

VimpelCom Set to Sell Its Algeria Unit

By [The Moscow Times](#)

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VimpelCom has agreed to sell a majority stake in its Algerian unit to the Algerian state subject to agreement on price, potentially ending an ownership dispute that has run for more than a year.

The operator bought the Algerian unit, Djazzy, last year as part of a \$6 billion deal to buy control of Egyptian telecoms group Orascom Telecom, but the transaction was clouded by uncertainty after Algeria said it wanted it nationalized.

VimpelCom said in a statement Monday that it had signed a Memorandum of Understanding with the Algerian government to explore the possible sale of Djazzy, subject to an acceptable price.

It added that the two sides were also looking at acquisition opportunities that would benefit both parties.

VimpelCom agreed to buy 51.7 percent of Orascom from Egyptian tycoon Naguib Sawiris

in 2011, a deal that expanded its horizons out of its Russian heartland and into Italy and North Africa as well as other emerging markets.

The deal was strongly opposed by VimpelCom Norwegian shareholder Telenor, which said the acquisition would saddle the group with too much debt and distract it from recovering market share in Russia.

The Algerian state said Sunday that it would acquire 51 percent of Djezzy from VimpelCom, but had yet to agree a fee. VimpelCom would stay on as operator of the business, according to Algeria's official news agency APS.

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