

F. No.I-(6)/2011-GBC-PTA  
**GILGIT BALTISTAN COUNCIL SECRETARIAT**  
**2<sup>ND</sup> FLOOR "B" BLOCK BENEVOLENT FUND BUILDING ZERO POINT**  
**ISLAMABAD**

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Islamabad the 10<sup>th</sup> April, 2015

The Director General (Licensing)  
(Rizwan Ahmad Hydri),  
Pakistan Telecommunication Authority Headquarter,  
F-5/1, Islamabad.

Subject: **REQUEST FOR ALLOCATION OF ADDITIONAL SPECTRUM AT GILGIT-BALTISTAN.**

Dear Sir,

I am directed to refer to PTA's letter No. Misc (AJK&GB)/14/WLL&M/PTA/1110 dated 22<sup>nd</sup> December, 2014 on the subject noted above, and to convey the approval of Gilgit-Baltistan Council Secretariat to the Policy Framework proposed by Ministry of Information Technology (MoIT), GoP for GB vide their letter No.5-1/2006-D(W) dated 1<sup>st</sup> April, 2015 (copy enclosed alongwith its enclosures).

2. It is requested that the Pakistan Telecommunication Authority (PTA) in collaboration with the Frequency Allocation Board (FAB) may undertake the exercise based on the following sample framework as proposed by the MoIT, GoP at the earliest possible time under intimation to this Secretariat:-

- i. PTA and FAB being the relevant agencies as per the Act, to work out the availability of frequency blocks of 5 MHz or other appropriate size as per the norm of WLL allocation in GB;
- ii. PTA to ascertain market demand for the subject frequencies if already not established;
- iii. PTA to evaluate spectrum pricing for allocation of subject frequency spectrum, preferably, on the benchmark of earlier relevant Spectrum auction/ award outcome in GB; (Annex-I).
- iv. PTA to devise a mechanism for transparent allocation of the subject frequencies based on the demand scenario. If demand is more than current supply, mechanism of open auction may be used and if demand is less than supply, other mechanism of allocation to the applicants based on benchmark resulting from (iii) above may be used; and;
- v. PTA to work out other requisite allocation conditions e.g. rollout obligations, Quality of Service (QoS) benchmarks, infrastructure sharing and any other regulatory conditions consistent with the Act, for addition/ modification in the existing licenses of the operators accordingly.

Looking forward to hear from you soon.

Encl: as above.

  
(Mohammad Yasin Gohar),  
Deputy Secretary (Finance)  
Tele: 0519253264



GOVERNMENT OF PAKISTAN  
MINISTRY OF INFORMATION TECHNOLOGY  
(IT & TELECOM DIVISION)

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No: 5-1/2006-D(W)

Islamabad, the 01 April, 2015

**Subject:** Request for Allocation of Additional Spectrum at Gilgit-Baltistan

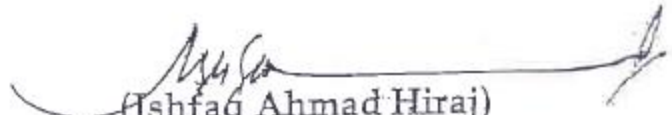
Reference GB Council Sectt's letter No. F.1-1(16)/2011-GBC-PTA dated 17<sup>th</sup> March 2015, requesting Ministry of Information Technology (MoIT) to make proposal (on the pattern of AJK Council) in order to enable GB Council Secretariat to issue policy directions to the Pakistan Telecommunication Authority (PTA) for the allocation of frequencies for the Wireless Local Loop (WLL) networks and data services.

2. The issue has been analyzed in detail in the context of original assignment of frequencies to LL (local Loop) Licensees for WLL voice and data services in the territory of Gilgit-Baltistan. MoIT is pleased to propose that GB Council may engage PTA and FAB, to undertake the exercise based on following sample framework:

- i. PTA and FAB being the relevant agencies as per the Act, to work out the availability of frequency blocks of 5 MHz or other appropriate size as per the norm of WLL allocation in GB;
- ii. PTA to ascertain market demand for the subject frequencies if already not established;
- iii. PTA to evaluate spectrum pricing for allocation of subject frequency spectrum, preferably, on the benchmark of earlier relevant Spectrum auction/ award outcome in GB (Annex-I);
- iv. PTA to devise a mechanism for transparent allocation of the subject frequencies based on the demand scenario. If demand is more than current supply, mechanism of open auction may be used and if demand is less than supply, other mechanism of allocation to the applicants based on benchmark resulting from (iii) above may be used; and
- v. PTA to work out other requisite allocation conditions e.g. rollout obligations, Quality of Service (QoS) benchmarks, infrastructure sharing and any other regulatory conditions consistent with the Act, for addition/ modification in the existing licenses of the operators accordingly.

3. An appropriate timeline for completion of the proposed activities by PTA and FAB may also be prescribed by the GB Council.
4. MoIT remains available to render any further advice/ recommendations to the Council to enable this process.

Mr. Mohammad Yasin Gohar  
Deputy Secretary (Finance)  
GB Council Secretariat,  
Islamabad.

  
(Ishfaq Ahmad Hiraj)  
Section Officer (DT)  
PH: 9220431



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**PAKISTAN TELECOMMUNICATION AUTHORITY**  
**HEAD QUARTERS, F-5/1, ISLAMABAD**  
Tel: 051-2878144, Fax: 051-2878132  
<http://www.pta.gov.pk>

PTA/Wireline/Licensing/ 723/2007/1

13th November 2008

Subject: SPECTRUM AUCTIONING FOR WLL IN AJK&NAs (3.5 GHz BAND)

In continuation to our letter No. PTA/Wireline/Licensing/ 723/2007/1 dated November 5, 2008 enclosed find herewith Procedure for WLL spectrum auctioning in AJK&NAs please.

Encl: (5 Pages)

  
**SAJJAD LATIF AWAN**  
DIRECTOR LICENSING(WIRELINE) 13/11/08  
Email: [sajjadlatif@pta.gov.pk](mailto:sajjadlatif@pta.gov.pk)

To:

Pakistan Telecommunication Company Limited  
PTCL Headquarters, G-8/4 Islamabad.

Through:

Mr. Gul Ahmed, EVP(RA)

Copy to:

- i All Director Generals PTA HQs, Islamabad.
- ii Director (Coordination) PTA HQ's, Islamabad
- iii Director ICT, PTA HQ's, Islamabad
- iv PS to Member (Finance), PTA HQ's, Islamabad
- v Director (Media & Communication), PTA HQ's, Islamabad

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## Spectrum Auctioning Procedure for WLL Licensing in AJ&K / NAs

1. **General.** In case of auctioning of WLL spectrum in all three telecom regions of AJ&K and NAs, the base price for the three different categories of spectrum (450 MHZ, 1900 MHZ, 3500 MHZ) has been fixed by the Authority. Therefore, the exercise would involve one stage bidding process to only determine auction winning price. Only 3.5 GHZ spectrum would require auctioning in all the three regions. In other spectrum bands i.e 450 MHZ and 1900 MHZ, the applicants are less than the available spectrum blocks in all three telecom regions.

2. **Procedure to be Adopted**

a. Information About Base Price (3.5 GHZ Band)

(1) Mirpur (TR-1)	-	Rs.8.57 Million
(2) Muzaffar Abad (TR-2)	-	Rs.2.85 Million
(3) Northern Areas (TR-3)	-	Rs.2.85 Million

Note: Four applicants i.e. LinkDirect, PTCL, Telenor and Wateen are contestants against two spectrum blocks in all three telecom regions.

- b. Each telecom region will be handled separately starting with TR-1 followed by TR-2 and TR-3 in that order.
- c. The eligible Applicant (Bidder) shall submit list of authorized representatives who will participate in the Bidding Process within the time given by the Authority and also submit power of attorney on or before the date and time of starting the process for auction;
- d. Only three persons including the Authorised Representative of each eligible Applicant (Bidder) shall be allowed to participate in the bidding process;



- e. The auction shall be based on an open out-cry on the same date, the same venue and the time announced by the Bidding Committee.
- f. The Bidder shall cry-out his bid and write it on the prescribed form duly signed by the Authorised Representative and hand it over to the Bidding Committee.
- g. Each raise of outcry will be multiple of Rs. 1.00 Million for TR-1 and Rs. 0.5 Million for both TR-2 and TR-3 except the first outcry, with a minimum time of two minutes between each raise and would be upto the bidding committee to announce closing time for a bid. However, the bidding committee, before closing the bid would start & display the clock/stopwatch and wait for one minute. The first outcry/bid increment would be such that the bid amount for the lot of spectrum is rounded off as follows, which will be the minimum first outcries:

Mirpur (TR1)	Rs.9.0 million
Muzaffarabad (TR2)	Rs.3.0 million
Northern Areas (TR3)	Rs.3.0 million

- h. When there is no raise in the auction price within permissible time the auction will be closed at that point and the last amount out-cried will be declared as the auction winning price with name of the Bidder by the Bidding Committee.
- i. The second highest Bidder will be asked to match the auction winning price. If it does so, the other block goes to this Bidder. In case, the second highest Bidder does not match the auction winning price, the next highest Bidder (3<sup>rd</sup> in the ladder) will be asked to match and so on. If no other Bidder is ready to

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match the Auction Winning Price, the Bidding Session will be closed by the Bidding Committee with the consent of the Authority.

j. The Bidder of "auction winning price" will be entitled to pick up spectrum block of its choice out of the two available blocks. Its selection shall also be recorded.

k. After the announcement of highest Bidder, no further offers shall be entertained by the Authority.

l. This exercise continues for TR-2 and TR-3 in the same manner.

4. **Bidding Committee.** The Authority constituted the Bidding Committee comprising the following members for the purposes and conduct of auctioning in AJK & NA:

- |                                    |   |        |
|------------------------------------|---|--------|
| a. DG (Tech Services)              | - | Head   |
| b. DG (Licensing)                  | - | Member |
| c. DG (Law)                        | - | Member |
| d. DG (Finance)                    | - | Member |
| e. ED FAB or his Nominated Officer | - | Member |

5. The Bidding Committee shall be responsible for proper conduct of the bidding/auction process. In case of any dispute, the Bidding Committee shall refer the dispute with their recommendations to the Authority whose decision shall be final.

6. The Bidding Committee shall take all measures which are necessary for proper conduct of auctioning process.

7. The Bidding Committee shall announce:

- (i). Qualified Bidder;
- (ii). Bid price of each Bidder;

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- (iii). Highest Bid;
  - (iv). Time, date and venue for assembly for auction
  - (v). Auction winning price
  - (vi). Close of Bidding session

7. All the Authorised Representatives shall sign a proforma confirming that all the Bids announced are correct and true.

8. The Authority may, on the recommendation of the Bidding Committee, disqualify any Bidder and forfeit its money.

9. The Bidding Committee may add or delete any details provided in the procedure after approval of the Authority.

10. The Authority reserves the right to postpone, suspend, cancel or terminate the Bidding process or accept or reject any bidding offer or re-constitute or increase or decrease the members of the Bidding Committee or initiate re-auction of the same band, in case no Bidder succeeds or makes the payment within due date and on recommendation of the Bidding Committee, without assigning any reason at any time.

11. This procedure is framed for the purposes and in furtherance of the Information Memorandum for conducting auction/bidding of frequency spectrum and shall be treated as integral part of the Information Memorandum.

**12. Payment Procedure of WLL Spectrum Auction in AJK&NA**

- a. The successful bidder for a spectrum block shall pay the full amount of the bid within ten (10) working days from the auction date / date of declaring the winning bidder in the form of pay order or demand draft, by delivering the same at PTA Headquarters to the relevant Officer.
- b. Alternatively, the successful bidder shall directly credit the bid amount in the designated bank account of the Authority for AJK Fees (NIDA 12 at NBP, Marriott Hotel Branch currently located in Corporate Branch, Super Market, F-6, Islamabad), under written intimation to the Authority, within ten (10) working days from the auction date / date of declaring the winning bidder.



- c. If a bidder fails to pay the full amount of the bid within the required time, that bidder will be deemed to have abandoned the bid and shall be disqualified as the successful bidder for the block and the base price will be confiscated.
- d. If a bidder abandons the bid for the block, the bidder will forfeit all amounts previously paid to the Authority for the block and for LL License(s). The Authority shall then declare the next highest bidder to be the successful bidder for the block; at the highest price that bidder was prepared to bid in the auction, provided the highest bid does not exceed the second highest bid by more than 20%. The Authority shall promptly notify the bidder in writing of the Authority's declaration. The Authority shall re-auction that block if the first highest bid exceeds the second highest bid by more than 20%. The successful bidder for the block must pay the full amount of the bid within ten (10) working days of receiving the Authority's notice. If the bidder fails to pay the full amount of the bid within the required time, that bidder will be deemed to have abandoned the bid and shall be disqualified as the successful bidder for the block and the bid money will be confiscated.
- e. The bid money of all unsuccessful bidders (except the bidders that have abandoned their bids) will be returned by PTA to the respective bidders within 30 working days of the auction date / date of declaring the winning bidder in the form of a cheque.
- f. The application fee is non-refundable.
- g. The currency for bidding shall be Pak Rupees.

## FREQUENCY SPECTRUM AND BASE PRICE

### 450 MHz

<b>Spectrum Block:</b>	452.5-457.6 / 462.5-467.6 MHz	(3 Carriers)
<b>Base Price/ Block:</b>	TR-1 (Mirpur):	Rs. 30 Million
	TR-2 (Muzaffarabad):	Rs. 20 Million

### 1900 MHz

<b>Spectrum Blocks:</b>	1880-1885/ 1960-1965 MHz	(3 CDMA Carriers)
	1890-1895/ 1970-1975 MHz	(3 CDMA Carriers)
<b>Base Price per Block:</b>	(Mirpur):	Rs. 70 Million
	(Muzaffarabad):	Rs. 15 Million
	(Northern Areas):	Rs. 10 Million

### 3.5 GHz

<b>Spectrum Blocks:</b>	3401.25-3431.25 (MHz) 3431.25 - 3461.25 (MHz)	
<b>Base Price per Block:</b>	(Mirpur):	Rs. 8.57 Million
	(Muzaffarabad):	Rs. 2.85 Million
	(Northern Areas):	Rs. 2.85 Million