

Information Memorandum

Mobile Cellular
License

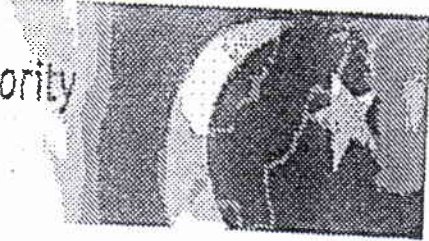


February 09, 2004

Pakistan Telecommunication Authority



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INFORMATION MEMORANDUM

MOBILE CELLULAR LICENCE

Final Version

February 09, 2004

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Part I - Preface

1. Introduction

1.1 The Government of Pakistan is opening telecommunication sector with the broader objective of increasing investment and competition. The liberalization policies are described in the following documents which are also available at the official website of the Ministry of Information Technology (MoIT) www.moitt.gov.pk.

a. Telecommunication Deregulation Policy Annex-A.

b. Mobile Cellular Policy Annex -B

1.2 The Pakistan Telecommunication Authority (PTA) will award two technology-neutral National Mobile Cellular Licenses through a bidding/auction process. The license awarded will be inclusive of one lot of radio spectrum from the following available four lots:

	Spectrum	Uplink-Downlink	Spectrum	Uplink-Downlink
✓ a.	4.8 MHz (24 carriers)	900 MHz Band 890-894.8 MHz + 935-939.8 MHz	8.8 MHz (44 Carriers)	1800 MHz Band 1710 - 1718.8 MHz 1805 - 1813.8 MHz
b.	4.8 MHz (24 carriers)	902.5-907.3 MHz + 947.5-952.3 MHz	8.8 MHz (44 Carriers)	1724.9-1733.7 MHz 1819.9-1828.7 MHz
✓ c.	5.0 MHz (3 carriers)	1900 MHz Band 1880 - 1885 MHz 1960 - 1965 MHz		
✓ d*.	4.0 MHz (3 carriers)	800 MHz Band 845 - 849 MHz 890 - 894 MHz		

*Note: Since two lots given at serial 1.2 (a) and 1.2 (d) are complementary therefore if the highest bidder opts for one of these two lots, the other lot will not be available.

1.3 The existing Mobile Cellular Operators will pay the same licensing fee as determined through auction for new Mobile Cellular licensees at the time of

renewal of their licenses. However, they have the option to come under new licensing regime before the expiry of their licenses, if they so desire. The expiry dates of licenses of the existing four Mobile Cellular Operators are as under:-

- | | | |
|----|---------------------|-------------|
| a. | Paktel | April 2005 |
| b. | Instaphone (Pakcom) | April 2005 |
| c. | Mobilink (PMCL) | July 2007 |
| d. | U-fonc (PTML) | August 2013 |

- 1.4 Spectrum charges per MHz per annum shall be applicable to all the licensees on the basis of FAB budgeted expenditure divided by actual total spectrum allocated in the light of Appendix B of the Mobile Cellular Policy. The applicable fee structure is attached as Annex-C.
- 1.5 The purpose of this Information Memorandum (IM) is to provide the following information to prospective investors who submitted Expression of Interest (EoI) on or before 21 January 2004 for the award of Mobile Cellular License:
- | | | |
|----|--|---------|
| a. | Overview of Pakistan Telecommunications Sector | |
| b. | Bidding Procedures | |
| c. | Draft- Mobile Cellular License Template | Annex-D |
- 1.6 Questions or clarification on the contents of this IM may be raised in the Investors Conference Scheduled to be held on 18 February 2004 at Serena Hotel Islamabad. However advance information to this effect may kindly be forwarded at the address mentioned in Para 2.3 before the Investors Conference.

2. Schedule of Events

2.1 Schedule to be observed till award of Mobile Cellular Licenses is as follows:

<u>EVENT</u>	<u>CALENDAR DATE</u>
a. Submission of questions on IM to be responded in Investors Conference	16 February 2004
b. Investors Conference	18 February 2004
c. Submission of further queries/ Clarifications if any	25 February 2004
d. Announcement of Pre-qualified Applicants	15 March 2004
e. Intimation to PTA on finalization of Consortium	8 April March 2004
f. Payment of Earnest Money	12 April 2004
g. Bidding for Mobile Cellular Licenses	14 April 2004
h. Ceremony for Award of Licenses	21 April 2004

2.2 The Authority reserves the right to change this schedule as circumstances require.

2.3 Address for Correspondence: All correspondence relating to this IM, Investors Conference, submission of application documents, Bidding/Auction Procedure and issuance of Licenses should be addressed to:

- a. Director General (Licensing)
Pakistan Telecommunication Authority
H/Qs F-5/1, Islamabad
Pakistan
Telephone: + 92 51 287 8141
Fax: + 92 51 287 8139
E-mail: dgmd2001@pta.gov.pk
OR
- b. Director (Radio Based Services)
Pakistan Telecommunication Authority
H/Qs F-5/1, Islamabad
Pakistan
Telephone: + 92 51 9225343
Fax: + 92 51 9225349
E-mail: iftikhar@pta.gov.pk