

Nigeria orders S.Africa's MTN to refund \$8.13 bln

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MTN and Nigeria's central bank are at loggerheads over billions of dollars that the South African telecoms giant repatriated

Nigeria's central bank has ordered South African telecoms giant MTN to refund \$8.13 billion (6.96 billion euros) that it allegedly illegally

repatriated and fined four banks involved in the transfer.

The Central Bank of Nigeria (CBN) said in a statement late Wednesday that MTN had not obtained approval before transferring the funds.

The banks had breached foreign exchange rules by failing to verify if the company had met all the requirements, it added.

The head-to-head dispute brings together the biggest telecoms group in Africa and the continent's biggest market.

MTN's shares slumped as much as 19 percent in early trade in Johannesburg to 86.99 rand (\$5.97), the lowest since March 2009.

"The CBN has asked the managements of the banks and MTN Nigeria Communications Limited to immediately refund the sum of \$8,134,312,397.63, illegally repatriated by the company to the coffers of the Central Bank of Nigeria," CBN said.

Standard Chartered Bank, Citibank Nigeria Limited, Stanbic IBTC Bank Limited and Diamond Bank Plc were found to have helped MTN illegally repatriate \$8.134 billion between 2007 and 2015, in breach of Nigeria's foreign exchange and anti-money laundering laws, it said.

The CBN said Standard Chartered was fined 2.4 billion naira (\$7.86 million); Stanbic IBTC 1.8 billion naira, Citibank 1.2 billion naira; and Diamond Bank PLC 250 million naira.

The [central bank](#) said it took the action after a thorough inquiry.

"Upon the conclusion of the investigation, the Committee of Governors of the Central Bank of Nigeria met with the management of... the banks as well as representatives of MTN Nigeria Communications Limited in

Lagos on May 25, 2018," it said.

"This was to give all the parties fair hearing, towards taking an informed decision on the matter."

MTN management was not immediately available for comment on Thursday.

The sanction was the latest to hit MTN since it began operations in Nigeria 17 years ago.

MTN was fined \$5.2 billion in 2015 by Nigeria's telecoms regulator NCC for failing to disconnect unregistered SIM cards on its network.

The fine was later reduced to \$1.7 billion after a series of negotiations with the Nigerian government.

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