



PublicPrivate
Partnership
Commission

THE DIGITAL MALAWI PROGRAM PHASE I: DIGITAL FOUNDATIONS PROJECT

CREDIT NUMBER: 60500MW

MINUTES OF PRE-BID MEETING FOR THE RURAL BROADBAND CONNECTIVITY

DATE OF THE MEETING: THURSDAY, 4TH MARCH 2021

VENUE: VIRTUAL THROUGH ZOOM PLATFORM

TIME: 10:00AM

PRESENT:

For the Client

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| 1. Chimwemwe Matemba | Project Manager – Chairing |
| 2. Nthabiseng Pule | Consultant |
| 3. Victor Funsani | Digital Technology Specialist |
| 4. Isaac Chimutu | Senior Projects Procurement Specialist |
| 5. Beatrice Kachepa | ICT Partnerships Analyst |
| 6. Emily Kwatani | Communications and Information Systems Manager |
| 7. Eddah Lijoni | Environmental and Social Safeguard Officer |
| 8. Clemence Mvonye | Procurement Specialist |

9. Alice Gondwe Assistant Procurement Specialist

For Service Providers

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| 1. Charles Ndimbo | Telekom Networks Malawi |
| 2. Chimwemwe Chimwaza | Business Computer Services |
| 3. Francis Gonawamba | NITEL |
| 4. Madhawa Vimukthi | Access Communication Limited |
| 5. Brian Longwe | Converged Technology Networks |
| 6. Yusuf Chimole | Lync Systems |
| 7. Mphatso Manda | Airtel Malawi |
| 8. John.Masamba | Furniture and Fittings |
| 9. Dennis Mwangulube | Airtel Malawi |
| 10. Faizal Okhai, | Access Communications Limited |
| 11. Michael Andersen | Access Communications Limited |
| 12. Wisdom Murowa | Telekom Networks Malawi |
| 13. Mwiza Mhango | Access Communications Limited |

Minute RBC1/03/2021: Opening Remarks

The Chairperson welcomed the members to the Pre-Bid meeting. He explained that the reverse auction subsidy will be carried out as a form of subsidy to bidders to entice them to extend coverage to areas that are currently not reachable economically. He went on to further say that the reverse auction subsidy is part of the Digital Malawi Project activities and that MACRA is the eventual owner of the activity. It was communicated that the purpose of the meeting was to discuss the Reverse bid document which was issued on 15th February 2021. Bidders were advised to fully participate and proposed the sequence of the meeting starting with a brief presentation by the Consultant for the connectivity activities who also covers rural broadband assignments. Thereafter, Procurement related issues were going to be presented to be followed by an interactive session for questions and comments. The members agreed with the sequence of the meeting.

The Chairman requested members present to make self-introductions

Minute RBC2/03/2021: Self Introductions

Self-introductions were made as above.

Minute RBC3/03/2021: Presentation by the Consultant

The Consultant informed the members present that the assignment at hand is to provide rural broadband connectivity in selected ten sites referred as Lots 1 to 10. The Service Providers were informed that the connectivity expected in the areas should be 4G and 3G networks. It was also indicated that for each Lot, there is a school or a similar public entity to be provided with public Wi-Fi access. The ownership of the infrastructure and management of the same will be vested in the winning bidder under the terms of the contract to be signed with the Public Private Partnership Commission. Some of the terms include open access and infrastructure sharing for passive infrastructure with other operators.

The Consultant further informed the bidders that the general requirements include the provision of Mobile Broadband Site and public Wi-Fi Connectivity. The bidder for each site shall be responsible for land acquisition and all related civil works, power, transmission and will ensure that each site is fully operational at commissioning. The bidder shall also be expected to develop a model contract for site sharing. Compliance with MACRA regulations shall be a must and the successful bidder for each site shall be required to submit regular reports to MACRA as required by USF rules and regulations. The duration for the contract shall be ten years.

On the Wi-Fi connectivity, a list of schools which are close to the selected sites are have been proposed in the bid document. Bidders are required to decide on the school which they wish to provide with public Wi-Fi. Bidders were advised to ensure that they follow the compliance table provided. The table will be required for evaluation under the evaluation process.

On procurement, bidders were advised to thoroughly go through the bidding document and understand what is expected of them. The bid should be prepared in the way that it responds to the requirements of the bidding document. Evaluation shall be done on lot by lot basis.

Bidders were encouraged to start working on their bid now so that bids are submitted on time. Experience has shown that most bidders delay in submitting their bids. Late bids are always rejected. The period for seeking clarifications is fourteen days before close of bid submission as indicated in the bidding document. Bidders were encouraged use the relevant forms in Section 4 of the bidding document when preparing their bids. Bids shall be evaluated based on the requirements presented in Section 3 of the bidding

document and the technical requirements. Bidders should ensure that they provide all the documentations requested including those indicated in Section 2 of the Bidding Document.

On safeguards requirements, bidders were advised to go through the information provided in the bidding document. The environmental and social management plans are derived from the World Bank environmental and social safeguards policies. The bidding document has a section which provides information on the expected environmental impacts and the mitigation measures. There are costs which are attached to the mitigation of the anticipated environmental issues. The resettlement action plan is likely to be prominent as bidders shall be expected to acquire land to construct the sites. The implementation of safeguards policies shall be monitored during the execution of the Project. Bidders were then encouraged to visit the sites as part of bid preparation.

Minute RBC4/03/2021: Questions and Answers

Question 1

Looking at the timelines, to do a proper cost of the rest of the details such as construction works of the site and access road, there is need for a thorough visit of all the sites. Is it possible to have the bid preparation period extended by 15 or 20 working days?

Response 1

Extension of the bid preparation period shall be provided considering the nature of the assignment. The bid closing period is extended from the 31st March to 30th April to accommodate site verification, preliminary sites acquisition procedures, business model development, equipment vendor selection, sub-contractor alignment, etc.

Question 2

How many users will be at the site so that the capacity sharing is well determined and calculated?

Response 2

Each site usage will depend on a number of factors such as such as bidder's business model, service level agreements and MACRA quality of service requirements.

Question 3

Is it not possible to provide information on demographics such as age groups? This will assist in coming up with a business case in the long term and determine the viability of the project.

Response 3

A desk study was done, and the demographics basis will be shared with bidders. The information, which was obtained from the National statistics Office, is however bundled and may not address each bidder's requirements. To this end, bidders are encouraged to conduct their own research including demographics research and develop business models for the sites.

Question 4

Do we have any grouping of the sites so that bidders can focus on a particular group?

Response 4

There is no grouping and each site is a specific lot

Question 5

How will the award of contract be done?

Response 5

Contracts shall be awarded on a lot by lot basis

Question 6

On site sharing, are we talking of colocation of the tower and other passive infrastructure or active equipment?

Response 6

Sharing will be easier to enforce at passive equipment level. Sharing of active equipment was discussed and found to be difficult. If parties can share beyond passive equipment, they are permitted to proceed.

Question 7

It is said that on broadband, the service provision is mainly on 3G and 4G services. Going through the introductory part of the requirements, there is a line on voice services. Please confirm if 2G service shall be required for voice services.

Response 7

If an operator wants to add some 2G functionality for voice, it is acceptable.

Question 8

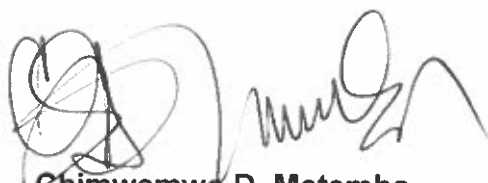
Not all frequencies which can support 4G can support all devices on the market. Do we have any requirements on specific 4G frequencies to be supported?

Response 8

There will not be any specific spectrum requirement stipulation for 4G or any service or any band. Bidders may propose any spectrum of their choice as long as the spectrum is of an adequate bandwidth for the technical requirements of the sites.

Minute DC6/10/2020: Closing Remarks.

The Chairperson clarified that the assignment requires bidders to assess the gap in providing the services on the sites that are deemed to be uneconomical. The equipment and the site will be owned by the successful bidder. The project will provide a subsidy to the cost of providing the service within the area hence the term reverse auction subsidy.



Chimwemwe D. Matemba
Chairperson



Isaac Chimutu
Secretary