

STRATEGIES FOR BUSINESS IN MOSCOW

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Hagakure







Robbie Williams was wrong when he referred to a Russian businessman as “a modern Rasputin” in his famous hit “Party Like a Russian.” But he’s not the only one to think so. A lot of businessmen abroad are convinced that doing business in Russia is dangerous because anarchy and lawlessness reign here. This is in spite of the fact that Russia keeps climbing up in the Doing Business rating, which is published every year by the World Bank. In just one year, Russia jumped from 35th to 31st place. And keep in mind that back in 2012, Russia was in 120th place! Unfortunately, old habits die hard. As Karl Marx once pointed out, “a person’s mind is the strongest fortress.”

Actually, the times when the first thing a foreign businessman did after coming to Russia was hire a bodyguard are long gone. This was the case in the 1990s, right after the collapse of the Soviet Union, when Moscow took a sharp turn for perestroika and glasnost. Those times are remembered as “the wild 90s.” In a country that had been building communism for over 70 years, harsh capitalism began to emerge. The switch from a socialist to a market economy was a very painful transition. Crime played a significant role in business; criminal gangs terrorized honest people who wanted to conduct their business calmly and by the book. The symbol of that time was the so-called “new Russian” — a man who became rich quickly, but at the same time, as one sociologist put it, was “poorly educated, devoid of moral prohibitions.” The image of the “new Russian” was also distinct in its appearance — an expensive crimson jacket, a thick gold chain around the neck, a heavy golden ring and a large golden watch with precious stones from a well-known brand.

Today, these crimson jackets can only be found in museums. Modern Russian businessmen have stopped wearing clothes that were popular among their predecessors in the 90s. Along with their appearance, their attitudes have changed as well. These days, Russian businessmen want more than to make a lot of money. According to one representative from the All-Russian Non-Governmental Organization of Small and Medium-Sized Business Opora Russia, a modern entrepreneur is, first and foremost, someone who is open to new information. They have a different perspective on the world. Moreover, an entrepreneur’s reputation plays a much bigger role than it used to. Honesty and reliability are valued, and partners who have stood the test of time are preferred even if their prices are not as good as those of their competitors. In modern Russian business, respect is everything. The kind of respect that has nothing in common with the words once uttered by Don Corleone: “I’m old school. I still believe in respect.”

In Russian business, “respect” entails compliance with the law and business ethics. “The Russians have proven themselves to be among the best entrepreneurs in the world. There’s no lack of ambition or lack of creativity,” said a businessman from the Netherlands, who has been working in Russia for a long time, “So I think it’s an area that’s going to be a more and more important driver of the Russian economy.” In other words, Russia has every chance of making into the world’s top five economies in the near future.

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Editor in Chief

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A large, stylized handwritten signature in black ink. The signature is fluid and cursive, with a prominent loop at the end.

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Moscow official

Results of the 2019 Saint Petersburg International Economic Forum

The 2019 Saint Petersburg Economic Forum took place on June 6-8. The Moscow government took part in the business program along with other representatives from government bodies, public organizations, and business community leaders. Overall, a total of 120 business events took place during the forum.

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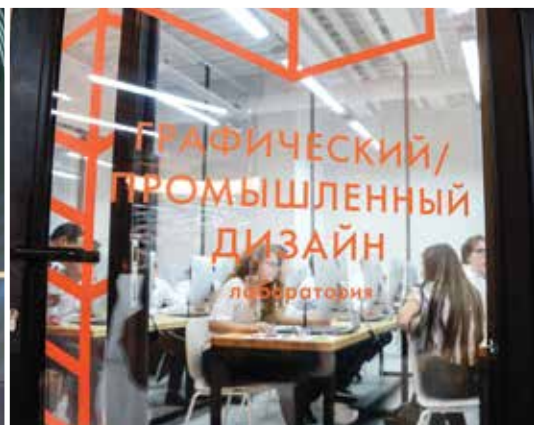
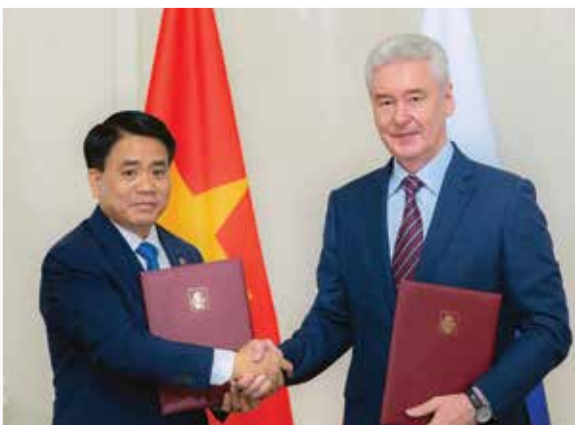
Business award for the young and ambitious

Student entrepreneurship? This is no joke! In May, the finalists for the Russian award for high school and university student entrepreneurship were announced. Famous Russian entrepreneurs and journalists selected the best projects across nine nomination categories. The award will be presented annually to talented and successful young entrepreneurs, and anybody who wants to can participate.

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Let's make heroes out of entrepreneurs

Under current conditions entrepreneurship is the cornerstone for developing business environment and economy growth for any country.

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Tech&Innovations

You can't rest on your laurels after starting a business

At the end of May, the Russian capital hosted the Moscow Week of Entrepreneurship — one of the biggest events for Moscow's business community. The Moscow government organized it to support the development of small and medium-sized businesses in the capital.



Government and business

Money? Great, but we need PPPs!

Moscow has placed first in the rating of Russian regions in terms of public-private partnerships (PPPs) for the fourth time. This rating is put together jointly by the Russian Ministry of Economic Development and the National PPP Center every year.

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Nothing Ventured

Lermontov, rockin' Russia and building Russia's Internet

"During those hard times I was approached by our chief accountant and asked if I had read any Tolstoy, Chekhov or Pushkin. Slightly embarrassed I started my journey with a book of Pushkin's short stories, moving to Lermontov's 'A Hero Of Our Time' and on to Tolstoy, Dostoyevsky, Bulgakov and more recently Zamyatin. This literary detour on my IXcellerate journey has been particularly exciting as it opened windows I never knew existed," said Guy Willner, Chairman and CEO of IXcellerate Moscow Data Centre, in an exclusive interview with Capital Ideas.

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Nothing Ventured

Mats Friberg: We have a clear understanding of our customers' needs

"Russia obviously intrigues in many ways with its great geography, its strong industrial base and its fantastic people", said Mats Friberg, Director General of 3M Russia and the CIS, in an exclusive interview with Capital Ideas.

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Face to face

Michael Harms: Russia was and continues to be our strategic partner

The German Eastern Business Association is the brain child of West German entrepreneurs. It was established in 1952 at the height of the Cold War at the initiative of German business representatives, who understood the advantages of developing economic relations with Eastern Bloc states. Capital Ideas talked to Michael Harms, the Executive Director of the German Eastern Business Association, about the organization.

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Nothing Ventured

Who's not afraid of sanctions

In 2018, German companies invested over three billion euros in Russia, hitting a new high since the 2008 financial crisis in terms of investment volumes.

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Nothing Ventured

Adrian Gray: The best way that we can attract tourists is to share the warm hospitality of the Russian people

Adrian Gray is a hotelier with 30 years of experience in top international hotel chains, 20 of which he spent as a General Manager. Now, Adrian Gray is the General Manager of Lotte Hotel Moscow — one of the top three best Asian hotel brands.

Nothing Ventured

Gerald Böhm: You understand Russia with your soul, not your brain

Mr. Böhm has been the head of the Austrian Tourism Office in Moscow since 2014. He is happily married to a Russian woman and has two children. In his interview with *Capital Ideas*, Böhm explained why he moved to Moscow, how he built his career in the Russian capital, and why he doesn't consider himself an "expat."

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Calendar

Specialized exhibitions, congresses, and forums

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Life&Culture

To the park, everyone!

This summer promises to break every record in the book in terms of the number of concerts, festivals, and other cultural events in the city's parks.

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Interview

Slava Zaitsev: Clothes say a lot about what's on your mind

It's tough to find a more famous Russian fashion designer than Slava Zaitsev, both in Russia and abroad. Zaitsev first became popular in the 1960s, when the French magazine "Paris Match" published a sensational article about him, entitled "He Dictates Fashion in Moscow." Today, Slava Zaitsev's name appears alongside legends such as Pierre Cardin, Gabrielle Chanel, and Christian Dior. During his interview with *Capital Ideas*, Slava Zaitsev talked about why clothes are so important for business people.

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This&That

MOVING UP: From crimson blazers to regular business suits

Old habits die hard. Foreign entrepreneurs who want to start a business in Russia are still afraid of the "Russian mafia." This, of course, is a myth. The criminal squabbles and lawlessness of the 90s have long faded into oblivion.

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Travel&Leisure

Creative clusters in Moscow

Moscow is the largest creative center in Russia, and a significant one globally as well. The city is home to 153,000 companies operating in the creative industry, and they employ nearly 500,000 people — that's 14% of all people working in the creative industry in Russia.

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Moscow Vocabulary

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Food&Drink

Massimiliano Montiroli: Russians like the real Italian classics — pizza and pasta

Massimiliano Montiroli started his career in the kitchens of Italy and France. He first ended up in Moscow in 1998, when he came at the invitation of Portofino — one of the few restaurants that started the development of Italian cuisine in Russia in the 90s. Now he's the chef at the new restaurant RUSALKA Bistro, where he is in charge of managing the kitchen and the Italian part of the menu.



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Results Saint Petersburg Economic Forum



Moscow presented over 20 projects at the forum, including the comprehensive development of the city's areas, public-private partnership projects, online services, and more. All projects were presented at the Moscow government stand, which was located on an area of 300 square meters and included 10 different zones, including augmented reality and digital hologram zones. Multimedia technologies were used to illustrate landmark projects for Moscow, while charts and diagrams explained the city's economic and investment development.

The most striking project presented at the Moscow government stand was the so-called overground metro, or the Moscow Central Diameters, which will be launched in the metropolitan area in late 2019 — early 2020. The project entails the creation of five railway lines that will connect one municipality near Moscow to another through the center of the

capital. The stand featured general information about the project, along with interactive materials to demonstrate the advantages of the IDC and show its significance for the transport system of Moscow and the Moscow Region.

Moscow in the lead on the national investment climate rating

Moscow placed first among all regions in Russia on the 2019 national investment climate rating. The Republic of Tatarstan placed second, while the Tyumen Oblast came in third. This was announced during the presentation of the rating results, which took place within the scope of the Saint Petersburg International Economic Forum. In the first quarter of 2019 alone, the growth in investments into the city's fixed assets amounted to 25% compared to Q1 2018.

of the 2019 International

The 2019 Saint Petersburg International Economic Forum took place on June 6-8. The Moscow government took part in the business program along with other representatives from government bodies, public organizations, and business community leaders. Overall, a total of 120 business events took place during the forum.

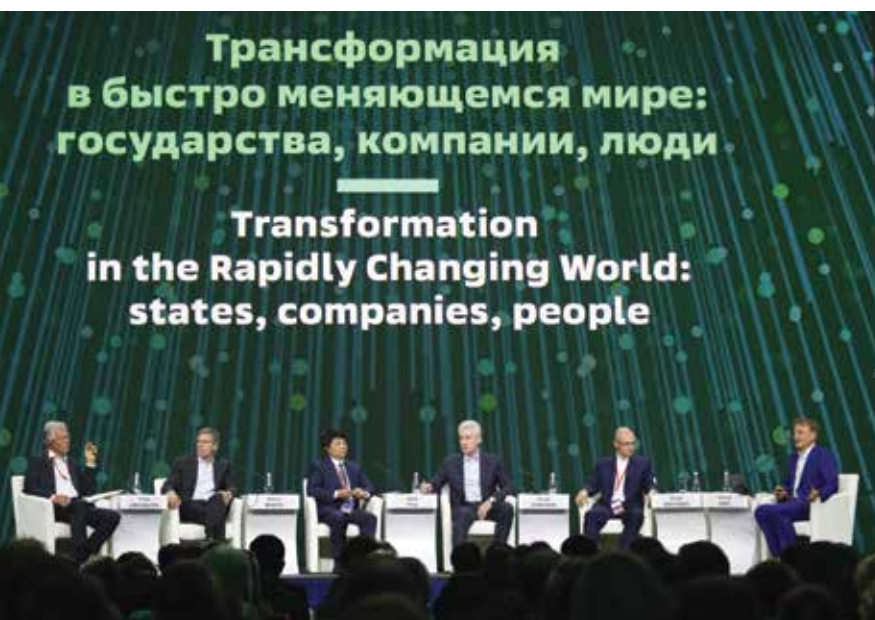


"It's impossible to do just one thing and end up first on the list," said the Mayor of Moscow Sergey Sobyanin, "It entails a lot of systemic work by both business and the government. It's a gigantic mechanism, over two billion rubles of investment in fixed assets. These are accumulated investments that draw in subsequent investments as well."

The national rating assesses business as a system: its infrastructure, financial support, administrative barriers, as well as communication between business and the government.

"The results of this rating correspond to reality. It's clear how it's related to real business investments," the Mayor of Moscow pointed out. Last year, Moscow was in second place on this rating. This year, the capital made it to the top, which reflects that the city has created favorable conditions for business.





"Business is changing, we're seeing how manufacturing and infrastructure are developing, how investments are increasing, this is a new economy," Sergey Sobyenin said, "And here it's incredibly important that our cities and our regions be comfortable for people. A comfortable city environment plays a major role in business development. "We used to think that a comfortable environment, a social infrastructure is something secondary for business, but today we are absolutely certain that it's a priority," the Mayor of Moscow said, "Business comes to wherever people are, and people go where they are comfortable."

A digital transformation is key for city development

Modern information technologies need to be widely used in housing and municipal services, health care, education, and other areas. A digital transformation is key to successful city development. It is necessary in order not to lose people, investments and your future. This was Sergey Sobyenin's message during the Sberbank plenary session "Transformation in a rapidly changing world: states, companies, people," which was held as part of the St. Petersburg International Economic Forum.

According to Sergey Sobyenin, a digital transformation needs to cover many different spheres, and information technologies need to be widely-used in housing and municipal services, health care, education, and other areas. "It's impossible to focus on just one thing. Either you're simultaneously developing across all of these spheres, or sooner or later you'll have to deal



with serious, detrimental consequences," the Mayor of Moscow said.

Sergey Sobyenin pointed out that a good example of successful IT integration can be seen in the sphere of city transport management. "The intelligent transportation system, which is based on artificial intelligence, big data, and a huge number of data flows is an expensive thing, really expensive," he said, "But it improves city traffic by 15 percent. Imagine if we were to try to accomplish this by increasing our infrastructure's physical capacity, like by building roads or interchanges. We would need around a billion rubles."

He also said that the city is also building roads, metro stations, and railways in order to improve city traffic, but maintained that an intelligent transport system is the most effective investment.

Information technologies have also been successfully applied in healthcare and education, making city services more accessible.

"The Moscow model is a completely new systemic model of government," said CEO and Chairman of the Board at Sberbank Russia Herman Gref.

Information technologies help the authorities get feedback from city residents, as well as get their support on a wide range of issues. According to Sergey Sobyenin, electronic democracy is one of the key elements of a smart city. "In a city of 12 million people, asking people what they want, understanding people's overall attitudes toward specific things, specific projects, is almost impossible," the Mayor of Moscow said. However, the city has all the tools it needs to deal with this problem.



"This is the 'Our City' system, which has engaged about two million people — they report problems in the city every day, every minute, every second," Sergey Sobyanin added, "This is the 'Active Citizen' system, which a whole lot of people use to tell us what they like, don't like, and what they really want.

5G technology can also improve the quality of life in a modern big city, says CEO and Deputy Chairman of the Board at Huawei Guo Ping. According to him, the increase in speed will enable us to work with much larger amounts of data, facilitating the development of the Internet of Things. So it will be possible to connect water and electricity meters to the global information system, for example.

"Right now, our life revolves around mobile phones, but in the future technologies will work around people instead. These technologies will change people's lives. I think that the next generation will live in an intelligent society that will have three important characteristics: everything will be plugged in, everything will have sensors, and everything will be a smart device," he said, "and we're just providing the technology and enabling all industries to work with these devices.

Russia-Baltic States: toward trust and a lucrative partnership

In spite of the challenging political situation, Moscow's relations with EU countries can be characterized as pragmatic and good — they've seen a steady improvement since 2014. This is what Minister of the Moscow Government, Head of the Moscow Depart-

ment of External Economic and International Relations Sergey Cheremin said during his speech at the "Russia-Baltic States: toward trust and a lucrative partnership" session, which took place at the 2019 St. Petersburg International Economic Forum.

According to the minister, the most positive relations have developed between Moscow and Latvia, which will be hosting a Russian Ball for the second year in a row and is home to the House of Moscow. "Latvia is the leader among the Baltic countries in foreign direct investments in Moscow's economy, totaling \$600 million. About 80 enterprises with Latvian capital are operating in Moscow, and trade is growing. Thanks to pragmatic relations between the Moscow Government and the Riga City Council, Moscow and Riga have signed a cooperation program," Sergey Cheremin said.

"Estonian investments in Moscow amount to less than \$100 million, and about 30 companies occupy niche areas in the capital. The trade turnover is 2 times less than with Latvia, however, there are no negative trends," Sergey Cheremin said, adding that Moscow's relations with Lithuania, on the contrary, are rather complicated. Recently, the construction of the House of Moscow in Vilnius was frozen by the city authorities.

The head of the Department of External Economic and International Relations expressed hope that relations between Moscow and Lithuania will improve and be similar to Moscow's relations with Estonia and Latvia. "Moscow is a very interesting region for our colleagues from the Baltics, who could learn about the technologies necessary for city development. The city is rapidly changing,"



Mr. Cheremin said, "and right now we're drawing attention to ourselves with technology. I am sure that Russia's relations with the Baltic states will develop and have a lot of potential to do so. We are open to cooperation and will welcome everyone who wants to work with Russia."

The discussion participants agreed that the significant potential for cooperation between countries is hindered by a lack of trust, and the solution should be sought through the economy. So a dialogue between the neighbors in the field of transit, tourism, cross-border and interregional relations is a necessary minimum for maintaining good relations.

Relevant trends in the development of Russia-India cooperation

The Russia-India business dialogues took place on June 7 as part of the 2019 St. Petersburg International Economic forum. Minister of the Moscow Government, Head of the Moscow Department of External Economic and International Relations, Chairman of the Board of the Business Council for Cooperation with India Sergey Cheremin was the moderator during the discussion.

The Minister pointed out that relations between Russia and India can be characterized as some of the most active from both an economic and political point of view. According to him, companies are becoming more interested in Russian and Indian markets. In 2018, trade turnover between Russia and India amounted to almost \$11 billion — a 17% increase compared to 2017. The leaders of the two countries have set a goal to increase trade turnover from \$10 million to \$30 million by 2025.

Sergey Cheremin talked about the investment appeal of the Russian capital, the absence of public debt, and the introduction of advanced digital technologies into the city's infrastructure. He also invited the participants of the business dialogue to the Days of Moscow in India, which will be held in November 2019 in New Delhi and Mumbai.

India's Ambassador to Russia Datla Bala Venkatesh Varma became the guest of honor of the business dia-





logue and one of the key speakers. "We intend to continue developing our relations with Russia," the Ambassador said, "President Putin pays great attention to cooperation with India. In the near future, Vladimir Putin will meet with Indian Prime Minister Narendra Modi. Russia and India have a long-term friendship, and we should constantly raise our partnership to new levels."

D.B. Venkatesh Varma added that India's economy is currently on the rise and will continue to grow over the next few decades, which is why it's important to consider new players and new industries. "Russia and India are already successfully cooperating in the field of pharmaceuticals, trade, engineering, agriculture, energy resources, defense, space development, nuclear energy. I think we should consider other opportunities, for example, the digital economy," the diplomat explained.

Award for international cooperation

The 3rd award ceremony for international cooperation and the development of foreign economic activity was held as part of the 2019 St. Petersburg International Economic Forum.

"We have done a lot to make this award a landmark, memorable event at the St. Petersburg Economic Forum. It is awarded to outstanding managers of companies who have made a huge contribution to the development of foreign economic activity and inter-

national cooperation," said Minister of the Moscow Government, Head of the Department of External Economic and International Relations Sergey Chermyn during his speech at the ceremony.

Alexander Sergeev, President of the Russian Academy of Sciences and recipient of an award for promoting Russian science in the global scientific community, stressed that investments in science and education are the most important investments for Russia. "Science is always international, and our scientists are now really helping both our country and the world by building new scientific bridges, especially at a time when other bridges are sometimes crumbling. We very much expect that the economy and economic relations will move forward along these new bridges under construction," he added.

Chair of the Federation Council Committee on Foreign Affairs Konstantin Kosachev, Director General of the Russian Export Center JSC Andrey Slepnev, Rector of the Moscow State Institute of International Relations Anatoly Torkunov, Director of the International Medical Cluster Foundation Mikhail Yugay, Vice President of Procter & Gamble Eastern Europe and Central Asia Sotirios Marinidis, and Chairman of the Board of the International Investment Bank Nikolay Kosov received awards at the ceremony.

The awards are presented by the Chamber of Commerce and Industry of the Russian Federation, the State Unitary Enterprise Moscow Center for International Cooperation, and Kommersant Publishing House. ■



Russian-Chinese negotiations held at the Kremlin



After holding talks with President of the People's Republic of China Xi Jinping, the President of the Russian Federation Vladimir Putin announced that relations between Russia and China have reached an unprecedented new level. He talked about the comprehensive partnership and strategic cooperation between Russia and China.



The two leaders also discussed the implementation of economic and humanitarian projects. Following the talks, a ceremony of exchange of documents on cooperation across various spheres was held. The Mayor of Moscow Sergei Sobyenin took part in it.

"In each sphere, we not only developed the mechanisms of cooperation, but are also conducting concrete, in-depth work. As we have all seen, the result is that a solid packet of documents has been signed. I would especially like to point out the Joint Statement on the Development of Comprehensive Partnership Relations and Strategic Cooperation, in which new ambitious objectives and long-term guidelines for cooperation are outlined," said the President of Russia.

As Vladimir Putin pointed out, China is Russia's leading partner in foreign trade. Last year, trade between the countries grew by 25 percent, reaching a record

\$108 billion. Investment cooperation is also developing. About 30 projects totaling \$22 billion are being implemented with the participation of Chinese partners and capital, 3.5 billion of which are associated with the development of the Far East. Vladimir Putin stressed that Russia and China intend to use their national currencies in bilateral trade.

"Bilateral cultural cooperation is multidimensional in nature. As part of a three-year program of cooperation between Russia and China, cultural and cinema festivals take place, educational, youth, and sports exchanges take place, and bilateral tourism is actively developing. Last year, China was visited by about 2.2 million Russians. In turn, more than 1.7 million citizens of the PRC visited our country," he said.

Chairman of the People's Republic of China Xi Jinping also talked about an unprecedented level of mutual

cooperation. He noted that, right now, new opportunities are opening up for both countries. The Chinese leader also stressed the importance of achieving peace and development.

"We have a long and difficult path ahead of us to achieve peace and development. The leading world powers and permanent members of the UN Security Council of China and Russia will, together with the

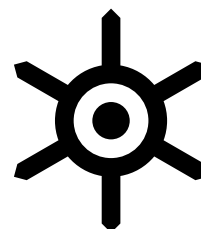
international community, show a sense of duty, resolutely protect the international system under the auspices of the UN and on the basis of international law, actively promote the political settlement of hot spot issues, protect the multilateral trading system and contribute positive energy to the extremely difficult international situation, making new contributions to building a common destiny of mankind," the President of the PRC said. ■



Transport development and support for senior citizens are shared objectives for Moscow and Tokyo



The Russian-Japanese Council of Governors took place at the Petrovsky Travellers Palace in Moscow on May 13-14. Participants discussed the development of economic and cultural relations between the two countries.



The meeting was attended by Speaker of the Federation Council of the Federal Assembly of the Russian Federation Valentina Matviyenko and members of the committees,

heads of Russian regions and prefectures of Japan, and representatives from the Russian government and the National Association of Governors of Japan. Among them are the Special Representative



of Russian President on International Cultural Cooperation and Ambassador at Large of the Ministry of Foreign Affairs of the Russian Federation Mikhail Shvydkoyi, and the Ambassador Extraordinary and Plenipotentiary of Japan to Russia Toyohisa Kozuki.

Modern Japanese-Russian relations are developing across different spheres, said Toyohisa Kozuki. According to him, heads of regions in Russia and Japan play a major role in the development and strengthening of cooperation between the two countries. "Russia has a vast territory. Each region is individual. In Japan, each region also has its own characteristics and strengths. A big role in the development of

each region belongs to you, gentlemen governors," Toyohisa Kozuki added.

Plenary and bilateral meetings were held during the Council of Governors, during which participants discussed the development of economic and cultural ties between Japan and Russia, as well as other issues.

"I am glad that our Japanese colleagues and friends will have the opportunity to see a new, more beautiful Moscow, which has changed a lot over the years. There will be an opportunity to exchange experience in the development of road, transport and other infrastructure in large metropolitan areas,



and most importantly to share experience in creating a comfortable environment, comfortable living conditions for citizens of our countries, which the Mayor of Moscow and his team have successfully managed to do," said Valentina Matviyenko, Speaker of the Federation Council of the Federal Assembly of the Russian Federation.

Major Russian and Japanese cities have similar objectives and challenges. Among them, according to the Mayor of Moscow Sergey Sobyenin, is the development of transport infrastructure, as well as environmental conservation. "Moscow allocates a lot of resources in order to improve traffic on roads, the transportation in our city and agglomeration. Together with you, we think about how a person who is leaving their apartment gets into the car, a bus, how quickly they get to work, how comfortable public transport is, how environmentally friendly it is," Sergey Sobyenin said, "This is probably the number one challenge for large agglomerations, for developing territories."

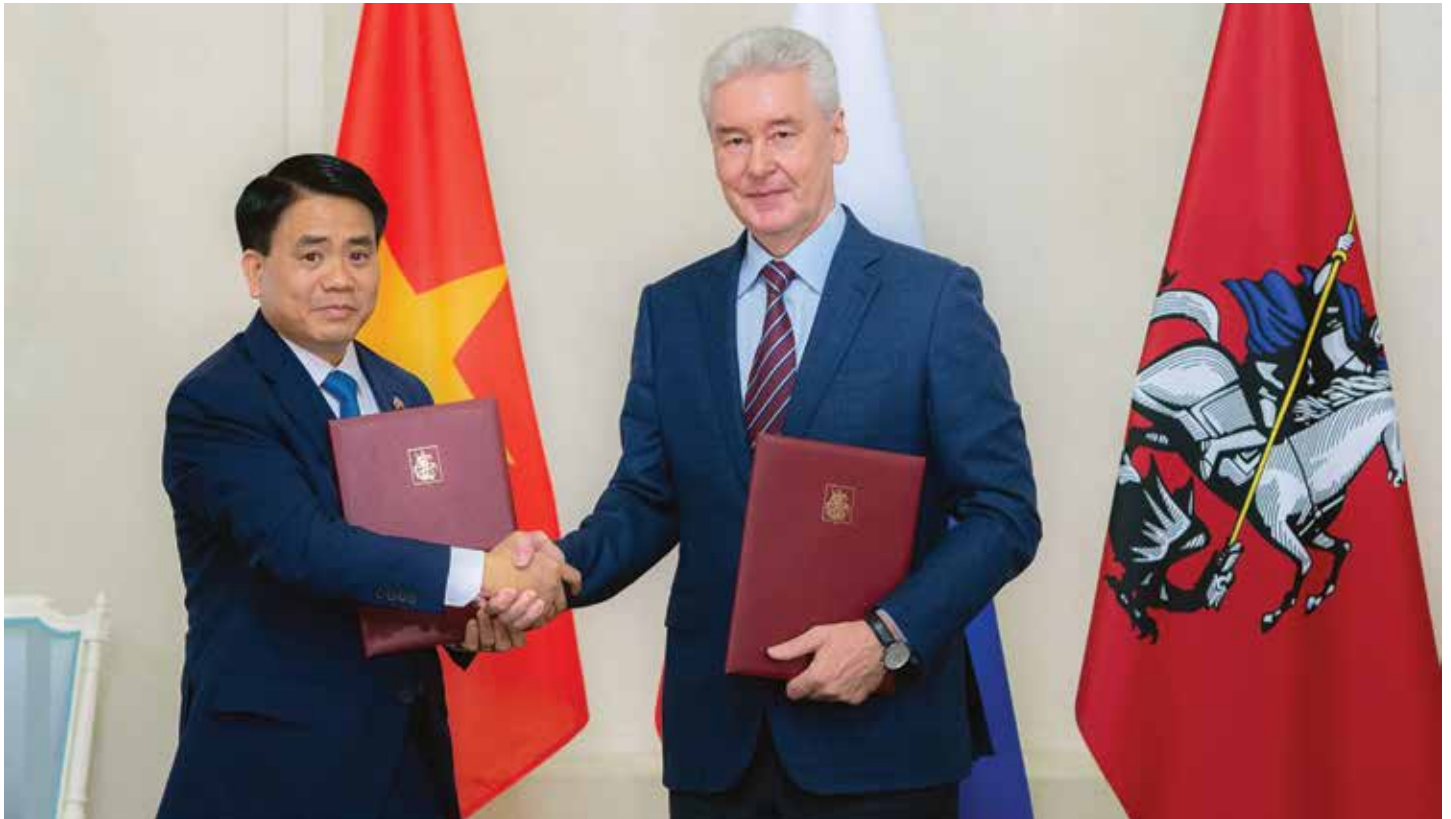
Additionally, Mr. Sobyenin sees the need for an exchange of experience in the field of education between Russia and Japan. According to him, the Japanese school system is among the most powerful and competitive in the world. "In fact, by addressing issues such as education, we directly influence our children to be competitive in our city, in our country, and in the world. And we are paying a lot of attention to this. Children are under great stress. They receive a large amount of knowledge, we overload

them with assignments, but at the same time we do it consciously, understanding how important this is. And this, of course, is an important sphere for an exchange of experience. Because the whole world knows the Japanese school system, how competitive and strong it is, but our regions also have a lot to share in this respect," the Mayor of Moscow said.

Another modern challenge facing Japan and Russia today is the rapid increase in the number of senior citizens. "Today in Moscow, more than 600,000 people are over 80 years old. And in a few more years there will be over a million. In Japan, in the provinces, there is the same situation — the majority of the population is rapidly aging. But at the same time, talking to the older generation, I see how they strive to be active and needed. They do not want to stay at home and do not want to be on the sidelines in life," Sergey Sobyenin said. Therefore, the authorities must provide older people with adequate medical care, as well as enable them to live a full life.

In order to manage a big city, it's important to cooperate with the population effectively — a challenge that modern IT solutions help address. "We have to introduce new technologies that allow citizens to participate in city management, which would solve most of the small and large problems of each territory. Without new technologies, without electronic voting, without interaction with the public, this is impossible to build," Sergey Sobyenin said. According to him, this work can drastically change the management system of modern cities. ■





Moscow and Hanoi sign a cooperation program for 2019–2021



Mayor of Moscow Sergey Sobyanin and Chairman of Hanoi People's Committee Nguyen Duc Chung signed a program of cooperation between the two cities for 2019-2021. The meeting took place within the scope of a visit to Moscow by the government delegation of the Socialist Republic of Vietnam led by Prime Minister Nguyen Xuan Phuc.

The document provides for the exchange of experience, knowledge and information across key social and economic spheres, including the development of public transport and road transport infrastructure (parking facilities, traffic management); maintenance and cleaning of urban areas; science and advanced technology (assistance in establishing direct cooperation between technology parks and research centers in Moscow and Hanoi); health care and social protection; environmental protection; safety of the city's environmental support systems; development and support of entrepreneur-

ship; implementation of public-private partnerships and investment projects.

The city administrations plan to support business entities of the two capitals in establishing mutually beneficial business contacts. In the field of education, the Government of Moscow and the People's Committee of Hanoi will promote the expansion of direct partnerships between educational organizations and the implementation of teacher training programs. Hanoi is planning to host Days of Moscow at the end of November — beginning of December 2019.

Cooperation between Moscow and Hanoi

The Memorandum of Friendship and Cooperation between the capitals of Russia and Vietnam, signed in 1997, is the foundation of cooperation between Moscow and Hanoi.

Last year, the trade turnover between Moscow organizations and their Vietnamese partners amounted to \$2.96 billion. Vietnam ranks ninth in terms of mutual trade among Moscow's foreign partners.

There are about 20 enterprises with Vietnamese capital registered in Moscow. As of October 1, 2018, the volume of Vietnamese investments in the capital's economy amounted to \$527 million.

The largest implemented investment project is the cultural and business center "Hanoi-Moscow" (Yaroslavskoe shosse 146). The complex was built in 2010–2014. The area of 132,100 square meters houses a shopping center, offices, and a hotel with apartments.

According to the Border Service of the FSB of Russia, in 2018 the flow of tourists from Vietnam increased by 13% compared with 2017, totaling to 74,300 people.

Moscow and Israel – prospects for cooperation in tourism



The issue of tourism development became the main topic of discussion at another meeting of the Mixed Moscow-Israeli Commission for Business Cooperation, which was held in Tel Aviv. The event was attended by a Moscow government delegation headed by the Minister of the Government of Moscow, Head of the Department of Foreign Economic and International Relations Sergey Cheremin.

During a roundtable discussion, the two sides talked about key global trends in the tourism market, issues of government support for tourism, the development of the hotel industry, and formats for the implementation and marketing of tourism products. Moreover, there were startup presentations by Israeli companies.

According to Mr. Cheremin, these kinds of events play a big role in the development of cooperation between Moscow and Israel. "We have a chance to share experience, discuss joint initiatives, and talk about issues related to long-term cooperation," the head of the Department of Foreign Economic and International Relations said.

Key speakers included Deputy Chairman of the Moscow Tourism Committee Tatiana Sharshavitskaya, Advisor to the Mayor of Tel Aviv Ilana Michaeli, and Director of the Tel Aviv Hotel Association Oded Grofman.

The business program also included meetings between the Moscow Government Minister with the

Mayor of Jerusalem Moshe Lion and representatives of the Israeli Ministry of Tourism.

Summing up the results of the meeting, Sergey Cheremin said he hopes Moscow and Israel will implement a lot of productive projects in the future. ■





This year, the Russia House - the Roscongress Foundation's project - once again served in Davos, Switzerland, as a vivid and interesting venue and a traditional meeting place for representatives of the international business community and official circles . The official Russian residence received this year over 1,500 guests from 70 countries during the five days it was open. Members of the official Russian delegation, prominent Russian and foreign businessmen, experts, and opinion leaders were actively involved in the work of the Russia House. There were over 150 media representatives working onsite. The project was organized by the Roscongress Foundation together with its partners: V-Tell, the Moscow Department of External Economic and International Relations, and EY. One of the events was entitled: "Russia: DNA of the New Entrepreneur". The text below was prepared by the Information and Analytical System of the Roscongress Foundation .



www.photo.roscongress.org





Let's make heroes out of entrepreneurs

Under current conditions entrepreneurship is the cornerstone for developing business environment and economy growth for any country.

«The Russians have proven themselves to be among the best entrepreneurs in the world. There's no lack of ambition or lack of creativity. So I think it's an area that's going to be a more and more important driver of the Russian economy,» John Boynton, Non-executive Chairman of the Board of Directors, Yandex.

«Only 20% of our GDP goes to small and medium business. In the most innovative economies — such as Finland, Italy, or France — this share is 60%. In those markets, entrepreneurship is commercialized through innovative ideas that get to consumers,» Alexander Ivlev, Country Managing Partner for Russia and CIS, EY.

«Business people are the main bread winners that replenish our country's budget,» David Iakobachvili, President, Orion Heritage.

«Entrepreneurial environment is important for business, but the most crucial thing is the entrepreneurial spirit that allows business people to make the right decisions, to look for the rights niches, to enter markets with the right products and to cooperate with their partners,» Alexander Ivlev, Country Managing Partner for Russia and CIS, EY.

«We can't treat entrepreneurship as a structure that can only be developed through the government. Entrepreneurship goes from the bottom up,» Alexander Ivlev, Country Managing Partner for Russia and CIS, EY.

The health of the society is sensible to the presence of a developed entrepreneurial environment.

«Entrepreneurship is frequently associated with business. I believe that entrepreneurship is much broader than just business in terms of its span or outreach. Business is earning money. The Russian word for entrepreneurship derives from 'enterprise'. Entrepreneurship is sometimes not about earning money. It can be social entrepreneurship, when people open museums with their own money. It's entrepreneurship as well. People do it for a reason,» Stanislav Kostyashkin, Chief Executive Officer, Continent Express.

«Being an entrepreneur is a calling. You can't learn it. It's an art of being a person who can fall, rise and move forward,» Alexander Ivlev, Country Managing Partner for Russia and CIS, EY.

«An entrepreneur is driven by something bigger than just earning money. It's not a guarantee that an entrepreneurial quest will be a success,» Stanislav Kostyashkin, Chief Executive Officer, Continent Express.

«An entrepreneur is a creator. They either create something absolutely new or change something for the better,» Stanislav Kostyashkin, Chief Executive Officer, Continent Express.

«A modern entrepreneur — at least in Russia — moved from a speculative mind towards a creative one, when they create certain values. Moreover, those values are material, inner and spiritual,» Timothy Okroev, Chief Executive Officer, Russian Translation Company.

«The most important thing an entrepreneur acquires over his path is not what he earns, but what he becomes by overcoming himself and by eradicating their dilapidated self, their egoism and rigidity. It's very important,» Timothy Okroev, Chief Executive Officer, Russian Translation Company.

«Achievements of any entrepreneur include attracting whoever is more competent and smarter in their area of expertise. And that may lead to a breakthrough,» Timothy Okroev, Chief Executive Officer, Russian Translation Company.

Russian entrepreneurs are competitive in many global markets.

«Look where we have lots of breakthroughs, where a Russian entrepreneur sets standards for the whole world. There are many breakthroughs in the areas we didn't inherit from the Soviet Union, but rather built from scratch: telecoms — Russian communications rank among the best in the world; banking sector — we do have break-

through financial technologies; retail,» Nikolay Korzhenevsky, Economic Observer, Russia 24 TV Channel.

The government provides sufficient support to entrepreneurs in Russia.

«Problems exist everywhere. There's not a single state where everything would be perfectly easy. It's always something. That's why I wouldn't feel sad that it's harder for us than for everybody else. In this situation the government helps us in the IT sector, because the existing tax system really benefits development of IT in Russia,» Stanislav Kostyashkin, Chief Executive Officer, Continent Express.

Problems

Marginalization of Russia and Russian business abroad creates unbiassed barriers for its development.

«One of the most important changes of the last 5 years is marginalization — if not stigmatizing — of everything related to Russia,» Nikolay Korzhenevsky, Economic Observer, Russia 24 TV Channel.

«As long as there's a risk of negative perception in the West, it's going to make it very hard for Russian businesses to extend out of the borders. We need to get back to a place where we had more trust,» John Boynton, Non-executive Chairman of the Board of Directors, Yandex.

«Are sanctions an obstacle? Yes, they are. Is lack of communication an obstacle? Yes, it is,» Timothy Okroev, Chief Executive Officer, Russian Translation Company.



«It's a war of ideologies. It is what it is. It's just wars can be different. It's just we are used to saying that a war is when somebody gets killed. What about economic warfare? Isn't it a war? What about a war of ideologies? Isn't it a war?» Stanislav Kostyashkin, Chief Executive Officer, Continent Express.

Changeability of the institutional environment makes long-term planning difficult for entrepreneurs.

«We heard promises to keep existing conditions for 5 years, which was, unfortunately, never delivered. Despite the number of those promises, things change one way or another every year,» David Iakobachvili, President, Orion Heritage.

«There's a change of sorts all the time, and it's in the way of things,» Alexander Ivlev, Country Managing Partner for Russia and CIS, EY.

Russia has a long-lasting problem of commercializing new ideas and technology.

«Generally we have a massive problem. And it concerns medium and small entrepreneurship. It's about inability to commercialize one's technology. I believe that in the next 5–10 years we'll have invest our efforts in learning it,» Timothy Okroev, Chief Executive Officer, Russian Translation Company.

«As Loren Graham put it during the St. Petersburg Forum (SPIEF 2016), a light bulb, a laser — there's so much that was invented in Russia long before it appeared

in the West, but we were unable to commercialize and promote it, if we use marketing terms,» Timothy Okroev, Chief Executive Officer, Russian Translation Company.

Solutions

Young people's entrepreneurial activity is the main factor for the development of entrepreneurship.

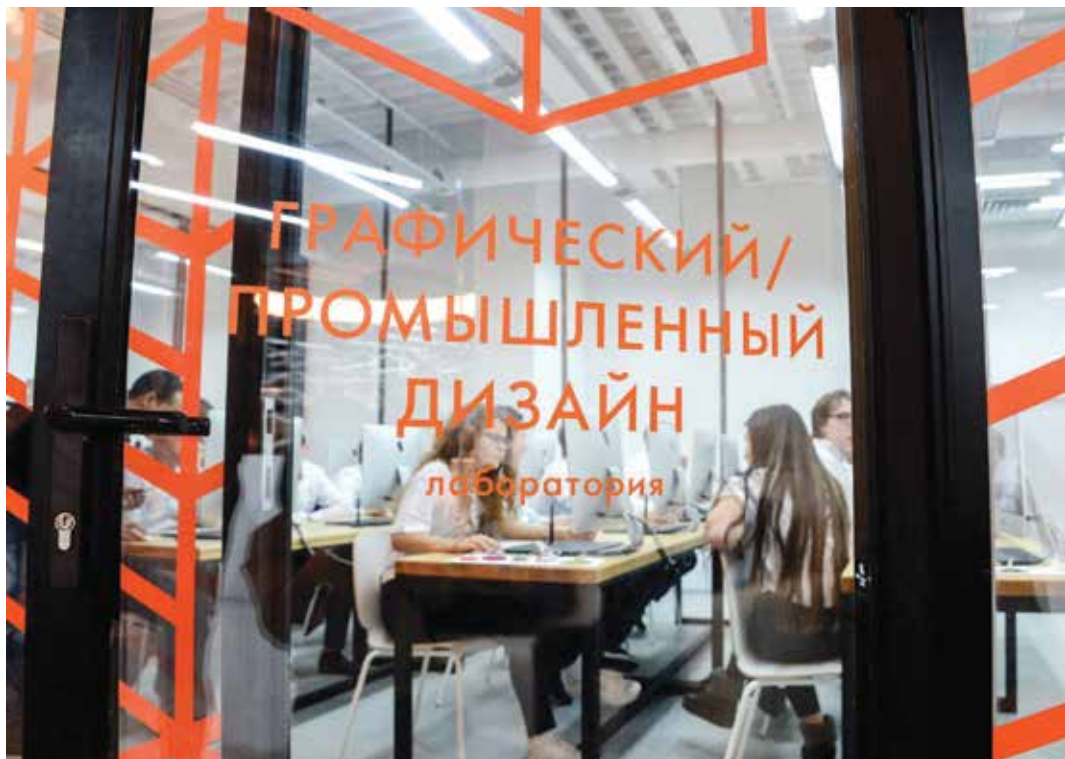
«Entrepreneurship's share in Russia's GDP is very low. There are not enough young people willing to become entrepreneurs and to start their own business,» Nikolay Korzhenevsky, Economic Observer, Russia 24 TV Channel.

«Today's young people are so vibrant, they have so many ideas. They work and think in a different fashion, and they see a different future for Russia and the whole world,» David Iakobachvili, President, Orion Heritage.

«We need to work with young people more,» Alexander Ivlev, Country Managing Partner for Russia and CIS, EY.

«There's just 2% [of young people] willing to become business people. Breaking this trend is easy. You need to make it popular,» David Iakobachvili, President, Orion Heritage.

«I think it takes time to change. These are things that are deeply imbedded into cultures. I think we need to continue to tell positive stories, and let's make heroes out of entrepreneurs. That will inspire others to proceed that path,» John Boynton, Non-executive Chairman of the Board of Directors, Yandex.



First of all, developing entrepreneurship in markets that are new and underdeveloped in Russia.

«The quality starts with the entrepreneur's DNA. Success starts when you find something new, something vacant. [...] An entrepreneur can find those niches that sort of wind up the economy by adding value. Best cases are the ones with vacant niches,» Stanislav Kostyashkin, Chief Executive Officer, Continent Express.

«Let's take Continent Express [that was created 22 years ago]. Why is it a great example of blue ocean? I brought corporate travel management to Russia, which was a completely new industry. It didn't exist here before. We created jobs, came up with a model and naturally took a global best practice — mainly the English or the West European model. We customized it to fit the Russian reality and created the first Russian version. Now this industry in Russia has dozens of thousands of jobs. It's white collars — well-paid employees, which means our high taxes don't just go to Moscow and St. Petersburg, but other regions as well. That's the benefit, the value that we bring. Through our work we optimize corporate governance and travel budgets in largest corporations, as well as their business processes. Years of our performance saved dozens of millions of dollars for a number of corporations. This money was channelled towards other investment with higher efficiency,» Stanislav Kostyashkin, Chief Executive Officer, Continent Express.

«Our teams has found a new area — admintech. We've started our own IT company, and we're creating technology for expanding administrative processes that we manage. This is something completely new. There's nothing of this kind even abroad. We do it together with the largest global companies here in Russia,» Stanislav Kostyashkin, Chief Executive Officer, Continent Express.

«We've created a 5.0 generation travel management company. And I can already see what generation 6.0 will be like. We need our technology to reach the stage when we are certified in cyber security for that enormous array of information we work in. We keep looking what is next, where we are going, what we can offer and what is new,» Stanislav Kostyashkin, Chief Executive Officer, Continent Express.

Entrepreneurship should be used in high-tech sector of Russia's economy.

«One sector where Russia has particular strength is the technology sector. Russia is regarded around the world as one of top producers of the greatest math and engineering minds. Success breeds success,» John Boynton, Non-executive Chairman of the Board of Directors, Yandex.

Free competition in the market is the fastest and the most proper way to ensure development of entrepreneurship.

«We discussed how we can help our companies in tapping into global markets. In reality, we just need to play by market rules and within competition environment through using global best practices that exist today,» Alexander Ivlev, Country Managing Partner for Russia and CIS, EY.

Transparency of business practices is a prerequisite for success in global markets.

«A lot of it is inborn in terms of the ambition. But what needs to change and continues to evolve is solid business practices and corporate governance in particular,» John Boynton, Non-executive Chairman of the Board of Directors, Yandex.

«When we started Yandex back in 2000, we added good business practices in the DNA of the company back at the time. And I think it's one of the critical factors that's enabled the company to grow. So we need to educate these up and coming entrepreneurs on the importance of incorporating good governance practices into their businesses,» John Boynton, Non-executive Chairman of the Board of Directors, Yandex.

«I think that governance plays an important role in the businesses,» John Boynton, Non-executive Chairman of the Board of Directors, Yandex.

«If Russian entrepreneurs want the opportunity to sell their companies to bigger companies or go public in the West. Now 80–90 Russian companies are listed at the foreign exchange, roughly 90% are listed in London and New York. So accessing those markets doesn't happen without good governance,» John Boynton, Non-executive Chairman of the Board of Directors, Yandex.

Entrepreneurship can play the role of public diplomacy in solving politics-related issues.

«We need to be as loud as we can about entrepreneurial successes, about it being the least controversial topic for discussion with our vis-à-vis, with our foreign partners. It's a great platform,» Timothy Okroev, Chief Executive Officer, Russian Translation Company.

«Everyone offered a solution for what we need to do. We need to clench our teeth, endure it all and just keep going, just like we are going to Davos now [...]. Nobody can ever beat it, it's the soft power, it's people's diplomacy, it needs to continue. We need to fill the void that emerged on the international level,» Stanislav Kostyashkin, Chief Executive Officer, Continent Express. ■

useful info

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Fax: +7 (495) 234-48-40
www.moex.com

27,027.5 bln rub

Moscow's budget for 2012 – 2020

Expenses for the implementation of state programs from all sources of financing (Moscow city budget, federal budget, external sources)

\$25 bln

worth of high-tech products are exported from Moscow annually,

including passenger cars and cargo-passenger cars (\$177.5 mln), electronics and communications equipment (\$ 147 mln), household detergents (\$ 107.6 mln), hygiene products and baby care products (\$72.1 mln), and cosmetics (\$49.7 mln). These were the most popular categories in 2018.



6th place

Moscow's ranking on the European Cities and Regions of the Future 2018/19 rating, put together by the Foreign Direct Investment

Intelligence (FDI). Experts took into account factors like economic potential, cost-efficiency, the overall state of the city's business environment, and transport accessibility. In total, there were about a hundred criteria.

44 industrial complexes and 35 technology parks

are operating in the capital, providing employment for over **96,000 people.**





YOU CAN'T REST ON YOUR LAURELS AFTER STARTING A BUSINESS

At the end of May, the Russian capital hosted the Moscow Week of Entrepreneurship — one of the biggest events for Moscow's business community. The Moscow government organized it to support the development of small and medium-sized businesses in the capital.

Sergey Sobyenin invited people to the Moscow Week of Entrepreneurship back in the middle of April. On his Twitter page, he posted that “there will be opportunities to meet with successful entrepreneurs, get consultations, and find business partners.” This year, over 60,000 people attended the Moscow Week of Entrepreneurship, including 1,500 speakers and experts.

According to the latest figures from the international information and analytical portal StartupBlink, Moscow is in tenth place on the global rating of cities with the most favorable conditions for startups. It's worth noting that in two years the Russian capital has pulled ahead of Beijing, Toronto, and Paris on the list.

As Gennady Nikolaev, an expert at the Academy of Financial and Investment Management, pointed out in an interview with RT, approximately 450 new start-ups are registered in Moscow every day, and 35 technology parks have already been created to support entrepreneurs. Moreover, according to the analyst, tax revenues from small and medium-sized businesses grew by 47% to 473.8 billion rubles since 2016, and currently make up about a quarter of the city budget revenues.

“The city's tech infrastructure also promotes the development of these projects. For example, mobile internet service costs a fifth of the price you would pay in New York or San Francisco,” Nikolaev said, “And conditions for startups are improving not just in the capital, but in other Russian cities as well.”

According to Alexander Kalinin, President of the Russian Public Organization of Small and Medium-Sized Businesses Opora Russia, Moscow is one of the world's small business development centers and one of the leaders in this field. It's a hub that combines intelligence, capital, opportunities, and space. It's apparent that the Mayor of Moscow has set a goal — to make the city a world leader in terms of economic and business project development. The city works with a large array of people, creating new markets. For example, Moscow is in the top 5 cities in the world in terms of IT infrastructure.

Additionally, industrial sites are now being reformatted to make space for the development of creative and entrepreneurial proj-

ects — there are coworking centers, IT parks, and new technology parks. A lot is being invested in the development of quality spaces.

Dmitry Kibkalo, founder of the Mosigra board games store chain and Magellan publishing house, owner of the Meteor football schools network, believes that Moscow Week of Entrepreneurship is a big event. It's also a great chance to communicate with smart people. Small and medium-sized enterprises really need the support of the city at all levels. Ideally, there should be a symbiosis of business and government — this is beneficial and convenient for everyone, including the citizens themselves. This kind of support is needed by young people, even at the level of obtaining the right information.

At the end of Moscow Entrepreneurship Week, entrepreneurs were awarded the capital's first “Breakthrough of the Year” business prize at a State Kremlin Palace ceremony. Four contenders competed for the prize in the main nomination category — the heads of companies specializing in robotics, industrial design, legal services, and the production of cosmetics..

The Grand Prix was awarded to Mikhail Krapivniy — CEO of the full-cycle design bureau M&T Prod, which specializes in industrial design and 3D printing. The project is unique because it provides services for all spheres of manufacturing. Sergey Sobyenin announced the name of the Grand Prix winner on the stage of the Moscow Kremlin Palace, adding that constant development is important for entrepreneurs. “An entrepreneur risks their fate, and does so throughout their entire life, so an entrepreneur can't simply rest on their laurels after starting a business,” the Mayor of Moscow said, “It's constant movement, constant changes, constant competition, constant worries.” ■



BUSINESS AWARD FOR THE YOUNG AND AMBITIOUS



Student entrepreneurship? This is no joke! In May, the finalists for the Russian award for high school and university student entrepreneurship were announced. Famous Russian entrepreneurs and journalists selected the best projects across nine nomination categories. The award will be presented annually to talented and successful young entrepreneurs, and anybody who wants to can participate.

The Russian business community has been loudly voicing the need to support young people who want to become entrepreneurs for a long time now. But it's not all talk, and Rusbase Young Awards is a great testament to this fact.

This is the first Russian independent business award for school and university students. The only condition is they have to be under the age of 24 to participate. Key focal points for the award are innovations and advanced technologies in various industries and markets. This year, there were a total of nine finalists. Most of the contestants demonstrated projects that already exist, many of which are already operating in Moscow and other Russian cities. The winners will have the opportunity to become part of a large business community and present their projects to venture capital investors.

Out of 370 projects from all over Russia that were selected during the first stage of the competition, 31 participants entered the finals across six nomination categories — "Smart City," "Health," "Food," "Education," "Digital," and "Fashion and Sports." In addition, partners of the award established special nominations — "Junior Hero" for entrepreneurs under the age of 16, a special prize for the winner of an open vote, and a special prize for girls working in the field of high-tech products.

"The award is one way to show the market that we have young and very ambitious entrepreneurs who, at their age, can compete on equal terms with adults in business," said Maria Podlesnova, Chairman of the Rusbase Young Awards jury, "There aren't that many of them now. But this is precisely why Rusbase began to engage in promoting youth entrepreneurship. We hope that in 2020 we will be able to attract even more participants and add more nominations."

Of all projects that made it to the finals, the jury selected 9 winners. Jury members included well-known businessmen and top managers of large Russian and international companies such as Tinkoff, SAP, PIK-digital, Mastercard, and PepsiCo. Dmitry Kotov from Tomsk won the award in the "Smart City" nomination category — he invented a GSM intercom with exceptional features that helps people with disabilities. Rocketstore, the largest online store that sells Russian-made goods, won in the "Digital" nomination category. The project was launched by Podolsk's Dmitry Rastopchin when he was just 14 years old. Rocketstore currently has over 10,000 customers. The special nomination "Junior Hero" was won by Stepan Stepanov from Chita and his team "Live Brighter," which is engaged in improving the urban environment and landscaping.

Moscow's Dmitry Karagioz won in the "Education" nomination category for his project "ProgressME" — a virtual class for online learning. The project enables tutors and students to jointly work with interactive materials. The platform currently has over 2,200 educators. Valeria Kazanskaya, also from Moscow, won in the "Health" nomination category. She founded a chain of fitness clubs called Hardy's Body, where people pay for a trainer's services instead of purchasing a membership. Saint Petersburg's Alexander Lapin, who founded a company that makes low-calorie food products, won in the "Food" nomination category. His company has over 120 sales points across 10 different regions in Russia.

Anastasia Pavlova's Skynails won in the "Fashion and Sports" nomination category. The "Girls in Tech" award was presented to Moscow's Victoria Sbityakova for her project Suture Pad, which makes medical training equipment for medical and veterinary universities. The main "Rusbase YoungHero" award was presented to Dmitry Rastopchin, whose project won in the "Digital" nomination category. ■



23 million
tourists visited Moscow in 2018.

Tourist volumes have increased by 84% since 2010.

49 hotels with over 7,700 rooms
will open before the end of 2019

in Moscow, according to Deputy Mayor of Moscow in
the Government of Moscow for Urban Development and Construction Marat Khusnullin.



77.9 years

is the average life expectancy in Moscow —
3.8 years longer than in 2010.

1810 ha is the total area of street improvements.
Since 2011, almost 22 thousand urban courtyards, 550 parks
and green areas and 327 streets have been updated.



7.9 million people use
electronic government services.

The number of people using government e-services in 2011 amounted to just 53,000.

3096 hotspots with Wi-Fi access
have been set up inside the Garden Ring and locally
within the Third Ring Road.



Over

167,000

video surveillance cameras
are set up for security monitoring in the city

useful info

City Government

Address: Voznesensky Per., 21, Moscow, 125032
Ph: +7 (495) 633-51-90
www.mos.ru

Moscow Investment Portal

Address: 119019, Moscow, Novy Arbat St., 11, bldg. 1
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Money? Great, but we need PPPs!



Moscow has placed first in the rating of Russian regions in terms of public-private partnerships (PPPs) for the fourth time. This rating is put together jointly by the Russian Ministry of Economic Development and the National PPP Center every year.

The area across from the Sberbank office on Ivano Franko street is closed off with a metal fence. Two stands with the image of Moscow's coat of arms explain that the territory will be used for buildings of city authorities. The inscription on one of them reads "Kutuzov Avenue relief road." The inscription on the other stand reads "Attracting private financing saves budget funds."

The Kutuzov Avenue relief road is an important, but not sole infrastructure project in Moscow that the capital's authorities have built with the help of private investments. These projects include transport, healthcare, and social facilities, as well as children's summer camps and much more. All of this was discussed during the 6th Infrastructure Congress "Russian PPP Week," which took place in the Russian capital. During one session, Head of the Moscow City Department of Investment and Industrial Policy Alexander Prokhorov talked about effective ways to attract investment and localize high-performance industries in the capital.

According to him, Moscow actively engages business in solving citywide problems through PPPs. The city has implemented a strategy for the thorough development of the legal and economic conditions for long-term projects. Since 2013, the volume of contracts concluded by Moscow for PPP projects has amounted to over 850 billion rubles.

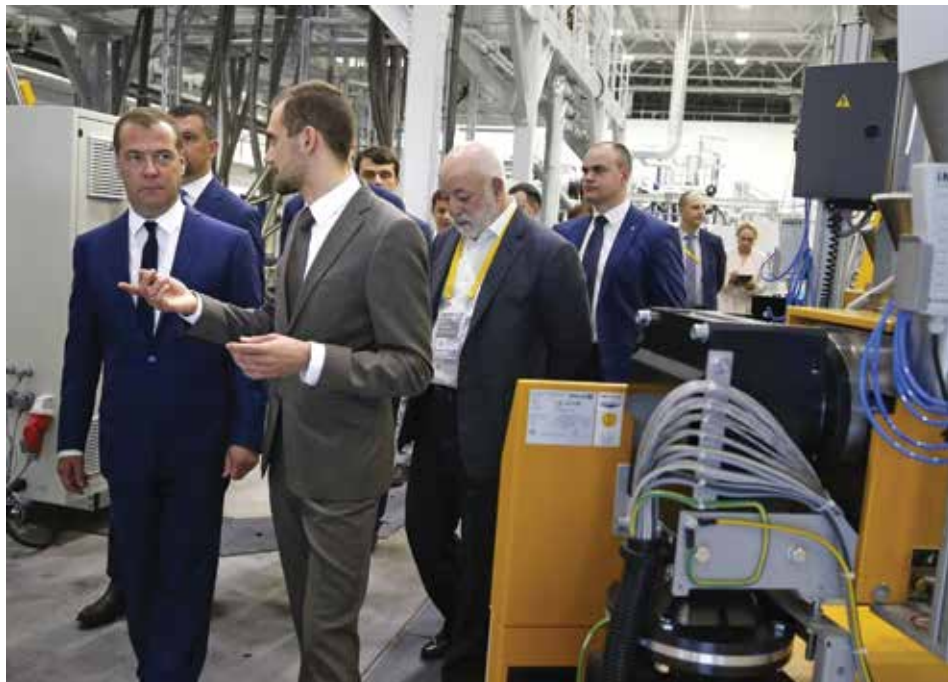
This may seem unnecessary, since there is enough money in the Russian capital. "Yes, there is a lot of money in Moscow, but it's still important to develop PPPs. Because then the city doesn't spend its own funds, and has a chance to redirect them to other important spheres" — this was the leitmotif of the speakers at the congress session, where they shared their thoughts on PPP development in Moscow.

A partnership like this, when the authorities partner with private business, increases the efficiency of city property use, develops competition and improves the quality of services in public sectors — in public transport, medicine, and education, for example. Moscow uses various forms of public-private partnerships, depending on the specific project. "This policy helps to integrate private capital into the economy on the most favorable terms, stimulating the development of the metropolis and complementing budget investments. In Moscow, for example, a corporate form of PPP is being implemented. During the construction of transport hubs, the investor creates and transfers the technological part to the city, while profitability is achieved through the creation and use of commercial facilities," Alexander Prokhorov said.

Aside from Russian investors, foreign investors also take part in public-private partnerships. For example, the Chinese, Italians, and Turks are interested in road infrastructure. Foreign investors were the initiators behind the construction of a cableway between the Skhodnenskaya and Rechnoy Vokzal stations, which is expected to begin this year and is scheduled to be completed within two years. Thus, the first public transport cable car will appear in Moscow in 2023. The length of the cable car will be 2.3 kilometers. It will run 50 cabins, each of which is designed for 10 people. Up to 19 thousand passengers are planned to be transported per day.

Investor funds will be used to finance the construction of the cableway. A German company and Austrian manufacturer of cable cars will invest around four billion rubles into the project. The city will not be participating financially in the construction of the project, or in the operational process. ■

SIBUR and Skolkovo Foundation launch PolyLab



Russian Prime Minister Dmitry Medvedev has opened the first Russian research center for the development and testing of polymer products – SIBUR PolyLab. According to the company, the volume of investments in the establishment of the center amounted to 2.2 billion rubles. Simultaneously with

the opening of the center, memorandums of cooperation were signed with R&D world leaders of the chemical industry: Norner AS, 3M, Reifenhäuser and BASF. The companies agreed to cooperate in developing brands of products with improved properties, organizing joint educational activities for SIBUR cli-

ents, and introducing polymer recycling technologies.

Polymers are used in construction, utilities, the automotive industry, healthcare, the food industry, and other areas. The goal of the PolyLab center will be to extend the efficient use of polymers both in the manufacture of products that already exist on the market and in the development of innovative product solutions.

One of the center's objectives will be the development of the use of secondary materials and the implementation of polymers in a closed-cycle economy. Samples of the developed grades of polypropylene and polyethylene will be processed into pipes, medical devices, films, food packaging and other products on the pilot lines of the center, which will allow a deeper study of the properties of the polymer and its impact on the quality of the final products to further improve materials and increase production efficiency.

The center currently employs about 40 people and houses over 100 units of equipment necessary to conduct experimental research tests. ■

Hyundai to create an IT development center

Skolovo Innovation Center and Hyundai Motor CIS have announced the beginning of their cooperation. The partners plan to create a startup called Hyundai Mobility Lab, the goal of which will be to develop and commercialize IT solutions for new services and clients. Preliminary investments will amount to 100 million rubles.

"I would like to thank Skolkovo Innovation Center for the partnership and new prospects. We hope for further cooperation in the sphere of IT solution development and in the sphere of mobility in order to make our clients' lives more comfortable," said the President of the regional headquarters of Hyundai Motor Russia & CIS Son Köngsu.

One of the trends of the modern Russian automotive market is a new approach to using cars: the younger generation



doesn't want to own cars, but simply to use one when needed. In order to meet this shift in demand, Hyundai is expanding its business scope and introducing its own smart mobility service – the Hyundai Mobility Lab.

The main objective of this project will be the development and implementation of an application through which the client can use subscription services and rent Hyundai vehicles. Thanks to this service, it will be possible to remotely arrange the rental of a Hyundai car for a time period convenient to the consumer while receiving a range of additional services aimed at creating high-quality and comfortable conditions. The start of the Hyundai Mobility program is scheduled for the second half of 2019. ■

Center for Slavic Literature opened at VDNKh

The “Slovo” center has been established inside the renovated Pavilion No.58, which for many years housed the “Agriculture” exhibition. Along with restorers, researchers and experts from various fields worked on the center. Russian literature specialists, experts in Russian folklore, artists, and many other specialists were involved to help make the exposition truly unique.

Moscow Mayor Sergei Sobyanin visited the center’s exposition along with a group of schoolchildren. According to him, the building contains interesting, sometimes even funny exhibits that will definitely attract visitors. For example, you can look at the work of the first printing press, see handwritten books and printed editions from past centuries, as well as the first desks used for studying. “The museum is very unusual, dedicated to the letter, the word, the Cyrillic alphabet, the birth of writing in Russia,” the Mayor of Moscow said, “The goal was to make it not just an educational, but also an interesting space. And I’d like to thank colleagues who have been engaged in this work for many months – specialists, scientists, and the Patriarchate, who also actively participated in the establishment of this museum.”

The exhibition space, which covers over a thousand square meters, is split up into



several thematic sections. The first part of the exhibition is about the origins and development of writing from antiquity through the present day. The second part is about how texts are connected to society’s spiritual, cultural, and political life. The third section is dedicated to the history and future of the main symbols of writing – letters. Our alphabet has been around for over a dozen centuries – Russians started using Cyrillic after the Baptism. However, the alphabet has changed a lot over the centuries. Guests of the exhibition can find out how many letters to old Slavonic alphabet contained and how many of them are used now. The final part of the exhibition – “Unwritten Culture” – is dedicated to the spoken

word. It covers folklore, the specifics of language, and non-verbal communication. The main exhibits include the recreated Orthodox church of the 10th – 11th centuries and monastic cells of medieval monk-scribes, a bell with an alphabet printed on it that spreads the Gospel, as well as the originals of the first textbooks – “Grammar,” “Arithmetic,” alphabet books, spelling books, and copy books from the 19th-20th centuries.

Visitors will be able to see the recreated gates from the Nativity of the Mother of God Cathedral in Suzdal, on the wings of which the scenes from the New Testament associated with Christ and the Virgin Mary are depicted in gold. ■

Tennis club at Luzhniki to open in 2020

This will be the largest world-class tennis complex in Russia, and will be open year-round. The center will have 14 indoor and 7 outdoor tennis courts, 4 squash courts, a table tennis area with 4 tables, an all-purpose gym/badminton, 3 indoor and 2 outdoor courts for paddle tennis, a court for beach tennis, and a gym with areas for group and individual workouts. The facade of the tennis club will be decorated with patterns in the

form of water streams. Silk-screening technology will allow designers to put patterns on the panoramic windows similar to falling water streams in the central part of the site – a way for the project’s authors to emphasize the space’s proximity to the embankment of the Moscow River. The club will be able to provide visitors with a whole range of athletic services related to not only tennis, but also rest and recovery after workouts. There will also be a fitness studio and a swimming pool. Wellness programs have been prepared for children, and children’s areas are equipped so that they can play while their parents work out. ■



Moscow airport news

SHEREMETYEVO. Car owners now have the opportunity to pay for parking at Sheremetyevo International Airport via the official website (www.svo.aero) or the airport's mobile app. Online payments for parking are available for terminals B, D, E, and F.

Thanks to the new service, the car owners can promptly pay for parking services without leaving the car. Exiting the parking area is carried out as usual: a motorist leaves their parking ticket at the travel desk. There are 7 convenient flat and multi-level parking lots with flexible pricing system at the Sheremetyevo airport. For the first time at Moscow airports, there is a 30-minute rate for parking, and the cost varies depending on the location of the parking: closer lots are more expensive, while lots that are further away are more affordable. There are also better rates for people who are picking someone up or dropping them off, and the first 30 minutes are free at Terminal B. Additionally, Sheremetyevo Airport offers the best fares among Russian airports for long-term car accommodation, according to OneTwoTrip travel service ratings.

On June 2, 2019, Brussels Airlines has opened regular flights to Sheremetyevo International Airport on the Brussels-Moscow-Brussels route. Direct flights will be running four times a week: on Mondays, Thursdays, Fridays and Sundays (arrival at 15:20 Moscow time, departure at 16:40 Moscow time) on an Airbus A319 airliner. Airline passengers will be served at Terminal E. ■

VNUKOVO. AZUR air, a partner of Vnukovo International Airport, has opened regular flights from Vnukovo to Taiyuan, Shanxi Province, China. Flights run once a week on Fridays, on a Boeing 767-300 aircraft. The flight program is designed for Chinese tourists who want to visit Russia. Previously, AZUR air only accommodated outbound tourist flows – flights of Russian citizens to foreign resorts across 27 destinations from 42 regions. Now AZUR air has started accommodating inbound tourist flows to Russia as well.

Tickets for the new routes are sold jointly with Chinese partners on the tourism market as part of comprehensive travel packages.

Tickets for these flights are also available on the official website of the airline – www.azurair.com. The simplified visa regime for Chinese citizens has had significant positive effect on the dynamics of tourist flow from the PRC to Russia. According to the intergovernmental agreement, visa-free entry into the Russian Federation is allowed for organized tourist groups for up to 30 days.

Comfortable conditions have been created for tourists from China at Vnukovo International Airport. The airport is certified by the China Friendly program established by the World without Borders Tourist Association. UnionPay is accepted at the airport's kiosks and cafes, and the menus are translated into Chinese. ■

DOMODEDOVO. Moscow's Domodedovo Airport has started providing services to DragonPass program cardholders. Members of the Chinese loyalty program are welcome at the airport's business lounges at international and domestic departure terminals, as well as at the Shostakovich Premier Lounge in the domestic airlines departure area. The airport's business lounges operate around the clock and are available to all passengers, regardless of the class of service chosen when purchasing a ticket. Guests are offered a wide range of services, including a buffet, a dedicated work area, wireless Internet, television and print media, children's playrooms, and flight status alerts. DragonPass cardholders are also given discounts at seven restaurants and cafes at Domodedovo Airport. For the convenience of guests from China, navigation in Chinese is used throughout the terminal complex, and restaurants accept China UnionPay cards for payment.

On March 31, the French airline Aigle Azur started operating flights from Marseille (France) to Domodedovo Airport. The flights run twice a week on a comfortable Airbus 320 airliner. Marseille, the largest city on the Mediterranean coast of France and the historic Provence region, will become a new destination for Domodedovo and the entire Moscow air hub.

In the spring-summer season, partner airlines will offer Domodedovo passengers flights to other cities in the south of France: to Nice (S7, 5 flights a week), Bordeaux and Montpellier (Ural Airlines, 3 flights a week).

And starting in April, you can fly from Domodedovo by charter flights to the new Ramon Israeli Eilat Airport (Ural Airlines). The Italian Cagliari (S7) has reappeared on the schedule, with even more frequent flights compared to last year. Flights to Vienna have resumed as well (S7). ■



Multi-colored river trams on the Moscow River



The Moscow River now has a new type of vessel – 10 colorful river trams that run every day between Hotel Ukraina to the Novospassky Bridge. This is the new Radisson Royal flotilla. All of the trams have floral names like “Sunflower,” “Rose,” “Forget-Me-Not,” or “Cornflower” and are painted in colors that match their names. The idea is to put passengers in a better mood and underscore the striking image of the changing city. The trams have sliding glass roofs, which are removed in good weather, and climate control sys-

tems. These river cabriolets run daily starting at 11:00 am from two moorings: “Hotel Ukraina” and “Gorky Park,” with subsequent stops at eight Moscow berths. The traffic interval is 30 minutes between the following berths: Kievsky Railway Station, Luzhniki, Sparrow Hills, Bolshoy Kamenny Bridge, Zaryadye, and Novospassky Bridge.

Audio guides are available on all ships in six languages (Russian, English, Chinese, Spanish, French and German). The ticket price is 600 rubles. ■

Rooftop music: open-air concert season

Until September 1, the roof of the famous VDNKh “Worker and the Kolkhoz Woman” pavilion will once again be transformed into one of the most popular concert and viewing platforms in Moscow, where guests will have the rare opportunity to not only enjoy watching the sun sets and panoramic views of the city, but also to take a closer look at the remarkable monument by Vera Mukhina – the Worker and the Kolkhoz Woman sculpture. The roof is only open on special days, when “Rooftop Music” concerts or events that are part of the VDNKh summer educational program are held.

A total of 20 concerts are planned for the 2019 season. The agenda includes jazz, instrumental compositions, indie rock, rhythm-and-blues and other musical genres. Two points remain unchanged in the project: the soulful atmosphere and the days the concerts are held – Thursdays and Sundays. Guests can learn more about the concerts and buy tickets on the website (roof.vdnh.ru).

The rooftop can host up to 300 people at a time. The guests can enjoy cocktails or fragrant tea, depending on the weather. Events aren't cancelled when it rains, but are transferred to the lecture hall, which is



also located in the “Worker and the Kolkhoz Woman” pavilion. The events start at 20:00. The price tag starts at 400 rubles, and events that are part of the summer educational program are free. ■

Immersive garden at Kuznetsky Most

Over 40 gardens have sprung up on the streets of Moscow in June. They were designed by the finalists of the international urban landscape design competition “Flower

Jam.” One of the most unusual projects was the immersive garden called “You are the Landscape.” It imitates the natural landscape of central Russia and is located on Kuznetsky Most Street in front of the TsUM. The authors of the project are Italian landscape designers



Silvia Calatroni and Alessandro Trivelli. According to them, the main goal of the garden is to create a space that fosters interaction between people, the city, nature, history and culture. The garden covers an area of almost 300 square meters and has over 20 rare varieties of birch trees. There are also Mountain Ash trees, mountain pines, rhododendrons, spireas, as well as cereals and other plants. Flat mirrors are installed around the garden. With their help, you can look at the nature surrounding the city, at yourself and each other from a new perspective. Guests will have a chance to admire the garden through the end of September. ■

AC HOTELS BY MARRIOTT is coming to Russia



An AC Hotels by Marriott hotel will open in Moscow – the first hotel under this brand not only in Russia, but generally in the CIS. It will be located in the former B2 clubhouse on Bolshaya Sadovaya Street, near the Mayakovskaya metro station. This hotel brand was cre-

ated in Spain in 1998 and has been managed by Marriott since 2011. In April 2019, the hotel operator's portfolio reached 7,000 hotels. And the company doesn't plan to stop there. By 2021, the number of hotels managed by Marriott is set to expand by another 1,800. ■

A new Holiday Inn Express Moscow – Baumanskaya

The new hotel is designed for 128 rooms and is located in the Central District of Moscow at Pervedenovsky Lane, 2A, in the business district on the Third Transport Ring. The concept behind Holiday Inn Express hotels is "everything you need and nothing extra." The hotel has an express cafe and bar and a conference zone – a convertible area with a capacity of up to 40 people for business negotiations and meetings. The format of chain hotels with basic services included in the price tag is gaining popularity in Russia.



This is exactly why IHG is stressing the development of the Holiday Inn Express brand in Russia. The new hotel on Baumanskaya is the sixth one in Russia and the fourth in Moscow. It is this format that best meets the needs of business travelers and individual tourists, as it provides the best price-performance ratio. The rooms have everything you need for comfort and breakfast is always included in the price, but are no additional services such as a pool or spa, which significantly affect room prices. ■

The first Four Elements Hotels hotel complex

The management company Four Elements Hospitality signed a contract for technical construction support and subsequent management of a country hotel complex located near Mozhaik, in the village of Zarechye. The hotel will operate under the Four Elements Borodino brand. The launch of the hotel and the start of sales are planned for the fourth quarter of 2019. The complex will be the first hotel that the company will open from scratch. Currently, work is underway to com-

plete the construction of the hotel complex, restaurants, spa center, bath complex, landscaping and gardening. The hotel will be positioned as a five-star spa hotel with 160 rooms, which will offer its guests a wide range of leisure options: 6 pools, 3 of which will be located outdoors, a spa center, a sauna complex, a fitness club, and an entertainment area including a bowling club and pool. Several original restaurants will offer guests cuisines from around the world. ■



New Brunello Cucinelli men's corner at TsUM



The 170 000 square meters space is located on the second floor of the Central Universal Department Store and offers the embodiment of the classic men's wardrobe – cashmere pieces, formal suits, and neat shoes can now all found in one place. The space is already

featuring a collection inspired by the novel "The Great Gatsby" by Francis Scott Fitzgerald, offering a modern take on the main trends of the 1920s: double-breasted jackets, summer three-piece suits, pants with arrows, and various takes on tennis suits. ■

Gastronomic news



DEGUSTATOR. The first Moscow-City gastromarket that will be part of a major gastronomic cluster has opened at the Federation Tower. In the future, it will become part of a major gastro-

nomonic cluster in the skyscraper's shopping center. The 580 square meter market, which is located on the first underground floor of the shopping center, brings together products from 16 different types of cuisine – there's Russian, Thai, Vietnamese, Hawaiian, Israeli, American, and more. Degustator tenants include LES coffee house, Hawaiian Poke House, 1st Shrimp, Vietnamese Bô, My Gelato ice cream parlor, Berry Fruit Vitamin & Fresh Bar juices and smoothies, and Israeli street food from Misada. Exclusive projects include the B2B Salad Bar with fresh salads, Roast Kitchen, where you can make your own bowl out of different ingredients, Thai BaMi, and InDuke, which specializes in turkey dishes. There is

also the Co-Co Coffee and Tea coffee shop and a corner with Russian cuisine. Some establishments have altered their project concepts specifically for the Degustator gastromarket. For example, Bô cafe has a new small-market format with direct deliveries of fruit from Vietnam, which are also available in the form of fruit salads, shakes and smoothies. The "Vorona i Syr" corner has put together a new menu with original recipes and unusual combinations of products – completely different from the menu of the cafe that has been open inside the Federation Tower for over a year. The Lyubov Pirogov Cafe now bakes a variety of cakes on the spot, and LES offers a green menu with vegetarian desserts. ■

KROMBACHER BEER & KITCHEN. A new restaurant that can seat almost 200 people has opened on the first floor of the SHERATON 5 * hotel, with a separate entrance and huge stained glass windows on Tverskaya Street. The bar serves Krombacher's beer classics – Pils (alcoholic and non-alcoholic), Hell (light), Weizen (unfiltered), Kellerbier (unfiltered lager) and Dark beer. In addition to the classic varieties, cider, ales, fruit beer and Belgian blanche are available as well. In terms of snacks to go with the beer, there is an original selection of hearty meals that are sorted by country of



origin. The "Asian Bar" section has fried spring rolls or tataki, "German Bar" has flammekueche, pork schnitzel and Mu-

nich sausages, and "Siberian Bar" features dishes made out of northern fish, poultry and meat. Classic beer snacks from around the world – onion rings, squid rings, croutons, cheese, nachos, etc. – are in a separate section of the menu. Grilled dishes, breakfasts and business lunches complement the cuisine. The walls of the restaurant create an atmosphere similar to modern street Germany. The interior is designed in the Bauhaus style, with elements of the Berlin wall, like the famous Brezhnev-Honecker kiss. The bar is bright and spacious. The average check is 1,800 rubles, not including alcohol. ■

WHAT'S NEW

MEDUSA. A new upper casual restaurant that serves pan-Asian cuisine has opened its doors at Bersenevsky Pereulok 2/1, inside the Red October art cluster. The name of the restaurant, which is stylized to look like logograms, fits well with the restaurant's pan-Asian theme, which is the Australian chef Glen Ballis has been successfully promoting. The well-known rolls and sushi are complemented by Asian bistro bowls and chirashi sushi.

The list of ingredients includes just about everything: avocado, tofu, seafood, sweet potatoes. The drink menu features an assortment of Japanese and Asian drinks, with an emphasis is on premium and original drinks – warm sake served with cold Chinese beer, for example. The cocktail menu has selections from the Land of the Rising Sun. The open kitchen takes up a significant area of the restaurant, with a sushi bar in the form of a horseshoe in the front and the hot and cold shops in the back. High factory ceilings and large bright chairs create a feeling of a lot of space, although the restaurant is relatively small. The restaurant has 65 seats, with

another 15 on the veranda. The attractive prices mean you can try just about anything, with the average dish price ranging from 490 to 1250 rubles. ■



WHAT'S NEW



KOTELNAYA. This new bar opened at the Depot.Moskva food mall, located at 20 Lesnaya Street. The new spot turned out gorgeous, and if a remake of “The Great Gatsby” were ever to be shot in Moscow, a lot of scenes would probably be filmed at Kotel'naya. There are 20-meter ceilings and a wide golden staircase that frames the bar with a balcony on the second floor. The bar itself is done in the spirit of Art Deco. The original brick was left bare on the walls, and the partially preserved original tile of the former boiler room has been left alone as well. The furniture is mostly

low, mid-century style, and turned out eclectic, mixing industrial style elements with new trends. The main thing here is dancing and cocktails. The menu is mostly appetizers for drinks, but there are also main dishes. The appetizer section features cheeses, olives, chips and quail eggs, spring rolls, crispy shrimp, bruschetta, tartar – everything that is convenient to eat quickly and that goes well with cocktails. Main dishes include mini cheeseburgers, salmon, chicken and beef tataki. And for dessert, there is the panna cotta or the three chocolate cake. ■

FOREIGNES. The restaurant is located in an old two-storey mansion on Tverskoy Boulevard 24. The ground floor has an open kitchen and a restaurant, while the second floor houses a bar and lounge. All of it together looks like a wing in a fancy chateau where a woman of fashion and heiress of family assets deals with the castle. Australian chef Tom Halpin, who worked in the legendary Danish restaurant Noma,

is in charge of the kitchen. The menu is based on grilled and open fire dishes like duck breast, which is kept in marinade for five days, then cooked at low temperatures and served in combination with sweet sauce made out of dates and raisins. The drink menu features sixteen original cocktails based on the classics and prepared with hard liquor. The bar hosts parties every weekend and jazz evenings on weekdays. ■



CAPITO CAFE. A new casual dining Italian restaurant on 3rd Ulitsa Yamskogo Polya 2/13. The menu features all of Italy's most iconic dishes. The pasta is made in-house and pizza is baked in a wood oven. The started section lists mainly vegetable appetizers: Roman-style artichokes, grilled avocados, and zucchini fritters. The menu also has a special section for capo – a dish specially invented in Capito Cafe as an alternative to existing street food options. It's a sort of hybrid between a burger and pita – a plump bun with a wide pocket

for the filling and a whole lunch inside: meat stew with pecorino and tomato sauce (350 rubles), eggplant with tahini (350 rubles), and oxtails with pickled onions (350 rubles). There is also a bar here: in addition to the wide selection of wine (starting at 220 rubles per glass), there is hard liquor, classic cocktails, and homemade lemonades. The cafe is split up into two areas. The first has a view of the open kitchen, and the second features a communal table. On warm days, the large panoramic windows are left wide open. ■

ChopEat. This spot at the Cheryomushki market features authentic Singaporean cuisine the way Singaporeans themselves see it – the kind that generous Singaporean grandmothers cook in the kitchens of their tiny apartments. The traditional cuisine of this country is a colorful mixture of spices and sauces, but at the same time stresses simplicity and affordability. Here, guests can try the fragrant laksu – traditional spicy soup, chicken with rice – a

must-have dish on any Singapore table, dim sum, noodles, and chili crab. The corner perfectly conveys the atmosphere of the city-state: there are reinforced concrete structures entwined with lianas, wicker Chinese lamps, a smoking wok, the smell of spices – all this creates an indescribable ambiance! In addition, ChopEat only uses biodegradable types of packaging, along with environmentally-friendly cleaning products. ■



IGRISTIIY. A wine bar with parties on Pyatnitskaya. There is no set wine list on paper – just racks with bottles and prices. You can choose one by label: there are plenty of unusual selections on the racks. For example, a bottle of French pet-nat with a metal crown cap like those on Coca-Cola bottles features a picture of a red-haired lady with a draft look and an Austrian Grüner Veltliner has a picture a pensive, bearded old man. The bar has taken into account all the latest wine trends: the racks are full of biodynamic wines from small farms, a lot of Austrian wines, and selections from Portu-

gal. There is an expected emphasis on sparkling wines: there are about 30 to choose from, and the bar plans to add another ten in the future. European brutas (2,000-4,000 rubles per bottle) and sparkling wines are represented on the rack with bubbles. Of the latter, both classic and original designs are being delivered, such as those made by the mayor of Ambonne, Eric Rodez. In terms of food, there is a menu section called “Afrozodiacs,” which has small tapas for each sign of the zodiac. At the same time, there are classic wine snacks like cheese, ham and olives. On Fridays and Saturdays, DJs play at the

bar. On warm days, Igristiy opens the windows, and the party moves directly to Pyatnitskaya Street. ■



CIHAN TURKISH STEAK & KEBAB.

Famous restaurateur Arkady Novikov and chef Cihan Deniz have opened a three-story Turkish restaurant. This is the perfect place for dates, family get-togethers, business meetings, and banquets with panoramic views of New Arbat. The gastronomic concept is based on a combination of authentic recipes collected from various places in Turkey and modern culinary trends. There are over two dozen different types of steaks and experiments with wet-aged beef. The chef frequently leaves the restaurant's open kitchen in order to talk to the guests and put on a real food show. The restaurant's menu, which was named after the chef, includes all kinds of steaks, from classic to alternative to wet aged



options from the restaurant's own aging rack. There is also the traditional Turkish kefte from minced meat, char-

coal dishes, meze with weightless flat cakes straight from the tandoor, doners, and a dozen kebab options. The drinks menu also reflects the authentic nature of the project. It takes 40 minutes just to prepare the “Meshal,” for which special equipment was brought directly from turkey. The bar menu features classic ayran, traditional Turkish lemonade, and Turkish coffee. Grappa, sparkling cocktails, more than a dozen liqueurs and a couple of sheets of strong distillates were included on the list. The interior of the restaurant features soothing and simultaneously eye-catching eclectic elements and a lot of air. When it's especially hot, the display windows on the second floor fold together and turn the room into an open-air space. ■

FADO. The new restaurant is located on Rodchelskaya Ulitsya 15/17-18. A traditional Portuguese musical genre that combines various traditions of Mediterranean music. The emphasis in the menu is on meat dishes, and the kitchen has an Argentinean grill. The Brazilian traditional way of serving churrasco entails slicing the fried meat onto a plate with a giant sword until the guest says “stop.” A churrasco plate will have seven types of meat, vegetables, and

pineapple – a must-have for the meal's finale. There is Calabrian wine from an organic family winery, white from garganega grapes, and orange Portuguese and pink pinot noir from the Palatinato. Much attention was paid to the section of sparkling wines. The interior of the restaurant features five-meter ceilings and panoramic windows. The large room for 72 seats is split up with columns, with an open kitchen on one end and a bar on the other. Guests can sit down on velvet sofas and armchairs around large tables in the center of the space and small ones around the perimeters. There is a large designer chandelier with balls that resemble honey-

combs in the center of the ceiling. The restaurant also has a separate karaoke area with space for 20. ■





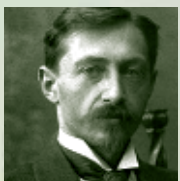
"I am far from admiring all that I see around me...But I swear to you on my honor that not for anything in the world would I be willing to change my fatherland, nor to have any history other than those of our ancestors, such as God gave us."

Alexander Pushkin, the greatest Russian poet



"A Russian man is remarkable for his inclination to spend the last of his savings on different kinds of trinkets, even when his most urgent needs are not satisfied."

Anton Chekhov, Russian playwright and short-story writer, who is considered to be among the greatest writers of short fiction in history



The people have this saying about themselves: "We can be plied just as wood – made into either a club or an icon" – it depends on who is working this wood: St. Sergius of Radonezh or Yemelyan Pugachev

Ivan Bunin, the first Russian Nobel prize winner in literature



"It's frightening how free a Russian man's spirit is, how strong is his will! No one has ever been so much torn away from his native soil, as he sometimes had to be; nobody ever took a turn so sharp, as he, following his own belief!"

Fyodor Dostoevsky, Russian novelist and philosopher



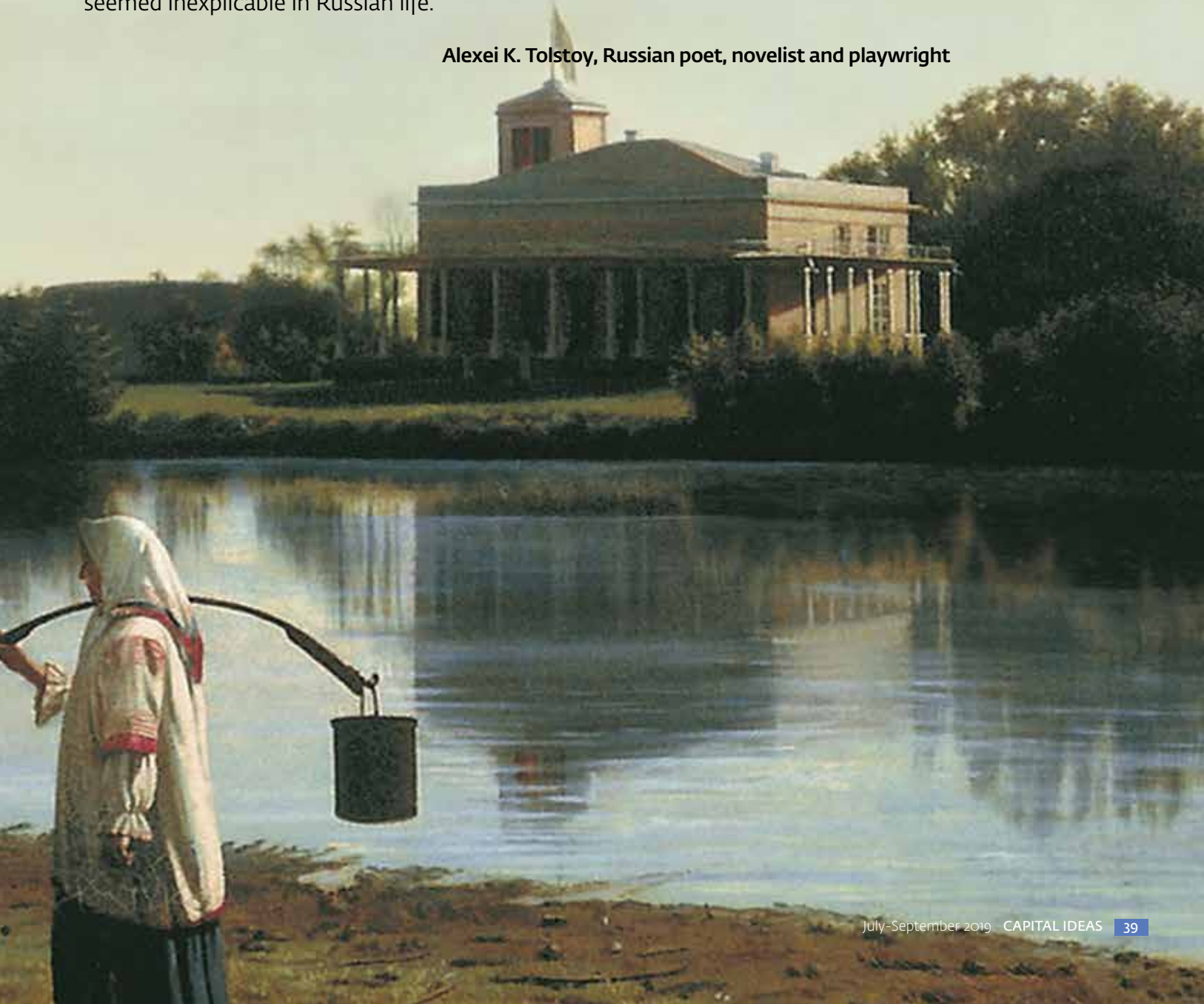
"A difficult problem presents itself ceaselessly to the Russian - the problem of organizing his vast territory. The immensity of Russia, the absence of boundaries, was expressed in the structure of the Russian soul. The landscape of the Russian soul corresponds with the landscape of Russia, the same boundlessness, formlessness, reaching out into infinity."

Nikolai Berdyaev, Russian philosopher



"It is sad, yet joyful, on a silent summer's night, in a voiceless wood, to hear a Russian song. Here we find unlimited sadness without hope. Here, also is unconquerable strength and the unalterable stamp of Fate; here, also is iron predestination, one of the primitive foundations of the Russian national identity, through which much can be explained which seemed inexplicable in Russian life."

Alexei K. Tolstoy, Russian poet, novelist and playwright





Michael Harms:

Russia was and continues to be our strategic partner

The German Eastern Business Association is the brain child of West German entrepreneurs. It was established in 1952 at the height of the Cold War at the initiative of German business representatives, who understood the advantages of developing economic relations with Eastern Bloc states. It's worth pointing out that the organization was created in close cooperation with the German Federal Government and German business unions. The Committee that played a key role in establishing economic ties between German business circles and countries in Eastern Europe and Asia that did not have diplomatic relations or trade agreements with West Germany. Capital Ideas talked to Michael Harms, the Executive Director of the German Eastern Business Association, about the organization.



Mr. Harms, the German Eastern Business Association is a famous organization that doesn't need any advertising. Still, could you tell our readers from different countries what the Committee's goals are and what it does?

Our Committee's main goal is to support German business activity in Eastern European countries, which we define as the vast region of the world located between Prague in the west and Wladiwostok in the far east. It includes 29 countries, which account for 20% of Germany's foreign trade turnover. This is a very significant number — larger than the volume of our trade turnover with the US and China combined. So this region is very important for German business, not only when it comes to trade.

German business has invested a lot in this region, which is an important driver of economic growth for Germany. We also lobby for this region in Germany, establishing bilateral contacts, organizing conferences and trips, establishing ties among companies and between companies and state officials, and providing concrete services. In other words, we do everything that business associations usually do.

How reputable is the German Eastern Business Association in Germany? Does the German government take its opinion into consideration? Which German-Russian economic cooperation projects have the Association's recommendations had an impact on?

Maybe I could say a few more words about our history?

Yes, of course.

It started to operate in 1952, when Germany didn't even have diplomatic ties with socialist countries. This economic committee was founded in order to establish these ties. Because of this, we have always worked closely with the Federal Government and the Federal Chancellor, as well as with individual ministries, primarily, of course, with the Ministry of Economic Affairs and the Ministry of Foreign Affairs.

I think that our recommendations are very much taken into consideration. This applies to topics like the activities of specific companies as well as entire industries, along with recommendations for specific countries, since the 29 countries that are part of the Association all have their own nuances.

But, of course, we also operate within the broader political context. A famous historical example is the gas pipeline deal of the 1970s, which was organized and supported by our Association. Right now, in terms of important political topics, we currently handle prob-

lems related to sanctions, which are a big challenge for our companies. And overall, we are holding and intense and trusted dialogue with our politicians.

How many members does the Committee have and who are they?

About 350 companies are part of the German Eastern Business Association right now. All of them are large companies, global players. But there are also a lot of companies who are hidden champions of their industries. Moreover, our association includes all chambers of commerce in the region, and we actively cooperate with all of them. And most importantly, all industrial and business unions are part of the Committee as well. This includes the Federation of German Industries, the Union of Chambers of Commerce and Industry, the Association of German Banks, and the Federation of German Foreign Trade, etc. So we cover not only companies, but also Germany's leading business associations.

But the Committee doesn't have any representative offices abroad. How does it carry out its operations?

In terms of representation in specific countries, we operate through bilateral chambers of commerce. They are our partners of sorts. They are not our partners in the legal sense, but in practice we are part of the same structure and work very closely on the ground with the chambers of commerce.

How many events does the Association hold annually? Which will be the most important events in Russia in the near future?

We hold over 100 events every year, both domestically and abroad. I can give you a few examples. In the middle of April, we attended the international ATOMEXPO forum in Sochi together with a German business delegation. We have established a good relationship with the Russian state company Rosatom. Moreover, our Chairman Wolfgang Büchele hosted a breakfast during the Munich Security Conference in February with the Ministers of Foreign Affairs Sergey Lavrov and Heiko Maas. This meeting already has a tradition and CEOs from big Russian and German companies are taking part in the discussion. Then, just like every year, we attended the Saint Petersburg International Economic Forum (June 6-8, 2019), where we held the "Russia-Germany" round table. We will most likely attend the Eastern Economic Forum in Vladivostok in the beginning of September and the Russian Railways conference in October. We are also attending a meeting of the "Petersburg Dialogue" German-Russian public forum. These are just a few examples of what the Committee does in Russia.



During the best years of cooperation between Russia and Germany, Moscow and Berlin spoke enthusiastically about a strategic partnership between the two countries. High-ranking German politicians, as well as leading representatives of the German economy, declared that the country is interested in a strong Russia. What kind of Russia is Germany interested in now?

Just like before, I am confident that the goal remains the same. Of course we are interested in a strong Russia, because a weak Russia that, God forbid, ends up in some kind of crisis or turbulence, in no way corresponds to the interests of Germany or the European Union as a whole. So the goal remains the same. The only matter I would show some restraint in today is the issue of a strategic partnership. Of course taking into account all of the economic and political challenges that we have encountered at this stage, this concept is brought up less frequently. But again, I think that from the point of view of our Association, Russia was and continues to be our strategic partner. This is completely obvious. It's enough to look at a map to understand the fact that not a single fundamental problem facing humanity today can be solved without Russia.

Mr. Harms, there seems to be no end in sight to the sanctions against Russia and Russia's counter-sanctions. How difficult is it for German and Russian companies to work under these conditions? Is it fair to say that everyone has already adapted to

the sanctions and they don't get in the way of co-operation anymore?

I would make a slight amendment to your question, because I don't think there's "no end in sight" to the sanctions. First, I'd like to point out that Russia was, overall, fairly tempered in terms of its reactions to the American and EU sanctions. This is a really positive thing. Second, the EU sanctions have not become any more strict since 2014. When it comes to the US sanctions, we really are quite critical of them, and there are constantly new aspects that get in the way of business. Of course, people adapt to everything, but I don't think this is a scenario in which we should say that the sanctions don't get in our way. They obviously do get in the way and we are against new US sanctions of any kind. We have to absolutely oppose these sanctions. However, we are realists and we understand that political problems, primarily the ones in Ukraine, must be resolved before the sanctions to be lifted. And I very much hope that there will be new developments in the Minsk process after the Ukrainian election and some concrete offers from the Russian side.

According to official records, the number of German enterprises operating in Russia decreased by 6-7% recently. However, investment volumes of German companies in Russia has grown. How do you explain this?

You have to take a closer look at what's happening, because numbers like this are just surface statistics.



Of course, some small companies probably left the Russian market. But if we look at companies that do real business in Russia, they all stay. You may remember that a few years ago there was a story about Opel exiting the Russian market, but Opel now is coming back. It may have been under new management, but it is coming back to Russia.

In terms of an increase in investment volumes, I'm afraid the numbers aren't quite right here either. I would say that investment volumes remain at a good level. When we look at specific projects, we see that investments continue and companies keep investing, but I would not say there has been any kind of explosive growth.

Nord Stream 2 is a relevant topic today. Opponents of the project argue that its implementation will make Germany dependent on Russia. Is this the case?

This is not the case at all. Germany gets approximately 35 percent of its gas from Russia. Even if this figure increases a little, Nord Stream 2 is a much needed project for us because North Sea gas reserves are dwindling. We need gas in order to resolve our environmental issues, to reduce carbon dioxide emissions. In order to do this, we need modern power plants that run on gas. I'll repeat once again that there is no dependency to speak of, so I believe this statement is incorrect.

Officials at the European Commission expressed the opinion that Nord Stream 2 contradicts the

EU's energy plans to diversify its energy supply sources. Is this really true?

I can't support this statement either. I think that the main goal of politicians is to create regulatory frameworks and to competently regulate the market. But inside this market, the companies, the economic entities themselves must decide where, how, and from whom to purchase gas. Because not a single penny of EU or German government funds has been invested into Nord Stream. If private companies decide, within the scope of the existing regulatory framework, to participate in the construction of the Nord Stream, then, as believers in the market, it would be correct for us not to interfere. Because when the government starts to dictate what companies should buy and where, we end up with dismal results. So if there are other opportunities to obtain gas like LNG, that's great. But they have to compete on the market.

But there is interfering. The US is adding pressure, trying to thwart Nord Stream 2. And the pressure is not only on the German Federal Government, but also directly on the companies involved in the construction of the project. Can Germany avoid caving under pressure, and how?

Let's be fair: right now, aside from some letters and political declarations, there is nothing specific. So far I am fairly optimistic and think the pipeline will be completed. I think that we found a solution within the European Union to extend the third energy package to the third section of this gas pipeline, and all countries, including key ones, supported this compromise.

Germany will negotiate on this matter on behalf of the European Union. So I hope that we will be able to implement Nord Stream 2 as planned, which is important for Europe.

If the US carries out its threat and introduces sanctions against German and other foreign contractors, what will happen? Will Russia be able to build the pipeline on its own, without external help?

You know, my job description doesn't include making up negative scenarios. Let's assume that we are going to finish building the gas pipeline and that everything will be fine.

Yes, let's assume that. Is there a chance that the restrictions on Russia will result in Russia turning its back on the West and look to the East — to China or Japan, which Moscow is holding a dialogue with right now?

Well, we have nothing against Russia cooperating with Asia. After all, Russia is a giant Asian power. And it's completely natural that Russia will look for ways to cooperate with China, with Japan, or Korea. I think that multi-vector development is key. I must say that our dialogue with the Russian government is going well, and everybody tells us that, of course, working with the European Union is a big priority for Russia. So I don't expect a one-sided turn like this and don't see it as a potential danger.

Mr. Harms, Russia has been actively implementing import substitution policies in light of the sanctions. Do you think this is justified and can lead to the effective development of the Russian economy?

Here, my answer is twofold. On the one hand, yes, I understand this position. Of course, any government is interested in creating more jobs, establishing more high-tech manufacturing plants, collecting more taxes, and so on. This is a completely appropriate objective and we understand this agenda. We see this happening in many countries, and German business is ready to support it by, among other things, investing in Russia.

On the other hand, we are critical of this approach if it's protective and administrative in character. Unfortunately, we are seeing these tendencies as well. Here, the same principle that I mentioned when talking about the Nord Stream applies: first and foremost, the logic has to be financially sound. Russian clients, or enterprises that are purchasing technology, need to be free to decide where they get it from: from local or foreign manufacturers. The competition must be fair, the same rules must apply to everyone. If this is implemented, we have nothing against the establishment of manufacturing facilities in Russia.

It's clear that isn't possible to substitute all imports. Still, is there a risk that Russia's focus on import substitution will scare off German investors?

Of course, if you take things too far and over regulate, engaging in excessive protectionism, there is a risk of scaring off investors. And this is reasonable.

In your opinion, what steps can Russia take to attract more foreign companies?

I think that Russia and the Russian government are sticking to good policies in this respect. The investment conditions have become better, the regulatory framework is good, a system of benefits of preferences has been created. There is the Russian export center and various associations that support medium-sized business, there are different financial instruments, and the regions have created very good conditions. Overall, I think the biggest obstacle right now are the political risks that are related to operational risks, to the sanctions. So the most important thing is to resolve these political issues.

Over the past few years, there has been a growing localization trend in Russia. In your opinion, is this trend viable, does it have a future?

At its core, this is the same question as the one about import substitution. It's two sides of the same coin. Everything I said about import substitution can be applied to localization as well. The correct policy is to avoid protectionism and too much administration, a sort of rollback to a planned economy, which is what we are partially witnessing in this process.

Mr. Harms, we'd like to ask a personal question. You speak excellent Russian, on par with a native speaker. How do you know the language of Pushkin and Dostoevsky so well?

My mother is Russian, so that's a big part of it. And I've spent half of my life in Russia, I studied at MGIMO. Plus, I worked in Russia. So there is your explanation.

Because of what you do, you're in Moscow a lot. What are your impressions of the Russian capital?

I have fantastic impressions of the capital. Moscow, especially under Mayor Sergey Sobyanin, took a giant leap forward in terms of development. The city is a true global center with very interesting architecture, great infrastructure, including transport infrastructure, with a rich cultural life, and a lot of different restaurants — it's a city of many opportunities. So Moscow is, I would say, one of those underappreciated capitals of the world. It probably has to do some more work on its image, but any person who sees it with own eyes comes back from Moscow absolutely impressed. ■



Lermontov, rockin' Russia and building Russia's Internet

"During those hard times I was approached by our chief accountant and asked if I had read any Tolstoy, Chekhov or Pushkin. Slightly embarrassed I started my journey with a book of Pushkin's short stories, moving to Lermontov's 'A Hero Of Our Time' and on to Tolstoy, Dostoyevsky, Bulgakov and more recently Zamyatin. This literary detour on my IXcellerate journey has been particularly exciting as it opened windows I never knew existed," said Guy Willner, Chairman and CEO of IXcellerate Moscow Data Centre, in an exclusive interview with Capital Ideas.

Mr. Willner, back in 2014 you wrote a piece for Capital Ideas about starting up in Russia. Back then, here's what you said is most attractive about the Russian market:

Russia is now the biggest Internet market in Europe, More than half the investments in Russia's digital marketplace are now coming from abroad, Russia is pushing for Moscow to become a Tier 1 financial trading marketplace...so many reasons to take a long hard look at the infrastructure that all of this is built on. And that's exactly what the team did at IXcellerate. Having sold a successful multi-country data center business for \$550m to the global leader Equinix in 2007, I teamed up with Cliff Gauntlett and Dmitry Fokin to create one of the first independent Tier 3 data centres in Russia.

So what has happened over the past five years?

Well a lot happened on the way and our story could be a modern version of one of Tolstoy's novels. We started full of enthusiasm and energy, creating something very new in Russia with an almost totally Russian team. After two years of money-raising and just as we nearly finished our first phase of construction, my business partner Cliff Gauntlett sadly died of a heart attack at the young age of 53.

I found myself in a temporary office building in a car park in Moscow with my business partner in a coffin beside me, sharing a tearful hug with Rudolf Schenker of the Scorpions, one of Cliff's best friends.

Together with Dmitry Fokin, who luckily joined at this time as my new business partner, we realised we had to move on and from that moment considered it our duty to continue building on the legacy of Cliff's dream. We finished our first DC and welcomed the first customers as we helped build Russia's Internet ecosystem.

Then came the problems in Ukraine, the arrival of Crimea as the newest republic in the Russian Federation, the ensuing sanctions and the oil price crash dragging the ruble down with it.



So in 2014 we were again in crisis mode and raising finance was a challenge.

Back in 2000 I had been building a data center company across Europe and had been hit by the bursting of the Internet bubble. We were in crisis mode from late 2000 until 2004 when we finally saw the light at the end of the tunnel. 3/4 of our competitors had gone bankrupt during that time so our survival came at the expense of many. This experience served me well when we were in the same situation in Moscow in 2014.

That must have been extremely difficult. How did you pull through?

Focusing on the essentials — maintaining enough cash to survive, building and strengthening our teams, focusing on customers and sales growth — helped us weather that latest storm.

It all sounds challenging. Were there lighter times too?

Yes! During those hard times I was approached by our chief accountant and asked if I had read any Tolstoy, Chekhov or Pushkin. Slightly embarrassed I started my journey with a book of Pushkin's short stories, moving to Lermontov's "A Hero Of Our Time" and on to Tolstoy, Dostoyevsky, Bulgakov and more recently Zamyatin. This literary detour on my IXcellerate journey has been particularly exciting as it opened windows I never knew existed.

We also formed a rock band with some of the staff and launched our annual Rockin' Russia Summer event which is now in its 6th year. Dmitry is a drummer and I am a bass-player and we share similar musical taste which makes for good times when we do relax.

So now to the future: In February, IXcellerate announced its \$260 million investment plan to support growth and expansion across Russia over the next five years. Can you give us more details and tell us what's driving this move?

Since 2012, when IXcellerate was founded, we managed to build a solid reputation both at home and internationally. We now have more than 50 telecom networks connected to our Moscow One Data centre and this number is growing. But so is the amount of Internet users in Russia, already approaching the 100 million mark, which makes it the largest Internet market in Europe. With that in mind, we felt it was the right time for expansion — both for our clients and us.

In our industry we measure capacity by the number of racks — large vertical cabinets capable of housing up to around 100 servers (computers). As of today, our total rack capacity is 1,835, so about 200,000 servers. According to our business plan, by 2023 that number will be 15,000, making up 25% of the local market. IXcellerate will operate and manage at least 4 additional sites, with the largest campus accommodating up to 10,000 racks. Reaching one million servers hosted in our data centres will surely be a big milestone.

What is the road map for IXcellerate over the next 12 months?

Right now, we are very focused on the delivery of our next data center, IXcellerate Moscow Two, which will be opened this summer. It will bring around 1,500 additional racks, almost doubling our capacity. This is going to be our largest data hall so far and the biggest Russia has ever seen.

This will generate more capacity for us to roll-in some of the world's major Internet companies as well as bring in more connectivity to expand our customer and partner ecosystem. We are proud that major Asian market players, like Tencent and Huawei, have selected IXcellerate as a hub on their digital journey across the Globe. Key international providers like Orange Business Services, Rackspace and NTT, as well as e-commerce and financial services players from the US and Europe, are successfully operating in Russia with infrastructure colocated with us, making them fully compliant with Russian data sovereignty laws — the equivalent of the EU's GDPR.

What are the key company values and factors behind IXcellerate's success?

The main driving principle and the core value, since the very first day, was to set up the best-of-breed infrastructure and well-managed operations, focusing on quality and adhering to global standards. Of course, it would not have been possible without a dedicated team of professionals. And that's what we've succeeded in doing and that's why we are commercially successful.

Another core aspect of our business is "neutrality." We believe that the data center should be neutral, both in relation to telecoms networks and equipment vendors, as well as cloud service providers. So our client is like a welcome guest in a fine restaurant, who can look at the menu and order their own perfect dinner combination.

For our "Internet diners," we also provide great entertainment with our Rockin' Russia company band!

How would you sum up the journey in Russia so far?

After this eventful trip we have come through to where we are today in very good condition. We now operate two of Russia's largest data centers, hosting some of Russia's largest companies together with an array of international companies mostly from China, Japan, the US, and Europe.

Together with our investors we are now looking positively to the future and further growth of our company in Moscow and beyond in the Russian Federation.

It has been quite an amazing journey so far and I am sure the surprises are not over yet.

They never are in Russia! ■

useful info



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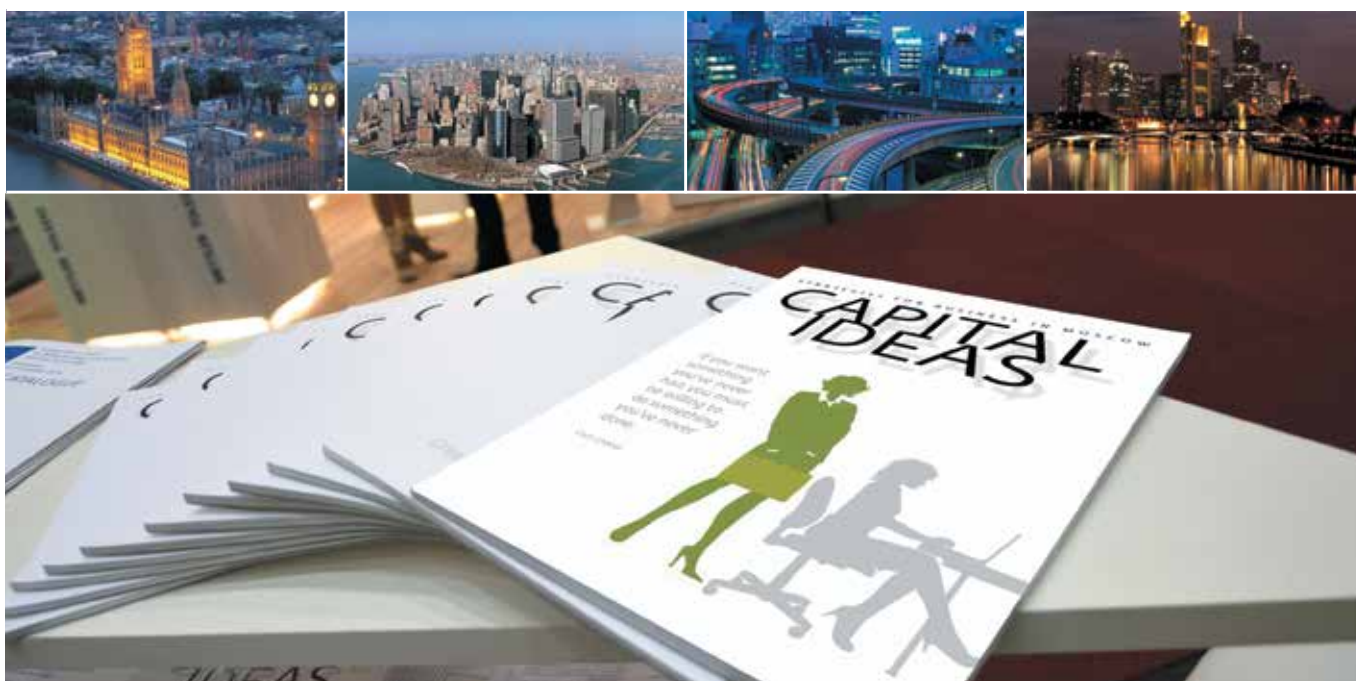
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Sergo Kukhianidze, Editor in Chief

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Who's not afraid of sanctions



In 2018, German companies invested over three billion euros in Russia, hitting a new high since the 2008 financial crisis in terms of investment volumes.

The Russian-German Chamber of Commerce reported that, according to Bundesbank records, the volume of German companies' investments into the Russian economy reached its peak since the financial crisis of 2008 in spite of the Western sanctions and Russian counter-sanctions. "Along with large-scale projects like Nord Stream 2, small and medium-sized business is also discovering the potential of the Russian market," says Matthias Schepp, Chairman of the Board at Russian-German Chamber of Commerce. Among other factors, the ruble devaluation that occurred after 2014 contributed to making the Russian economy more attractive for investments.

Bundesbank summarized the 2018 results and adjusted net direct German investments in Russia by more than one billion euros. As a result, investment volumes actually amounted to 3.2 billion euros, rather than 2.1 billion euros, as was initially reported.

The only time this figure was higher was during the period between 2006 and 2008. Investment volumes were at their absolute highest in 2007 (7.4 billion euros). The reason investment volumes were so high that year was due to a major project by the German electric company E.ON (now Uniper), which invested 4.6 billion euros into the Russian energy market.

Bundesbank also adjusted direct investment volumes in 2017 from 1.6 billion euros to 2.8 billion euros. Thus, German direct investment volumes in Russia grew by almost 14% compared to the previous year. "Companies that know the Russian market well aren't afraid of sanctions or political problems," says Matthias Schepp, Chairman of the Board at Russian-German Chamber of Commerce.

According to Schepp, business interest in Russian-German trade is also reflected in increased membership in the Russian-German Chamber of Commerce. The Russian-German Chamber of Commerce is the only foreign business association in Russia that has had a significant increase in membership over the past two years. The number of members has grown by 10% and now amounts to 900 companies.

Large-scale projects like the construction of the Nord Stream 2 pipeline under the Baltic Sea played a big role in terms of investment growth. Total investment volumes are estimated to be nine million euros. From the German side, two companies — Wintershall and Uniper, which allocated 950 million euros each for the project — took part in the project's financing. Volkswagen has invested over half a billion euros in expanding production facilities in Kaluga and Nizhny Novgorod since 2014. In early April, Russian President Vladimir Putin and head of the German Federal Ministry of Economic Affairs and Energy Peter Altmaier attended the opening ceremony of a Mercedes-Benz plant outside of Moscow. Investment volumes for the plant amounted to over 250 million euros.

Russian-German trade volumes also increased by 8.4% in 2018, totaling 61.9 billion euros. Compared to the previous year, the volume of imports from Germany to Russia increased by 14.7% and amounted to about 36 billion euros. The volume of imports from Russia to Germany grew by 0.6% to 25.9 billion euros, according to estimates from the Federal Statistics Office of Germany. ■



Mats Friberg:

We have a clear understanding of our customers' needs

"Russia obviously intrigues in many ways with its great geography, its strong industrial base and its fantastic people", said Mats Friberg, Director General of 3M Russia and the CIS, in an exclusive interview with Capital Ideas.

Mr. Friberg, today it is uncommon to hear good news from the business sector. Economic reports more often contain such threatening words as "crisis", "recession", "slowdown"... However, it does not seem to apply to the activities of 3M Company in Russia. Anyway, last year the company achieved great success. So, what is the secret of your success?

I think fundamentally success starts with having good people in our team that have a clear understanding of our customers' needs and solutions we offer to solve their problems. Our team is obviously a result of a long-term strategy aimed at empowering, training and developing organization, and it really pays off.

Secondly, we have been able to identify the growth spots on the market and adjusted our product portfolio in order to fill those areas.

Of course, this is not something that can be done overnight, this is rather a delivered strategy, careful analysis and a really good execution that finally enabled us to grow.

We as everyone else see obvious areas which are more difficult for us to be successful in, where ei-







ther competition is very, very strong, or other limitations in the market that do not enable us to be successful.

So it is also around prioritization and putting the resources and the focus into something that you believe in, that you would have a chance to win.

Foreign companies operating in Russia only dream of localizing their production. For 3M Company this is not a dream, but a reality. Your enterprises are located in Volokolamsk (Moscow region) and Tatarstan. Could you tell us when the company first thought about the localization process in Russia? Why have you made such decision? How was the process?

Our local manufacturing is a very important component in our presence in the market place, and this decision was made in the early 2000s to make really a serious investment in Russia and start to produce key platforms for this market. And we have been able to scale it out almost year-on-year. This year actually we are investing an additional 6,5 mln dollars into Volokolamsk facilities to increase manufacturing capacities for breathing protection.

The reality is that in a company with such a wide portfolio as ours, we need to be thoughtful about how we can serve our customers particularly in the strategic product lines as we have in Alabuga and in Volokolamsk, really make sure we are as close to customers as possible.

And there is absolutely no secret that the product families that we have and are producing locally are also strategic market products for us and is really a large portion of our financial success in Russia.

We obviously have manufacturing plants in many, many countries around the world, and we have an internal, good process to support us in building out manufacturing capacity in any place around the world. But in the case of Russia I would like to mention the great support that we had from the government and from Republic Tatarstan particularly. It gave us confidence that we should do this and it enables us to be more long-term in our project as well.

One of the great advantages of having a local manufacturing and local R&D is that you can tailor your local portfolio more to the specific needs in a country like ours.

We came together with our customers, develop products for their specific purposes and that clearly also helps us to build intimacy and relevance for our most important customers.

Russia is very familiar to you. You have studied Russian in St. Petersburg. In 1996, you started here your professional career. In your opinion, what are the peculiarities of doing business in Russia?

Personally, I think that all of the countries of Central East Europe are more fascinating and interesting to do business in.



Russia obviously represents that a lot. The dynamic here is much higher, your opportunities in many ways are still untapped and in general I would say the willingness to think new and the willingness to challenge traditional ways is higher.

And in a company like 3M this type of country are often also investment areas. And personally I find that much more fun to try to develop business than to maintain positions in a market place that we are often forced to, such as in Western Europe.

Russia obviously intrigues in many ways with its great geography, its strong industrial base and its fantastic people.

And having privilege of being part of this country just a little bit is surely something I enjoy a lot. Trying with my experiences to guide 3M organization to try to improve every life, advance every company, enhance every home with our products.

What advice could you give to foreign companies wishing to enter the Russian market, but fearing to do it for some reasons? For example, some are still afraid of the Russian mafia, the other fear Russian bureaucracy, the third say about mysterious Russian soul... What would you say to them?

I have experienced very little of Russian bureaucracy. There is a bureaucracy in Russia, there are ways that the Russian government would like to guide and making sure that companies present in the market

place here follow. It might be seen as a complex for a non-Russian, but if you make sure you have a good team around you, you'll be able to navigate that without any bigger difficulties.

When it comes to the Russian mafia I don't know to what extend it still exists today as I have heard nothing about it. And then the Russian soul is one of the really interesting parts. Having an opportunity as a foreigner to get to know closer the Russian people and their habits and the ways they are doing things is just exciting to me.

To be serious Russia in my mind is a very stable country. And there are pretty clear game rules, the predictability is probably higher than in many other countries in the Central East Europe region.

Tell us how you live in Moscow. Do not you get bored? How and where do you spend your free time?

It is really fascinating, particularly if you are as I, interested in culture, art, music scenes, theatre. If somebody asks me, I would say Moscow is probably in top 5 cities in the world to live in. Tremendously rich when it comes to influences from both Russia and the world. I for one tried to dive into this culture metropolis. If you don't find me in the museum or ballet theatre, you will probably find me out on the street walking, I spend a lot of my free time on the weekends walking around in Moscow, exploring areas that I never seen before. ■





Adrian Gray:

The best way that we can attract tourists is to share the warm hospitality of the Russian people

Adrian Gray is a hotelier with 30 years of experience in top international hotel chains, 20 of which he spent as a General Manager. Now, Adrian Gray is the General Manager of Lotte Hotel Moscow — one of the top best Asian hotel brands. Mr. Gray's CV includes experience in chains like Forte Hotels, where he began his career, and Le Meridien Hotels & Resorts under the management of Starwood Hotels & Resorts. Working as the General Manager at Le Meridien Budapest (Starwood Hotels & Resorts) from 2003 to 2014 became an important accomplishment in Adrian Gray's professional career. The hotel won many awards under his management, including the Condé Nast Traveller — one of the most prestigious awards in the tourism industry. It was also named the best business hotel in Hungary by World Travel Awards 2011-2013 and Hotel of the Year by Starwoods.

As a General Manager of three hotels in the UK, Mr. Gray successfully prepared them for sale by rethinking the price setting strategy and attracting investments.

At the start of his career in the hotel industry, Adrian Gray had experience working in Manama, Bahrain during the Gulf War. During this difficult time, he was responsible for accommodating refugees from Kuwait, allied forces and military air crews as the director of the hotel's room supply.

Aside from his professional career, Mr. Gray is also active in the social sphere. From 2010 to 2012, he was Treasurer and member of the Board of Directors for Discover America, as well as Vice President and member of the Board of Directors at the Canadian Chamber of Commerce. He also used to be a member of the board of the Hungarian Hotel Association. Mr.Gray's participation in charitable projects is also noteworthy. He is a member of the Robert Burns International Foundation, which collects funds for sick and underprivileged children and Hungary, as well as a committee member of the Suits on Bikes foundation, which collects funds for orphans and hospices in Romania.

In his interview with Capital Ideas, Adrian Gray talked about the development of MICE tourism in Russia, attracting foreign tourists to Moscow, and his favorite places in the capital.

You have a lifetime of international work experience. Was this experience useful for working in Russia? Or is Russia an entirely different world with its own rules?

Russia is certainly very different, but I spent 12 years in Budapest. I found many similarities in attitudes to administration and in terms of working in

an environment where I didn't speak the language fluently.

What is it about the "Asian approach to work" (you mention it quite a lot in your interviews) that makes it so special? What does it consist of?

I think what is very different is the value attached to quality and service. I find it refreshing to be part of a business striving for excellence and always trying to raise the bar. Improving our guests' experience and therefore creating loyalty to our hotel. I am delighted to say we are still in the business of looking after people.

What are the key nuances of the Russian hospitality industry?

I think there's the same vision of trying to do better. If someone sets the bar high in terms of service and quality, others follow and try to do better. It is not unusual to find lower-tier hotels offering far higher quality than hotels of the same brand in other countries of the world.

How has MICE tourism been developing?

I think MICE is one of the areas with huge opportunity for growth. So many other destinations have already been done, while Russia is still relatively undiscovered and in very close proximity to so many other European Capitals. The previous difficulty with the visa means that many people have still not visited.

**According to the Mayor of Moscow Sergey Soby-
anin, the number of tourists visiting Moscow has**



grown to 23.5 million per year (in 2018). What do you do to attract tourists?

I think that the number of tourists visiting Moscow and Russia continues to grow. The FIFA World Cup last year was one of the best showcase opportunities any country has ever had, with an absolutely fabulous atmosphere and tremendous support from the governments of both Moscow and Russia. The best way that we can attract tourists is to share the warm hospitality of the Russian people and the mostly undiscovered beauty and culture of the destination.

What countries are the majority of Lotte guests from?

The majority of our guests are actually from Russia, which is not surprising as it is in itself such a big country and the main access hub. The US and the UK are also big providers of our guests, as well as many other European countries. Our guests come from all around the world, including Asia, Australia and New Zealand. South America and the Middle East are showing substantial growth as source markets.

What brings them to Moscow?

Discovery, affordability, Russian hospitality and wanting to experience a different culture.

How did you adjust to living in Moscow?

We have adjusted really well, and I love that we can afford to enjoy it. Previously we had to live on the outskirts of the city to be next to the school. But now that the kids have finished school or are at university, we can enjoy the city. So we live close to the center, walking everywhere on the weekends or taking the metro in the winter.

How challenging is living with your family in a country where the vast majority of the population is monolingual?

In reality it has been very easy to adjust, despite virtually no Russian. The Russian people have been welcoming and very proactive in helping us if we were struggling to be understood. Our children are no longer at school, so we have been able to benefit from living in the center rather than outside beside a school. And the children love to come to Moscow to visit, us especially last year during the 2018 FIFA World Cup.

Have you made any Russian friends?

I think a few, but we are always with so many people time seems to fly by.



What are your hobbies?

We enjoy walking. I enjoy cycling and golf, but as a couple it is a bit difficult, since we are on our own. But we find lots of things to do and discover, including music, ballet and the arts. And of course there are lots of good restaurants in Moscow.



What are your favorite places in Moscow?

I like restaurants with a view and there are many in Moscow, especially in Moscow City and the Ukraine Hotel. There are also a lot of great terraces by the Moscow River in the summer. Kremlin always looks spectacular, along with the many parks and museums in the city.

Are you up to date on cultural events taking place in Moscow? Which event was the most significant over the past year?

I think that there are so many events taking place in Moscow that it is impossible to be up to date on all of them, but we do enjoy those that we get to attend. The one event where perhaps we are more active is the Pushkin Award for Literature, which is sponsored by Lotte (*The annual "Lyceum" award named after Alexander Pushkin for young writers of prose and poetry, which was established by Lotte Group, has existed since 2017. The objective of the award is to find and encourage novice talented Russian writers and poets who are capable of making a significant contribution to the preservation and development of fiction. Last year, a total of 3,069 works took part in the competition.*).

and reinforces the love of our Chairman for literature. After all, he named the company "Lotte" after Charlotte — one of Goethe's Characters.

The name Lotte comes from the name Charlotte — one of the main characters in Goethe's "The Sorrows of Young Werther." The image of beautiful Charlotte is loved by millions of readers all over the world. Lotte became Korea's leading enterprise while upholding their mission of spreading love, freedom, and happiness in the world.

Any personal stories of living in Russia you could share with us?

The first big story of course has to be the football World Cup. No one who was here can deny how big a success it was and the atmosphere of general bonhomie between all nations. The fact that even though I do not speak Russian so many people reach out to try to help you. And of course the winter, who would have thought that it's possible to miss the snow! There is a very special feeling when it snows, especially with all the lights and decorations.

Moscow is referred as the "third Rome." Is this true or is it nothing more than an obsolete expression?

Interesting phrase, given that Ancient Rome and Constantinople were the first and second Romes. If you consider that the Church of Christ the Savior was only built a few years ago, as previously it was the site of a swimming pool, there are not many countries where you'll see the Church blossoming like it does here. And when the relics were at the Church, there were queues for several kilometers for months — people who wanted to come for worship. So maybe there is something to this phrase, the "third Rome."

Was Russian poet Fyodor Tyutchev right when he said "You can't understand Russia with your brain"?



*** Full poem:

Russia is a thing of which
the intellect cannot conceive.
Hers is no common yardstick.
You measure her uniquely:
in Russia you believe!

translated by Frank Jude

Not my area of expertise, however I would say that trying to learn Russian is certainly a challenge for my brain. Like when you see letters that in one language mean or sound like one thing, but in Russian are completely different. I have been exposed to many languages — English, French, German, Italian, Hungarian, Arabic, Hebrew, and even Creole and Bislama. But Russian is the one that gives my brain the hardest workout.

How has living in Moscow changed you?

I would say that I've developed an appreciation for Russia and how big it is, and I've also found that I like the Russian people. Also, we've finally learned to enjoy a city without having to have a car.

What advice would you give to expats coming to live in Russia and do business here?

I think they should arrive with an open mind. Some people find it very easy to do business here and have stayed for a long period of time, while others find it very difficult to do business here and are forced to leave. I think sanctions have changed the playing field, and there has been an increase in local Russian businesses setting up where foreign businesses are no longer able to import their products. The Russian economy is lessening its dependence on foreign products.

Sir Winston Churchill said: "Success is never final. Failure is never fatal. It is the courage to continue that counts." What is success to you?

Success is to continue to offer the best service and quality to our guests, ensuring the financial success of our business.

The British are commonly said to have "a stiff upper lip." Does it help you to get through the day?

I think so. I think we have a certain tenacity, but I think this is also the case for those who continue to stay and do well in Moscow. Overall, all of those who stay I believe love the city and the destination and will find it difficult to leave. ■



Gerald Böhm:

You understand Russia with your soul, not your brain

Gerald Böhm has been interested in Russian culture since he was a schoolboy. He studied Russian, taking part in Austrian and international academic language competitions. So it should come as no surprise that he first came to Moscow as part of a school exchange program, and later came back to live and work here. From 1999 to 2002, he was on the German editorial staff at Voice of Russia RGTRK. From 2000 to 2005, he worked as a language instructor and developer of a German language program, as well as a translator of news, medical and legal texts, and films.

In 2005, he started working at the Austrian National Tourist Office in Moscow and was in charge of public relations and press enquiries. Then coordinated cooperations with Austrian partners and worked on special projects. Mr. Böhm has been the head of the Austrian National Tourist Office in Moscow since 2014. He is happily married to a Russian woman and has two children.

In his interview with Capital Ideas, Böhm explained why he moved to Moscow, how he built his career in the Russian capital, and why he doesn't consider himself an "expat."



© Arsen Galstyan

Gerald, what was your first impression of Moscow like?

My first memory is of the old Sheremetyevo airport, before it was renovated. And the ceiling that looked like large honeycombs, similar to baking molds. This was back in 1994. The Soviet Union had only recently collapsed. And I thought they were doing such a great job, how they sorted things out and made a ceiling from whatever they had to work with.

I came for a school exchange program. There were about 10 spots in Moscow where I was staying. I remember January was cold, there was a lot of snow, stands with beer, loose cigarettes, and Mars bars. I lived with a family where the girl's father liked to drink and this often led to arguments. And I told my teacher that I couldn't take it any longer. Even though they made great food, they were always arguing. Then I moved in with a boy who was into rock music. We became friends, and I visited him even after I moved out. I started learning Russian back in school, and understood right away that I didn't want to limit myself to one exchange program. Alexander Smirnov, who was the head of Russian cultural center, helped me out.

Why did you want to come back to Russia?

It was a contrast to the stable system of my home country. As an underage kid, I had almost absolute freedom. I just told

my parents that I was leaving, that I had a place to stay and didn't need money because I had saved up. It was freedom in the wild. I could have probably gone to Uganda, but the news about Russia were interesting. News outlets were reporting about tanks, Ronald Reagan, the Cold War... I understood that if you want the front-row seat to world history, this is the place to be. It was an important global shift at the time. And third, I was born in a small town where we had Soviet soldiers (1945-1955 years). My school had Russian as a language option. My dad studied it too. He showed me the alphabet when I was a kid and that's how it started. *(Laughs)*

Did the thought that you might stay here cross your mind?

I couldn't imagine how to live in Russia with no job, no money, and no education. But I had good parents, friends, people who helped at different points. And I had a great Russian teacher, Otto Gutmensch — that's very important. I won invitations to seminars. I saw the beginning of a big journey. Successfully tried my hand as a translator.

What was your first job in Russia?

In 1999, I took a job as a correspondent of the German department at "Voice of Russia," where I was supervised by a legendary show host. He found me an apartment and helped me take care of a lot of things. That's how I met my

wife. We had a group of girls as interns, and I selected a few for my department. At first I was her mentor, and Tatiana and I recorded a lot of broadcasts together. This was a really happy time, and not only because we were young. The air smelled like freedom and anything seemed possible.

When you first came to Moscow, what were you most surprised by?

First and foremost, Russian hospitality. And then I found out about how helpful and generous people were here, and I was absolutely shocked. One time I got sick and was at home with no medicine. And someone came from the opposite end of the city to help, even though we had only met twice before. I think this is what sets Russia apart from all other countries. There were many things here that made no sense. You have to understand Russia with your soul, not your brain. This is the only thing that can open up the full spectrum of personal growth and make you a better person.

You have been living here for a long time and have seen how the business processes have changed...

The country is moving toward a system for sure. I think the first big driver is the concept of KPIs. We even assign some parameters like this to conversations. It's important to compare one thing to another, to quantify the effects of your actions with some metric. This desire to measure everything. If before people used to say that they met with some person and everything went well, today there is some coefficient assigned to it. Business in Russia follows global trends. Of course, the government's strong arm is still there. Government control over business adds pressure. Right now, my wife is promoting German wine and we stay up at night to write presentations. We came across this phrase: recently, the government has introduced a ban on using imported wine for state purposes. This is an intervention that

is typical for Russia right now and is becoming more common. It's interesting, but I hope it doesn't lead to isolation. It's important to keep a balance here. You're left wanting more flexibility. In Austria, for example, we don't produce a lot of things, so we use imports. If we don't have a great car industry, that's ok, we buy German cars. But this doesn't detract from our own accomplishments.

How did you start working with the Austrian National Tourist Office?

This is one of the happiest coincidences of my life. In 2004, I graduated from the University of Vienna with a Slavic linguistics degree in Russian. I translated subtitles for movies and medical negotiations. I felt like it was fine to take the next step and find something permanent. I was calling about every vacancy when I came across the name Austrian National Tourist Office, which was the only thing on that list I felt at least some interest in. I called and said that I recently graduated from university in Vienna, that I've been in Moscow for several years, speak Russian, and have experience in journalism. "Interesting," the person on the other line said, "I'll think about it and will call back in 2 weeks." In the meantime, I kept looking. But he really did call me back and asked me to come in for an interview. Our first meeting went on for 3 hours and I left feeling like we were on the same wavelength. I remember it like it was yesterday — 2005, mid-February, I started working at the Austrian National Tourist Office in Moscow and have been there since. I worked my way up from manager to the head of the Russian office. I like and value every member of our team. And even though I have my own office, I come out to the common area to sit and work with my coworkers.

Do you have advice for expats about surviving the wild big city?

I don't feel like I'm Russian, but I've never lived like an expat and am very happy about this. I've always been drawn more to locals. I was never interested in things foreigners discussed, like where the best restaurants are and how to spend weekends. I really live here, I'm not here temporarily. So I have Russian relatives and I have close ties to Moscow on the one hand, but also never part with Austria because of my job.

Right now, Russia is celebrating the Year of Austrian Music in honor of 150 years of the Vienna State Opera. How are you celebrating it?

It's the 150th anniversary of the famous Vienna State Opera building. And this was lucky for us, because in our line of work (promoting the country as a tourist destination) it allowed us to implement a project with tangible benefits people could feel jointly with the Vienna Tourist Board. We chose "A Gift from Vienna" as our tagline. We built a model of the Vienna State Opera that was 27 meters wide and 13 meters tall, with two screens that were 30 and 60 square



© OEW Moskau



© WienTourismus/Arsen Galstyan

meters in size. We broadcast four performances that gathered over 12,000 people in total. The screen that was facing Vasilyevsky Spusk could be seen even by people sitting on the grass behind the stage of the big amphitheatre. Interacting with the public like this in person is really nice in our world, where everything is measured in the number of likes and comments. Such a nice contrast, when we could give people something more human than just a picture with some information on it.

And in the fall we'll hold our annual Austrian skiing holiday at the all-season ski complex "Snezh.kom" in Krasnogorsk. We've been organizing alpine skiing competitions jointly with the Salzburger State Board of Tourism for many years. Sometimes our world champions from Austria come.

Are you confident about the future?

You think to yourself, what will happen if all of this stability and certainty comes to an end? Over time, this thought becomes more familiar and you stop worrying about uncertainty. This is life experience that can probably be applied in many fields. Because in the beginning of my journey, I also could not imagine what I would become as a Slavic linguist who spoke Russian. And there is also the question about the meaning behind what you do. More and more often, you're only getting feedback on the internet in the form of numbers.

What are your favorite places in Moscow and Austria?

I love our summer house near Moscow. And I love all of Moscow. In Austria, I like my hometown, Tulln an der Donau. By the way, Egon Schiele was born there — he's a famous Austrian artist. And I even have a connection to him, because my great-grandmother worked as a maid for Schiele's father. She used to say that the family doesn't know how to raise their son and that he doesn't have any values, because he took clean white sheets of paper, which were a luxury back then, and used them by the dozen to draw trains. And

a lot of it went straight to the trash. I think that if she had seen his genius and hadn't burned his pictures, my family history would have turned out differently. *(Laughs)*

How did it happen that you liked living in a noisy, busy big city after a small quiet Austrian town?

I like this question, because it's very easy to answer. Moscow is a big village. Vienna is like Moscow in a way — it also has different districts and each one has its own character. I only really got to know Vienna fully after leaving it.

Do you have a creed that you live by?

I have a feeling that I'm at a crossroads. When I started working in Moscow, it was in the 2000s, every business sphere was growing, and Russian tourists started traveling all over the world. There was a feeling that what you do is in demand, every day from morning to night. It's become more challenging with the crisis, and you end up thinking about what else you could do. I want to find the work of my life, where you apply what you know doing something that makes you happy and helps you develop your talent on the one hand and helps people on the other.

Do you consider yourself a lucky person?

Yes, very much so. In German, we have a saying: "the stupid are lucky." Looking back, I can see that I had so many good things happen to me, and I don't know what I did to deserve them.

What puts you in a better mood?

Fishing and big fish. The meditative rush of adrenaline in nature. It's about feeling connected to the earth. You don't see how its entire process works and this really draws you in. You listen to the silence and extract some simple, down-to-earth bit of wisdom from it. I am also interested in literature and love to read. ■

Slava Zaitsev:

Clothes say a lot about what's on your mind

It's tough to find a more famous Russian fashion designer than Slava Zaitsev, both in Russia and abroad. Zaitsev first became popular in the 1960s, when the French magazine "Paris Match" published a sensational article about him, entitled "He Dictates Fashion in Moscow." Today, Slava Zaitsev's name appears alongside legends such as Pierre Cardin, Gabrielle Chanel, and Christian Dior. During his interview with Sergo Kukhianidze, Editor-in-Chief of Capital Ideas, Slava Zaitsev talked about why clothes are so important for business people.

Mr. Zaitsev, how important are clothes for business people?

Very important — it's essentially like a business card.

In your opinion, is it fair to say that the success of certain negotiations depends on how the participants are dressed?

I think so, yes. You see, clothes say a lot about what's on your mind. You can tell a lot by the way someone dresses — not just about the way they live, but also about the way they think. For me, it's enough to glance at how someone is dressed to understand who they are. I don't even have to necessarily talk to the person.

What's the most important thing about a business suit?

The most important things are simplicity and elegance. A suit must have a classic shape — the pants must be straight, not narrow. Right now, a silhouette with a slightly narrow waist is in fashion. In terms of color, suits need to be grey or dark blue. Black suits are too official for day-to-day wear.

Which country's business people are the best dressed?

The British and Italians. It's no wonder that Russian businessmen often order their suits from England or Italy.

In terms of Russian public figures, who would you say is well-dressed?

Two Channel One show hosts — Vladimir Pozner and Ivan Urgant.



This may be a funny question, but not everyone is clear on this: should socks match your suit or your shoes?

It's better to wear socks that match your shoes. So if you're wearing a grey suit and black shoes, you need to wear black socks. By the way, it's best to stick to black shoes, regardless of what color suit you're wearing. The heel needs to be low, higher heels are in bad taste.

Does the price of a suit matter?

Yes, because fabric matters. A suit needs to be expensive. And it's best to have one tailor-made, not bought — even if it's at the most expensive store or boutique. This will ensure the perfect fit. Even the most expensive store-bought suit will not fit perfectly.

What about shirt colors?

White is best. Ties need to be striped or monotone. It should either match the color of the suit or be a contrasting color. If you're wearing a blue suit, it's best to stick with a blue tie, or one with blue and white stripes. And a small expressive handkerchief in the coat pocket helps too.

How many suits should a business person have?

At least three. And you can only wear the same clothes — the same suit or shirt — for two days in a row at most.

Do you agree that, although suits are important, the most important thing for men are watches?

I agree that an expensive watch really is important — it speaks to the person's status. This is why businessmen can't help but pay attention to their partner's watch. It makes sense that business people tend to splurge on watches.

But let's remember the 90s, when our so-called businessmen wore crimson suits and very expensive watches...

Back then this stemmed from bad taste. It's something we had to go through. Because in those wild times, poorly educated people often became businessmen in Russia. I met with people like this back then, and they made me smile instead of irritating me.

We've been talking about men, but what about business suits for women? Should they wear pants?

Absolutely not. Business women should only wear skirts, about five centimeters below the knee. Skirts need to be straight, or with pleats. A blazer. A blouse or a shirt — white or another color, depending on the woman's personality. or color depending on the nature of the woman. In terms of color, the rules are the same as for men —

grey or blue are best. And elegant shoes with a small heel, but not stilettos.

Did Soviet business people have style? Foreigners used to laugh at our officials, who were always wearing hats....

Our Soviet business people and politicians didn't have any sense of style, of course. Just remember Nikita Khrushchev and his shapeless, light-colored suits. Leonid Brezhnev, who came to power after him, was slightly better dressed, but also didn't have any taste. Back then, the majority of men and women simply wore whatever they could get their hands on. Because it was impossible to purchase anything decent at Soviet stores.

Did Leonid Brezhnev ever ask you for fashion advice?

Thankfully no. I was invited to visit him once, but when I saw the multitude of burgundy ties in his wardrobe, I felt ill. *(Laughs)*

Do you consider yourself a business person?

Of course I'm a business person. Although I let myself dress in a way that business people in a traditional sense aren't supposed to dress. I like color, and I like different textures. So I let myself wear what other men shouldn't be wearing. A lot of what I wear depends on my mood. But still, my shirt will always be white — it instantly conveys freshness. I have about thirty white shirts in my wardrobe. I like bowties, but not ties. Overall, I think bowties are more elegant than ties.

Are Russian men's tastes changing?

They are. Young people — not just women, but also men — are really well-dressed these days. I was pleasantly surprised when I attended a reception recently. Everyone wore great suits, excellent ties, fantastic shirts. I felt like I was somewhere abroad, not in Russia.

What can people who have no taste do?

That's really a tough break. *(Sighs, smiling)*

But what can they do — read special magazines, get a stylist...?

I think it's best to get consultations from stylists. At the very least, look at what the mannequins in stores are wearing and buy the same outfits. Because mannequins are always dressed by experienced stylists.

What kind of advice would you give business people?

Dress in a way that won't leave you feeling embarrassed about the way you look! ■



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JULY

MOSCOW URBAN FORUM 2019

The Biggest International Congress Dedicated to the Challenges Faced by Global Cities

4-7 July

Zaryadye Park

The forum has been taking place annually since 2011 and brings together representatives of city administrations from Russia and abroad, along with architects, city planners, developers, heads of financial companies, investors, technology start-ups, the media, and city residents. This year, the theme will be "Quality of Life. Projects that change cities." The forum's business program sessions will be held on July 4 and 5.

Over two days, more than 300 speakers will give presentations, including leading world architects, mayors of major megacities, leaders of iconic international projects, and representatives of global corporations. Speakers include Kuala Lumpur's Mayor Ahmad Dahlan,

Dutch urban architect Reinier de Graaf, one of the top 100 most prominent innovators in the field of urban development according to Future Cities Robert Cervero, Boston Consulting Group Chair Hans-Paul Bürkner, President of Nikken Sekkei Japan Tadao Kamei, founder of MVRDV (one of the world's leading architectural bureaus) Winy Maas, French architect Dominique Alba, TomTom's CEO and innovator Harold Goddijn, architect and member of the Royal Institute of Dutch Architects (bna) Mels Crouwel, founder of the New York Institute for the Humanities and Officer of the Most Excellent Order of the British Empire Richard Sennett, Director of Singapore's Gardens by the Bay Felix Loh, CEO of Project for Public Spaces (PPS) Phil Myrick, and others.

During the forum's business program, participants will discuss the modern understanding of quality of life: how to make it a goal of urban development projects and programs, create a compact and functionally rich urban environment, and effectively engage citizens and business in implementing projects that change cities. Topics of discussion include housing, infrastructure, urban planning and architecture, transport, health, urban environment, balanced development, technologies and services, as well as ecology and sustainable development.

For the first time ever, and International Urban Health Congress will be held as part of the MUF. The specialized congress will bring together representatives of government, business, experts and the professional community to discuss urban health issues. The Urban Health Congress, built into the business program, will be dedicated to integrating health principles – one of the most important indicators of quality of life – into all areas of urban development. Quality of life is a concept that is at the center of discussions between politicians, city managers, economists and planners. The efforts of megacities are focused on creating a new quality of the urban environment and housing, developing transport and social infrastructure, improving and expanding the range of urban services, and attracting tourists. Famous psychiatrist and Director of Fliedner Klinik Berlin Mazda Adli will speak at the conference, explaining the effects of urban environments on people's psychological comfort and health. His book, "Stress and the City," will be translated into Russian for the first time and released in time for the Congress.

As usual, MUF will feature presentations of urban development projects, as well as the largest urban festival – an edutainment program for city residents.



AUGUST

MOSFUR 2019

7th International Professional Fur and Leather Industry Salon

14-17 August

Gostinny Dvor, Ilyinka 4

The salon is aimed at stimulating and developing the domestic fur market in Russia, as well as bringing together manufacturers, professional buyers, and customers in order to conclude contracts and process orders. The event will host presentations of new collections by leading Russian and foreign manufacturers of fur and leather goods, as well as a business program focused on the fur and leather industry.

RUSSIAN FITNESS FAIR 2019

International Specialized Exhibition and Festival

23-25 August

Crocus Expo, 65-66 km Moscow City Ring (MKAD)

The fair will feature programs for professionals in the sports and fitness industry, as well as for all active lifestyle fans. The agenda includes workshops focused on the most relevant trends of the fitness industry, as well as master classes by renowned Russian and international coaches and athletes. The exhibition will present the main trends of the fitness industry market – professional equipment, goods and services from international and Russian brands. The Russian Gymnastics League festival organized by the Russian Federation of Gymnastics will be held as part of the Russian Fitness Fair convention.

MIMS AUTOMECHANIKA MOSCOW

23rd International Exhibition

26-29 August

ExpoCenter at Krasnaya Presnya

The leading exhibition in Russia and Eastern Europe of spare parts, automotive components, equipment, and goods for car maintenance. More than 1,300 companies from

35 countries will present their products, services and the latest developments on a single business platform. 390 companies will present their products and services in the truck segment as part of the Truck Competence project. The exhibition will feature 10 stands from Germany, Italy, Indonesia, France, Korea, China, Poland, Turkey, Taiwan and Singapore. There will be a total of 300 hours of business events: a forum, conferences and discussions, and the open Agora conference venue. 4 exhibition halls, 13 halls and open spaces. 27,950 professional visitors from 64 countries and 78 regions of Russia.

MAKS 2019

14th International Aviation and Space Salon

27 August – 1 September

Zhukovsky, Moscow Oblast

The salon features 120 aircraft in a static parking lot and about 100 aircraft in demonstration flights. It's a unique business platform, where officials from the most important government structures are available for business discussions. All key figures of the Russian aviation industry participate in the salon. This enables participants to get first-hand information about the priorities of the industry, prospects, and scale of the market, as well as opportunities for business cooperation with Russia and the CIS. Unique exhibits, the latest innovations, including unparalleled types of weapons and military equipment that have not been shown abroad for various reasons. 150 conferences, round tables, briefings and seminars. The highest concentration of intellectual potential made the air show a recognized center for making international scientific contacts. The unique flying program is said to be the most remarkable in the world. The technical capabilities of the airfield make the most complicated maneuvers possible, which makes the flight demonstrations by the best Russian and international aerobatic teams especially exciting. Such large-

scale aircraft demonstrations are impossible at other air shows.

The flight program of the air show occupies the leading position among the largest air shows in the world in terms of the number of aircraft in the sky and the total duration of flights. In the sky above the Ramenskoye airfield, the best pilots of the country and the world will demonstrate the unique capabilities of combat and civil aircraft. In addition to domestic and foreign aircraft and helicopter demonstrators, MAKS-2019 is expected to be attended by seven aerobatic teams. The flight program will include not only jet aircraft, but also light piston aircraft from private aerobatic teams "First flight" and "Hummingbird."

SEPTEMBER

INTERAUTO 2019

International Automotive Industry Exhibition

2-5 September

Crocus Expo, 65-66 km Moscow City Ring (MKAD), pavilion 2, exhibition halls 7,8

The exhibition presents the latest developments in Russian and foreign manufacturing of automotive components, garage and service equipment, consumables for repair, automotive chemicals, paints and varnishes, and other areas of the industry. World-class experts take part in the large-scale business program of the exhibition every year, and guests can choose their preferred format: plenary sessions, discussion panels, meetings and negotiations with key market participants, visits to production sites, consultations from engineers and experts, industry workshops, and much more. For foreign investors, participating in the exhibition is a chance to get a comprehensive understanding of all the key aspects of localization, along with practi-

cal recommendations for launching projects in Russia that take into account the best practices of the country's leading enterprises.

MEETINGPLANNERS RUSSIA & CIS 2019

MICE Business Forum

9 – 10 September

*InterContinental Moscow Tverskaya Hotel,
Tverskaya Ulitsa 22*

MeetingPlanners Russia is the only MICE business forum of its kind and is organized by Europe Congress for the 7th consecutive year, building on the previous years' growing success. This event offers a unique opportunity for worldwide MICE solution providers to meet face-to-face with leading Russian, CIS and Asian event planners during an intensive 2-day workshop. Based on its regional know-how, Europe Congress is highly successful in bringing together top worldwide providers and local meeting planners, hence matching the needs of an ever-increasing demand from the Russian, CIS and Asian event planners for new MICE solutions. This quality boutique forum combines event essentials to a perfect MICE business mix of match-made, pre-scheduled, one-to-one meetings, educational sessions covering the hottest topics of the industry, plenty of networking opportunities, and exciting social events.

OTDYKH GOURMET & WINE TRAVEL 2019

**4th International Wine & Gastronomic Travel
Exhibition and Conference**

10-12 September

*ExpoCenter at Krasnaya Presnya, pavilion 2,
exhibition halls 1-3*

The only exhibition for tourism in Russia with a section of wine and gastronomic travel

where countries and regions present themselves through national food and drinks. Professional operators have an opportunity to offer Russian specialists and private clients their gastro- and wine-routes. Guests can expect unique wine-gastronomic tourism offers – meetings with participants, interesting performances and, cooking classes from different countries and regions of Russia.

OTDYKH LEISURE 2019

**25th International Trade Fair for Travel &
Tourism**

10-12 September

*ExpoCenter at Krasnaya Presnya, pavilion 2,
exhibition halls 1-3*

The leading international travel & tourism exhibition in Russia and the CIS. The total area of 15,000 square meters will host 861 exhibitors from 85 countries and Russian regions, 180 speakers, and 30 business program events.

OTDYKH MEDICAL TOURISM, SPA & HEALTH 2019

**15th International Exposition for Medical
tourism, Spa & Health**

10-12 September

*ExpoCenter at Krasnaya Presnya, pavilion 2,
exhibition halls 1-3*

A professional business platform for creating a dialogue between representatives of the resort industry and members of the tourism market and facilitating the exchange of experience between specialists in the sphere of medical tourism, medical professionals, and direct clients. Clinics, health & fitness centers, SPA hotels, health retreats, and resorts will take part in the exhibition and conference.

OTDYKH MICE 2019

**15th International Meetings Industry and
Business Travel Exhibition & Conference**

10-12 September

*ExpoCenter at Krasnaya Presnya, pavilion 2,
exhibition halls 1-3*

Make promising contacts, find new business and receive the latest information about innovations and technologies in the MICE industry – all of this can be done at this major business platform for all interested meetings industry professionals. Pros of attending the conference: find foreign and Russian partners among MICE and event agencies, get first-hand information about developing trends in the Russian meetings industry from experts, get acquainted with new venues for events, and broaden the geographical scope of your MICE projects. Corporate clients will have a chance to speak directly with MICE service providers in Russia and abroad.

HOUSEHOLD EXPO

**24th International Industrial Exhibition of
Non-food Products**

10-12 September

*Crocus Expo, 65-66 km Moscow City Ring
(MKAD), pavilion 2*

The largest and only specialized exhibition of dishes, gifts, household goods, and professional and household cleaning products. The Association of Trade Fairs and Exhibitions in Germany (AUMA) calls HouseHold Expo the most effective exhibition of household goods in Russia. The only B2B exhibition on the territory of Russia that most fully represents the Russian market for household goods and country life, gifts and interior items. The exhibition is visited by 17,500 professional visitors per year from 45 countries and 81 Russian regions. The event takes place twice a year



www.interauto-expo.ru

www.tourismexpo.ru

(for the autumn / winter and spring / summer seasons) due to requests from suppliers and buyers, who constantly need to update their assortment of goods. Over 600 retail and wholesale chains attend the exhibition annually.

STYLISH HOME. GIFTS

14th International Specialized Exhibition

10-12 September

Crocus Expo, 65-66 km Moscow City Ring (MKAD), pavilion 2

International exhibition of interior items and furniture, textiles and accessories, lighting, tableware and table decor, and gifts. The exhibition is attended by directors and owners of stores of tableware, gifts, shopping centers, furniture stores and entertainment centers of premium market segments; representatives of Moscow and regional retail chains, wholesale and retail trade enterprises; designers, architects, decorators; restaurateurs, hoteliers and developers of luxury real estate. The exhibition is the most promising platform in the premium class segment for the promotion of goods and services for the home, as well as for professional communication between all market participants.

MIOF

Moscow International Optical Fair

10-12 September

Crocus Expo, 65-66 km Moscow City Ring (MKAD), pavilion 2, exhibition hall 8

The leading domestic platform that brings together distributors medical optics brands from all over the world and representatives of wholesale and retail trade. It gives visitors the opportunity to learn about the latest trends and innovations in the industry, make decisions on purchases, establish new

business contacts, and enter into mutually beneficial agreements. The exhibition covers the following segments: eyeglasses (frames), lenses for glasses and contact lenses, medical optics care products, diagnostic equipment, software for opticians, various accessories, shop equipment for optics stores, specialized optical publications, and much more. At the exhibition, retailers put together the assortment for the coming season so they can offer their clients the latest collections of fashionable frames and sunglasses, contact lenses, glasses and lens care products, as well as the latest equipment for optics salons.

INTERLIGHT RUSSIA | INTELLIGENT BUILDING RUSSIA

International Trade Fair for Lighting and Building Services Technology

10-13 September

ExpoCenter at Krasnaya Presnya, pavilions 1, 7

A leading international project that brings together professionals in the field of lighting, electrical engineering and building automation from the CIS countries, Europe, Asia, the Middle East, and the USA.

A business program, a large number of well-known international brands, industry professionals, new technologies, fruitful

meetings and negotiations – this is the key professional event that brings the format of international Light + Building exhibitions to Russia and the CIS. Over the past 25 years, the exhibition has come a long way and has become a meeting point for professionals from various fields. The events at the exhibition are organized in such a way that trading companies and manufacturers actively interact with professionals: designers, architects, urbanists, engineers, electricians and integrators. The exhibition displays the full range of products and modern solutions in the field of decorative and technical lighting, smart homes, building automation, LED technologies and electrical engineering from Russian and foreign manufacturers and suppliers.

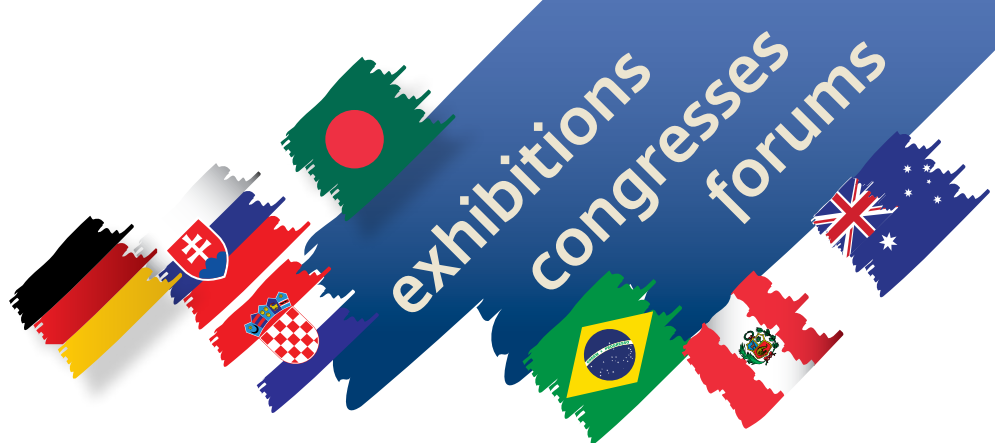
LED FORUM 2019

The Largest International LED Technology Business Conference in Russia and the CIS

10-13 September

ExpoCenter at Krasnaya Presnya, pavilions 1, 7

The forum covers current trends in the LED industry and is a professional platform for representatives of science, business and applied fields. The Forum annually brings together more than 200 specialists from Europe, Asia, the USA and Russia. Thematic sections of the exhibition include Technology & Science, Business, and Design.



RUSSIAN BUSINESS AVIATION EXHIBITION / RUBAE 2019

Business Aviation Exhibition

11-13 September

Vnukovo-3 business aviation center, Vnukovo airport, development 3, building 1

Under the roof of the Vnukovo-3 hangar, which will turn into an exhibition space for three days, participants will be able to visit the stands of leading companies in business aviation: Cessna Aircraft, Bell Helicopter, Embraer, Bombardier Aerospace, Dassault Aviation, Gulfstream Aerospace Corporation, Leonardo Helicopters, and many others. The static exhibition will give visitors a chance to check out the aircraft itself. In addition to manufacturers of airplanes and helicopters, brokers, operators, airlines and providers of various services will take part in the exhibition: from restaurants providing in-flight meals to studios ready to provide a unique interior finish. The walking accessibility of a static exhibition from the exhibition pavilion makes the event extremely effective in terms of settling business matters – after all, the event attracts not only various industry representatives, but also aircraft buyers.

OTDYKH TRAVEL TECHNOLOGY 2019

7th Technology Conference for Travel & Tourism Professionals

12 September

ExpoCenter at Krasnaya Presnya, pavilion 8

A conference dedicated to technologies in the tourism industry. The event includes panel discussions on global changes in the

business processes of the tourism industry in connection with the development of technology in the tourism business (management, sales, models of cooperation between TO, OTA and TA) and practical seminars in which companies present their latest innovations. Conference attendees will receive all the necessary information about the current state of the industry and will be able to increase the efficiency and competitiveness of their business.

RETAIL BUSINESS RUSSIA 2019

19th International Summit

12-13 September

DoubleTree by Hilton Moscow–Marina, Leningradskoye Shosse 39, building 1

An annual international business summit of retail in Russia and the countries of the Eurasian Economic Union. The largest industry event with 18 years of history brings together key players in the retail market to discuss strategic development issues and share practical experience. 20+ sessions, 50+ speakers, 100 cases, 1,000 new ideas.

HEIMTEXTIL RUSSIA

International Exhibition of Home Textiles and Fabrics for Interior Design

17-19 September

Crocus Expo, 65-66 km Moscow City Ring (MKAD)

The latest collections of home and contract textiles from manufacturers from around the world. The only specialized exhibition of home and contract textiles in Russia that has been held in Moscow for over 20 years. During this time, it has become the leading platform for finding suppliers of high-quality tex-

tile products in 12 product groups for homes, hotels, restaurants and office spaces. In 2018, 229 companies from 19 countries participated in the exhibition. A diverse program of events during the exhibition includes thematic tours, business conferences, and discussions. Plus, there will be a separate program for designers and decorators: an overview of current textile trends, lectures on interior design, workshops on working with textiles, and a textile design award.

BUYBRAND EXPO 2019

International Franchising Exhibition

18-20 September

ExpoCenter at Krasnaya Presnya, pavilion 7

One of the most reputable platforms in Eurasia in the sphere of franchising. The event attracts more than 200 brands and thousands of investors from around the world. Major investors, experienced and novice businessmen from 33 countries with investments of over 60 billion rubles, and more than 350 forum participants. The exhibition offers an overview of trends, development forecasts, and best practices of Russian and global franchising.

PROESTATE 2019

International Real Estate Investment Forum

18-20 September

Congress Park Radisson Collection Hotel, Kutuzovsky Prospekt 2/1, building 1

The key real estate event in Central and Eastern Europe that brings together over 4,300 industry leaders from 33 countries. The Forum brings together participants of the real estate market, allowing visitors establishing the maximum number of useful



www.rubae.ru



www.buybrandexpo.com

contacts in a short period of time. The forum involves planned networking (participants, exhibitors, speakers, honored guests of the forum, visitors to the exhibition), and you can make an appointment on your own or with the help of the Organizing Committee specialists. Participating in PROESTATE reduces the time one typically spends on finding and negotiating with decision makers: 58% of forum visitors are top managers of companies (CEO, President, Partner), and 37% are department heads. Over 12 years, more than 400 official delegations from 100 cities of the Russian Federation took part in the Forum, and over 800 exhibitors presented their projects. International forum participants represent countries leading in the development of various real estate sectors. Foreign speakers take part in the plenary session, key conferences and business program discussions, ceremonial events, and InvestorsClub meetings. Specialized workshops and lectures by world-class experts are held annually to disseminate unique international experience.

DEVELOPING CHINA'S EXPORT CAPACITIES THROUGH THE EXHIBITION BUSINESS

Russian-Chinese Conference

19-20 September

Sokolniki Exhibition and Convention Center, pavilion 11.1

A conference for the leading operators of the Chinese exhibition market with the participation of Russian state institutions and private enterprises to develop competencies and create optimal conditions for the development of export opportunities in the Russian exhibition market for Chinese com-

panies. The main topics of panel discussions include providing support for national exhibitions of China from the relevant government agencies of the Russian Federation, effective marketing during Chinese national exhibitions, the organization of customs clearance and freight forwarding care services, and the organization of collective construction.

DENTAL EXPO-2019

46th Moscow International Dental Forum and International Exhibition

23-26 September

Crocus Expo, 65-66 km Moscow City Ring (MKAD), pavilion 2, exhibition halls 5-8

This year, over 500 companies and 4 joint national pavilions of manufacturers from Russia, Germany, China, and South Korea will be represented at the exhibition. The addition of participants in the national pavilions of the People's Republic of China and South Korea is noticeable. Assisted by state support, major players in the dental business are entering the Russian market. Aside from facilitating the exchange of information, the exhibition format provides an opportunity for meeting and lively communication of possible partners, doctors and employers, sellers, and business buyers. The exhibition presents new products that are certified and introduced

to the dental market of the country; dental materials for therapy and dental laboratories, implants and the latest toolkits for working with them, wireless mini-cameras, 3D scanners and printers, dental lasers, a wide range of products for orthopedics, visualization, and hygiene, new collections of clothes, and software.

WORLDFOOD MOSCOW

Largest Fall World Class Food Exhibition in Russia

24-27 September

Crocus Expo, 65-66 km Moscow City Ring (MKAD)

This exhibition is traditionally a meeting place for leaders of the food industry and is held with state support. Exhibition participants have the opportunity to personally meet and showcase their products to visitors: buyers of federal and regional retail chains, wholesale trade and the HoReCa segment. Participants will have the chance to conclude lucrative contracts with exhibitors and find new suppliers from more than 65 countries. The exhibition will help to expand and change the perception of current trends in the food market in the short term due to a large-scale exposition and an extensive business program. ■



MOVING UP: From

Old habits die hard. Foreign entrepreneurs who want to start a business in Russia are still afraid of the "Russian mafia." This, of course, is a myth. The criminal squabbles and lawlessness of the 90s have long faded into oblivion.

Once, a German, a Frenchman, and a Russian decided to apply for jobs as pilots for an international aviation agency.

The German went in for an interview first. When asked about his flying experience, he said that he has been flying for three years. "What kind of salary are you counting on?" the interviewer asked. The German responded that he would like three thousand dollars — one thousand for himself, one for his family, and one for insurance. The Frenchman went in second. He said that he has been flying for ten years, and would like six thousand dollars: two thousand for himself, two thousand for his family, and two thousand for insurance. The Russian went in third. "How much flying experience do you have?" the interviewer inquired. The Russian said he had none and can't fly planes at all because he gets nauseous, but would like to be paid nine thousand dollars. The hiring committee was in shock, and asked him to explain himself. "First, I'll return three thousand to you right away, then I'll keep three for myself..." "But wait, who is going to fly the plane?" the interviewer interrupted. "The German," the Russian responded, "he's perfectly willing to fly for three!"

Of course, this is just a joke. But at the end of the 20th century it was often retold at American business schools as an example of clever Russian business psychology. As soon as the USSR collapsed, the country plunged into a wild version of capitalism. The first Russian businessmen not only wore crimson blazers and gold chains, but set their own business rules that were often based on deception, blackmail, and threats. For many westerners, the words "Russian mafia" were a synonym for "Russian businessmen." Here is how Renald Simonyan, chief researcher at the Institute of Sociology of the Russian Academy of Sciences, de-

scribed the first Russian businessmen: "Physically strong, poorly educated, assertive, devoid of moral prohibitions, and financially well-off."

Still, regardless of these huge drawbacks, the first businessmen, many of whom were perfectly decent people, did what needed to be done: they broke through the forbidden wall with their bare hands. After all, entrepreneurship in Russia had been banned for over 60 years. It was not only penalized, but severely punished. According to Soviet law, people who engaged in private entrepreneurship could end up behind bars for up to 15 years. Mikhail Gorbachev, who was the leader of the Soviet Union at the time, was the first to lift the ban on entrepreneurship. This happened at the height of the Perestroika — on November 19, 1986, when the USSR law "on individual enterprise" went into effect. This law gave rise to the first wave of new Russian entrepreneurship, when many people opened their own businesses. They had to work under extremely harsh conditions — very high taxes, restrictions on attracting hired labor (in 1986, entrepreneurs were allowed to work only on their own or together with family members, and only during their free time), along with distrust from society and a communist government.

A lot of time has passed since then, over 30 years! Russian entrepreneurs no longer wear crimson blazers and gold chains. Today, they look the same as their foreign colleagues. But it's not just their appearance that has changed; Russian entrepreneurs also have different attitudes toward their business. While only 2% of Russians were engaged in entrepreneurship in 1991, this figure has now grown to 7%. It's worth noting that people who are interested in starting their own business are primarily middle-aged, educated residents of cities with populations of over a million people.

crimson blazers to regular business suits

Here's what the results of a survey that included two hundred small and medium-sized business representatives showed. New entrepreneurs are primarily students (46.8%), followed by engineering and technical workers (13.5%), heads of enterprises (10.5%), unemployed people (7.3%), teachers (5.6%), and military personnel (4.5%).

According to a survey conducted last year by the Russian Public Opinion Research Center, 5% of Russians support introducing the subject of "Entrepreneurship" in schools and universities, and 10% want to introducing educational programs and consultations for entrepreneurs.

Valery Fedorov, General Director of the Russian Public Opinion Research Center, says that social attitudes toward entrepreneurs have evolved over the past three decades that private business has been legal in Russia. The profession has become more common and in-demand. However, Fedorov noted that distrust of entrepreneurs in Russia persists, and this must be borne in mind both by politicians and authors of economic programs.

The fact that the President signed an order about the introduction of Entrepreneur Day, celebrated every year on May 26, back in 2007 also speaks volumes about how much public attitudes toward entrepreneurship have changed.

As the President of the Moscow School of Management Skolkovo Andrei Sharonov noted, the Russian business community is becoming more mature: entrepreneurs and managers surveyed by the business school didn't have any complaints about administrative barriers. According to him, they are ready to do business in Russia. The biggest challenges they face are choosing the right team, a lack of relevant knowledge, and their own fears. ■



To the park,

This summer promises to break every record in the book in terms of the number of concerts, festivals, and other cultural events in the city's parks.

Have you noticed how much more beautiful Moscow has become in the past few years? How the streets, avenues, and squares have changed? Or how much better the city's parks are? It's no wonder they're hosting so many cultural events, especially in the summer, when the weather is nice.

Fans of the ballet are in for a real surprise in July. On July 25-27, the Bolshoi Theatre is showing a ballet by the famous Saint Petersburg director Boris Eifman — **"The Pygmalion Effect," to the music of Johann Strauss II.** Boris Eifman has been bringing his ballets to Moscow for seven years now as part of the Cherry Orchard Festival. The world premiere of "The Pygmalion Effect" took place in St. Petersburg in the beginning of February. Now it's Moscow's turn.

On July 12-14, Gorky Park will be holding the international music festival Park Live. The show will feature performances by famous artists such as the British rock band **"Bring Me the Horizon,"** the American pop-punk band **"SWMRS,"** and many others.

On July 26 and 27, the Hermitage Garden will be expecting guests for a chess and jazz festival. Top grandmasters from different countries will be giving lessons at the **"How to chess well"** school. And on July 27, **two-time Grammy winner Gregory Porter** will perform for chess players: the world-famous 47-year-old musician from California will masterfully mix jazz, blues, soul and even pop.

This summer marks the **80th anniversary of VDNKh.** The exhibition was opened on August 1, 1939. VDNKh is located on a huge plot of land: the total area of the complex amounts to over 317 hectares. It has 49 cultural heritage monuments, including the People's Friendship and Stone Flower fountains, which re-opened this year after undergoing restoration. The anniversary cel-



www.eifmanballet.ru

"The Pygmalion Effect," to the music of Johann Strauss II

everyone!



Gregory Porter



Bring Me the Horizon



celebration will take place in several stages and will include many events. From June to September, VDNKh will host the Fifth Brass Orchestra Festival — spectacular open-air performances by Russian and foreign brass orchestras. On July 30, two exhibitions will open at the Worker and Kolkhoz Woman pavilion. An exhibition organized jointly with the Ulyanovsk Regional Art Museum will feature more than 90 works of fine, decorative and applied art from the end of the 18th century to the 1970s from the museum funds. The second project is a large-scale photo exhibition from the VDNKh photo library and archives of Moscow museums. Photos will be devoted to architecture, vis-

itors and guests, individual events and the daily life of the country's most important exhibition space. Until September 29, pavilion No. 16 ("Hydrometeorology") has another exhibition dedicated to VDNKh's anniversary — "VDNKh in Fashion. 1939–2019" from the collection of fashion historian Alexander Vasilyev. This is a retrospective of men's and women's clothing over the past 80 years, covering periods such as the Stalin era, the Khrushchev thaw, the Brezhnev stagnation, perestroika, the wild 90s and the beginning of the 21st century. One of the exhibits is a Soviet school uniform for girls — a brown dress with white cuffs and a collar, a white apron and a red tie. Vasilyev admitted to



our correspondent at the opening of the exhibition that, although the uniform for girls is easy to find today, finding a boys' uniform from the 70s-80s is much more difficult.

The four-day celebration program of VDNKh's anniversary will take place on August 1-4. There will be a gala concert at the Central Avenue, special concerts at the Green Theater, as well as an extraordinary ballet production and gastronomic festival. Fireworks will serve as the grand finale of the first day of the festival.

And another open-air event on August 3, this time at Kolomenskoye. Afisha Picnic is one of the largest open-air festivals in Moscow. This year, it will feature a performance by the British cult classic **The Cure**. There will also be an appearance by the popular Russian rapper **Basta** and many other artists.

On August 2-4, Krasnaya Presnya Park is hosting **Days of Indonesia**. The program for visitors includes yoga, martial arts, fashion shows and hand painting, and Indonesian massage. The main stage will feature exciting and varied performances by artists from all over Indonesia. The athletic field will be home to workshops on Pencak Silat (a type of martial arts) and traditional Indonesian dance. Guests can learn how to make decorations, draw mandalas, paint paper umbrellas, create patterns on fabric with fused wax, and decorate ceramic items.

On August 9-11, the **Festival of Indian Culture** will take place at the famous Sokolniki Park, which has become the go-to site for Days of India celebrations in the Russian capital. Have you ever dreamed of going



The Cure



Days of Indonesia



Festival of Indian Culture



Christina Aguilera

to India? Of seeing its diverse, centuries-old culture? Now you can do it in Moscow! The organizer of the Days of India is the Indian National Cultural Center SITA with partner support from the Embassy of India in Russia, the Ministry of Culture of the Russian Federation and the Government of Moscow. By the way, last year the Days of India festival in Moscow was visited by 1.2 million people!

On August 10, the famous French singer **ZAZ** will be the headliner of the International Music Festival ZAV-TRA at the Green Theater of Gorky Park. The program also includes a performance by the famous Russian rock band **Mumiy Troll**.

On August 17-18, Brateevsky Cascade Park will be holding the **traditional festival of fireworks**. During the day, theatrical performances will be played out on the site, and by the evening musical performers will appear on the stage. But the main event of the festival, of course, is the fireworks show! Teams from different countries take part in it. This year, the shock team will be opened by the last year's winning team from Slovakia. Then, each of the eight participants will present their program, which includes a brief 2-minute intro and a pyrotechnic show for 8 minutes.

This summer, several concerts of world stars are also expected in Moscow.

The first solo concert in Russia by **Christina Aguilera** will take place on July 23. One of the most successful singers of her generation and the winner of 5 Grammy awards who sold more than 75 million albums worldwide has announced the first European tour in 13 years! The show at the VTB Arena stadium is one of her stops on this tour.

On July 29, 60,000 people at Luzhniki Stadium will see one of the most spectacular shows of our time performed by the group **Rammstein**. The excitement and interest in the upcoming event has not subsided since it was announced! This may also be the case because the Russian press has long followed the personal life of the soloist of the collective Till Lindemann. It's rumored that he had a romance with the star of Russian show business singer Svetlana



José Carreras

Loboda. The couple met two years ago at a festival in Baku, and photo correspondents were then able to get very juicy shots indicating that the friendship turned into a romance. And after nine months, Svetlana gave birth to a daughter named Tilda and has yet to disclose the name of the father for her. In October of last year, when Loboda unexpectedly ended up at the Botkin hospital for an emergency operation to remove a kidney stone, Lindemann immediately rushed to Moscow. After being discharged, the couple went to the restaurant to chat over a quiet and peaceful dinner. Soon, Svetlana's oldest daughter Eva came to visit her mother. The youngest — six-month-old Tilda — remained under the supervision of a nanny. Photo correspondents were able to capture the touching footage of Loboda and the lead singer of Rammstein having dinner. Practically the whole evening, Svetlana's older daughter sat on Lindemann's lap, and Till and Svetlana left the restaurant holding hands. So Lindemann fans will look forward to the continuation of this story: will the 36-year-old Loboda appear at the concerts of their 56-year-old idol?

In Moscow, the incomparable **Jennifer Lopez**, one of the most popular female singers and actresses of our time, will perform on August 4. She will be 50 years old on July 24, and she's in great shape! The star will celebrate her anniversary with Russian fans in a big way! The pop diva performed in Moscow 7 years ago, and is now returning to Russia with a show called "It's My Party" at the VTB Arena.

In the fall, there are many events waiting for theater fans with the beginning of another theatre season. The spotlight is on the

the Vakhtangov Theater, which has had a new director since September 2018. The new director, **Yuri Butusov**, decided to kick things off with Henrik Ibsen. The Butusov era of the theater is starting with "Peer Gynt," the premiere of which is scheduled for September 11-12.

Then, on September 14-16, there are premieres at the State Theater of Nations. One of the top French directors, Stéphane Braunschweig, is going to be showing Chekhov's "Uncle Vanya" with a cast featuring Russian television and theatre stars: Elizaveta Boyarskaya, Julia Peresild and artistic director of the State Theater of Nations Yevgeny Mironov. Braunschweig has worked with Chekhov's plays before. In 1992, for example, he put the Cherry Orchard on the stage of the Odeon Theater in Paris.

On October 1, the State Kremlin Palace will be hosting a unique concert featuring the international opera legend **José Carreras**. The outstanding Spanish tenor is 72 years old, but he is still in great shape. He will perform his best opera roles, and it will undoubtedly be an unforgettable evening for fans of his talent.



Rammstein

Another international star, 49-year-old **Lara Fabian**, will present her new songs on October 7 at Crocus City Hall. The singer, known for her radiant smile and strong voice recognized by millions of fans, is ready to once again show the Moscow public the full power of her lyric soprano. ■



Lara Fabian



Creative clusters in Moscow

Today's creative industry includes jewelry manufacturing, printing, publishing, cinema, television, radio, information technology, program development, the production of musical instruments, architecture, design, photography, creative education, and so on. In many countries, the creative industry is producing a sizeable share of all exports. This share amounts to 4.87% in the UK, 5.46% in India, 6.06% in Germany, 7.99% in the US, and 31.9% in China.

Moscow is the largest creative center in Russia, and a significant one globally as well. The city is home to 153,000 companies operating in the creative industry, and they employ nearly 500,000 people — that's 14% of all people working in the creative industry in Russia. According to data from the Analytical Center for the Government of the Russian Federation, the creative sector's share in Moscow's gross regional product amounts to 9.5%. That's two times higher than the average in Russia, which is just 5%. Many creative industries are experiencing an annual growth of 20% or higher.

Moscow's creative industry is concentrated in creative spaces. Former industrial buildings — warehouses and factories — have been renovated and are transforming into creative workshops. They're places for like-minded people and work spaces for freelancers. They host lectures, exhibitions, and markets. In this overview, we've included some of the most noteworthy creative clusters in Moscow, from giant modern art centers to smaller but interesting spaces.

GARAGE / Museum of Contemporary Art



Address: Krymsky Val 9, bldg 32, Gorky Park
Hours: 11:00–22:00
Website: garagemca.org/ru

Established in 2008 by Daria Zhukova and Roman Abramovich, Garage is the first philanthropic organization in Russia aimed at the development of arts and culture. Garage's extensive exhibition, education, and publishing program reflects relevant trends in Russian and international culture, opening up new opportunities for public dialogue and the creation of new works of art.

On May 1, 2014, the Garage Center for Contemporary Culture changed its name to the Garage Museum of Contemporary Art, which reflects the main goal of the Museum — to introduce the general public to the works of living artists and materials on the history of art. On June 12, 2015, Garage moved to its first permanent building to Gorky Park, in the very heart of Moscow.

The Museum houses a bookstore with the best selection of art books and magazines, as well as Garage souvenirs that are made in Moscow (check out the "Made

in Moscow" stamp), including goods produced jointly with artists. There is a cosy cafe with original cuisine, a summer terrace and breakfast items you can order any time of day.

The Garage museum archive, which was established in 2012, is the largest collection in the world dedicated to the study of processes that have taken place in Russian art from the 1950s on. The archive currently stores over 500 000 items, including documentary materials about art life in Moscow, Saint Petersburg, and other cities in Russia. The archive is a platform for international research projects (conferences, exhibitions, seminars, and publications) and a center that accumulates and disseminates knowledge about contemporary Russian art all over the world. In 2017, the Museum initiated the establishment of the online platform RAAN (Russian Art Archive Network), which grants access to digitized documents from the archives to RAAN partners all over the world. ■

FLACON / Design factory



Address: Bolshaya Novodmitrovskaya 36, m. Dmitrovskaya
Website: flacon.ru

Flacon design factory is one of the best creative clusters in Moscow and home to a wide range of projects in the spheres of art, education, and creative industries. Flacon brings together a community of people who work in creative industries and design.

The design factory was created on the territory of the former crystal glass factory and became the first industrial zones restoration project outside the historical buildings of Moscow. The initial lack of a framework is in many ways responsible for its unique nature. Flacon has become a powerful platform for new projects, creative self-expression, and socio-cultural initiatives. It is not by chance that Flacon's atmosphere fully corresponds with its motto: "Make what you want!"

The organizers decided to preserve the former factory premises they inherited as much as possible and make space for creative companies who want to be in an open and creative atmosphere. The factory's spaces are never empty — the infrastructure allows people to hold small private parties or massive urban holidays. Sites on the territory of 25 000 square

meters can easily accommodate different formats: you can rent an office for several months or work for one day in a well-equipped two-story space.

Flacon Coworking is a two-level space 400 square meters with 72 workplaces. Tenants have the opportunity to work in comfortable conditions, take part in interesting and promising projects, and meet like-minded people. In six years, Flacon Coworking has become a place with its own pool of residents — companies and freelancers who rent spaces for 3 months or more. Most residents are developers or designers.

Because Flacon Coworking is located on Flacon's territory, its residents can enjoy the entirety the design factory's infrastructure: cafes and restaurants, a beauty salon and a SPA-salon, craft workshops and creative workshops for children of different ages.

Flacon's open-air platform Action Park hosts a number of events in the summer: sports events, picnics, and city holidays. There is a bar area, a swimming pool with sun beds and umbrellas, and a shower. ■

FABRIKA / Center for creative industries



Address: Perevedenovsky pereulok 18, m. Baumanskaya, Elektrozavodskaya
Hours: Tue-Sun 12:00- 20:00 for exhibition halls (entry is free)
Website: [www.proektfabrika.ru](http://proektfabrika.ru)

Fabrika operates on the site of the former Soviet Oktyabr Factory, which started producing paper for technical purposes in 1924: raw materials for printing, tracing paper, drawing paper, and more. However, the history of the factory space itself began much earlier — back in the 1870s

In 2005 an art space called PROEKT_FABRIKA was created here for non-commercial creative projects. Today, it is the Center for Creative Industries. Fabrika is the only example of peaceful coexistence of art and manufacturing in Moscow. The center brings together workshops and studios from various creative industries, from design and architecture to theater, cinema, animation, and music. In 2008, the project became a member of the international network of independent cultural centers Trans Europe Halls.

Fabrika has united representatives from different creative industries: there is the famous publishing house Ad Marginem,

brothers Ja'bagh sand Zak Kaghado, director, producer, and culinary expert Felix Schultess (Teatro del gusto), artists and head of Piranesi LAB Alexey Veselovsky, and Nikita Virronen's workshop. The Liquid Theatre company (a two-time recipient of the Golden Mask award), Big Cartoon Festival, Exprompt theatre, and Rupor independent theatre group are all based here. There are regular theatre performances and concerts organized by the STEPS art space in the assembly hall.

Fabrika is split up into several thematic spaces. The large and bright "Olivier" room can be used to hold exhibitions, performance, and theatre productions. The "Arthouse" space was created for film screenings. "Finishing Shop" is designed for festivals, fairs, and concerts. In addition, there is an assembly hall and the so-called "Residence" — a specially equipped space to prepare a variety of creative projects, where you can even rent living quarters if you wish. ■

WINZAVOD / Center for Contemporary Art



Address: Moscow, 4th Syromyatnicheskij Pereulok 1/8, bldg. 6, m. Kurskaya, Chkalovskaya
Hours: exhibitions and galleries: Tue–Sun – 12:00–20:00, information center and souvenir shop: daily – 10:00–22:00, ticket booths: Tue–Sun – 12:00–19:30
Website: <http://winzavod.ru>

The first and largest private modern art center in Russia that brings together galleries, educational programs, studios, workshops, and showrooms. Winzavod's projects encompass all cultural spheres, supporting talented people and introducing the audience to new trends and art formats. Winzavod also houses the Foundation for the Support of Contemporary Art, which focuses on breaking in new artists and education.

The Winzavod Center for Contemporary Art is located on the territory of an old combine of grape and dessert wines — the former "Moscow Bavaria" brewery. The history of the factory dates back to the beginning of the 19th century. At that time, a brewery was opened on the estate of Princess Ekaterina Volkonskaya. In the 1840s, the factory was the second largest in Moscow. In the 1870s and 80s, the plant passed into the possession of the joint stock company Moscow Bavaria (Russian Association of Beer and Medovar in Moscow), owned by brothers Ivan and Kirill Tarusin. In 1889 the Moscow combine of grape and dessert wines was founded here. It produced its own products from fruits and berries and poured grape wines brought from Crimea and from the Caucasus.

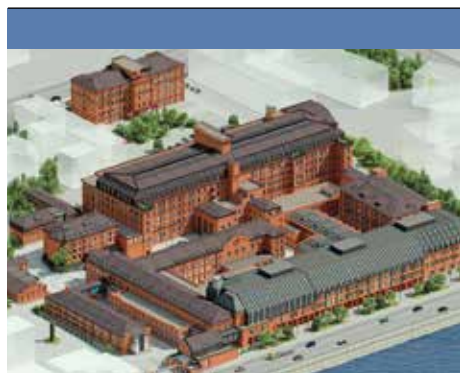
At the end of the 20th century, the plant closed up shop, and the Winzavod Center

for Contemporary Arts opened its doors here in 2007.

Originally, the space was used exclusively as galleries for exhibitions of artists, architects, photographers, sculptors and other representatives of creative professions. But since there was still a lot of free space theater-goers, poets, and musicians quickly started to reach out. By 2010, Winzavod became one of the most popular leisure places for young people. The infrastructure of the complex has expanded significantly and today consists of galleries, two dozen shops, educational workshops, and unusual cafes.

In 2019, Winzavod has been creating more opportunities for professionals who are just starting out in the creative industry. Winzavod has determined that its key objective is to establish a new circle of professionals in the art system. The first area of focus brings together START projects — a unique platform that serves as a career ladder for young artists (and the new format START.Pop-up), open Winzavod studios, and the STENA project — an open discussion club that covers internal and external problems of graffiti culture. The second area of focus combines the Generation Art Leadership Program of internships for managers, designers, and PR professionals, the Art Critique Lab and Journalism Lab, the Philosophy Club, and Winzavod.Open. ■

DANILOVSKAYA MANUFAKTURA / Loft district



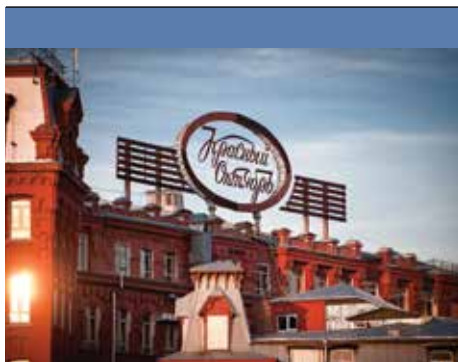
Address: Varshavskoye Shosse 9, m. Tulskaia
Website: dmi867.ru/business.php

The loft district is occupied by buildings of an old weaving factory, which was founded in 1867 and produced cotton, cotton print fabrics and scarves, and had its own dyeing industry. It quickly became famous not only throughout Russia, but also abroad, having received various honors and awards.

Today, it's not only a B class business center, but a building with architecture that deserves special attention — noble brickwork in the spirit of a classic New York loft, a stylish attic and a stove in the reception room. The courtyard of the loft hosts food markets and other events.

The process of transforming the quarter took several years and turned it from an abandoned factory into one of the most iconic spots on the capital's business map. It embodies all the latest trends in urban planning, creating a truly comfortable urban space. At the same time, the original architectural style of the 19th century industrial revolution has been fully preserved and restored. As there are no two people or companies alike, there are no similar buildings or lofts at Daniloovskaya Manufaktura. It currently houses 12 buildings — each with its own history, original layout, interiors and exteriors. There is a unique space for any business. ■

RED OCTOBER / Art Cluster



Address: Beresnevskaya Naberezhnaya 6, m. Kropotkinskaya, Tret'yakovskaya
Hours: 24/7
Website: www.redok.ru

The Red October factory is major landmark in Moscow. The factory complex was established over the course of 25 years and the ensemble includes 23 structures in total. Once upon a time, the factory here provided a huge country with chocolate and sweets, but has since moved to a location outside the city center. Now, a new bohemian center has sprung up on the site. It's the city's hub for trendy clubs, restaurants, offices of successful companies, art galleries and exhibition halls.

The cluster was opened in 2007 on an island surrounded by the Moscow River on one side and the Vodootvodny Channel on the other. A development project was successfully implemented on this territory and the Red October art cluster was created. The Patriarchal pedestrian bridge connects it to the rest of the capital. From the side of the island, there is a beautiful view of the Cathedral of Christ the Savior and the Kremlin. All pedestrian tourist routes in the center of Moscow eventually lead to this place.

"Red October" became a place for creative and entrepreneurial youth, and in 2010 the Strelka Institute for media, architecture and design opened on its territory. This is not

just an educational platform, but a place where young architects, designers, sociologists, economists and other professionals develop their own projects that can develop the city's potential. The city's main topic of research is always the city.

The Strelka Bar is a comfortable urban space for informal meetings at the Strelka Institute. The eclectic interior combines elements of Art Deco, Italian and Scandinavian design from the 60s and 70s. The bar has an extensive cocktail menu and an international menu — both are seasonal and use locally-grown products. In the summer, a terrace bar overlooking the Moscow River opens on the roof, and there is a kiosk with street food in the courtyard. On weekends, the bar hosts concerts of Russian and foreign bands, as well as parties with DJs. All income from the bar goes to support the Strelka Institute.

Educational and cultural activities are not the only thing Red October is famous for. On the weekends, it's a nightlife hotspot with bars, night clubs, and restaurants. Here, it's one party after another — there are always new places where you can spend time with friends. ■

ARTPLAY / Design Center



Address: Nizhnaya Syromyatnicheskaya 10, m. Chkalovskaya, Kurskaya
Website: artplay.ru

This place can be called a real epicenter of everything trendy and interesting in the capital. The creator of the Rubik's Cube (Erno Rubik) came here, the center hosted the incredible "Ball of Robots," and holidays and design fairs are often underway in the courtyard. In addition, there are many unique shops and coworking spaces in the center. This place is famous for its roof: it houses a skating rink in the winter, and in the summer there are live performances by famous musicians.

Artplay Design Center is known as the first creative cluster in Moscow. The history of Arplay began in 2003, and in 2008 it moved to the territory of the former industrial zone near the Kursk railway station. It now occupies a whole block with a total area of 75 000 square meters and is an important part of the capital's modern cultural landscape.

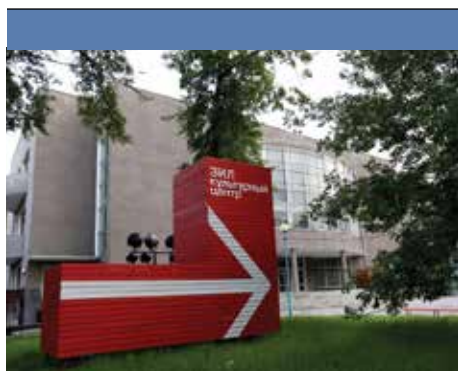
The cluster is highly appreciated by the local authorities — the Design Center is included in the official tourist brochures of the Moscow government.

Today, Artplay comprises over 400 companies, including more than 300 showrooms,

60 architectural bureaus and construction companies, 40 design studios, and 20 advertising agencies.

The space houses the Universal University for creative industries, which includes the British Higher School of Design, Moscow School of Cinema, The Scream School of Computer Technologies, MARSH Architectural School, the Moscow School of Advanced Communications (MACS), and the Moscow School of Music. Aside from educational programs, MARSH Architectural School also participates in the implementation of major urban projects. Artplay design center runs the RMA School of Business and Gallery Management and the Artplay Media Center for Digital Art, which hosts multimedia exhibitions, film screenings, performances, concerts, art lectures, and literary readings. There are two coworking rooms, 14 cafes and restaurants, bookstores, printing houses, beauty salons and language courses available to visitors of the design center. The center's future plans are to expand the scope of its activities and create a creative technology park. ■

ZIL / Culture center



Address: Vostochnaya Ulitsa 4, bldg 1, m. Avtozavodskaya
Hours: 10:00–22:00
Website: zilcc.ru

ZIL is one of the largest cultural palaces in Moscow (23,000 square meters and 3 hectares of park space), which means it can house a wide range of projects on its territory. The building in the style of constructivism with a rich history and unique sites, built in 1930–37, is a cultural heritage monument of regional importance. Until 2008, the Palace of Culture belonged to the automobile enterprise “Plant named after I. Likhachev.” Today it is a modern multifunctional cultural center, where exhibitions, performances, lectures, concerts and master classes from experts in various fields of science, culture and art regularly take place.

There is a modern library with open access that features the latest books, several co-working spaces, as well as a cozy cafe and bookstore specializing in rare and little-known, but high-quality interesting publications. There is access to bookcrossing racks, where you can bring a book already read and pick out one you like.

Modern Moscow theater and dance performances take place on stages, and public constructivist spaces are used as a place for comfortable leisure, work, meetings, and creative endeavors.

ZIL Cultural Center is located on the site of the Simonov Monastery, some of which (the south wall with towers and the refectory) have been preserved to this day. The monastery was a large guard monastery until the 20th century, but then lost its influence. From the beginning of the 21st century, the neighborhood of the

parish was a popular place for country walks. The writer Nikolai Karamzin, who liked the local views, made the Sergiev Pond the location for the tragic death of the main character in “Poor Lisa.”

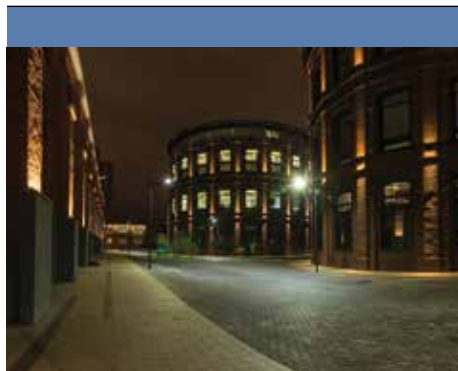
From above, the outline of the Palace of Culture resembles an airplane. The building consists of simple geometric shapes — parallelepipeds and cylinders, balconies, bay windows. Large glassed-in surfaces give the structure grace and lightness.

The ZIL Cultural Center park is a three-hectare green zone where guests can work in the fresh air, relax, and go for a stroll. There are benches and ottomans and free Wi-Fi that lets up to 500 people work simultaneously. Opposite the main entrance of the center, there is an unusual setup — a shop of happiness, love and well-being.

ZIL Cultural Center ZIL offers different kinds of tours. “Moscow from the Roof” is an overview of the most interesting historical and modern high-rise buildings of the capital from the roof of the cultural center that takes place in the summer.

Tours of the ZIL Cultural Center building go over the history of the largest cultural center of Moscow — an architectural monument to constructivism. These tours are held from September to May. There are also audio tours of the cultural center building on the izi.TRAVEL platform for independent visitors — all you have to do is scan the QR codes on the walls of the building. ■

ARMA / Business quarter



Address: Nizhniy Susalniy Pereulok 5, m. Kurskaya
Website: www.armazavod.ru

The Arma business center is a vast territory in the center of Moscow, located next to the Garden Ring and the Yauza embankment. The architectural features of the complex make it unique — one of the most beautiful sites in Moscow. The renewed gas holders of the Moscow Gas Plant, built by a Dutch entrepreneur and an English engineer in 1868 to illuminate the Moscow streets and the Kremlin with gas lamps, create a unique atmosphere, and the business quarter located on an area of 8.3 hectares can be compared only with the reconstructed territories of gas plants in Vienna, Copenhagen, Dresden and other European cities.

In 2003, well-known musicians, designers, producers came to Arma to set up

creative studios and offices. Clubs, showrooms and stores, advertising agencies, design studios and many other companies have also found a home here.

The office loft quarter includes 27 buildings with a total area of 50 000 square meters. Unique cylindrical gas holders with a height of 20 meters and a diameter of 40 meters, which have survived from the past, have become the focal point of the quarter. Inside the gas holders, there are original large working spaces with rounded walls and hallways, high ceilings and huge windows. A thorough reconstruction of the plant buildings was completed in 2015. ■

HLEBOZAVOD No.9 / Creative urban space



Address: Novodmitrovskaya Ulitsa 1, m. Dmitrovskaya
Website: hlebozavod9.ru

A public park space that has brought together show rooms of local designers, educational projects, offices of creative companies, workshops, and event spaces. Together with Flacon Design Factory, the two territories form a creative district that includes 50 000 square meters of space to house various functions from relevant industries. People come here to launch their own projects, relax among authentic avant-garde architecture, meet new people, find entertainment for the whole family (from athletic events to major city festivals), grab a cup of coffee or food, buy a vintage jacket, or sunbathe on the open roofs of the buildings.

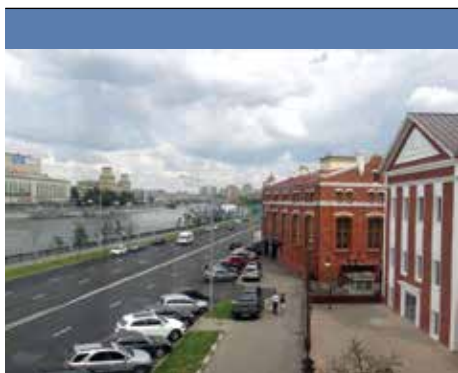
Hlebozavod is an important monument to the era of architectural constructivism and differs from other art clusters in its avant-garde motifs. It was built in 1934 as one of seven bread-baking plants. It was the first to plant to be 100% automated and, together with other bakeries, helped solve

the bread shortage in the Soviet Union. After 1991, production fell into decay, unable to withstand competition with modern bread production plants.

The former bakery is now home to 130 office spaces and 40 loft-apartments. You can rent or buy them, or hold an event here. There are also flagship stores of local brands such as S H U outerwear, Novaya and Krakatau, comfortable and laconic casual wear from Cocos and NNedre, etc. There are also foreign brands — the only monobrand store of Danish raincoats and raincoats RAINS in Russia, modern Chinese fashion from JNBY, the cult commission shop of luxury and avant-garde designers of the Second Friend Store, conceptual design optics from Refaced and PYE, and others.

Parking spaces are located outside the territory, and the whole area is accessible only to pedestrians. There are also bike paths for people with bicycles, scooters, and hoverboards. ■

MOSCOW SILK / Business quarter

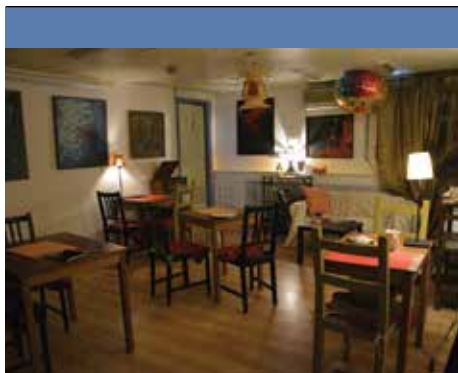


Address: Bolshoi Savvinskiy Pereulok 12, m. Sportivnaya
Website: moscsilk.ru

Moscow Silk is one of the most stylish business quarters, located on the bank of the Moscow River. The business quarter is spread out over an area of 5.6 hectares and consists of 18 buildings from the 19th and 20th centuries. This is territory used to belong to a textile factory, built in 1820. In the middle of the 19th century it belonged to the Frenchman Albert Gübner and was one of

the Russian Empire's key textile centers. The plant took orders from the military during WWII and produced high-quality fabrics made from natural silk and cotton during the Soviet era. After renovation, the factory buildings were turned into a multifunctional space for business, where you can find modern offices or loft projects in reconstructed factory buildings from the 19th century. ■

PUNCTUM / Cultural Center



Address: Dubininskaya Ulitsa 20.1, m. Paveletskaya
Website: punktum.ru

One of the first independent lecture halls in Moscow. Art and philosophy, history and literature, cinema and cultural studies, courses, creative workshops — this is the path of continuous improvement and development that everybody needs. Love of knowledge is perhaps the most human of all human traits, and the road to it lies through the humanities.

Here, you can talk about culture over a cup of tea, see famous works from the classics of world cinema, and do brain exercises with professional mathemati-

cians. Punctum offers courses on European art for children from 8 to 12 years old and lectures for adults who are interested in learning something new. There are exhibitions by young artists, small concerts by different bands, and creative evenings organized by novice writers. Punctum supports various initiatives, current cultural projects, young artists (all exhibitions for artists are free), special workshops (art from people with disabilities), and conducts scientific seminars and round tables. Punctum has a cozy, underground atmosphere and a small art kiosk. ■

This section of the magazine - "Moscow Vocabulary" – was born of remembering ... Ronald Reagan, who appeared to be a fan – and collector - of Russian proverbs and sayings. Well, and we would like to guide you into a world of Russian idioms – just as bright and colorful.

ВИДНО КАК НА ЛАДОНИ – vidno kak na ladoni.

(Seen as if it were on the palm of one's hand)

Explanation: Easy to see or comprehend.

ВЗВЕШИВАТЬ СВОИ СЛОВА – vzveshivat' svoi slova.

(To weigh one's words)

Explanation: To choose or to use one's words with deliberation.

ВЗДОХНУТЬ СВОБОДНО – vzdokhnut' svobodno.

(To breathe freely)

Explanation: To feel relieved of one's cares or troubles.

БРАТЬ С ПОТОЛКА – brat' s potolka.

(To take something from the ceiling)

Explanation: To say something without thinking.

БРАТЬСЯ ЗА УМ – brattsya za um.

(To take oneself by the mind)

Explanation: To become sensible.

ТЯЖЕЛ НА ПОДЪЕМ – tazhol na podyom.

(Heavy on the rise)

Explanation: Slow or unwilling to do something.



ПОСТАВИТЬ ВСЕ НА КАРТУ – postavit' vse na kartu.

(To put everything on the card)

Explanation: To risk all that one has.

ПОСЛЕ ДОЖДИЧКА В ЧЕТВЕРГ – posle dozhdichka v chetverg.

(After a little rain on Thursday)

Explanation: No one knows when or never.

ЛЕЗТЬ В ДУШУ – lezt' v dushu.

(To climb into someone's soul)

Explanation: To try to find out someone's intimate feelings, thoughts.

СМОТРЕТЬ ДРУГИМИ ГЛАЗАМИ – smotret' drugimi glazami.

(To look at someone or something with different eyes)

Explanation: To look at someone or something in a different way.

ПРИЛОЖИТЬ РУКУ к чему-либо – prilozhit' ruku.

(To put one's hand to something)

Explanation: To have a hand in something.

ПОЙМАТЬ НА УДОЧКУ – poimat' na udochku.

(To catch someone on one's fishing line)

Explanation: To trick or to fool someone.



Massimiliano Montiroli:

Russians like classics — pizza and



the real Italian pasta



Massimiliano Montiroli started his career in the kitchens of Italy and France. He first ended up in Moscow in 1998, when he came at the invitation of Portofino — one of the few restaurants that started the development of Italian cuisine in Russia in the 90s. In 2000, he came back to his native Rome, where he managed his own restaurant for nine years before he decided to return to Moscow.

Since then, he's been the chef at famous and trendy restaurants such as Osteria Montiroli, Tutto Bene, and Gilda. Now he's the chef at the new restaurant RUSALKA Bistro, where he is in charge of managing the kitchen and the Italian part of the menu.

RUSALKA Bistro is a modern restaurant by the famous restaurateurs Timur Lansky and Alexander Oganezov (partners and co-creators of Chaykhona No. 1, Remy Kitchen Bakery, and Cutfish). It's located inside the Pavlovo Podvorye Shopping and Entertainment Center at Novorizhskoye Shosse 15 k, around a district which has recently become the new favorite residential area for famous people and expats.

The bistro not only offers fresh fish and seafood, but also Italian pasta, pizza cooked in a Russian wood stove, along with Fiorentina steak and burgers prepared on the grill.

All seafood in the "Catch of the Day" part of the menu can be prepared for guests on the spot. You can also take it with you to go at the ULOVE fish stand, which is resupplied with different types of fresh fish every morning. The restaurant has a separate aquarium with live oysters, sea urchins, clams and crabs.

The professionalism and friendliness of the Italian chef create a wonderful atmosphere in the restaurant. Massimiliano is living proof that a real Italian chef does more than prepare delicious pizza and pasta — he is also constantly interacting with the guests. He's always open to talking to them and can often be seen chatting outside the kitchen.



Massimiliano, which dishes from the new RUSALKA menu would you recommend we try first and why?

I recommend trying everything. I always put a bit of my soul into creating and preparing every dish on the menu, but I always ask the guests to try the pizza before they leave!

In your opinion, what do Russians like the most and end up ordering more often at the restaurant?

Pizza and pasta — the Italian classics. Guests also like dishes with an unusual presentation.

Could you tell us a bit about your first gastronomic experience?

When my father brought me to his kitchen to show me how everything was set

up. I'm a fourth-generation chef. It was a very emotional day for me. I was young and curious.

When did you realize that this was your calling in life?

As soon as I made my first dish in my father's kitchen.

What is your greatest accomplishment?

The gratitude and happy faces of people who eat my food. Evoking positive emotions in my guests is my greatest accomplishment.

How did you end up in Moscow? Who invited you?

The restaurant Portofino invited me. This was the beginning of my career

in Moscow, and also a turning point in my life.

How did you adapt to life in Moscow? The majority of people here speak one language. How do you manage people when your employees talk to each other and you don't understand anything?

The products and their proportions can be communicated in any language, and discipline in the kitchen is a matter of course. I've never had trouble communicating with colleagues and employees. I had a translator at first, but after a few months in Moscow I started managing just fine myself.

Is subordination important to you at work, or is this an outdated concept?

Of course, discipline in the kitchen and the quality of the dishes are important to me.



Do you prefer Italian cuisine in Moscow, or have you developed other preferences?

All cuisines are good. I like Russian cuisine, but I still prefer Italian food. It's a part of me. Fresh Italian bread, spices, the right dough for pizza — all of these things are very close to my heart.

What do you think is unique about the restaurant business in Russia?

There is a broad culinary scope, in my opinion. The same restaurant can feature several different cuisines: Italian, Chinese, Georgian, and Russian.

How did life in Russia change you?

I've become a lot more patient. Plus, I met my wife here. Of course, living in Russia changes you. Italy is one country, and Russia is a different one. But I really like Russia. I don't feel Italian anymore. My family is in Russia, my friends are from Russia, I have been working here for a long time. My kids go to a Russian school. When I come back to Italy, I feel like a guest.

Which Russian dish do you like the most?

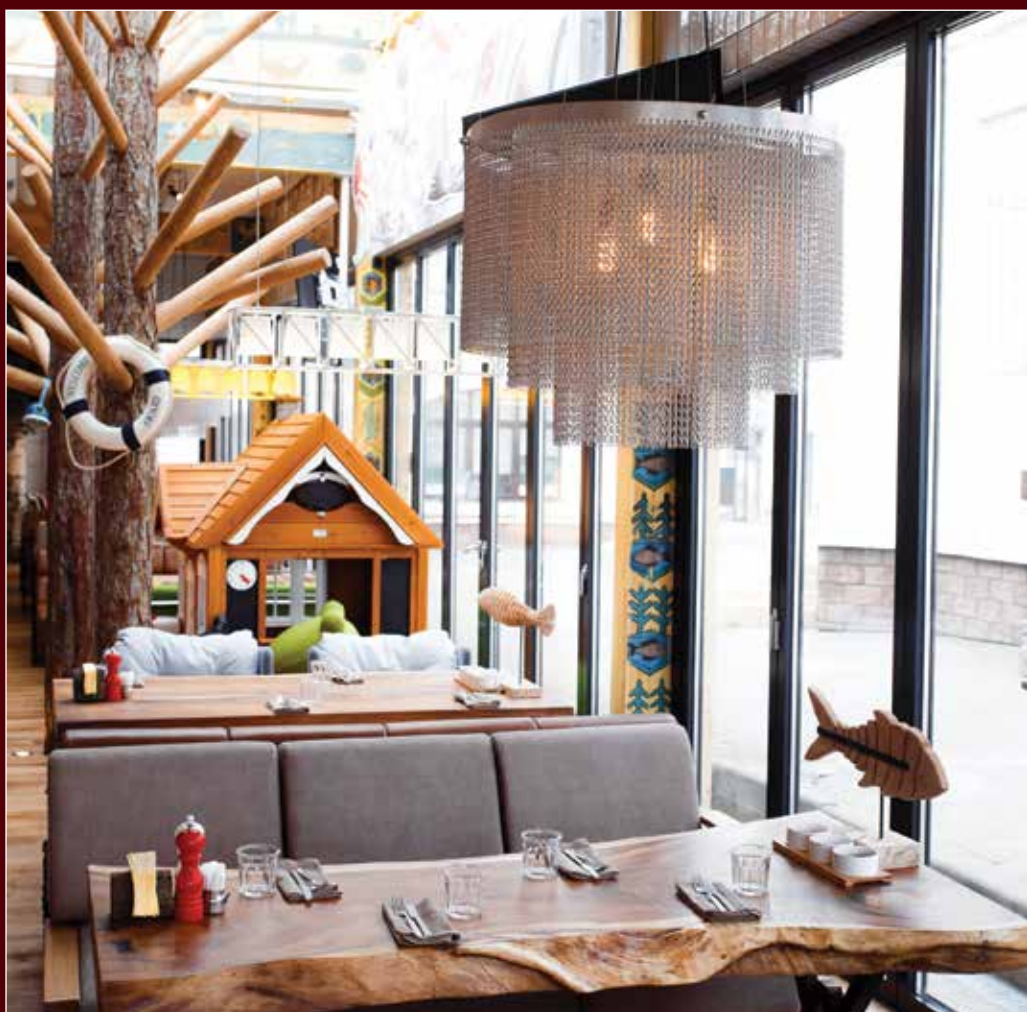
Borscht and okroshka.

Do you have a lot of Russian friends?

Enough. I have been living in Russia for a long time, so of course I have Russian friends. My closest friends are Russian. In 20 years of living in Moscow, I've made three really good friends.

Do you keep in touch with the Italian diaspora in Moscow?

I have Italian friends, but they don't have to be part of the diaspora.



What advice would you give expats who are getting ready to come live in Russia?

Listen to the Russian worldview.

In your opinion, what kinds of restaurants will be successful in the future?

Those that pay attention to quality. A restaurant should think everything

through, down to the details: presentation of dishes, their unique qualities, how staff treats the clients. Everything should be top quality.

Do you have some gastronomic idea of your own that you're fixated on?

I do in theory, and I'm working toward it. It will be something new and delicious. I don't want to disclose all of my secrets. Let's keep things intriguing.

Do you have any time for feelings in life, or is it all work?

Of course I do! This is my inspiration. I am happily married to a beautiful Russian woman. I don't like to share details about my personal life. But she's wonderful, and that says it all.

What do you do in your spare time?

I read books, watch movies, try to broaden my horizons and improve. Plus, I spend a lot of time with my family. Cooking together is one of the most fun things to do in my spare time.





Do you have a favorite place right now?

The place where I'm always needed. At home, next to my family.

What do you know about Moscow now that you didn't suspect before you came here?

That the people here are very welcoming. I came to Moscow for the first time in 1998. It was a different time back then. In 20 years, Moscow has become home to me. I love this city, and I love the people who live here.

Are there any similarities between Russians and Italians?

Definitely in our temperament and our humanity.

Have you seen the movie "The Adventures of Italians in Russia"?

I've seen it and was very impressed with Eldar Ryazanov's film. I love Russian classics. It's hard to pick a favorite scene from

the movie. But I live the whole movie and all the characters in it.

Can you tell us an interesting story about your life in Russia?

There are a lot of interesting, funny, and good stories. It's hard to pick one. Maybe they deserve a separate book about my life in Russia. Stories happen to me every day. I'll tell you a story that happened soon after I came to Russia. I had

been living in Moscow for four years, and my passport was about to expire. I went to the Italian embassy in Moscow, where they made me new documents and annulled my old ones. The problem was that my Russian visa was in my old passport, so it was annulled as well. Maybe I didn't fill something out correctly or they mixed something up at the embassy. In any case, the result was that I was in Moscow without a visa. So I not only had no right to be in Russia, I also couldn't come back to Italy. It's a good thing I had wonderful friends who helped me out. They put me on a plane and sent me to Italy, where I could recover my visa. I was really nervous about this predicament back then, so a big thanks to my friends who supported me.

What are your future plans?

To be better. I am confident that there is always room for growth. I want to spend more time with my family, to implement my culinary ideas, and relax by the sea. Like simple people.

If you ended up on a deserted island, which three products would you bring with you?

Olive oil, flour and fresh water. Of course, I would love to take a good wine.

If you were putting together a menu to get someone in a better mood, what would you serve?

Only the most delicious food. The first course would be a light and tender pumpkin soup with almonds, the second would be mussels in white wine or cream, and dessert would be mango-passion fruit mousse. It's a real gastronomic delight that will put you in a better mood from the first bite. Delicious food and good wine can very quickly put a person in a better mood. ■





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