

MTN looks to cut 'excessive' licence fee in Benin

South African mobile phone giant MTN is in talks with Benin's telecoms regulator after its subsidiary was slapped with a bill of more than \$200m.



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The regulator (Arcep) wants MTN Benin to pay 134.4 billion CFA francs - the equivalent of \$213m - in frequency fees for 2016 and 2017. But the company has called the fees "excessive".

MTN Group spokeswoman Karen Byamugisha told AFP on Tuesday, 21 November, that talks were "on-going" to try to find an amicable solution to the issue of outstanding payments.

At the same time, Benin's interior ministry has ordered the head of MTN Benin Stephen Blewett to leave the country by Friday. The government accuses him of having conducted "activities detrimental to security and public order", without elaborating.

MTN has said Blewett, a South African national, would leave Benin by the end of the working week but contested the government's allegations. He had "discharged his duties as directed by MTN Group with the utmost integrity and in according with the laws of Benin", the company said in a statement. "MTN has taken note of the government's concerns, however refutes these allegations."

MTN has the largest mobile phone network in Benin with more than four million subscribers but its relations with the government have deteriorated in recent months. The company has been repeatedly criticised for the poor quality of its services, which in June last year saw it fined 492 million CFA francs.

The fine - the equivalent of 0.3% of its sales - was for "persistent failure to meet its obligations on standards of service", according to Arcep. MTN ran into difficulties in Benin's giant neighbour Nigeria, when it was fined \$5.2bn in December 2015 for failing to cut off 5.1-million unregistered SIM cards. Security was cited as being behind the move over fears Boko Haram Islamists were using unregistered SIMs to plan and execute attacks. The fine was later reduced.

Source: AFP

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