

# Uzbeks Might Revoke MTS License

By [The Moscow Times](#)

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Uzbekistan says cellular customers have complained about the service provided by the local affiliate of MTS.

ALMATY, Kazakhstan — State authorities in Uzbekistan said Monday that they might strip a Russian-owned mobile communications company of its operating license, citing poor quality of service.

The State Communications Inspectorate said it had received customer complaints about MTS-Uzbekistan.

The threat of losing its license adds to MTS-Uzbekistan's woes. The company is also facing government investigations over alleged fraud.

Local media have reported that company director Bekhzod Akhmedov fled the country pending investigation.

MTS-Uzbekistan is a subsidiary of Russia's largest mobile operator, Mobile TeleSystems, or

MTS, and serves 9.5 million customers. There was no immediate comment from the company.

Officials also said MTS-Uzbekistan did not have proper authorization to use the 48 cell phone towers that transmit its signals across the country.

Since independence, Uzbekistan has pursued an economic policy based largely on self-sufficiency, and investment conditions have proved discouraging to almost all but the largest companies.

Numerous foreign investors have reported experiences of harassment by state bodies and seizure of assets by business interests close to the ruling elite.

The local MTS subsidiary that operates MTS-Uzbekistan, Uzdunrobita, was formerly owned by Gulnara Karimova, the daughter of President Islam Karimov.

Karimova took control of Uzdunrobita around the late 1990s and sold it on to MTS in 2004 at what market watchers said was an above-market price.

Former Uzdunrobita business partner Sanjar Umarov claims that Karimova pushed him out of the company.

Umarov was jailed in 2005 on charges of tax evasion and embezzlement, but he was amnestied in 2009 and has since moved to the United States.

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