



World at a
different angle

Broadband & Satellite Russia Newsletter

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Sources: ComNews.ru, Kommersant, Vedomosti.ru

◆ Northern Broadband Access

Company TTK, one of the largest communications operators in Russia, started rendering broadband internet access services in two regions of the North-Western Federal District: the Komi Republic and the Arkhangelsk region. TTK broadband access network currently covers 37 thousand households in this region, which amounts to 90%

of all residential areas. TTK communications networks in this region are built on the basis of FTTB (Fiber-To-The-Building) technology, its parameters can fulfill the needs of all categories of users, regardless of their activity in the network. The population of the region equals to 14 million people. ◆

◆ Chance for New LTE Providers

New LTE operators can appear in Russia in 2015. The State Commission for Radio Frequencies is planning to allow the use of this technology to companies, which render wireless fixed internet access services on the 2.3-2.4 GHz bands. This decision is lobbied by the Moscow company “Enlain”, which claims that the other operators will be able to use the technological neutrality as well. According to the Commission’s draft decision, in the beginning of February the Commission will hold a meeting where the fixed wireless access

operators will be allowed to develop LTE technology with the 2.3-2.4 GHz networks available to them. It is also stated that the use of the band will not require any separate decisions of the Commission, if the fixed wireless access operators stay on the bands allocated to them earlier, in the 2.3-2.4 GHz range. An operator will be able to receive radiofrequency assignments for developing LTE only on the part of the band it uses, on the territory of all federal subjects where the operating network is situated. ◆

⌘ LTE Frequencies Sold at Retail

The State Commission for Radio Frequencies will amend its decision taken half a year ago, which defined the conditions of an auction for the 2570-2620 MHz frequencies for LTE. Initially the Commission planned to have two official lots, and now it will request Roskomnadzor to distribute all the frequencies participating in the auction into 82 lots. One of the lots will remain federal, the others will be active within the federal subjects, except for Moscow, the Moscow region, the Crimea and Sevastopol.

In July 2014, the Commission requested Roskomnadzor to organize the bidding for the 2570-2620 MHz frequencies, not later than the IV quarter of 2014. For the first time in the Russian history, the bidding is to take the form of monetary auctions. Starting from May 2012, when Nikolai Nikiforov was assigned to the post of the Head of Ministry of Communications and Mass Media, he insisted that these frequencies should be allocated this way. ⌘

⌘ Price of Mobile Satellite Communications Rises

In 2015, mobile satellite communications will become substantially more expensive for Russians – two largest operators, Iridium and Thuraya, simultaneously raised prices for their services by more than 50%.

In the end of 2014, Iridium Russia and Thuraya declared that the cost of mobile satellite communications would rise. Both companies claimed that this decision was mainly influenced by the economic situation in Russia. For example, in the end of December, Iridium Russia reported the tariff increase for all communications services, from 1 January 2015.

The company raised tariffs for voice services, GO! tariffs and tariffs for extra services not less than by 25%. One of the smallest pre-paid packages “50 minutes” went up in price from \$40.4 to \$51.3 and a “middle” package for 600 minutes – from \$300 to \$404.6.

“Based on the analysis of the current market state and due to the recent economic changes, “Iridium Communications” changes the operating tariffs, including the tariffs for voice and extra services”, stated the press office of Iridium. Thuraya submits the same comments, “It is a forced measure, caused by the weakening of the ruble”. ⌘

❖ Disputable LTE Frequencies Put up for Auction

The State Commission for Radio Frequencies plans to initiate the bidding of frequencies; the ones which made the “Antares” company, owned by Evgeny Roitman, file a lawsuit against the Commission. According to the draft decision of the Commission, on its next meeting it plans to put LTE frequencies of 1980-2010 and 2170-2200 MHz up for auction. The draft stipulated the allocation of these frequencies for building LTE networks all over Russia, except for the Crimea and Sevastopol. The frequencies shall be allocated for 10 years, but on the following condition: they can be used only before they are occupied by satellite communications equipment developed in terms of a Federal

space program, or by the Russian satellite segment equipment from the international moveable communications IMT. The project also envisages that the bidding will be open mainly to the operators of active LTE communications networks. These are the frequencies, which the entrepreneur Evgeny Roitman has been fighting for during three years. He needs them as “pairing” for the 1900-1920 MHz networks acquired by his company back in 2008. All these frequencies can be used for the creation of TDD (Time Division Duplex) LTE network, the modification that is not particularly widespread in Russia. ❖

❖ NVision Group Goes to Sistema

Joint-Stock Financial Corporation “Sistema” became the only shareholder of one of the largest Russian IT companies “NVision Group”, having bought 11.25% of shares from its former CEO and one of its founders, Anton Sushkevich. In the beginning of 2014, such a block of shares was estimated to cost \$24 million, but the competitors suppose that the corporation bought shares with a discount. The fact that JSFC “Sistema” received 100% of “NVision Group” is mentioned in

the materials of the corporation. Through subsidiaries, “Sistema” acquired 11.25% of shares in “NVision Group” from the former President and CEO of the company, Anton Sushkevich. The latter confirmed the sale of shares, but refused to disclose the sum of transaction. “I decided to concentrate on my own projects, not connected with system integration”, he said to explain the reasons for the sale. Sushkevich already left the board of directors of “NVision Group”. ❖

About Us

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