



هيئة الاتصالات وتقنية المعلومات
Communications & Information
Technology Commission

AWARD OF A 450 MHZ RADIO LICENSE FOR A SPECIALIZED RADIO NETWORK

PUBLIC CONSULTATION: INFORMATION MEMORANDUM AND AWARD RULES

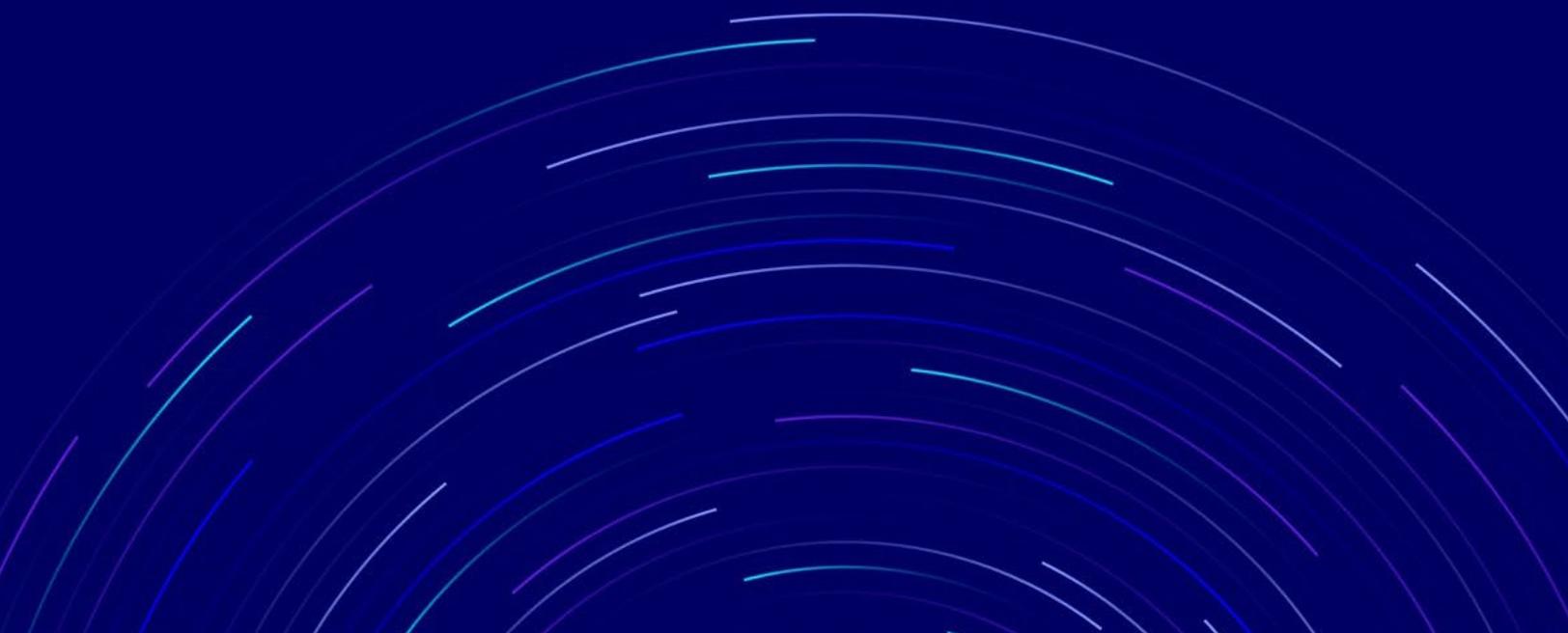
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Introduction

The Communications and Information Technology Commission (CITC) is responsible, in accordance with the Telecom Act, Telecom Act Bylaw and CITC Ordinance; for managing radio spectrum for all users in the Kingdom of Saudi Arabia.

CITC seeks to enable the digital transformation for several critical sectors in the Kingdom , and it aims to do so by assigning and licensing frequencies in the 450 MHz band for building and operating a specialized radio network for civil entities, as this network will provide reliable and secure communications to support many applications such as SCADA applications, mission-critical communications, and Industrial IoT. CITC in accordance with the “Spectrum Outlook for Commercial & Innovative Use 2021-2023” is pleased to publish a Public Consultation document on its Information Memorandum for the “Award of a 450 MHz Radio License for a Specialized Radio Network”.

Scope and objective

The purpose of this public consultation is to provide the relevant interested parties with an opportunity to submit their views and comments on the Information Memorandum for the “Award of a 450 MHz Radio License for a Specialized Radio Network”. The Information Memorandum was prepared to achieve the vision of CITC to unlock the potential of radiocommunication in Saudi Arabia by promoting the development of innovative radio networks for civilian users in the Kingdom of Saudi Arabia.

Submitting comments

Participants who wish to submit their views/comments on this Public Consultation Document must submit them to CITC no later than 24 March 2022. Views/comments can be submitted to one or more of the following addresses:

- By email to (Spectrum.Strategy@citc.gov.sa).
- Hand-delivered (paper and electronic) at the CITC premises.

- By mail (paper copy and electronic) to the following postal address: Communications and Information Technology Commission, Al-Nakheel District- Prince Turki Bin Abdul Aziz I Street intersection with Imam Saud Bin Abdul Aziz Road, PO Box 75606, Riyadh 11588, Saudi Arabia.

CITC invites all members of the public, including individuals, public organizations, and commercial entities to engage in this process by submitting comments. Participants are invited to provide their views in detail. CITC also encourages Participants to support their comments with relevant data, analysis, benchmarking studies and other information. CITC will take all comments into consideration during its deliberation process, but CITC is under no obligation to adopt the comments or proposals of any participant.

IMPORTANT NOTICE

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Terms and expressions used in this Important Notice are as defined in this Information Memorandum.

This Information Memorandum has been prepared by the Communications and Information Technology Commission (CITC) in connection with the proposed grant of a 450 MHz Radio License for a Specialized Radio Network by means of a competitive beauty contest, pursuant to the Telecom Act of Saudi Arabia and CITC's Spectrum Outlook, published July 2021. This Information Memorandum is for informational purposes only. It is made available on the express understanding that it will be used for the sole purpose of assisting an interested party in deciding whether it wishes to participate in the award process.

This Information Memorandum is not intended to form any part of the basis of any investment decision or other evaluation of any decision to participate in the award process and should not be considered as a recommendation by CITC or CITC's advisers to participate in the award process. Each interested party must make its own independent assessment of the potential value of a 450 MHz Radio License for a Specialized Radio Network after making such investigation as it may deem necessary. All information contained in this Information Memorandum may be updated or amended at any time.

While the information contained in this Information Memorandum is accurate as at the date indicated on page 1, neither CITC nor any of CITC's advisers nor any of their respective directors, partners, officers or employees make any representation or warranty (express or implied) nor has nor will have any responsibility or liability in relation to the accuracy or completeness of the information contained in this Information Memorandum or any other written or oral information made available to any interested party or its advisers. Any responsibility or liability in respect of any such information or any inaccuracy in this Information Memorandum or omission from this Information Memorandum is expressly disclaimed.

This Information Memorandum does not constitute an offer or invitation to participate in the award process.

Interested parties should make their own investigation and decisions, including consulting with their own professional advisers on the financial, legal, award practice and other matters, concerning any potential participation in the award process or any grant of a 450 MHz Radio License for a Specialized Radio Network.

1. INTRODUCTION

- 1.1. The Communications and Information Technology Commission (CITC) is the authority in charge of regulating and promoting the communications and information technology industries in the Kingdom of Saudi Arabia (KSA). Pursuant to the Telecom Act and CITC's Spectrum Outlook, published July 2021, CITC will offer to grant a 450 MHz Radio License for a Specialized Radio Network ("the License"), allocated according to the process described in this Information Memorandum ("award process"). The License will grant a 2x5 MHz spectrum block to operate a 450 MHz network. This Information Memorandum contains important information that interested persons should read and understand for the purpose of participating in the award process.
- 1.2. This Information Memorandum is provided for parties interested in participating in the award and contains:
 - (a) a description of the spectrum to be awarded;
 - (b) information relevant to this award regarding future spectrum releases;
 - (c) a description of the award process, including Application Stage, Qualification Stage, Allocation Stage and Grant Stage; and
 - (d) a timetable for the award process.
- 1.3. Any party interested in participating in the award process should state their interest in its consultation response. Any potential partaking should be indicated independent of the form of participation. To be clear, this includes involvement through a potential Joint Venture, which does not have to be formed nor specified yet. Interested parties should include a short description of how they envisage to participate (i.e. on either a standalone basis or as part of a potential Joint Venture). In the case of a Joint Venture, the interested party should indicate, as far as possible, which other companies would likely be involved. The statement would be handled on a strictly confidential basis and for CITC only.

Possibility of New Entry

- 1.1. As CITC has set out in its Spectrum Outlook, it will review each spectrum release on a case-by-case basis to optimize the role of competition. While the main objective is to enable current service providers – who hold Facilities based Unified Telecommunications Service License (USL) - to deploy networks that would support the digitization of the industrial sector, CITC is open to considering the possibility of introducing a new entrant if, for example, existing players do not show sufficient interest in the provided supply of spectrum or if a new capable player expresses interest in providing these critical services. CITC believes that the spectrum available in this award can potentially be used to enable a new entrant to roll out a network and offer competitive services for vital users.
- 1.2. CITC is still studying the need for a new entrant through this award. Entities that are interested in entering the market are invited to express their interest in response to this consultation.

Questions:

CITC would like to hear from all parties interested in either operating the 450 MHz network or using its services.

If you are interested in using the services that are going to be provided on this network, CITC would like to better understand what services you would be most interested in and how you would use them.

CITC would also like to understand whether the network requirements set out in this draft Information Memorandum are adequate for your particular use case. If they are not, CITC would like to understand what changes would need to be made to meet your requirements.

2. CITC'S OBJECTIVES FOR THE AWARD

- 2.1. CITC's objective for the award is to facilitate the digital transformation of industrial users in the KSA and enable these users to take advantage of advanced industrial internet of things applications in addition to mission-critical communications. Ultimately, CITC seeks the establishment of a nationwide, highly resilient, and secure specialized network for applications of industry 4.0, energy, utility and other critical infrastructures.
- 2.2. The key objectives for this award are to:
 - (a) Allocate a 450 MHz Radio License for the deployment of a nationwide network to provide these services;
 - (b) Enable the deployment of national shared business radio networks which will deliver improved technology and services to a wide range of users;
 - (c) Reduce or remove the congestion currently experienced in the 400 MHz band through the use of more efficient shared systems;
 - (d) Ensure that the needs of all users are met, from important national users such as oil and mining entities through to smaller local users; and
 - (e) Ensure that the price charged for services is reasonable.
- 2.3. Equally important are a number of concerns that CITC hopes to see addressed:
 - (a) Adequate and acceptable provision of coverage and service to key large user groups including oil companies, manufacturing companies and other national scale organizations who have previously deployed their own networks;
 - (b) Adequate provisioning of service to smaller groups of users who may individually only provide a tiny fraction of the revenue of the larger users; and

- (c) Provision of service for both large and small users with reasonable costs that will not hinder their digital transformation.

3. SPECTRUM TO BE AWARDED

Available frequencies

- 3.1. A total of 2x5 MHz of spectrum in the 450 MHz band will be assigned in this award. The spectrum will be allocated in a single block (“the Spectrum Block”). The frequency position of this block is summarized in Figure 1 and Table 1.

FIGURE 1: FREQUENCY POSITION OF THE SPECTRUM BLOCK



- 3.2. The Spectrum Block will be awarded in a beauty contest, in which prospective licensees are compared across a number of criteria so as to identify the best quality bid.

TABLE 1: AVAILABLE SPECTRUM BLOCKS IN THE AWARD

Band	MHz per Block	Frequency position
450 MHz band	2x5 MHz	451 – 456 MHz / 461 – 466 MHz

License terms and conditions

- 3.3. The Radio License issued as a result of this award will form part of the service provisioning license(s) held by a given operator.

The process for resolving cases of radio interference

- 3.4. Licensees may report cases of interference affecting their licensed radiocommunications services through an online application on the CITC website. Licensees are required to register a login account in order to activate this service.
- 3.5. The Radio Monitoring division of CITC will investigate cases of radio interference reported by licensees. If bona fide interference source(s) are identified, CITC will endeavor to resolve the interference in a timely manner, within the framework of the KSA's laws and the ITU Radio Regulations.
- 3.6. Non-fulfilment of commitments can lead to both monetary penalties or license revocation. For further details please review Section 9.14.

Duration and start date of the licenses

- 3.7. The duration of the Radio License will be 20 years, commencing 2023 and ending 2043 (For the avoidance of doubt, in the event of a change to the award timetable, CITC reserves the right to announce alternative start and end dates for the purpose of defining this 20-year licence).
- 3.8. Prospective applicants should note that CITC may decide to reassign this spectrum through a future competitive award process following the expiry of this Radio License. The Radio License does not come with an automatic right of renewal when it expires. CITC will decide on the appropriate assignment mechanism closer to the time of expiry.

License Fee

- 3.9. The Radio License allocated in this award is subject to an Annual License Fee of SAR 9,000,000. The Annual License Fee is payable to CITC each year on or before 1 January, starting 1 January 2023.

Current status of the 451 – 456 / 461 – 466 MHz block

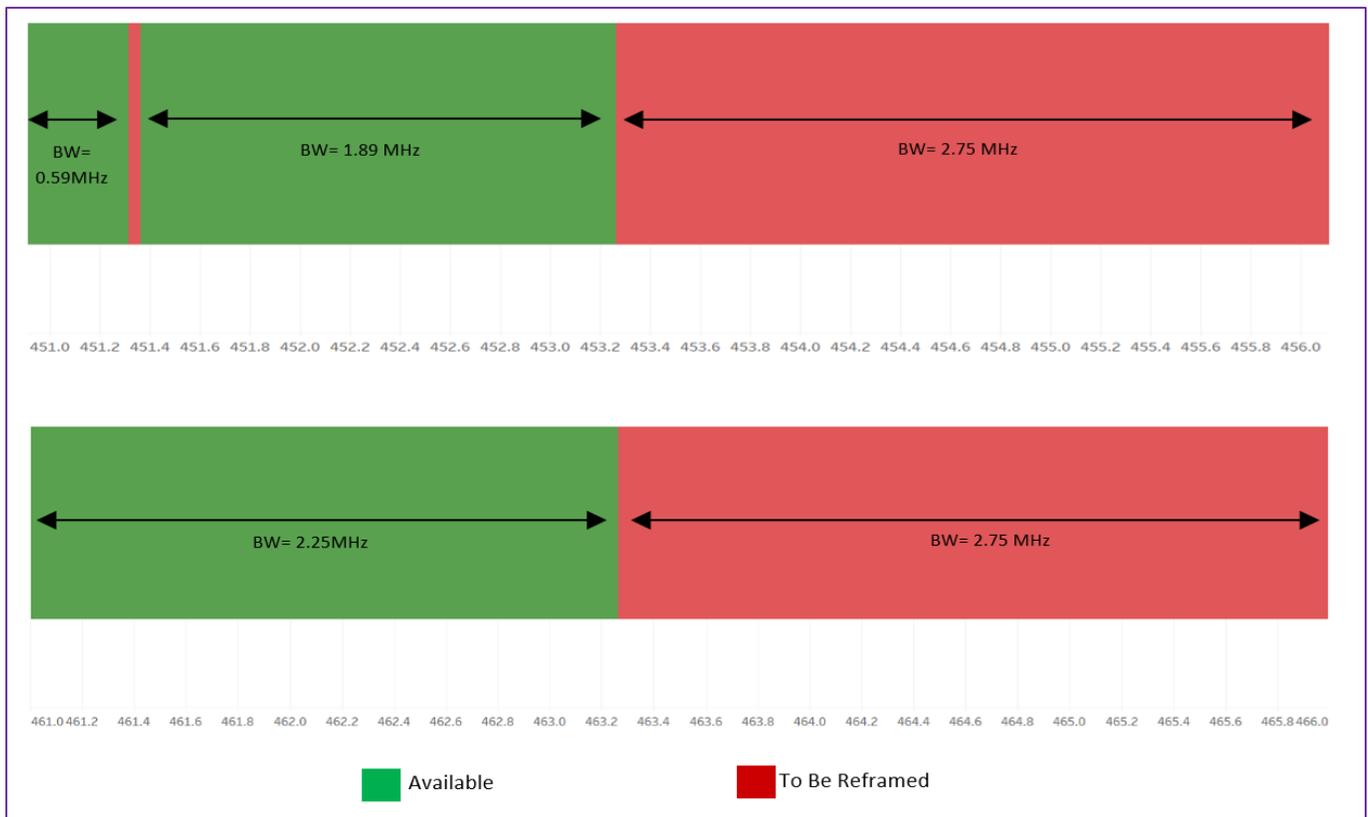
3.10. The Spectrum Block is allocated for LAND MOBILE on a primary basis according to the national frequency plan (NFP) in conformity with the Radio Regulations (RR) issued by the International Telecommunications Union (ITU) as shown in table (2).

TABLE 2: ITU RADIO REGULATION FREQUENCY TABLE ALLOCATION FOR THE SPECTRUM BLOCK

Allocation to services		
Region 1	Region 2	Region 3
450-455	FIXED MOBILE 5.286AA 5.209 5.271 5.286 5.286A 5.286B 5.286C 5.286D 5.286E	
455-456 FIXED MOBILE 5.286AA 5.209 5.271 5.286A 5.286B 5.286C 5.286E	455-456 FIXED MOBILE 5.286AA MOBILE-SATELLITE (Earth-to-space) 5.209 5.286A 5.286B 5.286C	455-456 FIXED MOBILE 5.286AA 5.209 5.271 5.286A 5.286B 5.286C 5.286E
456-459	FIXED MOBILE 5.286AA 5.271 5.287 5.288	
459-460 FIXED MOBILE 5.286AA 5.209 5.271 5.286A 5.286B 5.286C 5.286E	459-460 FIXED MOBILE 5.286AA MOBILE-SATELLITE (Earth-to-space) 5.209 5.286A 5.286B 5.286C	459-460 FIXED MOBILE 5.286AA 5.209 5.271 5.286A 5.286B 5.286C 5.286E
460-470	FIXED MOBILE 5.286AA Meteorological-satellite (space-to-Earth) 5.287 5.288 5.289 5.290	

- 3.1. There are more than 500 frequency assignments in the wider 450 – 457 and 460 – 467 MHz range.. The 450 MHz Band is used across the KSA with use being particularly concentrated in 5 regions (Madinah, Makkah, Jizan, Riyadh and the Eastern region).
- 3.2. Figure 2 provides a nationwide overview of the current use in this band. There is a contiguous 2x1.89 MHz channel that is available today.

FIGURE 2: NATIONAL OVERVIEW OF CURRENT USERS IN 451 – 456 / 461 – 466 MHz



Existing private network users in the 410 MHz and 450 MHz bands as well as other target users in the broader VHF and UHF bands

- 3.3. It is CITC’s intention to allocate the 450 MHz Radio License to a network provider who can provide services that are attractive to the existing private network users in the broader VHF and UHF bands (“Existing Private Network Users”). CITC hopes and anticipates that this will lead in many cases to a gradual migration of these users from their own systems to the 450 MHz

network. It is CITC's intention to reform the 410 MHz band or amend the existing licenses in the future. To help applicants in formulating their application documents for the 450 MHz Radio License, CITC provides here some summary information on the Existing Private Network Users.

- 3.4. There are currently more than 160 licensees and 200,000 end users from different verticals. Figure 3 below summarizes the (approximate) location of different users, while
- 3.5.
- 3.6. Figure 4 shows the frequency band allocations among VHF and UHF band users. Lastly, Figure 5 details the distribution of existing private network user types.

FIGURE 3: LOCATION OF EXISTING PRIVATE NETWORK USERS

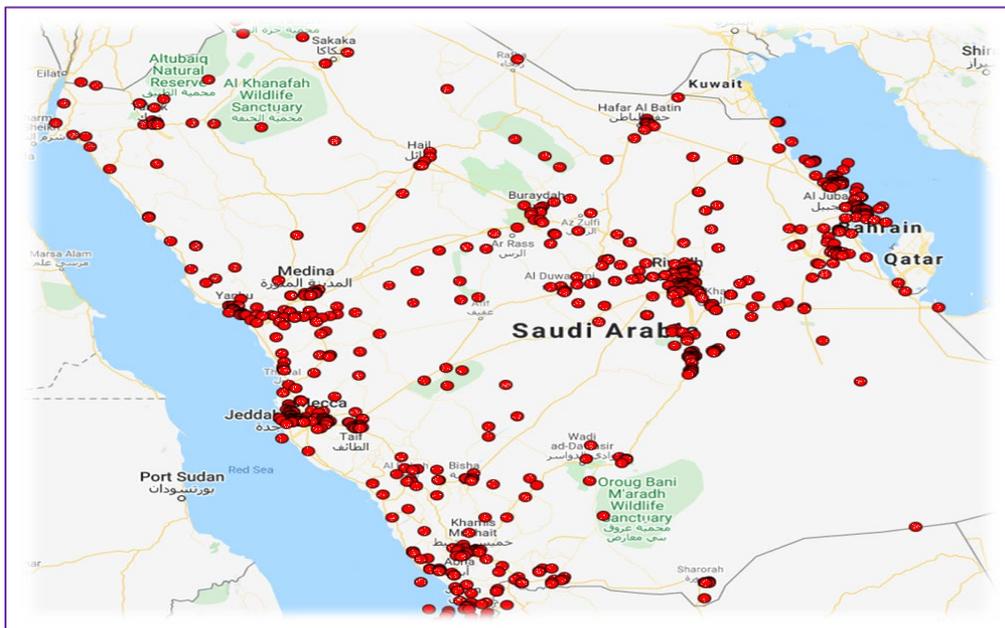


FIGURE 4: FREQUENCY BAND LOCATION AMONG VHF AND UHF BAND USERS

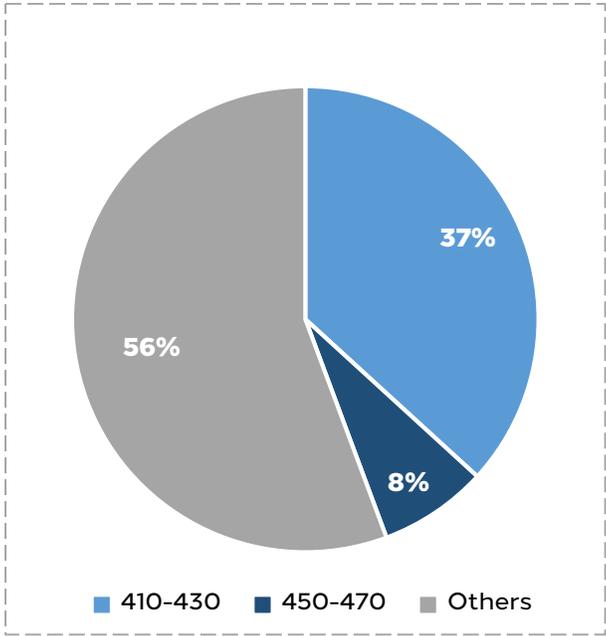
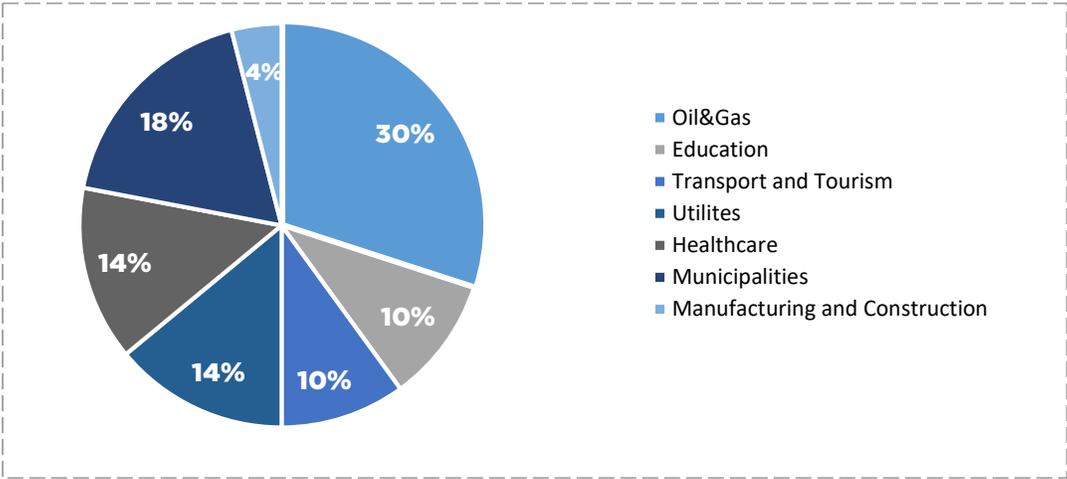
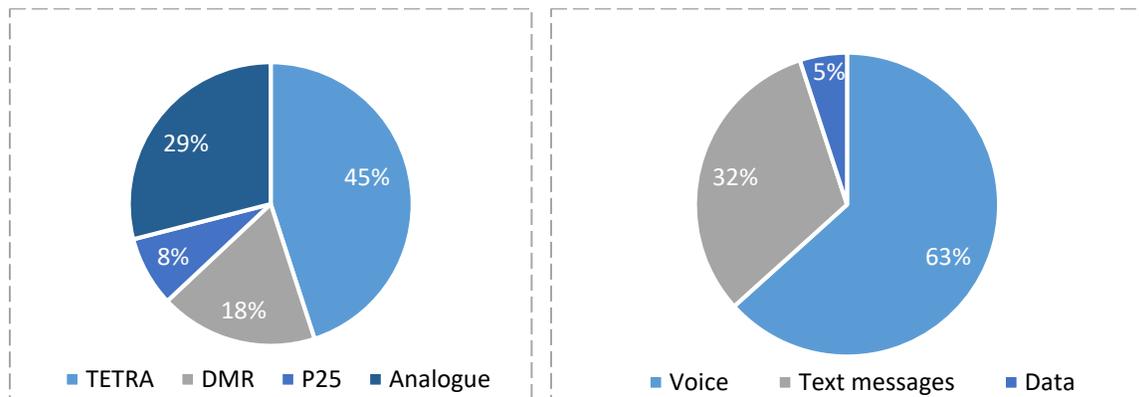


FIGURE 5: TYPES OF EXISTING PRIVATE NETWORK USERS



3.7. Most existing private network users focus on voice applications, but some also use text messages and data, as shown in Figure 6.

FIGURE 6: SHARE OF APPLICATIONS AND SERVICES AMONG EXISTING PRIVATE NETWORK USERS



Migration plan for the 450 MHz Spectrum Block

3.8. The Spectrum Block is currently partially used as shown in Figure 2. CITC will guarantee the license holder fully cleared and interference-free spectrum by 1 January 2025 within its Committed Coverage Area in this block (see Paragraph 6.28).

3.9. CITC will expedite clearance of the 451 – 456 / 461 – 466 MHz block subject to offering a smooth transition for the existing users in this frequency range (“Existing Users of the Spectrum Block”). To ensure that the network provider can deploy its network within its Committed Coverage Area, CITC guarantees to achieve the following minimum clearance targets within this area:

- (a) Contiguous block of 2x1.4 MHz cleared by license start date, i.e. 1 January 2023;
- (b) Contiguous block of at least 2x3 MHz cleared by 1 January 2024;
- (c) Entire 2x5 MHz block cleared by 1 January 2025;

3.10. In line with the Coverage and Service Obligation set out in Paragraph 6.12, the network provider will be required to approach all Existing Private Network Users to initiate commercial negotiations. (both inside and outside its

Committed Coverage Area (for more details see Paragraph 6.15). The Service Obligation further requires the network provider to enter into commercial negotiations with any party that wishes to use its services.

- 3.11. At the beginning of each October (i.e. by 1 October, starting in 2023), the network provider will indicate to CITC as part of its annual reporting requirements (see Paragraph 3.13) whether and, if so, where it plans to deploy its network outside of its Committed Coverage Area. CITC will then notify any affected Existing Users of the Spectrum Block that their existing licenses will expire by 31 December of that year and will not be prolonged. All other Existing Users of the Spectrum Block outside of the Committed Coverage Area whose licenses have not been terminated will have their licenses extended by one year to the 31 December of the following year. In effect, the licenses of Existing Users of the Spectrum Block will be prolonged in areas that have not been claimed by the network provider on a one-year rolling basis. The network provider may further serve notice to CITC at any time that it plans to extend its network to a new geographic area, but Existing Users of the Spectrum Block will be given a notice period of 12 months to vacate the spectrum. For the avoidance of doubt, the network provider may not request clearance in new areas unless it has concrete plans to deploy services as soon as it reasonably can after the spectrum is vacated.

Annual reporting requirement

- 3.12. The Minimum Requirements as well as any Further Commitments (See Section 6) will form part of the Radio License of the winning applicant.
- 3.13. The network provider will be required to submit an Annual Report to CITC by 31 October of each license year, starting on 31 October 2023. The Annual Report will set out the roll-out and deployments planned for the following year and, if any areas are outside the Committed Coverage Area, whether the rollout will impact the licenses of any Existing Users of the Spectrum Block.

The Annual Report should further demonstrate that the associated frequencies are being used to provide commercial services in the awarded spectrum that are being actively marketed and purchased by customers in the KSA.

- 3.14. To this end, the network provider is required to provide the following information as part of the Annual Report:
- (a) The coverage achieved so far, both within the Committed Coverage Area and outside;
 - (b) Information on the number and types of customers;
 - (c) Information on the different types of services and applications provided.

Non-compliance with the license conditions (including the Minimum Requirements and Further Commitments)

- 3.15. CITC will assess whether the network provider is honoring the Minimum Requirements as well as its Further Commitments. CITC will issue a warning and request for more information if it believes that they are not fully complied with. CITC may issue a notification to rectify any non-compliance within 6 to 12 months and to provide quarterly update reports. CITC will set the timeframe for rectification based on the severity of the issue. If the network provider fails to comply with the requirements within the timeframe specified by CITC, CITC reserves the right to take appropriate action, including revoking the license in case of repeated or particularly serious infractions or financial penalties. In the case of the latter, these will, in, not exceed the annual license fee.

4. THE REGULATORY OUTLOOK FOR SPECTRUM IN SAUDI ARABIA

- 4.1. This section provides relevant information about the regulatory framework for spectrum awards and deployment of services using spectrum, including CITC’s Spectrum Outlook. It is not intended to be exhaustive. Prospective applicants are required to familiarize themselves with the legislation, policies and codes of practice identified below.

The regulatory authority and guiding legislation

- 4.2. CITC is the authority in charge of regulating the communications and information technology industries in the KSA.
- 4.3. CITC work is generally governed and guided by provisions of the following legislative acts:
- (a) Telecom Act¹;
 - (b) Telecommunications Act Bylaws²; and
 - (c) CITC Ordinance³.
- 4.4. The vision that CITC has expressed in its Spectrum Outlook for Commercial and Innovative Use 2021-2023⁴ also applies for this competitive award of a 450 MHz Radio License.

¹ Issued under the Council of Ministers resolution No.(74), dated 05/03/1422H, and approved pursuant to the Royal Decree No.(M/12), dated 12/03/1422H.

² Issued under the Minister of PTT resolution No. (11), dated 17/05/1423H.

³ Issued under the Council of Ministers resolution No. (74) dated 05/03/1422H, and further amended under the Council of Ministers resolution No. (133), dated 21/05/1424H.

⁴ Spectrum Outlook for Commercial and Innovative Use 2021 – 2023,
<https://www.citc.gov.sa/en/mediacenter/pressreleases/Pages/2021033001.aspx>

5. OVERVIEW OF THE AWARD PROCESS

- 5.1. The award process consists of four stages, as set out in Figure 7:
 - (a) Application Stage;
 - (b) Qualification Stage;
 - (c) Allocation Stage;
 - (d) Grant Stage.
- 5.2. As part of its application, each applicant will need to submit a number of documents specifying different aspects of the planned network operation. In the Qualification Stage, CITC will review all submitted documents and determine whether the applicant can adequately achieve the minimum requirements. If it does, the application is qualified to be evaluated further in the Allocation Stage. In the Allocation Stage, CITC will score each application according to a number of criteria that go beyond the minimum requirements. The qualified applicant that receives the highest score in the Allocation Stage will be allocated the Radio License in the Grant Stage. The required Application Document is set out in Section 6. The rules and procedures for each stage are described in the remaining Sections 7, 8, 9 and 10.
- 5.3. In this section, we provide some general information common to the entire process.

Deposit requirements

- 5.4. As set out in Paragraph 7.2, each applicant must submit a deposit in the form of a bank guarantee for SAR 4,500,000 valid until July 2022 . The purpose of the deposit is to provide an appropriate incentive for applicants not to default on their applications and not to engage in inappropriate behaviour (as defined in Paragraphs 5.5 and 5.6).

Applicant conduct before and during the award

- 5.5. All applicants are required not to engage in conduct that would be detrimental to CITC's ability to run an effective award process.
- 5.6. In particular, it is the responsibility of the applicants themselves to ensure that:
- (a) they are not associated with any other applicant;
 - (b) they do not share confidential information in relation to the award, including but not limited to information regarding their own applicant and business plan with any other applicant;
 - (c) no person with access to the applicant's confidential information has access to another applicant's confidential information; and
 - (d) they do not engage in any action that could be deemed collusive or may otherwise be detrimental to CITC's ability to run an effective award process.
- 5.7. If CITC receives evidence that an applicant has engaged in inappropriate behaviour, as described in Paragraph 5.6, CITC may at its sole discretion take one or more of the following steps:
- (a) exclude that applicant from the award process; and/or
 - (b) execute the applicant's bank guarantee and keep the proceeds.

CITC may also take additional legal and regulatory actions outside the award process, such as but not limited to excluding the applicant from participation in future spectrum awards.

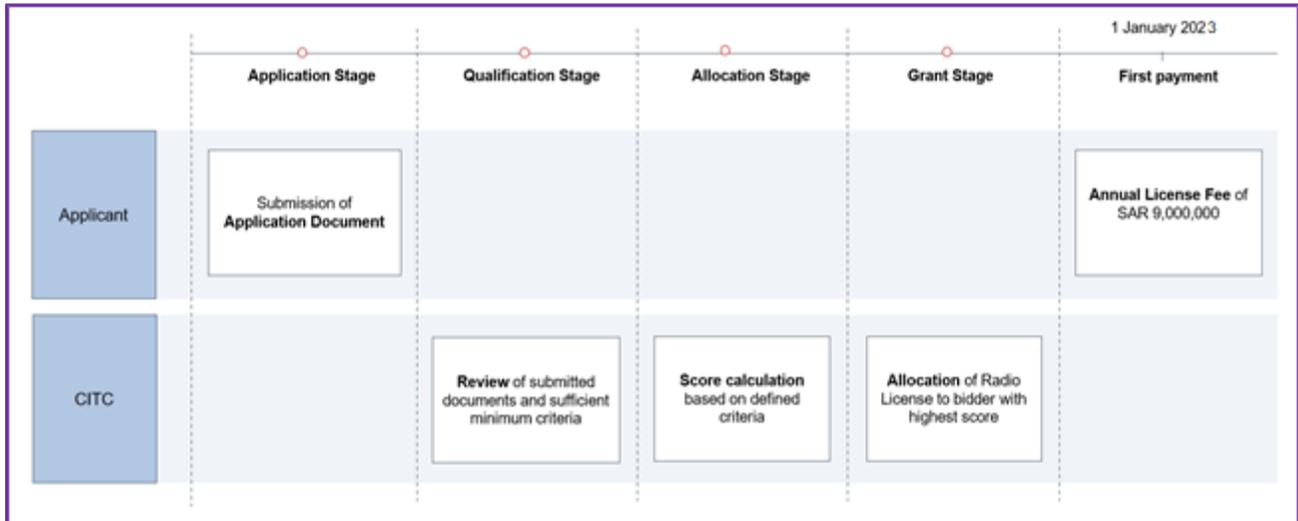
Exceptional circumstances

- 5.8. In the case of exceptional circumstances during the award process, CITC has the discretion to:
- (a) cancel the award process;

(b) suspend the award process until further notice; and/or

(c) pause the award process.

FIGURE 7: OVERVIEW OF THE AWARD PROCESS



6. APPLICATION DOCUMENT

- 6.1. Applicants will be asked to submit an Application Document that provides details on the applicant's envisioned network operation. The Application Document should include the following sections:
- A. Background information. This section should provide background information on the applicant with regards to its ownership structure and expertise.
 - B. Frequency usage. Submission of a plan detailing what type of network the applicant envisions. It should specify the network architecture, what radio technologies will be applied, what usage types it plans to provide for and whether the network will be operated on a stand-alone basis, with interconnections with existing networks or on a hybrid basis. The plan shall also describe how Operations and Maintenance will be organized and what performance and availability levels will be committed to the end users in Service Level Agreements.
 - C. Roll-out plan. The applicant should lay out the timeline for the realization of the 450 MHz network as described under Section B. This should specify the network launch date and how the network coverage evolves over the years. The Roll-out plan shall also explain to what extent existing structures will be re-used.
 - D. Business plan. Submission of a ten-year business plan including a market and marketing analysis, an investment and financing plan, information on project management and an assessment of the planning up to the forecast expansion in line with demand. The business plan should also include proof of sufficient financial means for the investments necessary

to support the Roll-out plan as well as any further investment commitments.

E. Commitment to minimum requirements. A clear statement that the applicant will commit to the minimum requirements. The applicant should then set out in this section how it will achieve the commitments with appropriate references to the Sections A – D above.

F. Further commitments. A description of other commitments the applicant is willing to make over and above the minimum requirements. The applicant should then set out in this section how it will achieve the further commitments with appropriate references to the Sections A – D above. The further commitments will be used to score the application in the Allocation Stage.

6.2. The following sub-sections clarify Sections B, C, E and F.

B. Frequency usage

6.3. The frequency usage is limited to the 451 – 456 / 461 – 466 MHz band.

6.4. For Out-of-Block Emissions (OOBE) of base stations the limits set out in Table 3 are to be applied.

TABLE 3: BASE STATION OUT-OF-BLOCK EMISSION LIMITS

Delta F_c (MHz) from center frequency (463.5 MHz)	Out-of-band emissions (transmitter output power)	Measurement bandwidth
2.5 to 7.5	-7 dBm -7/5* (Delta F_c - 2.5) dB	100 kHz
7.5 to 9.95	-14 dBm	100 kHz

Note: for the maximum mean out-of-block e.i.r.p. the antenna gain and cable losses of the land mobile system have to be considered.

- 6.5. For User Equipment (UE's) a Maximum mean in-block power of 23 dBm is to be applied.
- 6.6. The applicant should specify in its submission what type of technology it plans to deploy and what type of connectivity products (voice, data) it is planning to offer.
- 6.7. The applicant should also specify whether the constructed network would be a stand-alone network or whether it plans to offer interconnection with other networks. In the case of the latter, the applicant should detail which of the planned services require interconnection.
- 6.8. This section should further detail how the applicant plans to Operate and Maintain the network and the levels of performance and availability that it will commit to in its Service Level Agreements with its customers.

C. Roll-out plan

- 6.9. In this section, the applicant should set out its roll-out plan to achieve the Coverage Obligation (see Paragraph 6.12) as well as any Additional Coverage (see Paragraph 6.34)). When approached, the network provider has to provide a commercial offer within a reasonable timeframe to any interested party. The roll-out plan has to specify how it plans on implementing a structure to run the service according to the applicant's submission.
- 6.10. The Roll-out plan shall set out the following for the first five years of the license duration (i.e. 1 January 2023 through 31 December 2027):
 - (a) A timetable for the implementation of the Core Network location or locations;
 - (b) A timetable for the development of the Backbone;
 - (c) Numbers of Radio Sites to be built and integrated in each year;
 - (d) The areas in which the applicant intends to build out in each year; and

(e) Coverage development per year, in km², and also illustrated with maps for the minimum Requirement stage. The applicant may submit the maps in the form of Shapefiles as part of its application.

E. Minimum Requirements

6.11. The applicant should describe in detail how it will achieve the minimum requirements summarized in the following table and set out in detail in the ensuing sub-sections.

TABLE 4: MINIMUM REQUIREMENTS

Minimum Requirement	Description
Coverage Obligation	The network provider will need to consider the areas defined by the CITC as outlined in the attached map. The minimum requirement in these areas is full outdoor coverage and 95% indoor coverage, to be established before 31 October 2025.
Service Obligation	The network provider is required to make an offer and, if necessary, enter into commercial negotiations with any potential user in the KSA.
Reliability	The network provider will need to fulfil minimum redundancy requirements, ensure at least 2 hours power resilience for the end-to-end services and offer end-to-end network availability of at least 99,9% in the committed coverage area.
Security and safety	The network provider will need to develop a security architecture that meets the necessary security standards, protects the network against intrusion and guarantees the integrity and reliability of all data. The network provider shall also describe an ISMS to be implemented
Usability	The network provider will be required to run the network as a Public Access Mobile Radio (PAMR) network. The network will not only be accessible to the network owner, but other users as well.
Financial capacity	The investments necessary for the Roll-out plan need to be achievable given the financial capabilities and the business plan of the applicant.

Coverage obligation

- 6.12. The network provider will need to achieve area coverage in 5 areas of the KSA as shown in Figure 8: These areas are located in the following 5 regions:
- (a) Riyadh;
 - (b) Eastern Region;
 - (c) Makkah;
 - (d) Madinah; and
 - (e) Jizan.
- 6.13. In these five areas, full outdoor coverage and 95% indoor coverage is to be established before 31 October 2025. The coverage calculations shall be based on internationally accepted methods and parameters, which need to be detailed in the application. To calculate indoor coverage, an indoor penetration loss of 10 dB with 6 dB standard deviation is to be assumed. Shapefiles with the precise location of the areas will be provided by CITC to interested parties and will largely overlap with the locations of the existing private network users as shown in Figure 3.
- 6.14. The applicant can make further coverage commitments as part of its Further Commitments (see Paragraph 6.34), which will increase the Committed Coverage Area accordingly.

FIGURE 8: MINIMUM GEOGRAPHIC COVERAGE



Service obligation

6.15. The network provider is required to make an offer and, if necessary, enter into commercial negotiation with any potential user in the KSA that requests a service, subject to the following conditions:

- (a) If the potential user is located within the Committed Coverage Area, the network provider will need to offer at least the basic products set out in Paragraph 6.17 at prices that do not exceed the price caps it committed to as part of its Further Commitments.
- (b) If the potential user is located outside of the Committed Coverage Area or if it wishes to acquire other services, the price caps do not apply and the provision of services will be subject to commercial negotiation between the relevant entities. In this case, the commercial quote of the

network provider needs to provide a sufficiently detailed cost breakdown to allow the potential user to understand the cost drivers behind any price premium over its standard rates quoted by the network provider. The price quote should consider any existing infrastructure of the potential user and leverage it to the greatest extent possible to minimize duplication of infrastructure.

(c) Any offer should be prepared in a timely fashion.

- 6.16. If the potential user is located outside of the Committed Coverage Area, the network provider may sublease the spectrum to the potential user to allow him to self-provide. A sub-lease may, in principle, cover any period of time within the duration of the network provider's license. Any such agreement will be subject to CITC's policy on Spectrum Trading which is currently under development. For the avoidance of doubt, subleasing is not allowed within the Committed Coverage Area.
- 6.17. If the two parties fail to reach an agreement, they can request CITC to review the quote provided by the 450 MHz Radio License holder and, if necessary, arbitrate between them. CITC may pass on any cost of the arbitration to the two parties.
- 6.18. To help promote the new network, CITC requires the 450 MHz Radio License holder to reach out to all Existing Private Network Users with an offer to enter commercial negotiations, and to enter negotiations with the users inside the Committed Coverage Area by 1 January 2024.

Reliability

- 6.19. The network operator shall guarantee in Service Level Agreements with its customers an end-to-end network availability of 99,9% to all its users. This means that between any two points in the defined coverage area, the performance levels of each of the contracted connectivity products is met for

at least 99,9% of the time. This percentage includes public power outages up to 2 hours and may exclude planned outages for services.

- 6.20. Applicants should detail their proposed network architecture to demonstrate how the network availability mentioned in paragraph 6.17 will be met. The network architecture should clearly show where redundancy is applied and where Single Points of Failure remain. .
- 6.21. The proposed network architecture should further ensure that End-to-End connectivity is guaranteed for at least 2 hours in case of an outage of the public power supply. The applicant should provide detail on how it proposes to achieve such power resilience.

Security

- 6.22. The applicant should set out how it will meet and comply with the technical and operational standards required by the national security entities (National Cybersecurity Authority, High Commission for Industrial Security and Presidency of State Security).
- 6.23. The applicant will provide a security architecture that shows how the network will be effectively protected against intrusion and how the integrity and reliability of all data is secured.
- 6.24. The applicant will also describe how the security will be managed by an Information Security Management System (ISMS) and how such an ISMS will be implemented within 3 years after the license starts.

Usability

- 6.25. The business plan must, amongst other topics, clearly describe how the network will be run as a Public Access Mobile Radio network (PAMR), meaning that the network will not only be accessible to the network owner(s) but for multiple users. Notwithstanding this requirement, the license owner may limit

the group of users to certain sectors or well described categories, as far as this is necessary to meet the goals of the Business Plan. Such a limitation should be clearly described in the Business Plan.

- 6.26. Communication products and related services will be offered on a non-discriminatory basis and will be described in a Product and Service Catalogue (PSC) that includes pricing. An excerpt of such a PSC must be delivered on application.

Financial capacity

- 6.27. The investments necessary for the Roll-out plan need to be achievable given the financial capabilities and the business plan of the applicant. The applicant should provide annual reports or proof of financing it has already secured to substantiate its investment claims.

F. Further commitments

- 6.28. In this section, the applicant should set out its further commitments. The applicant will have to address each of the criteria in Table 5 and cannot leave them unaddressed. Any application that does not address all of these criteria will be rejected.

TABLE 5: FURTHER COMMITMENTS

Further commitment	Description
Maximum fees for standardized connection types	The network provider is required to offer four standardized connection types per connection within the Committed Coverage Area at prices per connection that do not exceed the maximum fees it commits to in its application.
Additional coverage	The applicant can offer to cover more area within the KSA than the minimum requirement based on the CITC shapefiles.
Investment in network infrastructure	Number of base stations ⁵ deployed after 5 years.
Quality of Consortium Members and Users	This scoring criteria will consider any positive engagement with users, as well as commitments from consortium members for a Joint Venture.

Price caps for standardized connection types

6.29. The license holder shall provide services at reasonable prices that ensure the digital transformation of the KSA is not hindered. To this end, CITC requires the network provider to offer four standardized connection types within its Committed Coverage Area:

⁵ For the purpose of this criterion a base station is defined as the network element that establishes the connection between the network and multiple users (UE’s). It consists of at least a transceiver, RF amplifier, one or more antennas and a backhaul connection to the network. For clarity: a repeater is not considered a base station.

- (a) Voice I: a push-to-talk service with no mobility (i.e. no handovers) and a minimum monthly allowance of 60 minutes per connection;
- (b) Voice II: a group calling on-net service with mobility and a minimum monthly allowance of 120 minutes per connection;
- (c) Data I: a basic IoT service with a maximum bit rate of 200 kbit/s and a minimum monthly allowance of 50 MB;
- (d) Data II: a moderate data transfer service with a maximum bit rate of 1 Mbit/s and a minimum monthly allowance of 500 MB.

- 6.30. For each of these four services, the applicant will need to provide a maximum initial fee and a maximum annual subscription fee per connection (i.e. price cap) that it is willing to commit to (excluding any devices).
- 6.31. The offer should not put any further restrictions on the location of the use (indoor or outdoor) or the maximum usage other than the ones set out in Paragraph 6.29 which ensure fair use.
- 6.32. If the applicant is successful, it will be required to offer these services at prices that do not exceed the maximum fees set out in its application (adjusted for inflation as reported by the Saudi Central Bank⁶). It is also required to advertise these services and their maximum fees on its website. The services will have to be provided at the minimum standard set out in the Minimum Requirements and Further Commitments made by the successful applicant.
- 6.33. The maximum fees will be reviewed by CITC after three years to allow for reasonable adaptations given any external factors or change in circumstances. These changes can be both to increase the maximum fee if service provision is provably unprofitable at current rates, as well as to lower the maximum fee if they are provably unattractive to interested parties and significantly above

⁶ See Saudi Central Bank, <https://www.sama.gov.sa/en-US/Indices/pages/InflationRate.aspx>

the actual cost of provision. Any adaptation will be reasonable and with the ultimate aim of securing long-lasting sustainable network provision.

Additional coverage

6.34. The applicant can specify any additional area in which it will deploy its network and offer a service. The additional coverage commitment is for the following two categories:

(a) Additional coverage I: further areas in which the applicant commits to provide full outdoor coverage and at least 90% indoor coverage by 1 January 2026 (in addition to the areas the applicant commits to cover to fulfil the Minimum Requirements (see Paragraph 6.12));

(b) Additional coverage II: further areas in which the applicant commits to provide full outdoor coverage and at least 90% indoor coverage by 1 January 2028 (in addition to the areas the applicant commits to cover to fulfil the Minimum Requirements (see Paragraph 6.12));

For the calculation of the additional indoor coverage and outdoor coverage, the applicant will apply the same model, parameters and assumptions as applied for the calculation of the minimum requirements and for the calculations of the number of sites needed.

6.35. In its application, the applicant should further specify how much additional area coverage the additional areas provide in terms of:

(a) AC I: total committed indoor & outdoor coverage (in square kilometers) by 1 January 2026 (including the coverage achieved through the Minimum Requirements (see Paragraph 6.12));

(b) AC II: total committed indoor & outdoor coverage (in square kilometers) by 1 January 2028 (including the coverage achieved through the Minimum Requirements (see Paragraph 6.12));

- 6.36. CITC will add these areas to the applicant's Committed Coverage Area (effective from the relevant dates) if it is successful in its application.
- 6.37. It will be at CITC's discretion to mark the needs for additional coverage in new demand-heavy locations. CITC can require the applicant to roll out any part of its additional coverage area in areas determined by CITC. These areas will be defined and communicated to the network provider by the 1 January 2024 for required locations in ACI and similarly by the 1 January 2026 for any area specific coverage in ACII. It will be the network provider's obligation to implement roll-out in these areas by the 31 October 2025 for ACI, and respectively by the 31 October 2027 for ACII. Furthermore, the applicant should document the completion in that year's annual report. Any additional coverage area for which CITC does not specify the location can be rolled out where the network provider wishes.
- 6.38. The applicant should detail in its Roll-out plan how it will achieve the additional coverage.

Investment in network infrastructure

- 6.1. As part of its 10-year business plan, the applicant should set out how much it will commit to minimally invest in the network infrastructure over the first 5 years of the Radio License. The applicant should clearly set out and explain how much capital expenditure it is going to minimally commit to invest into its network infrastructure and be linked to the roll-out plan. For each of the first five years, the applicant should set out its minimum investment commitment.
- 6.2. The applicant should then present its Investment Commitment as a net present value of the total capital expenditure over the first 5 years using a discount rate of 8%. If the applicant is successful, it will be required to minimally invest this amount over the first 5 years in equivalent net present value terms (using a discount rate of 8%). This means that the network provider will not necessarily have to invest the exact annual figures it presents in its business

plan as long as the net present value of its total capital expenditure from 1 January 2023 to 1 January 2028 is at least equal to the Investment Commitment.

- 6.3. In line with the expenditures outlined above, the applicant should clearly set out and explain how many base stations it is going to minimally commit to deploy within 5 years of the license start and should link this figure to the roll-out plan and the coverage maps provided. This will be the figure considered when scoring applicants for their investment commitments.

Quality of Consortium Members and Users

- 6.4. This score will be constructed analyzing both the quality of the consortium members, as well as the engagement with users.
- 6.5. CITC believes that a Joint Venture which includes current (and prospective) users in the 410 and 450 MHz bands will be best positioned to serve the market with services that are tailored to the needs of specific users.
- 6.6. In the case of a Joint Venture, the applicant should include signed letters by each consortium member clearly stating their intent. The document should include that entity's expected connections and their role in the industry. The applicant should further specify the following three indicators used to score the quality of the consortium member.
- (a) Size of consortium member as measured by the number of connections
 - (b) Expertise of the consortium member based on years in the Saudi PMR market and relevant experience in- / outside the KSA
 - (c) Equity share of the consortium member

The applicant also needs to confirm that the entities in the Joint Venture are not affiliated. The applicant should provide details on the ownership structure of each member of the Joint Venture to demonstrate this.

- 6.7. The second aspect of this Further Commitments score considers the potential / future users of the applicant's network. The score for the user engagement will be based on the level of interaction with industry players who are not consortium members, as well as the user's quality.
- 6.8. In order to verify the engagement, any interaction should be accounted for with as much evidence and clarity as possible. This should be provided in the form of signed declarations by the users indicating the extent of their interest. This scoring will be based on the following three criteria.
- (a) Size of user as measured by number of connections
 - (b) Expertise of the user based on years in the Saudi PMR market and related expertise in- / outside the KSA
 - (c) Number of users engaged

Any submission should therefore clearly identify any necessary statistic and information to enable CITC to award points based on these three criteria.

7. APPLICATION STAGE

- 7.1. In the Application Stage, eligible applicants submit their application document, signed declaration form and bank guarantee. The application document needs to be in the form specified in Section 6 and include all required information as set out in this Section. A template for the declaration is provided in Annex 2. CITC will review all applications for errors, omissions, or ambiguities.

Application process

- 7.2. Facilities-based Unified Telecommunications Service License (USL) holders are eligible to apply for the 450 MHz Radio License for specialized networks, and are considered the main eligible applicants for this Radio License.
- 7.3. In the interest of meeting all the requirements of different industries in this specialized network, and to allow more potential service providers to apply for the license, CITC is open to considering applications from any entity incorporated in the Kingdom of Saudi Arabia (KSA) as well as potential joint ventures to apply for the 450 MHz Radio License even if they do not hold a USL license.
 - 7.3.1. If there is a lack of interest from USL license holders and there is a committed interest from non-USL holders to apply for the radio license, CITC will consider either introducing a new USL player or create a new service license for the specialized network services.
 - 7.3.2. Non-USL holders will need to apply for the service license in 7.3.1 if they are awarded the 450Mhz Specialized Network Radio License. It should be noted that all conditions for providing telecom service will be applied. These conditions include, but are not limited to, annual royalty fees, fees associated with the use of numbering resources, localizations obligations and network technical requirements.

- 7.4. An eligible applicant interested in acquiring the 450 MHz Radio License for specialized networks must submit to CITC:
- (a) Its signed declaration (a copy of which is in Annex 3) signed by the applicant's authorized representative;
 - (b) a notarized power of attorney confirming that the authorized representative has the authority to bind the applicant for all purposes in the award;
 - (c) Its application document (as detailed in Section 6); and
 - (d) a bank guarantee for the Guaranteed Amount of SAR 4,500,000 valid until July 2022.
- 7.5. The submission must reach CITC by the Application Date, which, unless otherwise announced by CITC, is 10:00 am on 19 May 2022. A single completed application should be printed on single-sided A4 paper and placed inside a sealed envelope. The envelope should be:
- (a) Marked as follows:

APPLICATION TO PARTICIPATE IN THE AWARD OF THE 450 MHZ
RADIO LICENSE FOR SPECIALIZED NETWORKS
 - (b) Hand delivered to:

Communications and Information Technology Commission
Procurement Department, 6th Floor
Al Imam Saud Ibn Abdul Aziz Rd. and Prince Turki Ibn Abdul Aziz Al
Awwal Rd. Intersection
P.O. Box 75606, Riyadh 11588
Tel. +966-11-461-8000
- 7.6. CITC will review each application to determine if the applicant:
- (a) has provided the required information; and

(b) has made any mistakes or provided unclear information in completing the documents.

7.7. If CITC identifies any errors, omissions or ambiguities in the documents submitted by an eligible applicant, and CITC considers that these were not deliberate, CITC may, at its sole discretion, notify the applicant regarding the relevant issue(s), and provide it with an opportunity to correct its application. The time period granted to an applicant for correcting an application will not normally be more than 48 hours.

Signed Declaration

7.8. As part of the application document, each applicant is required to submit a signed declaration stating that:

- 1) The signatories have read and understood the terms of the license to be granted under the Award of the 450 MHz Radio License for Specialized Networks Information Memorandum (the “Information Memorandum”) and the Telecom Act issued under the Council of Ministers resolution No. 74 dated 5/3/1422H (the “Act”);
- 2) The signatories have read and understood the rules and procedures for the award as set out in the Information Memorandum;
- 3) The applicant has the legal authority to participate in the award process and meets the conditions set out in Paragraph 7.2. Where necessary, the applicant should provide supporting evidence that demonstrate that it meets these conditions;
- 4) The signatories are not aware of any association with any other applicant and are not aware of any ownership or financial interest in another applicant in the award process;

- 5) The applicant has and will ensure that it discloses confidential information only to the extent that is necessary and expressly permitted by the Information Memorandum to members within the applicant's own bidding group; and
- 6) The applicant warrants not to engage in any action that could be deemed collusion or is otherwise detrimental to CITC's ability to run an effective award process.

7.9. With respect to part (4) of Paragraph 7.8, it is the understanding of the CITC that all companies holding a Facilities-based Unified Telecommunications License are acting independently and have no material ownership or other associations which could affect their independence with regards to the award process. If any party has any reason to believe that this is not the case, it must declare relevant information at the time of application if applicable or otherwise report their concerns immediately to CITC.

7.10. Any applicant is obliged to refrain from taking any action that could result in it becoming associated with another applicant until after the completion of the award process. Failure to comply with this warranty may result in the exclusion from the award process of all such parties and forfeiture of their bank guarantees. For the avoidance of doubt, CITC reserves the right to review spectrum holdings following any future mergers, acquisitions, or arrangements between spectrum holders if such developments raise competition concerns. Addressing such competition issues may require license holders to divest spectrum; the allocation and assignment outcomes of this award process shall not constrain CITC's legal powers in this regard.

7.11. With respect to parts (5) and (6) of Paragraph 7.8, it is the responsibility of each applicant to ensure that their representatives do not breach these warranties at any time before or during the award process. Failure to comply with these warranties may lead to an applicant being excluded from further participation in the award process and/or forfeiting their deposit (bank guarantee). CITC

reserves the right to take further measures against any party that engages in behavior that is detrimental to CITC's ability to run an effective award process.

8. QUALIFICATION STAGE

- 8.1. In the Qualification Stage, the CITC completes the review of applications to determine which applications qualify for further consideration in the Allocation Stage.
- 8.2. CITC will review each signed declaration, application document (including amended application documents if applicable) and bank guarantee, together with any other documents that CITC may deem relevant to the process, to determine if the eligible applicant:
 - (a) has provided all required information in the correct format;
 - (b) has submitted a bank guarantee not less than the Guaranteed Amount valid until July 2022;
 - (c) meets the minimum criteria to participate in the award process; and
 - (d) CITC is satisfied that based on the information provided in the application document, the applicant will be able to meet the Minimum Requirements set out in Section 6 as well as any Further Commitments made by the applicant in its application document.
- 8.3. If an eligible applicant fulfils all four criteria in Paragraph 8.2, it will be designated as a qualified applicant and its application will be considered further in the Allocation Stage.
- 8.4. If an eligible applicant fails to fulfil one or more of the criteria in Paragraph 8.2, its application will be rejected, and it will not be qualified. Its application will not be considered in the Allocation Stage. CITC will inform rejected applicants of its decision in writing. Rejected applicants who do not become qualified applicants will have their bank guarantees returned.

9. ALLOCATION STAGE

- 9.1. The purpose of the Allocation Stage is to score each qualified application based on further commitments made in the submitted documents. The application receiving the highest overall score will be declared the winning application.

Scoring criteria and determination of points for each criterion

- 9.2. Each bid will be scored based on four criteria, as set out in Section 6E. The four criteria are:
- (a) Score A: Maximum fees for standardized connection types
 - (b) Score B: Additional coverage
 - (c) Score C: Investment in network infrastructure
 - (d) Score D: Quality of Consortium Members and Users
- 9.3. The following sub-sections provide detail on the calculation of each score and the final aggregation to an Overall Score.

Score A: Maximum fees for standardized connection types

- 9.4. For each qualified application, CITC will develop a price index based on the maximum fees in the Further Commitments (see Paragraph 6.29). The price index is determined as the sum of the following:
- (a) Maximum initial fee for Voice I
 - (b) Four times the maximum annual fee for Voice I
 - (c) Maximum initial fee for Voice II
 - (d) Four times the maximum annual fee for Voice II
 - (e) Maximum initial fee for Data I

(f) Four times the maximum annual fee for Data I

(g) Maximum initial fee for Data II

(h) Four times the maximum annual fee for Data II.

- 9.5. CITC then determines Score A for each qualified application as the ratio of the minimum price index among all qualified applications and the price index for the relevant qualified application:

$$\text{Score A for qualified application } i = \frac{\min\{\text{price index among qualified applications}\}}{\text{price index of application } i}$$

Score B: Additional coverage

- 9.6. The additional coverage commitments (ACI and ACII as specified in Paragraph 6.35) will be aggregated to a coverage index. The coverage index is determined as the sum of the following areas in km²:

(a) 30% * AC I

(b) 70% * AC II

- 9.7. CITC then determines Score B for each qualified application as the ratio of the coverage index for the relevant qualified application and the maximum coverage index among all qualified applications:

$$\text{Score B for qualified application } i = \frac{\text{coverage index of application } i}{\max\{\text{coverage index among qualified applications}\}}$$

Score C: Investment in network infrastructure

- 9.8. CITC determines Score C for each qualified application as the ratio of the Investment Commitment in the relevant qualified application and the maximum Investment Commitment among all qualified applications:

$$\text{Score C for qual. application } i = \frac{\text{Number of base stations in application } i}{\max\{\text{Number of base stations among qual. applications}\}}$$

Score D: Quality of Consortium Members and Users

9.9. CITC determines Score D for a qualified application based on a two-phased approach. The applicant will first be placed within a Main Scoring Block, which determines the rough point allocation.

TABLE 6: MAIN SCORING BLOCK

% Points	Level of user and member participation
0	No evidence of interaction with users and no user consortium members
10% - 30%	Limited engagement with users and / or a single consortium member who is a small user
40% - 70%	More substantial engagement and / or multiple or larger consortium members that are users
80% - 100%	Extensive engagement with users and multiple consortium members that are users

9.10. In a second stage, all required submissions (see section 6.4) regarding user and consortium members will be analyzed with regards to more detailed criteria. These will decide the finer distinction between applications and the exact point allocation for Score D.

Aggregation to an Overall Score

9.11. The four criteria are aggregated to an Overall Score using the weights set out in Table 7.

TABLE 7: SCORING CRITERIA WEIGHTS

Further commitments	Weight
Score A: Price caps for a basket of standardized connection types	45%
Score B: Area coverage	25%
Score C: Investment in network structure	20%
Score D: Quality of Consortium Members and Users	10%

Determination of Winning Applicant & Resolving Tie breaks

- 9.12. The qualified application with the highest Overall Score will be declared the Winning Application.
- 9.13. In the unlikely event that multiple qualified applications tie, the choice of winning applicant falls to CITC.

Non-compliance with the license conditions (including the Minimum Requirements and Further Commitments)

- 9.14. CITC will assess whether the network provider is honoring the Minimum Requirements as well as its Further Commitments. CITC will issue a warning and request for more information if it believes that they are not fully complied with. CITC may issue a notification to rectify any non-compliance within a reasonable timeframe and to provide quarterly update reports. If the network provider fails to comply with the requirements within the timeframe specified

by CITC, CITC reserves the right to impose a financial penalty. The penalty amount will be proportionate to the infraction and, in any case, will not exceed the annual license fee of SAR 9m.

- 9.15. In case of repeated or particularly serious infractions, CITC reserves the right to revoke the license.

10. GRANT STAGE

- 10.1. In the Grant Stage, CITC will issue a new Radio License based on the outcome of the Allocation Stage.

Announcement of award outcome

- 10.2. Following the conclusion of the Allocation Stage, the CITC will publish the results of the award, including:
- (a) the identity of the winning applicant;
 - (b) the spectrum assigned to the winning applicant; and
 - (c) the Annual License Fee.
- 10.3. CITC will issue a formal notification to each applicant of the results of the award process.

Release of bank guarantees

- 10.4. The bank guarantee(s) submitted during the application stage (less any penalties if applicable) shall be released to the applicants as follows:
- (a) to unsuccessful applicants: after the conclusion of the Allocation Stage;
 - (b) to the winning applicant: after the grant of the license.

Grant of licenses

- 10.5. The winning applicant shall be issued the 450 MHz Radio License on or before 31 December 2022.

11. TIMETABLE

- 11.1. The timetable in Table 8 is indicative only of the expected timing of certain key milestones and events prior to, during and after the award process.
- 11.2. Please note that CITC may at any time change any of the times or dates and/or shorten or extend the time periods set out in this Information Memorandum upon giving at least twenty-four (24) hours' notice, save in emergency situations where such changes may be made without notice.

TABLE 8: INDICATIVE TIMETABLE FOR KEY MILESTONES AND EVENTS

Milestones / Events	Date / Time
Publication of Information Memorandum	24 February 2022
Closing Date Comments on Information Memorandum	24 March 2022
Publication of Final Information Memorandum	19 April 2022
Application Deadline	19 May 2022
Announcement of Allocation Stage results	2 June 2022
Formal notification to each applicant of the results of the award process	9 June 2022

ANNEX 1: RADIO LICENSE

License Number: _____

DRAFT Radio License for Facilities-Based Unified Telecommunications Services Licensees

Issued to:

Company/Establishment: _____

Phone: _____ Fax: _____ Box: _____

Postcode: _____

The Communications and Information Technology Commission (CITC) acting in pursuance of Article 12 of the Telecom Act and Articles 17, 79-82 of Telecommunications Act Bylaws, hereby issues this Radio License to

----- (Licensee's name) -----

(Licensee's Commercial Registration Number) to use frequency spectrum, subject to provisions of Telecom Act and its Bylaws pertaining to use of radio frequency spectrum, CITC Statutes, the conditions of this License and its Annexes.

The Governor

CITC

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Radio License for Facilities-Based Unified Telecommunications Services Licensees (RL)

General Conditions

Article 1: Definitions

1. The terms and expressions defined in the Telecommunications Act, the Ordinance and the Bylaw shall have the same meanings when used in this Radio License.
2. “Licensed Frequency Spectrum” means the frequency spectrum assigned to the Licensee as listed in Annexes of this Radio License.

Article 2: Use of Licensed Frequency Spectrum

1. The Licensee may use Licensed Frequency Spectrum for the sole purposes specified for each Licensed Frequency Spectrum assignment as shown in Annex 1.
2. The Licensee’s use of the Licensed Frequency Spectrum shall be subject to any applicable provisions of the Telecommunications Act, the Bylaws, statutes and CITC decisions and must also be consistent with:
 - 2.1 The National Frequency Spectrum Plan and
 - 2.2 The Frequency Spectrum Management Policies and Procedures.
3. Any Licensed Frequency Spectrum assignment in Annexes of this Radio License may be amended, revoked, and any associated obligations may be amended at any time during the term of the relevant assignment or where the CITC believes such action will improve spectrum efficiency in the KSA or for other reasons including international spectrum coordination.
4. Revocation/amendment will only occur after the CITC has consulted with the Licensee and has provided the Licensee with justification for the required changes. The notice

period for such change shall be determined by the Commission taking note of the prevailing circumstances.

Article 3: Technology Migration and Spectrum Use Efficiency

1. The Licensee shall inform the Commission of the radio communications technology (radio standard) deployed in the licensed frequency spectrum and any intention to materially change that technology.
2. In case Licensee intends to change the radio communications technology, the Commission may require the Licensee to undertake actions to mitigate any adverse effects arising out of any such change, and any resulting costs shall be borne by the Licensee.
3. The Commission may require the Licensee to migrate the radio communication technology or the technical conditions of its usage (e.g., channel plan, type of emissions, etc.) for the reason of ensuring most efficient use of Licensed Frequency Spectrum assignment, and any resulting costs shall be borne by the Licensee unless alternative arrangements are explicitly specified by the Commission.

Article 4: License Term

This Radio License shall remain valid for as long as the Licensee holds a valid [Facilities Based Unified License]. Individual Licensed Frequency Spectrum assignments shall remain valid for the duration specified in relevant Annex.

Article 5: Geographic Coverage

The Licensee may use the Licensed Frequency Spectrum subject to geographic coverage rights and obligations as specified for each Licensed Frequency Spectrum assignment in relevant Annex.

Article 6: Amendment of License

This Radio License is subject to amendment in accordance with Commission statutes.

Article 7: Spectrum Use Fees Payable by Licensee

1. The Licensee shall pay to the Commission the fees for using Licensed Frequency Spectrum assignments as specified in relevant Annex of this Radio License. These spectrum usage fees may be amended from time to time.
2. The Commission shall determine and inform the Licensee of the method of issuance of invoices and payment with which the Licensee shall comply.
3. Payment shall be due immediately upon issuance of the invoice and shall be paid within one month of the invoice issuance date.

ANNEX 1 [to Radio License]

Licensed Frequency Spectrum

[The following details shall be completed separately for each Licensed Frequency Spectrum assignment for the Licensed Unified service provider

Additional separate annexes will be used for additional/service specific assignments]

CITC Frequency Spectrum Assignment Reference: [Number] _____

Assigned Channels	Radio Frequency Use Parameters	Geographic Coverage	Licensed Service	Obligations and Conditions	Expiry Date of Frequency Assignment	Annual Spectrum Use Fees

[The above information should be completed separately for each individual assignment]

ANNEX 2: DECLARATION

An applicant must complete, in full, this form and submit it to CITC by 19 May 2022 (the “Application Date”) for consideration. Any additional documentation required to be supplied by the applicant must be appended to this declaration.

THE APPLICANT

Name of applicant:

Address of applicant:

AUTHORIZED REPRESENTATIVE

Each applicant must provide contact information for an authorized representative that will be the main point of contact for CITC. All materials associated with the award, including confidential information will be sent to the authorized representative. The authorized representative has authority to bind the applicant for all purposes in the award.

Authorized representative

Name of authorized representative

Position of authorized representative

Telephone of authorized representative _____

E-mail of authorized representative _____

The applicant hereby acknowledges that all communication given by CITC shall be sent by e-mail to the e-mail address of the authorized representative provided above. All communication shall be deemed received by the applicant at the time of transmission. The authorized representative must remain contactable at all times.

ALTERNATIVE REPRESENTATIVES

In addition to the authorized representative, an applicant may, but is not required to, name up to three (3) alternate representatives.

Alternate representative 1

Name of alternate representative 1 _____

Position of alternate representative 1 _____

Telephone of alternate representative 1 _____

E-mail of alternate representative 1 _____

Alternate representative 2

Name of alternate representative 2 _____

Position of alternate representative 2 _____

Telephone of alternate representative 2 _____

E-mail of alternate representative 2 _____

Alternate representative 3

Name of alternate representative 3 _____

Position of alternate representative 3 _____

Telephone of alternate representative 3 _____

E-mail of alternate representative 3 _____

The alternate representatives will be contacted, in order of their listing, in the case that the authorized representative, for whatever reason, is not immediately contactable. However, they will not be deemed to have the authority to bind the applicant for all purposes in the award.

APPLICANT DECLARATION

We, the undersigned, being the authorized representative(s) of _____ (the “applicant”) hereby declare that all information provided in, or in support of, the application is to the best of the knowledge and belief of the applicant true, accurate, and complete. We hereby warrant to the Communications and Information Technology Commission of Saudi Arabia (the “CITC”) that:

- 1) The undersigned have read and understood the terms of the license to be granted under the Award of the 450 MHz Radio License for Specialized Networks Information Memorandum (the “Information Memorandum”) and the Telecom Act issued under the Council of Ministers resolution No. 74 dated 5/3/1422H (the “Act”).
- 2) The undersigned have read and understood the rules and procedures for the award as set out in the Information Memorandum.
- 3) The applicant has the legal authority to participate in the award process and meets the conditions set out in Paragraph 7.2 of the Information Memorandum.
- 4) The applicant is not associated with any other applicant or has any ownership or financial interest in another applicant in the award process.
- 5) The applicant has and will ensure that the applicant discloses confidential information only to the extent it is necessary and expressly permitted by the Information Memorandum to members within the applicant’s own bidding group.
- 6) The applicant warrants not to engage in any action that could be deemed collusion or is otherwise detrimental to CITC’s ability to run an effective award process.

Signature of authorized representative

for and on behalf of the applicant: _____

Name of authorized representative: _____

Date: _____

Any additional documentation required to be supplied by the applicant must be appended to this declaration.



هيئة الاتصالات وتقنية المعلومات
Communications & Information
Technology Commission

