

**GOVERNMENT OF PAKISTAN  
MINISTRY OF INFORMATION TECHNOLOGY  
(IT & TELECOM DIVISION)**

\*\*\*\*\*

No. 2-4/2018-DT

Islamabad, the 29<sup>th</sup> May 2019

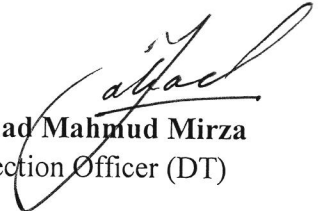
Subject: - **POLICY DIRECTIVE UNDER SECTION 8(2) OF THE PAKISTAN  
TELECOMMUNICATIONS (RE-ORGANIZATION) ACT 1996 FOR  
RENEWAL OF CELLULAR MOBILE LICENSES IN 2019**

In exercise of powers conferred under section 8(2) read with section 22 (3) of the Pakistan Telecommunication (Re-organization) Act 1996 and in view of the requirement set by Telecom Policy 2015 and as per provisions of the Cellular Mobile Licenses issued/renewed in 2004 i.e. to have a specific Policy of the Federal Government for renewal of Cellular Mobile Licenses of Pakistan Mobile Communications Limited (ex Warid/Jazz), Telenor Pakistan Limited (Telenor) and China Mobile Pakistan (CMPak/Zong) due for renewal on 25<sup>th</sup> May 2019 and 22<sup>nd</sup> October of 2019 respectively, the Federal Government, is pleased to issue the following directives for compliance by Pakistan Telecommunication Authority (PTA) and Frequency Allocation Board (Board):

- i. The renewal price for the right to use frequency spectrum included in the licenses being renewed shall be in accordance with per MHz price benchmarks from frequency spectrum auctions of 2016 and 2017 i.e. per MHz price for frequency spectrum in 900 MHz and 1800 MHz shall be USD 39.5 Million and USD 29.5 Million, respectively.
- ii. The tenure of the renewed licenses shall continue to be 15 years.
- iii. Payment terms shall be 100% upfront or 50% upfront with remaining 50% on five equal annual installments on LIBOR+3%.
- iv. The renewal fee shall be paid in US Dollars with the option to pay in Pak Rupee, which will be calculated at the market exchange rate applicable at the time of payment, as per precedence of earlier cellular licenses issuance/renewals
- v. The licenses renewed under this policy directive shall be technology neutral in line with existing GoP policies.
- vi. Provisions for Spectrum Trading/Sharing as per the approved regulatory framework for such sharing/trading will be incorporated in the renewed licenses by PTA.
- vii. Terms and conditions relating to coverage, enhanced Quality of Service (QoS), etc. under the renewed licenses, shall be incorporated by PTA in line with Telecom Policy 2015 and as per applicable regulatory practices.
- viii. Frequency Allocation Board ("Board") will provide options in lieu of cross-border interfered spectrum to CMPak in 900 MHz band included in its current

license. In case of non-acceptance of proposed options, renewal of CMPak license and its associated spectrum (2x 13.6 MHz) shall be dealt in accordance with S. No. 4(v) of 42<sup>nd</sup> Board's meeting decision (i.e. without any compensation in terms of additional frequency assignments).

- ix. The payment (100% or 50% upfront as the case maybe) shall be due on 25th June, 2019. In case, the spectrum is utilized till 25th June 2019 and requisite payment is not made, the proportionate amount shall be charged, for the said period, in addition to any legal action as per the Act, Rules, Policy, etc.

  
**Fahad Mahmud Mirza**  
Section Officer (DT)

• **The Chairman,**

Pakistan Telecommunications Authority (PTA), Islamabad.

**Vice Chairman,**

Frequency Allocation Board (FAB), Islamabad.

Copy to:

1. Secretary to the Prime Minister, PM's Office, Islamabad.
2. The Secretary Cabinet, Cabinet Secretariat, Islamabad.
3. The Secretary Information Technology and Telecom, Islamabad.