

Next Generation Mobile Services Award 2017 (NGMSA)

Information Session for Prospective Bidders

1. Reference to Clause 3.1.1 of the IM published on PTA website on 31st March 2017, an 'information session for prospective bidders' was conducted **on 3rd May 2017 at 0930 hrs at PTA HQs**. The Information session was chaired by Chairman PTA and attended by teams from potential bidders.
2. Chairman PTA welcomed all the participants and opened the session for formal discussion. The discussion was started with the joint concerns raised by the Industry such as clarity on license renewal terms, fixation of base price and payment terms, spectrum reshuffling/refarming plan.
3. With regard to the concern raised on license renewal, Chairman PTA informed the participants that an internationally reputed Consultant is being hired and CMOs are welcomed to provide their input to finalize the RFP for the said Consultant Hiring Process.
4. With reference to Base Price, Chairman PTA explained in detail that the Base Price was fixed by Auction Supervisory Committee keeping in view various factors such as, Consultant Report on Market Assessment, Benchmarking with other countries, Price ratio comparisons between different spectrum ranges, Ecosystem development, Handset price and Equipment cost.
5. Regarding reshuffling/refarming plan, Chairman PTA informed that PTA is open to all suitable suggestions from the stake holders and a fruitful outcome depends more on the flexibility shown by the operators to readjust/refarm in order to get a contiguous spectrum range for efficient operations. This reshuffling/refarming might include certain technical and financial challenges.
6. While going through the responses to the queries, Chairman informed that PTA will finalize the Tariff Regulations in consultation with all stakeholders including Competition Commission of Pakistan, in this regard, a meeting with the CCP has already been held during which the voice and data pricing issues were discussed at length and it was decided that regulations will be finalized following all legal formalities.
7. It was highlighted by the participants that the principles of renewal of cellular mobile license must be identified and set prior to this auction. These principles can act as basic guidelines for the Consultant being hired for the said purpose. It was also added that renewal should not be treated as an auction; and Base Price(s) or Auction price(s) should not be treated as basis for determining the license renewal price. CMOs also highlighted that these concerns shall be raised by them in the meeting scheduled with the Honorable Minister of MoIT&T, with emphasis on relaxed payment terms of renewal price.

8. While discussing about renewal, extended license term similar to fixed line licensing regime in the country was also proposed by the CMOs. PTA clarified that under Section 8(2) of the ACT, Federal Government is empowered to issue policy directive(s) which can include the terms of the license.
9. Participants enquired whether the GoP has taken into consideration the payment of Advance Tax while fixing the Base Price. Chairman PTA responded that Advance Tax is refundable to the licensee by FBR.
10. In general, discussions also included the revolutions in the ICTs and Telecom sector, Big Data and Cloud Computing, Digitization of the services. Chairman PTA also emphasized that innovation can be successful through collaborative approach, efficient performance by operators and light touch regulatory environment.
11. The participants appreciated the kind support shown by the Authority for facilitations towards the legitimate demands of the Telecom Operators.
12. The meeting ended with vote of thanks to and from the chair.