



TRANSPARENCY INTERNATIONAL-PAKISTAN

9th January 2013

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Mr. Farooq Awan
Chairman PTA
Pakistan Telecommunication Authority,
Head Office,
F/5-1,
Islamabad

Mr. Amjad Ali Khan,
Federal Secretary, Ministry of Privatisation,
Government of Pakistan
(Privatisation Commission)
5-A, Constitution Avenue,
Islamabad.

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

Dear Sirs,

Fourteen days have passed since TIP vide its letter dated 26 December 2012, addressed to the Privatisation Commission and copied to PTA and others, and PC has failed to provide the requested copies of Sale Purchase Agreement SPA dated 30th June 2005 the Shareholders Agreement (SHA) if any, and the revised agreement was signed in 2006.

TIP has been requested by PTA to examine tender evaluation criteria, and vet tender documents for selection of Consultants and make comments on the 3G Auction procedures and make it transparent.

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.

It seems strange that Pakistan Telecommunication Authority, which is a regulatory authority for PTCL and Ufone, is regulating these two companies without having of its Sale Purchase Agreement SPA dated 30th June 2005 the Shareholders Agreement (SHA) and revised agreement signed in 2006.

TIP again request the Secretary Privatisation Commission as well as Chairman PTA to kindly mail provide TIP with the copies Sale Purchase Agreement SPA dated 30th June 2005 the Shareholders Agreement, and the revised agreement was signed in 2006, as the delay is causing losses to exchequer of billions of rupees in revenue. .

Regards,


Syed Adil Gilani
Adviser

Copy forwarded for the information of;

1. Chairman, Public Accounts Committee, Islamabad.
2. Chairman, NAB, Islamabad,
3. Minister of Finance, Islamabad.
4. Registrar, Supreme Court, Islamabad
5. MD, PPRA, Islamabad