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Moscow

The Citi Foundation and Russian Microfinance Center Award the Best Microentrepreneurs and Microfinancial Institutions of 2011.

In 2011 the number of nominations increased by 30%, reaching 172, a strong sign of the program's success.

A roundtable titled *Is It Easy to Become an Entrepreneur in Russia? – Pros and Cons* was held at the Chamber of Commerce and Industry of the Russian Federation. The problems of and approaches to supporting small enterprises were discussed by representatives of state bodies, public organizations and business. The event also served as the stage for announcing of the winners of the seventh annual Citi Russia Micro-Entrepreneurship Awards. The number of nominations was up nearly one-third from the previous year.

The organizers of the competition participated in the roundtable – representatives of industry regulators, including Natalia Larionova, Director of the Department for Development of SME at the Ministry of Economic Development, Nadezhda Karisalova, Chair of the Chamber of Commerce and Industry Committee for Development of Private Entrepreneurship and SME. They were joined by Mikhail Mamuta, President the Russian Microfinance Center and a Board Member of the Chamber of Commerce and Industry, and Nataly Nikolaeva, Head of Government Affairs, Citi Russia. The participants, who also included entrepreneurs from various distant regions of Russia, discussed the peculiarities of engaging in small business in Russia – the difficulties and opportunities for developing an ecosystem for such enterprises in the country.

Speaking at the roundtable, Oleg Fokin, Executive Director of the Fund for Sustainable Development, presented an album titled *Small Business and Sustainable Development of Russia: Best Practices*, which was also created with support from the Citi Foundation. The album is the first such publication based exclusively on Russian examples of environmental and social entrepreneurship in various corners of the country. The full version of the album is available on the website of the Fund for Sustainable Development.

One of the success stories:

Forest Products LLC (Khabarovsk) was founded in 1998 by Evgeny Khrustov. The company produces a wide assortment (over 100 items) of high-quality and useful products based on forest resources and beekeeping. The company has product preparation operations throughout the entire Russian Far East region, including both seasonal and year-round facilities. By selling the berries, mushrooms and herbs they collect to the company, residents of isolated communities in the taiga have the opportunity to supplement their family budgets. The crown jewel of the business is its salted fern production, which can be seen in the photo to the left. The company's operations represent a wise and sustainable use of natural resources.

The roundtable concluded with an awards ceremony for the winners of the seventh annual Citi Russia Micro-Entrepreneurship Awards. Irina Didenko of Novosibirsk, who runs a children's headress business, was named Best Entrepreneur. Best Employer in Micro-Entrepreneurship for 2011 was Alexander Malyugin, a farmer who has been grown potatoes for more than a decade in the town of Omutinskoye in the Tyumen Region.

Winners in the nomination for Best Microfinance Organization: Stability and Development were Finotdel (Moscow), the agricultural consumer credit union Almazcreditservice (Yakutsk), and the Belgorod Regional Fund for the Support of Small and Medium-Sized Enterprises (Belgorod). Prizes were also awarded in the nominations for Best Credit Expert, Socially Important Business, Women's Initiative in Entrepreneurship and Successful Start-Up.

Nataly Nikolaeva, Head of Government Affairs, Citi Russia, noted: "The aim of this annual competition is to reward successful micro-entrepreneurs and the most effective organizations in microfinance throughout Russia as well as to attract the attention of the public and government bodies to microfinance. Citi has been holding this competition since 2005 in 28 countries throughout the world. In total, the Citi Foundation has spent \$8 million on social programs in Russia over the past 10 years."

"We are glad that with each passing year this competition is bringing together an ever greater number of entrepreneurs and microfinance institutions," said Mikhail Mamuta, President the Russian Microfinance Center. "Such results are the best confirmation of the effectiveness of our collaboration. I would also point out that most of our winners are from small cities, which speaks to the fact that microfinance organizations are very important for the development of small business in the regions."

The roundtable participants were joined by special guests of honor for the awards ceremony: Alexei Savatyugin, Deputy Minister of Finance of the Russian Federation; Yulia Bondareva, Deputy of the Federal Financial Markets Service Head; Viktor Klimov, Vice President of the Russian Organization for Small and Medium Entrepreneurship OPORA RUSSIA, and other partners.

The event was organized by the Russian Microfinance Center, Citi Russia, Fund for Sustainable Development, National Partnership of Microfinance Market Stakeholders (NAMMS) and the Chamber of Commerce and Industry of the Russian Federation. The event and competition were supported in part by the Ministry of Economic Development of the Russian Federation, the U.S. Russia Center for Entrepreneurship, and the Russian Organization for Small and Medium Entrepreneurship OPORA RUSSIA.

The Citi Foundation is committed to the economic empowerment and financial inclusion of individuals and families, particularly those in need, in the communities where we work so that they can improve their standard of living. Globally, the Citi Foundation targets its strategic giving to priority focus areas: Microfinance, Enterprise Development, Youth Education and Livelihoods, and Financial Capability and Asset Building. The Citi Foundation works with its partners in Microfinance and Enterprise Development to support environmental programs and innovations. Additional information can be found at www.citifoundation.com.

ZAO Citibank was one of the first banks with foreign capital that entered Russian market in 1993. Citibank has since grown to become one of the largest banks in the country. Citibank offers its corporate and individual clients a broad range of products and services. At present, the Bank has over 3,500 employees; its distribution network includes over 550 ATMs, retail branches across major cities in Russia, Kazakhstan, and Ukraine. The number of the bank's consumer clients has exceeded 1,000,000 Russians. For more information on Citibank in Russia, visit www.citibank.ru

Citi, the leading global financial services company, has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management.

The Russian Microfinance Center (RMC) was founded in July 2002 as a response to the clear need of the sector for an 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 the development of a favorable legal framework, provides professional education and consulting services to microfinance organizations and promotes the introduction of national standards for microfinance operations. More information can be found at www.rmcenter.ru.