



**PAKISTAN ELECTRONIC MEDIA REGULATORY
AUTHORITY**

GUIDELINES

for

Submission of

STATEMENT OF QUALIFICATIONS

for

IPTV CHANNEL DISTRIBUTION SERVICE LICENCE

1. General

1.1 The interested parties may apply to Pakistan Electronic Media Regulatory Authority [having valid Fixed Local Loop licence for Telecom Region(s) from PTA] for the establishment of IPTV Channel Distribution Service in 14 Zones, indicated below:

Category-A

S. No.	TELECOM REGIONS	IPTV LICENSING ZONES
1	Karachi Telecom Region (KTR)	Sindh Zone-I (Karachi)
2	Lahore Telecom Region (LTR)	Punjab Zone-I (Lahore)
3	Gujranwala Telecom Region (GTR)	Punjab Zone-V
4	Islamabad Telecom Region (ITR)	Islamabad Zone

Category-B

S. No.	TELECOM REGIONS	IPTV LICENSING ZONES
1	Southern Telecom Region (STR-I)	Sindh Zone-II
2	Southern Telecom Region (STR-II)	Sindh Zone-III
3	Central Telecom Region (CTR)	Punjab Zone-II
4	Multan Telecom Region (MTR)	Punjab Zone-III
5	Faisalabad Telecom Region (FTR)	Punjab Zone-IV
6	Rawalpindi Telecom Region (RTR)	Punjab Zone-VI
7	Northern Telecom Region (NTR-I)	NWFP Zone-I
8	Northern Telecom Region (NTR-II)	NWFP Zone-II
9	Hazara Telecom Region (HTR)	NWFP Zone-III
10	Western Telecom Region (WTR) (Baluchistan)	Baluchistan Zone

2. Fee Structure

2.1 **Application Processing Fee (non-re-fundable):** Rs. 20,000/-

2.2 Category Wise Licensing Fee:

Category A (per Zone):	Rs. 1,000,000/-
Category B (per Zone):	Rs. 500, 000/-

2.3 Security Deposit 10 % of the licence fee (refundable after one year satisfactory operation)

2.4 Annual Renewal Fee:
30% of the licence fee
Plus 5% of the AGR

2.5 Licensing period 05 years

Note: Only Bank Drafts/Pay Orders in favour of PEMRA are acceptable.

3. Prequalification

3.1 Eligibility Requirement

In order to be eligible to submit application for the grant of licence to establish IPTV Channel Distribution Service in Pakistan, the applicant must be pre-qualified by the Authority. The applicant must fulfill the following eligibility requirements for pre-qualification.

- a) It must be a company or a body corporate, incorporated in Pakistan. with SECP under Companies Ordinance, 1984
- b) Should not be a company the majority of whose shares are owned or controlled by foreign nationals or whose management control is vested in foreign nationals or companies.
- c) Should fulfil the legal requirement as per PEMRA Ordinance 2002.
- d) Should not be a defaulter of the Government of Pakistan or any of its organizations including PEMRA.
- e) Should have Fixed Local Loop licence from Pakistan Telecommunication Authority (PTA).

3.2 Basis for Disqualification

The Authority at any time shall disqualify a company for the following reasons, if the company:

- a) fails to submit alongwith the SOQs, the supporting documentation required pursuant to these guidelines, by the due date;
- b) provides any false or misleading information or misrepresents, withholds, conceals any information asked for in the SOQs,
- c) fails to disclose or provide any additional information as may be required by the Authority;
- d) Is involved in any litigation which may have a material adverse effect on its ability to acquire the licence;
- e) fails to inform the Authority of any change in its ownership or control or significant change in the ownership or management;
- f) fails to report about any material change in the information provided by it that occurs at any time prior to the date of issuance of licence.

4. Mandatory Information

4.1 Each SOQ shall include the following information:

- Organization of the company
- Management and organizational set-up
- Financial Capability – Sources of finance and cash flow;
- Technical Proposal
- Copy of Fixed Local Loop licence in the name of the applicant company.

4.2 Organizational Structure

The Organizational Structure section of the SOQs shall include the Profile of the company, including Memorandum & Articles of Association, names of the Members/Board of Directors, their respective CVs, photo copies of National Identity Cards, present & permanent addresses, experience, and the nature of their role and responsibilities (*company incorporation/registration documents including Form 29 duly attested by the SECP to be provided*).

4.3 Management Capability

The Management capability section of the SOQs shall include the following:

- a) Organizational set-up – names and CVs of key personnel
- b) Experience and capability to efficiently manage the licence to establish and distribute IPTV Channel Distribution Service.
- c) An organizational chart of such personnel of the company who will execute primary management, professional and technical functions together with their curriculum vitae; (the company management must be able to demonstrate adequate managerial capabilities and the required management strength to effectively manage the IPTV Channel Distribution Service);
- d) Other relevant information relating to management experience and capabilities that would be useful for the future management of the IPTV service.

4.4 Financial Capability

The Financial Capability of the project shall contain:

- a) Details of financial and operating background for the last 3 (three) years demonstrating financial viability, including audited financial statements duly certified by a firm of chartered accountants. (The financial statements should include consolidated balance sheet and income and profit and loss statements. Similar financial and operating information for any parent company, affiliates and associated undertaking/ companies should also be included. The tax returns filed by each Director of the company for the most recent 3 (three) years together with the tax assessment orders of the relevant income tax authorities);

- b) An up-to-date statement showing the outstanding liabilities (both fund based and non-fund based i.e., bank guarantees, letter of credit etc) to banks and financial institutions. (The company and each Members/Directors of the company) will also be required to submit the details of paid-up capital);
- c) Bank credit references from at least 2 (two) banks acceptable to the Authority.
- d) Any other relevant information regarding financial track record and capabilities of the company that it believes would be helpful to the company.
- e) Letter of intent from financier (if involved)

4.5 Technical Proposal

The Technical Capability section of the SOQs shall include following information:

- a) Technical feasibility of the project;
- b) Hardware and software requirement of the project;
- c) Detailed technical specifications of the proposed system;
- d) Design (diagrammatic view) showing equipment and communication links;
- e) Details of network monitoring facilities and measure for network security;
- f) Technical detail of Set-Top-Box

4.6 Support Services

- a) Detail of technical support facilities;
- b) Customer support facilities;
- c) Network redundancy or backup system;

4.7 Service Tariff

- a) Detail of tariff for IPTV Channel Distribution Service;
- b) Detail of Customer Premises equipment cost (Set-top-box etc.)

5. Criteria for Evaluation of IPTV Channel Distribution Service Licence Application

Application for the grant of IPTV Channel Distribution Service Licence shall in the first instance be short listed by using the following criteria:

- a) Economic viability;
- b) Technical competence;
- c) Financial capability;
- d) Credibility and track record;
- e) Extent of Pakistani share in ownership;
- f) Prospects of technical progress and introduction of new technology;
- g) Market advancement, such as improved service features or market concepts;
- h) Contribution of universal service objectives; and
- i) Contribution to other social and economic development objectives.

6. SUBMISSION OF SOQs

6.1 Timing, Number of Copies and Filing Requirements

A company must submit the SOQs original and **three copies** thereof, not later than 1500 hrs Pakistan Standard Time on the due date to the Authority at the following address:

6th Floor, Green Trust Tower,
Jinnah Avenue, Blue Area
Islamabad. Pakistan.
Telephone: 92-51-9219713

6.2 Power of Attorney

Each company must submit a Power of Attorney and company's resolution as evidence for grant of authority vested in the individual submitting the SOQs on behalf of the company. Powers of Attorney must be executed, notarized, witnessed, stamped and authenticated as required by law.

6.3 Material Change

Each company must immediately report to the Authority in writing any material change in the information provided by it in its SOQs before processing of the application. Any failure to report such material change shall constitute grounds for disqualification. The material change itself could also lead to a disqualification of the company.

7. Review and Evaluation of SOQs

7.1 Supplementary Information

Where the Authority deems it convenient or necessary, it may require supplementary information or documentation from a company and each Member/Director of a company for determining eligibility for pre-qualification and whenever such request is made, the company shall provide the same to the Authority by such date as may be specified by the Authority.

7.2 Indication of Pre-qualification

Indication of pre-qualification will be given in writing and delivered to pre-qualified companies by facsimile, mail, E-mail or courier at their specified addresses.

7.3 Return of SOQs

The Authority shall be under no obligation to return any SOQ or supporting materials submitted by a company to reimburse the cost of preparing an SOQ or any other costs incidental thereto.

8. Presentation

The authorized representative/Attorney of a pre-qualified company may be asked by the Authority to make a presentation, prior to the issuance of licence.

9. Special Provisions

9.1 No suit, prosecution or other legal proceedings shall lie or be brought against the Authority, the Chairman, Members, Consultants, Officers or other employees of the Authority, or its consultants and advisers in respect of anything contained in or arising from this SOQ.

9.2 Confidentiality during pre-qualification

By submitting its SOQs, each company agrees to maintain the confidentiality of all information (whether written or otherwise) supplied to/by it in connection with the pre-qualification process and agrees to keep its own application confidential, whether or not it is among those subsequently pre-qualified by the Authority. The Authority will maintain the confidentiality of information designated by the companies as confidential, will not release such information for any purpose other than evaluation of the SOQs and will not (unless disclosure is required by mandatory law) release any such information without having first obtained the company's permission. Permission for disclosure of information submitted by the company in connection with this SOQ is not required for the release of information to the Government of Pakistan. Refusal by a company to permit the Authority to make such controlled disclosure of information as is necessary to evaluate the SOQs, may be grounds for the Authority, in its sole discretion, to disregard or discount such information and such refusal may also lead to disqualification of the said company.

- 10.** Notwithstanding herein the Authority may in its discretion reject any or all SOQs without assigning any reason whatsoever.