Together Shaping the Future

Future Lab as part of Regional Innovation Zone

Baku
4 October 2011
Azerbaijan Today and Tomorrow
Macroeconomic Environment
In 2010, the number of people engaged in labor in the private sector economy was more than 2.8 million people.

Thus, 69.3% of employment is provided by the private sector. The private section of production volume of industrial production constituted 81.8%.
Forecast ICT Market 2012 (USD million)

Total Market 2012f: USD 1.3 billion
In “connected” countries the information age is transforming today’s societies across governments, the public & businesses

Dimensions of “e-Society” Transformation

- **Government**
  - Use of ICT and e-government services to increase efficiency, effectiveness and reduce costs
  - Increasing responsiveness by governments to satisfy citizen’s public service needs through improved access and applications

- **Public**
  - Increasing use of on-line media to gather information, use of multimedia content & social networking tools
  - Resulting in decreasing time spent with traditional media and increasing broadband demand

- **Business**
  - Changing business models through use of e-business
  - Use of technology & applications to enhance competitiveness and efficiency of corporations
For example countries such as Azerbaijan have set ambitious growth targets, translating into tremendous bandwidth demand.

Azerbaijan International Bandwidth Demand Plans (Gbps)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Demand (Gbps)</th>
<th>Voice Communication</th>
<th>Fixed Data/Internet</th>
<th>Mobile Data/Internet</th>
<th>Total Demand (Gbps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>2</td>
<td>427</td>
<td>38</td>
<td>0.5</td>
<td>465</td>
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<tr>
<td>2012</td>
<td></td>
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Azerbaijan Government Plans

The Azerbaijani government has set itself ambitious broadband targets:

- Internet coverage of 45% in 2012, resulting in 9% subscriber penetration
- 80% of connections expected to be broadband connections by 2012
- Average connection speed per user of 12 Mbps

Broadband infrastructure & investment is required to reach ambitious growth targets.

Source: based on goals set by MCIT
By closing the **digital divide gap**, substantial social and economical benefits will be realized in the region.

**Benefits**

- ✔ **Increased Internet Adoption**
  - Improved access prices and quality leading to increased internet adoption
  - Improved access to information and applications

- ✔ **Improved Telecommunication Infrastructure**
  - Strengthened backbone service and alternative to telecommunication companies of the region

- ✔ **Regionalization of Internet**
  - Elimination of international interconnection burden for intra-regional traffic
  - Opportunity to develop and store local content

- ✔ **Economic Development**
  - Increase in trade links at regional and global levels
  - Development of regional e-commerce / e-marketplace

- ✔ **Realization of Information Society Targets**
  - Fundamental enabler for information society initiatives by governments
    - e-government
    - e-education
    - e-health
Our future focus
Success of mobile internet is driven by applications

• Public and security services
  • Government home network

• E-health
  • Telediagnosis
  • Remote monitoring

• Mobile-commerce
  • Mobile banking
  • Mobile bookings (parking, tickets and etc)
  • LBS
  • Content delivery

• Cloud computing
  • Centralized intelligence
  • Independence from mobile manufacturer

• Machine to machine applications
  • Telemetrie
  • Remote monitoring

controlled communication secure way to secure communication

E-health modernizes methods and technologies to increase the quality, safety, timeliness, and efficiency of health service

Cloud computing will support Law Enforcement, Defense, Investigation Services

We will be the driver of successful applications in Azerbaijan
What mean Future Lab?

This is area of high technology - a certain territory where will concentrated the objects of electronic and computer industries; research and educational centers; high-end IT-specialists and venture capital companies which are not afraid to invest in high tech and future technologies.
Azerfon’s future lab: initiative to gain out of a huge opportunity growing into new markets and regions

**Future lab**

- Content providing
- Application development
- Local / market adaptation
- Interfacing to local operations / industry
- Regional hub for further growth

**Idea and background**

- Setup of mobile operator – content provider – development cells – IT partners – group of common interest in close relation
- Offering office space under one roof
- Providing close partnerships to leading universities in Azerbaijan
- Get support from worldwide leading companies
- Offering financial support a finance partner
Why future lab ... 

The advantage has to be clear for everyone to get it fly

✓ Create an environment of high availability in most efficient way
✓ Use synergies between partners
✓ Give small SME’s a better chance to start and succeed
✓ Get people with common goals & ideas at one place together
✓ Make a symbiosis happened between universities – industry and creatives
✓ Offer a place of excellence
✓ Have a better starting point to get venture capital
One of the Key Elements of Future Lab is Young Innovative People supplied by Universities from Azerbaijan and close countries.
Future Lab: best location for future growth

- Quickest Growing Mobile Operator
- Future Lab
- Group of IT companies

- > 30,000 sqm most attractive office space
- Best location
- High tech environment
- With the most dynamic mobile operator under the same roof
- Your office space can still be adapted to your needs

You are interested to join: futurelab@azerfon.az
Our Targets

- Involve new Investment to the Country
- Utilize and Develop Human Gold
- Utilize and Develop New BUSINESS Market
- Start Regional Innovations Zone
- Establish Hi-tech in Azerbaijan
- Customize Hi-tech for Region
WE Believe...

... We believe that if a relatively small area, concentrating a large number of highly qualified specialists - scientists, engineers, business people - the results are stunning! ...

Critical mass of brains and money "!
Supporting Institutes

Academy of Science of Azerbaijan Republic

State and Private Universities of Azerbaijan

National Commission on UNESCO under the President of Azerbaijan

Education Commission under the President of Azerbaijan

Ministry of Communication and Information Technologies of Azerbaijan

Ministry of Education of Azerbaijan

UNESCO International Program for the Development of Communication (IPDC)

World Bank PROMOTING INNOVATION IN DEVELOPING COUNTRIES

Asia Bank of Development