



Government of Pakistan  
PAKISTAN TELECOMMUNICATION AUTHORITY  
HEADQUARTERS, F-5/1, ISLAMABAD

**Order of the Pakistan Telecommunication Authority in case of CMPak application(s) for grant of Long Distance and International and Local Loop licenses for Azad Jammu & Kahsmir and Gilgit Baltistan**

No. PTA/Lic-WrL/LDI/1448/2020/708

Application for LDI /LL licenses: 8<sup>th</sup> May, 2020  
Venue of Hearing: PTA HQs, Islamabad  
Date of Hearing: 26<sup>th</sup> July, 2023

**Authority present in hearing:**

Maj. Gen. Hafeez Ur Rehman (R):	Chairman
Dr. Khawar Siddique Khokhar:	Member (Compliance & Enforcement)
Muhammad Naveed:	Member (Finance)

**Issue:**

**“CMPak’s applications dated 8<sup>th</sup> May, 2020 for grant of LDI and FLL licenses for AJ&K and GB - (TR-1 Mirpur, TR-2 Muzaffarabad and TR-3 Gilgit Baltistan)”**

1. Precisely stated facts of the Case are that the CMPak LDI (the “**applicant**”) filed (04) applications dated 8<sup>th</sup> May, 2020 before the Pakistan Telecommunication Authority (the “**Authority**”) for Long Distance & International (LDI) and Fixed Local Loop (FLL) licenses for AJ&K and GB. In accordance with the requirements as provided in the check list available on PTA website, all documents were analyzed / evaluated by the Authority. However, since two directors were foreigner(s) therefore, the matter was processed for security clearance and letter dated 10<sup>th</sup> January, 2022 was sent to Ministry of Interior. Due to non-receipt of security clearance yet from the concerned quarter, the licenses were not granted. The applicant being aggrieved from non-grant of license filed a Writ Petition No. 212 of 2022 before the Honorable High Court of Azad Jammu & Kashmir, Muzaffarabad. The Honorable High Court vide order dated 12<sup>th</sup> June, 2023 disposed off the said petition in the following manner:

“... The request of learned counsel for the petitioner seems to genuine, therefore, the respondents are hereby directed to decide the application of the petitioner, if pending in accordance with law through a speaking order after hearing the learned counsel for the parties within a period of one month after receipt of this instant order.”

2. In respectful compliance of the court order, the matter was fixed for hearing on 26<sup>th</sup> July, 2023. Mr. Sami Advisor Regulatory, Mian Ahmed Ibrahim Director Law/Company Secretary and Mr. Shahid Director Regulatory attended the hearing on the said date. The representative appeared on behalf of the applicant contented the same as stated in the petition. For ready reference crux of

contention of the application received through written submission dated 26<sup>th</sup> July, 2023 is given below:

- i. The applicant provided all documentation, information and clarity as required by the PTA for fulfillment of all codal formalities, the application remained pending with PTA. The application in question was submitted on 8<sup>th</sup> May, 2020 and now been pending for over 3 years. The inordinate delay violates PTA's own regulatory framework.
- ii. Under section 5 and 6 of the Act, applications have to be disposed of expeditiously. Moreover rule 5(4) of the Telecommunication Rules, 2000 provides for a period of 120 day(s) timeframe within which the Authority must communicate the status of the application for a license. Similarly, regulation 13 (6) of the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 stipulates that decision on application for a license must be given within 120 days of receipt of applications.
- iii. The Authority has neglected to observe/ adhere to the requirements and procedure envisaged in the Act and rules and regulations made thereunder. The applicant has furnished all relevant information that was required by PTA for the processing of the application.
- iv. That PTA in its letter dated 10<sup>th</sup> January, 2022 has requested Ministry of Interior to initiate/ process the security clearance for CMPak LDI's directors, who are foreign nationals. It is pertinent to note that there is no such requirement within the Act, the Rules, the Regulations or any other legislation for that matter. The requirement of conducting a security clearance is presumably part of PTA's internal SOPs, however, and SOP cannot override the law and impose conditions which are not envisaged in the law.
- v. It is pertinent to mention here that one of the directors of CMPak LDI whose name has been forwarded for security clearance is the CEO of CMPak Limited, Mr. Wang Hua. It is beyond all logic to stall application approval process on this pretext when, the gentleman has served as CEO of the second largest telecom operator in Pakistan for the last 4 years.
- vi. The other director Mr. Li Wenyu was the CFO of the CMPak Limited for 4 years and also remained CEO of CMPak Electronic Commerce Company Limited having an EMI license from State Bank of Pakistan.
- vii. The issue of security clearance is neither a requirement of law nor any framework. Further the principal officer of CMPak is a local citizen and hence no security clearance is necessitated.

3. Matter heard and record perused. After careful examination of record, it has been observed that information in accordance with check list for grant of license has been provided by the applicant. Upon receipt of information and examination thereon, the Authority has to grant licenses to the applicant after fulfillment of all codal formalities. However, since there are some foreign directors therefore, in accordance with the rule 4 (4) of the Pakistan Telecommunication Rules, 2000, the matter has been referred to Ministry of Interior for security clearance under intimation to the applicant. Thus based upon security clearance and fulfillment of all other codal formalities, licenses will be granted to the applicant.

4. With regard to fulfillment of all pre-requisites in the instant matter, it is clarified that the applicant has requested for licenses for AJ&K and GB which were processed in accordance with applicable regulatory framework for the said jurisdictions. The requirements provided in the check list for grant of licenses for Pakistan and AJ&K and GB are considered, treated and processed separately and as per check list all applicants are required to provide requisite information.

5. Since applicant has applied for licenses for the territories of AJ&K and GB, a separate jurisdiction, therefore, all codal formalities including security clearance would have to be carried out as per procedure in vogue. Accordingly, the matter was processed and referred to the Ministry of Interior with multiple reminders, however, security clearance has yet not been received. More so, in the light of court order, the matter was again referred with a request for security clearance at the earliest, but clearance is still awaited.

6. Though with regard to regulatory requirements, the applicant has provided all requisite information from technical and financial perspective for grant of licenses for LDI and LL in AJ&K however, security clearance of the foreign directors has yet not been received, thus licenses will be granted accordingly, after fulfilment of all codal formalities. Accordingly, the matter is hereby disposed off.

**Maj. Gen. Hafeez Ur Rehman (R)**  
Chairman

**Muhammad Naveed**  
Member (Finance)

**Dr. Knawar Siddique Khokhar**  
Member (Compliance & Enforcement)

Signed on 20 day of November, 2023 and comprised (03) pages only.