



Broadband & Satellite Russia Newsletter

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The World is United via Satellite Communications



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Russian Satellite Communications Company will participate in NAB Show, Las Vegas Nevada, USA, a major world content exhibition, from 8 through 11 April, 2013

NAB Show that will take place in Las Vegas Nevada, USA is to become a key event for TV/audio casting professionals. In 2012, NAB Show gathered more than 90,000 participants from 1500+ companies representing over 150 countries. This time, NAB (the National Association of Broadcasters) hosting the show are looking forward to a still wider convention. The show will be subdivided into several	segments each devoted to a key aspect of the broadcasting industry: the development, management, distribution and delivery of content. The NAB Show's concept is to turn this event into a hatchibator of new ideas from the time of their conception through implementation by helping providers to distribute and deliver content.
Mobile Internet has cought the Russians	<u>.</u>
According to Yandex data, the Russian audience of mobile Internet has grown up by 35% and reached 16,7 mln users in 2012. Mobile Internet service is being spread in the regions as fast as in Moscow and St. Petersburg, often with a lower cost, as announced by Yandex Marketing & Services Director Andrey Sebrant. According to him, "users master mobile internet faster, as they do not have to buy a computer and connect it to the network".	According to TNS, market penetration of mobile Internet in the cities with the population of more than 100 thousand people has reached 27%. The highest rate was fixed in Volga Federal District – up to 57%. The market penetration is 30% and 27% in Moscow and St. Petersburg respectively. However, the average cost of mobile Internet access is 108 rubles per 1 GB of traffic.
Rostelecom builds a network for VGTRK © ComNews	:
Rostelecom started development of a virtual private network (VPN) for VGTRK. The operator was entitled to this works at the end of the tender held in 2012. Rostelecom's press service announced that following the project terms, the operator begins with organizing IP VPN for VGTRK with a central point in Moscow (communication capacity – 30 Mb/s), connected with Belgorod, Saransk, Salekhard, Tambov,	Krasnodar, Smolensk. The communication capacity for these cities is 10Mb/s. According to the company, VPN will be used by VGTRK to provide a stable work of corporate IT systems and traditional types of traffic transfer. In the future the network will be developed as fas as new points of the company are connected.

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The Ministry of Communications to charge for spectrum

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The Ministry of Communications has published the draft regulation of the Russian Government that changes the procedure of charging for RF spectrum. New method is to stimulate the maximum usage of spectrum. It contains concrete formulas that enables to calculate the amount of payment. "The method is not coordinated with all the involved authorities yet. It has been sent to further development." – the source in the Ministry of Communication declares.

In the project "On amendments to the acts of the Government of the Russian Federation regarding the procedure for calculating the amount of payment for the use of radio spectrum in the Russain Federation" is spelled out the mechanism for establishmant of a single and an annual fee for the GSM frequencies (except GSM-R), UMTS, LTE and their modifications with respect to the selected frequency band. "For other radio technologies a valid procedure remains for establishing the amount of a single and an annual fee for each permit issue when deciding on the assignement of a frequency or radio frequency channel", – comments the press service of the Ministry of Communications.

MegaFon has lost its leadership

MegaFon has passed his status of the leader of speed data transfer in Moscow 3G networks to MTS, as was estimated by Telecomdaily experts. Information and analytical agency has estimated the data rate in Moscow 3G and 4G networks, informed its General Director Denis Kuskov. As to Telecomdaily, MTS has the highest rate of data speed in 3G in Moscow – 40,7 Mb. MegaFon showed the worst rate in the Big Three – 19,8 Mb/s. MTS was again the leader with an avarage rate - 5Mb/s, and the worse rate belonged to Vimpelcom - 2,4 Mb/s. Each operator has enlarged the number of its base stations by 5-15% during the year.

"In comparison with the last year, the number of 3G users at MegaFon has grown and the operator's networks were very busy", – explains Kuskov, – MegaFon is the leader with 4G, although MTS is a little behind.

The Ministry of Communications will feed the country with Internet

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The Ministry of Communications has prepared a proposal of reducing the price for connection to BBA services. Among all announced initiatives, there are a non – discriminatory access of operators to the infrastructure, simplified connections to power supply and networks' launches, and new generation customer devices development.

The initiatives were proposed in response to the request of Dmitry Medvedev. According to the press service of the Ministryh, the details

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of the proposals are not announced in public. They include juridical, organizational and financial measures and have to be coordinated with the involved authorities by mid-May. Accessible BBA services are one of the strategic priorities of the Ministry of Communications, proposed by the team of Nikolay Nikiforov. It is supposed that by 2018 80% of the Russian citizens will have an opportunity to connect to Internet with the speed of 100 Mb/s.





Wi-Fi on the road © ComNews	
In the end of September the Traffic Committee of St. Petersburg plans to hold a tender to provide Wi –FI access in the city transport. Meanwhile the Committee is considering the test projects; one of those was the launch of free Wi-Fi at several tram services by MTS together with Gorelectrotrans. According to Kirill Dmitriev, Branch Director of JSC MTS in the North- West, the project with 10 tram services equipped with Wi-Fi routers is a promotional action. "The speed of connection in transport is not	targeted for downloading or full video viewing", – Kirill Dmitriev comments. "The speed is 7,2 Mb/s per a wagon, that is distributed among all passengers connected to the network. JSC Vimpelcom also implements a mutual project at 3 routes with the bus transporattion provider JSC Tretyi Park. Unlike MTS agreement, where the operator provides all traffic for free, Vimpelcom's agreement expects the carrier to cover the payments for traffic used by the passengers.
S1 mird for LTE networks RBK daily	;
The LTE services operator Scartel explained why it demands a guarantee payment of \$ 150 mln from the potential virtual operators. According to Egor Ivanov, the Managing Director of Scartel, this money is needed to provide a quality service – to do this Scartel has to invest to its networks more than \$1 bln by 2014. FAS has defined this condition discriminative and opened the case on the grounds of violation of the antimonopoly legislation. Only capital costs for a network of 15 000 LTE base stations will come to \$750 mln in 2 years. Each station maintenance will cost \$2 000	per month. As a result, the operating costs for 10 000 base stations in use will reach \$ 480 mln in 2 years, estimates Mr. Ivanov. The operator has invested about \$ 400 mln already. With Garsdale holding creating, that includes Scartel and MegaFon's controlling stake, the first company was obliged to let MVNO operators into its networks on non-discriminatory terms. Scartel has proposed its partners to pay \$ 150 mln as a guarantee payment by the end of 2014. At that, the channel of 1Mb/s speed was proposed for 4020 rubles per month incl. VAT.
4G in 3 years TASS-Telecom	<u>.</u>
"4G network may totally cover Moscow in 3 years" – was announced in the press service of Moscow Department of Information Technologies. It was notified, that the penetration index is rather high and amounts to 73%. "By 2016 it can almost reach 100%. We believe it is will be possible by this time" – DIT declared.	The only problem of this technology development in Moscow is the poor choice of supporting devices. "Currently 4G can be used only with 4G modems support, that are sold in telecom stores." – the press service of DIT commentes and adds that devices supporting this technology exist, but are not massively promoted.

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Internet to be compared to light and gas

RBK daily

Carrier operators suggested to comapre home Internet and mobile connection to the most essential communications. They want developers to build canalization for Internet cables and rooms for operators' equipment while planning and building properties. Such initiative will be included to a complex of measures to organize an equal access of operators to infrastructure assets, – as promised by The Ministry of Communications.

"We have proposed to consider the necessity of providing cities with a quality connection at an architectural level when planning infrastucture. E.g. typical requirements to a developer should contain not only sewer laying, water supply, heating and light, but infrastructure organization for carrier operators as well," – informed MTS Technical Director Oleg Svirskiy. He suggests to consider the cabling between the buildings in the sewers, the presence of attic space for operator's equipment and a few entrances to the buildings at the bottom floors for fiber optics cabling while planning new residential neighborhood.

The simplifying of operators' access to infrastructure objects is considered in a complex of measures, prepared by the Ministry of Communications. "These proposals are included in the general concept of non-discriminative access to infrastructure. All our proposed measures consider operators' requests", – the Ministry of Communications representative Ekaterina Osadchaya noted.

Smartphones not for everyone

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LTE networks development in Russia is restrained by the poor choice and high price of smartphones and tablets supporting 4G. This was a conclusion of a round-table of mobile devices producers, held by MegaFon. The vendors (Nokia, ZTE, Yota-devices, Samsung, Huawei and Lenovo) expect that in the second half of 2013 there will be a new line of devices with LTE support. Otherwise, operators believe, that the technology will not be so massive, until the smartphones become more available. MTS proposes to reduce import fees on such devices in the country to stimulate the market. According to MegaFon representatives, the rising popularity of LTE will be facilitated by a seamless connection between 3G and 4G networks. The possibility of seamless transfer allows the user to make voice calls in LTE networks, – the phone automatically switches to 2G/3G for a voice call.

According to J'son & Partners consulting company, the LTE networks development will push the introduction of new devices to the Russian market. According to the agency's estimates, the percentage of smartphones with LTE support will reach 15% of the total sales of smartphones in 2015. GSA notes, that LTE devices range was increased by 2,5 times during the year.



The 5th International Business Forum

Evolution of Mobile Networks – LTE Russia & CIS 2013

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The Key Topics:

- The LTE ecosystem in Russia. Market trends and prospects
- Conversion of radio frequency spectrum for LTE networks in accordance with the bid results
- Common use of radio-frequency spectrum in Russia
- The principle of technological neutrality in use: challenges and drivers
- Opportunities and existing mechanisms of "frequencies exchange" between operators
- Prospects for LTE equipment production in Russia
- Prospects and opportunities for LTE networks deployment in the range of 1800
- LTE-Advanced networks in Russia. Trends and prospects
- Experience of LTE network joint operation based on the MVNO model
- LTE networks infrastructure joint construction and use
- International and national roaming in LTE networks
- Chips for LTE Terminals, 2G/3G networks support. Multi-standard terminals
- The market of mobile subscriber units for LTE networks
- LTE Terminals: evaluation of subscribers' devices market development



Yuri Dombrovski, President of the Association of regional telecom operators



Alan Hadden. President. Global mobile Suppliers Association (GSA)

LTE Union



www.comnews-conferences.ru/lte2013

Speakers:

Gulnara Khasvanova, Adrian Scrase, Executive Director. Head of 3GPP Mobile Competence Centre



Association of

Regional

elecom Operators



Vitaly Solonin, Head of wireless technologies department, J'son & Partners Consulting

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