



Complex Dispute in Africa
Settled Amicably, Swiftly,
and Transparently; Created
Opportunity to Restore
Relationship Between
International Entity and Host
Government

Overview

We helped a Johannesburg-based telecommunications company facing a multibillion-dollar fine in Nigeria by working with the country's government to resolve the commercial dispute in a timely and equitable manner.

Client

- MTN is a Johannesburg-based telecommunications company, and the largest cellphone provider on the continent with 230 million customers in 22 countries. It is also the largest mobile telephone company operating in Nigeria.
- The Nigerian government assessed a \$5.2 billion fine against MTN relating to unregistered SIM cards issued by the company.
- This was the largest fine ever assessed against a telecommunications company in any country.

Covington Team



Eric Holder

Partner

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Strategy

- A multidisciplinary team, led by former Attorney General Eric Holder, engaged the Nigerian government (including through the South African government).
- Developed creative solutions that both sides can claim as a success, particularly when there is inequity in disputes between private companies and foreign governments.
- Framed disputes with foreign government stakeholders in a broader context of a government's global policy interests.
- Utilized compelling interlocutors and partners in exercising leverage.
- We leverage our relationships among decision makers in both Beijing and Washington, as well as Brussels and other capitals, to collect the intelligence most relevant to the changing policy environment, develop strategies to protect clients' interests, and engage government officials to resolve problems.

Results

- Over the course of six months, the original fine was reduced by nearly 70% to less than \$1 billion, and MTN agreed to list on the Nigerian Stock Exchange.
- MTN was able to maintain its service to 65 million customers in Nigeria.