GSMA

The Mobile Economy Eurasia 2026

GSMA

The GSMA is a global organisation unifying the mobile ecosystem to discover, develop and deliver innovation foundational to positive business environments and societal change. Our vision is to unlock the full power of connectivity so that people, industry and society thrive. Representing mobile operators and organisations across the mobile ecosystem and adjacent industries, the GSMA delivers for its members across three broad pillars: Connectivity for Good, Industry Services and Solutions, and Outreach. This activity includes advancing policy, tackling today's biggest societal challenges, underpinning the technology and interoperability that make mobile work, and providing the world's largest platform to convene the mobile ecosystem at the MWC and M360 series of events.

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Our team of analysts and experts produce regular thought-leading research reports across a range of industry topics.

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Executive summary

Strengthening the foundations of the digital economy

Eurasia[1] continues to experience a complex macroeconomic and geopolitical environment, with economic growth in the region slowing to 1.7% in 2025 following stronger rates in 2023 and 2024. The mobile ecosystem plays a crucial role supporting resilience in the region, generating $270 billion in economic value (8.1% of GDP) in 2025, largely driven by productivity gains.

Despite constrained investment conditions and uncertainty, digital infrastructure remains a relatively resilient and strategic investment area. The mobile ecosystem has become an important channel for international capital and technology entering the region, and supports the development of domestic technology capabilities. This dual role is strengthening the foundations of the digital economy.

The growing digital ecosystem is creating new monetisation options for mobile operators in Eurasia, with digital services contributing growing revenue shares and enabling diversification into the enterprise and public-sector segments. The mobile sector supported approximately 750,000 jobs and made a fiscal contribution of more than $14 billion in 2025.

The continued rollout of 5G remains a priority in Eurasia. 5G adoption is forecast to reach almost 30% for the region by 2030 and will unlock productivity gains beyond the ICT sector. However, structural disparities remain pronounced. While mobile internet coverage continues to expand, adoption has lagged. A substantial usage gap persists, particularly in rural areas and among lower-income groups. Addressing affordability, digital skills and trust will be essential to ensure broader participation in the digital economy. In this context, operators are playing an increasingly important role, by extending connectivity, improving digital literacy, enhancing affordability and strengthening trust frameworks in support of more inclusive and coordinated development across the region.

$270bn

Mobile's economic contribution in Eurasia is forecast to grow from $270 billion in 2025 to $300 billion by 2030

750,000

In 2025, the mobile ecosystem supported approximately 750,000 jobs in Eurasia

1. For this report, Eurasia comprises Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan, Turkmenistan and Uzbekistan.

Key trends in the mobile industry

Monetisation and digital services

Digital services are a lever for diversification and growth

Operators in Eurasia are positioning digital services as a growth area, integrating consumer and enterprise offerings into their portfolios to diversify revenues, enhance ARPU and improve capital efficiency.

Transition to 5G

By 2030, almost 30% of total mobile connections in Eurasia will be on 5G

Most markets in Eurasia remain in the early 5G rollout phase, prioritising capacity upgrades in high-demand areas alongside 4G expansion to support wider coverage. In markets where 5G is at the planning stage, wider deployment will depend on clear spectrum allocation timelines, regulatory clarity and stronger ecosystem coordination.

Technology sovereignty

Operators are strengthening infrastructure resilience and unlocking the potential of the domestic market

Eurasian markets are bolstering their infrastructure resilience and innovation capacity, advancing domestically supported connectivity networks, developing local full-stack compute capabilities and reinforcing governance frameworks to underpin emerging digital ecosystems.

Policies for growth

5G rollout is progressing across Eurasia, with coverage and adoption expected to grow steadily to 2030, alongside rising mobile traffic and 5G-enabled innovation across the wider economy. However, deployment continues to face structural constraints in terms of availability of spectrum, device affordability, backhaul infrastructure and energy supply.

Balanced access to key spectrum bands will be crucial. Low-band spectrum (such as 700 MHz) is essential to extend reach in rural areas and improve indoor coverage. Meanwhile, mid-band spectrum resources underpin network capacity and performance. The 3.4–3.8 GHz range currently supports most initial 5G deployments, while the 6 GHz band is increasingly strategic as the largest remaining contiguous mid-band block capable of supporting wide 200–400 MHz channels for future high-capacity networks. Clear spectrum roadmaps, together with licensing frameworks that link lower spectrum costs with rollout obligations, will be important to guide investment, accelerate deployment and support broader digital and economic development across the region.

Balanced access to key spectrum bands will be crucial

The Mobile Economy Eurasia

State of mobile internet connectivity

2024

Mobile internet coverage continues to grow faster than adoption in Eurasia. The usage gap remains high, at 29%, versus a coverage gap of 3%.

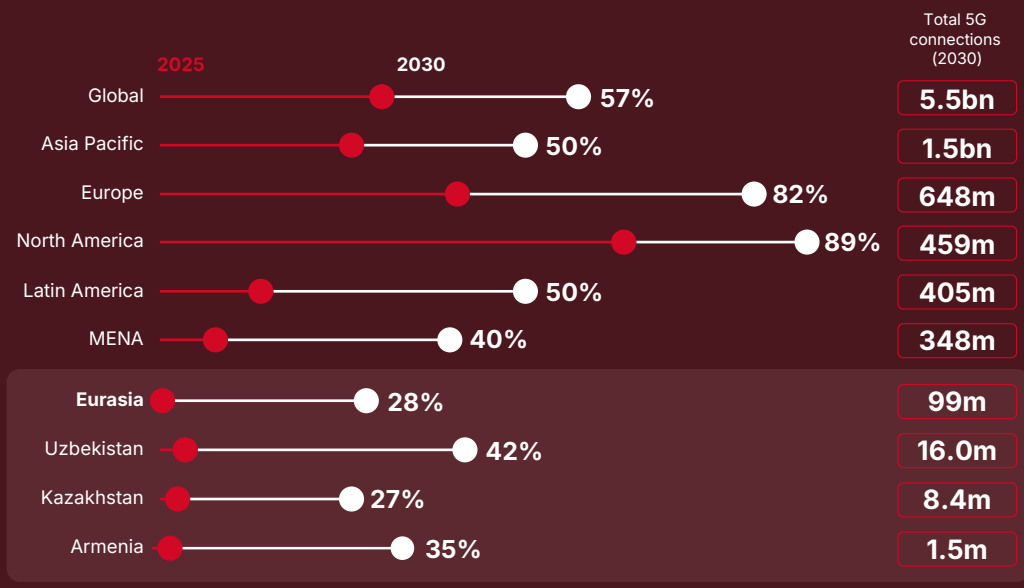
Coverage gap
3%

Usage gap
29%

Connected
68%

5G as a share of total connections

Percentage of total connections (2030)



	Total 5G connections (2030)
Global	5.5bn
Asia Pacific	1.5bn
Europe	648m
North America	459m
Latin America	405m
MENA	348m
Eurasia	99m
Uzbekistan	16.0m
Kazakhstan	8.4m
Armenia	1.5m

30%

By 2030, nearly 30% of mobile connections in Eurasia are forecast to be on 5G, marking a significant shift as shares for legacy technologies continue to decline.

Uzbekistan is forecast to see over 40% of its mobile connections on 5G by 2030, exceeding the regional average.

Operator revenues and investment

Revenues

2025 **$24.5bn**

2030 **$27.8bn**

Investment

$32bn

Capex for the period 2025–2030

01

The economic impact of the mobile industry

1.1
Macroeconomic outlook

Economic growth in Eurasia slowed to 1.7% in 2025, below the global average of 3.1%. This followed two years of relatively strong growth (4.3% in 2023 and 4.5% in 2024), after a temporary contraction in 2022 linked to geopolitical tensions and spillover effects across the region.

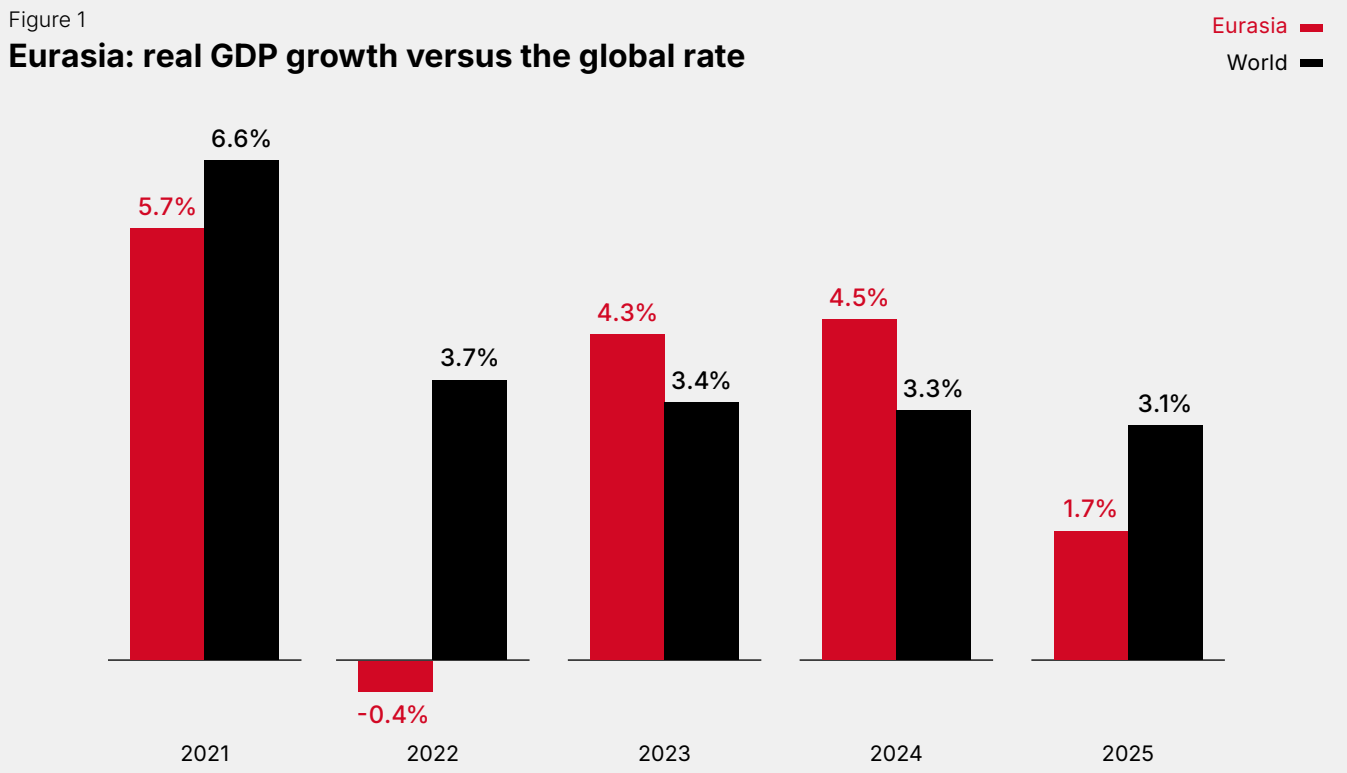
While the global economy has steadily recovered after the pandemic, Eurasia's growth trajectory has been more volatile, reflecting its exposure to external shocks, regional interdependencies and a complex geopolitical environment.

Recent growth has primarily been driven by private consumption, supported by resilient labour markets, recovering real incomes and easing inflationary pressures. However, investment momentum remains uneven, particularly in areas that underpin productivity growth. This reflects differences in market structure, policy priorities, financing conditions and institutional capacity across Eurasian economies.

Strengthening the foundations for private sector development will be key to unlocking higher and more sustainable growth. Improving the business environment, enhancing competition and reducing barriers to entrepreneurship can help support investment and innovation. At the same time, improving trade and transport connectivity remains a priority. Infrastructure gaps continue to limit the region's participation in global value chains. However, changing trade patterns are creating opportunities for Eurasia to strengthen its role as a strategic corridor between Europe and Asia.

Figure 1

Eurasia: real GDP growth versus the global rate



Source: GSMA Intelligence using WEO-IMF October 2025 data

Technology investments underpin economic growth

Technology investments have become essential to sustained long-term economic growth, with digitalisation reshaping how value is created, traded and captured across economies. In Eurasia, investments in digital infrastructure, cloud capacity and data centres are gathering momentum, reflecting a growing commitment to advanced technologies across the public and private sectors. For example, Microsoft has expanded its cloud presence in the region, supporting digital transformation through Azure-based services and partnerships that enable organisations to scale AI and data-driven applications.

Despite challenges, the region has an opportunity to advance convergence with more developed economies. Achieving this will depend on strengthening the foundations for long-term growth, including investment, digitalisation and deeper participation in the global economy.

> **In Eurasia, investments in digital infrastructure, cloud capacity and data centres are gathering momentum**

1.2
Mobile's contribution to the economy

Mobile technologies contributed $270 billion of economic value in 2025

In 2025, mobile technologies and services generated 8.1% of GDP in Eurasia – a contribution that amounted to $270 billion of economic value added. The greatest benefits came from the productivity effects reaching $220 billion, followed by the direct contribution of the mobile ecosystem generating $40 billion.

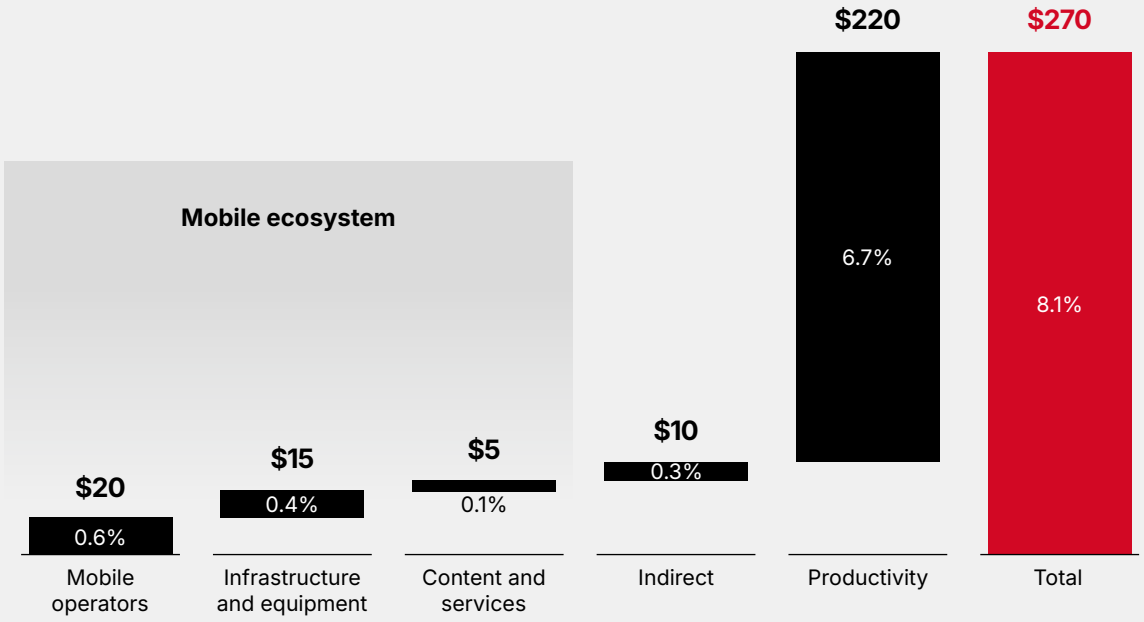
The impacts of mobile technologies include connectivity and digital transformation. Connectivity refers to the use of mobile technologies, while digital transformation involves the integration by enterprises of advanced mobile technologies such as 5G, IoT and AI.

The mobile ecosystem is formed of three categories: mobile operators; infrastructure and equipment; and content and services. The infrastructure and equipment category encompasses tower companies, network equipment providers, device manufacturers and IoT suppliers. Meanwhile, the content and services category encompasses content, mobile application and service providers, distributors and retailers, and mobile cloud services.

Figure 2

Eurasia: economic contribution of mobile technologies, 2025

Billion, % GDP 2025



Source: GSMA Intelligence

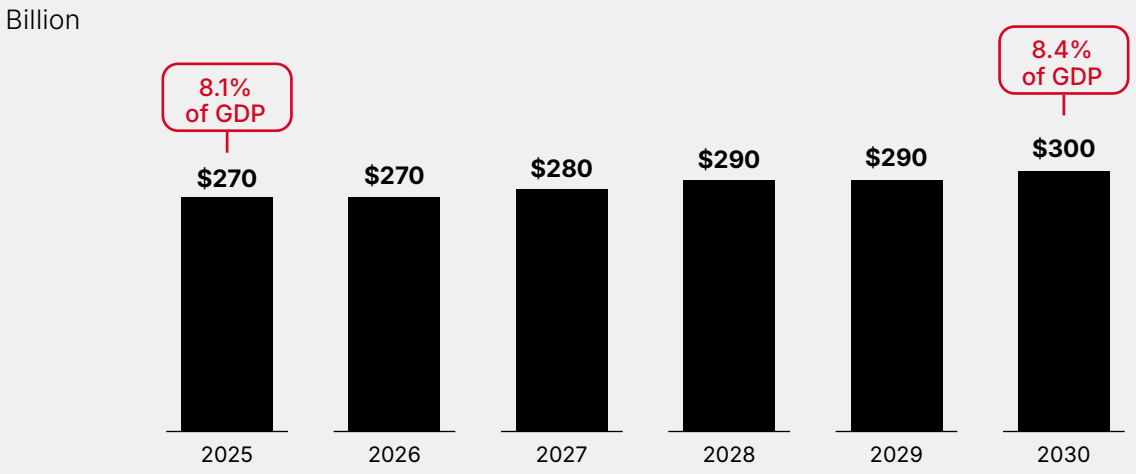
Mobile's economic contribution will reach $300 billion by 2030

By 2030, mobile's contribution to the economy in Eurasia will reach $300 billion,[2] driven by the improvements in productivity and efficiency brought about by the continued expansion of mobile services and the growing adoption of digital technologies, including 5G, IoT and AI. By 2030, mobile's contribution is expected to have grown at a CAGR of 2.4%, outpacing overall regional GDP growth (CAGR of 1.7% for 2025–2030).

The region's relatively modest growth outlook reflects a more challenging economic environment in recent years, affecting trade flows, increasing uncertainty and weighing on investment and household demand. These factors have constrained the normal functioning of economies across Eurasia, particularly through higher costs, reduced capital inflows and weaker business confidence. In this context, mobile technologies play an increasingly important role in supporting economic resilience. By enabling digitalisation across industries, mobile technologies can help firms improve efficiency, reduce operational costs and adapt to a more uncertain environment, while also supporting innovation and enhancing competitiveness in the medium term.

Figure 3

Eurasia: economic impact of mobile



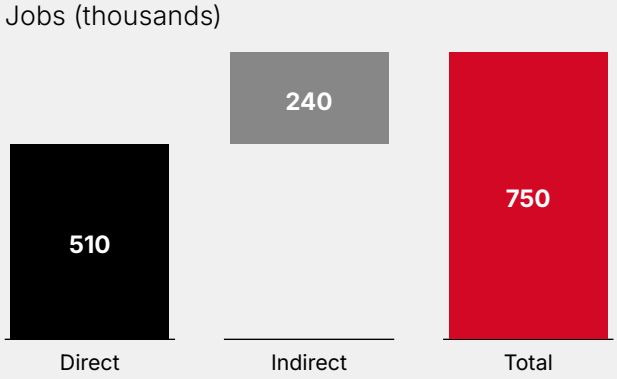
Source: GSMA Intelligence

The mobile ecosystem in Eurasia supported 750,000 jobs in 2025

Mobile operators and the wider mobile ecosystem provided direct employment to 510,000 people in Eurasia in 2025. In addition, the economic activity in the ecosystem generated 240,000 jobs in other sectors, meaning that around 750,000 jobs were directly or indirectly supported.

Figure 4

Eurasia: employment impact of mobile, 2025



Source: GSMA Intelligence

2. Estimating the economic impact of mobile technologies, GSMA Intelligence, 2025

The fiscal contribution of the mobile ecosystem reached $14 billion in 2025

Taxes constitute the major share of government revenues around the world. In 2025, tax revenue in Eurasia reached $570 billion, or 17% of regional GDP – an increase of 1.6% on the previous year.[3]

The mobile sector in Eurasia made a substantial contribution to the funding of the public sector, with $14 billion raised through taxes on the sector in 2025. A large contribution was driven by services VAT, sales taxes and excise duties ($5 billion). The fiscal contribution of the mobile ecosystem represented 2.5% of total tax revenues.

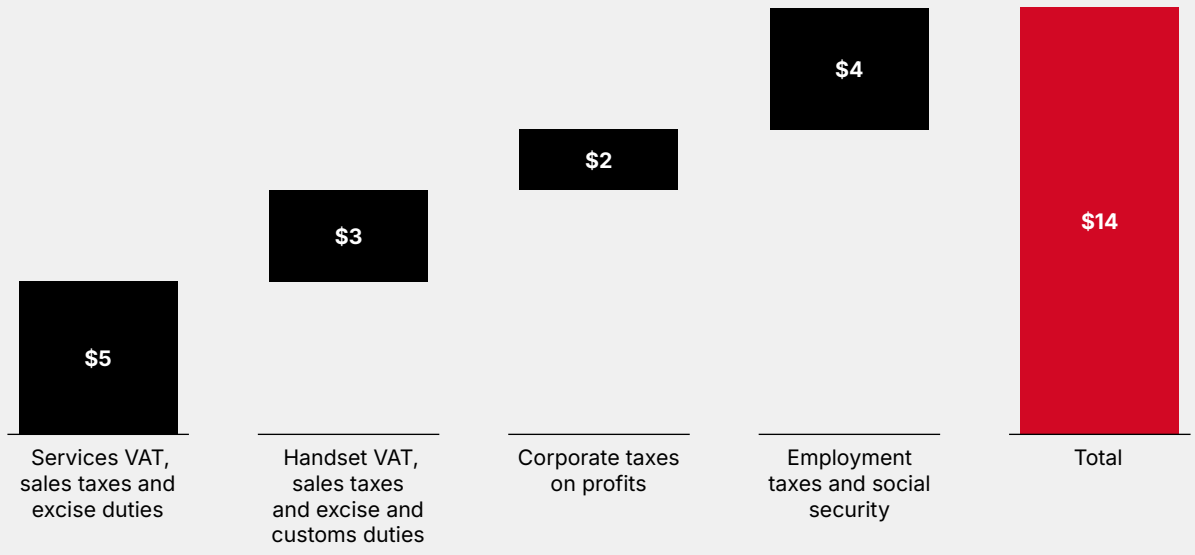
Beyond its direct contribution, the mobile sector can strengthen public finances by supporting the digitalisation of tax administration and improving compliance. Across Eurasian economies, governments have been expanding digital public services, with mobile connectivity serving as a key access channel for individuals and businesses. Mobile-enabled platforms facilitate tax filing, payments and interactions with tax authorities, helping to reduce administrative costs and improve efficiency. At the same time, the growing use of digital platforms and e-commerce enhances transaction traceability, supporting more effective VAT collection, which remains a central pillar of fiscal revenues across the region.

While tax systems are relatively well established in several Eurasian countries, challenges around compliance and informality persist, particularly among small businesses and in less diversified economies. In this context, mobile technologies can help lower compliance costs and simplify procedures, encouraging greater formalisation of economic activity. Moreover, the expansion of the digital economy gradually broadens the tax base, as a larger share of transactions becomes visible and taxable. Over time, these dynamics can support more stable and predictable revenue mobilisation, strengthening fiscal resilience in a region exposed to external shocks and commodity price volatility.

Figure 5

Eurasia: fiscal contribution of mobile, 2025

Billion



Source: GSMA Intelligence

3. IMF Fiscal Policies: World Revenue Longitudinal Database

The contribution of 5G and its ecosystem

As 5G networks expand and complementary technologies such as AI continue to mature, the scale of their impact will be shaped not only by infrastructure availability but also by investment in digital skills, innovation capacity and the integration of advanced technologies into production processes.

The economic value of digital transformation will come from two main channels:

- external value creation – the establishment of new revenue streams and business models that expand markets and stimulate additional demand
- internal value enhancement – measurable gains in productivity, cost efficiency and operational performance within firms.

The balance between these channels will vary across sectors, reflecting differences in digital readiness, capital intensity and the ability to adopt and scale advanced technologies.

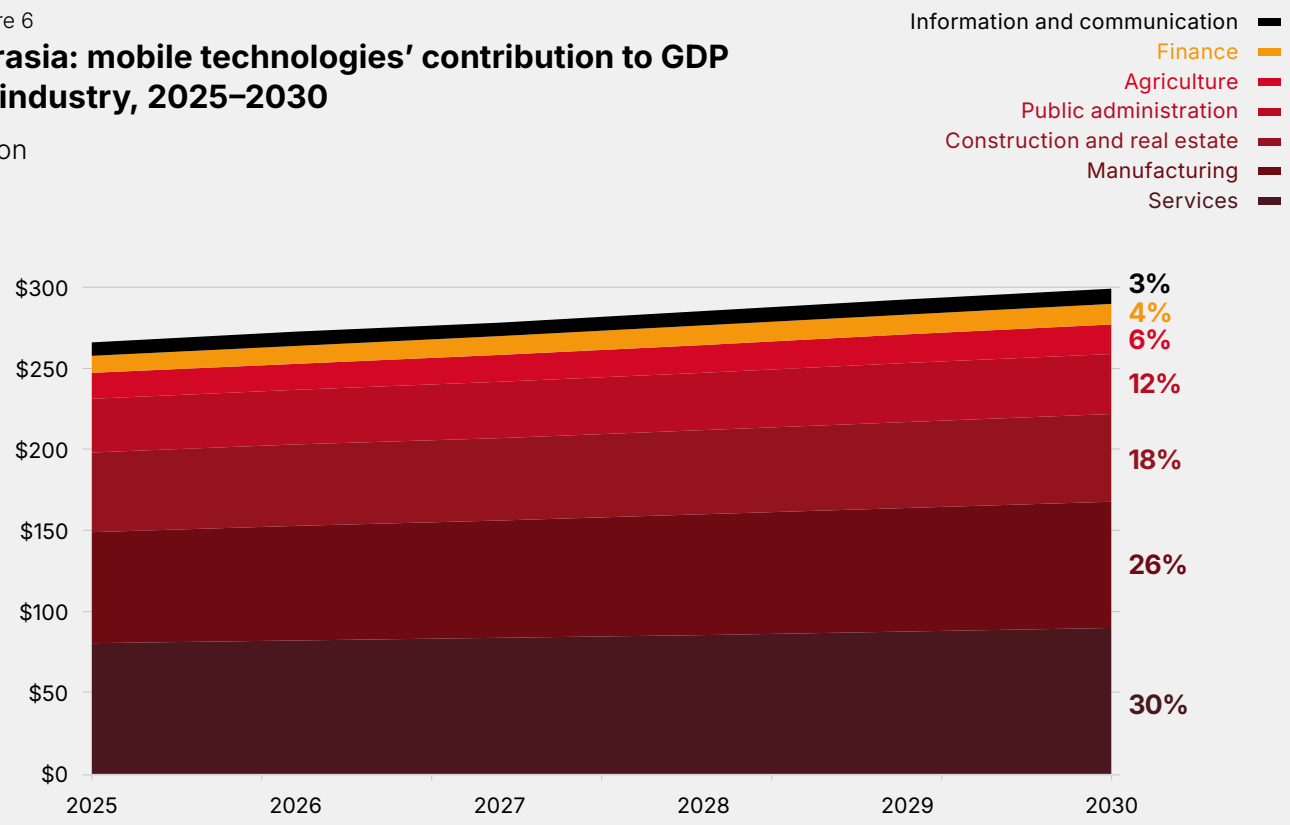
Between 2025 and 2030, services and manufacturing are projected to account for more than half the incremental economic impact attributable to mobile-enabled technologies in Eurasia. This reflects their central role in the region's economic structure and their relatively higher capacity to adopt 5G-enabled solutions, including automation, advanced analytics and connected devices. The construction and real-estate sector will also represent a significant share, reflecting efficiency gains from digitalisation in infrastructure and urban development. Agriculture is expected to contribute around 6% of the total impact, indicating ongoing but gradual adoption of digital technologies in less intensive sectors.

The information and communications sector is projected to account for a relatively modest share of the total impact (around 3%). Meanwhile, the relatively large contribution from public administration highlights the role of digital government in driving efficiency gains. Overall, the distribution of impact points to 5G and its ecosystem supporting growing productivity improvements across traditional sectors, rather than being concentrated in the ICT sector.

Figure 6

Eurasia: mobile technologies' contribution to GDP by industry, 2025–2030

Billion



Source: GSMA Intelligence

02

Trends shaping the mobile industry

2.1
Operators innovate on monetisation models

Operators across Eurasia are navigating a structurally challenging environment, where revenue growth remains positive but profitability remains under pressure. This reflects a combination of high capex requirements, rising operating costs and elevated financing pressures. As a result, operators are accelerating their efforts to diversify revenue streams and develop monetisation models beyond connectivity.

Among the operators that have disclosed financial results, a consistent pattern emerges. While revenues have grown modestly to strongly across most markets, profit performance has been uneven. For instance, in Russia, operators delivered solid revenue growth in 2025, with some achieving double-digit increases. However, profits declined sharply, as rising depreciation from previous network and digital investments weighed on margins. In Armenia, operators reported moderate revenue growth. However, rising financing costs and continued fibre investments weighed on bottom-line performance, resulting in double-digit percentage declines in profit across the market.

In markets where revenue breakdowns have been disclosed, non-core services are significantly outperforming traditional connectivity. For example, Beeline Kazakhstan recorded year-on-year growth of 31% in non-core service revenues in 2025, compared to minimal growth in core mobile and fixed services.

While financial pressures persist, a clearer growth story is emerging where digital services, across the consumer and enterprise segments, are a key lever for revenue diversification and incremental growth. Business-to-consumer (B2C) digital services, given their typically lower capital intensity than the traditional connectivity business, can enable operators to improve cash conversion and capital efficiency. Meanwhile, enterprise solutions provide robust revenue streams through higher ARPU and stronger service monetisation. Together, these segments broaden the revenue base for operators, create more diversified monetisation options and unlock incremental value in an integrated digital ecosystem.

B2C services: growing engagement and ecosystem monetisation

B2C digital services span multiple domains, including entertainment, commerce and financial services. They increasingly operate as interconnected ecosystem layers, with engagement, transactions and payments forming a structured monetisation pathway for operators.

Traffic and engagement

Operators are extending beyond connectivity into integrated digital ecosystems around users' entertainment and lifestyle needs. By bundling content such as video, music and gaming, they can increase user engagement, usage frequency and customer lifetime value. For example, Veon reported that after acquiring OLX Kazakhstan (an online marketplace), its multiplay user base totalled 43.5 million (33.7% of its overall user base) generating 55.4% of its consumer revenues and experiencing 50% lower churn than that for voice-only users.[4]

Across the region, operators are also localising content and services. In Tajikistan, for example, Tcell has partnered with Mawj Platforms to expand music and video services in Tajik, Dari, Pashto and Urdu, helping to strengthen local-language content engagement.

Operators are also expanding their ecosystems through demand-driven diversification. In Uzbekistan, for example, Uztelecom has signed a strategic cooperation memorandum with Alskom to integrate insurance services into its digital marketplace.

4. Veon 2025 Q3 financial report

Payments and financial services

Building on their engaged user bases, operators are expanding into digital payments and financial services. In markets where financial infrastructure remains fragmented, operators are well positioned to act as integrated digital gateways. Operators have expanded their offerings from basic in-app telco payments to broader wallet, e-money and digital banking-adjacent services. Recent developments indicate a shift towards more open digital payment infrastructures, expanding payment scenarios and geographical coverage.

- **Kyrgyzstan:** My O! has evolved from telecoms bill payments to a broader wallet platform, through integration with O!Bank. The app supports all Kyrgyz bank cards, ELQR payments, online shopping, government services and cashback finance, positioning the operator platform as local digital payment infrastructure.
- **Azerbaijan:** Azercell's subsidiary Akart obtained a central bank licence as an e-money issuer, enabling services such as digital wallets and integration with platforms including Google Pay and Apple Pay. Bakcell expanded its fintech capability in 2025, embedding Visa, Apple Pay and Google Pay into its app, extending its telecoms-based payments from domestic transactions to globally interoperable digital payment services.
- **Russia:** MTS introduced a prototype SIM-based payment technology in 2025, enabling SIM cards to function as payment credentials. Unlike conventional mobile payment solutions, this operates independently of smartphones and internet connectivity, extending access to basic devices and underserved users. By linking payments, credit products and ecosystem transactions to telecoms identity, MTS is building a deeper financial layer within its digital ecosystem.

Leveraging advertising and digital commerce

With established engagement and payment layers, operators are increasingly monetising their platforms through advertising and digital commerce. Leveraging subscriber data and direct communication channels, they can enable targeted marketing for enterprise customers. For instance, Azercell has launched a cloud-based customer experience management platform that integrates messaging channels with social media and customer relationship management (CRM) systems. This allows enterprises to run automated campaigns and personalised offers, effectively transforming platforms from operators into digital marketing channels. Compared to global digital platforms, operator-led models can offer particular advantages including direct customer reach, local data insights and simplified access for SMEs.

B2B digital services: infrastructure-led expansion

Enterprise digital infrastructure and ICT services have emerged as a further avenue for operators looking to diversify revenues. This is reflected in continued investment in cloud, data centre and network capabilities to support digitalisation projects anchored in infrastructure, as enterprise and government demand expands across areas such as IoT connectivity, data processing, cybersecurity and smart-city applications. Examples include the following:

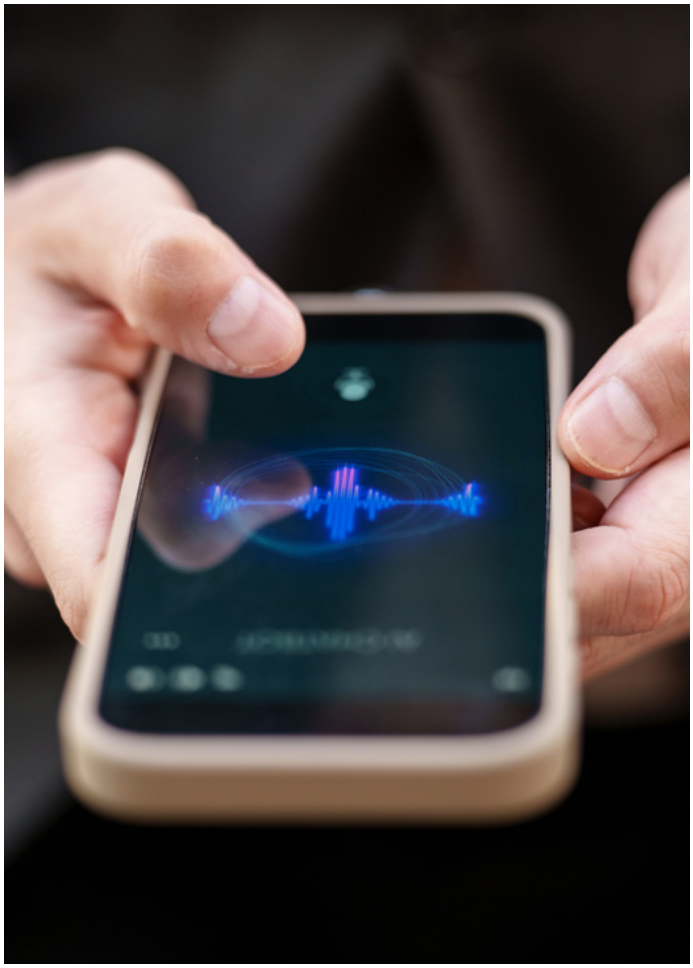
- Through its mobile subsidiary, Rostelecom has expanded its regional digital infrastructure stack with the launch of a high-capacity cloud cluster designed for high-performance virtual machines and large-scale data processing. This enables services ranging from industrial connectivity and enterprise IT hosting to transport management, urban services and public-safety systems. The company reported B2B/B2G revenue growth of around 9% year-on-year in 2025.[5] Similarly, MTS has launched its MTS Web Services (MWS) cloud platform.
- Viva Armenia has partnered with Oracle to expand enterprise cloud and IT solutions, further illustrating the different ways operators are developing their infrastructure and platform capabilities to support enterprise digital transformation.

AI: an emerging opportunity

Despite global momentum behind generative AI (genAI), telco-led B2B deployments in Eurasia remain limited. A notable development has been MTS's launch of genAI-as-a-service in its MWS cloud platform, enabling enterprises to build applications such as customer-service assistants, internal knowledge tools and software development copilots.

Elsewhere, AI adoption has remained more focused on internal operational use cases, particularly network optimisation and reporting. For example, Azercell worked with the GSMA Foundry and IBM to apply genAI to advance operational efficiency, through the automation of drive-test reporting and faster decision-making.[6]

GSMA Intelligence survey data indicates that enterprises in markets such as Uzbekistan and Kazakhstan still view operators as connectivity or advisory partners, rather than providers of advanced AI solutions.[7] Yet, enterprise demand for genAI is emerging. In Kazakhstan, for example, AI-related spend among surveyed enterprises is projected to grow at around 11% annually between 2025 and 2030, suggesting an underdeveloped opportunity for operators to support enterprise adoption.



5. Rostelecom 2025 annual financial report
6. Azercell automated drive test reporting and accelerated decision-making leveraging GSMA Foundry and IBM's generative AI accelerator pack, GSMA, 2025
7. GSMA Intelligence Enterprise in Focus: Global Digital Transformation Survey 2025

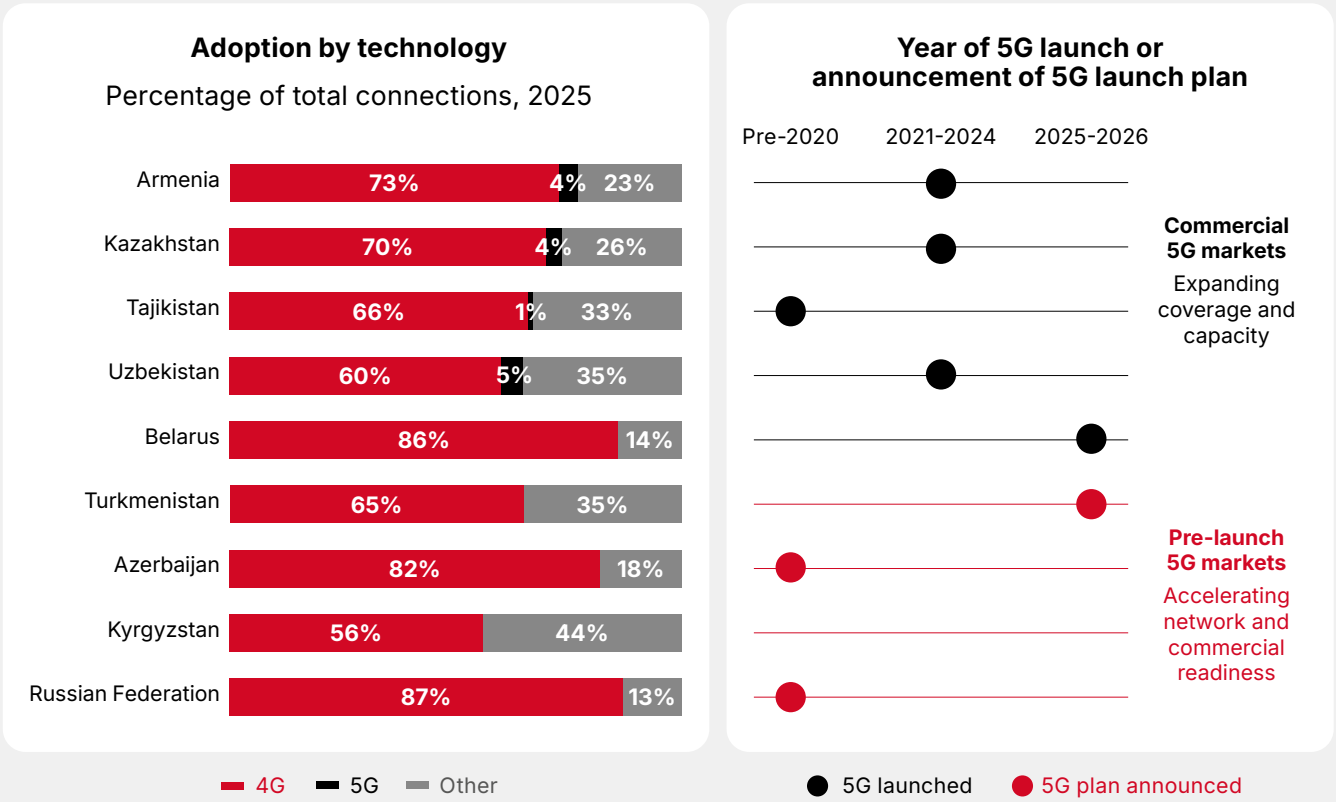
2.2
Countries transition to 5G on different pathways

In April 2026, MTS and Life launched commercial 5G services in Belarus, initially covering Minsk and other key cities, marking an important step in major Eurasian markets gaining access to faster, higher-capacity mobile broadband and a broader range of next-generation digital services. Nevertheless, 5G across Eurasia continues to progress unevenly, reflecting significant differences in market maturity, policy frameworks and investment capacity. While some countries have progressed from initial deployment to targeted capacity/performance enhancements, others are only just beginning rollouts and commercialisation.

Progress with both nationwide rollout and network performance varies significantly. In the GSMA Intelligence 5G Index, Kazakhstan recorded the second-largest score improvement of 46 countries worldwide, between 2023 and 2025, while Uzbekistan's score remained relatively stable. Some early adopters have struggled to scale beyond initial deployments, while emerging 5G markets continue to face delays linked to spectrum allocation, external supply uncertainties and fragmented market structures.[8]

Figure 7

Eurasia: progress on the road to 5G



Source: GSMA Intelligence

8. GSMA Intelligence 5G Index 2026

Balancing coverage and capacity expansion

In markets where 5G has already been launched, operators face a trade-off between expanding coverage and enhancing network performance. In large urban centres and high-traffic corridors, operators are prioritising capacity upgrades, densifying base-station deployments and enhancing mobile broadband performance to deliver higher speeds and a more stable user experience. At the same time, operators must continue expanding reliable connectivity in rural and less populated areas, where the immediate priority remains ensuring nationwide mobile access, often through continued 4G expansion or hybrid LTE/5G coverage.

As a result, operators are balancing two layers of 5G development – wider coverage rollout and targeted capacity enhancement, with the emphasis varying according to market maturity, geography and traffic demand. For example, while Armenia is increasingly focusing on 5G capacity enhancement having achieved strong population coverage, Kazakhstan's vast geography and dispersed population continue to require sustained 5G rollout across major urban centres:

- **Armenia:** Ucom has expanded 5G along key transport and tourism corridors, including the Yerevan–Dilijan highway, border crossings and major resorts. The network now covers 47 cities, dozens of communities and more than 94% of the population,[9] combining nationwide availability with targeted support for transport and tourism flow.
- **Kazakhstan:** By mid-2025, around 1,846 5G base stations had been installed by Kcell, enabling access to 5G across 20 cities,[10] indicating strong capacity in key urban areas. Nationwide, more than 3,000 5G base stations had been installed in all cities of republican significance and in 17 regional centres as of April 2025.[11]

In other markets, 5G rollout is still at a relatively nascent stage. In Tajikistan, for example, 5G adoption is currently at around 1%. The Tajikistan government has launched a national 5G consortium to align operators, spectrum use and investment planning. It aims to accelerate infrastructure upgrades, support nationwide 4G coverage by 2027 and enable the broader transition to 5G by 2030. In Belarus, the launch of 5G in April 2026 by MTS and Life is still at an early stage, with initial services available for select urban locations and compatible devices, and scope for broader coverage and adoption over time.

While early 5G adopters among operators are refining their deployment models to maximise spectrum efficiency, reduce congestion and improve returns on their initial 5G investments, in some markets, pre-commercial 5G offerings are being anchored in flagship projects. This model reflects a targeted, use-case-driven approach, where 5G is first deployed in controlled environments to demonstrate value before being scaled up.

5G pilot at Arkadag smart city in Turkmenistan

Arkadag, inaugurated in 2023, is Turkmenistan's flagship smart-city project and a national pilot for digital urban development. Built as a 'greenfield' city, it integrates intelligent transport, smart housing, e-health and digital public-service platforms.

In 2025, the first 5G network in Arkadag was deployed by the authority overseeing national telecoms infrastructure and operators. High-capacity connectivity enables real-time data exchange across transport, healthcare and municipal systems, positioning Arkadag as a national showcase for digitally enabled urban services and next-generation connectivity.

5G expansion is occurring alongside continued investment in 4G, which is the primary technology generation for most users in Eurasia. In Kazakhstan and Uzbekistan, operators are accelerating nationwide 5G rollout while also strengthening 4G capacity. For example, Kcell has deployed or upgraded more than 860 sites, of which 330 were new 5G stations, with most focused on LTE upgrades. Meanwhile, Beeline Uzbekistan has added 450 sites and upgraded 650, largely enhancing LTE performance. As 5G penetration gradually increases across the region, LTE densification remains essential, given the still significant base of 4G device users, to relieve traffic pressure and maintain cost-efficient, wide-area coverage.

9. "The Largest 5G Coverage in Armenia: Ucom's Network Now Reaches More Than 94% of the Population", Ucom, November 2025
10. Kcell 2025 Half-year financial report
11. "Kazakhstan installs over 3,000 5G base stations", TV Brics, April 2025

2.3
Technology sovereignty gathers pace

As digital technologies become central to economic activity and public services, the resilience and control of connectivity infrastructure are strategic priorities. Disruptions to networks can quickly affect daily life, business operations and national security. The risks are increasing, driven by the growing potential for physical infrastructure incidents and uncertainty across technology supply chains in Eurasia. Globally, more than 180 major internet disruptions were recorded in 2025,[12] highlighting rising operational vulnerabilities. Against this backdrop, technology sovereignty is gaining traction with a dual objective: to strengthen resilience and enable long-term growth in the digital economy.

Rising demand, limited infrastructure

Demand for digital services across the region is accelerating. Enterprises in countries including Kazakhstan, Azerbaijan and Uzbekistan report strong expected returns from digital transformation, reaching up to 200% in some markets and 400–500% in Uzbekistan.[13] Yet these markets rank among the lowest for forecast spend on digital transformation as a percentage of revenues for 2025–2030. Limited digital infrastructure and locally governed technology capabilities remain key constraints, with enterprises citing uncertainty over digital transformation technology options and immature solutions as major barriers.[14] Operators are therefore taking a leading role in advancing technology sovereignty initiatives to strengthen infrastructure resilience while capturing new growth opportunities.

Efforts to strengthen sovereignty are firstly focusing on core connectivity infrastructure. With 4G the dominant technology (accounting for more than 50% of connections across Eurasia and 86% in Belarus), operators are prioritising its resilience and reliability. At the same time, 5G is accelerating, with total connections exceeding 3 million across Eurasia by 2025, more than doubling year on year, increasing the importance of secure and scalable next-generation infrastructure. This also raises the significance of long-haul fibre infrastructure to support growing traffic and network modernisation. Examples of operators leading in the establishment of a domestic network supply chain include the following:

- Russian operators have started to scale the deployment of domestically developed LTE infrastructure. Rostelecom began its rollout under the rural 'digital divide elimination' programme using Bulat base stations, which primarily support LTE connectivity with limited GSM capability. By August 2025, the company had installed more than 500 of such sites, delivered with support from subsidiary T2.[15]
- MTS has expanded the deployment of Irteya-produced LTE base stations, building on an initial 200 sites across 37 regions. During 2025, the operator began rolling out around 1,000 additional stations, extending deployment to higher-capacity spectrum bands including 2100 and 2600 MHz.[16]
- MTS presented the first 5G base station developed by domestic vendor Irteya. While it remains at the demonstration and testing stage, it marks the intention to extend domestic capabilities beyond LTE to next-generation radio infrastructure.
- Backbone modernisation is also central to sovereignty efforts, as resilience depends not only on access networks but also high-capacity transport infrastructure. In 2025, MTS began upgrading domestically sourced backbone networks across 29 regions, with planned capacity increases of up to 10 times.[17] At the regional level, Azerbaijan and Kazakhstan also advanced the Trans-Caspian fibre-optic cable project – a subsea link designed to establish a new high-capacity route across the Caspian Sea, reducing reliance on existing transit corridors and strengthening cross-border connectivity resilience.

12. "Cable cuts, storms, and DNS: a look at Internet disruptions in Q4 2025", Cloudfare, January 2026
13. GSMA Intelligence Enterprise in Focus: Global Digital Transformation Survey 2025
14. GSMA Intelligence Enterprise in Focus: Global Digital Transformation Survey 2025
15. "1.8 million people have come online in five years since the second phase of the digital divide project was implemented", Rostelecom, March 2026
16. "MTS launches domestic IRTEYA base stations in 37 regions of Russia", MTS, December 2024
17. "MTS will upgrade its transport network in 29 regions of Russia and switch to domestic equipment", MTS, June 2025

Data sovereignty to strengthen control

Data governance is becoming a further layer of sovereignty, as markets strengthen oversight of traffic routing, cross-border data flows and gateway infrastructure. In Eurasia, approaches to data governance sovereignty vary by country. Some have adopted hybrid models, establishing locally governed control architectures while continuing to leverage hyperscaler-supported infrastructure. In Azerbaijan, Azercell expanded its collaboration with AWS to deploy hybrid cloud infrastructure, combining hyperscaler capabilities with locally hosted environments and compliance frameworks designed to meet national data sovereignty requirements.

Other markets have adopted more explicitly government-led measures to strengthen oversight of international connectivity. In Kyrgyzstan, a 2025 decree introduced a nationally coordinated framework for international internet traffic routing between August 2025 and August 2026, designating the state-owned operator ElCat to manage gateway operations and traffic exchange, reinforcing national oversight of cross-border data flows.

AI sovereignty as a growth opportunity

Among the growth opportunities emerging from digital transformation, AI-driven digital services and platforms stand out as significant areas of potential value creation. Although genAI adoption among the working-age population in Eurasia remains relatively low compared to the global average of 16.3% (the highest is Kazakhstan, at 13.7% by the end of 2025),[18] all Central Asian and Eurasian Economic Union countries have recorded steady growth since H1 2025.[19] This momentum could contribute around 2% of GDP over the next decade, with around half of jobs expected to be augmented by AI, according to an Implement Consulting Group study commissioned by Google in 2025. In response, operators are investing in AI infrastructure, such as new data-centre initiatives in Armenia. Meanwhile, markets including Kazakhstan and Uzbekistan are developing broader full-stack AI capabilities to support growth-driven technology sovereignty.

> **AI-driven digital services and platforms stand out as significant areas of potential value creation**

18. Global AI Adoption in 2025 – A Widening Digital Divide, Microsoft, 2026
19. "Global Use of Generative AI Continues to Rise, Kazakhstan Leads Adoption in Central Asia", Astana Times, March 2026

AI sovereignty in Kazakhstan and Uzbekistan

Kazakhstan and Uzbekistan are seeing rising demand for compute, as enterprises adopt AI and cloud services. Local data-centre capacity remains limited (with around 25 facilities in Kazakhstan and five in Uzbekistan)[20] – far below major digital economies. In response, AI infrastructure is being developed across the following different layers:

- **Infrastructure layer:** Kazakhtelecom launched Central Asia's first sovereign AI factory in 2025, deploying GPU infrastructure designed to support large-scale AI model training and inference for government and enterprise applications. Meanwhile, Ucell began constructing an operator-owned 5 MW data centre with around 180 racks. This is intended to host digital platforms and AI workloads as national demand for compute capacity grows.[21]
- **Model layer:** Locally trained large language models (LLMs) can offer advantages beyond language coverage, including stronger alignment with national data governance requirements and better adaptation to domestic enterprise and public-sector use cases. In November 2025, Veon's QazCode signed a partnership with MeetKai to advance national LLM training and local-language agentic services across Veon markets including Kazakhstan and Uzbekistan. The initiative builds on earlier developments such as KazLLM, aiming to expand locally trained language models and AI-driven services across sectors including education, healthcare, agritech, public services and enterprise productivity, potentially serving more than 150 million users.[22]
- **Solution and application layer:** In May 2025, Veon's QazCode signed an MoU with Seekr to integrate SeekrFlow into its genAI development workflow, supporting process automation, AI agent creation and advanced data management for enterprise customers. This helped strengthen Veon's enterprise AI proposition, enhancing its ability to deliver B2B AI agents and workflow tools built on emerging sovereign compute and model capabilities.

20. Number of Data Centers by Country (November 2025), Cargoson, 2026
21. "Own Data Center Launch of a Large-Scale Project", Ucell, April 2025
22. "Veon's QazCode and MeetKai Sign Agreement to Power National LLM Training and Local-Language Agentic Services Across Veon Markets", Veon, November 2025

03

Mobile industry impact

Countries in Eurasia continue to record significant usage gaps in terms of mobile internet connectivity, largely driven by socioeconomic disparities affecting rural, low-income and vulnerable populations.

To address this, operators are expanding digital access and affordability, strengthening digital literacy, and enhancing trust and security to enable more inclusive participation in the digital economy.

3.1 Expanding access and affordability

Operators across the region are introducing targeted measures to improve affordability and extend access to underserved groups. In Tajikistan, for example, operators including Zet-Mobile, Tcell, Babilon-Mobile and MegaFon have increased mobile data allowances by 20–50% while maintaining stable pricing.[23]

In Belarus, A1 has introduced discounted tariffs for students to support digital access for education. Such initiatives reflect a broader shift to enhance value for users and enable wider access while maintaining commercial sustainability.

Strengthening digital literacy and inclusion

Operators are increasingly investing in digital literacy programmes to ensure users can effectively participate in digital services. In Kazakhstan, Beeline's AI Tutor (which is integrated into its Janymda super-app) provides interactive, local-language educational support, helping users develop digital and AI-related skills. Meanwhile, in Azerbaijan, Azercell's "Learn, Grow, Share" initiative delivers digital training to children in social care institutions, equipping vulnerable groups with essential digital competencies.

Enhancing accessibility and social inclusion

Operators are also leveraging digital platforms to improve accessibility and social inclusion. For example, in Russia, MTS introduced a voice-to-text call service that enables users with hearing impairments to communicate through real-time transcription and speech synthesis. Meanwhile, in Azerbaijan, Azercell's Women Helpline and related initiatives provide legal and psychological support to vulnerable groups, demonstrating how mobile platforms can extend beyond connectivity to deliver essential social services.

Driving digital readiness

Operators are investing in advanced skills development and innovation ecosystems to strengthen long-term digital competitiveness. For example, in Uzbekistan, Beeline Academy has trained around 1,000 computer science teachers to integrate AI tools into education, strengthening foundational capabilities across the education system.[24] Meanwhile, initiatives such as Azercell's DataMinds Bootcamp and CyberCell programmes in Azerbaijan are helping to develop specialised expertise in data, AI and cybersecurity.

23. "Internet in Tajikistan: What has changed since early 2025?", Asia+, June 2025
24. "AI Training program by Beeline academy and TIUE for computer science teachers completed", Beeline, September 2025

3.2
Safeguarding sustained digital participation

Simply expanding access is not sufficient to close the usage gap. Trust in digital environments is a critical enabler of sustained adoption, as fraud, cyberthreats and harmful content can directly discourage usage.

Operators are playing an increasingly important role in safeguarding digital participation through awareness raising, content governance and network-level security.

Figure 8

Building trust in digital participation: examples of operator initiatives

Raising awareness	In Belarus, A1 expanded its nationwide #Think5Seconds campaign in 2025, with several training sessions in Minsk and Gomel, as well as outreach sessions for more than 1,000 volunteers in Baranovichi,[25,26] promoting the safe use of digital services and fraud prevention. In Azerbaijan, Azercell's Cyber Education Program has delivered cybersecurity awareness training for schoolchildren and older age groups, focusing on phishing detection, online safety and digital hygiene.
Strengthening content governance	Operators are strengthening the protection of children online through content guidance. For example, in Belarus, A1's You're Online initiative – developed with the United Nations Population Fund and the Belarusian Children's Fund – trains social media influencers to promote safe online behaviour and publishes internet safety guidelines for young users.
Enhancing network-level cybersecurity	In Russia, MTS Guard, an AI-driven fraud detection system from operator MTS, analyses call patterns to identify scam or spam behaviour, blocking more than 3.17 billion suspicious calls in 2025.[27] Meanwhile, Rostelecom's cybersecurity subsidiary Solar has introduced network filtering tools to block fraudulent calls and malicious websites, and detect data-leak risks. Operators in both Uzbekistan and Kazakhstan deployed anti-spoofing call authentication systems in 2025 to identify international calls disguised as local numbers. The system developed by Kazakhtelecom and Kcell in Kazakhstan has detected more than 5,000 spoofing incidents and helped curb SIM-box fraud.[28]

Source: GSMA Intelligence

25. "Think for 5 seconds: A1 held a digital security training session in Gomel", A1, September 2025
26. "#Think5Seconds: A1 shares cybersecurity tips at silver volunteers' gathering", A1, December 2025
27. "MTS defender analytics: Russia sees a decline in unwanted calls for the first time", MTS, January 2026
28. ITU partner submission: Republic of Kazakhstan, ITU, 2025

04

Policies for innovation and growth

4.1
Realising 5G's full potential

The growth of 5G in the second half of this decade will see global 5G connections surpass 4G by 2028, with 5G continuing to expand and mature into the 2030s. Further 5G rollout will help deliver capacity for increasing consumer demand. Mobile traffic is forecast to grow by 15–20% per year globally over the period to 2030. The migration of users to 5G and higher-speed networks will drive traffic growth, as users become accustomed to consistent speeds and better network quality. This, in turn, can expand the monetisation opportunities available to operators through stronger data usage, premium service propositions and broader uptake of digital services.

5G continues to make progress in Eurasia. Service adoption is growing in Tajikistan, Armenia and Kazakhstan, while in Uzbekistan 5G connections will grow to more than 10% of connections in 2026 and 40% by 2030. In April 2026, Belarus launched 5G, while pre-commercial offerings have been developed in Kyrgyzstan and Russia.

In the four countries where 5G was available before 2026 (Armenia, Kazakhstan, Tajikistan and Uzbekistan), the initial emphasis has been on enhancing mobile broadband in urban hotspots, where 5G layers operate alongside 4G to offload traffic and improve network efficiency.

The rollout of 5G in Eurasia will follow a phased approach, supported by sufficient demand to justify the business case, enabling regulations (particularly around spectrum availability and allocation) and 5G-enabled devices at price points that encourage mass adoption. The technology will play a vital role in achieving the ambitious digitalisation goals of countries across the region, underscoring the need for policymakers to create a conducive environment for 5G investment and innovation.

4.2
Enabling growth through timely and adequate access to spectrum

Continued growth and innovation across Eurasia will depend on the availability of spectrum, particularly in the low and mid-bands. Spectrum capacity supports faster networks, while spectrum roadmaps will help governments make spectrum available at the right time to spur investment. Roadmaps should assess current spectrum use, plan future releases and set out assignment and renewal timelines.[29]

Low-band spectrum (sub-1 GHz) is important for rural and indoor coverage due to its strong propagation. As demand for digital services grows, allocating more low-band spectrum (such as the 700 MHz band) can help develop connectivity in rural areas where network densification or the use of higher bands is not feasible. Most Eurasian countries have yet to release the 700 MHz band, though Armenia and Uzbekistan have done so.

Timely and adequate access to mid-band spectrum is also essential to the development of networks, as it provides city-wide coverage and capacity. Countries will need 2–3 GHz of mid-band spectrum, particularly in the crucial 3.5 GHz range (3.4–3.8 GHz), to support mobile's evolution and respond to traffic growth over the 2035–2040 period.

The 3.5 GHz range is being used today to power 5G launches, while the 6 GHz band has also been harmonised internationally. Following identification for IMT at the World Radiocommunication Conference 2023 (WRC-23), 6 GHz is now the harmonised home for the expansion of mobile. It is the largest remaining single block of mid-band spectrum for mobile services and supports 200–400 MHz channels which will be required in the future. The band should be included in spectrum roadmaps so that the mobile industry is clear on the investment path required for this frequency range.

29. For more on roadmaps, see the GSMA's Spectrum Roadmap Studio.

4.3
Improving coverage for rural areas

Lower spectrum prices are linked to greater network coverage and download speeds, impacting political and social goals such as digital inclusion. Governments have recently deployed a combination of obligations and lower spectrum costs to help improve network quality, particularly in rural areas.

Approaches include offering spectrum for a very low cost (or for free when licences are due for renewal), reductions in annual fees, and reimbursements of upfront costs in return for coverage commitments in designated areas. Connectivity improves where governments recognise the difficulties associated with providing coverage, or upgrading networks, in challenging geographic areas.

Any obligations need to be formulated carefully. Countries have moved away from mandating population percentages and focus more on base-station deployments. Coverage obligations are often paired with reduced spectrum fees to offset the higher costs of rural rollouts. For instance, Kazakhstan granted operators a 90% discount on spectrum fees for rural investments during 2021–2025, as part of the Digital Kazakhstan initiative.

In Eurasia, backhaul and electricity often act as constraints on improved rural coverage. Dedicated government and stakeholder funding for rural infrastructure is therefore needed. Bringing these different elements together can help deliver a bright digital future for the region.

Connectivity improves where governments recognise the difficulties associated with providing coverage, or upgrading networks, in challenging geographic areas

Further reading

Enterprise in Focus: Global Digital Transformation Survey Dashboard 2025, GSMA Intelligence, 2025

Above and beyond: how services beyond connectivity generate more than two thirds of operator revenue growth, GSMA Intelligence, 2025

The State of 5G 2026, GSMA Intelligence, 2026

Estimating the economic impact of mobile technologies, GSMA Intelligence, 2026

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