

Kiev Looks to Bar Russian Firms From Buying 3G Licenses

By [The Moscow Times](#)

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Ukrainian President Petro Poroshenko has signed a new law that could prevent Russian mobile companies from bidding for 3G licenses in the restive former Soviet republic, Bloomberg reported Thursday.

The law allows for restrictions on Russian businesses in Ukraine, and could target the activities of Russia's biggest mobile phone operator, MTS, which owns 80 percent of Ukraine's wireless market along with VimpelCom, the owner of Ukrainian telecommunications major Kyivstar, the report said.

The legislation, inked Wednesday by Poroshenko, is a punishment for Russia's alleged support of separatists in eastern Ukraine. The Kremlin has repeatedly denied being involved in the conflict.

MTS — whose Russian billionaire owner, Vladimir Yevtushenkov, has invested \$4 billion

in Ukraine since 2003 — said the law discriminates against its investors in the U.S. and Europe.

"MTS is nearly half-owned by institutional investors around the world, with more than 65 percent of our free float owned by investors in the U.S. and Britain," Joshua Tulgan, the company's Moscow-based director for corporate finance and investor relations, told Bloomberg. "Any discrimination exercised toward MTS can also be seen as also being directed toward these shareholders."

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