Azerbaijan

For mobile-broadband penetration and coverage Azerbaijan is among the leaders in the CIS region. The penetration rate in the fixed-broadband market is also above the CIS average. The prices for mobile and fixed telecommunication services are relatively low and continue to decline.

Mobile services: The mobile-cellular market of Azerbaijan is represented by three telecommunication operators: Bakcell, Azercell and Azerfon. The companies started to provide commercial services in 1994, 1996, and 2007 correspondingly.[43,44][45] Azercell is the largest mobile telecommunication operator in the country with more than four million subscribers.[46] The first 3G network was deployed in 2009 by Azerfon.[47] This was followed by years of rapid development of mobile broadband networks. LTE was launched in 2015.[48] The IMEI code registration system was introduced in 2011, while mobile number portability (MNP) was introduced in the beginning of 2014.

Fixed services: From 1993 to 2003, telephone networks were actively deployed, Azerbaijan was connected to the Trans-Asia-Europe (TAE) international fibre-optic cable line and Internet access services became available all over the country. Nowadays, more than 90 per cent of regional centres are connected to high-speed fibre-optic cable lines.[49] By 2008, all of the settlements were provided by fixed telephone services. By 2010, analogue private branch exchanges (PBX) were replaced by digital systems. CDMA technology is heavily used in wireless local loop (WLL) systems. The largest national telecommunication operator Aztelecom covers 80 per cent of the population with CDMA networks. Commercial broadband Internet services have been offered to the population since 2006. Today, there are about 40 Internet providers in Azerbaijan. Three of them (Aztelekomnet, Bakinternet, and Azdatakom) are state owned.[50] Under the Public Wi-Fi project, free Wi-Fi hotspots are being deployed in the capital of Azerbaijan since May 2017.[51] Two private companies provide international Internet connections.[52]

Government policy: Two programmes in ICT were implemented under the National ICT Strategy 2003-2012 in recent years. The first project, e-Azerbaijan, focused on modern telecommunication infrastructure construction. The second aimed at information society development and ICT use. The strategy pursued development of information society legal framework, creation of favourable conditions for information distribution, e-government and e-trade development, ICT-infrastructure deployment, new ICT-services launch, etc. As a result, in 2003-

Key indicators for Azerbaijan (2017)		CIS	World
Fixed-telephone sub. per 100 inhab.	17.2	19.8	13.0
Mobile-cellular sub. per 100 inhab.	103.0	138.3	103.6
Active mobile-broadband sub. per 100 inhab.	56.8	72.0	61.9
3G coverage (% of population)	96.3	80.3	87.9
LTE/WiMAX coverage (% of population)	42.0	61.1	76.3
Individuals using the Internet (%)	79.0	68.6	48.6
Households with a computer (%)	63.8	68.1	47.1
Households with Internet access (%)	77.6	73.6	54.7
International bandwidth per Internet user (kbit/s)	46.4	66.8	76.6
Fixed-broadband sub. per 100 inhab.	18.4	17.8	13.6
Fixed-broadband sub. by speed tiers, % distribution			
-256 kbit/s to 2 Mbit/s	51.0	12.2	4.2
-2 to 10 Mbit/s	40.9	25.1	13.2
-equal to or above 10 Mbit/s	8.1	62.7	82.6

Note: Data in italics are ITU estimates. Source: ITU (as of June 2018).

2009 around 500 ICT related companies emerged. In 2010-2015, fixed-telephone network penetration increased by 45 per cent, and mobile-cellular network penetration increased by 38 per cent. In 2008, the government of Azerbaijan approved a national programme aimed at developing a space industry and launched its first telecommunication satellite and earth observation satellite in 2013. It plans to launch the second telecommunication satellite in 2018. In 2008, Azerbaijan initiated the Trans-Eurasian Information Super Highway (TASIM) project that is a major regional initiative aimed at creation of transnational fibre-optic backbone targeting primarily the countries of Eurasia from Western Europe to Eastern Asia.[53] Another significant infrastructural project is "AzDATACOM" implemented in partnership with the United Nations Development Programme (UNDP). The "AzDATACOM" project is a network infrastructure for data transmission covering almost all regions of the country.[54] In 2014, the government adopted a national programme based on The National Strategy of Information Society Development in the Republic of Azerbaijan 2014-2020.[55] The strategy targets the following issues: renovation of ICT-infrastructure, effective regulation, creation of competitive ICT-products, e-government enhancement, ICT-education, information security, etc. In 2016, the government adopted the State Program to use this National Strategy.

Conclusion: The ICT sector in the country is one of the most developed in the CIS region. The Azerbaijan Government has a clear understanding of ICT policy significance in the development process. According to national plans, the focus will be on high-speed optical fibre and wireless access network construction, deployment of an IMS (IP multimedia subsystem)[56], increasing transit capacity, and the development of data-centres and satellite communications.[57]