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For Immediate Release

CHAIRMAN PAI ANNOUNCES OPPOSITION TO CHINA MOBILE APPLICATION TO PROVIDE TELECOM SERVICES

China Mobile Application Raises Substantial National Security and Law Enforcement Risks

Commission Will Vote on Application at May Meeting

WASHINGTON, April 17, 2019—Federal Communications Commission Chairman Ajit Pai released the following statement regarding his opposition to China Mobile's application to provide telecommunications services in the United States. The Commission is scheduled to vote on an Order that would deny that application at its May Open Meeting:

"Safeguarding our communications networks is critical to our national security. After reviewing the evidence in this proceeding, including the input provided by other federal agencies, it is clear that China Mobile's application to provide telecommunications services in our country raises substantial and serious national security and law enforcement risks. Therefore, I do not believe that approving it would be in the public interest. I hope that my colleagues will join me in voting to reject China Mobile's application."

Background:

- China Mobile USA is a Delaware corporation that is indirectly and ultimately owned and controlled by the Chinese government. China Mobile USA is an indirect but wholly-owned subsidiary of China Mobile Limited, one of the largest telecommunications companies in the world.
- On Sept. 1, 2011, China Mobile filed an application requesting authority under Section 214 of the Act and Section 63.18 of the Commission's rules to provide international facilities-based and resale telecommunications services between the U.S. and foreign destinations.
- On July 2, 2018, after a lengthy review of the application and consultation with the U.S. intelligence community, the Executive Branch agencies recommended that the Commission deny China Mobile's application due to substantial national security and law enforcement risks that cannot be resolved through a voluntary mitigation agreement.
- The draft Order circulated by Chairman Pai to his colleagues would find that, based on the public record, China Mobile had not demonstrated that its application for international Section 214 authority is in the public interest. The draft Order would also find that China Mobile is vulnerable to exploitation, influence, and control by the Chinese government.

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