

STRATEGIES FOR BUSINESS IN MOSCOW

# CAPITAL IDEAS



The only jewel which will not decay is  
knowledge



Carlos D. Sorreta:

# Festivals on Arbat are to be regular

The government of Philippines is keen on accelerating business interaction with Moscow in fields as diverse as commercial launching of telecommunication satellites and nanotechnology, not to omit buying Russian poultry and, in turn, selling tropical fruits like dried mangoes.

The Russian number one megapolis is considered to be a lucrative partner. "Running Moscow is just like running a country," says Ambassador of The Philippine Republic in Russia, Carlos D. Sorreta who has detailed the state of play of the gearing up relationship with Moscow in an exclusive interview for Capital Ideas.

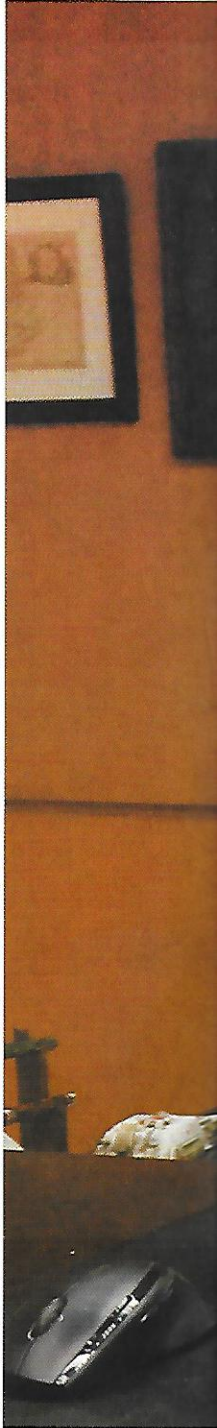
**Your Excellency, the agreement to boost cooperation between your country and the city of Moscow in trade, tourism, and agricultural sector has hallmarked your meeting in April with Sergei Cheryomin, Minister of the Moscow Government and Head of the foreign trade and international relations department. Has anything on these tracks been kick-started since then?**

The distance between Manila and Moscow and our past history has not brought us too close together. There is still a gap in the process of getting to know each other. That means getting to know the people

we deal with, the kind of products we sell, or the places tourists would visit.

So we are starting from almost a clean slate (that is, fresh start or tabula rasa – V.M.). Jump-starting it, we work with the Moscow City Government, for instance, in staging the Philippine Street Festival 2016 at the Old Arbat, lasting for a week this August, where we introduced Muscovites to Philippines' products, culture, tourist destinations, arts, and food.

Moscow Government very warmly welcomed the idea, and they were very generous to allow us to use the Old Arbat where, as you know, the pedestrian





traffic runs into thousands on week days and much more on weekends. It is truly a very popular destination. So, that is how we are jump-starting it.

**What ensued the visit in May to Moscow by Mario Montejo, Secretary of the Philippine Department of Science and Technology (held office until June 2016), focused on cooperation with Russia in space exploration, monitoring risk of natural disasters, and nanotechnologies?**

We are developing our telecommunications potential. We launched a satellite with the help of Japan. We wanted to send it up with the Russians, but

you guys have a 2-year waiting list for our payload. The Russian company that executed these launches would have to package it with other small payloads. So we went to Japan, but it is very expensive. Russia offers one of the best values. Your space technology is very competitive.

Moreover, we have a pending agreement on nuclear energy cooperation. We already have a nuclear power plant, built by Westinghouse, back in the Marcos times, but it was mothballed for quite a while. Before we renew its operations, we need to rebuild the research reactor. We noted that Vietnam and Malaysia have turned to you guys in this respect. Plus you have



got guaranteed supply of fuel and even offer to take back the spent fuel. It is all a packaged deal.

**Now, on a lighter note, what about making the Philippine Street Festival 2016 at the Old Arbat a two-way street?**

I know that Russians who have visited Philippines absolutely love it. On our own, we have succeeded to persuade more Philipinos to come to Russia. The flow of Philipino tourists has soared in the time span of one year. But we start from a low base. We've been doing 'personal diplomacy', and I've been inviting friends to come to Russia and even stay at the embassy. There has been also an increase in official visits: members of the legislature and of the executive (branch of power) now would come to Moscow more often.

Lately, I had 30 visitors from my neighbourhood, the place where I live. At first, they were reluctant to come here. You know, there are 'stereotypes', but once they have come, things change. This is true irrespective of the time of the year: spring and summer in Moscow are beautiful, while winter is magical.

**Provided it is not too frosty...**

Well, if it's frosty, I keep them indoors. I am very impressed by the Moscow City Government: they keep the streets clean. I lived for nine years in New York, and I in Washington, D.C. for another three years. In Washington especially, when it is three inches of



snow – no more school! Everybody stays at home. Here I've seen two feet of snow in the streets, and schoolchildren still attend classes.

So, every Philipino I've brought here wants to come back. They are impressed by historical sites, and also by the churches.

**Indeed, there are Catholic cathedrals in Moscow...**

We are liberal Catholics. Whenever we see a church with a cross, it is a church for us.

**God is one.**

True. But my problem is to get you guys to the Philippines instead of Thailand. One of the first things I did when I arrived here was to establish a legal regime for flights, including air cargo flights. Last year, we signed the agreement on entitlement to fly to each other's capitals. Our air carriers go to London, for instance, overflying Russia. I expect them to have as stopover in Moscow. I think there will be traffic.

**Coming back to cooperation with Moscow in food products' exports, let me ask: Do you do papaya? Having once tasted it in a Manila hotel, I conclude this fruit might be one of your soft-sell eye-opening entries on the Russian market.**

In fact, almost all of our papaya is destined for the Japanese market. No more wild papaya. Now, the domi-



nant brand is called 'solo papaya', and it is earmarked for the Japanese consumers. The returns are very high.

**Would you entertain sort of a Papaya Festival in Moscow? As you might know, the old Soviet leaders were fed papaya to ensure longevity. It might be used for a marketing twist to generate interest with the Russian middle class, which is sensitive to health issues.**

We are currently exploring new vistas in exporting fruit to Russia. One of the local supermarket chains expressed interest in buying our bananas. We are encouraging more banana plantations at home. Another prominent fruit for exports is mango. There was mango booth at the Festival 2016 at the Old Arbat. People enjoyed it.

I think we might capitalize on Russians having a sweet tooth. We brought for display and to taste it sugar made out of coconut. Ideal sugar substitute. No GMO, purely organically grown, certified in the US and the EU. A lot healthier. A Russian retailer with headquarters in Moscow took an interest in the product, as well as virgin coconut oil.

**You've been posted in Moscow since May 2015. Have you developed a liking to particular places around the town?**

Architecture in Moscow speaks of History. But my absolute favourite feature is the Moscow River. I've done it several times. I've cruised several rivers in China and along the Danube too. When you sail along the Moscow

River, you see that it is incomparable to others. Plenty of scenic views. And a transportation route as well.

My other favourite places in Moscow are restaurants. The grilled meals are great: shashlik, kebab, and above all the steaks. I lived in New York and I know what a rib eye steak is. Your Russian steaks are great. I have a few selected spots: The Bison, The Happy Bones, and the White Rabbit, The Ginza project restaurants. Earlier, I understand it was mostly processed meat served in Russia, like sausages. Now, it is fresh meat, the steak cut.

**Recently, Russian business people have bought Black Angus stock...**

...and there are doing very well here. What's more, the food in general is good in Russia. There is no GMO.

**In leisure time, do you go to museums, theatres, and conservatory?**

I do try, and it is easier when we have a delegation. Then we hire a retired history professor, and she is our reliable guide. I like her very much: she's got a grasp of history and can wrap up modern times with the past. She is a nationalist of some sort.

**In the good sense of it?**

Oh, yes, she is very proud of Russian heritage and proud of President Putin, although sometimes she gets too passionate. Anyway, she is a gem and we request her assistance regularly. ■