



Bridging the Digital Divide Project

Rostelecom has been appointed as the sole contractor under the nationwide project for Bridging the Digital Divide, aimed at providing Russia's rural population with high-speed Internet access. Under this project, Rostelecom will install some 14 thou. access points across the country linked to the network with fibre-optic cable backhaul stretching to some 200 thou. km in total.

High-speed Internet access is provided to those in small localities with a population of 250-500 people (altogether some 4 mln people). People living in remote localities have access to an Internet connection (with 10 Mbps bandwidth) at the minimal rates: RUB 45 per month or RUB 1.5 daily with free access to over 2 thou. governmental websites.

Rostelecom has been contracted for 10 years with funding provided from the Universal Service Fund managed by the Federal Communications Agency of Russia (Rossvyaz). In line with the agreement signed, Rostelecom is expected to receive RUB 168 bln over 10 years.

The implementation of this project will make it possible for Rostelecom to have the following additional benefits:

- Upselling households for personal BB access and other services (on a commercial basis);
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- Opportunity to accelerate the upgrade of existing networks from copper to fibre, reducing the maintenance costs.

IMPLEMENTATION PROGRAMME

The Company uses fibre-optic cable and materials to install access points manufactured solely by Russian companies. 80 % of subcontractors are small and medium-sized businesses.





ACHIEVEMENTS MADE IN 2015

Access Points

- 1,589 access points were put in to operation in 60 Russian regions;
- 172 access points were installed and currently under commissioning;
- Works were initiated for 764 access point to be commissioned in 2016.

Fiber links

- 22 thou. km of fibre-optic lines were commissioned in 60 Russian regions;
- Works were initiated to build 13 thou. km of fibre links to be commissioned in 2016.