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Telikom sold

Zimbabwe company forks out K150m

THE Government has sold Telikom PNG Ltd to Zimbabwe company Econet Wireless Group.

Minister for State Enterprises and Information Dr Puka Temu announced last night that the Government sold 51 per cent of the country's only telecommunications provider to the African-based company, in plans aimed at improving the coverage and quality of telecommunication services to the people.

After an extensive and competitive selection process, the partner is the Econet Wireless Group, which will acquire 51 per cent of Telikom, said Dr Temu when announcing the deal, which was first exclusively reported in the *Post-Courier* in March.

Independent Public Business Corporation boss Masket Langalio refused to confirm Econet's participation in the bidding process when contacted by the *Post-Courier* at that time.

The IPBC Board had successfully negotiated the partial sale of Telikom and under the IPBC Act, the contract will now be submitted to the National Executive Council for final approval.

Econet will invest K150 million in acquiring its interest in Telikom, of which K100 million will be paid to the IPBC and K50 million will be invested in Telikom to help fund future capital expenditure. In addition, assets and a dividend to the value of approximately K45 million will be distributed from Telikom to IPBC before the transaction occurs.

Econet chief executive officer Strive Masiyiwa founded a group of companies that has developed or is developing telephony networks in countries such

By ALEX RHEENEY

as Nigeria, Kenya, Zimbabwe, New Zealand, Lesotho and Botswana. The rehabilitation process is expected to significantly improve the coverage and quality of services provided by Telikom through two key initiatives:

1 THE introduction of significant new capital to enable re-investment in the current telephony network and the expansion of the network. It is expected that Telikom will invest some K400-500 million in the network over the next five years; and

2 THE establishment of a Community Service Obligation (CSO) scheme, which requires Telikom to roll out telephony services to about 1400 rural and village locations that will otherwise not be commercially viable. In a very innovative approach, the funding for the CSO scheme is assured via a tax credit regime.

Commenting on Econet's partial acquisition of Telikom, Mr Masiyiwa said: "We are excited by the opportunity of becoming part of Papua New Guinea's telecommunications future and bringing to the country our experience from operating in a range of environments with similar geographic and social challenges."

"We intend to improve and expand services which will enable Papua New Guinea to realise significant economic benefits, including advances in health and education services in rural and remote locations."

IPBC chairman Dr Moseley Moramoro said they looked forward to working with Econet to improve Telikom's performance and the Government intend to remain an active partner.



Welcome art-

By JESSIE LAPOU

MURALS depicting the scenery and cultures of East New Britain were unveiled at the Tokua airport arrival lounge to welcome tourists on Wednesday.

Painter Chris Rivan, from Nadup, Rabaul, made nine paintings.

He said the three Tumbuan paintings at the front of the arrival lounge represent the Tolais, the Bainings and the Pomio people.

Mr Rivan said according to Tolai custom, Tumbuan are sacred and danced to welcome people, and now one is welcoming tourists into the airport and the province.

He said other paintings showed smiling Tolai women which represent the warm hospitality offered by the province, the beautiful scenery of the province and an Air Niugini plane flying over the famous Mt Tavurvur volcano.

Pictured in front of the Tumbuan are chairman of the ENB Tourism Board Simon Foo (left) with provincial chairman of Commerce, Industry and Tourism Noah Joseph.

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