

International Affairs of a Russian Operator

Interview with Dmitriy Sevastyanov, Director General, Gazprom Space Systems

Q Gazprom Space Systems (GSS), a Russian satellite operator, was recognized at the international market 10 years ago when Yamal-202 satellite started operating. How is the company's international business going now?

That is right that our company entered an international orbit together with Yamal-202. The satellite had a semi-global beam in C-band which is able to cover Europe, Middle East and Southeast Asia. In ten years GSS learnt new markets, won respect and formed its customer base. Until recently it was Yamal-202 which generated the main revenue of GSS at the international market. In the end of 2012 we launched Yamal-402, the most powerful satellite; 40% of its capacity are concentrated in the beams of Ku-band covering vast territories beyond Russia. For example, Africa is an additional region among them. The company made it clear that it was interested in all territories of the Eastern hemisphere.

Q What is your business strategy at new markets?

Both Middle East and Africa are very competitive markets where there is a plenty of satellites of global and regional operators. For example, eighteen satellite operators provide their capacity in Western Asia. The region is still demonstrating high growth. Satellite services are demanded by pay TV operators, corporate sector (oil and gas sector first of all) and the government. Mobile operators need satellite backbone channels. Broadband internet access is getting more popular.

African market is more complex. When entering markets with capital shortage, low paying capacity and a lack of qualified staff, it is more efficient to provide complex and cost effective turn-key solutions instead of satellite capacity. A satellite operator is able to do it together with professional service providers and system integrators who have operation experience at these markets.

That is why we count on our loyal partners and clients and we are opened to new



proposals and contacts as well. GSS is trying to build supporting environment for its consumers and is ready to share business risks with them.

Besides, at the international markets GSS provides capacity of high quality. Yamal-402 is a modern and reliable satellite manufactured by Thales Alenia Space. It covers African continent, Middle East and Europe; it has interbeam connection between Europe and Africa. There is also a steerable beam which covers African and Southeast Asia and can be connected to Europe.

Q Could you please give any examples of GSS successful results at the international market?

After a year and half of operation Yamal-402 has doubled our customer base.

Providers who are operating in the European beam provide their services to big oil and gas companies in Middle East and provide communication with sea crafts in the

Mediterranean Sea. Among our service providers there are Globecom Europe, ICCES (Saudi Arabia) and Cobbett Hill (England).

The most popular direction is channels from Europe to Africa. The most popular service here is the internet access for remote regions of Africa.

The Southern (African) beam is in great demand. Telemedia (Johannesburg, RSA) has placed two platforms of African TV channels on Yamal-402 satellite. Besides, this satellite's capacity is used for satellite news gathering from sport contests.

Recently GSS and ISAT Africa signed a contract. According to it the African company will use capacity in the Southern beam of Yamal-402 to provide a communication network in The Democratic Republic of the Congo and other countries of Central Africa.

Sat Space Africa (Namibia) is a well-known provider of reliable and economically sound Internet access services. For the last year it doubled the capacity which it used on Yamal-402.

Q What new will GSS be able to offer the international market in the nearest future?

After Yamal-401 satellite launch to the 90°E orbital position Yamal-300K satellite will be moved to a different orbital position further to the east. Yamal-401 will be forwarded the services of Yamal-300K and from its new position the latter will be able to cover the Far East of Russia, the northern part of China, Korea, Japan and northern part of the Pacific ocean to Alaska. A steerable beam of Yamal-300K will be directed to Australia or to another region of Southeastern Asia. The northern part of the Pacific Ocean is a heavy traffic region, so companies providing telecommunication services for ocean carriers are interested in Yamal-300K.

Gazprom – our major shareholder – is paying its attention to the East. China and other countries of Asia-Pacific Region are its priority area. Our interests of going east coincide. ■

Interview was taken by Vsevolod Kolyubakin