisation.

### **5.3.2 Customer protection and standards**

Policy statement -1:

The Government promotes efficient and reliable services that conform to international technical and quality standards.

Policy statement -2:

The Regulatory Authority will establish service standards and product definitions for the designated postal operator that ensure harmonisation of national mail systems with international networks. Service standards on speed and reliability as well as the achievement of quality standards will be measured.

Justification:

The Government will ensure quality of service in both the local and international postal networks. The Regulatory Authority will strengthen the quality of the international postal network providing the customer with reliable secure and efficient postal services.

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### **5.3.3 Regulatory framework**

#### Policy statement:

The regulatory framework will focus on the re-regulation of the postal sector, i.e. tight regulations (where required) combined with a generally less prescriptive and efficient framework avoiding over regulation and avoiding the creation of administrative burdens. The regulations should be easy and flexible to implement, minimise legal disputes and cater for a competent Regulatory Authority that can practically implement the policies and regulations.

#### Justification:

The regulatory framework should assist in the reform of the postal sector through re-regulation. However, it should not stifle but encourage innovation, creativity and convergence in the ICT industry.

### **5.3.4 Investment in the postal sector**

#### Policy statement:

The development and sustainability of the postal sector depends, to a large extent, on the availability of funding and investments. The investment will be generated from Government, the private sector and foreign companies and / or organisations.

Many of these areas will be financed primarily through normal internal capital expenditure of the designated postal operator. Efficiency gains within the postal network will cover the redistribution of post offices to previously disadvantaged areas, the increase of postal agencies and mobile facilities.

#### Justification:

Various areas of investment are essential to the improvement and extension of postal services. These include technology, mail centres, equipment for postal automation, counter automation, staff training, facilities maintenance, additional postal infrastructure and infrastructure upgrading.

### **5.3.5 Ownership and foreign participation**

#### Policy statement:

The Namibian Government encourages foreign participation in the postal sector. The Strategic ICT Advisory Council and / or Advisor on ICT Policy related matters will advise the Minister of I&CT on minimum local shareholding participation in the sector.



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Justification:

Increased participation of postal operators enhances competition which results in more efficient and affordable postal services. Non-reserved services are in many cases provided by foreign companies which can also assist with skills transfer.

### **5.3.6 Universal postal service**

Policy statement -1:

The Government has a fundamental obligation to ensure that a universal postal service, particularly within the rural areas, exist - even though these services may not be commercially viable.

Policy statement -2:

The Regulatory Authority will issue a licence to the designated postal operator with set terms on which a Universal Service Obligation (USO) is imposed.

Policy statement -3:

The Government will subsidise loss making services resulting from the designated postal operator's universal service obligation. The Government will analyse the cost of the universal service obligation and review the subsidy if it is satisfied that the designated postal operator has achieved internal efficiencies and diversified its services into new, more lucrative ICT services.

Justification:

Integral to national policy for the postal sector is the provision of a universal service. This ensures that all inhabitants have equal access to a basic postal service that is reasonably accessible - regardless of physical location. These services are provided on standard terms and conditions and at an affordable price.

Policy statement -4:

The Government promotes more effective utilisation of postal infrastructure to serve as points of access to the global information society and will utilise this infrastructure post offices as Multi-Purpose Community Centres for ICT services where deemed necessary.

Justification:

Multi-Purpose Community Centres will be established to provide a one-stop centre meeting a variety of customer needs, and will involve the cooperation of a number of different Government Ministries and

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services. The number of payments and services offered will be extended avoiding the duplication of infrastructure, and improving the financial position of the designated postal operator.

### **5.3.7 Reserved services**

#### Policy statement -1:

The Government realises that the designated postal operator is faced with both direct and indirect competition and needs to be protected to deliver a universal service.

#### Justification:

Direct competition is offered from various segments of the postal market, and indirect competition through rapid technological and communication advances, in the form of fax, electronic mail (e-mail) the unaddressed mail market, retail marketing, internet marketing and other forms of electronic communications media.

#### Policy statement -2:

In order to ensure the provision of universal service, the Government will give the universal service provider exclusive or monopoly protection in reserved services of the postal markets. The distribution of letter post not exceeding one hundred grams and parcel post not exceeding fifteen kilograms to post boxes, private bags and home letter boxes, are reserved markets for the designated postal operator. The distribution of advertising material (e.g. pamphlets) and newspapers through post boxes, private bags and home letter boxes is excluded from this reserved service.

#### Justification:

Protection will be granted in reserved services only. Reserved services are justified economically in order to provide sufficient volumes over which the fixed cost elements of the postal network can be spread, in order to achieve low unit costs and prices affordable to all. The rationale is thus to enable the Universal Service Provider (USP) to capture the monopoly benefits associated with being the sole provider of the service in order to financially compensate for the universal service requirements imposed upon it.

Any parcel – regardless of its weight – that is not distributed through the designated postal operator's postal network, is open to free competition.

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Policy statement -3:

The tariffs applicable to reserved postal services shall be set by the designated postal operator according to the guidelines established by the Regulatory Authority. Review of tariffs relating to reserved services shall be made at such frequency as may be provided in these regulatory guidelines. In setting and reviewing the tariffs for reserved postal services, the designated postal operator shall ensure that the tariffs are based on the cost of providing efficient services in accordance with the license and shall further ensure that such tariffs do not constitute anti-competitive behaviour.

Tariffs for un-reserved postal services will be set by the market.

Policy statement -4:

The designated postal operator shall not cross-subsidise the prices of any service it offers in the market for un-reserved postal services from the sales revenue of reserved postal services.

Policy statement -5:

Only the designated postal operator is allowed to issue postage stamps. This includes definitive, commemorative, special and electronic stamps.

Policy statement -6:

The Regulatory Authority will set standards for the universal service provider, and impose conditions through a licence agreement, for reserved services.

Policy statement -7:

The designated postal operator will be subject to a performance contract that specifies the scope and standards of the service, and penalties for not providing the universal postal products and services to these standards.

Justification:

The designated postal operator's performance will be measured through a system that accurately reflects the customer's experience of the service, and the audited results will be made available to all relevant parties.

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### **5.3.8 Interconnection**

#### Policy statement -1:

The Government promotes the provision of interconnection facilities for mail presented by other licensed operators on commercial terms so as to provide a seamless postal service to all locations in Namibia.

#### Policy statement -2:

Interconnection applies to linking with operators who provide postal networks or services in order to allow the users of one operator to deliver services to the users of another operator and to access services provided by another operator, where specific commitments are undertaken.

#### Policy statement -3:

Any postal network should be fully accessible to any other postal operator in a non-discriminatory manner, while protecting the privacy of both parties.

#### Justification:

For a competitive sector to work effectively, sound interconnection agreements are essential. Postal service users need full interconnection between competing networks for access to all other users. New postal operators will not be able to reach the public living in the rural and remote areas without interconnection and transiting their consignment through the network of the public postal operator.

### **5.3.9 Mail house operators and mail consolidators**

#### Policy statement:

Mail house operators and mail consolidators shall comply with Universal Postal Union guidelines on re-mailing, be subject to monitoring by the Regulator with regard to trading practices and agreed-to service standards; be subject to licensing by the Regulator in order to operate within Namibia; and honour the 'reserved' benefits conferred on the public postal operator.

### **5.3.10 Extra Territorial Offices of Exchange (ETOE)s**

#### Policy statement:

Mail house operators, mail consolidators and extra territorial offices of exchange shall comply with Universal Postal Union guidelines on re-mailing, be subject to monitoring by the Regulator with regard to trading practices and agreed-to service standards; be subject to licensing by the Regulator in order to operate within Namibia; and honour the 'reserved' benefits conferred on the designated postal operator.

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Justification:

At present, there are no ETOEs operating in the postal sector, however, with the advent of globalisation of exchanges in goods and services, ETOEs are more than likely to target the postal sector.

**5.3.11 Postal security**

Policy statement -1:

The Government will develop and adopt specific postal laws, regulations and measures to ensure the security and integrity of the postal system.

Policy statement -2:

The designated postal operator will ensure the integrity of mail and protect employees, property, business interests and clients against criminal activities. This will enhance the quality of service and image of the designated postal operator.

Policy statement -3:

The designated postal operator will develop a crime prevention and investigation strategy in consultation with all stakeholders in the postal service.

Policy statement -4:

Postal articles may be subjected to examination by the opening thereof through the use of detection devices. This will be in line with applicable national legislation and will therefore not involve a breach of privacy.

Justification:

The postal sector is a major employer in Namibia, processing and delivering vast quantities of mail and valuables on a daily basis. The postal service can thus be utilised by criminals for their operations. The aim is to prevent crime categories committed within and against the postal service such as postal revenue offences, commercial offences, mail violation and secretion and crimes against postal property and identity.

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## 6 Licensing regime

### Policy statement -1:

The Regulatory Authority will issue a concession to delegate public postal operations. This will grant the designated postal operator exclusive privileges for a determined period of time. At the end of the stipulated period, the concession agreement and conditions will be reviewed.

The Regulatory Authority should, if required, grant the designated postal operator a licence to operate commercial services. This should be done on the same criteria as required from private postal operators.

### Policy statement -2:

All new entrants into the postal market will be subject to licensing conditions as set by the Regulatory Authority.

### Justification

Terms and agreements stipulated in the licence must be observed and adhered to by the operator, and a licence fee will be levied on the operator.

Performance and service standards and the protection of customers will be incorporated into the licence agreement. Should the terms of licensing not be met, penalties will be imposed.

## 7 Other policies for postal services

### 7.1 Postal service impact of technological advances

#### Policy statement -1:

The Government recognises technological innovation and the application of new technology in the postal market as indirect competition, and does not contravene the exclusive powers granted to the designated postal operator.

#### Justification:

Alternatives to the distribution of mail are mainly developed through technological innovation and the application of new technology to this market. Examples are the telephone, fax, e-mail, internet, telemarketing, direct marketing on television, electronic data exchange, electronic funds transfer and the

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development of the virtual office. Whilst these technology driven communications pose a threat to the traditional letter market, significant opportunities are also raised.

Policy statement -2:

The Government recognises Hybrid Electronic Services (e.g. Volume Electronic Mail – VEM, Hybrid Data Interchange service and Electronic Document Interchange - EDI) as complementary services to postal services. The designated postal operator is tasked to expand its services into the converged ICT domain.

Justification:

Hybrid Electronic Services involve both the delivery of a hard copy version of a message that originated from the sender in electronic form, and the translation of a hard copy communication into electronic form for transmission to a recipient by modem or other electronic networks. These services speed the transmission and delivery of hard copy communications and represent a bridge between the present and future of business and consumer communications.

## **7.2 International postal relations**

Policy statement:

The Government aims to ensure the smooth functioning of the vast global postal networks, and a close cooperation between different countries in the international postal sector.

Justification:

Namibia has signed a number of declarations and protocols regarding international postal services, and participates in relevant Universal Postal Union (UPU) initiatives.

## **7.3 Cooperation and interaction among stakeholders**

Policy statement:

The Government aims to strengthen and broaden cooperation and interaction among the stakeholders of the postal sector.

Justification:

The long term success of the postal sector will depend on the participation of investors, managers, employees and customers in Namibia and the sub-region. It is important for the Regulatory Authority to involve of all stakeholders in the development strategy of the sector.

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## 7.4 Skills development

### Policy statement:

The Government will provide incentives for ICT skills development by the private sector.

### Justification:

The development of ICT related skills to contribute to the development of the ICT sector is a national imperative in building this sector.

## 7.5 Postal services and the environment

### Policy statement - 1:

The Government is committed to environmental development and sustainability, and will thus ensure that all responsibilities and duties within the postal sector will be implemented with the least possible impact on the environment.

### Policy statement -2:

In the Government's efforts to protect the environment, the Government promotes the implementation of an environmental policy in the postal sector. The policy will be aligned with 'Beijing Declaration on Environmental Protection'.

### Justification:

Globally postal services are embarking on recycling programmes, introducing environment friendly products, using recycled material and participating in various environment awareness programmes. A number of postal services have already started experimenting with non-polluting resources such as alternative fuel blends and energy conservation measures in buildings.

## 8 Postal policy implementation

The Namibian Postal Policy implementation process will be guided, among others by the following considerations, which are essential for success:

- a. Implementation of this Policy shall be guided by principles of good governance such as transparency, accountability, indigenous knowledge, service delivery to the underserved, rule of law, right to information as enshrined in the Constitution.
- b. The Government will harmonise all legal frameworks in Namibia to affect this Policy and strengthen the organs of State to execute this Policy.



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- c. The Government aims to utilise Public Private Partnerships (PPPs) in the implementation of the Postal Policy, especially in matters and projects of national character and importance. It is particularly important for PPP initiatives to provide, support and use the information infrastructure, to encourage the deployment and use of ICTs within the economy and society.
  - d. Government will take leadership in facilitating the development and mobilising investment required for the national postal infrastructure as well as the implementation of the Postal Policy.
  - e. The Postal Policy will be accompanied by legislation passed to support effective separation of powers for policy formulation and guidance, ensure transparent and effective regulatory functions based on convergence principles and establish institutional mechanisms for policy implementation.
  - f. Postal Policy implementation will be closely aligned with other initiatives as set out in National Development Plan 2.
  - g. Government will ensure the existence of effective competition legislation and the establishment of a Competition Commission in Namibia.
  - h. Provision should be made for the development and upgrading of supporting infrastructure such as roads, electric power and water / sanitation as complimentary services to the successful ICT penetration in Namibia.
  - i. Government will establish coordination mechanisms at different levels to allow integration and ensure sustainability of ICT programmes and projects.
  - j. All communities should work with Government and the private sector to ensure the ICT skills development and / or transfer.

## **9 Review of this Postal Policy**

Given the dynamic nature of the postal sector, it is important to ensure that the Policy framework remains relevant and adequately addresses all issues. The Ministry of ICT will establish mechanisms for the collection of relevant information from operators and the comprehensive research to identify relevant issues, trends and other matters that may affect the sector. In addition, the Ministry will establish a formal mechanism for the periodic reviews of this Policy, taking into consideration the information collected, the research done and feedback from key stakeholders.

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## 10 Glossary

**Convergence** – The integration of industries that up to now have largely operated separately from one another, but meshing along a specific value chain or bundling from different services at the applications end. Convergence is driven by the digitisation of the presentation, transmission, storage, processing and creation of information.

**Courier service** - An individualised and time sensitive service for collection / acceptance, conveying and delivery of documents, parcels and packages on a door to door basis.

**Designated postal operator** - A national postal operator in which is legally obliged to provide universal postal service.

**E-government** - The electronic delivery of the services provided by Government.

**Electronic Data Interchange (EDI)** - The use of Information Communications Technology (ICT) and information processing to conduct business transactions, often in an integrated network combining different media, such as voice, text and data processing.

**Extra Territorial Office of Exchange (ETOE)** - An office or facility operated by a national operator in its national territories.

**Incumbent** – A term used to describe existing often first established as regulated monopolies.

**Information and Communications Technology (ICT)** - Any communication device or application, encompassing radio, television, cellular phones, computer and network hardware and software, satellite systems and so on, as well as the various services and applications associated with them, such as video conferencing and distance learning. ICT refers to the technologies, including computers, telecommunications and audio-visual systems that enable the collection, processing, transportation and delivery of data, information and communications services between users.

**Information society** – A modern public that is conversant with – and actively using – information and communications technology. It is also viewed as a society where the creation and exchange of information is a predominant social and economic activity.

**Information Technology (IT)** - Information Technology (IT) is the study, design, development, implementation, support or management of computer-based information systems, particularly software applications and computer hardware.

**Interconnection** - Technical, organisational and financial systems which allow the interconnection of two or more distinct networks, for instance the designated postal operator and the private postal operator(s) within and outside the country.

**Letter** - Any form of written communication in the nature of current and personal correspondence which includes postcards and aerogrammes. A letter contains a message, but due to the physical format needs to be distributed. A letter may also contain non-messaged items such as a piece of clothing, which places it purely within the distribution market. As the size of the item to be distributed grows, so the letter becomes a parcel.

**Licence** - An authorisation granted by a regulatory authority to an operator for the provision of postal services.

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**Licensee** – A person granted or issued with a licence.

**Licensing** - An administrative procedure for selecting operators and awarding authorisations for the operation of a particular segment of postal services, for instance courier, express and others.

**Mail** – Letters and packets that are delivered by the postal service. This comprises of domestic and business communications delivered by the Designated Postal Operator.

**Mail consolidator** - An entity which is in business to transport mail between and within countries on behalf of any organisation.

**Mail house operator** - An entity which is in business to collate, fold and stuff envelopes with information from companies and organisations for delivery to the postal system.

**Non-Government Organisation (NGO)** – NGOs strive to achieve public objectives and derive their sources of funding through donors. NGOs are both a source of funding and a delivery mechanism.

**Non-reserved services** –

- Parcel services, referring to the movement of individual goods and items larger or heavier than the dimensions prescribed by reserved services
- Courier services including both express letters and parcels larger or heavier than the dimensions prescribed by the reserved service
- New services significantly different from existing reserved standard services. If a new service subsequently becomes a necessary element in the achievement of universal service, it can be integrated into the reserved area subject to the criteria.

**Philatelic products** - Means postage stamps, labels, postal impressions, envelopes, stationery and related products produced by the designated postal operator and sold to stamp collectors. Postage stamps may be sold in mint condition or cancelled to order.

**Post office** - Post office means any building, house, room, equipment or place or mobile facility where postal articles are received, processed, dispatched or delivered by a postal operator.

**Postal services** - The services performed and facilities provided in connection with:

- The collection, transmission, and delivery by land, water, or air transportation of postal articles
- The production of postage stamps, philatelic products and the use of franking meter machines for prepaid postage charges
- The acceptance, transmission and payment of money from one place to another place - commonly referred to as money ordering or money transfer.

**Private letter box** – A small container installed on the designated postal operator's or private premises as a point of mail delivery.

**Private mail bag** – A special form of postal delivery for an organisation which receives large volumes of mail.

**Private postal operator** - Any company which is owned privately with official permission (license) to operate services which are not reserved to the public postal operator on commercial terms.

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**Public Private Partnerships (PPP)** - An approach to facilitate cooperation between the public and private sectors in delivering important Government policy initiatives. PPPs can take various forms.

**Regulatory Authority** - A public institution established by legislation to control by using rules and regulations on the provision of postal services.

**Re-mail** - Mail from one country mailed in another to take advantage of a differential in postal rates.

**Reserved postal services** - A defined range of services within specified limits reserved to a designated postal operator mandated to provide postal service, i.e. postal products and services which are legally controlled or under the monopoly of the designated postal operator with the objective of enabling it to generate the funds needed to cover the additional costs of providing the universal postal service.

**Sector** – A distinct part of a market that can be described, categorised and targeted according to its own criteria and characteristics.

**Terminal dues** - Payable by one designated postal operator to another for delivery of international mail in the receiving country.

- The acceptance, transmission and payment of money from one place to another place - commonly referred to as money ordering or money transfer.
- The collection, transmission, and delivery by land, water, or air transportation of postal articles
- The production of postage stamps, philatelic products and the use of franking meter machines for prepaid postage charges

**Transit time** - The time taken to deliver a letter from the time of postage to the time of delivery.

**Universal access** - Acceptable criteria used for defining postal service access standards which include among others: frequency of mail collection and delivery, post office opening times, distance between post offices (average area covered) and number of inhabitants served by a post office.

**Universal postal service** - A defined set of postal products and services of general public interest to which customers are entitled to use without discrimination in terms of accessibility, price and quality throughout the country. Universal services include but are not limited to the reserved postal services. The scope of the postal services offered under universal postal service would be defined by legislation or by other customary means taking into account of the needs of the public and other national social and economic conditions.

**Universal service** – Service available, as far as possible, to all the people without discrimination on any basis with adequate facilities at reasonable cost. A designated postal operator provides these services.

**Universal Service Obligation (USO)** - The Government's commitment to ensuring the provision of a good quality, affordable nation-wide postal service, allowing effective communication between people. It sets out a specific obligation imposed by postal law or license on the postal operator to provide a defined set of postal services to a specified community and locality usually under a regulated pricing system. In the event that such obligation results in financial loss of the designated postal operator on a transparent compensation mechanism has to be put in place.