

Comvik eyes MobiFone stake

22 December 2007 - Sweden's telco Comvik International is showing keen interest in MobiFone, with an aim to acquire a stake in this mobile Phone service operator when this company under the Vietnam Post and Telecommunications group go public next year as scheduled.

Marc Beuls, managing director of the Millicom International Cellular SA Group, which is the parent company of Comvik, told the Daily that he met with the Ministry of Information and Communications on Wednesday to learn about the equitization process of MobiFone.

"After considering some criteria mapped out by the ministry, Comvik is entirely confident it has the ability to take a share of the cake when MobiFone is equitized," he said.

Comvik is along-time partner of MobiFone in the last ten years, having invested over US\$200mil into the local mobile operator in the 1999-2005 period. After this period, Comvik has continued to spend US\$60mil in MobiFone.

Marc added that the above investment sums proved a long-term commitment by Comvik to MobiFone. Aside from that the two sides also signed many cooperation deals to set up the frame-work for establishing a joint venture between them.

Under the a trade-agreement signed between Vietnam and the European Union in 2004, the Vietnamese Government will create favorable conditions for EU-based enterprises to approach the local telecom market under the business cooperation contract (BCC) form. Under Vietnam's WTO commitments the country will open the door for foreign investors to participate in its telecom market.

Marc said these commitments would offer many advantages for Comvik. However, he denied Comvik. However, he denied Comvik could buy MobiFone stake at a preferential price.

"Comvik will compete equally with other competitors," he said.

About the Author

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