

CRAN HOLDS HEARING TO DETERMINE DOMINANT PLAYERS WITHIN TELECOMMUNICATION SECTOR

FOR IMMEDIATE RELEASE

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Last week Friday, 25 April 2024, the Communications Regulatory Authority of Namibia (CRAN) conducted a public hearing in terms of section 78 of the Communications Act, Act No. 8 of 2009 on market dominance within the country's telecommunications sector. The hearing focused on the discussion document to determine dominant operators identified the following markets within the telecommunications sector, namely National Data Transmission, Wired End-User Access, Mobile End-User Access, and Call and SMS Termination.

Mrs. Helene Vosloo, CRAN's Executive for Economics and Market Development, delivered key insights during the session. She highlighted the dominance observed in National Data Transmission, where Namibia Power Corporation Ltd (Nampower) and Telecom Namibia Ltd control over 85% of the country's Fiber routes. Notably, NamPower commands a 28% market share, while Telecom Namibia leads with 57%, followed by MTC at 9% and Paratus at 6%.

Regarding Wired End-User Access, Mrs. Vosloo pointed out that wireless end-user access, primarily mobile, holds a staggering 99% service share. MTC leads with an 82% market share in subscriber terms, while Telecom Namibia follows with 17%.

In the wired end-user access market, Telecom Namibia holds a subscriber market share of 90% as of the end of 2023. This significant market dominance allows Telecom Namibia to operate independently and assert its influence in this segment.

Furthermore, Mrs. Vosloo emphasized the unique challenges posed by voice and SMS termination, where the market for fixed and mobile call termination functions as a natural monopoly. Consequently, all operators offering call and SMS termination are considered dominant players in this market.

| Dominance Determination | | |
|-------------------------|---|---|
| | Market as Defined | Determination |
| 1 | National Data Transmission | Telecom Namibia, NamPower |
| 2 | Wired End-User Access | Telecom Namibia |
| 3 | Wireless End-User Access | MTC, Telecom Namibia |
| 4 | Fixed and Mobile Call & SMS Termination | All licensees offering call and SMS termination are dominant operators. |

Mrs. Emilia Nghikembua, CRAN's Chief Executive Officer, further delivered a compelling message during the hearing, highlighting the profound impact of market dominance on various aspects of the telecom industry. She emphasized that unchecked dominance could impede competition, stifle innovation, and limit consumer choice. By addressing these issues, CRAN aims to foster a more dynamic and competitive telecommunications market that benefits both businesses and consumers.

Additionally, Market dominance isn't just a theoretical concern; its real-world consequences can be felt by consumers through restricted choices, higher prices, and lower service quality. By actively monitoring and regulating market dynamics, CRAN seeks to ensure that all participants have an equal opportunity to thrive and contribute to the growth of the telecom sector.

The public hearing aimed to underscore CRAN's commitment to promoting a fair, competitive, and vibrant telecommunications market in Namibia. Through proactive regulation, informed decision-making, and stakeholder engagement, CRAN is working towards creating an environment where all players can thrive and where consumers can benefit from increased choice, better services, and competitive pricing.

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