

Moscow Restaurateurs Prepare for Lockdown Losses

Rising numbers of Covid-19 deaths and cases have pushed city authorities to close restaurants for all but deliveries for 10 days.

By Uliana Pavlova

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Moscow's restaurants have had a tumultuous 18 months due to the Covid-19 pandemic. Valery Sharifulin / TASS

Anastasia Tatulova, founder of the AnderSon family-friendly cafe chain in Moscow, is bracing herself for the inevitable loss of revenue ahead of the capital's 10-day partial lockdown starting Thursday.

"We are counting how far we can stretch our money, what payments can be transferred, negotiating our lease and asking which of our employees can go on vacation," Tatulova told The Moscow Times.

Moscow's restaurants will operate on a delivery-only basis after Mayor Sergei Sobyanin

imposed a "non-working" week, or paid vacation, from Oct. 28 - Nov. 7. The measures are part of a broader <u>nationwide initiative</u> to halt the spread of the coronavirus as Russia sets consecutive daily death records, with Moscow at the epicenter.

The country now has Europe's highest and the world's second-highest mortality rate, with more than 1,000 deaths a day for the past week, although authorities have so far resisted the idea of full lockdown.

Moscow's restaurants have had a tumultuous 18 months due to the Covid-19 pandemic. A three-month lockdown last spring forced many of them to close as delivery revenues weren't high enough to keep them afloat, and owners fear the same will happen this time round.

"Some restaurants will close and their revenue will be zero, some restaurants will stay open for deliveries, but that's mostly for pizza, sushi, and burgers," said Sergei Mironov, owner of the Myaso&Ryba (Meat&Fish) restaurant chain and an ombudsman for the restaurant sector in Moscow.

For Tatulova's AnderSon chain — which offers crafts, games and cookery classes for children as well as food — delivery can only ever account for a small percentage of overall earnings.

"Our restaurants are places where parents with kids come to relax," she said. "Delivery companies take a very large commission, so while you can make a little money you can't survive on delivery alone."

Lilit Ambartsumyan, general director of the Shu-Shu Georgian restaurant and bar, called the city's measures "restaurant genocide."

She said she lost 90% of her revenues during a short-lived Covid passport scheme <u>introduced</u> by Sobyanin this summer that required diners to present QR codes proving they had been vaccinated, negative PCR tests taken within the past 72 hours or proof of recent recovery from Covid-19.

"One of my close friends has a restaurant that is closing forever, they won't be able to open after the lockdown," Ambartsumyan said.

Tatulova criticized the Moscow city authorities for requiring restaurants to impose QR code restrictions during the lucrative holiday period while allowing people to buy train tickets, use public transport and shop in malls without them.

Government handouts

The government is offering payouts equal to the national minimum wage of 12,792 rubles per month (\$180) to small and medium-sized businesses operating in the most affected sectors to cover part of employees' salaries.

However, restaurant owners argue that the national minimum wage is not enough to cover the cost of living in Moscow.

"For us, this lockdown is very painful, because the government handouts won't be enough to cover the amount we will need to pay to retain our employees," Ambartsumyan said.

Ombudsman Mironov said he hopes city authorities will come up with additional subsidies for restaurant businesses to help offset revenue losses.

"Much depends on the measures that the mayor's office will develop. We really hope for government support for business," he said.

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