



**T R A N S P A R E N C Y
I N T E R N A T I O N A L - P A K I S T A N**

28th January 2013

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Defence Housing Authority, Karachi.
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Senator Farooq H. Naek,
Federal Minister Law & Justice,
Government of Pakistan,
Block F,
Government Secretariat,
Islamabad

Sub: Delay in Auction of 3G spectrum license is due to Privatization Commission

Dear Sir,

In order to vet/amend the Request for Proposals for the appointment of Consultants for 3G License for PTA, on 26th December 2012, TIP sent a letter to the Federal Secretary, Ministry of Privatization to provide copies of Sale Purchase Agreement SPA dated 30th June 2005 the Shareholders Agreement (SHA) if any, and the revised agreement was signed in 2006 of the PTCL awarded to M/s Etisalat.

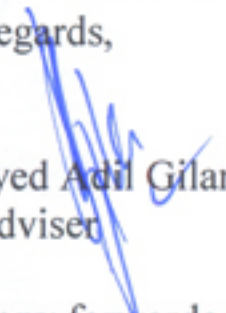
After almost one month of delay, Ministry of Privatization on 22nd January 2013 has informed TIP that they have sought the advice of Minister Law & Justice whether the required documents may be given to TIP or Not. (enclosed).

In our meeting held on 22 January 2013 at your office, in your presence Dr. Hafeez Shaikh asked TIP to expedite the 3 G Auction, and I had informed him that PTA as well as Ministry of Privatization are deliberately delaying the auction by not providing the required documents which are to be examined for vetting the RFP.

As there are reported efforts by M/s Etisalat to avoid payment of US \$ 800 million GoP dues since last 8 years, and also claim restrictions on GoP to sell 2G, 3G and 4G spectrum licenses, study of the agreements between GoP and Etisalat is essential. According to default of M/s Etisalat in paying outstanding dues of US \$ 800 million, the law of land requires this company to be barred from participating in the auction process.

Kindly respond to Ministry of Privatization to provide the documents to TIP so that we can proceed to finalize RFP for 3G Consultants.

Regards,


Syed Adil Gilani
Adviser

Copy forwarded for the information of;

1. Minister of Finance, Islamabad.
2. Chairman, PTA, Islamabad



Government of Pakistan
Ministry of Privatisation
(Privatisation Commission)

Director General

Islamabad, the 22nd January, 2013

Subject: Delay in Auction of 3G is due to Privatisation Commission

Reference your letter No: nil dated 09th January 2013 on the subject mentioned above.

2. The Privatisation Commission under the Privatisation Commission (Confidentiality and Secrecy of Documents) Regulations 2003 and certain clause of the Share Purchase Agreement (SPA), has sought the advice of the Ministry of Law & Justice vide its letter dated 17th January 2013 for provision of the required documents to Transparency International, Pakistan.

3. Necessary action shall be taken upon receipt of reply from Ministry of Law & Justice.

Yours sincerely,

(Engr. Khurram Bhatti)
Director (P & C)
Phone # 051 - 9201955

✓ Mr. Syed Adil Gillani
Advisor
Transparency International Pakistan
5-C, 2nd Floor, Khayaban-e-Ittehad
DHA Phase VII
Karachi

CC:

1. Chairman Public Accounts Committee, Islamabad
2. Chairman NAB, Islamabad
3. Minister of Finance, Islamabad
4. Secretary Law & Justice Division, Islamabad
5. Registrar, Supreme Court, Islamabad
6. MD PPRA, Islamabad