

# MTS Turkmen License Suspended

By [The Moscow Times](#)

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Mobile TeleSystems said Turkmen authorities would suspend its mobile license for one month due to what a source said could signal Turkmenistan's wish to amend the terms of the underlying agreement.

MTS, Russia's top mobile operator, said in a Thursday statement that the Turkmen Communications Ministry gave no reason for not providing a yearly extension to the 2005 agreement that underlies its right to work in Turkmenistan.

The license, due to expire on Feb. 1, 2012, will be suspended for one month from Dec. 21, MTS said.

"It may mean that the Turkmen authorities would like to change the terms of the agreement," said a source close to one of the parties involved.

The ministry was not immediately available to comment.

MTS said Turkmenistan accounted for about 2 percent of its total revenue and 2.7 percent of its operating income before depreciation and amortization in the first nine months of 2010.

"The company is currently considering all available options, including potential legal action, and shall vigorously defend its legal rights and investment interests," said MTS.

"MTS management is taking active steps to clarify the situation but no explanation, including in relation to the alleged breaches by MTS, has been given by either the government of Turkmenistan or its ministry of communications."

MTS, part of oil-to-telecoms conglomerate Sistema, generated nearly \$10 billion in 2009 sales.

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