

Contrasting the appetite to divest towers within 23 leading African and Middle Eastern MNOs

Operator	Towers sold (SLBs unless *MLL)	Towers retained	Tower strategy summary	Appetite to divest towers: commentary
Africell	Uganda	DRC, Gambia, Sierra Leone	More likely a co-locating tenant than an anchor tenant.	One of Africa's new entrant MNO success stories, Africell leveraged co-location to accelerate time to market in DRC. No tower sales yet, but in Uganda Africell inherited a network where towers had been sold to Eaton, so they have considerable experience of partnering with towercos.
Airtel	Closed: Congo B, Ghana, Nigeria, Rwanda, Uganda Announced not yet closed: Burkina Faso, Kenya, Niger, Malawi, Zambia	Chad, DRC, Gabon, Madagascar, Seychelles, Sierra Leone, Tanzania	Preference to divest towers selling 100% of equity.	Airtel's tower monetisation strategy has been restructured with a view to divesting in 10 of 17 countries, with transactions cancelled or towers retained in six countries, where it seems Africa Towers subsidiaries (Airtel's captive towerco) will resume operating the sites. It remains unclear what will be the impact of negotiations with Orange to sell Airtel's OpCos in Burkina Faso, Chad, Congo B and Sierra Leone.
Cell C	South Africa	None	Preference to divest towers selling 100% of equity.	Cell C sold 1,400 towers to American Tower in 2011 in a deal structured to maximise upfront cash release.
Econet	None	Burundi, CAR, Lesotho, Zimbabwe	Has retained towers to date.	The leading MNO in Zimbabwe, Econet has been under pressure from government to share its towers. To date Econet has not partnered with towercos within any of its jurisdictions.
Ethio Telecom	None	Ethiopia	Has retained towers to date.	Ethiopia is an unliberalised market with Ethio Telecom holding a monopoly. With a prospective tenancy ratio of one, Ethiopia is effectively uninvestible for towercos.

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Etisalat	Nigeria	Egypt, KSA, Sudan, Tanzania, UAE	Increasingly inclined to divest towers selling 100% of equity.	Etisalat sold a total of 2,691 Nigerian towers to IHS in two tranches. Expressions of interest in Etisalat (Mobily's) 9,200 towers in KSA have been received. Speculation had previously suggested Zantel's towers in Tanzania may be sold, but rumors have since died down. Etisalat sold their Atlantique Telecom operations to Maroc Telecom, in whom they acquired a 53% stake.
Expresso	None	Ghana, Guinea, Mauritania, Senegal	Interested in selling towers or outsourcing BTS, yet to consummate deal.	Tier two MNO Expresso has sought BTS and SLB counterparts in several markets but not yet consummated a deal.
Glo	None	Benin, Cote d'Ivoire, Ghana, Nigeria	Has retained towers to date.	To date, Glo has seemed disinclined to monetise towers, but if Mike Adenuga decides to cash in on passive infrastructure, their value may never be higher.
Lap GreenN	None	Cote d'Ivoire, Sierra Leone, South Sudan, Uganda	Interested in selling towers or outsourcing BTS, yet to consummate deal.	Lap GreenN has tried to monetise towers in Uganda on several occasions but has been hindered by trading restrictions placed on the Libyan owned parent.
Maroc Telecom	None	Benin, Burkina Faso, CAR, Cote d'Ivoire, Gabon, Mali, Mauritania, Morocco, Niger, Togo	Has retained towers to date.	Maroc Telecom has historically preferred to retain their towers. Etisalat's injection of Atlantique Telecom assets and acquisition of 53% equity in Maroc takes them from the "never" to "never say never" category, but TowerXchange doesn't forecast any tower deals with Maroc Telecom within the next 12 months.

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MCel	None	Mozambique	Has retained towers to date but now may be bringing towers to market.	Former fixed line incumbent MCel has about 1,200 of Mozambique's 4,800 towers. The former market leader is under huge pressure from the aggressive network investments of Vodacom and new entrant Viettel, and may respond by monetising their towers.
Millicom	DRC, Ghana, Tanzania	Chad, Sierra Leone, Rwanda	Has selectively monetised towers, retaining equity, but no recent deals.	Millicom were among the first movers to monetise their SSA towers in landmark deals with HTA, in which they retained equity, but the tower transaction pipeline has since run dry. HTA are believed to have a ROFR with Millicom, which may have been triggered to roll Tigo Chad's towers together with Airtel's had the latter deal not been scuppered, reportedly by regulatory uncertainty.
MTN	Cameroon, Cote d'Ivoire, Ghana, Nigeria, Rwanda, Uganda, Zambia	Benin, Botswana, Congo B, Guinea B, Guinea C, Iran, Liberia, South Africa, South Sudan, Sudan, Swaziland, Syria, Togo	Has monetised towers in seven of eight most attractive markets, retaining 49-51% equity in three.	MTN has monetised the towers in seven of their eight most attractive tower markets in a series of separate transactions, each structured to meet their objectives in the local market. MTN has retained 49% equity in joint venture towercos in Uganda and Ghana before concluding their last five deals with IHS in Cameroon, Cote d'Ivoire, Rwanda and Zambia (all 100% exits) and Nigeria, where MTN retained a 51% stake. MTN's prized South African assets remain on their balance sheet, but could yet come to market, with IHS seemingly in pole position.
Ooredoo	None	Algeria, Iraq, Kuwait, Oman, Tunisia	Has retained towers to date, but has partnered with towercos in Asia.	Ooredoo has hitherto preferred to retain towers but has been exposed to deep partnerships with towercos in Myanmar – will this affect their strategies as MENA tower markets open up?

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Orange	Cameroon*, Cote d'Ivoire*, Egypt	Botswana, CAR, DRC, Guinea B, Guinea C, Kenya, Madagascar, Mauritius, Mali, Morocco, Niger, Senegal, Tunisia	Has selectively sold towers under SLB or outsourced under MLL.	Orange sold their towers in Uganda to Eaton before selling their opco to Africell. Orange agreed an MLL deal with IHS in Cameroon and Cote d'Ivoire. Orange are also majority stakeholders in Egypt's Mobinil, which recently agreed to sell 2,000 towers (about a third of their inventory) to Eaton. An MLL deal with Eaton in Kenya was cancelled amid Orange's efforts to exit the country (a deal with Viettel fell through). A further MLL deal may be in the works involving the (Sonatel) assets in Senegal, Mali and the Guineas.
Safaricom	None	Kenya	Has retained towers to date.	Safaricom owns the majority of the towers, and the majority of the subscriber base, in Kenya, offering selected towers on attractive terms. They have no incentive nor apparent interest to partner with a towerco.
Smile	None	DRC, Nigeria, Tanzania, Uganda	More likely a co-locating tenant than an anchor tenant.	LTE pioneer Smile are included not as a seller of towers but as the best exemplar of the next generation of operators who seldom need build their own towers, so substantially do they leverage co-location.
Telkom SA	None	South Africa	Has retained towers to date but now may be bringing towers to market.	Telkom have an on-off process to divest what at one point was rumored to be ~6,000 shareable structures, a deal later consolidated to focus on conventional GBTs. The regulator's recent rejection of a network sharing deal with MTN may reinvigorate Telkom's passive infrastructure monetisation process.
Unitel	None	Angola	Has retained towers to date.	Unitel owns Angola's most investible tower portfolio so, should a third operator be licensed in the country, expect amplified interest in their towers.

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Vodacom	Tanzania	DRC, Lesotho, Mozambique, South Africa	Has selectively monetised towers, retaining equity.	Vodacom injected their towers into Helios Towers Tanzania, joining Millicom as equity stakeholders. Could rumored MCell and/or Viettel tower transactions in Mozambique, or MTN's sale of South African towers prompt Vodacom's towers in those countries to come to market? Probably not.
Vodafone	Ghana*	Egypt	Has selectively outsourced towers under MLL deal structure.	Vodafone Ghana struck one of SSA's first tower outsourcing deals with Eaton as long ago as 2010. Vodafone Egypt may also have some appetite to share towers, having previously led discussion of a potential JV towerco.
Viettel	None	Cameroon, Mozambique, Tanzania	Has retained towers to date but now may be bringing selected towers to market.	Africa's most aggressive new entrant, Vietnamese military-backed Viettel, had initially seemed reluctant to accelerate time to market by leveraging co-location. However they have since reached co-location agreements with IHS in Cameroon and with HTA in Tanzania. Meanwhile, rumors suggest Viettel's rapidly deployed network of guyed-masts in Mozambique may be coming to market, although the structural capacity of the towers is uncertain.
Zain	None	Bahrain, Iraq, Jordan, KSA, Kuwait, Lebanon, Morocco, South Sudan, Sudan	Has retained towers to date but now bringing selected towers to market.	Whilst Zain has not yet monetised towers, a process has commenced with a view to monetising 5,000 towers in KSA, 1,600 in Kuwait and around 265 towers in South Sudan.