

Sixteen firms buy Egypt telco licence bid docs

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Sixteen firms have bought bid documents for Egypt's new telecom licences, the industry regulator said on Wednesday, with one official describing the tenders as just a first step to further liberalisation.

Firms that have confirmed their interest include existing operators Mobinil (EMOB.CA) and Vodafone (VOD.L), and regional operator Orascom Telecom (ORTE.CA).

"We would have liked to do it as Vodafone Egypt but because Telecom Egypt is one of our shareholders we got excluded as Vodafone Egypt, however we will do it as part of the Vodafone Group," Hatem Dowidar, the CEO of the Egyptian unit said.

The two licences being offered by the government are for bundled internet, fixed-line telecoms and cable TV within residential compounds.

Etisalat (ETEL.AD), a UAE firm that is the third mobile operator in Egypt, has been mooted by analysts as a contender but has not confirmed its interest.

Alkan Group, an Egyptian firm whose interests include communications and IT, has bought the documents and will look to join a consortium with larger players, an Alkan executive said.

Egypt's Raya Holding has also been mentioned in media reports. Raya could not immediately be reached for comment.

The head of the National Telecom Regulatory Authority (NTRA), Amr Badawi, told Reuters 16 firms purchased the documents -- costing \$5,000 and laying out specifications for the licences -- but did not provide names.

Olfat Abdel Monsef, vice-president for policies, research and development at the NTRA, said successful bidders will not be able to lay new infrastructure, even within the residential compounds.

"It is an access network, it is an access solution to stimulate growth," she said in comments that downplayed the scope of the licences on offer.

Telecom Egypt TELE.CA has a monopoly on fixed-line services.

Some analysts have suggested multinational telecoms might see little benefit to such restricted licences, but Abdel Monsef said such firms would see a chance to establish a presence ahead of any future fixed-line licence.

"At this stage we are hoping to have serious players and we will take it from there," she said.

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