

# Advanced Communications & Media

## ***IP-transit market development in Caucasus region***

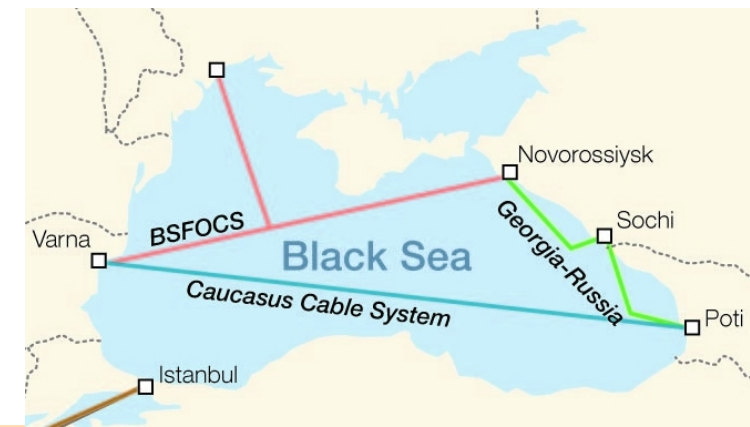
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# Main cable systems to Caucasus region

## 1. Submarine cable systems through the Black Sea

- Caucasus Cable System (2008): Bulgaria-Georgia
- Georgia-Russia Cable System (1999): Georgia-Russia



## 2. Terrestrial cable systems

- Rostelecom: RU-AZ border
- TransTeleCom (TTK): RU-AZ border
- Turk Telekom: TR-GE border
- TCI (IR-AZ border, IR-AM border)

## 3. Planned cables through Caspian Sea

- AZ-KZ (Sumqayit-Aktau)
- AZ-TM (Baku-Turkmenbasy)



# Georgia: main players and market price dynamics

## 1. Main market players

- Caucasus Online (CCS, AS20771): 14 AS-customers
- SilkNet (UTG, AS35805): 22 AS-customers
- Railway Telecom (GRT, AS41877): 40 AS-customers
- Egrisi (System.Net, AS34797): 10 AS-customers

*Source: Caida.org*

Main international uplinks for Georgian ISPs:

Cogent (AS174), TTnet (AS9121), Rostelecom (AS12389)

## 2. IP-transit average market price dynamics (\$ per Mbps, local market)

IQ2009	IQ2010	IQ2011
<b>440</b>	<b>180</b>	<b>60</b>

# Armenia: main players and market price dynamics

## 1. Main market players

- GNC-Alfa (AS49800): 15AS-customers
- FiberNet (AS41965): 30AS-customers
- ArmenTel (Vimpelcom Group, AS12297): 9AS-customers
- ADC (AS41109): 2AS-customers

*Source: Caida.org*

Main international uplinks for Armenian ISPs:

CCS (AS20771), Vimpelcom (AS3216), Rostelecom (AS12389), TeliaNet (AS1299). Georgian ISPs: SilkNet (AS35805), GRT (AS41877).

## 2. IP-transit average market price dynamics (\$ per Mbps, local market)

IQ2009	IQ2010	IQ2011
<b>850</b>	<b>400</b>	<b>140</b>

# Azerbaijan: main players and market price dynamics

## 1. Main market player

- Delta Telecom (AS29049): 100+ AS-customers

Source: Caida.org

Main international uplinks for Delta Telecom:

Rostelecom (AS12389),

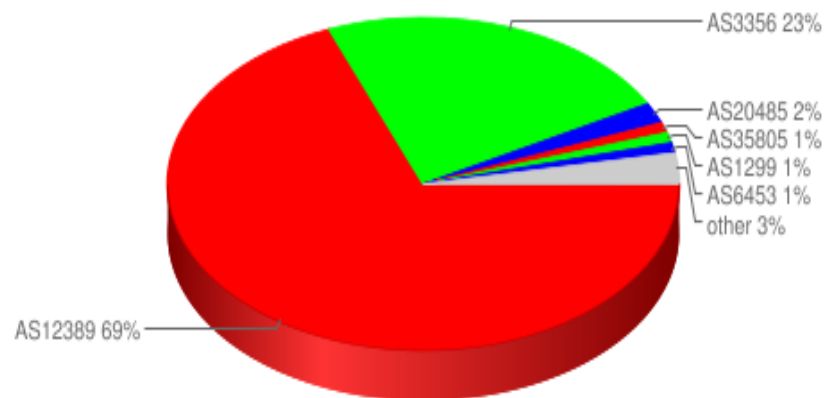
Level 3 (AS3356),

TTK (AS20485),

TeliaNet (AS1299),

TATA Global Network (AS6453).

Georgian ISP: SilkNet (AS35805).



Source: Robtex.com

## 2. IP-transit average market price dynamics (\$ per Mbps, local market)

IQ2009	IQ2010	IQ2011
<b>350</b>	<b>150</b>	<b>50</b>

## Market observations:

- The main player of the IP-transit market of Caucasus region as a whole is definitely Rostelecom: the company is present on the market of each republic and gains a total market share exceeding 50%
- Despite of the monopoly of Delta Telecom in the Azerbaijan IP-transit market, market prices in this country are the lowest in the region. This fact can be explained by the highest international bandwidth (over 100Gbps as per the end of 2010) and strong competition between ISPs connected to Delta Telecom on the Russian-Azerbaijan border
- Joint Venture C-ring Telecom does still not play any significant role on Azerbaijan IP-transit market
- Iranian TCI for some reasons does not demonstrate any ambition to become a player in Caucasus region IP-transit market, although it has very good international connectivity through various submarine cable systems having their landing points in Iran
- The future of FOPTNET terrestrial cable system in Georgia is still unclear

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