Defense Ministry Opts Out of 4G Frequencies

By [The Moscow Times](#)

February 10, 2013

Defense Minister Sergei Shoigu wrote to President Vladimir Putin saying that Osnova Telecom, a firm partly owned by the ministry, doesn't need the frequencies it has held for the past 2 1/2 years.

The Defense Ministry owns 25 percent plus one share of Osnova, which prevents it from controlling the firm. The remaining share belongs to Aikominvest, an investment vehicle headed by Vitaly Yusufov, son of former Energy Minister Igor Yusufov, Vedomosti reported Friday.

In the letter to Putin, Shoigu said the ministry was not opposed to putting the frequencies up for auction. The frequencies are between 2.3 and 2.4 gigahertz and were given to Osnova in 2011 by the State Radio Frequencies Commission.

Spokespeople for both Tele2 and Transtelecom told Vedomosti they would consider bidding

for the frequencies, depending on the conditions.

The "Big Four" telecom providers — Rostelecom, MegaFon, VimpelCom and Mobile TeleSystems — won tenders for 4G frequencies in a contest concluded in July.

In 2010, former Defense Minister Anatoly Serdyukov asked President Dmitry Medvedev to grant 4G frequencies to Osnova so it could set up high-speed Internet coverage for the armed forces.

A Defense Ministry representative told Vedomosti that the decision to opt out of the 4G frequencies was made because ministry officials now consider it impractical to create their own network with encrypted subsystems.

The ministry can create its own subsystem using the 4G networks of commercial telecom companies, the representative said.

An unidentified source close to the frequencies commission said the idea to opt out of the frequencies was proposed shortly after Serdyukov's sacking in early November.

Related articles:

- [MegaFon Said to Weigh Tele2 Buy-Up Plan](#)
- [MTS to Invest $3Bln in Infrastructure](#)
- [Skartel to Open Network to More Operators](#)

Original url:
https://www.themoscowtimes.com/2013/02/10/defense-ministry-opts-out-of-4g-frequencies-a21386