

TENDER CLARIFICATIONS : RFP FOR PROPOSAL TO APPOINT CONSULTANT FOR THE CERTIFICATION PROCESS OF THE HIGH SPEED BROADBAND (HSBB) PROJECT ROLLOUT
(TENDER NO. SKMM/IDD(1)/HSBB/TC/10/08(04))

Section 1: Introduction

Para 3.7 mentions the agreement between the Government and TM regarding the HSBB network, and in particular the payment mechanism agreed between the Government and TM.

Q1: Would the Consultant have visibility to this agreement?

The Consultant will be provided all relevant details from the agreement to the extent sufficient and necessary for the IC to provide its services. The details required will be discussed with the appointed IC.

Para 3.8 mentions the agreed schedule of disbursements between the parties over the Funding Term.

Q2: Would the Consultant have visibility to this schedule of disbursements?

The Consultant will be provided all relevant details from the agreement to the extent sufficient and necessary for the IC to provide its services. The details required will be discussed with the appointed IC. In general, the disbursements will be quarterly based.

Para 3.10 states that the focus is on Priority Economic Areas.

Q3: There is no definition for this term. Is it reasonable to assume that it refers to the areas listed in Table A?

Yes. It is reasonable to refer Priority Economic Areas to the areas listed in Table A. More details will be provided to the appointed Consultant

Para 3.10 states that the parties have agreed 930 000 premises as the "Passed Out Target" for the Funding Term.

Q4: Will the Government's investment of RM2.4bn be fully paid out if the Passed Out Target is met within the Funding Term, with the remaining 405 544 being covered by TM and with no further investment from the Government?

Yes

Q5: Is the 930 000 Passed Out Target broken down into a target for each of the Priority Economic Areas (or to a more granular level)? Can TM "substitute" premises from one Priority Economic Area to another if they over-build in one area?

Details have been provided however changes are possible subject to the provisions of the agreement

Q6: If the Passed Out Target were achieved before the end of the Funding Term, would the consultant's services no longer be required? In this situation, what would happen to the remaining professional fee still to be charged?

The consultant's services will be honoured if the professional fees proposed is based on time. However, if it is based on verification amount of the RM2.4billion funding or premises passed, payment will be considered complete upon achievement of premise-passed target

Q7: Similarly, if TM fails to achieve the target number of premises within the funding period, is the consultancy firm required to continue with the certification process until the Passed Out Target is met? In this situation, could the consultant expect to receive a fee for this continuing work?

If the fees/charges to be quoted by the prospective tenderer are on a particular basis or subject to certain conditions, e.g. on the basis work to be completed within a certain timeframe, the prospective tenderer may clarify the basis of the quoted fees and provide information on the additional rates of charges for the extended timeframe.

Section 2: Scope of Work

Para 4.2.2: states that "the Certification Process shall be carried out within fourteen (14) calendar days"

Q8: The process does include the Government review and approval. How many calendar days is it expected to take for the Government to review and approve the findings once it receives them from the Consultant?

14 days

Para 4.2.4 states that TM will submit a claim according to the format shown in Table 1 (which contains the number of premises passed by technology). However, Para 4.2.5a states that the consultant is expected to certify the number of premises passed (and service specification) and the amounts spent by TM.

Q9: Please clarify whether the consultant is expected to certify the number of premises and the service specification only, or whether it should also certify the expenditures claimed by TM?

Engagement of the consultant is to assist on the Certification Process in validating and verifying the quarterly claims submitted by TM (refer 4.1.1 and Tables 1 & 2), and the Certification Process is to ascertain the amount of expenditure incurred by TM for the HSBB rollout (refer 4.2.1) therefore, the consultant is also expected to certify the expenditures claimed by TM.

Q10: if the consultant is expected to certify TM's claim for amounts spent, Will it be based on an 'average cost per premise passed' figure agreed between TM and the Government in advance, or will it be based on the volumes for each of the items given in Table 2 and a price per unit agreed between TM and the Government, or will it be based on the consultant's own benchmarks and knowledge of equipment pricing?
It will be based on the figure agreed between TM and the Government which will be made available to the appointed Consultant

Q11: will any safeguards be in place to ensure that TM is unable to claim the full amount before reaching the Passed Out Target?

The provisions of the agreement will be the safeguards

Q12: Table 1 and Table 2 only show a high level summary of the Quarterly Performance and Network Expenditure, will TM also present more details to aid the certification process (e.g. more detailed location data)?

Yes, TM will be providing more details. The Consultant may also request subject to the agreement of the Government and TM

Q13: Is it expected that the Consultant will provide the formats that request the breakdown to the TM claims?

Yes

Para 4.4.1 discusses the event when the Consultant "fails" or "neglects" to certify the data within the timeframe stipulated.

Q14: Would you be able to define or elaborate on these two terms or what would be considered as failure or neglect?

Failure or neglect in this context is when the consultant fails or neglects to do their duty to certify the claims of TM within the stipulated timeframe and conditions

Para 5.3 states that the Consultant shall use a "sound and acceptable, cost effective, and non-discriminatory" method to calculate the costs.

Q15: please clarify how the consultant's derived cost for the network rollout is expected to be correlated with the claimed amount? In particular, how do you expect the consultant to ensure that the full RM2.4 billion is only paid out once the Passed Out Target is reached?

Para 5.3 from the RFP is an info statement and will not be evaluated

Para 5.4 states that the Consultant shall maintain a map based database to capture the details of HSBB project rollout.

Q16: please clarify if an initial map overlay will be provided to consultant to maintain? Is there a specific database that the Government will prefer the consultant to use? Would this database be used to interface with other Government database/systems?

No initial overlay map will be provided to the Consultant. No specific database has been mentioned however, the Government is currently utilising MapInfo and Google Earth applications.

Para 5.5 mentions a "final report".

Q17: Would SKMM be able to confirm when this final report is required and what this report should include?

The final report will be in tandem with the final claims certified from TM. The final report will consist of a compilation of all the previous quarterly reports.

Section 3: Consultancy Service Requirement

Para 7.1 requires for all foreign-based consultants to have a working arrangement with a Malaysian professional services counterpart for the provision of Consultancy.

Q18: Can this counterpart be a subcontractor to the foreign-based consultants or would it need to be the main contractor?

Yes, it is possible for the Malaysian counterpart be a subcontractor to the foreign-based consultant. The prospective tenderer should stipulate in the proposal that their proposed team comprised of persons from other organisations/companies and should provide in the proposal details on those persons/organisations in the proposal. Preference is for the Malaysian counterpart to be the principal.

Q19: Can this counterpart be non-related to telecom services (eg: a legal or financial services company)

The counterpart must have prior experience in handling and involvement telecommunication projects.

Q20: Is it mandatory that the counterpart is involved with the delivery of the project scope?

Yes

2) General Terms and Conditions of Tender

Section 4: Terms and Conditions of Tender

Para 12.2 states that the tender document fee needs to be attached to the Form of Tender Document.

Q21: Depending on the answer to Q18, would the Government accept if the name of the Tenderer were different to that in the receipt?

Yes

Para 18.2 sets out the payment schedule for the consultancy work and implies that the SKMM is expecting a "fixed fee" quote from the Tenderer.

Q22: Its our understanding that the effort expended in completing the scope of work is uncertain in advance of the assignment and not fully under the control of the Consultant. It is not known in advance how many claims will move to the "Insufficient Documentation" or "Dispute" phases shown in the process diagram on page 10. Attempting to guess this in advance is likely to lead to significant variations in the fees proposed for the work and is unattractive for both the Tenderer and the Government. Would the Government be willing to receive a variable fee structure based on the number of "Insufficient Documentation" or "Dispute" phases required? This would require modification of the payment schedule.

If the fees/charges to be quoted by the prospective tenderer are on a particular basis, e.g. different fees for different categories of certification, the prospective tenderer may clarify the basis of the quoted fees and provide information on the different rates of charges for the each category.

Appendix 4: Form for Business Profile

Q23: Are these details required for the foreign-based consultant or the Malaysian counterpart (or both)?

It is best if both are provided

Q24: What is the level of technical detail which is expected of the appointed Consultant while certifying the claims made by TM in the HSBB rollout. For example, would the appointed consultant be required to test network metrics like - throughput, bandwidth, load balancing etc.

Yes, the consultant may be required to test network metrics such as throughput, bandwidth, load balancing etc. on a random basis

Q25: Considering Effective Date as July, 25th 2008, the timeframe for the claims to be sent as 3 months and the amount of given days for IC to evaluate the reports as 14 days, what will happen with the first report that is supposed to be sent 14 days before the end of second quarter (meaning January, 11th 2008) if IC have not been selected by then?

There is possibility that SKMM will be doing the certification on its own. This particular claim will then be excluded from the arrangement with the consultant

Q26: Even if selected, which will be the bases for the IC to evaluate the reported progress within 14 calendar days if it has not participated in the first, and not even, the second quarters?

The consultant will need to accommodate even the first quarter claims and to be incorporated in subsequent claims report even if they were not involved in processing the first

Q27: We assume that IC will have to follow-up daily or weekly operations in order to guarantee the claim report to be validated in 14 calendar days. Is that correct, since that might impact the amount of personnel allocated to the project and thus the cost? If not, which will be the base for the evaluation?

Yes, the consultant will have to follow-up daily or weekly operations in order to guarantee the claim report to be validated in 14 calendar days. The IC is expected to conduct sampling of the project deployment in order to verify the claims. The consultant would therefore be expected to quote for the number of samples that will be conducted and the associated fees.

Q28: It is not clear if the whole HSBB project is based in a total new network running IP over fiber, or existing infrastructure will be used such as xDSL over existing ATM if any.

It should be based on a total new network

Q29: Where will IC responsibility end when verifying TM reports and claims? Shall IC verify end-user installation, Access network availability or Metro-Ethernet connections to the core? In case of TM executes 100.000 premises in the 3 month period, for instance, how does IC verify such information? By considering a percentage, testing all the premises, will TM send a traffic report as proof that the network is already up and running in the covered area included in the claim report?

The consultant's scope is to verify the number of premise passed and does not include end-user installation. The consultant can propose details to be included in the claim report, however this will be subject to agreement by the Government and TM.

Q30: Since IC has to keep a database over the rollout plan to follow-up and control the progress, could that database be updated by IC prior to the claims are received?

Any database updates would be expected to be based on TM's submission.

Q31: Should IC have to evaluate end user installation and performance, will the given access speeds be included in the reports?

The scope of premise passed does not include end-user installation and as such, sampling evaluation (including access speeds) is expected only to the premise-passed end

Q32: What level of involvement is expected of Consultant in relation to:

- a. Project Time management
- b. Project Cost management
- c. Participation in /Witnessing of tests on completion / commissioning tests
- d. Verification of "houses passed", physical or otherwise, 100% or sampling?
- e. Will the TM project plans, acceptance documentation etc. related to all disciplines e.g. TX, IP, FTTH be made available to the Consultant?
- f. Will the Consultant have access to TM Shared Servers (storages for HSBB Project)?

The consultant's involvement will be required to the level where it is necessary for them to conduct the certification for the claims. Consultant is not expected to be involved in the project management however they may be involved in activities, and be given access to documentation, that would assist them for the certification. Any access to TM servers will be on a need-basis.

Q33: What will be Consultant's responsibilities in relation to Map-based database:

- a. "System" already exists (i.e. supplied by Government / TM)
- b. "System" will be supplied by Consultant. (Consultant to include a provision for same in his offer)
- c. Consultant manpower input expected (data input, technical support, software support, etc.)

Consultant will be responsible to establish the map-based database. Please also refer Q16 above

Q34: How will Consultant be compensated in the event that the projects are delayed beyond the set time schedule?

If the fees/charges to be quoted by the prospective tenderer are on a particular basis or subject to certain conditions, e.g. on the basis work to be completed within a certain timeframe, the prospective tenderer may clarify the basis of the quoted fees and provide information on the additional rates of charges for the extended timeframe. The compensation will be in accordance this basis

Q35: Will SKMM be responsible for the approval (including variations) of planning, design etc for the HSBB project proposed by TM?

Yes

Q36: Sub Item 3.5.3 Is the submarine Cable in existence or needs to be part of the certification process?

Submarine cable will be part of the certification process

Q37: Sub Item 3.5.4 As eco-system is excluded for the certification process then where does the responsibility start? At "Control" or at "IP Core"?

At Control level

Q38: Sub Item 3.8 Where is the agreed schedules shown/explained?

The agreed schedule is based quarterly and will be made available to the appointed Consultant

Q39: Sub Item 3.9 How is the term Premises defined? E.g. Subscriber, Building, Office or...

Premise may be termed as home, building, office etc. Details will be made available to the appointed Consultant

Q40: Sub Item 3.11 At which level is the consultant involved in the certification process e.g. subscriber (Premises), Urban, Metro etc.? This related also to page 9 Sub Item 4.1.1

The certification process are as stipulated in Para 4.2 until 4.4 of the RFP document and that the consultant's involvement is limited only to the scope of this including Table 1 and Table 2. Refer also Q.9

Q41: Sub Item 4.2 What is the certification criteria, e.g. Budget, Schedule, Equipment a mixture, all, or one of? Where is the agreed Certification Procedure?

The certification process are as stipulated in Para 4.2 until 4.4 of the RFP document and that the consultant's involvement is limited only to the scope of this including Table 1 and Table 2. Refer also Q.9

Q42: Will the Consultant be provided with adequate office space (ideally at TM) or must the Consultant include a provision for office costs in his bid

The Consultant will need to provision the office costs in his bid