PART II

Statutory Notifications (S.R.O.)

PAKISTAN TELECOMMUNICATION AUTHORITY

NOTIFICATION

Islamabad, the 18th January, 2021

S. R. O. 764(I)/2021.—In exercise of the powers conferred by Clause (o) of sub-section (2) of Section 5 of the Pakistan Telecommunication (Re-organization) Act, 1996 (XVII of 1996), the Pakistan Telecommunication Authority is pleased to make the following regulations, namely:

1. **Short title and commencement.**—(1) These regulations shall be called “Pakistan Telecommunication Authority (Functions & Powers) (Amendment) Regulations, 2021”.

   (2) These regulations shall come into force from the date of gazette notification.

2. **Amendment in Regulations 21, S.R.O. No. 1015(I)/2008 of 2008.**—In the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 at page 3810 of S.R.O 1015(1)/2008 of 2008, sub-regulation (5) of regulation 21 shall be substituted and read as follows:

   (1229)

   Price: Rs. 6.00

[141 (2021)/Ex. Gaz.]
“(5) If a substantial ownership interest in, or control of, a licensee is proposed to be changed, the licensee shall give the Authority notice of such fact in writing. That written notice shall include all relevant details of the proposed change. If the Authority is of opinion, that change may adversely affect the ability of the licensee to provide its licensed telecommunication services, it may impose such additional conditions in the license as shall be reasonable and directly relevant to the proposed change.”

Provided that the Authority shall process the notification of the licensee subject to provision of complete and satisfactory details of the proposed transaction including but not limited to the following:

(a) Conditions deemed appropriate by the Authority to protect the interests of the consumers using the licensee’s telecommunication services and other licensees affected by the proposed change; and

(b) Proof of deposit/clearance of outstanding dues of PTA and the Government of Pakistan.

Explanation.—For the purpose of sub-regulation (1) to (5) of regulation 21:

(i) “Control” means the ability to direct the exercise, whether directly or indirectly and whether through one or more entities, of more than fifty percent of the voting rights exercisable at any general meeting of the shareholders of the licensee;

(ii) “Substantial Ownership Interest” means more than ten percent of the issued share capital of the licensee;

(iii) “Transferred” means the relinquishment of all the rights, obligations, titles and interests to the license;

(iv) “Assignment” means to transfer of rights to another; and

(v) “Sub-licensing” means a subordinate license granted to another by one already having a license.

3. Amendment in Regulations 22, S.R.O. No. 315(I)/2007 of 2007.—In the Pakistan Telecommunication Authority (Functions & Powers) Regulations, 2006 at page 1255 of S.R.O 315(I)/2007 of 2007, regulation 22 shall be substituted and read as follows:

“22. Notification of Mergers.—(1) Subject to policy of the Federal Government issued from to time, a licensee shall give prior written notice to the
Authority of any proposed merger of its business or part of its business, in respect of which it has been granted a license and assigned radio frequency spectrum.

(2) The Authority shall give its decision on the proposed merger in terms of technical aspects and if the Authority is of opinion, that change shall adversely affect the ability of the licensee to provide its licensed telecommunication services, it may impose such additional conditions in the license as shall be reasonable and directly relevant to the proposed change:

Provided that a merger may not be issued a clearance certificate by the Authority where it determines that overriding technical reasons or matters relating to the national interest have a direct impact on the proposed merger.

(3) Subject to sub-regulation (1), the spectrum rights and obligation under the licenses will be transferable to the merged licensee for which the Authority shall intimate the Board regarding the transfer of radio frequency spectrum to the merged entity.

Provided that the Authority shall process the notification of the licensee subject to provision of complete and satisfactory details of the proposed merger including but not limited to the following:

(a) Conditions deemed appropriate by the Authority to protect the interests of the consumers using the licensee’s telecommunication services and other licensees affected by the proposed merger; and

(b) Proof of deposit/clearance of outstanding dues of PTA and the Government of Pakistan”

[No. PTA/L&R/F&P/1775/2020/232.]

ERUM LATIF,
Director (Law & Regulations).