



ZICTA

ZAMBIA INFORMATION AND COMMUNICATIONS TECHNOLOGY AUTHORITY

REQUEST FOR PROPOSALS FOR INTERNATIONAL NETWORK AND NATIONAL SERVICE LICENCES WITH ASSOCIATED RESOURCES

**MINUTES OF THE PRE-PROPOSAL MEETING HELD ON OCTOBER 10, 2017 AT
THE ZICTA HEAD OFFICE AT 10:00 HOURS**

Chairperson

Mr. Paul Magiya Manda

Acting Deputy Director - Acquisition and Supply Chain - ZICTA

In Attendance

Mr. Chisanga M. Mulenga

Director - Economic Regulation - ZICTA

Mr. Thomas Malama

Director - Legal and Regulatory Affairs - ZICTA

Mr. Benard Banda

Manager - Policy Research - ZICTA

Mr. Elly Longwe

Manager Licencing - ZICTA

Mr. Elliot N. Kabalo

Manager Standards & Network - ZICTA

Mr. Lwando Bbuku

Acting Manager Interconnection & Competition - ZICTA

Mr. Peter S. Kang'ombe

Legal Assistant - Musa Dudhia & Co.

Mr. Chishala Kelvin Mwansa
Head Operations - Deerhurst Zambia Limited

Mr. Chungu K. Enoch
Commercial - Deerhurst Zambia Limited

Mr. Blessed Mubanga
Product Research - Deerhurst Zambia Limited

Secretary

Ms. Zamamwaji Mwanza
Licensing Officer - ZICTA

1.0 Opening Remarks

The Chairperson called the meeting to order at 10:07 hours and thanked everyone for attending the pre-proposal meeting for the Request for Proposals for International Network and National Service Licences with Associated Resources. The Chairperson stated that the purpose of holding the meeting was to accord an opportunity to prospective Applicants to seek clarifications on any aspects relating to the request for proposal document.

2.0 Question and Answer Session

Question 1

Once the payment for the tender document is made to the Authority, to what extent will information be provided to the applicant? Will the applicant be required to make extra payments to obtain additional information?

Answer

Once the payment is made, the applicant can submit inquiries to the Authority, provided that they are sent within twenty one (21) days before the deadline for the request for proposals. Alternatively, the Authority was required to provide a written response to the inquiry five (5) days from the date it is received.

Question 2

Does this licence provide for Mobile Virtual Operator (MVO) services?

Answer

The licence provides for more than MVO services as the applicant will have access to resources that will allow for operations as a Mobile Network Operator (MNO). This means that once the licence is granted, the licensee will be required to compete with the existing MNOs.

Question 3

Will the successful Applicant be allowed to temporarily ride on an already existing network or will such an Applicant be required to deploy their own network?

Answer

Once the licence has been granted, the operator is free to ride on already existing infrastructure for the first few months but will be required to invest into their own infrastructure. The Applicant can make use of the already erected towers spread across the country and but will be required to deploy towers in some remote locations where such infrastructure is not available.

The Regulations provide for infrastructure sharing. However, whatever option the successful Applicant chooses, they will be required to commence operations within six (6) months from the time the licence is granted.

Question 4

Does an Applicant need to have presence in Zambia? To what extent does this requirement apply?

Answer

This requirement for a presence in Zambia only applies to the successful Applicant to whom the licence shall be granted. The successful Applicant is required to be incorporated in Zambia, regardless of its origin.

Question 5

At what stage should the Environmental Impact Analysis (EIA) be conducted and by who?

Answer

In order to deploy the infrastructure, the success Applicant will be required to undertake an environmental impact assessment. Consequently, the Applicant will be required to seek approval from the Zambia Environmental Management Agency and then present the approval to the Authority.

Question 6

Is a bidder required to apply for a TPIN from ZRA?

Answer

No, the TPIN will only be required once the Applicant has been selected and subsequently incorporated in Zambia.

Question 7

Does the licence allow for the provision of International Services

Answer

Yes, the licence allows for the provision of International Services through the international gateway. The gateway will allow for the subscribers to make calls outside Zambia.

Question 8

The cost of the bidding document for an International licence appears to be high. Is there any flexibility in terms of payments?

Answer

The payments can be made in instalments, provided the final payment is made before the deadline for submission for proposals. Further, we have made comparisons with other countries and it that Zambia is one of the few countries that is selling an RFP document at such a low price for this type of licences.

Question 9

Should the licence fee be paid before or after the licence is awarded?

Answer

The payment for the licence fee shall be made once the licence has been awarded.

Question 10

Can the payment of the licence fee be made in instalments?

Answer

No, the payment for the licence fee cannot be made in instalments. An investor is required to demonstrate their financial capability in discharging the obligations of the licence being sought. The successful Applicant must be able to rollout on time, demonstrate their ability to offer services and compete with the current players on the market.

Question 11

Can the Authority allow for an arrangement between an international company with a Gateway licence and a Zambian international gateway licence holder to collaborate?

Answer

Naturally yes. The successful Applicant will be required to have agreements with international service providers.

Question 12

Are there any restrictions on the type of technology that can be deployed by an Applicant?

Answer

There are no restrictions on the type of technology that can be deployed or the type of services that can be provided once the licence has been obtained. However, the operator will need to be able to interconnect with the existing operators. The ICT Act prescribes for existing operators to allow the new operators to interconnect unless the two systems cannot connect. In this regard, it is the obligation of the Applicant to ensure that they are able to interconnect with existing systems.

Question 13

Will the evaluation process be transparent and open to other bidders?

Answer

Although the bidding process will not be open to other bidders, it will be transparent, fair and based on the provisions of the RFP document.

Once the tender is closed, the bidders will not be allowed to make any communications with the Authority until formal

notification has been made by the Authority. It is only after the formal notification that bidders will be free to seek reasons as to why they were not selected.

The process and the requirements are clearly stated in the RFP document and it is in the best interest of the Authority to get the best bidder in order to ensure that competition in the sector is enhanced. As a public institution, we are accountable for our decisions to the public and that in itself compels us to adhere to the laid down rules.

Question 14

Once the non-refundable fee is made for the RFP document, how soon can the RFP document be obtained?

Answer

The document shall be given there and then.

Question 15

Can payments be made through a cheque?

Answer

No the payment cannot be made by cheque as there is a limited amount on cheques. The payment can be made through an electronic fund transfer.

Question 16

Is it a requirement for the investor to have their own numbering resources?

Answer

Once the Applicant is awarded the licence, the Authority will also issue the associated resources such as numbers and spectrum at prescribed fees.

Question 17

Is the six (6) months deployment for rollout feasible?

Answer

The six months is for commencement of operations.

Question 18

Are Applicants still allowed to send through their queries?

Answer

Yes. However, only queries received 21 days before the closing date will be responded to. All queries can be sent through the email address provided in the RFP document.

Question 19

Does the official RFP document have additional information in comparison to what was posted on the website?

Answer

No, the documents have the same information. However, the official document is only provided to those who will have paid the non-refundable fee. Failure to pay the non-refundable fee renders the Application invalid.

Question 20

Will questions sent via email be answered by the Authority?

Answer

Yes. The Authority will respond and send to all prospective Applicants who would have paid the non-refundable fee for the RFP document.

Question 21

Are there any restrictions on how often an International licence will be made open for application?

Answer

Yes there is a restriction. In order to avoid market failure, a study of the current market needs to be undertaken first to assess the need for another operator. The availability of the resources is also key in determining the need for another Licence holder.

3.0 **Closing Remarks**

The attendees were reminded to ensure that they direct all their queries to the email address provided in the RFP document once the payment for the document had been made. The attendees were also informed that the Authority, through this process, had created an opportunity for Zambians to partner with foreign investors and thereby play an active role in the development of the ICT sector.

There being no further business, the Chairperson thanked the audience for their questions and contributions. The meeting was declared closed at 10:58hrs.

Signatures:

Chairperson

Secretary

Date