

06 July 2006
Moscow

Russian Microentrepreneurship Awards: Round Two Launched with Support from the Citigroup Foundation

The Citigroup Foundation and the Russian Microfinance Center (RMC) announced the launch of Round Two of the Russian Microentrepreneurship Awards in association with the 2006 Citigroup Microentrepreneurship Awards program at a press conference in Moscow today. A report on the overall growth and development of the microfinance sector in Russia was also presented at the press conference.

The Russian Microentrepreneurship Awards is a follow up to the Global Microentrepreneurship Awards program which was held in Russia in 2005. The goal of the awards program is to encourage and support best practices among both microentrepreneurs and microfinance institutions throughout Russia and to draw public and government attention to the important role that microfinance plays in promoting economic development at the local level. This year, the Citigroup Foundation is providing 100% of financial support to the Awards which are being hosted in 24 countries around the world.

In Russia, the main co-organizers of the Award are the National Partnership of Microfinance Market Stakeholders (NAUMIR), the Russian Chamber of Commerce and Industry (RF CCI), the Russian Microfinance Center, and Citigroup Russia.

The press conference launching the Award was addressed by Vladimir Bykov, Director of the Department for Work with Associations of Entrepreneurs, RF CCI; Mikhail Mamuta, NAUMIR President; Nazim Sultanov, Deputy Head of the Department for State Regulation of Economy, Russian Ministry of Economic Development and Trade; and Natalia Nikolaeva, Vice-President, Citigroup Russia.

According to reports presented by RMC, microfinance sector in Russia grew from 1.3 [are these numbers a percentage?] to 1.8 in 2004, and currently microfinance services total 7.8-9.2 bln. rubles in microloans, 4.8 bln rubles in captured savings, and reaches around 400,000 customers. Mikhail Mamuta noted that "The average loan maturity is under one year, and most loans - 58% - are made for business purposes. Many microloan recipients are start-up businesses, emphasizing the importance of our program for the development of Russian entrepreneurship."

Natalia Nikolaeva said that "The success of last year's program showed that microfinance in Russia has tremendous growth potential. We hope to receive even more applications to participate in the Award this year."

Applications will be accepted between 21 June and 2 October 2006. Microfinance institutions will apply on behalf of their customers/members/shareholders. Members of the Award Selection Board are representatives of the RF government, international organizations, universities, banks, and experts in microentrepreneurship.

Winners will be awarded in the following nominations:

- Best Individual Entrepreneur among commerce and other types of enterprise;
- Best Employer among commerce and other types of microenterprise;
- Best Loan Officer;
- Best Microfinance Program for SME support.

The Award Ceremony will be held on 30 November 2006 in Moscow during the Fifth National Conference "Microfinance in Russia: Components of Success. Past Experience for Future Growth."

Please, contact RMC Manager of MFI Services Anisa Aisina at 8 (495) 258-68-31, 258-87-05 or aaisina@rmcenter.ru or consult RMC website www.rmcenter.ru for details of the Award or to receive more information about microcredits in Russia.