

# Rostelecom Gains \$4.7Bln Contract to Bring Internet to Rural Russia

By [The Moscow Times](#)

May 13, 2014

**The  Moscow Times**

State telecoms giant Rostelecom on Tuesday gained a government contract that will bring Internet access to more than 13,000 towns across Russia with a combined population of 4 million people.

The contract is good for 10 years, during which time Rostelecom will receive an estimated 163 billion rubles (\$4.7 billion) from state funds.

At the signing ceremony, Communications and Press Minister Nikolai Nikiforov praised the agreement for creating "one of the largest fiber-optic telecommunications networks for providing Internet access in the world," according to a statement published Tuesday on Rostelecom's website.

The new infrastructure will "fundamentally change the living standards of tens of millions of Russian citizens," Nikiforov said.

According to the contract with the Communications and Press Ministry, Rostelecom must provide Internet access at a speed of at least 10 megabits per second at Internet hotspots in all towns with populations of between 250 and 500 that already contain a pay phone.

High-speed Internet access will appear in these locations by the end of 2018, Rostelecom president Sergei Kalugin said.

The construction will affect "many more towns and residents than spelled out in the document," Kalugin added, as telecoms lines will be constructed so as to provide broadband access to "neighboring cities, villages and countryside." Rostelecom was also contracted to continue service to the 148,000 existing pay phones and 21,000 points of collective Internet access.

Rostelecom in April was appointed Russia's single universal communications operator, replacing the previous system by which several separate operators were selected via a tender.

Original url:

<https://www.themoscowtimes.com/2014/05/13/rostelecom-gains-47bln-contract-to-bring-internet-to-rural-russia-a35408>