

MTS Returning to Turkmenistan

By [The Moscow Times](#)

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The deal to return MTS to Ashgabat was agreed by Sistema owner Yevtushenkov and the Turkmen president.

Cellular operator Mobile TeleSystems says it is returning to the isolated Central Asian nation of Turkmenistan almost 1 1/2 years after its operations in the country were suspended.

Vladimir Yevtushenkov, billionaire chairman of the holding company that owns MTS, said in a statement broadcast on Turkmen state television Thursday that services would be resumed within three to six months.

A deal agreed Wednesday between Yevtushenkov and Turkmenistan's authoritarian President Gurbanguly Berdymukhammedov ends an acrimonious dispute that had tarnished the former Soviet nation's image among international investors.

The mobile-phone sector in Turkmenistan was dealt a devastating blow in late 2010, when authorities pulled MTS' license, leaving about 2.4 million subscribers without service.

That left government-owned Altyn Asyr as the only provider available to the population of 5 million.

“A year and a half ago, MTS stopped working in Turkmenistan due to the expiration of its license. Both MTS and I think the quality of communications suffered in Turkmenistan because of that,” Yevtushenkov said.

MTS had initially fought back against the suspension of its operating license and launched a public relations offensive urging the international business community not to invest in Turkmenistan. The campaign proved deeply embarrassing to the publicity-shy government.

Authorities promised to improve the quality of service offered by Altyn Asyr, but progress has been negligible.

Last April, Turkmenistan signed deals with China’s Huawei Technologies and Finnish-German venture Nokia Siemens Networks to help increase capacity at Altyn Asyr.

Berdymukhammedov had earlier criticized Altyn Asyr, which currently serves about 1 million users, saying “bungling” at the company was harming its efficiency.

Because of the poor quality of landlines, most people in Turkmenistan rely on mobile connections to surf the Internet, but speeds are dismally slow.

MTS had proven popular for its marginally better service.

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