

**Tender for the Provisioning of Fiber Optic Broadband Access Network and Services at the Universal Service Targets Under the National Fiberisation and Connectivity Plan 3 (NFCP 3)**

**MCMC/INFD/IDD(01)/NFCP3/TC/02/20(02)**

**Questions & Answers**

No.	Question	Answer
1.	We would like to clarify on the ownership for the project - equipment and fiber cables shall be owned by MCMC or the successful bidder/provider.	<ul style="list-style-type: none"> <li>• Under Paragraph 18 of the Commission Determination on Universal Service Provision (Determination No. 6 of 2002), the ownership of all network facilities and network service equipment funded through the USP Fund is owned by or vests in the DUSP, i.e. the service provider appointed to undertake the relevant project. The Commission does not and has never owned communications infrastructure deployed under the USP Fund. The Commission has the right to revoke the status of the DUSP should it breach the terms and conditions under which it was appointed. In the event this happens, the Commission has the power to re-designate the cluster(s) to another licensee, that in its assessment is able to complete and/or undertake the project concerned.</li> <li>• Once the project has been completed and the status of the licensee as the DUSP has expired, the licensee is free to utilise and/or deal with the infrastructure and can impose reasonable charges to cover operational expenditure for access to the infrastructure on a commercial basis. The licensee is expected to ensure that the sites and assets are utilised for its intended purpose namely for the provisioning of public cellular services.</li> <li>• Since the initial capital expenditure for the relevant infrastructure is funded through the USP Fund, the service providers are required to share the infrastructure with other operators.</li> </ul>

No.	Question	Answer
2.	<p>Concerning the site listings provided in the RFP for NFCP3 tender, would it be possible to request for:</p> <ul style="list-style-type: none"> <li>• KMZ file for the identified locations to build FTTX, and/or;</li> <li>• Site coordinates.</li> </ul>	<ul style="list-style-type: none"> <li>• As informed during the NFCP 3 briefing and stated in the Invitation document, the interested licensees shall identify and propose sites or areas to be covered within the target locations provided. The target locations specified in the Invitation document are meant as reference points.</li> <li>• The general coordinates for the target locations as in <b>Attachment 1</b>.</li> </ul>
3.	<p>I would like to request for further confirmation and clarification on below matter.</p> <p>We are on-going to put in effort to fiberize tower (mobile site) to support NFCP initiative 30mbps for 98% mobile network speed on nationwide area (not limited to target location).</p> <p>Can this initiative been qualified for 1:1 matching for self-funded commercial plan vs USP funded NFCP3 plan?</p>	<ul style="list-style-type: none"> <li>• Yes, this is acceptable.</li> </ul>
4.	<p>Understood that NFCP3 claim is only for CAPEX and this tender project require submission to Local Council/Authority which may come with the requirement of Deposit payment.</p> <p>As such does the CAPEX is inclusive the Deposit to the councils/authority?</p>	<ul style="list-style-type: none"> <li>• All deposits made to authorities shall not be included as CAPEX. Only relevant fees imposed by the authorities during the implementation period of the project may be included as CAPEX.</li> </ul>
5.	<p>Could MCMC share the specific boundary of UST/Target Location in KMZ file?</p>	<ul style="list-style-type: none"> <li>• The boundaries for the UST listed in Appendix 2 of the NFCP 3 invitation document are based on district or mukim boundaries. The information on the boundary of each UST is included in the attachment “NFCP 3_UST Boundary”</li> </ul>

No.	Question	Answer
6.	<p>From the MCMC Tender Briefing slides 'Guide on Matching Investment', we assume the projects that can be considered as Matching Investment are projects that are <b>Ready For Service (RFS)</b> on 12<sup>th</sup> May 2020 onwards.</p> <p>If otherwise, can MCMC clarify?</p>	<ul style="list-style-type: none"> <li>Projects that can be considered as matching investment shall be projects that will be implemented from 12 May 2020 onwards. The project may be RFS after 12 May 2020. However, please take note that the claim disbursement can only be made after the completion of the proposed commercial roll out.</li> </ul>
7.	<p>Could MCMC share Streamyx area (list of taman/kampung) within the required UST/Target Location so that we can eliminate those premises from NFCP3 tender?</p>	<ul style="list-style-type: none"> <li>The information that MCMC has pertaining to existing infrastructure is private and confidential, as this is information that is between MCMC and the said licensee only. Furthermore, copper-based broadband doesn't necessarily mean Streamyx but could be from any other service provider(s). Hence, MCMC will not be in a position to disclose the information you have asked for.</li> </ul>
8.	<p>Our current assumption is the premises without copper broadband are outside 5km radius from existing telco exchange. Is this assumption acceptable?</p>	<ul style="list-style-type: none"> <li>The assumption is incorrect, there will be a case where some row of houses only has existing copper broadband, the rest of area are without, thus this scenario would be considered under this project.</li> <li>Hence, MCMC recommends for the interested licensees to conduct on-the-ground/physical survey, evaluation and verification to identify the sites.</li> </ul>
9.	<p>In the event we have to lease dark fiber (e.g. 2 cores) from 3<sup>rd</sup> party for the backhaul, can we amortize the total dark fiber leasing cost over a long term period (e.g. 10 years similar to an IRU model) and claim it as part of the total capital expenditure?</p>	<ul style="list-style-type: none"> <li>Backhaul leasing is as an operational expenditure. Hence it is not claimable under this project, which provides CAPEX only.</li> </ul>

No.	Question	Answer
10.	Is Subscriber Activation Service and equipment (Residential Wireless Router, Modem) will be claimable under USP funding?	<ul style="list-style-type: none"> <li>The customer premises equipment and service activation are not claimable under USP funding.</li> </ul>
11.	Network readiness up to 75% of take up rate assumption is it good enough for tender requirement?	<ul style="list-style-type: none"> <li>MCMC did not specify any assumption on the percentage of take up rate for the network readiness. However, the network readiness shall meet the criteria stated in the invitation document which is, the interested licensee shall cover all premises within the proposed sites and ensure there are sufficient ports available for service connectivity. The premises are considered covered when the network is ready for services and new service activation shall be completed within 14 days.</li> <li>Hence, MCMC recommends for the interested licensees to conduct on-the-ground/physical survey to determine the coverage accordingly and dimension the network effectively.</li> </ul>
12.	<p>Item no. 15/16/17 of Appendix 5 (page 35)</p> <p>Are we required to show any evidence (e.g. MOU/Collaboration Agreement) of the collaboration for the tender submission?</p>	<ul style="list-style-type: none"> <li>Yes, the interested licensee is required to submit the relevant document to support the requirement stated in item no. 15/16/17 of Appendix 5 (page 35)</li> </ul>

No.	Question	Answer
13.	<p>Refer to Tender Briefing NFCP3 document: slide no 13</p> <p>In the Tender Briefing NFCP3 document, MCMC stated that for site selection criteria and requirements, bidder to recommends those areas where ‘no copper broadband services available’.</p> <p>Does this mean bidder is allowed to propose fiber upgrade for areas where copper infrastructure is available but there are no broadband services being offered at this present time?</p> <p>And if so, would it be possible for MCMC to share list of locations where there is only telephony/fixed line services/internet dial-up services?</p>	<ul style="list-style-type: none"> <li>• Yes, the interested licensee is allowed to propose at areas where copper infrastructure is available but there are no broadband services. For example: areas with DEL services only.</li> <li>• The network infrastructure information that MCMC has is confidential between the respective licensee and MCMC. Hence, the information cannot be openly disclosed to other parties. MCMC recommends for the interested licensees to conduct on-the-ground/physical survey, evaluation and verification to identify the sites.</li> </ul>
14.	<p>Refer to Tender Briefing NFCP3 document: slide no 20</p> <p>In the Tender Briefing NFCP3 document, MCMC stated that the matching investment implementation period would be from 12-May-2020 onwards – the initial deadline for submission of USP Draft Plan.</p> <p>Since the deadline for submission of USP Draft Plan has been moved from 12/5/2020 to 15/6/2020, does this mean the starting date of the matching commercial investment implementation period also change?</p>	<ul style="list-style-type: none"> <li>• Yes, the matching investment implementation period will be from the revised date of draft plan submission (15/6/2020).</li> </ul>

No.	Question	Answer
15.	<p>Refer to Clause 3.30</p> <p>Clause 3.30 mentioned ‘Fiber Optic Network’ and ‘encouraged’ to be in the vicinity of the Target Location.</p> <p>1) The word ‘encouraged’ means not mandatory. Appreciate further clarification on this.</p> <p>2) Referring to ‘Fiber Optic Network’ – does this include Fiber services other than FTTH e.g. backhaul for Mobile and Enterprise. Can they be part of the matching grant?</p>	<p>1) Yes, it is not mandatory. The Interested Licensee is encouraged to propose a commercial plan for areas within the vicinity of the Target Locations in order to optimise the investment made and improve cost efficiency. For example, the fiber broadband access network developed may be utilised for tower fiberisation. Hence, this could optimise the investment made.</p> <p>2) Yes, it can be part of the matching grant. The principle is the commercial plan shall contribute towards the NFCP targets. The guide for the matching investment has been included in the tender briefing slides.</p>
16.	<p>I would like to seek if MCMC can share list of kampung under each cluster that require fixed line broadband.</p> <p>The reason we request for this list due lack of information since most of this kampung house do not have home address so to go ground survey to check for each house will consume too much time and cost.</p> <p>Since with COVID 19 and with MCO, it is give us problem to mobilize site survey team to move around.</p>	<ul style="list-style-type: none"> <li>• The information that MCMC has on existing network infrastructure is confidential between the respective licensee and MCMC, and cannot be disclosed to other parties. MCMC recommends that interested licensees conduct on-the-ground/physical survey, evaluation and verification to identify the sites.</li> <li>• MCMC has taken into account the MCO, which is why the draft plan submission has been extended to 15 June 2020.</li> </ul>
17.	<p>Referring to Question 1, due to MCO, we can only submit estimated cost for each location and cluster.</p> <p>Can MCMC consider if we can request for VO on the cost for deploy the fiber if the cost is under quote due to unable to perform detail site survey to MCO order.</p>	<ul style="list-style-type: none"> <li>• Interested licensees are advised to submit all relevant costs for the project. Any request to vary the cost subsequently will not be allowed.</li> </ul>

No.	Question	Answer
18.	<p>We would like to ask for further clarification regarding the <b>asset ownership</b> of the fiber, infra &amp; equipment installed under the NFCP3 project, does all the asset belongs to the licensee</p>	<ul style="list-style-type: none"> <li>• Pursuant to paragraph 18 of the Commission Determination on Universal Service Provision (Determination No. 6 of 2002), the ownership of all network facilities and network service equipment funded through the USP Fund is owned by or vests in the Designated Universal Service Provider (DUSP), i.e. the service provider appointed to undertake the relevant project.</li>   <li>• The Commission has the right to revoke the status of the DUSP should this party breach the terms and conditions under which it was appointed. In the event this happens, the Commission has the power to designate another licensee as the new DUSP for the project, that in its assessment is able to complete and/or undertake the same, in which case the assets would now be owned by this new DUSP.</li> </ul>
19.	<p>12 target location is given for Central Cluster with home pass target of 34,624.</p> <p>If we can achieve home pass target 34,624 within 8 out of 12 given target location, is it acceptable for this tender?</p>	<ul style="list-style-type: none"> <li>• The interested licensee must cover all target locations specified in the invitation document. Based on paragraph 5.2 of the tender document, the Commission will not accept the submission of any draft universal service plan for part of a cluster or any combination of clusters, which includes a part of a cluster.</li> </ul>

No.	Question	Answer
20.	<p>If within the 12 given target location of Central Cluster,</p> <p>What if we unable to fulfil total home pass target of 34,624 due to existing FTTH/Streamyx footprint?</p>	<ul style="list-style-type: none"> <li>• The interested licensee shall submit a draft universal service plan based on the requirements in the invitation document. Any submission that does not fulfil the requirements will be considered as non-compliance.</li> <li>• MCMC recommends that interested licensees to conduct on-ground/physical survey to identify the sites. The intended sites to be covered are not limited to the town centre only, provided the proposed sites are within the universal service target areas.</li> </ul>
21.	<p>If we had registered for Central Cluster during ROI, and during ground work assessment, we found that whole Sabak Bernam (one of the 12 target locations) are fully covered by streamyx/Unifi, can we skip Sabak Bernam and go for other 11 target locations?</p>	<ul style="list-style-type: none"> <li>• Based on paragraph 5.2 of the tender document, the Commission will not accept the submission of any draft universal service plan for part of a cluster or any combination of clusters, which includes a part of a cluster. Hence, the interested licensee shall submit draft universal service plan for all target locations within a cluster.</li> </ul>
22.	<p>What if during ROI, we did registered for 2 Clusters, during ground work assessment,</p> <p>We find unforeseen difficulty which make us only feasible to proceed with only 1 Cluster?</p>	<ul style="list-style-type: none"> <li>• Pursuant to subregulation 6(1) of the Communications and Multimedia (Universal Service Provision) Regulations 2002, any licensees who have registered their interest with the Commission pursuant to the invitation under regulation 5 shall submit their draft of the universal service plans within the time frame specified in the invitation.</li> <li>• Hence, the interested licensee shall submit all clusters registered during ROI. Non-compliance to this regulation is an offence under these Regulations.</li> </ul>



No.	Question	Answer
23.	<p>What if we have variation in CAPEX cost during implementation.</p> <p>Any mechanism to claim additional (with valid reason due to unforeseen reason)?</p>	<ul style="list-style-type: none"> <li>• Interested licensees are advised to submit all relevant costs for the project. Any request to vary the cost will be subject to Commission's approval and may not be allowed.</li> </ul>
24.	<p>If we have submitted the Registration of Interest form, but failed to submit the Draft Universal Service Plan.</p> <p>Will there be any penalty, and if yes, what is the penalty?</p> <p>Please advise.</p>	<ul style="list-style-type: none"> <li>• Please refer to the following regulations of the Communications and Multimedia (Universal Service Provision) Regulations 2002: <ul style="list-style-type: none"> <li>(a) Regulation 6(1), any licensees who have registered their interest with the Commission pursuant to the invitation under regulation 5 shall submit their draft of the universal service plans within the time frame specified in the invitation; and</li> <li>(b) Regulation 6(3), a licensee who fails to comply with this regulation commits an offence under these Regulations.</li> </ul> </li> <li>• Pursuant to regulation 39 of the Communications and Multimedia (Universal Service Provision) Regulations 2002, any person who commits an offence under these Regulations shall on conviction be liable to a fine not exceeding three hundred thousand ringgit (RM300,000.00) or to imprisonment for a term not exceeding three years or to both.</li> </ul>

**ATTACHMENT 1**

## NFCP 3 - LIST OF TARGET LOCATIONS

No	Cluster	State	UST	Target Location	Lat	Long
1	Cluster 1	Sabah	Beaufort	Beaufort	5.358026	115.696111
2	Cluster 1	Sabah	Kudat	Beluran	5.883005	117.542245
3	Cluster 1	Sabah	Kota Marudu	Kota Marudu	6.515460	116.763217
4	Cluster 1	Sabah	Kudat	Kudat	6.882606	116.845934
5	Cluster 1	Sabah	Kunak	Kunak	4.683949	118.248046
6	Cluster 1	Sabah	Pitas	Pitas	6.721261	117.053235
7	Cluster 1	Sabah	Ranau	Ranau	5.965613	116.648562
8	Cluster 1	Sabah	Sipitang	Sipitang	5.080755	115.560146
9	Cluster 1	Sabah	Tambunan	Tambunan	5.668471	116.363581
10	Cluster 1	Sabah	Tenom	Tenom	5.142351	115.941594
11	Cluster 2	Sarawak	Bau	Bau	1.415756	110.152380
12	Cluster 2	Sarawak	Serian	Serian	1.169670	110.579078
13	Cluster 2	Sarawak	Simunjan	Simunjan	1.379668	110.775783
14	Cluster 2	Sarawak	Lubok Antu	Lubok Antu	1.027204	111.835576
15	Cluster 2	Sarawak	Saratok	Saratok	1.741672	111.338291
16	Cluster 2	Sarawak	Daro	Daro	2.528617	111.440849
17	Cluster 2	Sarawak	Mukah	Mukah	2.903600	112.086071
18	Cluster 2	Sarawak	Kapit	Kapit	2.026265	112.942707
19	Cluster 2	Sarawak	Song	Song	1.996012	112.560127
20	Cluster 2	Sarawak	Marudi	Marudi	4.192865	114.311355
21	Cluster 2	Sarawak	Lawas	Lawas	4.862821	115.394316
22	Cluster 2	Sarawak	Asajaya	Asajaya	1.566438	110.624022
23	Cluster 3	Johor	Bandar Segamat/Sungai Segamat/Pogoh	Segamat	2.510292	102.819589
24	Cluster 3	Johor	Pontian	Pontian Kecil	1.482728	103.394141
25	Cluster 3	Johor	Kota Tinggi	Kota Tinggi	1.733136	103.901511
26	Cluster 3	Johor	Mersing	Mersing	2.430184	103.835387
27	Cluster 3	Johor	Kota Tinggi	Bandar Tenggara	1.873030	103.613853
28	Cluster 3	Johor	Sri Gading	Ayer Hitam	1.920346	103.181788
29	Cluster 3	Johor	Labis	Labis	2.387844	103.018645
30	Cluster 3	Negeri Sembilan	Bandar Gemas	Gemas	2.591216	102.618347
31	Cluster 3	Negeri Sembilan	Pilah	Kuala Pilah	2.742533	102.251855
32	Cluster 3	Negeri Sembilan	Labu	Labu	2.756320	101.822725
33	Cluster 4	Selangor	Rawang	Bukit Beruntung	3.328954	101.552279
34	Cluster 4	Selangor	Kuala Selangor	Bestari Jaya	3.372956	101.418641
35	Cluster 4	Selangor	Kuala Selangor	Ijok	3.316051	101.421413
36	Cluster 4	Selangor	Kuala Langat	Jenjarom	2.872574	101.497236
37	Cluster 4	Selangor	Hulu Selangor	Kuala Kubu Bharu	3.563482	101.658251
38	Cluster 4	Selangor	Kuala Selangor	Kuala Selangor	3.340434	101.246353
39	Cluster 4	Selangor	Sabak Bernam	Sabak Bernam	3.767755	100.982093

No	Cluster	State	UST	Target Location	Lat	Long
40	Cluster 4	Selangor	Sabak Bernam	Sekinchan	3.511408	101.096092
41	Cluster 4	Selangor	Hulu Selangor	Serendah	3.361023	101.611820
42	Cluster 4	Selangor	Sabak Bernam	Sungai Besar	3.675995	100.985761
43	Cluster 4	Selangor	Kuala Selangor	Tanjong Karang	3.421193	101.188808
44	Cluster 4	Selangor	Kuala Langat	Tanjong Sepat	2.659941	101.562905
45	Cluster 5	Kedah	Baling	Baling	5.683008	100.917079
46	Cluster 5	Kedah	Baling	Guar Cempedak	5.849779	100.442932
47	Cluster 5	Kedah	Yan	Kuala Ketil	5.602235	100.645219
48	Cluster 5	Kedah	Padang Terap	Kuala Nerang	6.265561	100.598402
49	Cluster 5	Kedah	Bandar Baharu	Serdang	5.212229	100.614886
50	Cluster 5	Kedah	Sik	Sik	5.822859	100.744188
51	Cluster 5	Kedah	Yan	Yan	5.800090	100.374703
52	Cluster 5	Perak	Bagan Datoh	Bagan Datuk	3.985413	100.791145
53	Cluster 5	Perak	Bagan Serai	Bagan Serai	5.011806	100.527733
54	Cluster 5	Perak	Hulu Perak	Lenggong	5.104817	100.967912
55	Cluster 5	Perak	Hulu Perak	Pengkalan Hulu	5.716027	100.999639
56	Cluster 5	Perak	Kampar	Tapah	4.200393	101.259809
57	Cluster 5	Perlis	Kurong Anai	Pauh Putra	6.448219	100.314377
58	Cluster 6	Kelantan	Bachok	Bachok	6.061032	102.392956
59	Cluster 6	Kelantan	Tanah Merah	Bukit Bunga	5.832858	101.899712
60	Cluster 6	Kelantan	Kuala Krai	Dabong	5.379580	102.004952
61	Cluster 6	Kelantan	Kadok	Kadok	5.995372	102.245706
62	Cluster 6	Kelantan	Kuala Krai	Kuala Krai	5.542931	102.206039
63	Cluster 6	Kelantan	Machang	Machang	5.772021	102.217459
64	Cluster 6	Kelantan	Pendek	Mulong	6.036746	102.237884
65	Cluster 6	Kelantan	Pasir Mas	Pasir Mas	6.048887	102.139683
66	Cluster 6	Kelantan	Pasir Mas	Rantau Panjang	6.017563	101.971512
67	Cluster 6	Kelantan	Tanah Merah	Tanah Merah	5.809073	102.146604
68	Cluster 6	Pahang	Rompin	Bandar Muadzam Shah	3.087477	103.071046
69	Cluster 6	Pahang	Maran	Jengka	3.769238	102.546947
70	Cluster 6	Pahang	Bera	Bera	3.263912	102.449309
71	Cluster 6	Pahang	Kuantan	Gambang	3.710812	103.091923
72	Cluster 6	Pahang	Lipis	Kuala Lipis	4.178431	102.049262
73	Cluster 6	Terengganu	Hulu Terengganu	Ajil	5.082142	103.085802
74	Cluster 6	Terengganu	Setiu	Bandar Permaisuri	5.522353	102.753005