

Safaricom, Airtel purchase of yuMobile approved

The Communications Commission of Kenya (CCK) has approved the applications of Safaricom and Airtel to acquire yuMobile, just a few hours shy of the deadline for approval and after Safaricom had accused the regulator of delaying the process.

By [Susan Mwenesi](#) 31 Mar 2014



[HumanIPO reported on Friday](#) the CCK had denied claims it was delaying the sale, saying it was within the time allocated by the Kenya Information and Communication (Licensing and Quality of Service) Regulator 2010, after Safaricom said it had [abandoned plans to acquire the core assets of yuMobile](#), citing delays in obtaining approval from the industry regulator.

The commission has now provided a six months transition period that will cater for the transfer of the services from Essar Telecom Limited to the two applicants, though all parties still have to meet the conditions laid for the approval of the sale.

CCK director-general Dr Francis Wangusi asked the three firms to ensure the proposed arrangements guarantee seamless continuity of services to subscribers.

"The commission would want to uphold the principle of infrastructure sharing and in this regard, Safaricom has been requested to provide its proposed framework for sharing its overall passive and active infrastructure with other licensed operators and service providers," he said.

Conditions

Among these conditions was that all firms involved should pay outstanding regulatory fees, ensure all yuMobile subscribers retain their numbers and related contracts in the transition period and that Airtel submits the proposed Service Level Agreement (SLA) for the subscribers acquired from Essar Telecom.

Airtel seeks to acquire yu's subscribers, GSM licences and subscriber-related contracts, while Safaricom expressed interest in acquiring Essar's infrastructure located on 453 sites and associated agreements, transfer of the ground leases on which the infrastructure is situated, Essar's Data Centre situated in its existing office space, its existing office space and related infrastructure, right to use the spectrum and residual assets including IT infrastructure.

Both Safaricom and Airtel will also be required to submit their framework as well as an implementation plan that clearly shows commitment to facilitate national roaming to mobile subscribers on all networks.

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