

REQUEST FOR PROPOSAL

**HIRING OF CONSULTANT(S)
for**

Spectrum Auction for Next Generation Mobile Services in Pakistan

In-line with Government of Pakistan (GoP) Policy No.1-1/2013-DT dated 7th October, 2013

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Section1. REQUEST FOR PROPOSALS OF AUCTION CONSULTANT

1.1 Pakistan Telecommunication Authority (PTA), a regulatory authority for the telecommunication sector in Pakistan was established as a body corporate under Section 3 of the Pakistan Telecommunication (Re-Organization) Act, 1996. It regulates the establishment, operation and maintenance of telecommunication systems and the provision of telecommunication services in Pakistan. It is empowered to undertake auction on such terms and conditions as it may determine for licensing radio frequency spectrum for any telecommunication system and service, as it may from time to time specify.

1.2 Further to the strategic vision of Pakistan Telecommunication Authority to create a fair regulatory regime to promote investment, encourage competition, protect consumer interest and ensure high quality Information Communication Technology (ICT) services, PTA is currently considering appointment of a Consultant(s)/Consulting Firms/Consortium hereinafter referred as the “CONSULTANT” or “CONSULTANTS” for achieving optimal results through successful completion of the Spectrum Auction for Next Generation Mobile Services in Pakistan, assessment of Pakistan’s Telecom market place and services introduced as a result of the new license / spectrum award and review of the already completed processes for auction as well as calculation of a reserve and base price for license/spectrum (based on complete valuation of the spectrum to be auctioned). Request for Proposal (RFP) is invited on the basis of the terms and conditions detailed herein below, for which requisite evidence and details shall be provided along with the proposal. The broad objectives of this consultancy shall be in line with the Policy Directive of MoIT No. 1-1/2013-DT dated 7th October 2013 available on www.pta.gov.pk and further include:

- Review of the already completed processes.
- Dissemination of timely and accurate information to stakeholders and attracting investors.
- Professional and successful round of auctions in a transparent manner while averting the possible collusion and ensuring competition and transparency in the auction process.
- Efficient use of time and resources, ensuring completion of all tasks including completion of auction process and award of licenses as per the agreed scheduled timeline.

Sealed bids are invited as per the mentioned Description of Services, Terms of Reference (ToR), eligibility criteria, evaluation criteria and the forms identified in the Annexes in this RFP. CONSULTANT should submit a single sealed package containing two separately sealed TECHNICAL PROPOSAL and FINANCIAL PROPOSAL marked in Bold and Legible letters as per PPRA Rule 22(1) which is reproduced as follows:

“The bids shall be submitted in a sealed package or packages in such manner that the contents are fully enclosed and cannot be known until duly opened“

Other details related to submission are:

- Technical Proposal shall contain the details as per the requirements & evaluation criteria mentioned in this RFP.
- Financial proposal shall contain the details as per requirements mentioned in this RFP and also the evaluation criteria.
- The Proposals should reach PTA Headquarters Islamabad before 12:30 PM (Pakistan Standard Time) on 12th November 2013.
- Technical Proposals will be opened at 01:30 PM on 12 November, 2013, at PTA HQs, F-5/1, Islamabad.
- Exact date and time for opening of Financial Proposals shall be specified on PTA website (www.pta.gov.pk)
- PTA shall follow the Public Procurement Regulatory Authority Ordinance, 2002, and all Rules and Regulations made there under. Relevant legislation in this regard is available at (www.ppra.org.pk).

Details for CONSULTANTS submitting response to RFP:

Name of Procuring Agency	Pakistan Telecommunication Authority
Last date for Bid Submission	12 th November, 2013 12:30 PM Pakistan Standard Times (PST)
Technical Bid Opening Date & Time	12 th November, 2013 at 01:30 PM PST
Bid Opening Place	PTA HQs, F-5/1 Islamabad, Pakistan
Contact Person	Director General (Licensing)
Phone:	+92 (51) 2878128
Fax:	+92 (51) 2878129
Cell:	+92 303 333 2370
Email:	Consultancy@pta.gov.pk

Complete mailing address for submission:

Director General (Licensing)
Pakistan Telecommunication Authority
PTA HQs, F-5/1, Islamabad Pakistan
Email: consultancy@pta.gov.pk

Section2. Information for CONSULTANTS

2.1 Pakistan Telecommunication Authority (PTA), an independent Telecom Regulator in Pakistan, formed in 1996 through the Pakistan Telecommunication (Reorganization) Act of 1996 (“Act”) has the responsibility to undertake License/Spectrum auctions in the light of the Policy framework devised by the Government of Pakistan under Section 8 of the Act. The Pakistan Telecommunication (Reorganization) Act of 1996 is available on the PTA website at: [//www.pta.gov.pk](http://www.pta.gov.pk). In order to facilitate PTA in the auctioning process, the Authority has decided to hire a CONSULTANT of international repute with direct relevant experience (proved through references) to help PTA accomplish its task within the prescribed time given by the Policy directive. PTA will select a CONSULTANT after an open transparent bidding process, in accordance with ‘Quality and cost based selection’ method.

2.2 The CONSULTANT are invited to submit a sealed package containing Technical Proposal and a Financial Proposal, in separately marked sealed envelopes as per PPRA Rules available on (www.ppra.org.pk) and as outlined in Section 3. The proposal will be the basis for contract negotiations and ultimately for a signed contract with the successful CONSULTANT.

2.3 The costs of preparing the proposal and of negotiating the contract, including a visit to Pakistan, are not reimbursable as a direct cost of the assignment

2.4 PTA is not bound to accept any of the proposals submitted, however, upon request, ground of rejection of all bids, shall be communicated to the CONSULTANT.

2.5 PTA requires that CONSULTANT provide professional, objective, and impartial advice and at all times hold the Government of Pakistan (GoP) interests paramount, without any consideration for future work, and strictly avoid conflicts with other assignments or their own corporate interests. CONSULTANT shall not be hired for any assignment that would be in conflict with their current obligations to other governments, any GoP office, or that may place them in a position of not being able to carry out the assignment in the best interest of Pakistan.

2.6 Without limitation to the generality of the above, CONSULTANT shall not be hired under the circumstances set forth below:

- (a) An intended CONSULTANT, who has been engaged within Pakistan or by anyone outside Pakistan to provide goods or services for a project, and any of their affiliates, shall be disqualified from providing consulting services for the same project. Conversely, CONSULTANT hired to provide consulting services for the preparation or implementation of a project, and any of their affiliates, shall be disqualified from subsequently providing goods or services related to the initial assignment (other than a continuation of it’s earlier consulting services) for the same project.

- (b) CONSULTANT or any of their affiliates shall not be hired for any assignment which, by its nature, may be in conflict with another assignment of the CONSULTANT.

2.7 The CONSULTANT may be hired for downstream work, when continuity is essential based on the exclusive decision of PTA whether or not to have the downstream assignment carried out, and if it is carried out, which CONSULTANT will be hired for the purpose.

Section3. Clarification and Amendment of RFP Documents

3.1 SCOPE OF WORK & PROCESS METHODOLOGY

CONSULTANTS may request a clarification of any of the RFP documents not later than 5 days before the proposal submission date. Any request for clarification must be sent in writing by paper mail, facsimile, or electronic mail to PTA's address given below. PTA will respond by facsimile or electronic mail to such requests and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all participating CONSULTANT who intend to submit proposals.

The address for requesting clarifications is:

Director General (Licensing)
Pakistan Telecommunication Authority
PTA HQs, F-5/1, Islamabad Pakistan
Email: consultancy@pta.gov.pk
Tel: +92 (51) 287-8128
Fax: +92 (51) 287-8129
Cell: +92 303 333 2370

At any time before the submission of proposals, PTA may, for any reason, whether at its own initiative or in response to a clarification requested by a CONSULTANT, amend the RFP. Any amendment shall be issued in writing through addenda. PTA shall post the addenda on its website and will make maximum effort to send it by mail, facsimile, or electronic mail to all participating CONSULTANTS, however main source of decimating such information will be PTA website. The addenda shall be considered part of the RFP and will be binding on them. PTA may at its sole discretion extend the deadline for the submission of proposals.

The CONSULTANT shall advise, assist and provide full support to the PTA on all steps necessary & critical to make the auctions a success and fetch optimum value from the auctions and make best efforts for ensuring the participation of credible telecom operators in the auction. More specifically, the mandate of the CONSULTANT shall include but is not limited to the following services / tasks etc.

To Design auction process methodology so that the following objectives are met:

- (a) Ensure a transparent and competitive auction and an optimal outcome
- (b) Promoting growth of telecom services
- (c) All items mentioned in the Terms of Reference shall be complied in letter and spirit

(This may involve continuous interactions with the GoP, as well as other constitutional, governmental and nongovernmental bodies.)

3.2 DELIVERABLES

The specific deliverables are as under:

- (a) Technical, commercial and legal due diligence report including policy recommendations.
- (b) A detailed Auction methodology and processes for the award of multiple licenses
- (c) Detailed valuation of the reserve and base price for multiple blocks
- (d) Prepare Information Memorandums for PTA as per the timelines set forth in the Consultancy Agreement.
- (e) Arranging road shows if considered necessary by GoP/PTA, attended by prospective Telecom investors/Operators.
- (f) Assist in completion of the process until award of licenses & Provisioning of auction system as per the agreed Auction methodology.
- (g) Design License templates.
- (h) All requirements mentioned in ToR shall be part of the deliverables.

3.3 REPORTING & TIME LINES

The CONSULTANT shall be bound to render all services as per the timelines set forth in the schedule shown at Annexure III.

The CONSULTANT shall submit a weekly progress report giving details of the work performed under the assignment.

The Report shall be considered final, after it has been accepted by PTA. It shall be both in the print form and supported by soft copies of deliverables, and editable, complete and fully transparent auction simulation models.

3.4 REGULATORY AND COMMERCIAL CONDITIONS/REQUIREMENTS

For interpretation of any clause of this RFP, the decision of PTA would be final and binding on the CONSULTANT.

The CONSULTANT and all its substantial equity holders, consortium and all its members would be jointly and severally responsible for conducting auction of spectrum.

3.5 PROCEDURE FOR SUBMISSION OF PROPOSALS

The proposal should be received as per the date and time specified in this RFP. It shall meet all other requirements mentioned in RFP for eligibility of responsiveness. The proposal shall be evaluated in 3 phases: eligibility, technical and financial. The proposal therefore, shall comprise of the following documents:

- (a) A covering letter in accordance with the eligibility criteria along with supporting documents (original and three photocopies along with the soft copy)
- (b) Non refundable processing fee of USD 500

If the payment of non refundable processing fee to PTA is being remitted from abroad, it should be remitted through SWIFT Telegraphic Transfer in PTA's bank account number NIDA-11-1 being maintained at National Bank of Pakistan, Jinnah Avenue Branch Code 1628, Blue Area, Islamabad, Pakistan (Swift code NBPAPKKA02I Routing No. 026004721 of National Bank of Pakistan, New York favoring NBP Head Office Karachi A/C No. 005640-4607) under intimation to PTA. If the payment of non refundable processing fee is being made from sources in Pakistan, it should be made only through a Pay Order or Demand Draft or by way of credit in PTA's bank account No. NIDA-11-1, under intimation to PTA.

Technical proposal (original and three photocopies along with the soft copy) as per Section 3 of this RFP, sealed in a separate envelope and complete in all respects with supporting documents and clearly marked as "TECHNICAL PROPOSAL" on the envelope.

Financial proposal (original and three photocopies along with the soft copy) as per requirements of this RFP, sealed in a separate envelope and complete in all respects and clearly marked as "FINANCIAL PROPOSAL" on the envelope.

All the above three documents shall be sent in a sealed package. This package shall bear the submission address, and clearly marked "Proposal for Selection of CONSULTANT for Spectrum Auction for Next Generation Mobile Services."

In its financial proposal, the CONSULTANT shall quote its fee and provide all required break ups as mentioned in detail in Annexure II of this RFP for better understanding of PTA.

A pre-bid conference with prospective CONSULTANT will be held at PTA HQs Islamabad during the evaluation process. Based on the feedback received, response to the clarifications sought, shall be sent to all prospective CONSULTANT(s). The prospective CONSULTANT may participate via video link, provided the request is made 3 days prior to pre bid conference.

Prospective CONSULTANT may request a clarification on any clause of the RFP documents up till the pre-bid conference. Any request for clarification must be sent in writing, or by

standard electronic means to the address indicated above. The PTA will respond by standard electronic means only.

At any time before the submission of proposals, PTA may amend the RFP by issuing an addendum on PTA website.

The prospective CONSULTANT meeting the eligibility criteria may be required to make presentation before the Evaluation Committee in person or via video link at PTA HQ as per the time assigned to them. The prospective CONSULTANT will also be able to participate via video link. The TECHNICAL and FINANCIAL Proposals of all those CONSULTANT(s) who do not meet the eligibility criteria shall be returned in unopened condition. The successful CONSULTANT shall be intimated through FAX and/or e-mail.

The time schedule for all activities shall be as per Annexure III of this RFP.

Section4. Preparation of Proposal

The CONSULTANT(s) are requested to submit their proposals in English. Participating CONSULTANT shall submit documentary proof in support of meeting eligibility criteria.

In the first stage of evaluation, a Proposal shall be rejected if it is found deficient of:

- Non refundable Processing Fee
- Eligibility for Responsiveness of the Proposal in line with relevant directions given in this RFP, in particular as per section 3.5

Only responsive proposals shall be further taken up for evaluation.

4.1 ELIGIBILITY CRITERIA

The CONSULTANT must have expertise in the following:

a. Spectrum Auction Expertise

Should have reasonable experience in conducting of spectrum auctions (sell side / buy side) and had been a lead participant in spectrum auctions. Should be well versed with the field of information technology and fully aware of the benefits of Next Generation Mobile Services spectrum for proliferation of broadband in countries with less broadband penetration but large population and be an expert on Spectrum refarming.

b. Spectrum Valuation Expert

The Expert should possess experience in Econometric Modeling & spectrum auctioning.

c. Telecommunications Legal / Policy Expert

The expert should be aware of legal issues in the telecom, IT and emerging technologies

d. Team Leader

The CONSULTANT may nominate a team leader from one of the expert members of the team. He/she should have prior experience of leading successful auctions of similar in nature (sell side). Furthermore, the team leader should possess experience and should have worked on developing spectrum auctioning and regulatory frameworks in developing countries with reference to Next Generation Mobile Services, and understands the current ease of introduction of such services on advanced 2G networks.

Note:

The CONSULTANT must have a high level of understanding of Telecom, Regulatory, economics and pricing experience in the field of Spectrum analysis and management.

At least one of the team member or participating firm, inclusive or exclusive from among above, shall own or have access rights to a state-of-the-art WAN/ Internet based secure, reliable, expert auction system (hardware, software, firmware, links etc) for actual use during auction by PTA as well as bidding investors.

4.2 TECHNICAL PROPOSAL

In preparing the Technical Proposal, consultants are expected to examine the documents constituting this RFP in detail. Material deficiencies in providing the information requested may result in rejection of a proposal.

Evaluation of the technical proposal will start first and at this stage the financial proposal shall remain unopened.

All applicants that meet the eligibility criteria may be asked to present before the Evaluation Committee constituted by the PTA, clearly demonstrating their experience and capacity to perform the assignment.

While preparing the Technical Proposal, CONSULTANT must give particular attention to the following:

- (a) If CONSULTANT considers that it does not have all the expertise for the assignment, it may obtain a full range of expertise by associating with individual consultant(s) and/or other consultants or entities in a joint venture or sub-consultancy, as appropriate.
- (b) CONSULTANT may after the award of CONTRACT associate with the other entities invited for this assignment only with approval of PTA. Venture with, or subcontracting part of the assignment to, national consultants except in respect of Key Personnel. However, meeting the timelines shall be essential.

The Technical Proposal shall provide the following information using the attached Standard Forms in the Annexes:

- (c) A brief description of the CONSULTANT organization and an outline of recent experience on assignments (Annexure I.B) of a similar nature. For each assignment, the outline should indicate, inter alia, the profiles of the staff proposed, duration of the assignment, contract amount, and Consultant's involvement.
- (d) Any comments or suggestions on the Terms of Reference and on the data, a list of services, and facilities to be provided by PTA (Annexure I.C).
- (e) A description of the methodology and work plan for performing the assignment (Annexure I.D).
- (f) The list of the proposed staff team by specialty, the tasks that would be assigned to each staff team member, and their timing (Annexure I.E).
- (g) Updated CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal (Annexure I.F). Key information should

include number of years working for the firm/entity and degree of responsibility held in various assignments at least during the last ten (10) years.

- (h) Estimates of the total staff input (professional and support staff; staff time) needed to carry out the assignment, supported by bar chart diagrams showing the time proposed for each professional staff team member (Annexes I.E and I.G), while keeping in mind the timelines given at Annexure III.
- (i) The Technical Proposal shall not include any financial information.

4.3 FINANCIAL PROPOSAL

In preparing the Financial Proposal, consultants are expected to take into account the requirements and conditions outlined in the RFP documents. The Financial Proposal should follow Standard Forms (Annexure II). It shall give the total lump-sum cost. However, it shall list all costs associated with the assignment, including (a) remuneration for staff (foreign and local, in the field and at headquarters), and (b) reimbursable expenses such as subsistence (per diem, housing), transportation (international and local, for mobilization and demobilization), services and equipment (vehicles, office equipment, furniture, and supplies), office rent, insurance, printing of documents, surveys.

These costs should be broken down by activity and into foreign and local expenditures. Within Pakistan PTA can help arrange accommodation in hotels at preferred rates, and provide office space at PTA, telephone/ cellular phone facilities with limited but reasonable minutes of local and international calls, Internet facilities for local (Pakistan) office and local in-city transportation.

The Financial Proposal should clearly estimate, as a separate amount, the local taxes (including social security), duties, fees, levies, and other charges imposed under the Pakistani law, on the consultants, the sub-consultants, and their personnel (other than nationals or permanent residents of Pakistan).

CONSULTANT may express the price of their services in US Dollars. The Consultant is required to state the portion of its price representing local cost in Pak Rupees.

The proposal must remain valid for a period of 120 days after the submission date. During this period, the consultant is expected to keep available the professional staff proposed for the assignment. PTA will make its best effort to complete negotiations within this period. If PTA wishes to extend the validity period of the proposals, the CONSULTANT(s) who do not agree have the right not to extend the validity of their proposals.

4.4 SUBMISSION, RECEIPT, AND OPENING OF PROPOSALS

The original proposal (TECHNICAL PROPOSAL and FINANCIAL PROPOSAL) shall be prepared without any inter-lineation or overwriting.

An authorized representative of prospective consultant shall initial all pages of the proposal and sign in full on the last page of proposal, clearly mentioning the full name of the representative. The representative's authorization is confirmed by a written power of attorney accompanying the proposal.

For each proposal, the consultants shall prepare four copies including any computer models used in developing the proposals. Each TECHNICAL PROPOSAL and FINANCIAL PROPOSAL shall be marked "ORIGINAL" or "COPY" as appropriate. If there are any discrepancies between the original and the copies of the proposal, the original proposal will be taken as the correct one.

The original and three copies of the TECHNICAL PROPOSAL shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL," and the original and all copies of the Financial Proposal in a sealed envelope clearly marked "FINANCIAL PROPOSAL" and warning: "DO NOT OPEN WITH THE TECHNICAL PROPOSAL." Both envelopes shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and clearly marked, "DO NOT OPEN, EXCEPT IN PRESENCE OF THE EVALUATION COMMITTEE." The proposal submission address is:

Director General (Licensing)
Pakistan Telecommunication Authority
PTA HQs, F-5/1, Islamabad Pakistan
Email: consultancy@pta.gov.pk
Tel: +92 (51) 287-8128
Fax: +92 (51) 287-8129
Cell: +92 303 333 2370

Information on the outer envelope should also include: Proposal for Spectrum Auction for Next Generation Mobile Services 2013-14 Consultancy– Do Not Open, except in presence of Evaluation Committee

The completed Technical and Financial Proposals must be delivered at the submission address exactly on the date as notified. Proposals must be submitted no later than 12th November 2013 12:30 PM Pakistan Standard Time (PST). Any proposal received after the closing time for submission of proposals shall be returned unopened.

After the deadline for submission of proposals, the Technical Proposal shall be opened by the evaluation committee at 12th November 2013 1:30 PM PST. The Financial Proposal shall remain sealed and deposited with a Member of the Pakistan Telecom Authority until all submitted proposals are opened.

Section 5. Proposal Evaluation

Any effort by the firm to influence PTA during the proposal submission, proposal evaluation, and proposal comparison or contract award decisions may result in the rejection of the consultant's proposal without any appeal or hearing.

5.1 EVALUATION OF TECHNICAL PROPOSALS

The evaluation committee, appointed by PTA as a whole, and each of its members individually, evaluates the proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria (typically not more than three per criteria), and point system as specified below. Each responsive proposal will be given a technical score. A proposal shall be rejected at this stage if it does not respond to important aspects of the Terms of Reference or if it fails to achieve the minimum technical score indicated below. Expertise of the consultants related to the assignment will be evaluated as under:

Description	Marks
Spectrum Auction Expertise	20
Spectrum Valuation Expertise	20
Telecommunications Legal / Policy Expertise	20
Work plan and Methodology (e.g. secure system /software for spectrum auction)	20
Past Experience of conducting similar tasks specially on the sell side (e.g. list of past projects)	20

5.2 PUBLIC OPENING AND EVALUATION OF FINANCIAL PROPOSALS

After the evaluation of quality (Technical Proposal Evaluation) is completed, PTA shall notify those consultants whose proposals did not meet the minimum qualifying mark (60%) or were considered nonresponsive to the RFP and Terms of Reference, indicating that their Financial Proposals will be returned unopened after completing the selection process. PTA shall simultaneously notify the consultants that have secured the minimum qualifying mark, indicating the date and time set for opening the Financial Proposals. The opening date shall be informed in advance. The notification may be sent by courier letter and electronic mail/facsimile. The list of pre-qualified consultants shall be uploaded on PTA website (www.pta.gov.pk) on the earliest possible date.

The Financial Proposals shall be opened in the presence of the consultants' representatives who choose to attend. The name of the consultant, the quality scores, and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. PTA shall prepare minutes of the public opening.

The evaluation committee will determine whether the Financial Proposals are complete (i.e., whether they have costed all items of the corresponding Technical Proposals; if not, PTA will cost them and add their cost to the initial price), correct any computational errors, and convert the USD prices to Pak Rupees using TT selling rates of USD given on the website of National Bank of Pakistan (www.nbp.com.pk). The evaluation shall exclude those taxes, duties, fees, levies, and other charges imposed under the applicable law; and to be applied to foreign and non-permanent resident consultants (and to be paid under the contract, unless the consultant is exempted). The source of official selling rates is: National Bank of Pakistan. The date of exchange rates is: Deadline date for submission of proposals as specified above.

The weights given to the Technical and Financial Proposals are:

T = Technical Proposal 80 %

F = Financial Proposal 20%

In case of a tie, fresh financial quotation shall be called from those consultants involved in the tie and the process repeated until one among them is a clear winner.

Section6. Negotiations

Negotiations will include a discussion of the Technical Proposal, the proposed methodology (work plan), staffing and any suggestions made by the firm to improve the Terms of Reference. PTA and the CONSULTANT will then work out final Terms of Reference, staffing, and bar charts indicating activities, staff, periods in the field and in the home office, staff-months, logistics, and reporting. The agreed work plan and final Terms of Reference will then be incorporated in the “Description of Services” and form part of the contract. Special attention will be paid to getting the most the Consultant can offer within the available budget and to clearly defining the inputs required from PTA to ensure satisfactory implementation of the assignment.

The financial negotiations will include a clarification (if any) of the firm’s tax liability in Pakistan, and the manner in which it will be reflected in the contract; and will reflect the agreed technical modifications in the cost of the services. Unless there are exceptional reasons, the financial negotiations will involve neither the remuneration rates for staff (no breakdown of fees) nor other proposed unit rates.

Having selected the CONSULTANT on the basis of, among other things, an evaluation of proposed key professional staff, PTA expects to negotiate a contract on the basis of the experts named in the proposal. Before contract negotiations, PTA will require assurances that the experts will be actually available. PTA will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key staff were offered in the proposal without confirming their availability, the CONSULTANT may be disqualified.

The contract negotiations will conclude with a review of the draft form of the contract. To complete negotiations PTA and the CONSULTANT will sign the agreed contract. If negotiations fail, PTA will invite the other shortlisted CONSULTANT(s) in order of score to negotiate a Contract.

Section 7. Award of Contract

The contract will be awarded following contract negotiations. PTA may return the unopened Financial Proposals on request of those consultants who did not pass the technical evaluation or the eligibility criteria.

The assignment is expected to commence immediately upon Effective Date of Contract.

7.1 PTA'S RIGHTS IN RESPECT OF RFP/ AUCTION

7.1.1 Confidentiality

Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the consultants who submitted the proposals or to other persons not officially concerned with the process, until the successful consultant has been notified that it has been awarded the contract.

7.1.2 Bid Validity

Bids must remain valid for 120 days after the submission date. Should the need arise, however, CONSULTANT may be requested to extend the validity period of their bids. CONSULTANT(s) who agree to such extension shall confirm that their financial bids remain unchanged.

7.1.3 Fees & Payment

The successful CONSULTANT would be paid the fee, as per the Schedule of Payments given in the Contract, within one month of the submission of original invoice by the CONSULTANT. The payment will be made in USD. The payment shall be made for actual auctions conducted. No other payment shall be made for any charge or expenditure.

PTA or the CONSULTANT may identify more number of blocks of spectrum subsequent to the completion of first round of auction process; the PTA at its sole discretion may ask the successful CONSULTANT to conduct a second round of auction within the contract period.

PTA reserves the right to accept or reject any proposal without assigning any reason.

PTA reserves the right to modify terms and conditions of the contract which shall be granted to the successful CONSULTANT after the bidding process, if in the opinion of the PTA, it is necessary or expedient to do so in public interest or interest of the security of the State or for proper conduct of the auction.

PTA reserves the right to suspend the auction and cancel the contract with the selected CONSULTANT in part or in whole at any time if in the opinion of the PTA it is necessary or expedient in the public interest.

The decision of the PTA shall be final and binding in this regard. Also PTA shall not be responsible for any damage or loss caused or arising out of aforesaid action.

7.2 PERFORMANCE BANK GUARANTEE

The successful CONSULTANT shall submit a Performance Bank Guarantee (PBG) in the prescribed format for an amount equal to 10 percent of the bid/contract price in USD or equivalent Pak Rupees before signing the contract for carrying out the assignment. The PBG must be in USD, and the equivalent Pak Rupee provision is only to be applicable on the date of encashment of the PBG, if it has to be encased. On satisfactory completion of auction, this PBG shall be released. The Performa of PBG is enclosed at Annexure II.

7.3 AWARD OF CONTRACT

PTA shall issue a Letter of Intent (LoI) to the selected CONSULTANT immediately upon acceptance of the bid. The selected CONSULTANT will sign the contract after fulfilling all the formalities/pre-conditions mentioned in the Letter of Intent, in line with the Project Timeline at Annexure III. The selected CONSULTANT shall commence the assignment on receipt of LoI and as per schedule given in the contract.

7.4 CONFIDENTIALITY

The company shall take adequate and timely measures to ensure that information provided through it as part of this agreement shall be kept confidential, secure and protected. The company shall ensure that adequate safeguards are built into the auction system.

7.5 FORCE - MAJEURE

If at any time, during the continuance of this contract, the performance in whole or in part, by either party, of any obligation under this is prevented or delayed, by reason of war, or hostility, acts of the public enemy, civic commotion, sabotage, Act of State or direction from Statutory Authority, epidemic, quarantine restriction, strikes and lockouts (as are not limited to the establishments and facilities of the Consultant), fire, floods, natural calamities or any act of GOD (hereinafter referred to as EVENT), provided notice of happenings of any such EVENT is given by the affected party to the other, within 21 Calendar days from the date of occurrence thereof, neither party shall, by reason of such event, be entitled to terminate this contract, nor shall either party have any such claims for damages against the other, in respect of such non-performance or delay in performance provided the contract shall be resumed as soon as practicable, after such EVENT comes to an end or ceases to exist. The decision of the Government as to whether the service may be so resumed (and the time frame within which the service may be resumed) or not, shall be final and conclusive, provided further that if the performance in whole or part of any obligation under this contract is prevented or delayed by reason of any such event for a period exceeding 60 days either party may, at his option terminate the contract.

7.6 ARBITRATION

In the event of any question, dispute or difference arising under the agreement in connection therewith (except as to matters, the decision to which is specifically provided under this agreement) the same shall be referred to sole arbitration of the Government of Pakistan, (hereinafter referred to as the said officer) and if the Government of Pakistan is unable or unwilling to act as such, than to the sole arbitration of some other person appointed by the

Government. The agreement to appoint an arbitrator will be in accordance with the Arbitration Act, 1940. The adjudication of such Arbitrator shall be governed by the provisions of the Arbitration Act, 1940 or any statutory modification or re-enactment thereof or any rules made thereof.

The arbitrator may from time to time with the consent of both the parties enlarge the time frame for making and publishing the award. Subject to aforesaid Arbitration Act, and the rules made there under, any modification thereof for the time being in force shall be deemed to apply to the arbitration proceeding under this clause.

The venue of the arbitration proceeding shall be the office of PTA or such other place as the arbitrator may decide.

Upon any and every reference as aforesaid, the assessment of costs and incidental expenses in the proceedings for the award shall be at the discretion of the Arbitrator.

7.7 CONFLICT OF INTEREST

The Consultant (including their personnel and sub-consultants) or any of their affiliates shall not receive any remuneration in connection with the assignment except as provided in the contract.

The CONSULTANT (including their personnel and sub-consultants) or any of their affiliates shall not engage in any activity with respect to their assignment that conflicts with the interest under the contract, or that may place them in a position of being unable to carry out the auctions in the best interest of Government of Pakistan.

The CONSULTANT shall provide professional, objective and impartial advice at all times and hold the Government of Pakistan interests paramount, and in providing such advice avoid conflicts with any other assignment and their own corporate interests.

CONSULTANT(s) are required to provide a declaration regarding non existence of any conflicting activities as per Annex IV.

7.8 INTEGRITY PACT

An 'Integrity Pact' has to be signed by the selected CONSULTANT. Format of the Integrity Pact is placed at Annexure V.

Section 8. Terms of Reference

8.1 BACKGROUND

The existing mobile phone services based on the second-generation (2G) technology have been extremely successful for voice and low speed data transmissions but cannot support broadband applications like high speed Internet access, interactive multimedia value added or high-resolution video services. Pakistan is currently lagging behind in the proliferation of broadband service primarily due to low penetration and quality of fixed lines. Wireless broadband solutions and especially Next Generation cellular can fill this gap.

In view of the foregoing, keeping in view the importance of introduction of Next Generation Mobile Services for the citizens and the Pakistani Telecom market, the Federal Government has issued Policy Directive under section 8(2) of the Pakistan Telecommunication (Reorganization) Act, 1996 for introduction of Next Generation Mobile Services in Pakistan through Ministry of Information Technology. The Policy Directive has to be implemented by Pakistan Telecommunication Authority (PTA).

8.2 OBJECTIVES OF CONSULTANCY AND DELIVERABLES

The objectives of this Spectrum Auction Advisory Consultancy are to review the already completed processes for auction, assessment of Pakistan's Telecom market place for auction of Next Generation Mobile Services, calculation of a base and reserve price for each license / spectrum, achieve optimal results through successful completion of the Spectrum Auction. The broad objectives of this consultancy include:

- Review of the already completed processes.
- Dissemination of timely and accurate information to stakeholders and attracting investors
- Professional and successful round of auctions in a transparent manner while averting the possible collusion and ensuring competition and transparency in the auction process
- Efficient use of time and resources, ensuring completion of all tasks including completion of auction process and award of licenses as per the already scheduled timeline.

The specific deliverables are:

- a. Meet all requirements of the GoP Policy directive of October 7, 2013 and suggest essential improvements.

- b. Recommend any changes in the provisions of above mentioned GoP Policy directive.
- c. A Report of the review of processes already completed and suggests changes.
- d. An assessment of Pakistan's Telecom marketplace including broadband, for the next 15 years.
- e. A Detailed Report on the number & size of blocks for the award of licenses for the available Spectrum considering Pakistani market and opportunities
- f. Detailed calculation & recommendations for the base and reserve price for all variations recommended against the above mentioned deliverable, keeping in mind the valuation of the spectrum for the next 15 years.
- g. While recommending above, submit a report on benefits of upfront payments versus staggered auction winning price payment over a period of 5 years.
- h. Develop & Recommend most appropriate Auction methodology, plan and processes
- i. Design & management of the auction process minimizing collusion among bidders. Develop a license template for new and existing bidders. Ways of merging the new license of the incumbents with their existing license.
- j. Arranging meetings with Chairman/ CEOs of new credible perspective Telecom investors/ Credible Operators or through road shows. The cost for such arrangements shall be itemized separately as part of the financial bid.
- k. Assist in completion of the process until award of licenses & Provisioning of agreed Auction Secure System/Software.
- l. Review of phased roll out obligations and Quality of Service parameters and suggest changes.
- m. Any other task assigned by PTA
- n. The CONSULTANT must adhere to the timeline provided in Annexure III

8.3 COMPETENCY & EXPERTISE

The Consultant is expected to provide all the expertise to PTA to complete the assignment.

The Consultant is expected to have previous experience in Next Generation Mobile Services spectrum evaluation and related auctions as well as non-auction processes.

The specific skills requirements include:

- Knowledge of and practical experience in providing consultancy / advisory services relating to telecommunications and information technology, as well as relevant legal, regulatory and economic and technical knowledge; and
- Practical experience in carrying out spectrum valuation, spectrum auction and related assessments of telecom market place for Next Generation Mobile Services in a developing country environment, preferably in Asia Pacific.
- The experts of the CONSULTANT shall have international reputation and experience.
- The CONSULTANT shall have recognized expertise and established track record in advisory and transaction management services of this nature.
- The CONSULTANT shall have demonstrable established track record of successfully concluding transactions, processes, projects of this nature in the Telecommunication sector.
- The CONSULTANT shall have extensive global physical presence and strategic partnerships where it does not have its own physical presence.
- The CONSULTANT shall have strong and extensive network with the International reputable strong Telecom players across the globe.

8.4 SCOPE OF ENGAGEMENT

CONSULTANT shall advise, assist and provide full support to the PTA on all steps necessary and critical to make the auctions a success and fetch optimum value from the auctions and ensure the participation of credible telecom operators in the auction.

More specifically, the mandate of the Consultant shall include but is not limited to the following services / tasks etc.

1. To review the requirements as set forth in the existing documentation including Policy Document, Existing Licenses, and other related documents (all available on

PTA's website) and advise / identify to the Authority for further documentation (if necessary) to bridge the gap if any so that quality of the investor is improved as well as the Auction proceeds are maximized.

2. To advise on the auction methodology already being pursued by the Authority and suggest improvements, if any are necessary, to make it more transparent and effective, generation of optimum revenue/ prices from the process.
3. Assist the Authority in developing the pre-qualification criteria for bidders, and assist PTA in pre-qualifying the bidders.
4. To review the processes completed so far and payment terms already included in the IMs, and determine the Reserve Prices being the fair value of the license / spectrum being auctioned. The determination of Reserve Prices shall be done under strict confidence and shall be provided in separate sealed envelopes to the Authority.
5. To advise the PTA on how to prevent collusion among the bidders and provide necessary assistance in implementing any such measures.
6. To develop a framework for yield maximization by collusion prevention and efficient dispute resolution.
7. Convince potential investors to participate in the auction and doing telecom business in Pakistan.
8. Advise and assist in identifying the potential investors and arranging meetings with them.
9. Evaluation of the offered spectrum with a view to ensure best price in the auction / bidding process.
10. To obtain market feedback through formal / informal interaction with the existing operators as well as prospective potential investors / operators for successful completion of auction process and award of licenses.
11. Assist the Authority in developing appropriate responses to the technical / financial / legal concerns of prospective bidders and others.
12. Assist the Authority in developing and issuing necessary clarifications as and when required to the potential bidders and others.

13. Point out legal issues if any and suggest best possible solutions based on International best practices to enhance the comfort level of the potential investors / bidders.
14. Advise and assist in the post Auction processes till the time the licenses are awarded.
15. Advise and suggest any other services required to move forward the auction process to successful completion by ensuring quality, transparency and best practice.
16. Suggest responses to stakeholders and Media.
17. As and when required, during the consultancy, Power Point presentations may be required to be made.
18. The Consultant will hold a workshop in addition to the meetings with the representation of PTA and stakeholders.
19. Conduct technical, commercial and legal due diligence related to the proposed transaction including review of the existing policy, documents, processes and all other matters ancillary thereto.
20. Conduct technical, commercial and legal due diligence related to the proposed transaction including review of the existing policy, documents, processes and all other matters ancillary thereto.
21. Prepare information documents for dissemination of timely and accurate information to stakeholders and potential investors.
22. Technical and commercial evaluation of the offered spectrum with a view to ensure best price in the auction / bidding process.
23. Design license templates for the Next Generation Mobile Services licenses
24. To advise on setting the rules for the auction process.
25. Spectrum valuation including determination of base and reserve prices.
26. To prepare Information Memorandum and other related documents for auction.
27. To prepare bid documents for the auction.

28. To develop an optimum auction plan, taking into account the availability of spectrum, competition and prevention of collusion.
29. To create appropriate market interest and excitement both in Pakistan and abroad through various means including road shows etc, as required.
30. To advise and incorporate on the safeguards in the auction system to ensure the security of the entire process.
31. To assist the PTA in conducting the auction of spectrum / license.
32. To document the entire process of auction of spectrum / license.
33. To provide all other services incidental or ancillary to auction process, till the completion of the auction and award of license(s).
34. Assist the PTA in developing appropriate responses and clarifications to the technical, financial, legal and any other concerns of prospective bidders and other stakeholders.
35. Advise and assist in the post Auction processes till the time the licenses are awarded.
36. To make presentations / briefings for information of various stakeholders, interest groups and other forums.

8.5 REPORTING AND TIME SCHEDULE

- a. It is expected that the work for above mentioned tasks would be a parallel activity till the completion of the auction process as per timeline defined in Section 6, which would require stakeholder consultation process. The proposal and the agreement between PTA and the Consultant shall include specific sequencing and timing of each task and any necessary sub tasks.
- b. The Consultant shall submit a report as and when required, a weekly report, and a final report on the progress of the assignment, giving details of the work performed under the assignment, and the conclusion and recommendations.
- c. All reports shall be submitted, and all correspondence shall be made in English language.
- d. The Consultant shall submit 5 copies of the Final Report at the end of the assignment along with soft copies including business and / or econometric models, if any developed or used, during the consultancy.

- e. The Report shall be considered final, after it has been accepted by Authority. It shall be both in the print form and supported by soft copies of deliverables, and simulation models, if any.
- f. As and when required, during the consultancy, Power Point presentations may be required to be made.
- g. The Consultant will hold a workshop in addition to the meetings with the representation of PTA and stakeholders.

8.6 PROPOSAL REQUIREMENTS

Interested parties which meet the aforementioned qualifications / eligibility criteria shall submit a comprehensive proposal including the following information, documents, details etc:

- An understanding of the Scope of Work, and work methodology to be followed.
- Proposed timelines and target delivery dates of key tasks / deliverables keeping in view and within the tentative time schedule provided to the CONSULTANT, which is available on PTA's website.
- Credentials (knowledge, resources, contributions and experience) in the Telecom Sector. Provide list of specific transactions completed with names and origin of PTAs and amount and nature of transaction.
- Telecom experience in the Asia Pacific and of similar economies.
- Proposed Team for the assignment including their CVs about their knowledge, experience and background and related area of expertise.
- Activity based Financial Proposal.

8.7 COMPOSITION OF CONSULTANT'S TEAM

The CONSULTANT'S team of experts who will advise and assist PTA throughout the auction process / exercise and shall include technical, financial and legal experts, and members having other expertise as felt necessary by the CONSULTANT.

The Consultancy may be divided into two phases:

1. It is desirable that at least two members of the CONSULTANT'S Team be present in Pakistan for a minimum of 5 working days per two weeks till completion of the pre auction phase of the assignment for interaction / briefing / interviews with PTA, and the stakeholders, as well as providing presentations on the progress of the assignment.
2. In the post auction phase, only one Key Personnel 3 working days per two weeks is required to be present in Pakistan.

The CONSULTANT may elect to perform certain functions / tasks outside Pakistan. However, such work / support shall supplement and not replace the on-site efforts.

8.8 CONFIDENTIALITY, ETHICS AND CODE OF CONDUCT

The CONSULTANT shall undertake to maintain complete confidentiality of all the information, facts, proceedings, decisions, and documents etc. throughout the consultancy engagement and till the completion of the whole auction process till the issuance of licenses. The CONSULTANT will also be required to execute a Confidentiality Agreement before starting the assignment.

8.9 INELIGIBILITY AND DISQUALIFICATION

The CONSULTANT shall stipulate that it is not presently affiliated with or otherwise receiving financial compensation from any existing telecom licensee, its parent or holding company in Pakistan, or from any prospective local or foreign investor who has a plan to participate in the above mentioned auctions. Non compliance and breach of this stipulation shall result in the immediate disqualification of the CONSULTANT. The CONSULTANT will declare conflicts of interest, if any, with this Consultancy.

8.10 CONTROL OF THE CONSULTANCY

PTA will appoint the CONSULTANT and assume general control over the Consultancy, with a liaison officer between the CONSULTANT and PTA. PTA will appoint a Project Manager to liaise with the CONSULTANT. During the course of the Consultancy, the CONSULTANT shall report directly to Project Manager and take instructions from him on matters appropriate to fulfill the requirements of the Consultancy. PTA will facilitate liaison with the operators, interested firms, and Government agencies and other relevant stakeholders.

8.11 METHODOLOGIES AND RESOURCES

The CONSULTANT in its offer shall provide a description of the methodologies and resources that it will draw to conduct the study and meet the objectives of the study.

8.12 DATA, LOCAL SERVICES, PERSONNEL & FACILITIES TO BE PROVIDED BY PTA

PTA is prepared to provide the CONSULTANT with the following resources:-

- a. All available data, reports and literature on Pakistan's telecommunication sector considered relevant for the CONSULTANT to carry out its assignment.
- b. Cooperation, where possible, from telecom organizations, operators and Government agencies, whose activities and programs may be considered relevant to enable the CONSULTANT to have access to information necessary to carry out its assignment.
- c. If opted by the CONSULTANT, PTA shall provide accommodation, office space, local transportation and telephone facilities, in Pakistan.

Annexure I. Technical Proposal - Standard Forms

- I.A Technical Proposal submission form.
- I.B Firm's references.
- I.C Comments and suggestions of consultants on the Terms of Reference and on data, services, and facilities to be provided by PTA.
- I.D. Description of the methodology and work plan for performing the assignment.
- I.E Team composition and task assignments.
- I.F. Format of curriculum vitae (CV) for proposed professional staff.
- I.G. Time schedule for professional personnel.
- I.H. Activity (work) schedule.

I.A. TECHNICAL PROPOSAL SUBMISSION FORM

[Location, Date]

To:

Director General (Licensing)
Pakistan Telecommunication Authority
PTA HQs, Building 3rd Floor,
F-5/1, Islamabad Pakistan

Sir,

I/We, the undersigned, offer to provide the consulting services for Next Generation Mobile Services Spectrum Auction 2013-14, in accordance with your Request for Proposal and our Proposal. I/We are hereby submitting our Proposal, which includes separately sealed Technical Proposal and Financial Proposal in a sealed envelope.

I/We, undertake that all requirements raised in the Terms of Reference mentioned at Section 9 of this document have been fully responded with in the Technical Proposal.

If negotiations are held during the period of validity of the Proposal, i.e., before [Date] I/we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

I/We understand you are not bound to accept any Proposal you receive.

I/We remain,

Yours,

Authorized Signature:

Name and Title of Signatory:

Name of Firm:

Address:

Tel:

Cell:

Email:

I.B. FIRM'S REFERENCES

Relevant (Auction) Services Carried Out That Best Illustrate Qualifications

General: <take as much space as desired for your responses. In addition to the questions and forms in this section>

All items mentioned in the ToR Section 9 shall also be responded.

Did you ever provide WAN/Internet based Auction system (complete arrangements) for spectrum auction?

Was the above System owned by you or rights for usage were obtained through other arrangements? Give details.

How many times did you design a successful auction process? Provide Details.

In your opinion what is the best auction methodology for Pakistan to achieve optimal outcome?

Using the format below, provide information on each assignment for which your firm/entity, either individually or as a corporate entity or as one of the major companies within an association, was legally contracted.

Assignment Name:	Country:
Location within Country:	Professional Staff Provided by Your Firm/Entity(profiles of each):
Name of Client:	No. of Staff:
Address:	No. of Staff-Months; Duration of Assignment:

Start Date (Day Month/Year):	Completion Date (Day Month/Year):	Approx. Value of Services (in Current US\$):
Name of Associated Consultants, If Any:		Number of Months of Professional Staff Provided by Associated Consultants:
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:		
<p>Narrative Description of Project:</p> <p>Amount of Auction winning bid price:</p> <p>Were you on the Sell Side:</p> <p>If you were on the buy side, did your client win the auction:</p> <p>In case of above, who else won the bid and for how much:</p>		
Description of <u>Actual</u> Services Provided by Your Staff:		

Firm's Name: _____

**I.C. COMMENTS AND SUGGESTIONS OF CONSULTANTS ON THE TERMS OF REFERENCE AND
ON DATA, SERVICES, AND FACILITIES TO BE PROVIDED BY PTA**

On the Terms of Reference:

1.

2.

3.

4.

5.

On the data, services, and facilities to be provided by PTA:

1.

2.

3.

4.

5.

**I.D. DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR PERFORMING THE
ASSIGNMENT**

(To be filled in by the CONSULTANT)

I.E. TEAM COMPOSITION AND TASK ASSIGNMENTS

1. Technical/Financial/Legal/Managerial Staff		
Name	Position	Task

2. Support Staff		
Name	Position	Task

I.F. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

Proposed Position: _____

Name of Firm: _____

Name of Staff: _____

Years with Firm/Entity: _____ Nationality: _____

Membership in Professional Societies: _____

Detailed Tasks Assigned: _____

Key Qualifications:

[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations. Use about half a page.]

Education:

[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments. For experience in last ten years, also give types of activities performed and references specific to Pakistan, where appropriate. Use about two pages.]

Languages:

[For each language indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

_____ Date: _____

[Signature of staff member and authorized representative of the firm] Day/Month/Year

Full name of staff member: _____

Full name of authorized representative: _____

I.G. TIME SCHEDULE FOR PROFESSIONAL PERSONNEL

			Weeks (in the Form of a Bar Chart)												
Name	Position	Reports Due/Activities	1	2	3	4	5	6	7	8	9	10	11	12	Number of Weeks
															Subtotal (1)
															Subtotal (2)
															Subtotal (3)
															Subtotal (4)

I.H. ACTIVITY (WORK) SCHEDULE

A. Field Investigation and Study Items

	<i>[1st, 2nd, etc. are weeks from the start of assignment.]</i>												
	1st	2nd	3 rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	
Activity (Work)													

B. Completion and Submission of Reports

Reports	Date
1. Inception Report	
2. Interim Progress Report (a) First Status Report (b) Second Status Report	
3. Draft Report	
4. Final Report	

Annexure II. Financial Proposal - Standard Forms

- II.A. Financial Proposal submission form.
- II.B. Summary of costs.
- II.C. Breakdown of price per activity.
- II.D. Breakdown of remuneration per activity.
- II.E. Reimbursable per activity.
- II.F. Miscellaneous expenses.

II.A. FINANCIAL PROPOSAL SUBMISSION FORM

[Location, Date]

To:

Director General (Licensing)
Pakistan Telecommunication Authority
PTA HQs, F-5/1, Islamabad Pakistan

Sir,

I/We, the undersigned, offer to provide the consulting services for Next Generation Mobile Services Spectrum Auction 2013-14 in accordance with your Request for Proposal and our Proposal (Technical and Financial Proposals). Our attached Financial Proposal is for the sum of [*Amount in words and figures*]. This amount is exclusive of the local taxes, which we have estimated at [*Amount(s) in words and figures*].

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e., [*Date*].

Commissions and gratuities, if any, paid or to be paid by us to agents relating to this Proposal and Contract execution, if we are awarded the Contract, are listed below:

Name and Address of Agents	Amount and Currency	Purpose of Commission or Gratuity
_____	_____	_____
_____	_____	_____

We understand you are not bound to accept any Proposal you receive.

Yours,

Authorized Signature:

Name and Title of Signatory:

Name of Firm:

Address:

Email:

Tel:

Fax:

Cell:

II.B. SUMMARY OF COSTS

Costs	Currency(ies) ¹	Amount(s)	
		USD	PKR
Cost 1			
Cost 2			
Subtotal 1			
Cost 3			_____
Cost 4			_____
Subtotal 2			
Total			
Local Taxes			
Total Amount of Financial Proposal			

¹ US Dollar & the local currency.

II.C. BREAKDOWN OF PRICE PER ACTIVITY

Activity No.: _____	Activity No.: _____	Description: _____	
Price Component	Currency(ies)	Amount(s)	
Remuneration		USD	PKR
Reimbursable(s)			
Miscellaneous Expenses			
Subtotal			

II.D. BREAKDOWN OF REMUNERATION PER ACTIVITY

Activity No. _____		Name: _____			
Names	Position	Input ²	Remuneration Currency(ies) Rate	Amount	
				USD	PKR
Regular staff					
Local staff					
Consultants					
Grand Total					

² Staff months, days, or hours as appropriate.

II.E. REIMBURSABLE(S) PER ACTIVITY

Activity No: _____

Name: _____

No.	Description	Unit	Quantity	Unit Price In	Total Amount In	
					USD	PKR
1.	International flights _____	Trip				
2.	Miscellaneous travel expenses					
3.	Subsistence allowance	Trip				
4.	Local transportation costs ³					
5.	Office rent/accommodation/ clerical assistance	Day				
	Grand Total					

³ Local transportation costs are not included if local transportation is being made available by PTA. Similarly, in the project site, office rent/accommodations/clerical assistance costs, Telephone (fixed/ cellular) are not to be included if being made available by PTA.

II.F. MISCELLANEOUS EXPENSES

Activity No. _____

Activity Name: _____

No	Description	Unit	Quantity	Unit Price	Total Amount
1	Communication costs between _____ and _____				
2	Drafting, reproduction of reports				
3	Equipment: vehicles, computers, etc.				
4	Software				
	Grand Total				

Annexure III. Project Tentative Timeline (Calendar Days)

Milestones			Number of Days to complete work
Start Date			8 th October 2013
1	a	Preparation of advertisement	10
	b	publishing of advertisement	
	c	Issuance of RFP	
2		Submission of Response to RFP	30
3		Evaluation of technical Bid	14
4		Evaluation of Financial Bid	1
5	a	Selection Based on Evaluation Criteria	17
	b	Contract finalization & award	
6		Consultant reports / IM work finalized	45
7	a	IM uploaded on Website	2
	b	Begin date for receiving bidder EoI	
	c	Bidder queries	
8		Closure of Queries	2
9		Pre bid meeting & Mock Auction	3
10	a	Final response to queries	2
	b	Last date for submission of EoI	
11		Last date application submission	3
12	a	Qualifying of bidder before auction	1
	b	Forwarding of information for clearance	
13		Last date of receipt of Bid Earnest money	8
14	a	Auction days	1
	b	Announce winners	
Total Days			139

**Annexure IV- INFORMATION REGARDING ANY CONFLICTING ACTIVITIES AND
DECLARATION THEREOF**

[Location, Date]

Are there any activities carried out by the CONSULTANT which are of conflicting nature as mentioned in RFP and allied documents?

If yes, please furnish details of any such activities.

If no, please certify,

We hereby declare that our firm, our associate / group firm or any of the member of the consortium are not engaged in any such activities which can be termed as the 'conflicting activities' under this RFP. We also acknowledge that in case of misrepresentation of the information, our proposal/ contract shall be cancelled/ terminated by the Client which shall be binding on us.

Authorized Signature [In full and initials]:

Name and Title of Signatory:

Name of CONSULTANT:

Address:

Annex V- Integrity Pact

General

This pre-contract Agreement (hereinafter called the “Integrity Pact”) is made on ___day of the month of___ 2013, between, the Pakistan Telecommunication Authority (PTA) (hereinafter called the "CLIENT", which expression shall mean and include, unless the context otherwise required, his successors in office and assigns) of the First Part and M/s. - _____ (hereinafter called the "CONSULTANT" which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns) of the Second Part and both parts jointly and collectively may be referred to as the “PARTIES”.

WHEREAS the CLIENT proposes to procure Consultancy Services for the auction of Next Generation Mobile Spectrum services in Pakistan and the CONSULTANT is willing to offer/has offered the services.

WHEREAS the CONSULTANT is a Consultant(s)/Consulting Firms/Consortium etc is recognized under the applicable relevant Laws, in the subject matter and the CLIENT is a body corporate established by a federal statute i.e. Pakistan Telecommunication (Reorganization) Act, 1996.

NOW, THEREFORE, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the CONTRACT to be entered into with a view to, during and subsequent to the currency of the CONTRACT to be entered into with a view to :-

- Enable the CLIENT to obtain the desired said Consultancy Services at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortion impact of corruption on public procurement, and
- Enabling CONSULTANT to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and the CLIENT will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The PARTIES hereto hereby agree to enter into this integrity Pact and agree as follows:

Commitments of the CLIENT

1.1 The CLIENT undertakes that no official of the CLIENT, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through

intermediaries, any bribe, consideration, gift, reward, favor or any material or immaterial benefit or any other advantage from the CONSULTANT, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the Contract.

1.2 The CLIENT will, during the pre-contract stage, treat all Consultants alike, and will provide to all Consultants the same information and will not provide any such information to any particular CONSULTANT which could afford an advantage to that particular CONSULTANT in comparison to other Consultants.

1.3 All the officials of the CLIENT will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

2. In case any such preceding misconduct on the part of such official(s) is reported by the CONSULTANT to the CLIENT with full and verifiable facts and the same is prima-facie found to be correct by the CLIENT, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the CLIENT and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the CLIENT the proceedings under the CONTRACT would not be stalled.

Commitments of Consultants:

3. The CONSULTANT commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its proposal or during any pre-contract or post-contract stage in order to secure the CONTRACT or in furtherance to secure it and in particular commit itself to the following:-

3.1 The CONSULTANT will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the CLIENT, connected directly or indirectly with the bidding process, or to any person, organization or third party related to

the CONTRACT in exchange for any advantage in the bidding, evaluation, contracting and implementation of the CONTRACT.

3.2 The CONSULTANT further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the CLIENT or otherwise in procuring the CONTRACT or forbearing to do or having done any act in relation to the obtaining or execution of the Contract or any other contract with the Government for showing or forbearing to show favor or disfavor to any person in relation to the Contract or any other contract with the Government.

3.3 The CONSULTANT further confirms and declares to the CLIENT that the CONSULTANT owns or have access rights to a state-of-the-art WAN/ Internet based secure, reliable, expert auction system (hardware, software, firmware, links etc) for actual use during the auction(s).

3.4 The CONSULTANT, either while presenting the proposal or during pre-contract negotiations or before signing the Contract, shall disclose any payments he has made, is committed to or intends to make to officials of the CLIENT or their family members, agents, brokers or any other intermediaries in connection with the Contract and the Services agreed upon for such payments.

3.5 The CONSULTANT will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, proposal evaluation, contracting and implementation of the Contract.

3.6 The CONSULTANT will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.

3.7 The CONSULTANT shall not use improperly, for purposes of competition or personal gain, or pass on to other, any information provided by the CLIENT as part of the business relationship, regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The CONSULTANT also undertakes to exercise due and adequate care lest any such information is divulged.

3.8 The CONSULTANT commits to refrain from lodging any complaint directly or through any other manner without supporting it with full and verifiable facts.

3.9 The CONSULTANT shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.

3.10 If the CONSULTANT or any employee of the CONSULTANT or any person acting on behalf of the CONSULTANT, either directly or indirectly, is a relative of any of the officers of the CLIENT, or alternatively, if any relative of an employee of the CLIENT has financial interest/stake in the CONSULTANT's firm, the same shall be disclosed by the CONSULTANT at the time of submitting its proposal.

3.11 The CONSULTANT shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the CLIENT.

4. Previous Transgression

4.1 The CONSULTANT declares that no previous transgression occurred in the last five years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in Pakistan of any Government Department in Pakistan that could justify CONSULTANT's exclusion from the bidding process.

4.2 The CONSULTANT agrees that if it makes incorrect statement on this subject CONSULTANT can be disqualified from the bidding process or the CONTRACT, if already awarded, can be terminated for such reason.

5. Sanctions for Violations

5.1 Any breach of the aforesaid provisions by the CONSULTANT or any one employed by it or acting on its behalf (whether with or without the knowledge of the CONSULTANT) shall entitle the CLIENT to take all or any one of the following actions, wherever required:-

(i) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the CONSULTANT. However, the proceedings with the other CONSULTANT(s) would continue.

- (ii) The Performance Bond (after the Contract is signed) shall stand forfeited either fully or partially, as decided by the CLIENT and the CLIENT shall not be required to assign any reason thereof.
- (iii) To immediately cancel the Contract, if already signed, without giving any compensation to the CONSULTANT.
- (iv) To recover all sums already paid by the CLIENT, with interest thereon at the prevailing 6 months KIBOR (Karachi Inter Bank Offer Rate).
- (v) To encash the performance bond furnished by the CONSULTANT, in order to recover the payments, already made by the CLIENT, along with interest.
- (vi) To cancel all or any other Contract with the CONSULTANT. The CONSULTANT shall be liable to pay compensation for any loss or damage to the CLIENT resulting from such cancellation/rescission and the CLIENT shall be entitled to deduct the amount so payable from the money(s) due to the CONSULTANT.
- (vii) To debar the CONSULTANT from participating in future bidding processes of the Government of Pakistan for a minimum period of five years, which may be further extended at the discretion of the CLIENT.
- (viii) To recover all sums paid in violation of this PACT by CONSULTANT(s) to any middleman or agent or broker with a view to securing the Contract.
- (ix) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the CLIENT with the CONSULTANT, the same shall not be opened.
- (x) Forfeiture of Performance Guarantee in case of a decision by the CLIENT to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

5.2 The CLIENT will be entitled to take all or any of the actions mentioned at para 5.1(i) to (x) of this Pact also on the Commission by the CONSULTANT or any one employed by it or acting on its behalf (whether with or without the knowledge of the CONSULTANT), of an offence as defined in of the Pakistan Penal code, or any other statute enacted for prevention of corruption.

5.3 The decision of the CLIENT to the effect that a breach of the provisions of this Pact has been committed by the CONSULTANT shall be final and conclusive on the CONSULTANT. However, the CONSULTANT can approach the Independent Monitor(s) appointed for the purposes of this Pact.

6. Fall Clause

6.1 The CONSULTANT undertakes that it has not supplied/is not supplying similar services at a price lower than that offered in the present bid in respect of any other Ministry/Department of the Government of Pakistan and if it is found at any stage that similar services were supplied by the CONSULTANT to any other Ministry/Department of the Government of Pakistan at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in the cost would be refunded by the CONSULTANT to the CLIENT, if the Contract has already been concluded.

7. Monitors

7.1 The CLIENT may appoint Monitors (hereinafter referred to as Monitors) for this Consultancy.

7.2 The task of the Monitors shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Consultancy.

7.3 Both the parties accept that the Monitors have the right to access all the documents relating to the project/procurement, including minutes of meetings.

7.4 As soon as the Monitor notices, or has reason to believe, a violation of this CONTRACT, and will so inform the PTA Authority.

7.5 The Monitor will submit a written report to the designated Authority of CLIENT biweekly from the date of reference or intimation to him by the CLIENT/CONSULTANT and, should the occasion arise, submit proposals for correcting problematic situations.

8. Facilitation of Investigation

In case of any allegations of violation of any provisions of this Pact or payment of commission, the CLIENT or its agencies shall be entitled to examine all the documents including the BOOKs of Accounts of the CONSULTANT and the CONSULTANT shall provide necessary

information and documents in English and shall extend all possible help for the purpose of such examination.

9. Law and Place of Jurisdiction

This Pact is subject to Laws of Pakistan. The place of performance and jurisdiction is the seat of the CLIENT at Islamabad Pakistan.

a. Other Legal Actions

The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

b. Validity

- i. The validity of this Integrity Pact shall be from date of its signing and extend the complete execution of the Contract to the satisfaction of both the CLIENT and the CONSULTANT, including warranty period, whichever is later. In case CONSULTANT is unsuccessful, this integrity Pact shall expire after six months from the date of the signing of the CONTRACT.
- ii. Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

- c. The parties hereby agree and sign this integrity Pact at Islamabad Pakistan on _____.

CLIENT

CONSULTANT

Authorized Representative

Authorized Representative

Witnesses

- 1.
- 2.