

## **3-Carriers (3.75MHz) in the 800MHz Spectrum Band Auction Procedure**

### **Pre-Qualification Criteria**

The allocation process is open only to companies operating in Nigeria, who shall be required to fulfill a set of pre-qualification criteria as specified in this section. Only parties that meet these criteria will be allowed to participate in the Auction.

Applicants are not required to submit financial or technical plans to pre-qualify for the Auction. However, details must be provided in accordance with the compliance requirements laid out as follows:

- Applicants shall possess a subsisting national network operating licence or Unified Access Service (UAS) Licence
  - For the purpose of this Auction, any Licensee that already has a cumulative spectrum size equal to or more than 5 MHz on any or a combination of spectrum band(s), except for point-to-point microwave frequency band, is not eligible to participate in the auction.
- Applicants should have no outstanding obligations due as at the deadline for submission of applications.
- These obligations shall include all administration, licence and operating fees due to the Commission, as well as all reconciled interconnect debt.
- A Bidder must not have a relationship with another Bidder. A relationship is defined as where a Bidder owns directly or indirectly an ownership stake of 10% or more in another Bidder.
- Applicants will be required to submit information, using the templates provided in this Information Memorandum (Appendix A).
- Applicants will be required to pay the sum of ₦40 million (Forty Million Naira) as an Intention-to-Bid Deposit must be paid into a designated account of the Commission. The IBD must be received as cleared funds no later than 17.00 hours Nigerian Time on the 9th July, 2007. A Bank Guarantee, or similar instruments, will not be acceptable.
- Each Application must be accompanied by proof of lodgement of the Intention-to-Bid Deposit into the designated account of the Commission.

### **Reserve Price and Auction Design**

The reserve price for the 3 Carriers (3.75 MHz) in the 800 MHz spectrum band as been set at ₦400,000,000.00 (Four Hundred Million Naira Only) and the spectrum licence shall be valid for a period of five (5) years in the first instance.

Based on the number of companies that have indicated interest for spectrum in the 800 MHz band, the Commission has decided to adopt an Auction process to allocate the available spectrum. This is to promote competition as well as to ensure transparency and fairness.

More information on the pre-qualification criteria and the auction process is set out in the Information Memorandum.

### **Indicative Timetable**

The following tables gives the indicative timetable for the auction. The timetable is subject to change and interested parties shall be notified of any changes as appropriate.

<b>Auction Milestones</b>	<b>Date</b>
Issuance of the Information Memorandum	18 June 2007
Deadline for the submission of Bid Application & Intention-to-Bid Deposit	09 July 2007
Auction Date	17 July 2007

## **Results of the Auction Process For the Award of Three (3) Carriers in the 800 MHz Spectrum Band**

### **Introduction**

The Nigerian Communications Commission published a Public Notice on its decision to award three (3) Carriers in the 800 MHz spectrum band through an auction process. The decision of the Commission was based on requests by interested Licensed Network Operators that require the spectrum to meet planned roll out of services. Subsequently, an Information Memorandum was issued, in which Bid Applications for the available spectrum slot were invited.

### **Response to the Information Memorandum**

The Commission is pleased to announce that, by the application deadline of 17:00 hours on 9th July 2007, it received applications from 4 licensed telecommunications companies, viz.

1. GiCell Wireless Limited
2. Multilinks Telecommunications Limited
3. TC Africa Telecoms Network Limited
4. Visafone Communications Limited

### **The Award Process**

The four (4) applications were evaluated based on the pre-qualification criteria outlined in the Information Memorandum. Only one applicant was found to have been fully compliant with the criteria. In consonance with the primary objective of the auction as well as the provisions of the Information Memorandum, which stated that, if there is only one Approved Bidder, the Commission will provisionally award the spectrum to this Bidder at the Reserve Price, the license has been provisionally awarded to the Approved Bidder.

In view of the above, the Commission is pleased to announce that Visafone Communications Limited has been successful in its bid for the 3 Carriers in the 800 MHz spectrum band. The Commission expects to receive payment of the applicable fees, being the Reserve Price of ₦400 million less the Intention-to-Bid Deposit of ₦40 million, within 14 business days of the provisional award.

**Issue Date:**

**July 13, 2007**