

**INVITATION TO REGISTER INTEREST AND SUBMIT A DRAFT UNIVERSAL SERVICE PLAN AS A
UNIVERSAL SERVICE PROVIDER UNDER THE COMMUNICATIONS AND MULTIMEDIA
(UNIVERSAL SERVICE PROVISION) REGULATIONS 2002 FOR THE INSTALLATION OF NETWORK
FACILITIES AND DEPLOYMENT OF NETWORK SERVICE FOR THE PROVISIONING OF
BROADBAND ACCESS SERVICE DELIVERY THROUGH SATELLITE CONNECTIVITY AT THE
UNIVERSAL SERVICE TARGETS UNDER THE USP INITIATIVE**

Questions & Answers

| No. | Question s | Answers |
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| 1 | <p><u>Clause 1.3</u> There may be some population movements/shifts between the period of the submission of the Draft USP and the award/(installation & commissioning) of the UST. This may also have occurred prior to the survey of the sites.</p> <p>If the population has shifted and the coverage is no longer required within the pre-defined UST, can the Service Provider propose an alternate site?</p> | <p>From the site survey undertaken by the Commission in Q4/2020, all locations are populated areas. As specified in subparagraph 1.3 of the Invitation, no change of location(s) is permissible. From the site survey undertaken by the interested licensee, if it is found that there are locations which are no longer populated, the Interested Licensee may substantiate its findings with clear evidence of the same in its proposed draft plan.</p> |

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| 2 | <p><u>Clause 1.3</u> If there is already cellular coverage i.e. 2G/4G/LTE in the vicinity of the UST, will the site still require the service or would the Commission propose an alternative site in replacement? Can the Service Provider propose an alternate location for the Commission's consideration in this case? (this could happen prior to submission or even after award as there are on-going network expansion works by the Telcos)</p> | <p>As specified in subparagraph 1.3 of the Invitation, no change of location(s) is permissible. Any change of location will be considered and assessed later, between the Commission and the designated universal service provider (successful winner of this tender exercise).</p> |
| 3 | <p><u>Clause 2.1.1</u> If there is existing communications/power infrastructure that were prior deployed by the bidder at any UST, can the CAPEX/OPEX still be claimable to support this USP?</p> | <p>No, no claims are permissible for the deployment of any infrastructure at the said location(s) prior to the commencement of this project, for both CAPEX and OPEX. All claims made must be prospective, not retrospective in accordance with the USP Regulations 2002.</p> |
| 4 | <p><u>Clause 2.1.3</u> Is the fair usage policy and enforcement mechanism for each location expected to be proposed based on either (i) individual users, (ii) each UST or (iii) overall project design?</p> | <p>The fair usage policy is for individual users. The desired outcome is for the people at each location to enjoy continuous service provisioning at the required speed, as specified in the Invitation.</p> |

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| 5 | <p><u>Clause 3.6(3) & 13.1</u> While the Service Provider is expected to use all reasonable efforts to obtain all the necessary approvals from the local authority or other relevant authorities before commencing the Project, this is beyond control i.e. with JAKOA (agreement can only be signed on with the respective authorities after award).</p> <p>a) If the Service Provider is unable to obtain the necessary approval for the site, can this UST be excluded or could the Service Provider propose an alternative site for the Commission's consideration?</p> <p>b) Would the Commission be willing to provide reasonable support to the service provider including any form of supporting document to ease approval process from local authority or any other relevant authorities?</p> | <p>a) The Designated Universal Service Provider is expected to be capable and competent in managing issues of this nature, which are foreseeable in projects that concern infrastructure deployment and land acquisition/leasing. This is its responsibility as a designated universal service provider. The Commission will not respond to hypothetical concerns. These matters will be addressed they surface in the course of the project.</p> <p>b) No, the Commission will not issuing any form of letter of support to the designated universal service provider. Issues that arise can be highlighted to the Commission, but the Commission wishes to emphasise that the onus in handling this matter is on the Designated Universal Service Provider. These issues are not unique to USP initiatives, and service providers are expected to find ways to handle such matters.</p> |
| 6 | <p><u>Clause 3.6 (6)</u> Some of the UST population live in geographically dispersed housing conditions. If more than one installation is required to support the coverage requirements of an individual UST, would this be considered an additional "site"?</p> | <p>Yes, the additional installation of network service equipment will be considered as additional site, within the same location in the same UST.</p> |

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| 7 | <p><u>Clause 3.6(10)</u> After contract expiry, if the contract is not extended by the Commission, is the Service Provider allowed to continue operating the Sites on a self-sustainable basis?</p> | <p>Yes, the service provider can continue to operate this service commercially without any funding from the USP Fund, if the project tenure is not extended.</p> |
| 8 | <p><u>Clause 37.1</u> Under the defined Broadband Access Services, Internet access delivery to the end user was to be at an average speed of 35Mbps in each UST. However in 3.7.1 it is mentioned that the average speed is applicable to individual users.</p> <p>Can the Commission please help clarify the requirement to deliver the 35Mbps average speed is measured at individual UST's or on a per user basis?</p> | <p>The average speed is 35Mbps per user.</p> |
| 9 | <p><u>Clause 3.10</u> Due to the nature of the satellite service, can Service Provider propose the exclusions to the continuous service i.e. due to sun outage etc?</p> | <p>No, this is not acceptable to the Commission. The designated universal service provider is expected to manage and ensure continuous and uninterrupted power supply. You are advised to propose a backup solution.</p> |
| 10 | <p><u>Clause 3.16</u> Can the Commission confirm that the responsibility to replace/repair the equipment that has been vandalized is limited to the equipment provided by the Service Provider under this RFP?</p> | <p>Yes, the responsibility to replace/repair is only for the equipment installed pursuant to the project under this Invitation.</p> |
| 11 | <p><u>Clause 3.20.2</u> a) Can the Commission please confirm that the reference to an Operational Period of five (5) years should be two (2) years instead as defined as the tenure of this USP?</p> | <p>a) The operational period for this project is for 2 years. Please refer to subparagraph 1.5, 3.20 and Appendix 3-OPEX of the Invitation.</p> |

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| | <p>b) Can the Service Provider submit the audited income & expense statement for the entire project instead of individual sites?</p> <p>c) Can we have the format of the audited income & expense statement?</p> <p>d) What is the basis of preparation (cash or accrual basis) for the audited income & expense statement?</p> <p>e) For the operational costs, to what level of detail is required?</p> <p>f) Could we request for the audited income & expense statement to be submitted within 180 days of the calendar year instead?</p> | <p>b) No, it is not permissible. The audited income and expense must be submitted for all locations, in each particular cluster.</p> <p>c) The Commission will advise the designated universal service provider on the form and format required for the submission of the audited income and expenses later.</p> <p>d) Our response to item (c) applies here.</p> <p>e) Our response to item (c) applies here.</p> <p>f) No, it is not possible. The audited income and expense must be submitted to the Commission within 90 days as specified in the Invitation, which is a legally binding document.</p> |
| 12 | <p><u>Clause 4.1.1(b)</u></p> <p>a) To substantiate the partnership arrangement between the Licensee and ASP holder, would it require a new agreement for this project or can an existing contract between both parties be used to provide the evidence of partnership?</p> | <p>a) It is acceptable to provide the existing contract, between the designated universal service provider and an ASP(C) licensee, if the contract allows the interested licensee to provide the provisioning of internet access services, should you win this tender. Otherwise, please provide a new partnership arrangement – it can be in the form of a legally binding agreement, or a memorandum of understanding between the relevant parties. Ensure that the party you collaborate with is licensed to provide Internet Access Services under its ASP(C)</p> |

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| | <p>b) Can the Commission provide a specific template of the partnership agreement required?</p> <p>c) Can the Service Provider furnish the certified true copy of the partnership agreements to the Commission within one hundred twenty (120) days from the commencement date of this Project?</p> | <p>licence. Please be reminded that the successful designated universal service provider will have to produce a legally binding agreement within 120 days from the commencement date of the project.</p> <p>b) No, this is something you will have to do at your end, and should be conversant in handling as a business entity.</p> <p>c) Yes, it is acceptable to furnish a certified true copy of the agreement. As specified in subparagraph 3.11, the partnership agreement must be signed and duly stamped between the relevant parties.</p> |
| 13 | <p><u>Clause 15.1.3</u> Will MCMC consider resorting to a claim under a breach of contract, in lieu of an indemnity?</p> | <p>A USP project isn't a mere contract. It is a project administered under a regulatory instrument issued under the USP Regulations 2002. The actions that the Commission can take are those that fall within its remit under the Communications and Multimedia Act 1998 and the USP Regulations 2002, all other subsidiary legislation and instruments issued by it.</p> |
| 14 | <p><u>Clause 17.1</u> Will MCO be considered an FM event? At some locations, local authorities/district officers/heads of villages have resorted to imposing their own access controls and this would affect the deployment plan and also support and maintenance works during the Operational Period.</p> | <p>No, the movement control order (MCO) is not considered as force majeure under this Invitation. Telecommunications services are essential services.</p> |

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| 15 | <p><u>Clause 18.3</u> As the project deployment is expected to be done over a period of four (4) months as stipulated in the project timeline, would the performance bond tenure of twelve (12) months commence from the handover/delivery of the final site?</p> | <p>As specified in subparagraph 18.3, the Performance Bond will commence from the commencement date of the project, not from the handover/delivery date.</p> |
| 16 | <p><u>Cluster C03 – C05</u> Is it a pre-requisite for the Service Provider to be also registered with SMA for deployment of sites within Sarawak?</p> | <p>No, it is not a prerequisite under this Invitation. However, the designated universal service provider is required to adhere to all local laws and regulations which are legally binding in any State.</p> |
| 17 | <p><u>Cluster C06</u> Some of the sites listed out include private land area (plantations, farms, land and sea tourism attractions, army camps, research centres) and also tourist areas i.e. resorts/islands who are mainly foreigners. Is the free internet access service expected to be extended to these population as well?</p> | <p>Yes, that is correct.</p> |
| 18 | <p><u>Cluster C06</u> There is a site called Blue Ring (BWA_803). This area is a coral reef and protected marine park and there is no land area to install any communications equipment.</p> <p>a) Is there an alternate location to install for this UST?</p> <p>b) Who is the appropriate authority in this area?</p> | <p>a) As specified in subparagraph 1.3 of the Invitation, no change of location(s) is permissible.</p> <p>b) This is your task to find out as an Interested Licensee.</p> |

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| 19 | <p><u>Appendix 4, Section B3</u></p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>1. The proposed network dimensioning for all identified locations in Appendix 1 of this Invitation shall be as follows:</p> <p>a) Throughput - the average throughput of 35Mbps per user during all three (3) peak hours as defined below:</p> <ul style="list-style-type: none"> i. 7.00am - 10.00am ii. 2.00pm - 3.00pm iii. 8.00pm - 10.00pm <p>b) Subscribers - target 60% of the subscribers within the identified UST location to get average throughput of 35Mbps</p> <p>c) Network availability - must be at least 98% of the time in a year, excluding any scheduled downtime</p> <p>2. Network topology for interoperability and interconnection for the overall network.</p> <ul style="list-style-type: none"> a) Location of satellite hub and satellite provider; b) Spectrum usage for satellite backhaul transmission; and c) Other information deemed necessary. </div> <p>1) Can the Service Provider propose changes to this network dimensioning for the Commission's consideration?</p> <p>2) Is there a specific measurement matrix that will be used to determine the average speeds of 35Mbps or is the Service Provider able to propose for the Commission's consideration?</p> <p>3) Under the defined Broadband Access Services, Internet access delivery to the end user was to be at an average speed of 35Mbps in each UST. However, in the table under this section, it is referring to average 35Mbps per user instead.</p> | <p>1) No, this is not acceptable to the Commission. The specified network dimensioning under this project is final.</p> <p>2) The Commission will advise the relevant designated universal service provider on this matter.</p> <p>3) The average speed is 35Mbps per user, as specified in item (e) Interpretation, subparagraph 3.7.1 and Appendix 4: Section B3 of the Invitation.</p> |