

MTS Case Harms Business With Uzbekistan

By [The Moscow Times](#)

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The Russian Chamber of Commerce has voiced its concerns about the actions of Uzbek authorities against cellular provider Mobile TeleSystems, which has been forced to write off \$1 billion.

"In our opinion, the measures undertaken by the law enforcement agencies of Uzbekistan do not facilitate the development of a favorable investment climate in the country or the enhancement of mutually beneficial business cooperation between Russian and Uzbek entrepreneurs," the presidium of the board of the chamber said in a statement, Interfax reported.

Starting in June, simultaneous unscheduled inspections were performed by more than 10 regulatory bodies in relation to MTS subsidiary Uzdunrobita, which is the largest mobile operator in Uzbekistan.

The Uzbek prosecutor's office sanctioned the seizure of original documents and property inventories, and arrests and mass interrogations of Uzdunrobita employees were carried out.

MTS sees "the intention of certain influential forces in Uzbekistan to take away the company's business in the country," a statement said.

According to MTS, over the last several years, similar scenarios of raids on businesses followed by the arrest of companies' managers and mass inspections have been played out in Uzbekistan.

It compiled a list that includes Wimm-Bill-Dann, Carlsberg, American telecom company MCT and production company Newmont Mining, India's Spentex Industries, Israel's Metal-Tech, Britain's Oxus Gold and Kazakhstan's United Cement Group.

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