

Telecel Zimbabwe's licence cancelled

The Postal and Telecommunications Regulatory Authority of Zimbabwe (Potraz) last week revoked Telecel Zimbabwe's operating licence, effectively making the network's subscribers "immobile" and ending the company's communication service.

By [Mao Nyikandzino](#) 23 Aug 2007

Potraz issued a statement announcing the cancellation of the 15-year national cellular communications licence issued to Telecel Zimbabwe in June 1998.

The reason for the cancellation was attributed to Telecel's failure to regularise the company's shareholding structure, which was heavily skewed in favor of foreigners.

Potraz also revealed that the licence was cancelled in terms of Section 43 of the Postal and Telecommunications Act (Chapter 12:05) which stipulates that "foreign ownership of the company should be limited to not more than 49%".

Sources from the regulatory authority stated that Telecel had been allowed to operate with majority foreign shareholding on condition that the ownership structure would be regularised within a period of five years.

After having failed to meet that deadline, Telecel was given up to 30 June 2007 to adhere to this condition or risk losing its licence.

"Potraz would like the general public to note this cancellation and be guided accordingly," said a statement issued by the Potraz board after the cancellation.

When asked for comment, one of the Directors said that they are still operating at full scale: "We are still in business. The only uncertainty is that Potraz may pull the plug anytime leaving our subscribers in a communication blackout."

It is also alleged that several Telecel subscribers panicked last week and dumped Telecel sim cards in favor of Econet and Net One, the only two remaining mobile telephone companies in Zimbabwe.

Meanwhile consumers have been disappointed by recent developments saying that it only exacerbates the situation since they have already been affected by other factors such as electricity blackouts and tariff price cuts.

"Right now we cannot talk to our relatives abroad since the network is extremely congested and at times we are not connected due to power failures. The cancellation of Telecel's licence will only add more salt to the injury and hence bar us from communicating with our loved ones," said Maggie Chiyanike of Glen Norah, Harare.

In another development, Oracom Telecom Holdings through its subsidiary Telecel International has written a letter to all Telecel employees revealing rampant looting and interference by Jane Mutasa, a board chairperson at Telecel Zimbabwe.

Mutasa's alleged interference, underhand dealings, corruption and looting is said to have prejudiced the mobile company of billions of dollars resulting in the company being declared technically insolvent by auditors.

Telecel Zimbabwe has 225,000 subscribers countrywide making it the third largest mobile telephone company in Zimbabwe after Econet Wireless and Net One.

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