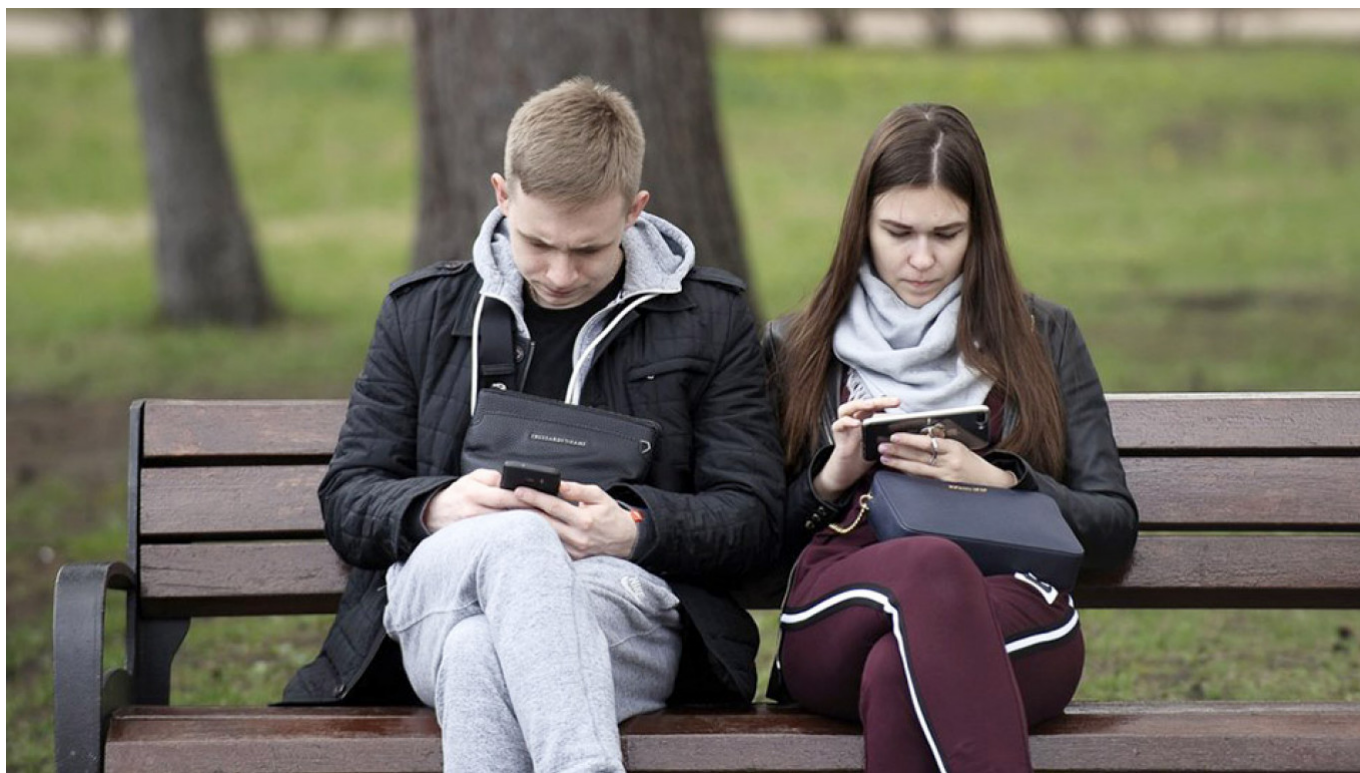


5G Network Must Use Russian Equipment

A new “roadmap” for the roll-out of 5G blocks the purchase of tech equipment from abroad.

October 02, 2019



The Russian government wants the 5G network to be live in 5 cities by 2021. **Alexander Avilov / Moskva News Agency**

Mobile operators will have to install Russian servers and work with Russian companies to build the fifth generation mobile network (5G) across the country, according to government documents seen by [RBC](#).

The paper reported that government and industry officials have drawn up a roadmap for the development and roll-out of 5G, which will force operators to build and install domestically-made data servers.

However, RBC said that the technology to do so does not yet exist in Russia, and cited one industry expert saying the cost of building a factory which can make the electronic

components for the servers being demanded would be \$5 billion.

The Russian government has pledged 650 billion rubles (\$10 billion) to support the roll-out of 5G. In line with their policy of import substitution, officials have previously hinted that it would push for 5G equipment to be produced in Russia. Deputy Prime Minister Maxim Akimov said publicly he did not want to see the government's investment go to foreign companies.

Related article: [Putin Reserves Key 5G Frequency for Military Use, Media Reports](#)

An industry insider who the government consulted over the roadmap told RBC the move to producing and using local servers for 5G would “reduce the risks from sanctions, in case manufacturers refuse to supply Russian operators with specialized equipment.”

However, the government conceded that Russian operators will have to work with foreign companies in some capacity, given that Russian firms do not have the technology to go it alone. It favours establishing new joint ventures in Russia or getting firms to co-invest in Russian production facilities with the likes of China's [Huawei](#), Finland's Nokia or U.S. firms like Cisco, Verizon or Qualcomm, rather than simply buying their equipment made abroad.

The government plans to have 5G live in at least five Russian cities by 2021, and 10 by 2024.

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