

Invitation for Pre-Tendering (Pre-qualification document for an investment opportunity in the telecommunication networks of Ministry of Digital Economy and Entrepreneurship, the National Electricity Power Company, and electricity distribution companies (EDCO & IDECO)

Section 1: Definitions:

- **MoDEE:** The Ministry of Digital Economy and Entrepreneurship of Jordan
- **NEPCO:** National Electric Power Company.
- **IDECO:** Irbid District Electricity Company.
- **EDCO:** Electricity Distribution Company.
- **Committee:** The formal joint venture alliance comprises four entities: (i) The Ministry of Digital Economy and Entrepreneurship (MoDEE) (ii) The National Electric Company (NEPCO) (iii) Electricity Distribution Company (EDCO), and (iv) Irbid District Electricity Co (IDECO). MoDEE will assume the leadership role within the Joint Venture.
- **Infrastructure:** The existing networks owned by each committee member will be made exclusively accessible to the investor under the supervision of the Committee.
- **Electricity Companies:** NEPCO, EDCO, and IDECO are the entities included in the revenue-sharing process with the investor.
- **Investor:** the Company applying for the opportunity, or an alliance of companies applying for the opportunity, represented by one official company responsible for the alliance (alliance leader).

Section 2: Introduction:

The telecommunications market is undergoing significant evolution, emerging as a key driver for the growth and development of countries. In recent years, hyperscalers and network operators have played a pivotal role in fueling the growth of data traffic in the telecom market. Hyperscalers contribute to more than (70%) of traffic in submarine cables and either own or share segments of newly constructed submarine cables worldwide.

With over (30%) of global traffic passing through the Middle East, particularly carrying traffic from the far East Asia and the Middle East region to Europe and North America, the Middle East has become a major corridor for wholesale traffic. This traffic, amounting to thousands of terabytes, significantly contributes to the GDP of the countries it traverses.

Situated centrally in the Middle East, Jordan serves as a crucial part of the main corridor connecting the Middle East to Europe. Jordan shares borders with five countries: Syria, Iraq, Palestine, Egypt, and Saudi Arabia. Saudi Arabia acts as the gateway for traffic from Jordan to Gulf countries such as the UAE, Bahrain, Kuwait, Qatar, and Oman. The Gulf countries serve as essential stopping points for traffic traveling from the far East (Asia) to Europe through Jordan and other neighboring nations.

Given the active demand from hyperscalers, wholesalers, regional, and international network operators, there is a pressing need to develop terrestrial routes in parallel with submarine routes from the Middle East to Europe. Jordan emerges as the most suitable gateway for these routes, well-positioned to capitalize on the traffic boom on this new route.

Jordan boasts several readiness factors that make it an attractive destination for global investors and business owners looking to invest in this significant opportunity and secure a prominent place in the fiercely competitive global landscape. Jordan has the potential to become the primary gateway for the new corridor, supported by various factors, including:

1. Border Connectivity:

Jordan has a robust infrastructure with both overhead and underground fiber routes, connecting to five international borders (Syria, Palestine, Egypt, Iraq, and Saudi Arabia).

Approximately [2200] km of overhead fiber network currently links all cities and three borders, with ongoing efforts to connect the remaining two borders (Iraq and Saudi Arabia) through the NEPCO fiber network.

2. Route Diversity:

Jordan boasts multiple connectivity routes to submarines and future terrestrial networks, ensuring business protection and offering alternative traffic routes.

3. National Broadband Network (NBN):

- Operational fiber network spanning 1,856 km of aerial fiber cables and 3,200 km of underground fiber cables.
- Over 2,500 locations are connected, with plans for expansion to reach up to 3,000 points and cover 4,200 km.
- Strategic opportunity to serve northern and southern governorates with fiber network (FTTX) leveraging existing/new poles of EDCO and IDECO.

4. Network Size and Subscribers:

- IDECO's network serves 624,574 subscribers, with 68,248 medium voltage poles and 424,186 low voltage poles.
- EDCO's network caters to 255,174 subscribers, with a network length of 14,809 km and approximately 160,000 available poles.

5. Flexibility and Expansion:

- Jordan's network provides a flexible and expandable environment, facilitating business for hyperscalers, wholesalers, and global network operators.

6. Innovative Solutions:

- Employing technically advanced solutions, such as multi-terabyte optical solutions with sophisticated network management systems.

7. Addressing the "Digital Divide":

- The investment opportunity contributes to bridging the "Digital Divide" within Jordan and with neighboring countries.

8. Investment Opportunities:

- The investment opens avenues for various solutions, including:
 - a. International transit traffic
 - b. National traffic backup network
 - c. FTTX for wholesale and retail sectors
 - d. Internet exchange point (IXP)
 - e. Dark Fiber for enterprises
 - f. EDGE cloud nodes
 - g. Data Center Collocation & Hosting

- h. Sub-wavelength active capacity
- i. 1G & 10G for Metro connectivity (Ethernet, SD-WAN, IP VPN, Internet, etc.)
- j. Possible submarine landing stations in parallel with terrestrial fiber networks.

This comprehensive infrastructure positions Jordan as a strategic hub for data traffic, offering diverse routes, innovative solutions, and numerous investment opportunities for global investors and business owners.

Section 3: Committee Structure (Owner):

The Committee is established to oversee the management of the fiber infrastructure investment opportunity ("Project"), leveraging the existing infrastructure of NBN, NEPCO, IDECO, and EDCO. The leadership role within the Committee, particularly in interactions with the investor, will be assumed by MoDEE (Ministry of Digital Economy and Entrepreneurship), the leader to be decided at a later stage. The collaborative efforts of the Committee aim to efficiently govern and advance the Project, ensuring its success and optimal utilization of the shared infrastructure.

Section 4: Overview:

MoDEE, in collaboration with NEPCO, EDCO, and IDECO, invites proposals for qualifications from both local and international companies (or joint ventures) with a proven track record in executing large-scale projects. Qualified entities must demonstrate the requisite financial and technical capabilities to effectively fulfill the scope of this project.

Responses to this request should strictly adhere to the outlined scope of work, deliverables, and procedures detailed in this document. Any deviation from the

specified requirements may result in the disqualification of the response. Compliance with the provided guidelines ensures a fair and comprehensive evaluation process.

Section 5: Scope of Work:

MoDEE, in collaboration with NEPCO, Irbid District Electricity (IDECO), and EDCO, initiates the investment process with the pre-qualification of potential bidders. The subsequent phase involves the competitive international/local tender for the opportunity to invest in fiber infrastructure ("Project").

1. This opportunity invites investors to submit qualification proposals for leveraging the four networks (NBN, NEPCO partially, IDECO, and EDCO poles) with proposed business models and services. The scope includes leasing, commercializing, managing, operating, maintaining (excluding NEPCO), and expanding networks across Jordan, with the potential to connect to other regional networks, offering both wholesale and retail services.

2. The investor may be a single entity (company) or an official alliance of companies (Joint Venture) with delegated responsibilities and authorization.

3. Scope of Services: The proposal for qualification shall comprehensively outline the scope of services, encompassing but not limited to the activities listed below. It is acknowledged that the investor is obligated to obtain the requisite service licenses for the proposed business types. Furthermore, upon securing the tender, the investor

is hereby instructed to initiate the application process for the mandatory license to facilitate the commencement of commercial services:

a) Expansion, Upgrade, Operation, and Maintenance of Existing NBN Network:

Undertake the expansions, upgrades, operation, and maintenance of the prevailing full National Broadband Network (NBN). This includes sustaining services for existing clients and extending coverage to potential future clients.

b) Utilization of NEPCO Network:

Collaborate with the NEPCO network to make use of available pairs and, as necessary, undertake expansions or upgrades to the NEPCO fiber network through mutual arrangement and agreement with NEPCO. Maintenance responsibilities will be overseen by NEPCO teams in coordination with the investor.

c) Establishment, Operation, and Maintenance of New Fiber Optics Network:

Construct, operate, and maintain a new fiber optics network within the concession areas of EDCO/IDECO in the North and South of Jordan, covering 75% of Jordan's geographic area. This endeavor will utilize existing and new poles to cater to potential Fiber to the (FTTX) clients. Agreements with Electricity Companies shall be executed to delineate terms pertaining to network access fees, installations, maintenance, and any other requisite conditions. Additionally, both EDCO and IDECO shall reserve 2 pairs of each fiber built on their networks for internal utilization.

4. Pre-Tendering Timeline: The proposed schedule outlines a two-phase tendering process aimed at identifying an initial qualified list of investors before progressing

to the subsequent phase, with strict compliance of the tendering procedures prescribed by the relevant laws referenced by the government for this project.

Phase 1 (Pre-Tendering)	Announcement Date	January 8 th , 2024
	Questions and Inquiries	January 14 th , 2024
	Answer Questions	January 21 th 2024
	Submission Deadline for initial proposal for qualification	January 28 th 2024
	Review initial proposal & Ranking	February 10 th , 2024
	Selection and Notification of qualified Firm(s) for bidding (10)	March 15 th , 2024
Phase 2 (Tendering)	<ul style="list-style-type: none"> • NDA signing. • Shortlisted firms will be provided with full tendering documents (including technical documents, evaluation criteria, legal /contractual terms and conditions) • Full technical and financial proposals and business model submission by the bidders. • Committee selection of successful investor. 	TBD after phase 1 closure

Phase 3	Contract agreement signature between committee members and the successful investor.	
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5. Investors are required to present a comprehensive project description, including proposed services and a clear 25-year plan translated into milestones.

6. Any bidding firm proposing must fully disclose any existing business relationships with the Jordanian government, telecom and infrastructure vendors, hyperscalers, software vendors, and network mobile and fixed operators in Jordan.

8. Submission Requirements: Investors are required to submit six (6) hard copies and one electronic copy of the proposal to the following address:

[Address of submission]

Bidders must submit proposals to this RFP to MODEE

Tendering Department – 3rd floor

Ministry of Digital Economy and Entrepreneurship

8th circle

P.O. Box 9903

Amman 11191 Jordan

Tel: 00 962 6 5805642

Fax: 00 962 6 5861059

E-mail: nbn_tenders@modee.gov.jo

Proposals should be submitted in three hardcopies and one soft copy (Flash USB) in a separate well-sealed and wrapped envelope.

9. Questions and Inquiries:

Questions and inquiries related to the pre-tendering process are welcomed. Please submit all questions via email to the Administrator at [nbn_tenders@modee.gov.jo].

10. Notification of Updates:

Investors who obtain a copy of this pre-tendering document will be included in the list of entities notified of any new information or additional annexes to the tender, as well as responses to questions regarding the tender.

11. Open Records/Proprietary Information:

The Committee acknowledges that investors may need to provide proprietary information. To maintain confidentiality (to the extent permitted by law), the following conditions apply:

- a) Submitted information is arguably proprietary.
- b) Proprietary information is presented in a separate letter or section clearly identified as such.
- c) References to proprietary information are explicitly made in the detailed response. Likewise, proprietary information included in a letter shall be clearly identified, and to which response it relates to.

d) Caution must be exercised to label only information genuinely proprietary and not commonly known.

e) Designating an entire proposal or information of a general nature as proprietary may result in the rejection of the response

12. Proposal Preparation Costs:

The investor is responsible for covering all costs incurred by themselves or their subcontractors in responding to this request for proposal.

13. Ownership of Responses:

All materials submitted, including proposals, attachments, and supporting documents, will become the property of the Committee and will not be returned.

Section 6: short listing Criteria

Investors will undergo evaluation based on the following selection criteria:

1. Compliance to Proposal Document Structure:

- a) Adherence to submission deadlines.
- b) Conformance to defined proposal format.
- c) Completeness of supplied information.

2. Experience and Qualification:

- a) Past success with comparable projects, specifying project sizes. Investor should include reference contact information.
- b) Demonstrated experience with similar projects, tools, and applications.

- c) Pertinent experience, qualifications, certifications, and past performance of proposed personnel directly involved in service provision, including subcontractors.
- d) Experience in comparable government environments.
- e) Capability to provide timely on-site services, effective problem resolution, and various support levels.
- f) Overall capacity of the investor to deliver required services, including a clear plan with milestones.

3. Financial Ability/Financial Solvency:

- a) Evidence of financial solvency (minimum requirement: 250 MJD) necessary for project execution.
- b) Size of outstanding and future contractual obligations due on the Investors.

4. Litigation and Arbitration: Disclosure on any concluded or pending litigation or arbitration involving governmental projects or any of the Electricity Companies

The following shall explicitly be considered as disqualification reasons:

- a. **Failure to provide evidence of financial solvency (minimum requirement: 250 MJD) necessary for project execution.**
- b. **Lack of documentation detailing experience in similar projects.**
- c. **Non-submission of qualifications, certifications, and past performance reports for proposed personnel.**

Section 7: Investment model:

- a) The investment model for this project adopts a public outsourcing framework for service provision without ownership of infrastructure. The model further entails the delivery of new and diversified communication services leveraging existing infrastructure. Under this approach, a singular contract is awarded to an investor, encompassing all facets of the specified services. The contractual conditions include operation, maintenance, design, and construction responsibilities layered upon the pre-existing infrastructure.
- b) The contract duration spans 25 years, after which the Committee will return management control of all infrastructure, provided that the agreed Key Performance Indicators (KPIs) are consistently upheld throughout the contract period.
- c) **The proposed commercial model is divided as follows:**

For NBN Network: The proposed model entails a long lease for 25 years, with a total value of a minimum of 150M JD distributed over the contract's entirety. The investor is obligated to ensure the operation, maintenance, expansion, upgrading of the NBN, in accordance with MODEE specifications and requirements outlined in the tender documents.

For NEPCO, IDECO, and EDCO: The proposed model involves a revenue-sharing arrangement, favoring the electrical companies with clear plans for 25 years divided into phases. The higher percentage constitutes a significant, though not sole, criterion in distinguishing investors during the evaluation process, subject to approval from the electricity companies.

Section 8: Right of Refusal

The Committee retains the authority to decline any or all proposals, whether in entirety or partially, and to overlook any informalities or irregularities therein, as deemed in the best interest of the government of Jordan. Additionally, the Committee holds the prerogative to defer or annul the award or execution of a contract for any reason prior to contract execution.