



Ministerio
de Economía
y Finanzas

Agencia
de Promoción de la
Inversión Privada

Dirección
Especial de
Proyectos



"Decade of Equal Opportunities for Women and Men"

"Year of the Bicentennial, of the consolidation of our Independence, and of the commemoration of the heroic battles of Junín and Ayacucho"

PRIVATE INVESTMENT PROMOTION AGENCY - PROINVERSIÓN

Request for Expressions of Interest for External Consulting "3.5 GHz Frequency Band (3,300 — 3,400 MHz and 3,600 — 3,800 MHz)" and "26 GHz Frequency Band (25.9 — 26.7 GHz)" Projects

The Private Investment Promotion Agency - PROINVERSIÓN, is responsible for structuring - within the framework of the regulations that regulate the promotion of private investment through Projects in assets (TUO of Legislative Decree No. 1362) - and carrying out the process of promoting private investment of the "3.5 GHz Frequency Band (3,300 - 3,400 MHz and 3,600 - 3,800 MHz)" and "26 GHz Frequency Band (25.9 - 26.7 GHz)" Projects.

For this purpose, it is necessary to hire the services of a specialized external consulting to advise PROINVERSIÓN in the following phases of the Projects in Assets:

- a) During the Structuring phase: recommend the conditions of the auction process, value the Bands and the Mandatory Investment Commitments and recommend the conditions of the Special Public Bidding.
- b) During the Transaction phase: carry out promotion and advisory tasks during the Bidding stage in order to select the Project's Successful Bidders.

The Special Projects Division of PROINVERSIÓN invites consulting firms, both domestic and foreign, to submit Expressions of Interest to participate in the corresponding selection process.

More information on the Projects, the objective and scope of the consulting, the qualifications and experience required of the consultants, the formalities for submitting expressions of interest, as well as the criteria for determining the short list of qualified bidders, can be found at the following link on PROINVERSIÓN's website:

<https://www.investinperu.pe/es/pi/procesos-de-seleccion/expresiones-de-interes/2024ei/consultoria-externa-proyectos-bandas-35ghz-26ghz>.

Consultations or suggestions: contact Mr. Aldo Laderas, Project Director, at aladeras@proinversion.gob.pe or (+51 1) 200-1200 Ext. 1292.

Language of presentation of the Expression of Interest: Spanish.

Language in which the consulting studies are prepared: Spanish.

Deadline for receipt of Expressions of Interest: June 21, 2024.

Lima, June 08, 2024

Request for Expressions of Interest

The following terms and deadlines are approximate and referential. This is because, in accordance with the provisions of Numerals 4.11 and 4.21 of Article 4 of the Regulations for the Contracting of Consulting Services of PROINVERSIÓN (approved by PROINVERSIÓN CD Agreement No. 49-3-2018-CD and its amendments), the Definitive Terms of Reference will be prepared with the participation of the companies that submit Expressions of Interest and that are qualified as the firms that have the most experience and interest in performing the consulting. Consequently, the terms and deadlines expressed in this document have no binding effect and do not generate any type of obligation for PROINVERSIÓN.

1. DESCRIPTION OF THE PROJECTS

1.1. Background

- a) PROINVERSIÓN is a public entity of the State of the Republic of Peru mainly in charge of promoting private investment in the national territory as provided in its Regulation of Organization and Functions (Supreme Decree No. 185-2017-EF).
- b) The Ministry of Transport and Communications (MTC) is the Peruvian government institution responsible for designing and implementing the telecommunications policy that will allow the development of the sector and guide the actions of private telecommunications companies. Its main guidelines are:
 - To promote the growth of the supply of public telecommunications services at the national level;
 - To promote the development of fixed and mobile telephone markets and broadband Internet access;
 - To raise penetration rates of fixed and mobile telephony and broadband Internet access at the national level;
 - To reduce the digital gap;
 - To increase competition in the telecommunications and Internet access markets in the country; and,
 - To increase private investment and the welfare of consumers of telecommunications services.
- c) The MTC is responsible for the administration, allocation, assignment and control of the radio spectrum, a limited natural resource, whose use and granting of use to public telecommunications service operators must be carried out under the conditions set forth in the Telecommunications Law and its Regulations.
- d) Likewise, granting a Single Concession is required to provide public telecommunication services by natural or legal persons, which contributes to satisfying the communication needs of the Peruvian population.

- e) By Ministerial Resolution No. 45-2024-MTC/01 of January 31, 2024, the Multiannual Report on Investments in Public-Private Partnerships (IMIAPP) 2024 - 2026 of the Ministry of Transport and Communications - MTC was approved, incorporating the following Projects in Assets:
- 5G Bands — 3.5 GHz Frequency Band (3,300 — 3,400 MHz and 3,600 — 3,800 MHz) and the release and/or reordering of the 3,400 — 3,600 MHz frequency range.
 - 5G Bands – 26 GHz Frequency Band (25.9 – 26.7 GHz).
- f) By Official Communication No. 415-2024-MTC.27 of March 5, 2024 (E012402165), the Director of the General Bureau of Communication Programs and Projects (DGPPC) of the MTC, in his capacity as Chairman of the Private Investment Promotion Committee in the Communications Sector (CPIP-C), submitted to PROINVERSIÓN the Evaluation Reports of the following Projects, requesting to continue with the respective procedure for their incorporation into the Private Investment Promotion Process:
- 3.5 GHz Frequency Band (3,300 – 3,400 MHz and 3,600 – 3,800 MHz)
 - 26 GHz Frequency Band (25.9 – 26.7 GHz)
- g) By means of Official Communication No. 1-2024/PROINVERSIÓN/DEP.88 dated April 22, 2024, the CPIP-C of the MTC sent observations to the Project Evaluation Reports, requesting the updating of the same.
- h) Once the MTC had completed the preparation of the Project Evaluation Reports, their incorporation into the Private Investment Promotion Process was approved, and it was established that the promotion modality would be Projects in Assets.

1.2. Description of the Projects

As established in the Project Evaluation Reports, regarding Peru's current situation with regard to mobile telecommunications services, Peru has not been oblivious to the global trend of growth in data traffic consumption. This high demand for connectivity has been driven by changing consumer habits driven by the new normal in the COVID-19 pandemic, while the affordability of the service has driven the adoption of the Internet from mobile devices.

According to the information indicated in the Evaluation Reports, between September 2022 and September 2023, the number of mobile phones that accessed the mobile internet increased by 5.5%, reaching 30.36 million mobile phones in this last period.

In other words, there is a worldwide trend in the increase of mobile data traffic, which implies the need for the use of fifth-generation mobile communications networks (5G technology), which needs to operate with a combination of radio spectrum bands of different ranges (high, medium and low frequencies), in order to deliver its full potential and implement a wide range of applications and services.

5G technology will allow the consolidation of a new digital ecosystem, in which not only are known mobile services better provided, but also operates as a platform for the

provision of new types of services, which go beyond the field of communications, influencing other sectors of activities that will also be radically transformed.

Services such as Artificial Intelligence (AI) and the Internet of Things (IoT), for example, will allow industries to manage the state of machinery in real-time, measure productivity and, remotely, manage the maintenance of the elements of an industrial plant. In the health sector, remote diagnoses and operations will be possible, and in trade, marketing departments will be able to use virtual reality in real-time to showcase their products.

In the case of the 26 GHz Frequency Band, the use of millimeter wave bands is expected to give operators a significant competitive advantage in meeting the massive demand for mobile data, as well as the expansion of 5G to industries that can benefit from various fixed wireless access applications, encompassing possibilities to offer wireless Internet speeds similar to those of fiber, or address the challenges of "last mile" distribution in rural areas.

Through the private investment promotion process to be carried out by PROINVERSIÓN, operators will be selected to provide public telecommunications services using the following radio spectrum bands made available:

- a) 3.5 GHz Frequency Band (3,300 — 3,400 MHz and 3,600 — 3,800 MHz) (hereinafter **3.5 GHz Frequency Band**)¹.
- b) 26 GHz Frequency Band (25.9 — 26.7 GHz) (hereinafter **26 GHz Frequency Band**).

The above-mentioned radio spectrum bands are of national coverage and will have an operating period of 20 years starting from the date of signing the respective contracts.

It should be noted that, given the importance identified by the Sector for the attention of priority areas at the national level, it has been established that the successful bidders of the Projects implement, as an offer, Mandatory Investment Commitments to be developed in specific areas of the national territory, including:

For the 3.5 GHz Frequency Band:

- 4G LTE-A service with Macrocells, in populated centers with a population greater than 100 inhabitants without Mobile Coverage: the 24 regions of Peru.
- Migration from Mobile Service with 2G/3G coverage to 4G LTE-A or Higher technology: the 24 regions of Peru.

¹ It should be noted that, as indicated in the 3.5 GHz Frequency Band Evaluation Reports, the 3,300 - 3,400 MHz frequency range does not have frequency assignments to operators for any type of service, so it is available; while the 3,600 - 3,800 MHz frequency range is assigned to four private companies and CORPAC S.A. (Peruvian Corporation of Airports and Commercial Aviation, an entity attached to the MTC) for fixed satellite services. It is also indicated that the 3,400 - 4,200 MHz band is used by public telecommunications service concessionaires for fixed satellite service, where the use of the frequency band is not exclusive because the frequencies are assigned by the ITU; however, it is specified that there are a greater number of satellite links operating in the 3,700 - 4,200 MHz frequency range. In this regard, the Evaluation Report concludes that the 3,600 - 3,800 MHz frequency band currently has a certain degree of occupancy by satellite services, which must be considered for migration to another frequency range as part of the tender.

- 4G LTE-A service with Microcells, in localities with a population of less than 100 inhabitants without mobile coverage: the 24 regions of Peru.
- Complete 4G-A Mobile coverage in Panamericana Norte and Sur Highway Corridors: Tumbes, Piura, Lambayeque, La Libertad, Ancash, Lima, Ica, Arequipa, Moquegua and Tacna.

For the 26 GHz Frequency Band:

- 4G LTE-A service with Macrocells, in populated centers with a population greater than 100 inhabitants without Mobile Coverage: Amazonas, Ancash, Apurímac, Arequipa, Ayacucho, Cajamarca, Cusco, Huancavelica, Huánuco, Ica, Junín, La Libertad, Lambayeque, Lima, Loreto, Pasco, Piura, Puno, San Martín and Ucayali.

2. PURPOSE OF THE CONSULTING

PROINVERSIÓN seeks to select, through a competitive mechanism, a company or consortium of specialized consulting firms (hereinafter, the **External Consultant**), which provides comprehensive consulting services to carry out the process of promoting private investment, in the form of Projects in Assets, 3.5 GHz Frequency Band and 26 GHz Frequency Band Projects.

PROINVERSIÓN, when applicable, will submit the consultancy deliverables to the Ministry of Transport and Communications for consideration prior to its approval, which will be granted by PROINVERSIÓN.

3. PHASES OF THE CONSULTING

The phases for the development of the consulting are as follows:

a) Structuring Phase

This phase includes the design of the Projects to be promoted as Projects in Assets, which includes, among others, their economic and financial structuring, risk analysis and the design of contracts under the responsibility of PROINVERSIÓN.

b) Transaction Phase

This phase includes the activities related to the process of promoting private investment in the Projects, from the Call for Tender to the Bidding of the project.

The referred phases of the Consulting will be developed under the framework of the Single Ordered Text of Legislative Decree No. 1362, Legislative Decree that regulates the promotion of private investment through Public-Private Partnerships and Projects in Assets, its Regulations, approved by Supreme Decree No. 240-2018-EF and its amendments or rules that replace them, and other applicable regulations.

4. SCOPE OF THE SERVICE

The External Consultant must be a company or consortium of companies of national or international prestige, with experience in structuring bidding processes or auctions of radio spectrum for the provision of public telecommunications services, who has and is capable of integrating technical, legal, regulatory, commercial and economic-financial knowledge. It must have a Team Leader and Economic-Financial, Technical and Legal Specialists, and in the case of the latter, a command of current Peruvian legislation.

The External Consultant's team must provide availability for the preparation of deliverables and coordination within the established deadlines and in accordance with the strategies and needs for the development of all phases of the Consulting.

The scope of the service will mainly include the following:

Structuring Phase

4.1. Determination of costs and expenses of the migration process of the 3.5 GHz frequency band

Develop the migration plan for the 3.5 GHz Frequency Band, as well as determine the costs and expenses of the migration, the estimated deadlines for said process and other specific conditions, if applicable.

4.2. Conditions of the auction process

Review and evaluate -technically and economically- the MTC's recommendations for the promotion process, referring to spectrum allocation caps, determination of blocks to be auctioned, migration process, auction mechanism, among others.

4.3. Benchmarking and revision of previous promotion processes

Perform an international benchmarking of spectrum band processes of similar characteristics and that may have similar connectivity objectives required by PROINVERSIÓN; as well as a revision of previous processes both at the national and international level, in order to know the main characteristics of the tenders and the lessons learned that may be applicable to the present process.

4.4. Revision and analysis of Mandatory Investment Commitments

Given the importance identified by the MTC for the attention of priority areas at the national level, it has been established that the successful bidders of the Projects implement, as an offer, certain investment commitments to be developed in specific areas of the national territory.

The External Consultant must, on the basis of the technical specifications to be provided by the MTC or PROINVERSIÓN, issue comments, proposals and recommendations, as well as determine the valuation of these commitments.

4.5. Economic-financial evaluation of the Bands

Taking into consideration the content and scope of the Project Evaluation Reports, formulated and submitted by the MTC and that the External Consultant will receive from PROINVERSIÓN for its knowledge and analysis, the economic-financial results of the provision of public telecommunications services in each of the Projects must be evaluated by means of an economic-financial model and other methods.

This should be analyzed in conjunction with the results of Section 4.4, in order to verify the economic viability of the requirements and, if necessary, propose the necessary adjustments.

4.6. Risk Evaluation

Taking into consideration that the Projects will be structured under the Projects in Assets modality in accordance with the provisions of the TUO of Legislative Decree No. 1362 and its Regulations, the External Consultant must prepare the Project Risk Mitigation Matrix and Plan, which will be used for the preparation of contracts.

4.7. Determination of the conditions of the Special Public Bidding

Based on the information and the results of the calculations indicated above, the External Consultant will determine the following aspects for the Special Public Bidding:

- Legal, technical and economic-financial requirements.
- Competition factors.
- Minimum capital stock
- Guarantees
- Initial bidding terms and Contract project.

Transaction Phase

4.8. Final Valuation of Assets

Considering the consultations made by the Bidders to the Bidding Terms, the final adjustments to the Contracts or others made by the MTC and the institutions involved in the Special Public Bidding, the External Consultant must update the preliminary valuation made as part of sections 4.4 and 4.5.

4.9. Advising during the Special Public Bidding and Promotional Activities

The External Consultant will provide consulting to PROINVERSIÓN to design and, in coordination with the corresponding areas of PROINVERSIÓN, implement the strategy for promoting the Projects. For this purpose, the External Consultant must propose strategies for the dissemination and promotion of the Special Public Bidding, which must be outlined in a Marketing Plan and Promotion Strategy, which will be implemented during the Transaction phase.

The External Consultant must also carry out the Promotion of the Special Public Bidding, which must include face-to-face promotional events both in Peru and abroad (bilateral meetings with potential bidders, informational conferences or similar).

The External Consultant will be responsible for preparing the promotional material for the Special Public Bidding, which will be distributed during the execution of national and international activities.

Likewise, the External Consultant will advise PROINVERSIÓN during the Special Public Bidding, mainly in the resolution of the Bidders' consultations to the Bidding Terms and in the evaluation of suggestions for the Contract project, as well as the intermediate and final versions of the Contract.

Deadlines and Deliverables for the Consulting Services

The approximate deadline for the service is twelve (12) months, with the deliverables being the following:

Phase	Deliverables	Estimated deadline
Structuring	Report No. 1: Work Plan and Schedule	Twelve (12) months
	Report No. 2: Determination of costs and expenses of the migration process of the 3.5 GHz Frequency Band	
	Report No. 3: Conditions of the auction process	
	Report No. 3: Benchmarking, revision and analysis of Mandatory Investment Components	
	Report No. 4: Initial conditions of the Special Public Bidding and economic-financial and risk evaluation	
Transaction	Report No. 5: Final Asset Valuation Report	
	Report No. 6: Advising during Special Public Bidding and Promotional Activities	

5. QUALIFICATIONS AND EXPERIENCE REQUIRED OF THE CONSULTANT

Expressions of Interest may be submitted by companies that have experience as detailed in this section. These experiences may be accredited by the interested company, or by the sum of the experiences of its members if it is a consortium, or by a related company as long as it is a subsidiary, affiliate, branch or parent company. For the purpose of certifying such compliance, if the experience was carried out as part of a consortium, the company must have had a minimum participation of 20% in said consortium.

The required experience will be as follows:

- A minimum of **three experiences**^{1/} in the structuring of bidding processes or auctions of radio spectrum for the provision of public telecommunications services, in Peru or abroad, in the last ten (10) years; the valuations must not be less than US\$ 100,000,000 (One Hundred Million U.S. Dollars) for each of the experiences.

Note:

- 1/ Consultancies carried out for both the public sector (government) and the private sector, concluded with the contractor's agreement.
- 2/ The External Consultant shall not maintain any relationship with operators in the sector that may be interested in the award of the Projects. The consultant's independence from companies in the telecommunications sector in our country will be taken into consideration.

6. FORMALITY FOR THE PRESENTATION OF THE EXPRESSION OF INTEREST

Expressions of interest will consist of the following documents:

- a) **Format No. 1:** Expression of Interest Letter in External Consulting, signed by the legal representative or agent of the company²
- b) **Format No. 2:** Company experiences, duly filled out and signed by the legal representative or agent of the company.

Expressions of Interest must be submitted via e-mail, with a deadline of June 21, 2024, by 11:59 p.m., Lima (Peru) time.

- Mr. Aldo Laderas, Project Director: aladeras@proinversion.gob.pe.

7. CRITERIA FOR DETERMINING THE SHORT LIST OF QUALIFIED BIDDERS

The following criteria will be used to determine the Short List:

- a) Amounts of radio spectrum valuations, of those experiences that comply with PROINVERSIÓN requirement.
- b) Number of experiences that comply with PROINVERSIÓN's requirement.

Criteria a) and b) will have the same weighting (50% each).

Pursuant to the provisions of Numeral 4.11 of Article 4 of the Regulations for the Contracting of Consulting Services of PROINVERSIÓN (approved by PROINVERSIÓN CD Agreement No. 49-3-2018-CD and its amendments), up to five (05) companies that have obtained the highest scores will be selected.

² In the case of a Consortium, each member must submit the respective Form No. 1.



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Format No. 1: Expression of Interest Letter in External Consulting³

____ (City) _____, ____ (date) _____, 2024

Mr.

Aldo Laderas Parra

Project Director

PROINVERSIÓN

Av. Enrique Canaval Moreyra No. 150, Piso 10, San Isidro

Lima - Peru

I, ____ (name of the Legal Representative) ____, identified with identity document No. _____, acting as Legal Representation of ____ (name of the Company or name of each of the Companies in the case of a common representation of a joint venture or consortium) ____, express my interest in participating in the selection process for the hiring of a specialized external consultant to advise PROINVERSIÓN on the "3.5 GHz Frequency Band (3,300 - 3,400 MHz and 3,600 - 3,800 MHz)" and "26 GHz Frequency Band (25.9 — 26.7 GHz)" Projects.

Likewise, I declare to know and accept that in case of being the successful bidder, the consulting contract to be signed with PROINVERSIÓN will contain an anti-corruption clause as required in the last paragraph of Article 5 of the Regulations for the contracting of Consulting Services of PROINVERSIÓN, approved by PROINVERSIÓN CD Agreement No. 49-3-2018-CD, published on 05.01.18, and its amendments. In this regard, I declare under oath that we comply with the requirements established in Numeral 6.1 of Article 6 of the said Regulations to be a Bidder or Consultant.

Sincerely,

____ (Signature of the Legal Representative or Agent) _____

Name : _____
City and country : _____
Address : _____
Telephones : _____
E-mail : _____

³ In the case of a Consortium, each member must submit the respective Form No. 1.



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Format No. 2: Company experience in structuring bidding or auction processes for radio spectrum bands

Company name:

Experience No. 1:

- Project name:
- Customer and country where the service was provided:
- Description of the service:
.....
- Start date of service:
- End date of service⁴:
- Amount of valuation of the spectrum band (US\$):
- Client's contact persons:

(...)

Experience No. [n]:

- Project name:
- Customer and country where the service was provided:
- Description of the service:
.....
- Start date of service:
- End date of service⁴:
- Amount of valuation of the spectrum band (US\$):
- Client's contact persons:

By subscribing to this form, I declare to know and accept that, in case of fraud or falsehood of the information regarding which I make this affidavit, PROINVERSIÓN will proceed in accordance with the provisions of Numeral 34.3⁵ of Article 34 of the TUO of the General Administrative Procedure Law - Law No. 27444, approved by Supreme Decree No. 004-2019-JUS, published on 01.25.19

Sincerely,

(Signature of the Legal Representative or Agent)

⁴ Service concluded with the agreement of the contractor.

⁵ In case of proving fraud or falsehood in the declaration, information or documentation presented by the person in charge, the entity will consider the respective requirement not satisfied for all its effects, proceeding to declare the nullity of the administrative act based on such declaration, information or document; and impose a fine in favor of the entity of between five (05) and ten (10) Tax Units in force on the date of payment to the person who has used such declaration, information or document; and, in addition, if the conduct is in accordance with the provisions of Title XIX Crimes against the Public Faith of the Criminal Code, it shall be reported to the Public Ministry so that it may file the corresponding criminal action.