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Russian Telcos Press for Foreign Internet Companies to Pay for Data Storage

By Reuters

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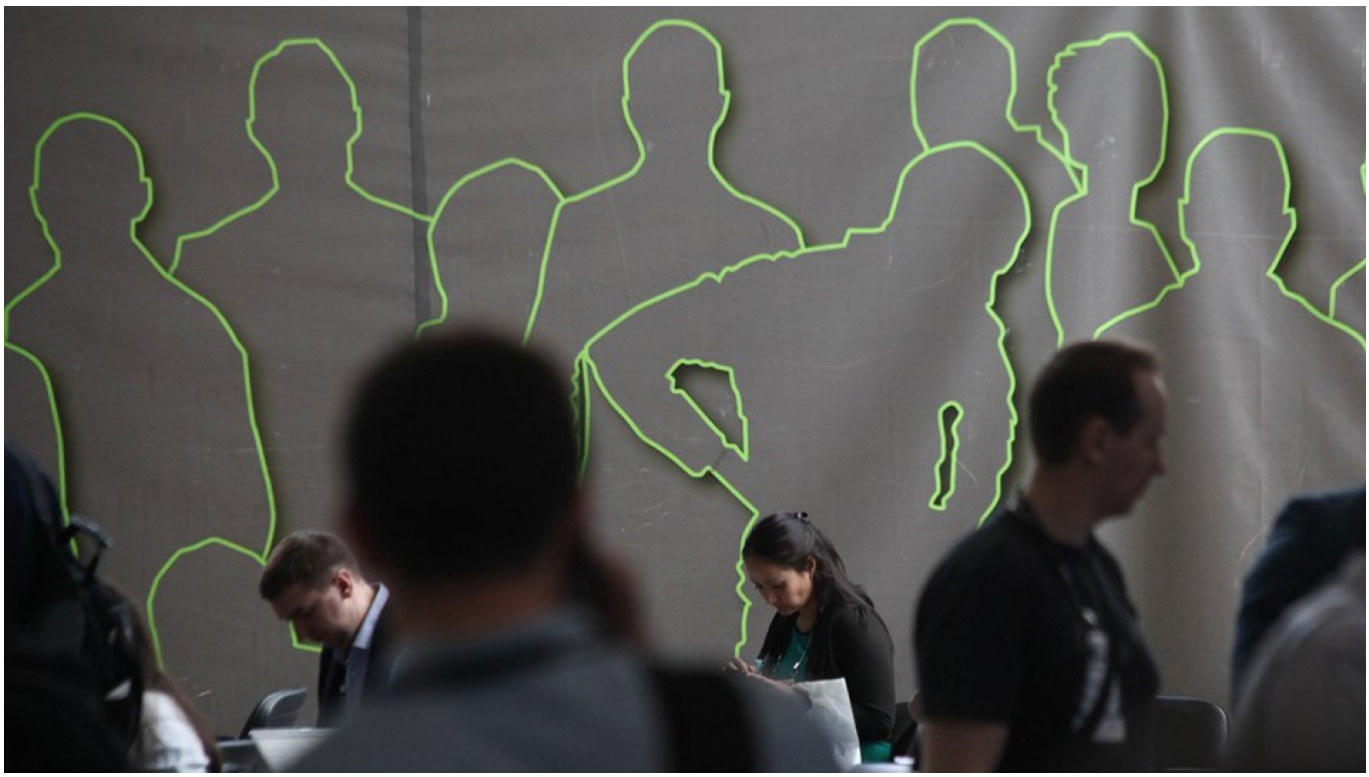

Sergei Vedyashkin / Moskva News Agency

Russian telecoms operators have proposed legislation that would oblige foreign internet companies to share the financial burden of a new law on storing data in the country, a draft bill seen by Reuters shows.

If adopted, the legislation would allow Russian telecoms companies to claim compensation from foreign internet companies, including social media and messenger services such as Google and Facebook, for compliance with the data storage rules that come into effect from October.

If foreign internet companies refuse to comply, Russian communications watchdog Roskomnadzor could be allowed to reduce the speed of access to their websites for Russian

users.

Google declined to comment and Facebook did not immediately respond to a request for comment.

"The bill will be sent to the government as soon as all operators reach a harmonized position," a senior manager at one of Russia's telecoms companies told Reuters.

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A representative of Rostelecom, a leading Russian telecoms operator, said the company supported the notion of spreading the data storage costs with foreign internet companies.

Russian telecoms operators MTS, VimpelCom and Tele2 declined to comment.

Megafon, which would not comment on the draft legislation, told Reuters that all interested parties — not only telecom operators — should take part in the development of internet resources.

The cost for Russia's three largest telecoms operators — MTS, Megafon and VimpelCom — of creating and sustaining a system to store data to comply with the law will reach 145 billion rubles ($2.17 billion) over the next five years, the companies have said.

Russian telecoms operators still do not have the necessary infrastructure in place to store users' data, industry sources have said.

They will also have to use foreign technology to comply with the data storage law, even though President Vladimir Putin ordered his government to ensure that local companies produce the equipment.

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