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The National Partnership of Microfinance Market Stakeholders, RMC and Citi Awarded Best Microentrepreneurs in Russia

Winners of the Fifth Annual Citi Microentrepreneurship Awards Announced

On April 21, 2010 The National Partnership of Microfinance Market Stakeholders, Russian Microfinance Center (RMC), and Citi Foundation announced the results of the annual Russian Citi Foundation Awards for Microentrepreneurship. Winners of the fifth anniversary awards for 2009 were named in the following categories: Best Individual Entrepreneur; Best Employer in Microentrepreneurship; Best Credit Expert; Best Microfinance Organization; Anti-Crisis Innovations; Socially Responsible Business; and Successful Start.

The goal of the contest is to encourage successful microentrepreneurs, to support the most efficient organizations to deliver microfinance services across Russia and to raise awareness of the microfinance industry among the community and authorities.

"During the crisis, small businesses clearly demonstrated that they are the most flexible in changing market conditions, they continue to be a source of innovation, and help solve employment problems," said Mikhail Mamuta, President of the Russian Microfinance Center. "So it is particularly important to encourage the most effective private entrepreneurs. Their work goes beyond their contribution to the development and prosperity of the country; they also serve as role models for those who are just planning to start their business."

"Citi Foundation has been running a contest to support microentrepreneurship in 28 countries for five years already, and it has so far awarded over 600 winners globally," said Zdenek Turek, President of ZAO Citibank. "We are proud that every year the contest helps raise even greater public awareness of the microfinance and microentrepreneurship development issues in Russia and thus makes an important contribution to broadening the economic opportunities and living standards of the population."

The contest was organized by The National Partnership of Microfinance Market Stakeholders and Russian Microfinance Center with financial support from The Citi Foundation and The U.S. Russia Center for Entrepreneurship. The contest was supported by the Chamber of Commerce and Industry of the Russian Federation and OPORA Russia.

You can find out more about the contest and participation guidelines at the RMC web site: www.rmcenter.ru

Success Stories:

Platinum Award in the category "Best Employer – 2009" was awarded to Nadezhda Ivanovna Kotelevskaya, who worked as a market saleswoman since 1992. Deciding to sell her own product, she started baking pies and selling them at Shkotovo village bus station (Primorski region). In 2000, Nadezhda registered as a private entrepreneur. The business grew gradually, and the entrepreneur bought an unfinished building in Shkotovo village. Using loan financing, she purchased equipment and finished building of a confectionary workshop. In 2009, Nadezhda registered OOO SMAK and hired personnel. The crisis did not affect the work of the company and the entrepreneur managed to expand operations and create new jobs.

The First Award in the category "Best Employer – 2009" was awarded to Vislan Hamzatovich Shurshaev. The main business of Vislan's agricultural enterprise is growing vegetables, melons and gourds, as well as production of vegetable and gourds seeds on 50 hectares of land. He has been developing his business in the Volgograd region since 2007. Seed farming is a complex agricultural business that requires large enclosed grounds; location is of prime importance; crop rotation requires new sources of water and modern energy-efficient greenhouses to grow sprouts. In order to make the water supply efficient, the farmer decided to restore the Soviet-era weeper holes using loan funds.

With a mini truck fleet, the entrepreneur was able to sell his products without intermediaries. Currently, his farm has contracts to supply vegetables and vegetable seeds to OOO Tsentr Ogorodnik (Moscow region), OOO Mir Semyan (Krasnodar), OAO Sort Semovosch (Kamyshin, Volgograd region).

The Best Private Entrepreneur – 2009 award went to Konstantin Ivanovich Perestoronin from Kirov region. The entrepreneur started growing green onions in 2001 after he graduated. Konstantin developed an innovative methodology for growing green onions year-round in greenhouses with direct sunlight. His product – clean green onions in 100g packages called "Product directly from the patch for the residents of Vyatka" enjoys high demand not only in its own region, but also among the residents of Moscow, Nizhniy Novgorod, Ryazan, Yaroslavl, Vorkuta, and Usinsk.

The First Award in the category "Best Entrepreneur – 2009" was awarded to Yuriy Prokopyevich Melnichenko. Yuriy founded OOO Sokskiy Hleb in Samara region in 2002. The company produces high-quality bread products using an original technology that allows bread to retain its taste characteristics longer. Using this methodology during bread manufacturing, the entrepreneur was able to achieve high quality products and offer them to the retail market at prices of 25%, and later – 10-15% lower than the competition. Thanks to his untraditional approach to doing business, Yuriy continuously expands his client list. The entrepreneur offers free bread tastings to new distribution points. Since the products are of very high quality, once the clients try the bread, they call back to sign purchase agreements. Yuriy's company is a family business – his sons work together with him.

Organizers:

The National Partnership of Microfinance Market Stakeholders (NPMMS)

Microfinance is one of the most dynamic segments of the financial market these days. As the number and types of microfinance market stakeholders grew, there emerged the need to align their interests and develop joint platform covering key issues. These include improvement of the legal framework; development of special programs; cooperation between the different types of organizations; protection of the clients' rights; preservation of the social component of microfinance; and advancement of living standards for Russian citizen. The National Partnership of Microfinance Market Stakeholders (NPMMS) was registered in April 2006 and unites association of the market stakeholders as well as other organizations that develop microfinance operations and promote availability of funding nationwide in Russia.

NPMMS has several committees, including the Committee for Development of Distance Financial Services.

The mission of NPMMS is to unite the efforts of professional microfinance market participants in order to promote accessibility of financial services in Russia by, among other actions, creating favorable conditions for microfinance operations and distance financial services, facilitating the development of innovative technologies of financial and credit services to individual clients and small businesses.

To achieve its mission, NPMMS facilitates development of the legal framework for microfinance, develops, examines, discusses, and approves bills, regulatory acts, and other documents that regulate the microfinance operations or have a significant affect on its existence.

Russian Microfinance Center (RMC) was founded in July 2002 as a response to the clear need of the sector for the organization that would represent the interests of the entire microfinance community. RMC works as a resource center for the microfinance sector as well as a national forum for interaction with the government, community, and investors. RMC facilitates development of the favorable legal framework, provides professional education and consulting services to the microfinance organizations, and promotes introduction of national standards of microfinance operations.

More information at: www.rmcenter.ru

Citi Foundation supports organizations that help people advance their living standards, promote business development and prosperity of communities throughout the world. Citi Foundation is focused on programs in the following areas: 1) development of microfinance and microentrepreneurship; promotion of financial freedom; 2) support to small and developing businesses that contribute to economic development and job creation; 3) financial education of the population; 4) education of the coming generations.

More information at: www.citifoundation.com

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