

Answering the call

Russia's mobile telecom market is booming

Growing demand for personal and corporate telecommunications due to outdated infrastructure is fuelling a high level of private investment in the Russian telecom market. Russia imports most of its telecommunications equipment—a trend that is expected to continue—so opportunities for Canadian companies abound.

In 2002, Russia imported some US\$1.8 billion worth of telecommunications products and services, of which Alcatel accounted for 19%, Ericsson 16%, Siemens 15%, Cisco Systems 8%, Nokia 6%, and others such as Nortel, Lucent, and Huawei, a combined 35%.

Demand for personal and corporate mobile phones is also being driven by growing disposable incomes and low penetration rates for fixed-line telephones, which stand at about 25% nationally and 50% in Moscow. The standard is GSM (Global System for Mobile Communications); some regional companies use various analogue standards but are rolling out new GSM-1800 or CDMA-450 (Code Division Multiple Access) networks.

Ownership of mobile phones has risen from 12.5% of the population at the end of 2002 to just over 20% now—that's 30 million subscribers—making this one of the fastest growing wireless markets in the world. In Moscow, the wireless penetration rate grew over 40% in 2003 to almost 60%. However, regional subscribers grew almost 90% this year and the sector is consolidating as regional operators are acquired by the major players.

Operators are seeking to stimulate demand for more profitable, value-added services such as call-waiting, Internet and text-messaging. For example, Vimpelcom—the first Russian

company to list on the New York Stock Exchange—announced plans in September to set up a "Mobile Purse" which would allow subscribers to pay for purchases using their mobile telephones.

The major trade show in the sector is **SVIAZ/ExpoComm**, Russia's largest international exhibition and conference for telecommunications, information technology and wireless/broadband technology, and will be held in Moscow from May 11 to 15, 2004 (www.ejkrause.com/events/3204.html).

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Geneva hosts international aid event

GENEVA, SWITZERLAND — January 28-29, 2004 — **International Aid & Trade** is a unique exhibition and conference that brings together senior representatives from the United Nations, multilateral development banks, government agencies, and international and non-governmental organizations.

This year's focus is on the role of the private sector in the delivery of integrated aid and development

solutions and includes special workshops covering the delivery of food aid, water and sanitation, security, medical care, transport and logistics, and communications technology.

For more information, go to www.aidandtrade.com/iat/europe/ov.asp or contact Leigh Wolfrom, International Financing Division, DFAIT, tel.: (613) 992-0747, e-mail: leigh.wolfrom@dfait-maeci.gc.ca.

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With a team of more than 500 business professionals in over 140 cities around the world, the Canadian Trade Commissioner Service has the market expertise you need to succeed in international markets. Every year, trade commissioners from around the world return to Canada to follow-up with Canadian companies like yours and inform them of emerging business opportunities. This winter, a number of trade commissioners from around the world will be attending major trade events that will take place in Canada. Join them at the following events to discuss international business opportunities!



Canadian International Food and Beverage Show

TORONTO

February 15 to 17, 2004

Meet with trade commissioners working in the Agriculture, Food and Beverages sector at Canada's largest food and beverage trade show and participate in the *Export Café*.

www.fbshow.com



Prospectors and Developers Association of Canada International Convention

TORONTO

March 7 to 10, 2004

Discuss international business possibilities with trade commissioners at our networking session.

www.pdac.ca



Globe 2004

VANCOUVER

March 31 to April 2, 2004

Come and meet with trade commissioners and discover international business opportunities in the environmental industries at the *Export Café*.

www.globe2004.com

For more information on these events, and how to register for an *Export Café*, visit the Trade Commissioner Service Web site at www.infoexport.gc.ca.

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