

BM

Moscow Foresight

03 Tatiana Guk: Decentralization
Upcoming For Moscow

09 Rostislav Ordovsky-Tanaevsky Blanco:
"We Created Hospitality Industry In Russia"

13 Betting On Geopolitics:
"Let's Wait And See"



Moscow Foresight

- 03** Tatiana Guk: Decentralization
Upcoming For Moscow
- 05** Sergei Dubinin, CBR Ex-Governor: "Making Government
Financial Policy Comfortable For Everyone Is A Sure
- 08** News
- 09** Rostislav Ordovsky-Tanaevsky Blanco:
"We Created Hospitality Industry In Russia"
- 13** Betting On Geopolitics: "Let's Wait And See"
- 15** Economist Nikita Maslennikov: "Sanctions won't be lifted
from Russia without a peace agreement"
- 18** News
- 19** Grigory Osipov:
"Russia Is Under Fraudster Attack. What Can Be Done?"
- 23** Mark Gohman:
"Five Key Challenges For Russian Economy"
- 25** Dom Lardy:
French Village In Russian Countryside

TATIANA GUK: DECENTRALIZATION UPCOMING FOR MOSCOW

MOSCOW IS DEFINITELY BECOMING MORE BEAUTIFUL AND COMFORTABLE FOR LIVING. TODAY THIS IS A CITY WHERE ONE COULD NOT ONLY WORK, BUT ALSO GET PROPER REST, BREATHE FREELY, AND THIS IS RELATED TO DEVELOPMENT OF NEW AND UPGRADES OF THE EXISTING RECREATION AREAS. WHAT POTENTIAL IS AVAILABLE FOR FURTHER DEVELOPMENT OF THESE AREAS? ARE THERE ANY TERRITORIES PLANNED FOR BUILDING NEW PARKS? THESE AND OTHER QUESTIONS ARE ANSWERED BY TATIANA GUK, MOSCOW GENPLAN INSTITUTE DIRECTOR, IN HER EXCLUSIVE INTERVIEW TO BM. MOSCOW FORSIGHT MAGAZINE.

Moscow has significant potential both for further improvement of the existing parks and for development of new recreation spaces. We at the Moscow GenPlan Institute love those projects, focused on building connectivity of the existing park territories. Bringing those territories together into a common recreation system opens up opportunities for new long walking routes, sports infrastructure development and new attraction points. A few years ago we proposed to consider connections between the parks along the Yauza River with these considerations in mind, and this idea was supported by the Moscow City Architecture Committee. The project proposed to connect several well-known parks in the north-east of Moscow into one continuous recreation zone, improving connectivity of this part of the city and, furthermore, linking parts of two major tourist routes of Moscow and the Moscow region. Now this concept is being implemented. The goal of these projects is comprehensive development of various types of territories to achieve a "seamless" urban environment.

Tatiana Nikolayevna, there was a time when urban planning was dominated by the infill development idea for Moscow. Then it was decided to abandon this idea and to go back to planning construction of new blocks at the outskirts of the city. Which idea is prevailing today? What is the key vector for Moscow's development now?

Moscow is following the path of intensive development, looking inwards. The city is paying special attention to issues of reorganization of territories and their comprehensive de-



velopment, creation of new jobs, enabling growth of the economic potential of the city.

Development of new economic activity centers has become a key priority for Moscow's city-planning policy. These centers will help reduce excessive shuttle migration, create additional jobs and attractive recreation spots outside the historic city center. Construction of the centers actively utilizes industrial area territories, located near major transport hubs: metro line crossings, the Moscow Central Ring and Moscow Central Diameters.

Generally, the idea of new growth centers with high urban development potential and transport and utility infrastructure existed both in Soviet and post-Soviet general plans. Priority development of such centers was considered key to balanced development of the city, to overcoming the imbalance of the center and the outskirts. Moscow's development today follows the historic radial ring structure, and at the same time the small old center is stretched out in space towards new growth points, providing balancing opportunities. Territorial development principles provide for combining pedestrian and transport links, building high-quality and high-technology infrastructure. City districts get new public spaces, new social and service infrastructure facilities open within walking distance.

The housing renovation program was launched in Moscow in 2017 and was planned to take 15 years. Last October, Moscow Mayor Sergei Sobyanin said that this program would be permanent. What was the part of your Institute in the renovation program?

Our Institute has developed 31 territory planning projects under the renovation program for the Moscow City Architecture Committee. This year we will carry on with this work. When designing our projects, we focus on finding a balance, we try to achieve an organic combination of new design solutions and retained sites.

Our Institute also organized the “Renovation Image” international architecture competition. The purpose of the competition was to develop an attractive image for housing development in the capital city and to select the best architecture solutions for renovated blocks. The idea was to have a recognizable image for each district, some sort of architectural individuality. Owing to the competition, the city has got an extensive library of visual methods, which will help the renovated blocks to get their individual architecture features.

In 2021 your Institute conducted the “Moscow-2050” foresight, which allowed for shaping up a development forecast and a list of trends, applicable to the city over the next 25 years. Could you please tell us what will the image of Moscow look like in 2050?

The goal of the “Moscow-2050” foresight project that we conducted in 2021 with the support from the Moscow City Architecture Committee, was to dive into the depths of the changes happening in the capital city, to envision an image of desired future and to find an understanding of how could we achieve this goal. Over the course of 5 sessions with 200 experts in architecture, city planning, sociology, economy, culture studies, marketing, IT industry and other areas, we managed to determine more than 400 trends of Moscow’s development.

Naturally, we did not get to forecast everything at the time. But we see that the key trends, related to technology development and change in behavioral models of residents, which were registered under our projects, are persistent. Particularly, these are mobility change trends, remote work, electric transport introduction, unmanned vehicles, which are here to stay.

According to the outcomes of the foresight, Moscow is in for a decentralization process with new business activity spots appearing, higher self-sufficiency of districts in terms of

Moscow GenPlan Institute — a research and project institute organization of the City of Moscow. The Institute operates under the authority of the Moscow City Architecture Committee. Tatiana Nikolayevna Guk has headed the Institute since 2018.

Moscow City General Plan was developed by the Moscow GenPlan Institute at an order of the Moscow City Architecture Committee.

The Draft General Plan was proposed by Moscow Mayor Sergei Sobyenin due to the inclusion of the former Moscow region territories into the city limits.

The Draft General Plan is based on the principle of balanced territory development. One of the priorities of the Draft Plan is creation of new jobs and business activity centers. The Draft also features a whole set of activities to preserve the system of nature conservation areas and to build new green spaces.

base infrastructure and visual identification. The key trends, related to spatial development of the city, include: agglomeration, growing mutual influence of Moscow and neighbor regions, polycentricity, customization of housing and urban environment, improved efficiency of space.

How do you see the future of the transport infrastructure: will there be focus on development of public transport and car-sharing, or will there still be enough space for private car owners? Will there be development of unmanned transport, which requires set-up of a relevant infrastructure?

In our view, Moscow is a live organism, and its transport system should develop in stride with the changing urban rhythm and needs of city residents. This is why the primary focus is on development of city transport. This is not just a necessity, but a quality of life issue. The Government of Moscow is striving to build a transport network to ensure comfortable and fast rides across the city, and we as designers are helping them with this. **BM**



SERGEI DUBININ, CBR EX-GOVERNOR:

“MAKING GOVERNMENT FINANCIAL POLICY COMFORTABLE FOR EVERYONE IS A SURE PATH TO INFLATION”



Sergei Dubinin

cPh.D (Econ), Professor of the Economic Department of Lomonosov Moscow State University, Chairman of the Central Bank of the RF in 1995-1998.

Russia has been under the sanctions, unprecedented in global history, for over three years. Covering the whole economy, these sanctions focus on its two key sectors – oil and gas and finance. It was the monetary institutions of our country that had taken the first and the hardest blow in February – March 2022: dollar-denominated assets of leading banks were frozen; \$300 billion of international reserves abroad were frozen; Visa and MasterCard payment systems announced of suspending operations in the RF. These and further measures, such as SWIFT service disconnection, SDN List entry, correspondent account closures, resulted in a completely new image of the Russian financial system. What is special about it? This is explained by Sergei Dubinin, Ph.D (Econ), Professor of the Economic Department of Lomonosov Moscow State University, Chairman of the Central Bank of the RF in 1995-1998.

Sergei Konstantinovich, how would you describe the current status quo of the Russian financial sphere?

The situation is very challenging. It is challenging for all – for the federal treasury, for the banking sector and for other market institutions. Under the SMO, the structure of the state budget has changed: of the total ₴41 trillion, about ₴16 trillion are allocated to defense and security expenditures. Of course, this is a significant increase versus the peaceful year of 2021. Nevertheless, the government is trying to keep high levels of non-defense spending: social benefits are the second largest budget item. And this combination, firstly, resulted in overall

budget volume increase, and secondly, led to a budget deficit over the latest three years. Moreover, the deficit is to be covered both with the funds from the National Wealth Fund and with the funds from federal bond issue. This is not the structure that had been in place before 2022.

Plus, we have growing fiscal revenues, which could largely be explained by the transition from the flat tax rate to progressive taxation. The government debt is still below 20% of GDP, and this is an extremely low level, uncharacteristic of developed countries, where it generally approaches 100% of GDP. This is proof of a sustainable budget. At the same time the economy displays growing demand for raw materials, hardware, processing industry goods. And the consumer demand is spurred by higher salaries of MIC workers, military personnel and their families. Overall, the so-called budget spending drive increases not only government expenditures, but also drives up worker salaries.

There is one global downside to all of these – high inflation. Is that so?

Indeed, because the demand at commodity markets is ahead of supply. The demand is soaring, especially for food, which in turn gets more expensive faster. These challenging conditions apply both to government and to private sectors,

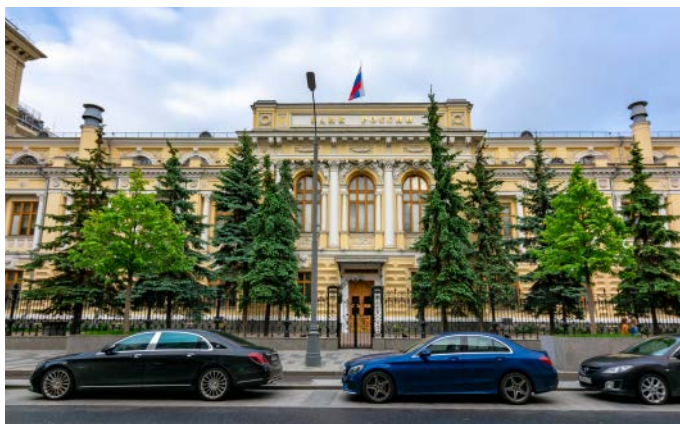
and the banking, lending sector is by and large private. Since banks display continuous growth of operations both with assets and with liabilities, a certain balance needs to be maintained, a bank margin ratio has to be supported. In 2024 the loan interest rate exceeded the deposit rate by about 4,5–5%. Raising its key rate, the Bank of Russia is trying to hold prices down by regulating the volume of loans (both corporate and consumer) and by making loans more expensive.

The situation with deposits is challenging but largely well-balanced. Today deposit rates are on the average at 18-20% per year, and quite a few deposits are linked to the changing CBR key rate. This enables at least keeping the inflation under control, with the inflation level being rather high at about 10%. While it is not an explosive transition or hyperinflation (like 1000% in 1992-1993), this still requires extra effort to support the level, controlled by the monetary authorities, primarily by the Bank of Russia.

How legitimate is the criticism of the regulator mostly coming from large business representatives, speaking of large scale corporate bankruptcy risks under the conditions of super high loan rates?

Interests of the economy are not limited to requests by individual players at the economic field, even if they are majors. No task is more important than maintaining stability of the monetary system. Of course, living with 4% inflation, targeted by the CBR, would be better, but today it could not be achieved for objective reasons. In 2021–2022 developed economies had growing inflation, and it took about three years to slow it down. Indeed, the inflation was relatively low, 7-8% at most, but still far from 2%, which previously passed for normal. You cannot achieve this in the snap of the finger or by simply adjusting the regulator’s key rate one or another way. Inflation is a much more complex phenomenon.

Letting all of the monetary policy loose even for a short time, making it comfortable for everyone is a sure path to hyperinflation. This is exactly what happened in 1992–1993, when companies were allowed to offset their debt. It seemed like their money was put to good use. But the money never disappeared from the economy, and ultimately the prices literally exploded. Such mistakes shall never be allowed to happen again, and no one is calling for such actions. But everyone wants access to subsidized loans, the share of which in the corporate lending sector today is at about 15%. This means that 15% of the total outstanding corporate loan debt is repaid at lower rates. If a subsidized loan is issued at, let’s say 5% to 10%, then a bank will



The total amount of Russia’s public debt has reached 29 trillion rubles, which is equivalent to 14.5% of GDP. (Source: Rosstat)

get reimbursed by the state budget for the part that is below the current market rate of twenty percent.

How much would this be in terms of money?

Trillions of roubles. This is why it is impossible to provide subsidized loans to everyone. Otherwise, we would need to actually bring the key rate down, which would lead to inflation of over 100%. This poses the question, how could banks make money and pay interest on deposits in this case. A drastic reduction of rates would provoke bank runs. It is likely that money will be withdrawn, released to the market to buy goods as quickly as possible. This would make about ₺55 trillion in additional demand. Price growth would be stimulated twice, and its consequences are well known not only from Russian experience. Argentina’s economy has been “seesawing” for many decades: a tougher monetary policy is followed by an abrupt easing, following business and popular demands, calling for affordable loans. This results in yet another outburst of inflation.



It is easier to get into this cycle than to get out of it. The fact that Russia managed to escape this after all the cataclysms of 1990s is a great achievement. Fortunately, our monetary authorities realize that this path is unacceptable, and we must not demand anything else of them. Of course, the situation with strong demand cannot be cardinally changed by key rate changes only, while there is an accumulated money overhang. This situation will not change, regardless of any actions by the CBR. This means we should stimulate supply.

In what way?

It would not be enough to just offer lower rate loans. The manufacturing sector experiences shortages not so much of money, but of labor and production capacities. Where do we get labor to work at defense industry plants or in the textile industry? Who is going to invest, which technologies and machinery should be procured? Where do we get modern equipment that it unsanctioned, which is easy to buy and install? There are many issues. These are related to labor productivity and to getting capital investments. There is yet another factor — timing. It would take at least a year to build and commission even a mid-sized factory.

Even during the best years, the volume of capital investments in Russia amounted to about 24% of the GDP, and the average figure would be 20%. And in China this figure reached up to 35-40% during heyday, enabling the country to achieve a colossal breakthrough. Today the Russian GDP is ₺200 trillion, accordingly, a fifth part should go to investment, and this would require conditions for payback. Is there any other way to convince potential investors to put money into production? Moreover, if inflation goes rampant, this issue goes away on its own. There is also the risk of going over the top in fighting inflation and falling into a deflation trap (sliding prices), which arises due to a lack of investments. Naturally, the issue could be resolved by forcing more money into the economy. But today, under the conditions of sanctions in place, large defense expenditures, only one thing is left to do – support some sort of a balance, however fragile, in the financial system.

The Russians keep over ₺50 trillion in banks. Is there a threat in this? How likely is a scenario when people start simultaneously withdrawing money from their accounts for some reason? And the state, in its turn, would instruct banks to “freeze” deposits.

First, only current deposits can be withdrawn quickly, these amount to about ₺15 trillion over the country. For the rest of deposits, you have to wait for deposit expiration date or lose interest on it. Panic could be sparked by two conditions: a plunge in deposit rates and an incredible acceleration of inflation, when people could decide to save their money at any cost and buy, for example, sacks of sugar or buckwheat. Those people who had lived through the Great Patriotic War, lived on slender means, but all of them had pasta, soap and salt in stock. A transition to this type of consumer behavior would be a disaster. I, as someone who was born in 1950, do not believe in this scenario. But our inherited memory, things we heard from our parents, do not let us all, including the young people of today, be skeptical about this.

Now let's discuss various “freezes”. What's the reason for this, which task would this resolve? If high rates are balanced out with prices, there is no need to freeze anything. Money is safely kept in banks, but this does not mean it is kept there as banknote stacks. The money is issued as loans, partially used to purchase securities, and including – precisely for the account of retail and corporate deposits banks are buying OFZ (federal loan bonds), thus financing budget



The total volume of bank loans to Russians is over ₺38 trillion (Source: Central Bank of Russia)

deficit. And what would happen in case of a freeze, would we stop making OFZ payments as well? Will the state budget save anything? I do not understand what would be the purpose. And how would the Russian banking sector operate if it loses trust? The answer is – it would not: this would mean an actual liquidation of the market-based banking system. Instead of bringing their money to banks, people would spend it on salt, pasta and detergent.

As of November 2024, the total volume of bank loans to Russians is over ₺38 trillion. Could this bring any negative implications?

I would not call this debt burden excessive. The share of dormant debt in the consumer lending sector is only about 2,5-3%. All other debts, including mortgages, are more or less serviced. Individually, people in general stick to common sense, I cannot say that Russians are totally illiterate in terms of finance. Generally, loans are taken out by those households that understand how they are going to repay them, used to carefully considering their expenses. Of course, there are borrowers for whom a new loan is the only way available to repay an existing loan. These borrowers most often get into a hopeless situation. But they make up only a small share. Let's say, individual entrepreneurs or small businesses sometimes have to file for personal bankruptcy, but these are also few. There is yet another narrow category of people who take out microloans “till payday” from microlenders. They offer very high rates, but for small amounts – up to ₺10 thousand.

Is the banking system of the country stable?

It is. In 2023-2024 banks (now there are about 330 banks in the country) got ₺2–2,5 trillion in profits annually. At the same time, 11 systemically important credit institutions account for up to 80% of all bank assets and correspondingly, deposits (liabilities). This means there is huge concentration of capital: essentially, the Russian economy is serviced by 30 largest banks. In and of itself, it is a rather complex mechanism with fine-tuned procedures. Internal risk assessment in banks is the cornerstone of their operations. Under the sanctions, the sector demonstrates performance worthy of respect.

Georgy STEPANOV

IN 2024 NEW OFFICE CONSTRUCTION DOUBLED IN MOSCOW

In 2024 construction in the office property market doubled compared to 2023, reaching 570 thousand sq. m. The high figure is due to the construction of large buildings. The office property market recorded 19 new buildings. Such figures were provided in the annual report of MARKETBEAT Commonwealth Partnership (CMWP).

Important buildings include Moscow Towers (263 thousand sq. m), ICITY Time Tower (45 thousand sq. m), Stone Towers B and C (40 thousand sq. m), Plaza Botanica (29 thousand sq. m), etc. 60% of new construction is concentrated between the Garden Ring and the Third Ring Road.

According to Polina Afanasyeva, Head of the research and analytics department of CMWP, in 2025 it is planned to complete 730 thousand sq. m of office property. At the same time, class A offices prevail among the objects that are planned to be built. They account for 90%. The vacancy rate of class A and B offices to be built is only 31%, that indicates a high demand for office space in Moscow.



SOBYANIN: FOUR NEW SITES JOIN TECHNOPOLIS MOSCOW SEZ

Moscow authorities have enlarged the territory of the Technopolis Moscow special economic zone (SEZ). Four new production sites have joined the SEZ. This was stated by Moscow Mayor Sergei Sobyenin.

According to him, the companies in the Technopolis Moscow SEZ have increased their investments by 32 times over the past five years. In 2024 they invested more than 215 billion rubles in their development. The number of jobs has increased by 3.5 times - to 22,100. The SEZ includes 220 companies involved in microelectronics, the pharmaceutical industry, machine tool building and other industries.

Four new production sites such as Khrunichev, Krasnaya Pakhra, Karacharovskiy Mechanical Plant and Tolstopaltsevo were included in the special economic zone, Sobyenin announced. The Khrunichev site will specialize in aerospace technologies. The Tolstopaltsevo site will be used to produce construction materials. The Krasnaya Pakhra site will focus on electric vehicle manufacturing. The Karacharovskiy Mechanical Plant site will expand production of vertical transportation systems.

NEW MADE IN RUSSIA PROGRAM APPROVED TO PROMOTE RUSSIAN PRODUCTS


The Russian government has approved a new program for promoting Russian-made products abroad "Made in Russia" until 2030. The corresponding order was signed by Russian Prime Minister Mikhail Mishustin.

According to him, with the help of this program it is planned to increase non-resource, non-energy exports by at least two-thirds compared to 2023, and agricultural exports by at least 1.5 times compared to 2021. The project will also help strengthen cooperation with interested countries.

The program includes organizing international business missions of domestic entrepreneurs, fairs abroad, as well as the development and launch of the official website "Made in Russia".

The Ministry of Industry and Trade of the Russian Federation will coordinate the program within the framework of the International Cooperation and Exports national project. The Russian Export Center will perform the main functions related to ensuring and implementing the program.




 A portrait of Rostislav Ordoevsky-Tanaevsky Blanco, a middle-aged man with a receding hairline and a slight smile, wearing a dark blue suit jacket over a light blue shirt. He is standing in front of a stone fireplace mantel.

ROSTISLAV ORDOVSKY-TANAEVSKY BLANCO: "WE CREATED HOSPITALITY INDUSTRY IN RUSSIA"

ROSTISLAV ORDOVSKY-TANAEVSKY BLANCO, A DESCENDANT OF RUSSIAN AND SPANISH IMMIGRANTS, BORN IN VENEZUELA, COULD NEVER IMAGINE THAT HE WOULD HAVE A CHANCE TO GO BACK TO HIS ANCESTRAL LAND, RUSSIA, TO BECOME THE PRESIDENT OF THE ROSTIC GROUP CORPORATION AND CHAIRMAN OF THE BOARD OF PAO ROSINTER RESTAURANTS HOLDING. HE IS CONSIDERED TO BE THE FOUNDER OF THE NETWORK OF FAST FOOD RESTAURANTS, OPERATING UNDER SUCH FAMOUS NATIONAL BRANDS AS ROSTIC'S, PATIO PIZZA, SUBWAY ETC. ROSTISLAV VADIMOVICH DISCUSSED HIS BUSINESS IN RUSSIA IN HIS EXCLUSIVE INTERVIEW TO BM MOSCOW FORESIGHT.

Today your business operates in America and Europe, and your home is in Russia. Your wife is Russian, and your children grew up in Russia. At the same time, it is common knowledge that your mother is Spanish, and you were born in Venezuela. Do you feel yourself Russian in Russia?

There was a time when this question was existential for me. It was hard to bear three cultures and to wrap my head around my identity and accept it. If Spain and Venezuela have historic ties, then Russia is a completely different country. I had been looking for an answer to the question, but it just came to me at one point and turned out to be very simple: one day I rode down on an elevator at the World Trade Center in Moscow and realized that I do love Russia and Venezue-

la and Spain. In Russia I feel Russian, and in Venezuela I feel Venezuelan. This was way back in 1991. It is interesting that abroad they call me el russo, and here it would never occur to anybody to call me Spanish or Venezuelan.

My mother (Spanish) and father (Russian) were unanimous in cultivating love of Russia with me. Mother spoke very little Russian, but she was the one to first find a Russian nanny for me, and then a Russian gouvernante. Then I went to a Russian parish school ... At my home they mostly spoke Russian. Russian school, diaspora, church... I remember myself when I was 11 years old at a Christmas celebration, in a traditional Russian shirt with a double-headed eagle on my back and with the Russian tricolor flag, reading a verse by my uncle from Canada:

"I raise again my grace cup
And drink for my Fatherland, glorious Rus!
Though I hardly know the country,
I am proud of its name everywhere I am".

This was the atmosphere of my childhood and adolescence.

You often mention that your grandfather, Nikolai Alexandrovich Ordoevsky-Tanaevsky, the last governor of Tobolsk, emigrated to Europe after the February revolution. Is your famous ancestor remembered in his homeland today?

Yes, of course. There is a museum in the house (Governor House) that my grandfather left in 1917. And of course, there are his things, his photos, telling a story of his life and lives of previous governors. From this house in 1917 my grandfather Nikolai Alexandrovich released prisoners under the first instruction of the Provisional Government and bolsheviks, said goodbye to the people and left for Petersburg, where he was arrested. Later on the Csar's family lived in the house till their execution.

You were 24, when you, a chemical engineer, decided to come to the Soviet Union for the first time. You had a specific view of Russia, how far was it from reality?

Very far. The White immigration lived in line with the traditions and rules, passed down to us by our fathers and grandfathers. And we imagined the Soviet Union as a very tough, orderly and strict country ... Before coming to Russia I could hardly imagine that it had a black market, you could buy a lot of things “under the table”, I was shocked!

And there you were, back in the USSR ... Why did you all of a sudden decide to go to a film festival?

In February 1984 I got a call from the Soviet embassy, the office of commercial attache Valery Vasilievich Legonkov, and was invited to visit a festival of Asian, African, Latin American films in Tashkent. This call changed my life. At this time, I had a film distribution studio with my partners in Caracas, we were copying tapes and dubbing movies, we got the exclusive rights to represent Walt Disney in Venezuela. I was in the loop. The embassy knew that there is a Venezuelan of Russian origin and wanted me to buy rights for several movies to show in Venezuela. This is how I got to the film festival.



Is it true that your business in Russia was initially connected to Svyatoslav Fedorov's Clinic?

I did not come to Russia to do business. I came with a desire to see the country of my ancestors and find my relatives.

My friend and brother in spirit, George Gan, a Russian German and a successful ophthalmologist at the time, asked me to find Svyatoslav Fedorov in the Soviet Union and to invite him to an ophthalmology congress in Venezuela. Fedorov, naturally, caused a sensation in Caracas, then I sent a delegation of Venezuelan doctors to him for training, etc. This was the first project, after which I understood that something could be created in Russia.

Then came the well-known stories: I ran out of Kodak film and I could not buy it anywhere, let alone develop and print photos, because these were separate service spheres. After a long search in Moscow, I finally managed to buy Orwo film. I made lots of pictures of my family, but they could not develop it in Venezuela, because developing technologies by Kodak were far more advanced.

Second, being in Russia, I never used a guide, once I went to a restaurant for dinner, and it was closed for a special event, the next day I went to another restaurant – it was closed for lunchtime ... Later on I got the feel of it, showed my press credentials and they would let me in at any time, but I got the idea that it would be good to open a restaurant.

So, in time I brought Kodak to Russia, and some years later, when I took our Soviet partners in first joint ventures with Kodak to France (Kodak in Russia was supervised by

the French office), we had a dinner at a Spanish restaurant at Montmartre, they were always amazed and said that it would be cool to open something like this in Russian cities. I found a person as crazy as me in Venezuela, and he liked the idea. He built a restaurant in Venezuela, then dismantled it and shipped it in two containers to Saint-Petersburg, then to Moscow by rail, and the first Spanish Corner restaurant was assembled in the lobby of the Moscow Hotel in two weeks. This is the adventure that got my caterer story started.

How did you come to the idea to open Rostic's? From haute cuisine to chicken.

Right after my first visit to the Soviet Union in 1984 I had an idea to build a fast food restaurant chain, something affordable and available, not something elite. My acquaintance, David Apfelbaum, who founded the Tropi Burger chain and was the leader of the catering industry in Venezuela, got me connected with Burger King, they liked the idea and we started planning to open Burger King in the Soviet Union. We had worked on the project for three years, things were all set ... But in 1987 Burger King suspended the project due to high (in their opinion) risks. And at this time I found out that a

McDonalds restaurant was being built at the Pushkin Square. Then we realized that there already was a major player in the niche, Burger King would not go there and we started working on another project.

We decided to open a fast food restaurant, where chicken would be the staple. My cadet school classmate, Max Azaza, a construction engineer, was building Arturo restaurants (main competitor to KFC) in Venezuela. He came to Russia and brought some people who had worked with him in this sphere in Venezuela, and in 1993 we opened Rostic's at GUM.

Why at GUM? Rent payments are exorbitant there!

At the time GUM was the center of the universe. I needed something competitive with the Pushkin Square McDonalds. Rent payments were crazy, but profits did not matter for me. I needed advertisement. This Rostic's ultimately paid for itself in 1,5 years.

Rostic's is a name brand, where did the last letter "s" come from?

I would never have thought of it myself to pick my name as a project title, my colleagues insisted on this name. Our strategy was to build a Russian chain, to counter Western chains. Rostic is brief and clear! Everything Western was in fashion at the time, it sold well, so it had to have this “foreign” flavor to it. Historically they used “s” in Russia to add a “foreign” element, this is why we added “s” to the name. This is the whole story.



How did you create the famous IL Patio brand?

My brother, Dmitry Ordovsky-Tanaevsky, who became more than a brother, but a friend and partner, after my coming to Russia, once invited me for pizza in Moscow, and the dish that I tasted was very far from a real Italian pizza. And then on the spur of the moment I got an idea to open a real pizzeria in Moscow. Once again I put together a team in Venezuela, and in 1993 we opened Patio Pizza (today – IL Patio) at Volkhonka, near the pool and the Pushkin Museum. It was a screaming success! We opened at 12.00 and ran out of all supplies by 16.00. So we had to close it down early.

Did you conceive Patio Pizza as a chain from the very beginning?

Yes, Rostic’s and Patio Pizza were from the start designed as chains, there also was “Combi’s” (Subway today). But we had standalone projects running in parallel: Spanish Corner, Le Chalet, American Bar and Grill. With time I came to realize that I was working on several fronts, but I needed to focus on something specific, so I went with chain projects.

Why did you sell Rostic’s? Did you get a good offer or just got tired from the format?

I was perfectly aware that for competitive development Rostic’s would require investments of a different scale. I did not have enough funds of my own even with the income from other projects (Kodak, Patio Pizza). I planned to have an IPO in New York, but the default of 1998 thwarted my plans. I tried to raise capital in many ways, but it was only a small portion of what was required to develop the chain in competition with McDonalds and KFC. This is why, to save the brand and for it to stay healthy, I made a very hard and painful for my ego decision to sell Rostic’s. But this was the right decision.

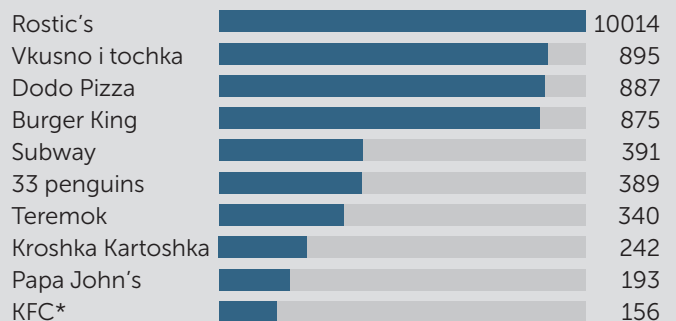
Yum! Brands (KFC brand owner) made multiple attempts to buy the business from me, but to no avail. David Novak, President of Yum! Brands, once came to Moscow and we finally reached an agreement.

You have several projects – Rosinter Restaurants, RIG Restaurants, Chicken Factory, Corpestate, you used to have Kodak, Disney... which one is your favorite, and which one is the most successful?

Of course it’s Rosinter, we have created the hospitality industry in Russia through this company, we have undoubtedly left a mark in history. I would also say it’s Le Chalet, a haute cuisine restaurant. Walt Disney too, we were 24 years old, almost boys, we developed a very successful business in Venezuela. I am a mediocre manager but a good businessman, my strengths are an instinct, capability to create, these were given to me by my parents and God, and on top of that there is management and finance knowledge. All of the above projects used to have a special place in my soul. For example, when they say IL Patio, I recall us laying tiles at 3 am before the opening of the first Patio Pizza...

TOP-10 fast food chains in Russia by number of outlets

Data for September 2024, pcs.



*After the American owner of KFC left Russia, some of the restaurants opened under the franchise continue to operate under a commercial concession agreement.

Source: “RBC Market Research”

Why there are no Russian dishes in your restaurants?

I have a great respect for the Russian cuisine, but I do not feel it as deeply as I feel the Italian or Japanese cuisine. I grew up with different cooking traditions and that's why I decided that it would be wrong for me to present the Russian cuisine in Russia. But there were some attempts, there was 1-2-3 Café project with the Russian cuisine.

There are other large projects, connected with your name. For example, Karlson Tourism, which, unlike restaurants, does not focus on the mass consumer, in any case, previously you were content with the individual tour niche. Now, when the West restricted travel of Russians abroad, are you going to change anything, let's say, switch over to the domestic tourism in Russia?

Karlson Tourism also came into my life by "pure chance". In 1995 we bought a franchise of American TGI FRIDAY'S restaurants, and we bought it with the purpose of getting to another professional level with their knowledge base. This brand was managed by Karlson Group, with tourism and Radisson hotel network as its key business. We became partners, and in 1998, when after the default no one understood how to operate in Russia further, the partners offered me to acquire the business. My brother Constantine and I had turned the business into a successful enterprise over five years, and it is still operating today.

The West, of course, has shut itself off, including the tourism area, but the East has opened! Karlson Tourism operates in the above the medium segment and in the premium segment, we have our specialization and we have for many years been a key partner for Italian Forte Village, to which we bring 5-7% of annual turnover. Of course, from 2014 to 2024 we have gone through "hell and high water", we have lost a lot, but feel rather well in our niche.

You have always been learning... was it "field practice" or did you have tutors?

Of course I had tutors ... First, in Venezuela it was Willie Tishenko, who essentially became like a father to me, after my father died early in 1990. Armando Berens, who gave me a lot in spiritual terms, Pedro Burelli, a brilliant financier, who took me from the level of a businessman to a new corporate management level. Svyatoslav Fedorov, of course ... there are many-many people to whom I am very grateful for being in my life. I am lucky with people. Even now I am surrounded by people who are better than me in some areas. For example, Vladimir Mekhrishvili, my partner since 1991, with whom we have created multiple projects, Margarita Kosteeva, Rosinter President, we have been working with her for over 30 years. Now the time has come for me to become a tutor and to pass my knowledge down to younger colleagues.

In the West they say today that "anything Russian is toxic", would you agree?

Yes, I would, but it is mostly related to economic and corporate relations rather than to attitudes toward people.

Are you concerned that your business in Russia or Europe could fall under restrictions or sanctions?

Yes, I am, this is visible, I can feel restrictions, for instance, when I need to get some financial or legal services. The banking system has become a nightmare. However, the West is beginning to understand that the reasons behind the current situation are very complex and focused not only on Russia.

It is no secret that today in Russia consumer purchasing power is dwindling, taking the restaurant traffic down with it. How does the catering market feel in this situation?

The winners today are fast food restaurants, where margins are lower than, for example, in the family restaurant segment, but their turnover is incomparably higher, and so is their free cash flow correspondingly. Moreover, this format is easier to scale up, unlike family restaurants, where it is very hard to build a critical mass for capitalization of a brand.

What is your opinion on the future of fast food in Russia?

This niche has operating and growing Russian companies, which need help to keep moving forward. For example, Teremok or Khlebnitsa, each in its niche, these are full-fledged successful projects with excellent results. They need to keep ramping up their professional level to be able to scale up their businesses further.

On a side note, when a company launches a franchise, then at the start it would be a loss-making project for a franchiser, because a critical base needs to be built to start making profits, but going further it would be a very successful and rewarding case.

Long ago, in one of your interviews you said that Russia is a paradise compared to Venezuela. Are you of the same opinion now?

This situation has changed over time. There was a time when Russia was a paradise, there was a time when it wasn't. But let me specify, that when I said we were living in paradise, I always meant and pointed out that this was in comparison to what had been before that. This is because Russia had those massive changes, especially at the start of perestroika, that it did seem so. Now one could criticize a lot of things in Russia, but nevertheless, there is a government that is really governing the country. The laws are largely observed, naturally, there are adverse situations, but overall the laws of business are working, the service sphere is excellently developed. I would like my first motherland to come closer to Russia in managing the country and managing services for the people. For now, Venezuela is still looking for its future path, and I hope it will find one soon.



Interview by Sergei Kron.



BETTING ON GEOPOLITICS: “LET’S WAIT AND SEE”

OVER THE LATEST THREE YEARS THE STOCK MARKETS IN RUSSIA HAVE BEEN TENSELY EXPECTING NOT JUST GOOD, BUT BREAKING GEOPOLITICAL NEWS. THE CENTRAL BANK IS WAITING FROM THESE TOO, THOUGH IN ITS KEY RATE OPERATIONS IT HAS BEEN TRADITIONALLY GUIDED BY FUNDAMENTAL DRIVERS AND NOT BY EMOTIONAL MOMENTS. HOWEVER, IT IS PROBABLE THAT IN 2025 THIS EXTERNAL NEWS BACKGROUND, LARGELY CHANGED VERSUS RATHER RECENT REALITIES, WILL GROW INTO SOMETHING MORE MEANINGFUL FOR THE REGULATOR.

Is the Ukrainian crisis situation considered in any of CBR scenarios, what overall effect could it have on the economic processes, on the inflation, on the key rate? This looming question (it was asked at a February press-conference of Elvira Nabiullina) was answered by the Head of the Bank of Russia in a very brief and categorical statement: “The base scenario does not feature this factor, it is too early to consider it... It will all depend on the unfolding events; geopolitical uncertainties remain high... Let’s wait and see”.

Meanwhile, shortly before this, the markets, eager for global positive news, had gotten carried away with an incredible euphoria: the MOEX index soared by 7,3%, and the dollar exchange rate at the Forex international trading slid lower than ₹90, which had not happened since September 2024. This emotional outburst had very concrete reasons for it, primarily, it had been the first phone conversation of the Russian and US Presidents since 2020. The optimism of domestic investors then grew even stronger at the background of the first round of American-Russian talks in Riyadh, rumors of an upcoming peace agreement, partial lifting of sanctions, return of Western brands and capital to the country.

Persistent One-Off Shocks

But for now these rumors have been just rumors, ho hopes have come true or have been brought to fruition. According to Denis Manturov, First Vice-Prime Minister, no companies “have asked for anything by now”. Correspondingly, the current market sentiment has its own finite sources and rigid timing. The current situation (primarily with the rouble) should be treated as an ad hoc deviation from fundamental levels.

And these very macroeconomic conditions, these figures have not improved since last year, excluding, as stated by the CBR in its key rate summary, all types of lending (both consumer and corporate), which are being cooled down. At the same time, inflation expectations remain, creating secondary price dynamic effects. This is to say that “the population and corporates are prone to perceive temporary price changes as permanent and change their behavior: they increase the demand for goods, raw materials and services. This leads to a self-supporting inflation cycle and makes one-off shocks more persistent”.

According to the regulator, the annual inflation in 2025 will amount to 7-8%, which will be higher than the bank’s Oc-

tober outlook, “considering greater scale of economic overheating and higher (over 10%, with weekly rates of about 0,2%) inflation at the end of 2024, than previous estimates”. The shortage of labor remains the key factor, limiting supply expansion. At the same time, as reported by Head Hunter (referred to by the Central Bank in its “Trends Revealed” survey), employers publish fewer job openings at recruiting websites, which shows growing issues with required employee search.

The Central Bank has raised its key rate outlook for 2025 up to 19-22% from 17-20%, based on a number of objective preconditions, which are pointed out not only by the Bank. For example, according to the Economic Development Ministry, by February 17 food prices had climbed up to 11,5%, and for some products prices had shot up by scores of percent. And this, according to Alexei Vedev, Director of the Center of Structural Research, RANEP, confirms the key argument that lending and inflation (where food prices are one of the drivers) are not related as closely, as assumed by the regulator.

“You do not get a loan to buy groceries. Groceries get more expensive due to a mismatch between demand and supply: for example, a person cannot eat a whole chicken in one go, correspondingly, there is no need to go to a store every day to buy it”, – explains Vedev.

“We cannot keep raising these expenditures infinitely”

The fundamental driver of accelerated inflation is the fiscal stimulus, defense spending, says Igor Nikolayev, senior staff scientist at the RAS Economy Institute. Seasonal factors also play a role, particularly, more expensive fruit and vegetables in fall and winter, buying fever, vacation season.

Meanwhile, both independent experts and government officials are concerned that the fiscal stimulus could drive

the federal purse out of balance and drain the primary government “coffers” – the National Wealth Fund, where the liquid part over the three latest years has gone from ₴8,4 trillion down to ₴3,7 trillion. “We spend 6,3% of our GDP on improving and strengthening our defense capabilities. To keep all the components in the country, all the building blocks in the life of the state – the economy, the social sphere in the broadest sense of the word, science, education, healthcare – developing, we cannot keep infinitely increasing these expenditures”, – noted President Vladimir Putin at a collegium of the Ministry of Defense.

We should also mention the December statement by Andrei Gangan, CBR Director of Monetary Policy Department. According to him, starting from the end of February 2022 the money supply (the amount of currency units in circulation) in Russia grew by ₴43 trillion, i.e. by 65%. The national economy has not seen such injections over the last 25 years and is not capable of digesting these. This results in supply lagging behind growing demand, leading to higher inflation and forcing the regulator to maintain (if not ramp up) a tougher monetary policy.

Considering the whole set of the fundamental drivers, could we actually suggest that decisions by the Bank of Russia are influenced by geopolitics and development of events at the negotiation track? We probably could, indeed, but not right now, sometime in the foreseeable future, for the simple reason that a favorable scenario (cessation of hostilities) means reduced government debt, defense spending and military personnel payroll expenses, an inflow of free labor force to the labor market, cheaper foreign trade transactions and logistics. Ultimately, supply will get a chance to catch up with demand.

Georgy Stepanov.



Starting from the end of February 2022 the money supply (the amount of currency units in circulation) in Russia grew by ₴43 trillion (Source: Central Bank of Russia)

Will the United States lift the sanctions? Or will they at least ease them up? Will Russian banks be reconnected to the SWIFT system? Will international brands come back to the Russian market? Will American oil and service companies return? And when could all of this happen? It feels as if these questions, which have just recently seemed senseless, if not absurd, are now gaining solid geopolitical ground and prospects for a positive answer.

Economist Nikita Maslennikov: “SANCTIONS WON’T BE LIFTED FROM RUSSIA WITHOUT A PEACE AGREEMENT”

There are enough signals from both sides, and on the American side these are sent exclusively by President Donald Trump – his messages often look unsubstantiated and blatantly utopian. For instance, upon completion of the February meeting of Russian and American envoys in Riyadh, the head of the White House wrote in the Truth Social network that he was “in serious talks” with Putin on “major economic development deals between the USA and Russia”. There have been no confirmations to these statements and there could hardly be any, since it is obvious that any talks between official representatives of the two states should be viewed only through the lens of a Ukrainian crisis settlement. A peace agreement should come first, then unfreezing of assets and lifting of sanctions, to be followed by dividends.

Exuberant euphoria will definitely do no good to anybody. Indeed, the topic of a probable return to the RF of such brands as Coca-Cola, McDonald’s, Visa and Mastercard is actively raised by Russian (and not only) Telegram channels and media. The Financial Times is reporting increased interest of the Western business in this scenario. According to sources of the publication, FMCG companies, including restaurant chains, could be the first ones to come back.

Here it would be appropriate to quote Denis Manturov, First Vice-Prime Minister: “Let them cancel the sanctions first, and only then we could talk about any comebacks”. Dmitry Peskov, Press Secretary of the RF President spoke in the same sobering tone, but in a broader context: “Speaking of normalization of bilateral relations, these relations need to be relieved of the negative burden of the so-called sanctions”.

He also added that it was still too early to speak of this: “We haven’t heard any official statements yet”.

Indeed, this topic is for now limited to expectations, rumors, forecasts, social media discussions and journalist publications. Reuters reports an alleged plan by the US administration to cancel some of the sanctions (particularly, those related to natural persons and legal entities) under a potential economic “deal” with Moscow. According to Washington sources of the agency, the White House issued relevant instructions to the State Department and the Department of the Treasury. Meanwhile, President Trump previously extended the term of the sanctions for one more year. The legal aspect of the situation also raises concerns: according to John Smith, Morrison Foerster legal firm partner and former Director of the U.S. Treasury Department’s Office of Foreign Assets Control (OFAC), lifting the sanctions against specific Russian entities would require approval by the Congress.

\$324 BILLION LOST

Since the end of February 2022, more than three hundred companies from the USA (mostly from IT, telecom and industrial sectors) have frozen their business in the RF or left its market altogether. 336 companies continue operating in the country. According to Kirill Dmitriev, head of the Russian Direct Investment Fund, the companies that have left, lost \$324 billion in profits. How realistic is this figure and what are likely developments on the Russian-American business relations track? Nikita Maslennikov, lead expert of the Center for Political Technologies, has shared with us his views on the current situation.

I won't put the \$326 billion number in doubt, - says the economist. - Moreover, it is not disputed by the USA. Probably, this is a preliminary estimate you could build on. As for scenario options for trade and economic cooperation recovery, it is hard to tell. It is absolutely unclear which way would any events, related to attempts to settle the Ukrainian crisis, go. In any case, the economy would only follow these developments. It is also important to consider the global context, leaving little space for optimism: the global economy is being fragmented, countries keep introducing more new customs tariffs.

To minimize risks, it would be important for us that American business not only returns to the RF, but also comes back with direct investments into production facilities in Russia. Let me note, that in 2022 the USA passed its federal Inflation Reduction Act, providing for large scale support to domestic production capacity. Those companies that may be willing to work on the Russian market, could be called upon by their state, saying: "Hey guys, why would you want to go there? You should work in your own country". Furthermore, one must admit: American businessmen do not have any specific motivation and incentives.

And yet, which areas seem most realistic for revival of contacts?

For a start, this would require mutual political will. Naturally, we are interested in restoring cooperation with the USA in strategic sectors, primarily in the oil and gas sector. This would mean access to exploration and drilling services. These services were key operations for such oilfield service companies as Halliburton and Baker Hughes. If only the Trump team would cancel the embargo on supplies of relevant technologies and equipment to our country, imposed by the Biden administration, Halliburton and Baker Hughes could probably return. There is a similar story with servicing Boeing aircraft and car manufacturing, and it also applies to electric cars, where the USA have made very significant progress. It would also benefit the agricultural complex (it is hard to patch it up given the current level of American supply of seeds to Russia), and for the construction industry, suffering from continuously rising costs of construction materials.

And down the road this would ensure competition with Chinese products in price and quality. However, it is unclear whether Chinese companies would want to compete with Americans in the territory of Russia. Let me reiterate: intentions of the parties to resume active economic cooperation would in any case bump against some political conditions. Would Moscow be prepared to compromise every time? I would not be so sure.

"DO THEY REALLY NEED IT? FAR FROM CERTAIN"

Could Washington if not cancel any and all sanctions, then at least ease up the sanctions against the Russian financial sector?



US Companies that left Russia lost \$324 Billion in profits (Source: Kirill Dmitriev, head of the Russian Direct Investment Fund)

Of course, these restrictions need to be lifted or at least eased up a bit. Dmitriev rightfully observed that the American business is also talking losses. If there is a motive to recoup these losses at least through dividend payments by recovering the positions of blocked Russian systemically important companies, then they should lift the "Gazprombank" sanctions. This will immediately improve the situation with international payments and settlements. It is clear we won't go back to the dollar: you can't put the toothpaste back in the tube. This would at least require lifting the seizure from Russian assets, and not so much in the USA but in Europe. And generally speaking, now there are too many changed day-to-day realities versus the time before the sanctions. Let's say, today the Bank of Russia makes oil price forecasts based on Urals oil quotes exclusively for the purposes of taxation.

I presume there would be some image-building one-off steps (for example, in relation to Gazprombank), I would not rule out a return of American rating and consulting agencies, which enjoy excellent reputation in our country. But it is also obvious that there could be no bilateral return to the starting point.



Will Russian banks be reconnected to the SWIFT financial message transfer system? Will Visa and MasterCard international payment systems be able to come back?

I don't think so. Russia has its SBP (faster payments system), people are widely using QR codes, financial technologies have gone far ahead since the time of Visa and MasterCard exit. Well, if they manage to fit in into this changed landscape, if they have relevant technologies, then let them operate. But the outlook for them is quite bleak: even Chinese payment systems failed to compete with the Central Bank's SBP. And I do not see any signals from Visa and MasterCard representatives in support of this scenario. It seems they are not too eager to come back. And in relation to SWIFT reconnection, I'd say, that this option is technically feasible, but once again, it is inseparable from the peace settlement issue. As for talks about the second coming of such brands as Coca Cola, Nike, MacDonald's, I'd like to understand: do they really need it, is it in line with their commercial interests? It is not necessarily the case.



“SELF-SUFFICIENCY DOES NOT MEAN ISOLATION”

Putin’s statement on Russia being ready to conduct joint rare earth metal operations with the USA and other foreign partners has caused quite a stir. Could this be followed by any practical steps?

It’s hard to tell. Rare earth metals (REE) are extremely important for the United States. Indeed, they have an advantage against the rest of the world in multiple technologies, but to maintain this leadership they have to have a relevant resource base. Americans do not have enough of their own REE reserves to achieve this goal. By the way, this is the very reason for Trump’s Greenland story. Hence the intention to get access to Ukrainian REE. This situation is rather complicated, because a significant part of deposits in the focus of the Trump team is located in the new territories of the RF. Washington and Moscow REE cooperation prospects are quite real, but let me repeat, - feasible only if linked directly to geopolitical shifts, international security issues.

Come to think of it, no developed country could do without rare earth elements, though China is the undisputed monopolist on this market, possessing key deposits and production capacities. This creates a dependence of other countries on the sole supplier. Having unique properties, REE determine the vector of the technological progress and a new technological paradigm. This includes new energy, new robotics and many other areas. Nothing can replace these elements. For example,

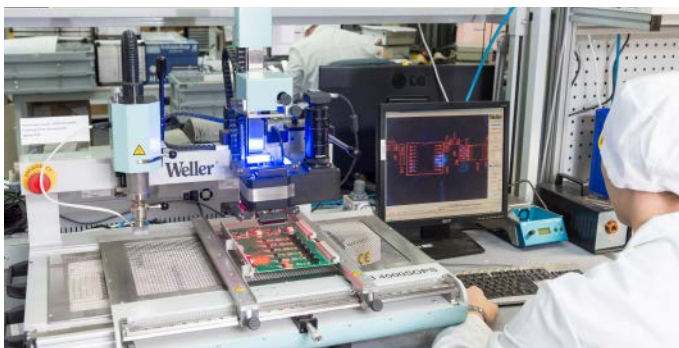
neodymium, dysprosium and terbium are used in production of hard drives, smartphones, headphones. Tesla electric cars are equipped with neodymium magnets. Important areas of application are defense industry and aerospace industry.

What are potential benefits of inviting foreign investors for our country?

It is important not only to extract and export rare earth metals, but also to use them in our country in some way. In which sectors and manufacturing industries can we do this, in which combinations, which technologies would be required? There are multiple questions. This is an area where extraction volumes would depend on purpose and application fields. Let’s say, development of new generation power batteries for unmanned vehicles involves REE use. The very metals are related to the global warming and carbon footprint reduction subjects. These objectives require decisions, made jointly with foreign partners, exchange of technologies, raw materials, a fundamentally different level of cooperation, which is currently extremely constrained due to the well-known geopolitical conditions.

We have declared a policy of technological sovereignty, which could also be called self-sufficiency. Is there a controversy here, is Moscow sacrificing its principles by sending such signals to Washington?

Well, Putin has regularly pointed out that we cannot produce everything on our own and that this is not our ultimate goal. Technological sovereignty is crucial as a national security component, because it strengthens the country’s positions on relevant markets. When you approach a large-scale deal, you pursue your sovereign interests. And when you get technologies you did not have, you save time and means, and ultimately benefit from this. This means that “sovereignty” and “technological cooperation” notions are not separated by an impenetrable wall. Today a new global configuration is taking shape, and this vision of the future lacks a clear verbal description. All that is left to do is use habitual verbal forms. Self-sufficiency does not mean isolation. We have to primarily rely on ourselves, just like a body that cannot survive without a strong backbone.



Since the end of February 2022, more than 300 companies from the USA have frozen their business in the RF or left its market altogether. 336 companies continue operating in the country

Georgy Stepanov

MORE THAN 600 PROJECTS APPROVED FOR FILMING VIA MOSKINO PLATFORM

In 2024 the filming of 632 projects was approved thanks to the Moskino platform. These include feature films and documentaries, series, TV projects and music videos. For the first time the platform approved the filming of a foreign film — “The Greatest of All Time” (India). Moscow Mayor Sergei Sobyanin wrote about it on his Telegram channel.

The filming locations include popular Moscow parks such as Sokolniki, Izmailovsky, and Rostokinsky Aqueduct, Sobyanin stressed. One can use the Moskino platform to approve filming on the streets and roads in Moscow. Via the website film-makers can book filming locations, find costumes and props, and learn about state support programs.

In 2024 the Moskino platform attracted more than 500 thousand unique users.



MOSCOW HEALTHCARE SPECIALISTS COMPLETE TRAINING IN HUNGARY

A training for the heads and representatives of Moscow medical institutions took place in Hungary. Its topic was “Current issues and development opportunities for Moscow medical organizations based on the experience of leading hospitals in Hungary.” The training was part of complex measures to develop bilateral cooperation between Moscow and Hungary in the field of healthcare management. The event contributed to strengthening mutually beneficial relations and cooperation between the two countries.

In Hungary the Moscow delegation visited six healthcare facilities, including both public and private hospitals, as well as rehabilitation centers. Moscow specialists took part in seminars devoted to current approaches to managing Hungarian medical facilities in Budapest and Heviz.

MOSCOW-BASED HIGH-TECH COMPANIES DOUBLE THEIR REVENUE

The revenue of Moscow high-tech companies doubled in 2024. It reached 1.3 trillion rubles. Moscow Mayor Sergei Sobyanin wrote about it on his Telegram channel.

Manufacturers making computer and peripheral equipment accounted for 46% of the industry’s revenue. 24% of the total revenue came from companies producing instrumentation and navigation devices, as well as watches, and 11% came from companies in the field of electronic equipment and printed circuit boards (PCBs).

Small enterprises made a large contribution to developing the segment. Their revenue increased by 2.6 times. Their share in the sector increased to 34.7%.

High-tech production is one of the fastest growing areas of Moscow industry. Last year the production of computers, optics and electronics in Moscow more than doubled. This became

possible thanks to the support of the city and to attracting investments. In 2024 alone, 30 new high-tech companies opened in the Technopolis Moscow Special Economic Zone (SEZ).



Grigory Osipov: “RUSSIA IS UNDER FRAUDSTER ATTACK. WHAT CAN BE DONE?”

USE OF ARTIFICIAL INTELLIGENCE AND WESTERN SOFTWARE VULNERABILITIES, INFRASTRUCTURE ATTACKS AND IDENTITY THEFT ARE THE KEY CYBERTHREATS OF 2025.

As reported by the Central Bank of Russia, last year fraudsters stole from private persons the largest amount on record — 27,5 billion, which is 74,4% more than in 2023. According to Kaspersky Lab, fraudsters managed to call up to 60% of private persons.

The situation is dire, because last year this figure was at 43%. The State Duma passes new laws, aiming to protect consumers from fraudsters, and banks are proactively “cooling down” suspicious transactions without any official guidance, but there is no change of the situation for the better. BM Moscow Foresight interviewed Grigory Osipov, Investigations Director of SHARD digital asset security platform, on which methods are used by cyber criminals to get to wallets of Russians, and why it would be impossible to defeat fraudsters without resolution of geopolitical issues.

The Ministry of Internal Affairs reported that just over the first seven months of 2024 there were 577 thousand crimes in the information and telecommunications sphere, over a half of which are theft and fraud, primarily involving use of cryptocurrencies.

Last year a few popular cryptocurrencies went up in price. In relation to this, the number of crimes, especially investment scams, shot up pretty much pro rata. People are more prone to “swallow the bait” by fraudsters when they miss an opportunity to make money, which criminals are happy to exploit. Practical methods for efficient investigation of such crimes are under development, and far from all MIA officers have the necessary tools and skills.



Grigory Osipov

Investigations Director of SHARD digital asset security platform

It should also be recognized, that a person, who fell victim to cryptocurrency scammers, is often clueless where to go for help, because the market is teeming with swindlers, fake lawyers, pseudo-helpers of all sorts.

How could one differentiate investment fraud from other types of crime?

Investment fraud should be described as a type of fraud, when criminals under various pretexts — helping to withdraw money, getting an education — draw a potential victim into a pseudo-investment project, promising profits, related to “FX trade transactions”, “trading securities and cryptocurrencies”, “investment into a new promising coin”. Participation in such projects always ends in loss of the victim’s money.

Have you met any victims of such crime?

Of course. Last year we were addressed by a man, who initially just searched the Internet for cryptocurrency training courses, but ultimately was convinced by criminals to invest funds in a lucrative pseudo-cryptocurrency project. Swindlers managed to cloud his judgement. They displayed to him a crypto wallet with a lot of coins, including fake ones, which were growing in price.

At first the victim was jubilant that his “investment amount” had doubled. The criminals then withdrew his money and decided to take their scam even further. They notified him that his accounts were blocked for withdrawal of funds for “illegal activities”. When the victim told them that he did

not have any money anymore, they proposed to send a specific amount to his bank card. He was supposed to buy cryptocurrency with these funds in an exchange service and send it to the fraudsters for unblocking.

In this case the victim went along with the fraudsters and became an accomplice in the fraud, when he received money from other scammed people to his bank card.

What other schemes were used in 2024 to scam people?

Ponzi schemes are justifiably considered as a type of investment fraud scheme. These are going through a renaissance now. According to the Bank of Russia, in 2024 there were 4772 organizations, officially designated under this category. Just to give you some idea, in 2023 there were 2226, and in 2022 — 1961 of these.

Here is a general description of a Ponzi scheme — it is an organization, which pays money to its investors for the account of other participants, who invested in the scheme later on. Speaking in the language of finance, this organization uses a Ponzi scheme (named after Charles Ponzi, an American swindler, who was the first to implement this scheme in 1920s — ed.note).

Are there any graphic examples of modern Ponzi schemes?

Last year the authorities stopped activities of Sincere Systems Group LTD. Experts estimated the damages from its operation at \$100 million.

It should be noted, that as per our own data and per the CBR, in 2024 more than 70% of financial Ponzi schemes raised funds in cryptocurrencies. This is related to cryptocurrency specifics — pseudo-anonymity, complicated tracking of transactions and underdeveloped regulation of the market. Moreover, almost all projects lure people into their networks online, through popular messengers and social media.

How much money do they cheat out of Russians?

Large schemes, such as Finiko, S-Group or Amir Capital, defrauded their victims of hundreds of millions of dollars, and in 2024 new projects of the kind often failed to collect such large amounts: their “average check” is much lower. But the number of smaller projects and the total damages have also increased.

Moreover, such Ponzi schemes use increasingly complex and high-tech methods, including development of proprietary cryptocurrencies and tokens, aggressive advertisement and referral systems, meaning some partner channels, which look as legit private businesses, which helps them quickly attract audience.

How long could such a scheme exist?

Lately new projects operate just for 2-4 months. They draw in their audience fast and collect a required amount, and then quit. But sometimes they stretch this process out, which reduces the numbers of victims going to the police. Here I would like to stress the fact that all participants in such projects go through brainwashing phases. They are taught to anticipate their profits all the time. Sometimes a person would go on for several months, being sure that his funds will be returned or that something would change, and would not go to the police.



In 2024, fraudsters stole from private persons the largest amount on record — €27.5 billion (Source: Central Bank of Russia)

Cryptocurrency scheme organizers often use shadow international channels and anonymous cryptocurrency networks, making the task of apprehending them significantly harder for IAM officers.

Usually, when they mention fraudsters, they primarily refer to calls from “Sberbank security service”, “Investigative Committee”, “Multi-Functional Center”, “FSB” etc. Is this social engineering in action?

The fraud type with the so-called “safe account” is still the most wide-sweeping method both in the number of recipients of such calls and in the amount of losses. These are the crimes, when swindlers over the phone convince gullible Russians to transfer their money into a “safe” or “special” account, to allegedly save their funds from theft. Fraudsters use a classic social engineering ruse, but with new elements. First criminals contact their potential victim, usually by phone or through messages, and say that there was an unauthorized attempt to steal funds from his or her account and a special operation to apprehend fraudsters is underway.

To “save” funds, swindlers propose to transfer money to the so-called “safe account”, allegedly held with “Central Bank”, “Rosfinmonitoring” or any other agency.

Criminals assure that this is a “temporary measure”, while the police is chasing criminals, and the money will be returned when the perpetrators are arrested. At the same time this “safe account” means bank cards of third persons, to which a victim transfers his funds, and fraudsters most often immediately send funds from these cards to purchase cryptocurrency and transfer the stolen money out of the country.

For greater effect, they demand from the victim not to disclose the information on what’s happening, prohibit to discuss this subject with anybody else and threaten with criminal liability for this. This type of fraud could involve multiple roles: first a potential victim is contacted by a police officer, and then by an alleged Rosfinmonitoring or Bank of Russia official.

Were there any unconventional moves, used by fraudsters in their communication with victims last year?

Of course there were. One of the ingenious schemes presented romance fraud. This is a version of an investment fraud, when a victim, usually a well-to-do woman, is deceived by a

criminal through involvement into an emotional relationship. The fraudster creates an illusion of “true love”, gradually winning trust of the victim. As soon as this “connection” is established, the criminal starts using this trust, proposing to transfer cryptocurrency under various false pretenses. For example, there could be made-up stories of urgent family issues or “profitable” investments could be proposed, which do not exist in reality.

Have you received any calls from such victims?

For example, last year a married homemaker woman with a child came to us for help. She met a man over social media, who in a few weeks of communication offered her to invest into a crypto project. But to incentivize spending more money, the fraudster purposefully romanticized their relations, took them to the level of lover talk, making joint plans, which could only come true after investments into the proposed project. To achieve his goal, the swindler used pressure, psychological manipulation with financial dependence from husband, well-being of her child. At the same time the criminal assured her that he had transferred to the project a bigger portion of funds. The woman, who communicated with the fraudster at a recommendation from her new lover, over three months transferred her husband’s funds into a service wallet and allegedly made money under control of the swindler. To raise the level of trust, the criminal even let her withdraw a small amount once, but after this the trap was shut and the victim lost a lot of money and then her family.

Are there many such sad stories in Russia?

There is no accurate statistical data, but I can share my observations: though romance frauds were becoming more popular among scammers last year, but their share remains insignificant as compared to other types of fraud.

Are there any large scale projects?

There is a graphic example — “tapping” game fraud. These are simple smartphone “games”, based on constant screen tapping to perform actions, collect points or in-game currencies. Such games often feature a cyclic element, when the key objective of a player is to maintain continuous interaction with the screen, for example, by tapping buttons or objects on the screen. These games are very popular with children and young people due to their simplicity.

The trouble is that with increasing mobile game popularity, swindlers have started using this genre for various criminal schemes, especially those targeting inexperienced users. Fraudsters promise that cryptocurrency, collected in a game, could be exchanged by players for real money. But in the real world this cryptocurrency has no real value and cannot be used at real trading platforms. And criminals also create fake sites and apps, which look like popular cryptocurrency games, such as Hamster Kombat, the notorious Hamster, which needs to be “tapped”. These sites promise profits for simple screen tapping, but are actually used for stealing cryptowallet data.

The authorities are constantly passing laws, aimed at security from fraud. Many banks have already voluntarily introduced “cooldown” periods to protect their customers. The press regular-

ly covers the fraud issue, but the volume of these crimes continues rising. Why does this happen?

The key issue here is that fraud has become a whole separate field of the information war against Russia. After the start of the SMO in February 2022 the number of hacks of Russian corporate IT systems shot up: personal data and bank details of tens of millions of Russians were leaked, and this data is still actively used by fraud groups.

How have the activities of criminals changed over the latest year?

Fraud schemes in the banking sector have become more complex, sophisticated, manipulations and information pressure are actively used, and crime mechanisms are more tech-savvy. All of these highlight a strategic criminal approach: essentially this is a systemic business, originating mostly from Ukraine and operating with support of law enforcement agencies, including SBU.

Are criminals from other countries involved in this?

Over time the situation has deteriorated. If back at the start of the special operation almost all crimes in this category were perpetrated from Ukraine, then now the very same call centers also operate in Russia and CIS countries. The same is true for the banking infrastructure attack vectors.



The first seven months of 2024 there were 577 thousand crimes in the information and telecommunications sphere (Source: The Ministry of Internal Affairs of Russia)

Why are there so few apprehended cybercriminals?

It turned out that complex modern technologies make identification of criminals very hard. For example, fraudsters use one-off social media accounts, photos of other people, artificial intelligence can even generate images for video calls. Fraudsters collect payments either directly through cryptocurrency, or to bank cards of third parties, which sell them. For now it is impossible to completely block payments to third party bank cards.

Fighting these crimes is complicated due to political aspects, making counteractions against such fraudsters much harder. Tracking down and blocking criminal schemes is difficult without cooperation with Ukrainian law enforcement, when funds are transferred to their territory in cryptocurrencies and to bank cards.

Naturally, the issue is made so much more complex not only due to rapid development of new forms of fraud, but also due to adaptation of criminals to changes in laws and improvement of their methods.

What could help reduce fraud volumes in Russia?

Today fighting cybercrime is a political issue, because it is a part of the active information war. As soon as there is some clarity of the political issue, fraud will slide.

The second issue is fairly obvious — strange as it may seem, this is the question of trust. Most of victims of fraud, perpetrated under the guise of government agencies, still believe in integrity, incorruptibility of a “bank security service”, “Rosfinmonitoring officer” and “special services officer” etc. At the same time some people, especially elderly ones, distrust digital technologies and fail to understand their advantages. This needs to be taken into account for improvement of the information and awareness-raising policy in this area.

The third issue is underdeveloped domestic infrastructure and use of many foreign messengers, software, mobile phones, vulnerabilities of which are well known and actively exploited by fraudsters. The right decision in this case would be a transition to domestic software (SW) and similar security solutions.

In your opinion, will the volume of fraud go down as a result of all the passed anti-fraud laws by the end of 2025 or not?

The information field for now is quite open, and options to use third party bank cards and cryptocurrencies, wide use of foreign SW in the mid-term enable rising numbers of fraud by the end of 2025.

If the political situation is stabilized, if there is international cooperation and new efficient legal barriers to fraudsters in place, then with greater fraud awareness levels among people the situation will improve in the long-term.

What are the key threats in the cybercrime sphere in 2025?

I will highlight three clear threats. First, these are infrastructure attacks. This includes attempts to disrupt power

industry, transportation, water supply and healthcare systems. There have already been such attacks, but the trend could rise in 2025. Critical infrastructure attacks can not only disrupt operations at vital assets, but also inflict major economic damage and create a national security threat.

The second risk is a growing threat of artificial intelligence (AI) and automated attacks. AI and machine learning are becoming powerful tools both for cybercriminals and national intelligence services. In 2025 large-scale automated attacks, involving phishing with deepfakes, generation of false data or multistage authentication bypasses are to be expected.

The third threat is global cyberwars between countries. Cyberwar is becoming an integral part of global geopolitics.

In 2025 we could expect stronger government-supported cyberattacks, aimed at meddling in internal affairs of other countries, influencing elections, destruction of national economies or social unrest. Cyberespionage, cyberterrorism and attacks at financial systems could become a part of broader confrontation strategies.

How can people protect their savings under these conditions?

Let us recall the “Knowledge is Power” slogan. If you want to protect your savings, invest them into those spheres that have transparent tracking mechanisms, follow the principles of diversification of funds, improve your digital literacy. Remember, fraudsters constantly improve their schemes. Do you take advertisements with a grain of salt? This is what you should do here as well! Often a person is the weakest link in a security system, prone to transferring his funds under the spell of fraudsters on his own, bypassing the security barriers, set by himself and “smart” software.

Anna SOLNTSEVA



In 2024, 4772 organizations were officially classified as Ponzi schemes (Source: Central Bank of Russia)

MARK GOIHMAN: “FIVE KEY CHALLENGES FOR RUSSIAN ECONOMY”



**Mark
Gohman**

Capital Skills
Financial Academy
analyst

According to Rosstat estimates, last year the economy of our country grew by 4,1%, going over the expected 3,9%. However, the results of 2025 will most likely be more modest. Why?

The issue here is not so much about the economic slowdown due to the high key rate of the Central Bank, continuing inflation growth, which in February, according to the very same Rosstat, was at the level of 10%, but also about the geopolitical conditions. Mark Gohman, Capital Skills Financial Academy analyst, spoke to BM Moscow Foresight magazine about the challenges that Russia could face by the end of 2025.

Last year turned out to be successful for Russia in many respects. The nominal GDP of our country amounted to ₺200 trillion, which is a historic record, according to Mishustin. And this was achieved despite almost double-digit inflation values, continuing sanction pressure, which has spread to the Moscow Exchange and its infrastructure since June 2024, and in November it was applied to Gazprombank, which made payments for energy commodities with other countries. The special operation went on, the rouble exchange rate wobbled about during the year, but none of these prevented Russia from getting ahead in growth rates of the US economy, where the GDP growth in 2024 was at 2,8%, France (1,1%) and Germany (-0,2%). But this year all

agencies expect that our country will display much more modest results: about 2-2,5% of GDP. Why are the authorities so cautious and what nasty surprises which could significantly slow down the country's development, could come about?

Making one-year ahead forecasts, one should keep in mind possible “black swans” (the “black swan” metaphor in its economic sense is considered to be coined by Nassim Taleb, a statistician, former trader and writer, who, as believed by the Western press, forecasted the crisis of 2008, the 2020 pandemic and many other events; this financial expert noted, that people are likely to derive their expectations of the future from the information, based on their past experiences, and in reality an unexpected event could happen at any moment, turning forecasts upside down — ed. note). Russia should have options to counter unpleasant surprises. As I see it, negative events for the economy could be related to conditions that are external to our country. I will list five key challenges that Russia could face by the end of 2025.

The first of these challenges is related to dynamic activities of the American President Donald Trump, unfolding in the USA after his spectacular comeback to the White House. He had made many bold statements during his election campaign, but his first months in office show that he intends to bring his key ideas into life. The American leader may take steps to resume and intensify trade wars between leading countries. His tariff policy should be watched closely. This policy could have an adverse effect on the US imports of products from China and the European Union. And going forward, Trump's actions could undermine the broad international movement of goods, limit their production and subsequently the global economic growth. And this could adversely impact the demand for Russian exports as well.

One of Trump's policy statements focused on greater availability of energy products. Particularly, he promised to bring down oil prices to as low as \$40 per barrel, which is almost two times lower than the current prices. The American leader planned to bring the prices down by re-entry of oil deposits in the USA. Could all of these become a "black swan" for the Russian economy as well?

I suggest we take a broad look at all oil market issues. In this regard, the second challenge of 2025 could be increased production and exports of oil in non-OPEC+ countries. And here we are not talking only about the United States, but for example, about Canada and Brazil too. It is possible that the OPEC+ countries, reluctant to lose their market share, will increase their production, approved in Q2 2025 but suspended for now. Given probable contraction of demand, particularly in Asia and in the EU due to economic slowdown, these market conditions could lead to a significant drop of oil prices. For clarity, let me specify, that today oil and gas products amount for about 61% of the total Russian exports and bring in almost 32% of all fiscal revenues of our country. So, any turmoil at the oil market will still be very sensitive for our country.

Last year the whole market once again realized that it is not enough for Russia just to sell its oil and gas on the global market, but we will also need to jump through hoops to receive payments for them. Western countries are regularly cutting off payment channels. Back in November 2024 the rouble crashed due to the introduction of blocking sanctions against 52 Russian banks, including the key bank of the industry – Gazprombank. And if now in the USA they have been talking of easing up their position over the latest months due to the efforts of the new Donald Trump administration, then the European Union continues walking its anti-Russian line. In the end of February Brussels imposed sanctions on 13 more Russian banks, banning them from using SWIFT, an international financial message transfer system. This is a part of the new 16th package of sanctions, aimed to create more pressure on Russia.

This is correct, and this is why I think that this trend cannot be discounted. The third challenge of 2025 is increased sanctions pressure and control over foreign trade operations and payments of Russian companies. This creates more difficulties for exports and imports of required goods into Russia. These restrictions could also reduce export revenues, disrupt logistics and domestic market supply.



The harvest of grain and leguminous crops in Russia in 2024 amounted to 124.96 million tons (Source: Rosstat)



Russia's economy grew by 4.1% in 2024, going over the expected 3.9%. (Source: Rosstat)

Internal Russian problems, which you have just mentioned, are also an interesting subject. The inflation in our country, despite all efforts of the Central Bank, is approaching double-digit values. At the same time, the key rate has been at the level of 21% since October, adversely impacting lending. Is this in any way related to the challenges of the year, or are those challenges focusing only around actions of the West?

This is exactly what I wanted to mention now. The conditions which I have described facilitate "imported inflation", and the inflation could be rightfully called the fourth challenge of 2025. What does this mean? It means higher global prices on goods due to trade and currency wars, slower and more expensive payments, longer supply chains and higher transport rates, a relative contraction of the inflow of imported goods — all of these act as a strong price growth driver, independent from the internal economic policy of the Russian authorities. This inflation will be hard to beat with monetary methods of the Bank of Russia.

Is it the only challenge that applies to domestic Russian issues?

No, it is not, there is yet another, the fifth challenge. It relates to the domestic Russian situation. I think that the fifth challenge of this year is probable reduction of the crop yield. We have had a very warm winter with very little snow. And though the situation seems favorable for now, the nature is known for turning anomalies around as well. Moreover, the situation in the agricultural industry could to a certain degree be impacted by the adverse natural conditions in 2024 — cold weather, drought, sandstorms or just the reverse, torrential rains in agricultural regions. These phenomena threaten lower production levels in the agricultural complex and could create the need to increase imports of various products or raw materials for their production.

But I will emphasize right now, that the adverse events are not predetermined for the Russian economy. These may not come to realization in any significant degree. And should these arise, they will not be anything totally new for our country, which has seen a lot. Adaptability of the economy to adverse conditions saved the economy many a time, which has been obviously proven by the experience of the latest years. One can be sure that even acute challenges could be overcome in 2025.

Natalia Trushina

THE DOM LARDY FAMILY PROJECT WAS BORN OUT OF THE DESIRE TO CREATE A SPECIAL PLACE IN THE RUSSIAN COUNTRYSIDE, TO WHICH ONE WOULD WANT TO RETURN OVER AND OVER AGAIN. ELENA LARDY TOLD THE STORY OF HOW THEIR WHOLE FAMILY MOVED TO "WORK REMOTELY" TO HER PARENTS IN THE VILLAGE OF LOMY IN YAROSLAVL REGION. WHILE SHE AND HER FRENCH HUSBAND BENOIT LARDY WORKED, THEIR CHILDREN FILMED TIKTOK VIDEOS IN THE VICINITY. IN ONE OF THE VIDEOS THE FAMILY SAW A BEAUTIFUL TIMBER HOUSE IN THE NEIGHBORHOOD AND FELL IN LOVE WITH IT. THIS IS HOW THE DOM LARDY FAMILY BUSINESS PROJECT GOT STARTED.

DOM LARDY: FRENCH VILLAGE IN RUSSIAN COUNTRYSIDE



Essentially, we created a Russian village with a French accent, – said Elena Lardy, the owner of Dom Lardy. – We have built it with love for Russia, its culture, history and nature. In 2004 Benoit and I started TSAR Voyages tourism company, organizing trips across Russia for foreigners and other tourists. We saw our travelers amazed at discovering Russia in a different way, quite unlike to the image that exists abroad.

And then came the year of 2020, the pandemic, tourism came to a halt and we had faced a choice: wait it out or create something new. We decided to take on this challenge and to build a place that will serve as a bridge between cultures, but very deep in the Russian countryside. This is how we found a village not far from Rostov Veliky, bought an old but very beautiful house and started renovating it.

We were creating a space for haste-free recreation, for those who want to feel the real rural Russia, but with European comfort and attention to detail.

Please, tell us the secret: who designed Dom Lardy – Russian or French architects?

We entrusted the interior design to Catherine Bagnalasta, a French architect and designer, who previously lived and worked in Brazil. This project was a real challenge for her: how to make a French person, dreaming of a Russian village, to see the image he has created, but to keep the space authentic without turning it into an “art poster”?

Catherine worked with Russian craftsmen: wood carvers, restoration experts, fabric painters. She studied the Russian rural life traditions and introduced subtle French details: bed



clothing made from flax, interior items discovered at flea markets, special lighting.

Upon completion of her work, Catherine presented to us her “View of the Amazon River from above” picture, which she had painted back in Brazil. The painting is now featured at the verandah of the main house. And this is symbolic: as rivers connect countries, so Dom Lardy has become a cross-over point for cultures.

I myself have been collecting tableware and interior items, bought at French and Russian flea markets. In our village one could drink tea from a cup just like in your childhood or taste French cuisine on plates from my husband’s grandmother.

How do you entertain tourists when it is raining or snowing outside?



I support “slowdown philosophy” — not seeking entertainment for the purpose of entertainment only, but mindful recreation, when you could just sit by a fireplace, drink Rostov mead and watch snow falling outside.

Nevertheless, our tourists could see and find out many interesting things deep inside Russia. Let us say, The Big Life museum is located in a real Russian izba that we have renovated. Here you can learn about the life of local residents and the history of the Russian countryside.

We are conducting guided tours and even perform master classes on ... lighting up a Russian stove. By the way, this master class is in great demand with both Russian and foreign tourists. Our guests could try on peasant clothes from the mid- XX century, feel themselves a part of the village and try to use a shoulder yoke the way rural women did.

In summer we have tractor tours in the country and sight-seeing walks to ancient churches, watch birds.



Dom Lardy is popular with businesses for corporate events — they can hold off-site conferences, since we have a conference hall and all required equipment. Our experience in tourism enables us to organize turnkey events, including farm product tasting events, historic excursions and even participation in a chase of mechanical “hare” by borzoi dogs.

When it stops raining and sun comes out, you could play a game of petanque. This year in summer I want to build a petanque pitch for this popular French outdoor game. Now guests are playing the game on a grass lawn, but soon we will have a proper pitch.



What can you say about the menu? They say that at your “countryside” restaurant guests could order French Raclette cheese, the house specialty?

We pay special attention to our cooking. We cook with the local products, but once again, with French notes. Though, we do not call it a “restaurant” — we treat our guests as if they were at home. We use Russian products, for example, we cook snails a la Bourguignonne with the best Russian snails, from a farm in Pskov region. These snails are grown by our friend Alexei, with whom we studied together at Sorbonne.

Our chefs cook a chocolate mousse by a recipe from my French mother-in-law, which I gladly share, apple clafouti

What do they eat Crumble with?

Crumble is an English dessert, a pie made with baked fruit or berries, covered with shortbread pastry crumbles.

and crumble.

Our French Raclette is also a farm product! It is made at Filimonovo Razdolie farm nearby by a recipe of Patrice Normann, a French cheesemaker, who regularly visits the farm and monitors product quality. By the way, the cheese is made from milk of happy cows exclusively. And why the cows are happy and how they are selected, we explain at our cheese tasting, which we could set up for our guests or during a tour of Filimonovo Razdolie.

What is Raclette?

This is a traditional French dish from melted cheese. The name comes from the French word racler, which means “to scratch” or “to scrape”. The key feature of the dish is that cheese has to be placed close to a fire and then to scrape off slowly melting cheese.

As a base for Raclette, potatoes, sausages, ham, mushrooms, olives or seafood could be used.

A special fatty cheese under the same name is used to cook the dish, it is available in medium-sized round wheels or blocks. Genuine Raclette should be firm but springy: it would not get foamy or leaky during heating.

How many guests can your hospitality complex accommodate?

We are intentionally keeping this a low-key project. At the same time, it is very important for us to maintain balance and good relations with our neighbors, local residents and not to disturb their quiet life.

In summer we could accommodate up to 28 guests, because during the warm season we open tents. And the maximum number of guests in winter is about 18 – 20 people. This format allows everyone to feel as a unique guest and we could devote our attention to every guest. We focus on individual approach and balance with the rural life.

What about your prices? Do you offer “all inclusive” services?

We are flexible and offer many options “on demand”, what would be comfortable for our guests. They could order food, a tour program and master classes in advance or on the spot. The rates for stay with breakfasts start out at \$5500 per room a day. Lunches, dinners, excursions, master classes could be booked in advance or chosen on the spot.





What do foreigners think of your project?

For the French guests our village is very Russian and they are excited to recognize French serving details or tableware, featured in all traditional French families. Guests from the Middle East and Asia mark cordiality and hospitality of the Dom Lardy team, beautiful nature of Yaroslavl region and non-intrusive authenticity.

About 70% of our guests are from Moscow. These are families with children under 12 yo and “young” pensioners, looking for a quiet time, high-quality food and a special atmosphere. We have started our summer booking and happy that our young project is already finding its audience.



Ho to play petanque?

Petanque could be conditionally called a mixture of curling and bowling. This game could be played by almost anyone, since it does not require any special physical training. Originating from France, petanque has reached around the world and in Russia this would be an ideal fit for active summer recreation.

Translated from French, petanque means keeping your feet together, which is one of the rules — when throwing a metal ball, player’s feet should not get outside of the throw area.



Will Dom Lardy expand? What are the plans of your team for near future?

Demand begets supply. Of course, we would like to expand, but to go the intensive, and not the expansive way. We are improving the existing spaces, working over details. We are introducing exclusive events: gastronomy weekends, retreats. We are continuing to work to make each our guest at home. Luxury in the XXI century means a personalized approach to each guest. We create a place where one would want to stay and to come back to. **BM**



Moscow Foresight

Founder

Department for Foreign Economic and International Relations
of the Government of Moscow
E-mail: dvms@mos.ru

Publisher

InterMediaCom Ltd
E-mail: info@imc.su

The magazine is registered with
at the Federal Authority
of Legislative Control in Mass Media
and Cultural Heritage Protection.
Media registration certificate
FS77-52596 issued January 25, 2013.

All reproduction permitted only with the Editor's permission and reference to BIGMoscow.

BM Moscow Foresight #1, March 2025

Site: moscowforesight.ru

Telegram channel: t.me/moscowforesight

VK page: vk.com/moscowforesight

Photo provided by:

Photographer: Mikhail Mishin, Press Service of the Mayor
and the Government of Moscow

Provided by Moscow GenPlan Institute press service,
Rostic Group Corporation press service, Dom Lardy press service

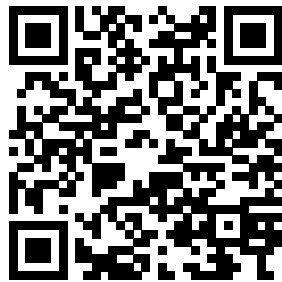
Private archive: Mark Gohman, Grigory Osipov

Photo bank: Mos.ru, Getty Images, Shutterstock

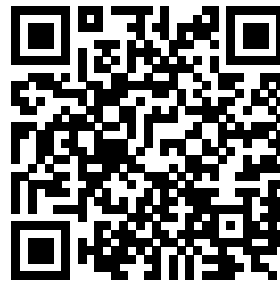


Moscow Foresight

Subscribe
to our Telegram channel



Subscribe
to our VK page



Visit our site



Install our application



Google Play



Appstore