

12 October 2021



**To: Gunn Wærsted and all Members of the Telenor Board**

Chair of the Board  
Telenor Group

**To: Jørgen Kildahl, Jacob Aqraou, Jon Erik Reinhardsen, Pieter Cornelis Knook, Astrid Simonsen Joos, Elisabetta Ripa, Jan Otto Eriksen, Roger Rønning and Irene Vold**

Board of Directors  
Telenor Group

**cc: Sigve Brekke**

President & CEO  
Telenor Group

Dear Mdm. Gunn Wærsted and all listed members of the Telenor Board of Director (including the employee representatives),

We write to your offices to follow up on and supplement the [joint letter](#) addressed to you on August 12, 2021 ('August 12 letter'), signed by our organization, [Access Now](#), and 44 other signatories.

In the letter, we had **expressed alarm regarding the announcement by Telenor Group to sell your Myanmar subsidiary to M1 Group, and strongly urged you and the rest of the Board to reconsider this decision and strengthen human rights safeguards.**

Below we outline the most pressing concerns regarding M1 Group's human rights record, as well as Telenor's alarming change in course, steering away from its previous commitments to transparency and civil society engagement.

We provide a dossier below on M1 Group and its history of entering markets experiencing violence and conflict, where its operations have demonstrated willingness to collaborate with oppressive regimes on censorship, surveillance, circumvention of sanctions, and other threats to human rights. A sale to M1 Group in Myanmar — where M1's owners have apparent associations with powerful players in the military junta — is likely to contribute to the further degradation of human rights in the country, including, in particular, through the abuse of individuals' sensitive data which Telenor intends to transfer.

For the reasons below and in light of the information contained here on M1 Group, **which the Board may be seeing for the first time**, it is critical that **Telenor's Board review its decision to sell to M1 Group and urgently intervene to prevent the sale** of Telenor assets in Myanmar to M1 Group.

## I. ACCESS NOW'S ENGAGEMENT WITH TELENOR

Access Now is an international organization that works to defend and extend human rights in the digital age. We have engaged closely with representatives of Telenor's headquarters and Asia offices on Myanmar since the coup of February 2021. In June 2021, Telenor's Senior Vice President - Head of Group Strategy & External Relations, Rita Skjærvik, spoke as a guest speaker at the opening ceremony of our event RightsCon 2021, [highlighting](#) Telenor's commitments to human rights:

*“As a telecom operator, **it is our duty to respect human rights, including privacy and freedom of expression.** It is therefore important that we have policies and processes in place to address risks to human rights, and that these **policies are anchored at the top.** And it is also **important that we engage in dialogue with stakeholders** to discuss these challenges (...) This engagement helps us shape, advance and implement our human rights efforts (...)”*

On July 8, 2021, Telenor [announced](#) it was selling its Myanmar operations to M1 Group — an investor that has not expressed even basic commitments to international human rights standards, and with a troubling human rights record covered in detail **below**. In the span of four weeks, with this decision, the company made a U-turn on its commitments — during which time it did not consult or inform the civil society stakeholders with which it had traditionally engaged.

**Civil society had expected Telenor to continue to operate with commitment to stakeholder engagement and respect for human rights in Myanmar.** In any decision to sell, we would have expected robust engagement with key stakeholders in a genuine attempt to ensure Telenor's accountability to its 18 million subscribers in Myanmar. **Instead, Telenor's subscribers are facing a deliberate and unconscionable disposal of the company's commitments — a cut-and-run from the country — to an actor with a deeply troubling track record.**

### 1. AUGUST 26 AND SEPTEMBER 15 MEETINGS

Following the release of our August 12 letter, Access Now engaged in a private meeting on August 26, 2021, with Telenor's representatives to raise concerns highlighted in the letter. Thereafter, on September 15, 2021, Sigve Brekke, President and CEO of Telenor Group, addressed Access Now and other civil society representatives in a second private meeting, also attended by Rita Skjærvik and other company representatives. A [press release was issued by Telenor Group that day](#) soon after that meeting on why it believed its continued presence in Myanmar was not possible.

We understood from the meetings that (i) staff security concerns were a key component of Telenor's decision to sell; (ii) “integrity due diligence” had been conducted on potential buyers ; and that (iii) Telenor could no longer stay in Myanmar as it was compelled to comply with orders from the military to activate intercept technology within its network, and that such compliance would violate sanctions

under Norwegian and EU law. This was later confirmed [publicly](#) the same day by Jørgen Rostrup, Telenor Group's Executive Vice President and Head of Asia; and thereafter by Telenor's [statement](#) of September 27, 2021.

Telenor further confirmed its earlier [statement](#) that the data of all subscribers in Myanmar would be transferred to M1 Group in line with corporate practice and regulations governing the sale. Its representatives did not indicate ongoing or active measures the company was taking to prevent human rights harms imminent from the transfer of such data to the new buyer.

## **II. TELENOR'S FAILURES TO ENGAGE TRANSPARENTLY OR INSTITUTE SUFFICIENT SAFEGUARDS**

Based on information provided by Telenor's representatives in the August 26 and September 15 meetings, Access Now sees two key failures in this regard: (1) The company failed to engage transparently to the greatest extent possible, in line with its commitments to responsible business and human rights; and (2) the company has not put sufficient safeguards in place to ensure that the transfer of its subscribers' data records to M1 Group would not result in rights violations.

### **1. FAILURE TO ENGAGE TRANSPARENTLY TO THE EXTENT POSSIBLE**

Telenor's representatives provided civil society with inadequate explanation or elucidation of claims of serious pressures it faced within Myanmar. Even as we appreciate the complicated environment within which Telenor operates in Myanmar, the argument of protecting staff security has been repeated multiple times to civil society stakeholders previously, without providing — even in private — indications as to how security risks would be balanced with post-sale risks to the privacy and security of millions of subscribers. It was an argument that failed to allude to the company's operations in other challenging markets, such as [Bangladesh](#) and [Pakistan](#), or how — or whether — Telenor had looked into other companies' attempts to conduct responsible sales in other similar contexts to inform its operations in Myanmar.

Telenor's representatives also asserted that the company could not provide further information as such information was subject to non-disclosure due to legal obligations governing the sale, including under merger and acquisition (M&A) regulations. The company has provided no alternative modes of engagement or briefing for civil society in a manner respecting such concerns of confidentiality, despite specific requests made for this. Telenor remains obliged to explain how and why the proposed sale had been made to M1 Group, and how and why the decision had moved ahead without consultation with key civil society stakeholders with whom the company had regularly been in contact. It remains obliged to explain how it will institute safeguards for accountability in this period of negotiating the sale to M1 Group. These obligations do not vanish because M&A regulations are in

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place, as they are with any sale of this nature. These obligations mean Telenor should have foreseen these challenges.

## 2. FAILURE TO INSTITUTE SAFEGUARDS FOR ACCOUNTABILITY

Setting aside concerns regarding staff security and M&A regulations preventing disclosure, Telenor at a minimum should still provide civil society with minimum disclosures regarding any attempts to institute protection or mitigation safeguards in relation to the data transfer imminent from the sale. Telenor's representatives failed to do so. This was despite the fact that nearly two months had passed since Telenor had announced its decision to sell, and civil society had provided clear indications of rights risks to the company after we were made aware of the decision. These risks were also, in any case, what Telenor should have reasonably been aware of, given the circumstances within which it was operating in Myanmar.

In particular, Telenor's representatives failed to sufficiently alleviate concerns that data transferred to M1 Group could potentially be sought and abused by the Myanmar military, targeting individuals for political aims. Privacy International has [highlighted](#) how call data can reveal a lot about an individual's locations and networks, and that registration of SIM cards in Myanmar requires the provision of identity cards and home addresses — all data which can be abused for surveillance and targeting by a military force engaged in war against its people. In Myanmar, violations continue to be committed regularly and with increasing brutality by military actors. **Within this context, and noting concerns of the military's potentially expanding abuse of surveillance technologies, the risk of abuse of meta data collected by telecommunications providers to facilitate and expand serious rights abuses is imminent.**

Following the meetings with Telenor Group, **we are convinced that you and other members of Telenor's Board were either:**

**(i) Not provided with adequate, accurate, and detailed information from your company's representatives on the human rights implications for individuals within Myanmar of the decision to sell Telenor Myanmar to M1 Group, or**

**(ii) Provided with sufficient and detailed information as noted, but erred in allowing the sale to M1 Group to proceed.**

Even though, as Telenor has noted, it engaged in "[integrity due diligence](#)" prior to the sale, it appears that this due diligence did not adequately or effectively address respecting the human rights of Telenor's subscribers in Myanmar in accordance with its obligations under Norwegian and international law.

### III. CONCERNS REGARDING M1 GROUP

**In particular, we believe these assessments did not adequately put before the Board rights concerns regarding M1 Group as a buyer.** This included concerns relating to: (1) M1 Group's ownership by politically connected persons, i.e. the Mikati family, and their apparent lack of commitment to responsible business or human rights; (2) M1 Group's documented history of engagement in other conflict-affected and high-risk markets; and (3) failure to appreciate the company's association with the Myanmar military.

#### 1. M1 GROUP'S OWNERSHIP BY THE MIKATI FAMILY AND APPARENT LACK OF COMMITMENT TO RESPONSIBLE BUSINESS OR HUMAN RIGHTS

**A lack of commitment to responsible business or human rights is apparent from allegations of corruption and illicit enrichment against the Mikati family which remain unresolved** — including against co-founders of [M1 Group](#), brothers **Najib Mikati** and **Taha Mikati**; and Najib's son, **Maher Mikati**, the company's Deputy CEO. Taha's son, **Azmi Mikati**, currently M1 Group's Chief Executive Officer, has also been [implicated](#) in these allegations.

Najib Mikati was [recently reappointed](#) as Prime Minister of Lebanon, amidst [an economic meltdown](#) and public discontent with state mismanagement and ["cronyism in Lebanese politics"](#). One report noted that Najib Mikati's appointment — [backed in part](#) by [Hezbollah](#) — reflected that ["Lebanon's protesters have once again been denied a prime minister from outside what many call 'the corrupt political elite'."](#) In October 2019, amidst [raging protests](#) against state mismanagement and corruption, Mount Lebanon public prosecutor and judge Ghada Aoun [indicted](#) Najib, Taha and Maher Mikati, and Lebanese bank Bank Audi for alleged illicit enrichment through [illegitimately benefiting from government-subsidized housing loans](#). In an apparent act of retribution, in April, 2021, Lebanon's general prosecutor Ghassan Oueidat [removed](#) Aoun from the case in a move criticized by the [International Commission of Jurists](#) as ["a further attack on the independence of an already enfeebled judiciary \(that\) sends a chilling message to others who might dare challenging the authorities"](#). Previous corruption and anti-competition allegations against Najib Mikati for his involvement in telecommunications deals in Lebanon from the late 1990s also [reportedly](#) remain unaddressed. Most recently, Najib and Maher Mikati were [named](#) in the [International Consortium of Investigative Journalists' Pandora Papers investigation](#) for reportedly having wealth hidden in offshore tax havens.

Amidst this backdrop, rights groups within Lebanon have raised concerns that Najib Mikati's appointment as Prime Minister can result in [wider executive moves to infringe on data privacy](#) — particularly as digital rights organization [SMEX](#) observed, as premier in 2013, Najib Mikati had [increased authorities' ability to track cellular phones and collect individuals' data](#).

As noted in the August 12 letter, reflecting these criticisms against the Mikati family, the company they own, **M1 Group, has not made public commitments to international human rights standards governing business and human rights.** The [M1 Group website](#) does not make any reference to human rights; and M1 is not a signatory to the most basic international standard for investment companies and private equity, the [UN Principles for Responsible Investment](#). It is not a member of the [UN Global Compact](#).

**It is also apparent from M1 Group’s reported business practices that the company seeks out and invests in areas of conflict** — indeed, the Mikati’s flagship company **Investcom** was [itself founded](#) in the midst of Lebanon’s civil war in 1982. In a report on Investcom’s investments in [“virtual war zones like Sudan and Liberia”, Afghanistan, Cyprus, Guinea, Syria and Yemen](#), [Institutional Investor](#) magazine noted that [“instability is what has driven Investcom's success”](#) and quoted Azmi Mikati as stating that: *“The telecom business is actually quite resilient to civil instability or economic downturn (...) **There are problems or conflicts that have impeded development in all of the countries where we operate, but the flip side is that the potential for growth is huge.**”*

**Even on a broad-brush analysis, it is clear that M1 Group does not share the commitment to transparency and stakeholder engagement which was an essential part of Telenor’s contribution to the Myanmar telecommunications market.** Notably, in response to rights concerns raised by civil society in relation to the sale, M1 Group’s Executive Director, Jamal Ramadan, [dismissed](#) the concerns as mere “accusations” and “completely irrelevant,” while simplistically contending the acquisition would “help with human rights” and “help the population to access communication needs” — without indicating if the company would engage with or support civil society and other key stakeholders in Myanmar to protect against rights violations.

**M1 Group does not seem to have the experience or expertise to manage the serious and complex human rights challenges of operating in Myanmar while fulfilling its obligations to respect human rights.** In fact, M1 Group’s history of operating in other challenging contexts appears to suggest that the company has not previously engaged in commitment or action to uphold these obligations.

## 2. M1 GROUP’S HISTORY OF ENGAGEMENT IN OTHER MARKETS

Research indicates that the Mikati family, M1 Group, and its affiliate [Investcom](#) have a clear history of profiting from operating in conflict-affected and high-risk contexts — including in [Syria, Yemen, and Sudan](#). Given the company's lack of commitment to the most basic human rights standards, it is unsurprising that there is no record of M1 Group conducting enhanced human rights due diligence in conflict-affected areas, as called for by both the [UN Guiding Principles on Business and Human Rights](#) and the [OECD Guidelines for Multinational Enterprises](#).

## **Syria**

In 2000, soon after Bashar al-Assad [took power](#) as Syria's president, Assad assigned two telecommunications companies to operate exclusively in the country — this included [Syriatel, owned by Assad's cousin Rami Makhoul](#), and Investcom, owned by the Mikati brothers. Notably, in 2008, Makhoul was [blacklisted](#) for sanctions by the U.S. Treasury, noting he was [“one of the primary centres of corruption in Syria.”](#)

Independent news platform [Daraj](#) reported that the licenses had been awarded by Syrian leadership to the Mikati brothers and Makhoul [“without serious competition,”](#) following which the companies made vast profits within a short amount of time. By 2005, Investcom's 1.47 million subscribers in Syria at the time had [“generated \\$400m in operating revenue”](#) — around which time the rapidly expanding [Investcom was listed on London and Dubai's stock exchanges.](#)

In 2006, Investcom was sold to [MTN Group](#), a South African telecommunications company. In turn, the Mikati brothers [bought 10% of MTN Group through subsidiary M1 Limited, becoming a predominant shareholder.](#) Azmi Mikati is a [member of MTN Group's Board.](#)

Since then, MTN Syria, MTN Group's subsidiary in Syria, has [complied with orders by the Assad regime to filter and block users' telecommunications](#), especially during protests to interfere with individuals' abilities to associate, coordinate, and organize. As Access Now highlighted in a [March 2021 report](#), both MTN Syria and Syriatel complied with orders from Syrian special intelligence unit 'Branch 225' to [block text messages](#) containing words indicating planning or participation in a protest — including “revolution” and “demonstration.” In 2010, MTN Syria was also [reportedly](#) in discussion to buy surveillance technology for its provider in Syria — putting its subscribers at greater risk in an already repressive environment. This was detailed in a [Privacy International investigation](#) which noted “US sanctions and export control regulations in force at the time of this transaction restricted, without a license, the exportation or re-exportation of US-origin communications equipment (in question) to Syria”, and that MTN Syria employees were in contact with the equipment providers on ways to “avoid export restrictions to Syria.”

## **Yemen**

In Yemen, an investigation by [Arab Reporters for Investigative Journalism \(ARIJ\)](#) reported that [Investcom and MTN were involved in a network of companies registered in tax havens](#) — apparently concocted to circumvent sanctions imposed on the regime of former president Ali Abdullah Saleh's regime and to distribute corporate profits with businessmen linked to the regime. In 2014, Saleh was sanctioned by the [UN Security Council](#), which was followed, inter alia, by blacklisting by the [European Union, United States](#) and [United Kingdom.](#)



### ***Sudan***

In 2005, Investcom obtained a license to operate a second cellular communications network and [entered the market in Sudan](#) — at the [height of conflict in Darfur](#) and intense international pressure against the regime of former president Omar al-Bashir. Allegations of genocide, crimes against humanity, and war crimes against al-Bashir’s regime [remain before the International Criminal Court](#). Daraj reported that the entry into Sudan allowed the regime — which was at the time under pressure from sanctions — to [“legally obtain around €150 million from Investcom.”](#)

### **3. M1 GROUP’S ASSOCIATION WITH THE MYANMAR MILITARY**

Access Now and other civil society organizations have highlighted M1 Group’s association with the Myanmar military in the August 12 letter, as well as in the recent meetings with Telenor. In response, Telenor’s representatives alleged that the company’s assessments undertaken prior to the sale had looked into links between M1 Group and the military and raised no clear concerns.

In this respect, we highlight again that through its part-ownership of Irrawaddy Green Towers (IGT), **M1 Group is associated with military businesses which were identified in the [August 2019 report of the UN’s Independent Fact-Finding Mission on Myanmar \(IIFMM\)](#)**. On page 100, M1 Group and its owners Najib Mikati and Taha Mikati were specifically named in the IIFMM report analyzing how the Myanmar military’s economic interests were alleged to have enabled the most serious international crimes, including genocide, war crimes, and crimes against humanity. IGT was included in the 2019 report by virtue of its willingness to have a commercial relationship with MyTel, the operator which is part-owned by the military’s Myanmar Economic Corporation (MEC). MEC has, since the coup, been widely sanctioned — including by the [European Union, United States, and United Kingdom](#). Notably, the NCP complaint also highlighted that in 2019, M1 Group had been added to [Burma Campaign UK’s ‘Dirty List’](#) of companies due to its links to the Myanmar military.

In 2013, M1 Group bid for an operator’s license in Myanmar in partnership with MTN and [Amara Communications](#). Amara is owned by [U Ne Aung](#), who is a Politically Exposed Person (PEP) by virtue of his (deceased) father, a former General and Minister. His brother, Moe Aung, the current Commander in Chief of the Navy, is a close collaborator of Senior-General Min Aung Hlaing. Despite raising this in our August 12 letter, and again during our meetings, Telenor’s representatives did not respond to this concerning connection. **It remains unclear what information was reviewed by the Telenor transaction team conducting the sale and what was put before you and the rest of Telenor’s Board on the actual or potential involvement of these PEPs, or other PEPs and sanctioned individuals, in the transaction.**

Furthermore, **we harbor concerns that, upon the completion of the sale of Telenor Myanmar to M1 Group, M1 Group may resell all or part of the acquired assets to other buyers who would not pass Telenor’s due diligence.** Past practice informs our thinking: in December 2020, M1 Group, along with



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co-owner BluStone Management, entered an agreement to sell Irrawaddy Green Towers to another private equity player, CVC. This previous business activity, together with Telenor's highly discounted price, suggests that M1 Group may intend to "flip" this asset in a sale to other potentially more problematic buyers.

Since our meeting with Sigve Brekke, we have heard reports that M1 Group did indeed submit its proposal to the Myanmar State Administration Council to acquire the license together with Amara Communications, and that having run into problems with this, M1 has since been evaluating other Myanmar companies for partnership. There is evidently a risk, therefore, of other Myanmar companies which would not pass Telenor's due diligence muscling in, and concomitant risks to violations with respect to the data transferred to these entities when Telenor leaves.

This is particularly pertinent as the Myanmar military continues to throttle the internet and increasingly violate individual privacy — abuses which would be expanded via control of telecommunications networks through companies amenable to the military. In the UN Secretary-General's [August 31 report](#) to the UN General Assembly, the Secretary-General highlighted that "(s)ince 1 February, the State Administrative Council has severely limited the fundamental freedoms of the population by restricting Internet access across the country" — including through shutdowns of wireless broadband internet access and banning of satellite television and access to online platforms, including Facebook and Twitter. He also noted the authorities' practice of announcing criminal charges against individuals on national television which revealed their names, addresses and Facebook details, "raising concerns about their right to privacy."

#### **IV. REQUEST TO TELENOR'S BOARD**

**We urgently request that the Board review and consider the serious human rights implications of the sale of Telenor Myanmar to M1 Group. This sale should be stopped.**

Access Now is deeply disappointed with Telenor's apparent decision to undermine its commitments to human rights by not only deciding to sell Telenor Myanmar in a manner of disposal, **but to do so to M1 Group — a clearly problematic buyer whose owners have serious pending corruption allegations against them; and which has had a history — through Investcom and MTN — of profiteering from entering conflict areas without any apparent commitment to human rights; and which has connections with Politically Exposed Persons (PEPs) linked to the Myanmar military.**

Reports of M1 Group's compliance with government orders in other authoritarian contexts further underline our concerns about the rights risks from the transfer of the data of Telenor's subscribers to M1 Group. This is particularly evident in the case of Syria, and reported actions by MTN Syria to filter and block telecommunications of its users in line with orders from the Assad regime. MTN Syria was also implicated in reported discussions to buy and transfer surveillance technology to Syria — a

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concern that highlights the possibility that M1 Group may not be resilient in its defence against orders from the Myanmar military to activate intercept technology within the network after Telenor has left.

As Telenor has [explained](#), pressures from the Myanmar military to activate intercept equipment meant that [“continued presence in Myanmar was not possible”](#) without violating Norwegian and EU sanctions regulations, such as the 2018 EU arms embargo, and that such compliance would also breach [international law, human rights, and the company’s own values and policies](#).

In this vein, **we emphasize that your sale to M1 Group will not prevent such violations but shift this burden to a company that would likely comply with such orders from the military or sell its assets to others who may do so.** Should the sale go ahead, and intercept technology thereafter be activated in the network of Myanmar’s fourth telecommunications provider in Telenor’s absence, it cannot be argued that Telenor Group had not been made aware of these potential ramifications. When Telenor entered the Myanmar market in 2013, its then-CEO Jon Fredrik Baksaas [noted](#), *“The world is watching us work in Myanmar, and we know that doing business here requires a sustainable approach.”* This should apply pertinently now, as it applied then.

Notably, claims have circulated that the Myanmar leadership themselves may have doubts about Telenor’s sale to M1 Group — with Nikkei Asia reporting that [“the military has given ‘strong’ signals that the deal is ‘very unlikely to be approved’”](#) on the alleged basis of corruption charges against the Mikati family, the Mikati’s closeness to the Syrian regime, and M1 Group’s manner of operations.

**In light of this information, It is essential that Telenor’s Board take immediate action to stop this sale to M1 Group** in order to defend the human rights of its subscribers in Myanmar, to uphold its commitments to operate responsibly and in collaboration with civil society, and to avoid a dangerous path of enabling those who aim to take advantage of conflict and suffering for their own gain. Access Now remains committed to engaging with Telenor on appropriate next steps in Myanmar after this sale is terminated, and remains open to support for Telenor’s efforts to respect human rights globally.

Given the very serious nature of this matter, we request that this letter be circulated to all members of the Board. **We would also like to request a meeting with Telenor’s full Board on concerns identified herein.** Access Now stands ready, along with civil society partners in Myanmar, to engage in further dialogue on the concerns raised with Telenor’s Board and senior management. **Please advise a date and time that may be convenient to the Board.**

Yours sincerely,

A handwritten signature in black ink, appearing to read "Brett Solomon".

Brett Solomon, Executive Director, Access Now