

NOTICE TO APPLY TO BIDDERS TO APPLY FOR A APPLICABLE  
TELECOMMUNICATION LICENSE FOR DEMONSTRATION PROJECT FOR VOICE TELEPHONY SERVICES  
UNDER UNIVERSAL ACCESS SCHEME IMPLEMENTED BY DCI AND NICTA

THIS NOTICE IS TO BIDDERS AND OPERATORS TO APPLY FOR A LICENSE  
FOLLOWS THE EXPRESSIONS OF INTEREST NOTICE AS PER BELOW THAT  
APPEARED IN THE NATIONAL NEWSPAPER FROM 27<sup>TH</sup> MAY 2013 TO 13<sup>TH</sup> JUNE  
2013 ESPECIALLY TO BIDDERS WHO DO NOT HAVE APPLICABLE  
TELECOMMUNICATION OPERATING LICENSE TO CARRY OUT  
TELECOMMUNICATIONS SERVICES IN PNG.



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**CSTB No. 2832**  
**RURAL COMMUNICATIONS PROJECT**

**EXPRESSIONS OF INTEREST  
FOR  
DEMONSTRATION PROJECT FOR VOICE TELEPHONY  
SERVICES UNDER UNIVERSAL ACCESS SCHEME  
TO IMPROVE ACCESS TO TELECOMMUNICATION  
INFRASTRUCTURE AND SERVICES IN RURAL AND REMOTE AREAS OF  
PAPUA NEW GUINEA**

The project is jointly implemented by Department of Communications and Information (DCI) and the new National ICT Authority, National Information and Communications Authority (NICTA).

The objective of the services is to improve access to telecommunications infrastructure and services in rural and remote areas of the Papua New Guinea under the Demonstration projects, and to expand telecommunications networks in the country. For this activity, the Credit will finance one-time capital subsidies to prospective bidders with an objective to create incentives for operators to cover

commercially unattractive areas that currently do not have any form of telecommunications services. The bids are divided into 4 geographical lots (Highlands, Islands, Momase, Southern). In accordance with the Credit Agreement between the Independent State of Papua New Guinea and the World Bank this activity has been allocated a fixed budget of US\$7.3 million for the total subsidy for all 4 lots. The award will be made on a “lot by lot” basis where each lot will be awarded to the company requesting the lowest subsidy requested per person, starting with the lot which guarantees service to the largest total population in currently uncovered areas, subsequently to the lots guaranteeing access to the second largest group until the whole subsidy is exhausted.

The services include:

The successful Bidder will be expected to complete the performance of the Services within 2 years from the effective date of contract.

The successful bidders will provide the Mandatory Services in the Designated Areas in accordance with the Rollout Schedule that shall form part of their bid and would include.

- (a) Public telecommunications points of presence to be provided so that any census unit (village) included in the list of locations in the operators’ bid will have one point of presence for every 500 inhabitants within 5kms.walking distance.
- (b) Telecommunications service coverage in at least the largest census unit that has at least 1,500 inhabitants within a 5km. radius of its location.
- (c) while “voice” is the only prescribed application of the delivery technology, other applications, such as SMS or internet access are also permitted and in fact, encouraged.

For Voice Telephony Services, the following outputs are expected and will be measured:

- (a) Volume of incoming and outgoing call minutes per month (based on network traffic measurement)
- (b) Demonstration of network coverage in Designated Areas, namely by submission of lists of locations covered to date. This list will be verified by matching the locations list with a separate list of subscriber numbers and corresponding addresses;
- (c) Provision of service at a quality (with respect to network congestion and dropped calls) similar to the rest of their network and as established in relevant standard(s) issued by NICTA;
- (d) Provision of service at the same prices as in other locations (e.g. Port Moresby), and subject to all promotions and discounts applicable.

**DCI and NICTA** now invites eligible Firms with Existing Licensees to operate applicable telecommunications services in the Independent State of Papua New Guinea to indicate their interest in providing the services. Interested Firms may submit expressions of interest for the above services, and provide information on their qualifications and past experiences (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Firms may associate to enhance their qualifications.