



# Russia Program Accomplishments

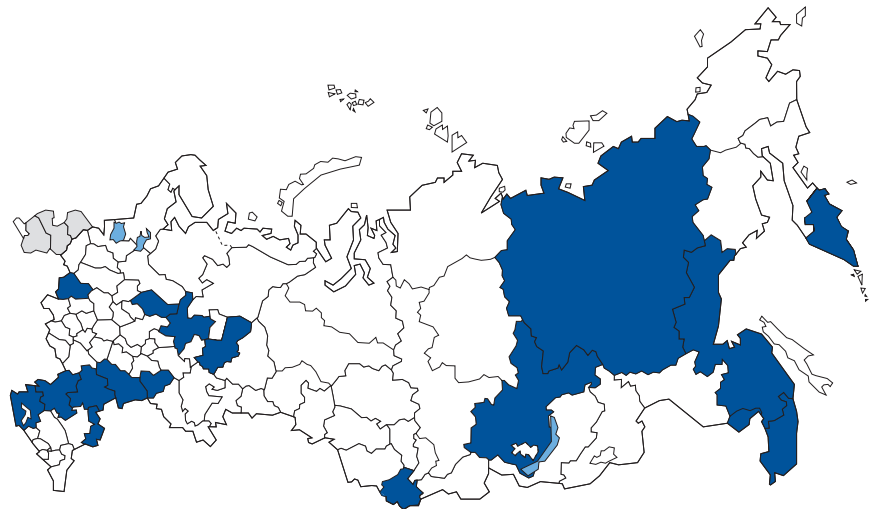
as of February 2007

CIPE's programs in Russia promote democracy by building the capacity of business organizations, advancing anti-corruption reform and advocacy efforts, and fostering broader public understanding of and support for market-oriented reforms and their link to democratic society.

Surveys indicate that Russia's small- and medium-sized enterprise (SME) sector represents a group solidly in favor of market reforms and democratic values. As such, they serve as a potential check on creeping state capitalism and so-called "managed democracy." CIPE and its local partners have begun to develop new models for public-private cooperation to identify barriers to growth, improve governance, and reduce obstacles to business. This is creating the basis for sustained democratic development.

## Regional Business Agendas (RBAs)

To improve the business climate at the regional level, CIPE initiated a program to identify local barriers to business and advocate for reforms. This multi-year, USAID-supported program has grown to include 16 Russian regions. RBAs developed by local coalitions have improved the public perception of the business community and resulted in policy victories in the areas of: administrative barriers, taxation, protection of entrepreneurs' rights, micro-credit, and rental costs.



CIPE began working in Russia in 1992 and opened its field office in Moscow in 1995. Its RBA program is currently active in 16 Russian regions (highlighted).

In 2006, the coalitions began to tackle the problem of systemic corruption at the local, regional, and national levels. With CIPE support, the Novorossiysk Chamber of Commerce and Industry produced the "School of Survival" guidebook for entrepreneurs. The guidebook informs the business community of its rights and suggests methods for recourse, particularly in response to the ways in which government officials can abuse their powers. ***To read more about this ongoing program, see the CIPE Case Study "Strengthening Local Democracy in Russia," available at: [www.cipe.org/publications](http://www.cipe.org/publications).***

## National Advocacy Campaign

The regional coalitions partnered with the Chamber of Commerce and Industry of the Russian Federation (RCCI) and the non-profit partnership the Union of Business Associations OPORA on a national advocacy campaign to address reforms at the federal level and ensure their implementation regionally. Coalition work has resulted in legislative reforms in the areas of taxation, enterprise finance, and the reduction of administrative burdens. It has also improved the defense of entrepreneurs' rights and access to information. RCCI and OPORA will continue their national advocacy campaign, expanding on regional coalitions' efforts to tackle corruption and bring these issues to the attention of the national government.

## Anti-Corruption

With support from the National Endowment for Democracy (NED), CIPE works with the INDEM Foundation to address the problem of corruption at the SME level. INDEM analyzed regional and municipal laws to assess the potential for corruption in business laws and regulation. Based on its analysis, INDEM developed recommendations for entrepreneurs, "A Business Owner's Guide: How to Oppose Corruption." Next, the project aims to decrease the corruption in leasing and construction for SMEs.

## Corporate Governance

CIPE partner the Russian Institute for Directors (RID) is a non-profit entity established by Russia's largest public companies to develop, promote, and monitor standards of corporate governance in Russia. With support from NED, CIPE expanded its program with RID in 2006 to build awareness of corporate governance in medium-sized companies. RID is developing a corporate governance toolkit for medium-sized companies that will include a corporate governance audit manual and recommendations on working with banks, private equity funds, and major stakeholders.

Recent accomplishments include:

- Educational programs for more than 250 enterprises in Russia and the new independent states, including a landmark course for board members and managers titled "Corporate Director."
- Publication of the textbook "Board of Directors in the System of Corporate Governance in the Company."
- RID has also assisted several of Russia's largest companies to develop and implement better governance standards.

## Institute of Organizational Management (IOM)

With support from NED, CIPE and the RCCI are establishing a certification program for chamber and association professionals and other non-profit membership organizations – the Institute of Organization Management. Modeled after the U.S. Chamber of Commerce's Institute program, IOM Russia will provide executives with the skills to serve as the voice of business in their communities.

*CIPE's work in Russia is made possible through funds provided by the National Endowment for Democracy and USAID.*

The screenshot shows the ReACT.ru website interface. At the top, there are logos for CIPE, TPPRF, USAID, and Opora Rossii. The main content area features a news item dated 20.02.2007 titled "Расширенное заседание Комитета ТПП РФ по развитию частного предпринимательства, малого и среднего бизнеса и объединенного Оргкомитета по проведению VIII Всероссийской конференции представителей малых предприятий и 'Дней малого и среднего бизнеса России - 2007'". The text describes a meeting where V.P. Ernakov and S.N. Katerin discussed the development of small and medium businesses in Russia. A poll on the right asks "Удовлетворены ли Вы тем, как развивается малый бизнес в регионе?" (Are you satisfied with how small business is developing in the region?).

*The CIPE-sponsored website ReACT.ru provides access to key information about private sector advocacy in Russian regions.*

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