



SKOLKOVO
Moscow School of Management

ANDREY SHPAK
VERONICA MISYUTINA
ASTKHIK OGANESYAN
MARIANNA SLUTSKAYA
KAMILA NOVAK

RUSSIAN PHILANTHROPIST

IMPORTANCE OF PERSONAL TRUST AND EXPECTATION
OF TANGIBLE RESULTS



In partnership with



SKOLKOVO WEALTH
TRANSFORMATION
CENTRE

2018

Legal Information and Disclaimer

© 2018 Moscow School of Management SKOLKOVO

All rights reserved. No part of this publication may be reproduced in any form or by any means, electronic or otherwise, including but not limited to posting on the Internet and corporate networks, as well as recording in computer memory for private or public use, without the written permission of the copyright holder.

The materials in this publication are an expression of the opinion of the authors of the study and include information from third parties. Although the sources of information and data in this publication are believed to be reliable, the authors of the study and the copyright holder do not make any representations or warranties, express or implied, regarding the accuracy or completeness of the information on which this publication is based.

The information contained in this document does not constitute professional advice. To address your specific issue or circumstances please seek advice from an appropriate professional with the necessary qualifications.

This publication and any information contained herein are intended solely for personal use. The authors of the study and the copyright holder shall not be responsible for any direct, indirect, incidental or other losses or costs, as well as for any legal fees or damages (including lost income, lost profits and hidden costs or losses caused by negligence) related to any use of the information contained in this publication.

Cover illustration: Photoangel - Freepik.com

Project Team

Andrey SHPAK, PhD, Deputy Head of the SKOLKOVO Wealth Transformation Centre (SWTC),
Head of Research and Advisory

Veronica MISYUTINA, Head of the SKOLKOVO Wealth Transformation Centre (SWTC)

Astkhik OGANESYAN, Analyst at the SKOLKOVO Wealth Transformation Centre (SWTC)

Marianna SLUTSKAYA, Analyst at the SKOLKOVO Wealth Transformation Centre (SWTC)

Kamila NOVAK, Expert at the SKOLKOVO Wealth Transformation Centre (SWTC)



Contents

SKOLKOVO Introduction	2
UBS Introduction	3
Acknowledgements	4
Key Takeaways	6
About the Study	10
Why	12
Objectives of the Study	12
How We Achieved the Objectives	13
Analysis and Recommendations	14
Estimating the Size of the Philanthropic Sector in Russia	15
What Russian Philanthropists Want	21
What Experts Say About Their Experience of Working with Russian Wealth Possessors	29
Recommendations to Non-Profit Organisations	29
Recommendations for Philanthropists	30
The Future of Russian Private Philanthropy	32
Appendix 1. Results of the Main Survey	40
Appendix 2. Results of the Supplementary Survey	54

SKOLKOVO Introduction

Transition of the Russian economy from government to private ownership over the last 25 years resulted in the rapid growth of private wealth, greater personal freedoms and the decreasing role of the government. On the other hand, however, it led to higher inequality and the larger gap between those who have and those who have not.

This makes private philanthropy and charitable projects increasingly important in solving social and other problems and challenges faced by the Russian society.

Private philanthropy and charity are relatively new phenomena for modern Russia, since the Soviet society had little space for them—with the possible exception of some forms of volunteering (which often were quasi-obligatory). This was due both to the almost complete lack of private capital and to the excessive government regulation over many aspects of life that limited private initiative.

Growth in Russian private wealth drives increasing interest in philanthropic and social development issues both from the general public, and from the wealthy segment of the Russian population. Whereas recent years have seen emergence of interesting research on philanthropic and charitable interests and preferences of the general public—in particular, by the Charities Aid Foundation (CAF), the Centre for Studies of Civil Society and the Non-Profit Sector (CSCSNS) of the Higher School of Economics and the Russian Public Opinion Research Centre (VCIOM)—there is little reliable information about philanthropic preferences of the Russian wealthy.

This study is designed to fill the gap. The data that we obtained allows us to better understand the role of private wealth in financing charitable projects in Russia, the motivation of the wealthy for engaging in philanthropic, charitable and social projects, the charity causes that interest them, as well as the aspects of independent non-profit organisations' operations that they are not happy with.

We hope that our study will be useful to all those who are interested in both the area of philanthropy and the specifics of working with Russian wealth possessors.

Veronica MISIUTINA

Head of the SKOLKOVO Wealth Transformation Centre (SWTC)

Andrey SHPAK

Head of Research and Advisory at the SKOLKOVO Wealth Transformation Centre (SWTC)

UBS Introduction

Closing the information gap and increasing philanthropic effectiveness

In the 25 years since it opened its economy to private sector opportunities, Russia has seen dramatic growth in the amount of wealth held in private hands. In turn, this has triggered increasing interest in the role that wealthy individuals can play in addressing some of the key social and environmental challenges of our time.

At UBS Philanthropy Services, we are committed to advising and supporting philanthropists and foundations to achieve their goals. We have decades of experience advising philanthropists and their families around the globe, including in Russia, assisting them to increase the impact of their initiatives through taking a collaborative and strategic approach.

Until recently, only limited data has been available on Russian philanthropy, despite the substantial financial amounts involved. This latest research report by the SKOLKOVO Wealth Transformation Centre is an important step towards closing this data gap.

We invite you to use this report to gain new insights into the Russian philanthropic sector and the philanthropic approaches of Russia's wealthiest individuals. The report's thought-provoking content may well have implications for your own activities. We would be glad to discuss the findings and any ideas you gain from them, and happy to help you increase the effectiveness of your own philanthropic activities.

UBS is proud to support this report and the SKOLKOVO Wealth Transformation Centre, a research unit at the Moscow School of Management SKOLKOVO, which is a leading private business school in Russia and the CIS. In doing so, we are continuing our practice of providing our clients with the latest insights on trends and innovations, from giving to investing, as well as helping to make the philanthropic sector more transparent, collaborative, and impactful.

We wish you an interesting and informative read.

André TOMASINI

Head Wealth Management Russia/CIS
and Israel, UBS

Phyllis COSTANZA

Head UBS Philanthropy

Acknowledgements

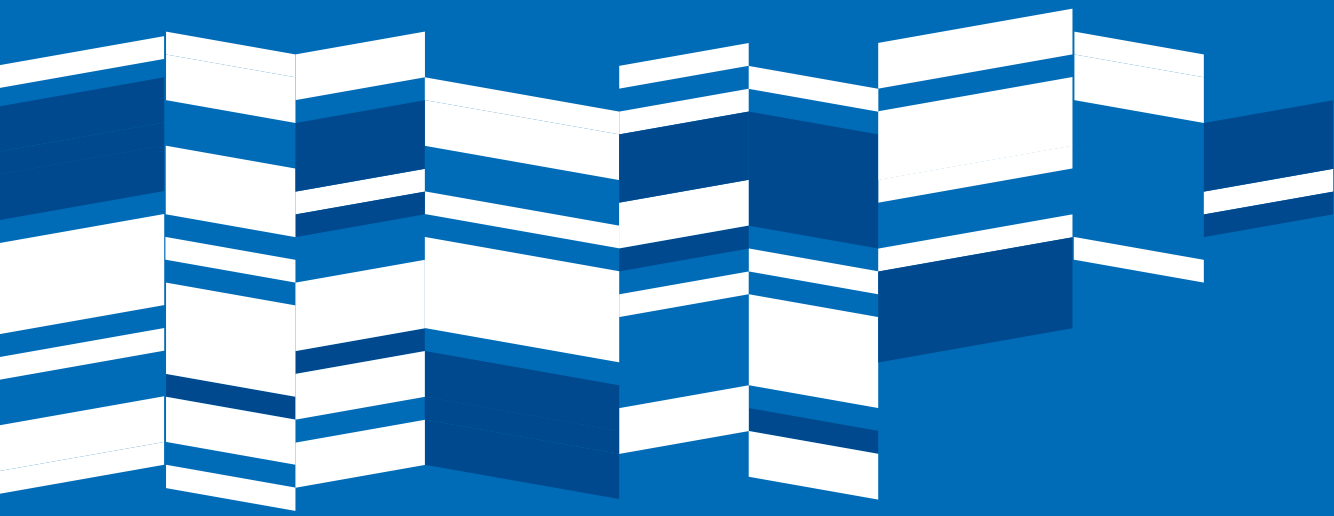
This study would not have been possible without active participation and assistance of our respondents. We are grateful for the considerable time and attention they have granted us, for their patience while answering our questions on such difficult and sensitive topics, and for all their feedback and recommendations on how to improve the study.

We express our gratitude to Ivan Klimov, Assistant Professor of the Faculty of Social Sciences at the Higher School of Economics, Andrei Sharonov, President of the Moscow School of Management SKOLKOVO, and Marat Atnashev, Dean of the Moscow School of Management SKOLKOVO, for many years of their scientific and methodological support.

We thank all experts—Maria Chertok, Dmitry Denisov, Dmitry Dikman, Natalia Drozdovskaya, Olga Evdokimova, Irina Ikonnikova, Tatyana Klimova, Alena Meshkova, Oksana Oracheva, Yulia Romashchenko, Roman Sklotsky, Yuliy Tay, Irina Tolmacheva, Alexander Shlimak, and Dmitry Yusov—for sharing their experiences in working with wealthy Russian donors and their comments and valuable input on the topic of the study. We also thank the NAFI Research Centre for their assistance in conducting a supplementary survey among managers of Russian small and medium-sized businesses.

We would also like to thank the long-term partners of the SKOLKOVO Wealth Transformation Centre (SWTC)—UBS, and in particular André Tomasini, Head of UBS Wealth Management Russia, CIS & Israel, and Ilya Solarev Head of UBS Wealth Management in Russia, as well as Ruben Vardanyan and Veronika Zonabend's RVVZ Family Foundation and its President Ruben Vardanyan personally—for their long-standing support of the Centre, without which this study would not have been possible.





1.

KEY TAKEAWAYS

1

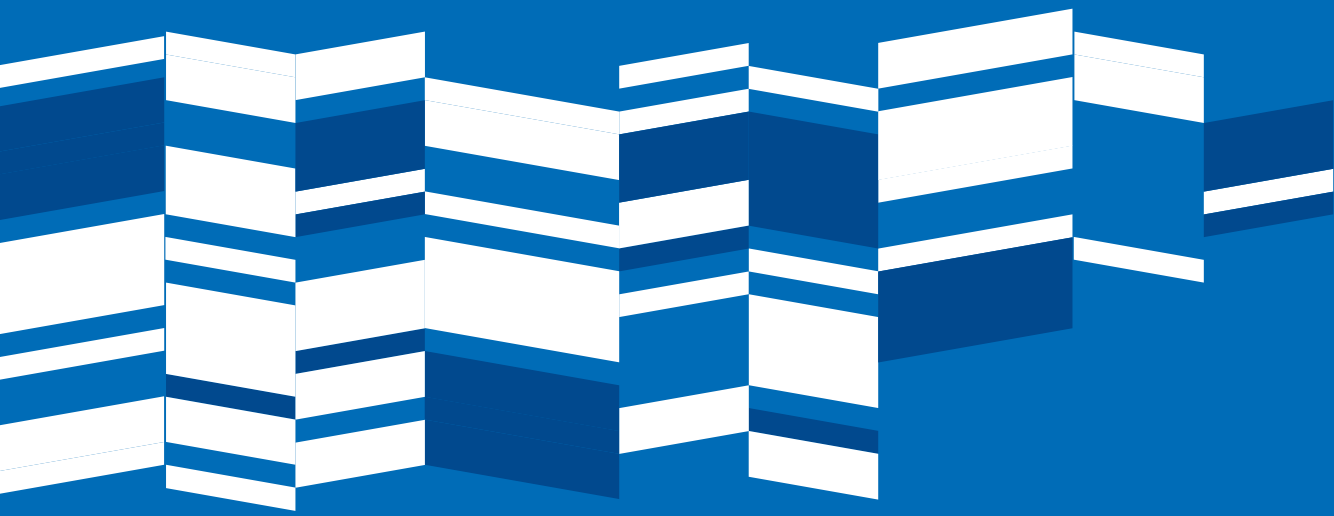
2

3

4

- The current size of the Russian philanthropic sector in monetary terms—which we estimate at around RUB 400 billion—is already significant at least in terms of the effect that these funds can potentially have on their recipients. According to some indicators, it is already approaching the size of similar sectors in countries with more established philanthropic traditions.
- The level of Russian wealth possessors' involvement in charity is almost one and a half times higher than that of the general population: more than 90% of wealth possessors—as compared to two thirds for the population as a whole—took part in various charitable activities in the previous 12 months, with the average size of a wealth possessor's donation being higher than the national average by several orders of magnitude. Therefore, the role of wealthy and ultra-wealthy individuals in providing funds for charitable purposes is much higher than their share in the Russian population.
- There is no significant difference between wealthy Russians and the general population in terms of preferred causes for which they make donations: support of children and the poor are the most popular, according to the respondents.
- Support of charitable projects by the Russian wealthy possessors is more structured and predictable: almost half of them acknowledge that at least 60% of their donations are planned in advance.
- Less than half of the funds donated by the respondents of our study to charity were entrusted to independent NPOs; most of the funds were transferred by the Russian wealthy to the final beneficiaries either directly, or through their own (private) foundations, specifically created for these purposes.
- 'Personal trust' factors, that is, trust in a particular person or foundation, the personality and the character of the project / foundation leader, the reputation of the foundation and its leader, are critical in selecting a project to receive financing.
- Most wealth possessors (almost three-quarters) regard achievement of pre-set goals and visible results of project implementation to be important criteria for judging whether the charitable project has been successful.
- Tightening of government regulation results in decrease in the amount of donations made by wealth possessors.
- The findings of the study have allowed us to formulate the following recommendations to non-profit organisations aimed at improving cooperation with the Russian wealth possessors:
 - Cooperation with wealth possessors has high potential 'return on investment' for an NPO engaged in charitable activities both due to a substantially higher potential amount of financial support, and the more systematic and regular nature of help provided by this segment.
 - Working with wealthy donors requires openness and transparency in the activities of NPOs and regular communication about the results achieved and the effectiveness of the funds used.
 - Due to the high importance that wealthy donors place on personal trust to potential recipients when choosing an NPO, foundation or social project to support, investing in building reputation and individualised communication with the target audience can have significant impact on the success of fundraising campaigns.

- Do not limit your communication with wealthy donors to discussions around donations. Involve them in the activities of your organisation: they can help with advice, participate in the development of the strategy, assist you in your networking activities and in finding the necessary contacts.
- Recommendations for philanthropists:
 - Social motivation and the amount of resources in the Russian philanthropic sector are already sufficient to experiment with new tools beyond classical charity.
 - Pooling of resources by several wealthy donors and the use of a wider set of financing instruments will make it possible to complete a larger number of significant projects with greater social impact.
 - Excessive focus on 'personal trust' when selecting projects to finance may lead to unwarranted bias in selection. Taking into account the professionalism of the team and the likelihood of achieving long-term impact can increase the effectiveness of your charitable donations and social project financing.
 - Insisting on demonstration of quick results and immediate efficiency carries certain risk: in an attempt to meet these expectations, recipients may use the funds they receive to finance projects that can produce short-term gains but which would be sub-optimal from achieving long-term impact perspective.
 - We have also identified eight trends in private philanthropy in Russia that we expect to manifest themselves in the next five to ten years:
 - Further expansion and qualitative improvement of the philanthropic sector.
 - Increasing professionalisation of the sector and wider use of best practices, including those borrowed from business.
 - Paying more attention to developing the 'theory of change' and criteria for assessing success and monitoring progress of the project.
 - Improvement in reporting and communication practices.
 - Wider variety of formats for the implementation of social projects.
 - Increase in the share of projects that use hybrid funding tools other than donations and grants.
 - Increase in the number of projects jointly financed by several wealth possessors.
 - More focus on the long-term financial sustainability of philanthropic projects and increased use of endowments.



2.

ABOUT THE STUDY

1

2

3

4

Why

Re-establishment of private ownership and expansion of civil liberties and personal freedoms in Russia over the last few decades provided Russians with more opportunities to make an individual impact on their environment and to provide assistance to those in need, both by their deeds and with their money.

This led to an increasing proliferation of charity and philanthropy¹, which had been virtually non-existent during the Soviet period. It stands to reason that it has been difficult to completely close the gap in this area between Russia and the Western countries over the past thirty years, both in terms of private wealth and in support of charity. Nevertheless, the leap forward in this area has been remarkable: number of charitable organisations in Russia, according to some estimates, is already in hundreds of thousands, and these organisations are very diverse. Charity is becoming an increasingly widely-spread phenomenon: the volume of donations made by private individuals is constantly growing, and the practice of involving volunteers in charitable projects is expanding.

With the growing number of people who have had some experience in charity and philanthropy, public interest in this activity is increasing, too, which, in turn, drives the need both for studying the new phenomenon, and for sharing the relevant experience and best practices.

For example, such projects as Donors Forum and Rusfond.Navigator aggregate information about fund-raising and donor charitable foundations and projects in Russia; the Philanthropist («Филантроп») portal focuses on sharing news and best practices among charitable organisations. New research centres that focus on studying this area are also emerging, such as our SKOLKOVO Wealth Transformation Centre, and the Centre for

Studies of Civil Society and the Non-Profit Sector (CSCSNS) at the Higher School of Economics.

Another recent trend has been to launch organisations and projects that focus on creating conditions for better development of the philanthropic sector as a whole and on increasing efficiency and effectiveness of those operating within it, rather than on providing help to individuals, eg CAF (Charitable Aid Foundation) Russia, Ruben Vardanyan's PHILIN (Philanthropy Infrastructure) project, the Friends Foundation organised by Gor Nakhapetyan, Yan Yanovsky, and Dmitriy Yampolsky, the Leaders Map project of the Centre for the Promotion of Innovations in Education, Vladimir Potanin Foundation projects, and many others.

At the same time, regrettably, so far there has been little reliable information about the philanthropic preferences of Russian wealthy donors who, anecdotally, play an important role in development of the sector. The available information about the size of the Russian non-profit sector is also not more than fragmentary: most estimates cover only one aspect of charitable activities, which makes it difficult to form a definite opinion about the state of development of the Russian philanthropic sector, and to compare it with those of other countries.

We designed this study to fill this gap.

Objectives of the Study

When designing the study, we set several objectives:

- To estimate the size of the Russian philanthropic sector (first of all, in terms of financial resources available to it).
- To find out from Russian wealth possessors what motivates them to engage in charitable and social projects, what

¹ Although some authors differentiate between charity and philanthropy, considering philanthropy to be a broader concept covering more formats of social projects implementation, in this paper we will use these terms as interchangeable. We will mainly use the term 'charity' with regard to activities, and the term 'philanthropic' to denote the sector as a whole.

charity causes interest them in the first place, and also what aspects of cooperation with independent non-profit organisations they are not happy with.

- To make a forecast of possible development trends of the Russian philanthropic sector.

How We Achieved the Objectives

To achieve the above set objectives, we did the following:

- We analysed the data, available in open domain, on the amount of financial resources available to the the Russian philanthropic sector, and then made our own estimate based on this data of the total annual charitable spending in the country, and also compared some of the data obtained with similar data for one of the European countries whose economy is comparable in size with that of Russia.
- In September and October 2017, we held an online survey among wealth possessors with wealth exceeding US\$ 1M and top managers of leading Russian companies in order to determine the degree of their participation and preferences in charitable projects, and to learn about their opinions of and views on the success criteria and various other aspects related to the implementation of such projects².
- Additionally, we conducted a supplementary phone survey covering some of the similar issues among the owners and managers of small and medium-sized businesses who have the powers to make financial decisions in their companies³.
- The responses were then compared with similar data available in respect of the general public.

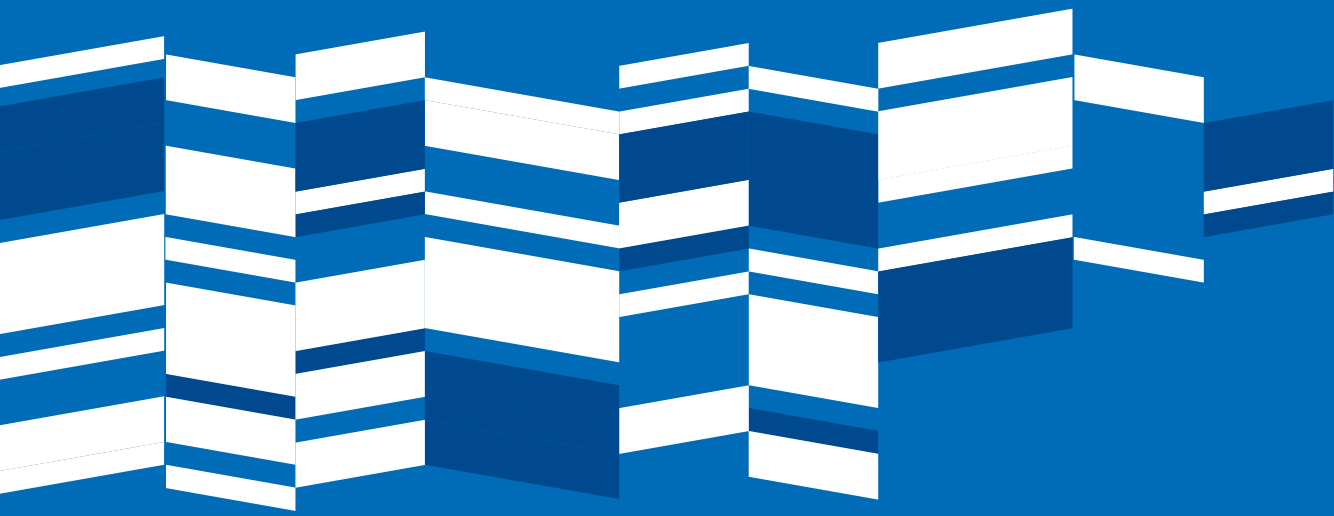
- We conducted interviews with 12 experts who have experience of working with large Russian private philanthropists and donors on their charitable projects.
- From April to November 2017, we analysed more than 150 foreign and domestic publications in order to understand the current trends in philanthropy, which allowed us to form an opinion about the possible development trends of the Russian philanthropic sector.

When preparing the report, we also included numerous quotes of our respondents, which help better understand their views and opinions.

It should be noted that, given the limited number and heterogeneity of our respondents, the figures presented in the study should be treated with caution, as indicative of a general trend rather than an absolute.

² For detailed findings of the main survey, please refer to Appendix 1.

³ For detailed findings of this supplementary survey, please refer to Appendix 2.



3.

ANALYSIS AND RECOMMENDATIONS

1

2

3

4

5

6

Estimating the Size of the Philanthropic Sector in Russia

What do we know about the extent to which philanthropy has spread in Russia and the size of the Russian philanthropic sector? There is little reliable data about it; therefore, we have to draw our conclusions about this sector from the available individual pieces of information.

First of all, there are at least three sources of official data on the non-profit sector: official statistics of the Federal State Statistics Service (Rosstat) in the system of national accounts, departmental statistics of the Ministry of Justice of the Russian Federation, and departmental statistics of the Ministry of Economic Development of the Russian Federation.

The highest estimate of the number of non-profit organisations is provided by the Ministry of Justice of the Russian Federation: according to its data, approximately 220,000 organisations⁴ were registered as non-profit in Russia as of mid-2018, which is equivalent to approximately 150 NPOs per 100,000 people. This figure has been more or less stable over the past few years. This estimate, however, can hardly be used to determine the actual size of the sector, since the Ministry of Justice does not collect or publish data on the actual scale of activities of these organisations, or on the amount of funds they control.

In its annual “Russia in Figures” publication, Rosstat claims that the number of non-profit organisations is two and a half times less than the data provided by the Ministry of Justice, estimating it at about 90,000 NPOs⁵ (or approximately 62 NPOs per 100,000 people), and that the contribution of non-profit organisations to the GDP amounts to RUB 332 billion⁶, or 0.4% of GDP.

The above estimate of the size of the sector’s contribution to GDP by Rosstat is questionable, since, on the one hand, in addition to mainstream NPOs, it includes “non-market units of corporations and quasi-corporations that provide their employees with services free of charge or at a nominal price (eg vacation packages, services of polyclinics, kindergartens, cultural centres and clubs etc) and finance these costs primarily out of [their] profits”. On the other hand, it is not clear exactly which contribution of mainstream NPOs was included in the above estimate⁸.

The Ministry of Economic Development monitors data on socially-oriented non-profit organisations. According to this data, the number of socially-oriented NPOs is about 140 000, and the number of full-time employees in the sector is about 1 million people, with another 2.5 million people involved as volunteers⁹. In 2016, 1,951 of the above NPOs received state subsidies in the total amount of RUB 11 billion¹⁰.

Based on the above, we believe that we cannot use official statistics to estimate the size of the Russian philanthropic sector due to the wide disparities in the estimates and the

4 <http://unro.minjust.ru/NKOs.aspx>, 219,967 organisations as of 29 July 2018

5 Russia in Figures: Statistical Compendium. – M.: Rosstat, 2017 (http://www.gks.ru/free_doc/doc_2017/rusfig/rus17.pdf), 91,285 organisations as of the end of 2016.

6 which is equivalent to US\$ 4.95 billion at the average official exchange rate by the Central Bank of Russia for 2016, or US\$ 14 billion at purchasing power parity (PPP) as estimated by the World Bank.

7 RF National Accounts Statistics 2015–2016: Statistical Compendium. – M.: Rosstat, 2017

8 The question of how to properly assess the contribution of the non-profit sector to GDP has not yet been fully resolved in other countries either, despite several attempts to do such cross-country comparisons. One of the reasons for that is that the role and structure of the non-profit sector in a particular country is affected by both historical and cultural factors. For more details, see: Casey J., Comparing Nonprofit Sectors Around the World: What Do We Know and How Do We Know It? // Journal of Nonprofit Education and Leadership, 2016, Vol. 6, No. 3, DOI: <https://dx.doi.org/10.18666/JNEL-2016-V6-13-7583>, and Solomon L., Putting the Civil Society Sector on the Economic Map of the World // Annals of Public and Cooperative Economics, 81:2, 2010, DOI: <https://doi.org/10.1111/j.1467-8292.2010.00409.x>

9 Report of the Ministry of Economic Development of Russia on the activities and development of socially-oriented non-profit organisations in 2015.

10 Report of the Ministry of Economic Development of Russia on the activities and development of socially-oriented non-profit organisations in 2016.

lack of a unified and transparent methodology for assessing the size of the sector.

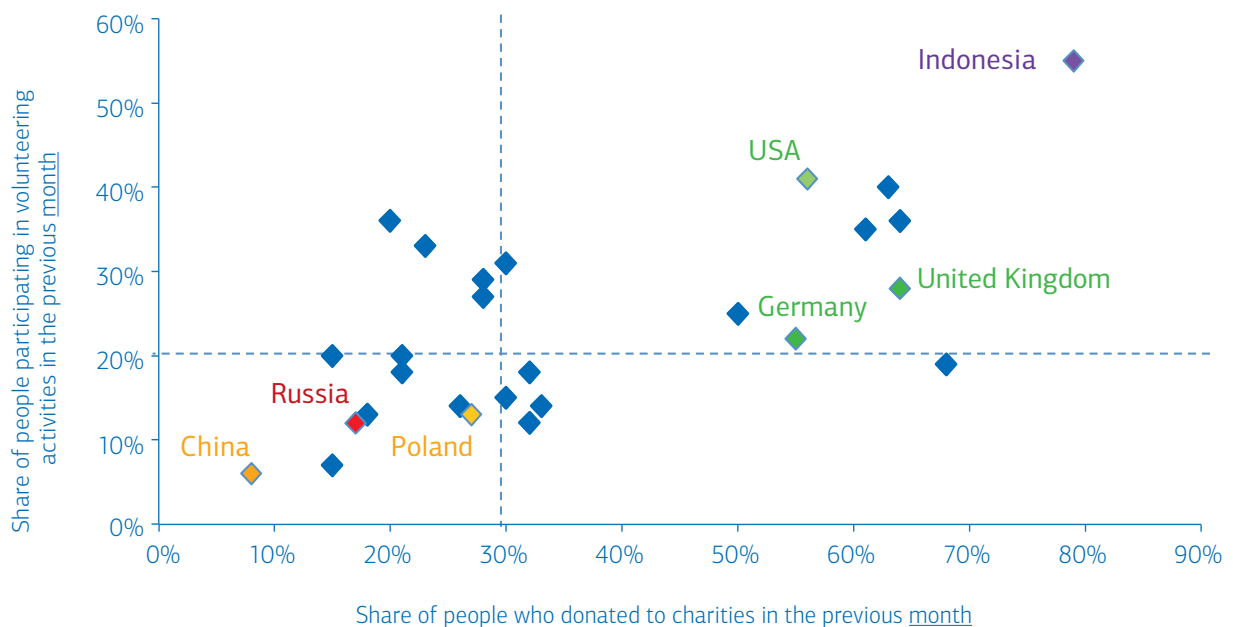
Are there alternative estimates of the size of the sector and the level of the population's involvement in charitable activities?

First of all, there are estimates provided by the Charities Aid Foundation (CAF), which has for many years been conducting surveys aimed at determining the extent of participation of the general public in different countries in various charitable activities. The advantage of these estimates is that, being conducted worldwide with the same methodology, they allow making comparisons between countries.

According to one of these estimates¹¹, if measured by the share of the population who made charitable donations and acted as volunteers during the previous month, the level of involvement of the Russian population in these two typical charitable activities is one of the lowest in the world (see Exhibit 1).

The above estimate is not overly positive. The weak point of the above estimate, however, is that by design—by focusing on charitable activities performed during the previous month—it tends to underestimate the level of actual involvement of the population in charitable activities if this involvement is irregular. This is often the case for countries where the

EXHIBIT 1. PROLIFERATION OF MAJOR CHARITABLE ACTIVITIES IN THE WORLD'S LARGEST ECONOMIES



Source: CAF World Giving Index 2017, SKOLKOVO Wealth Transformation Centre analysis. Data are presented for the 28 of the world's 30 largest economies as measured by GDP at the purchasing power parity (PPP) that were polled by CAF. Dotted lines indicate median values for these 28 countries: ie 30% with respect to the share making charitable donations and 20% with respect to the share participating in volunteer activities.

11 CAF World Giving Index 2017

culture of charity is just evolving—Russia being one of them—and the tradition of monthly donations to charity has not yet taken root.

A more detailed estimate, provided by the CAF Russian affiliate in its CAF Russia Giving 2017 report, supports this view: the overall involvement of the Russian population in charitable activities if measured on an annual basis turned out to be 3–5 times higher than in the estimates based on participation measured during the previous month (please see Exhibit 2). Two-thirds (67%) of Russians participate in charitable activities in one form or another during the previous year, and more than a half (53%) made money donations during the year, including 42% made a donation to charitable organisations.

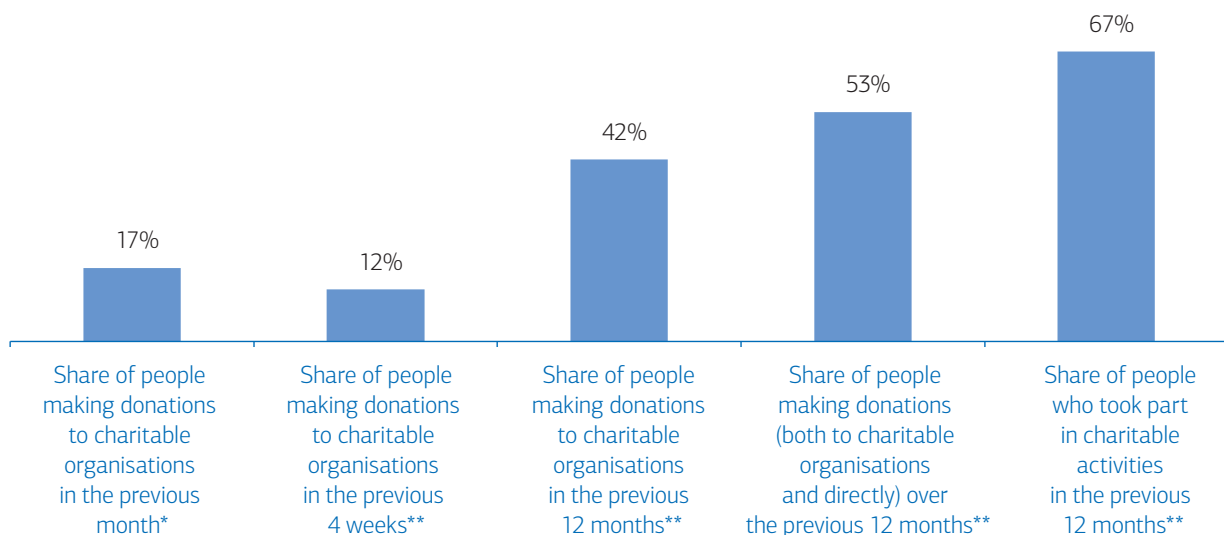
The study conducted by the Russian Public Opinion Research Centre (VCIOM)¹² showed a similar share of the population’s involvement

in charitable activities when measured on the annual basis (69%).

In absolute terms, CAF estimates the value of private charitable donations at RUB 140–160 billion¹³ per year based on the data about the average donation and the average level of participation in charitable activities.

Is this figure exhaustive? We believe that it is not. First, it is necessary to add to it the estimate of charitable spending by high net worth and ultra-high net worth individuals, whose average ‘spend’ on charity, as we show in the next section, exceeds the average charitable donation of the general public by several orders of magnitude. They are difficult to detect using regular surveys due to the insignificant, from a statistical point of view, proportion of wealthy individuals in the Russian population as a whole¹⁴, despite the fact that wealthy individuals control a substantial

EXHIBIT 2. INVOLVEMENT IN CHARITABLE ACTIVITIES IN RUSSIA



Source: * CAF World Giving Index 2017, ** CAF Russia Giving 2017

12 VCIOM, Charitable Fundraising in Russia 2017.

13 RUB 143 billion according to CAF Russia Giving 2016 and RUB 160 billion according to CAF Gross Domestic Philanthropy 2016 for 2014.

14 An example of the possible degree of such underestimation when performing measurements using traditional statistical measures is the discussion about calculating the Gini index based on tax and macroeconomic data in comparison with the statistical surveys in Novokmet F., Piketty T., Zucman G. From Soviets to Oligarchs: Inequality and Property in Russia, 1905–2016 // NBER Working Paper No. 23712, 2017.

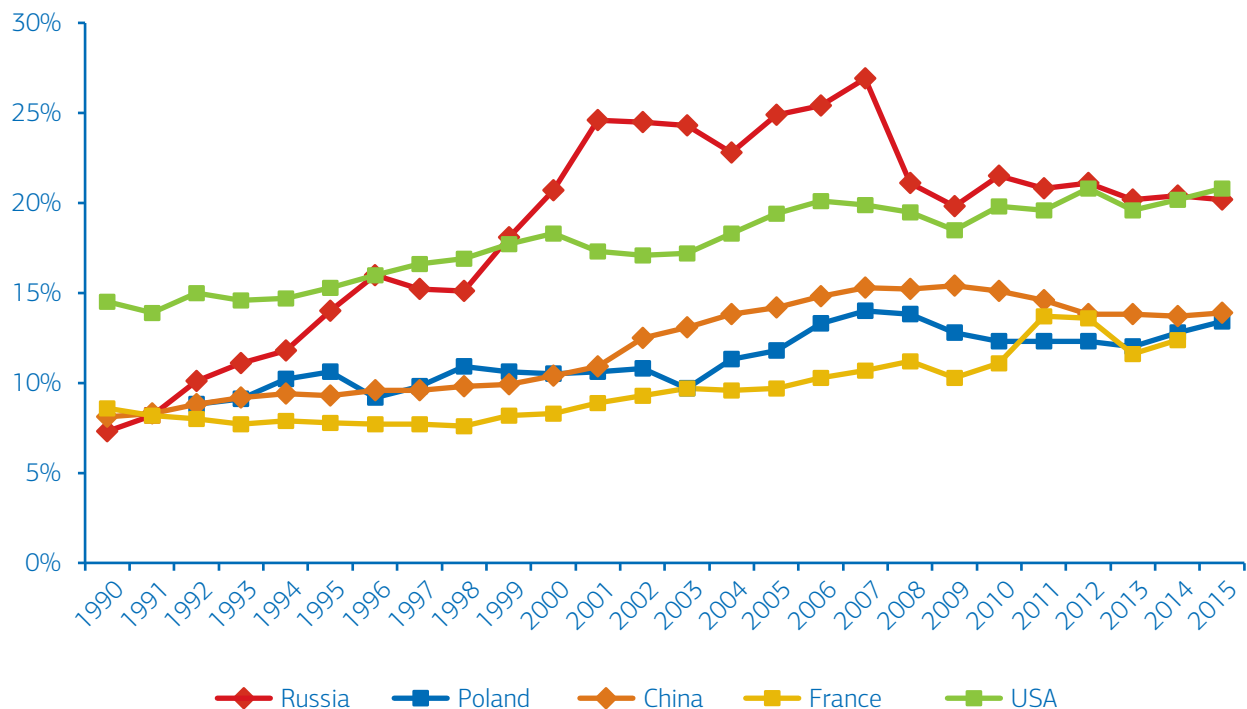
share of both income (see Exhibit 3) and private wealth in Russia. Secondly, it is also important to add an estimate of charitable donations made by corporations.

According to our estimates, if we add these categories of philanthropists, the total amount of charitable donations in Russia should be approximately RUB 340–460 billion per year (see Exhibit 4)¹⁵.

Is this a lot? On the one hand, this is not a large amount if compared to GDP (approx-

mately 0.4%–0.5% of GDP), and these funds are definitely insufficient to solve all social problems in Russia: for example, federal expenditures on social issues is about RUB 5 trillion per year, and the annual expenditures of the Russian Pension Fund on pensions and other social payments exceed RUB 8 trillion per year. On the other hand, this amount is comparable to public spending in some areas: for example, the federal expenditures on health in 2017 amounted to approximately RUB 400

EXHIBIT 3. TOP 1% SHARE IN PRETAX NATIONAL INCOME



Source: Novokmet F., Piketty T., Zucman G., From Soviets to Oligarchs: Inequality and Property in Russia, 1905-2016. // NBER Working Paper No. 23712, August 2017, Figures 11b and 11c

¹⁵ We estimated the amount of charitable donations by wealthy and ultra-wealthy individuals based on the combination of data of Coutts Million Dollar Donor Report 2015, the estimates of the number of wealthy persons by Capgemini and Knight Frank, the Forbes estimates of the largest Russian fortunes, and the data on average donation amounts obtained in this study. Our estimate of Russian corporate charitable spending was done based on a combination of the Expert-400 data on revenues of the 30 largest Russian companies, information disclosed by these companies on their expenses on charitable causes in annual reports or otherwise, and subsequent extrapolation for the whole Russian corporate universe.

billion, expenditures on culture and sports—about RUB 200 billion¹⁶. Even if we subtract the charity-related expenditures of the leading Russian oil and gas companies from the overall estimate (since there may be doubts as to the exact nature of these expenditures, ie whether they should be considered charitable or quasi-public expenditures), the amount will still be significant on a national scale.

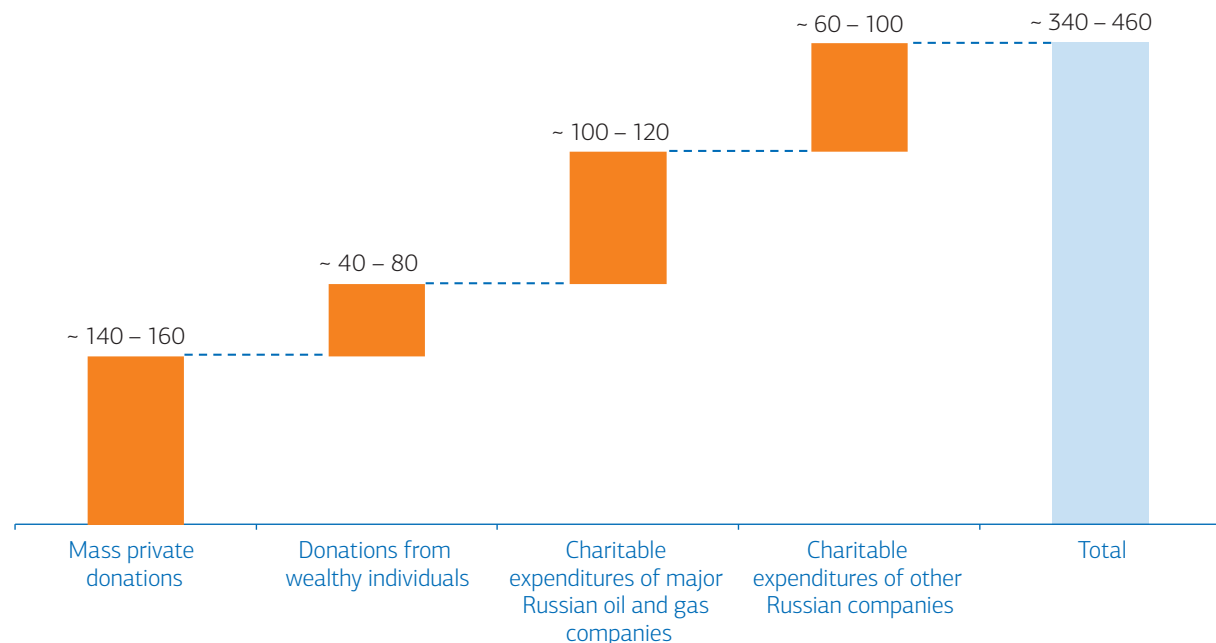
Is this much if compared to other countries? Let’s compare the amount of Russian private donations to those of another major country.

For example, CAF conducts research on private charitable donations in the UK using

a methodology that is similar to that, which it uses for Russia. The UK is also interesting to use for comparison, since the UK GDP measured at purchasing power parity (PPP), is comparable to that of Russia¹⁷.

According to CAF, the amount of private donations in the UK in recent years has been around GBP 10 billion (which is equivalent to approximately US\$ 13 billion). On the one hand, this figure is many times higher than the above estimate of the size of private donations in Russia—if converted at the current US Dollar exchange rate, the latter amounts to approximately US\$ 2.2–2.5 billion. On the other hand, one can argue that it would be more cor-

EXHIBIT 4. ESTIMATE OF CHARITABLE EXPENDITURES IN RUSSIA, RUB BILLION



Source: Estimate of the SKOLKOVO Wealth Transformation Centre, based on the data from CAF Russia Giving 2016, CAF Gross Domestic Philanthropy 2016, Coutts Million Dollar Report 2015, The Wealth Report 2018 (Knight Frank), Expert-400 2017 (Expert, No. 43, 2017) and company reporting

¹⁶ Federal Laws No. 362-FZ and 363-FZ dated 05 December 2017
¹⁷ US\$ 2.9 trillion for the UK and US\$ 3.75 trillion for Russia in 2016

Expert commentary



Maria Chertok
CAF Russia Foundation
Director

I am very pleased with the publication of this report. Before that, our knowledge about the charitable behavior of the Russian wealthy was limited, and we had to rely on anecdotal evidence. Now we have a lot more detailed data.

I am also delighted with how the authors intelligently use government statistics and third-party research (and I am, of course, very pleased that CAF data is among them), along with their own results, for comparison and to complement their expert estimates. The result is obtaining fundamentally new knowledge about the Russian charitable sector, which was not available before. I will explain my idea with two examples.

For many years, experts from the non-profit sector had to helplessly shrug their shoulders in response to the question of what the size of the charitable sector is. This is a question that interests journalists, government, analysts etc, and so far no one has taken the courage to provide a simple and clear answer to it. This research provides such an answer—perhaps not ideally accurate and complete, but quite reasonable and operational, thus making a valuable contribution to the body of knowledge about charity in Russia.

Comparison of the charitable behavior between the general public and wealth possessors is also very insightful and practical, and I am pleased that the data from our “Russia Giving” study was the basis for such comparison. It is interesting to see that the differences between the two groups are not as significant, as it might have seemed initially, because the development of charitable culture in Russia takes place simultaneously in all social strata.

I highly recommend familiarising yourself with the research to anyone who is interested in the development of Russian philanthropy and the non-profit sector. The authors have tried to ensure that this material does not just stand on the shelf of academia—its findings are also useful to practitioners seeking to engage our wealthy compatriots in charity and philanthropy.



rect to convert the value using the exchange rate tied to the PPP, as it would more accurately reflect the value that one could get with this money. If converted at PPP exchange rate, Russian private donations become equivalent to about US\$ 5.5–6.5 billion, or about half the UK level (please see Exhibit 5)¹⁸. This is quite a decent level, given the centuries-old history of charity in the UK against only a quarter of a century for modern Russia.

What conclusion can we make from the above? First, the amount of funds engaged in the Russian philanthropic sector is already significant, at least in terms of the effect that these funds can have on the beneficiaries' lives, and by some indicators is already approaching the level of more developed markets.

Secondly, the role of the wealthy individuals in providing financing to charitable proj-

ects is disproportionately large in relation to their small share in the population as a whole.

Let us consider the preferences in this segment of Russian philanthropists (ie Russian wealth possessors) in more detail.

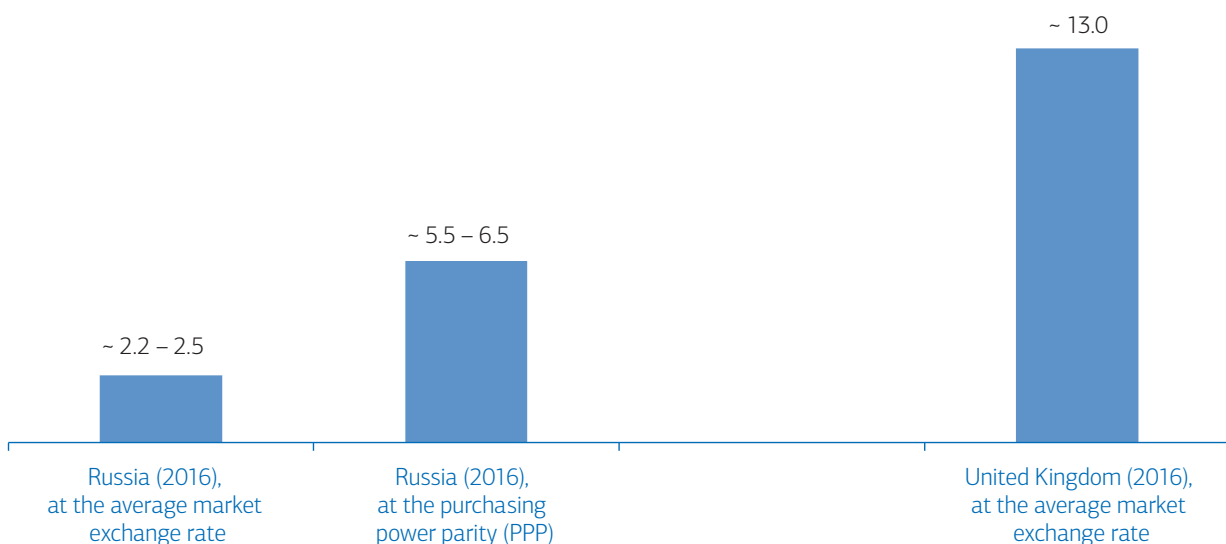
What Russian Philanthropists Want

What can we say about the preferences of Russian wealth possessors in respect of charity, based on the findings of our study?

INVOLVEMENT IN CHARITABLE ACTIVITIES

The first thing to note is the high degree of involvement of the Russian wealth possessors in charity. It is one and a half times high-

EXHIBIT 5. COMPARISON OF THE VALUE OF PRIVATE DONATIONS IN RUSSIA AND THE UNITED KINGDOM, US\$ BILLION



Source: Central Bank of Russia, World Bank, CAF UK Giving Report 2016/2017/2018, SKOLKOVO Wealth Transformation Centre analysis

¹⁸ In the case of the UK, the difference between the current exchange rate and the PPP rate was small.

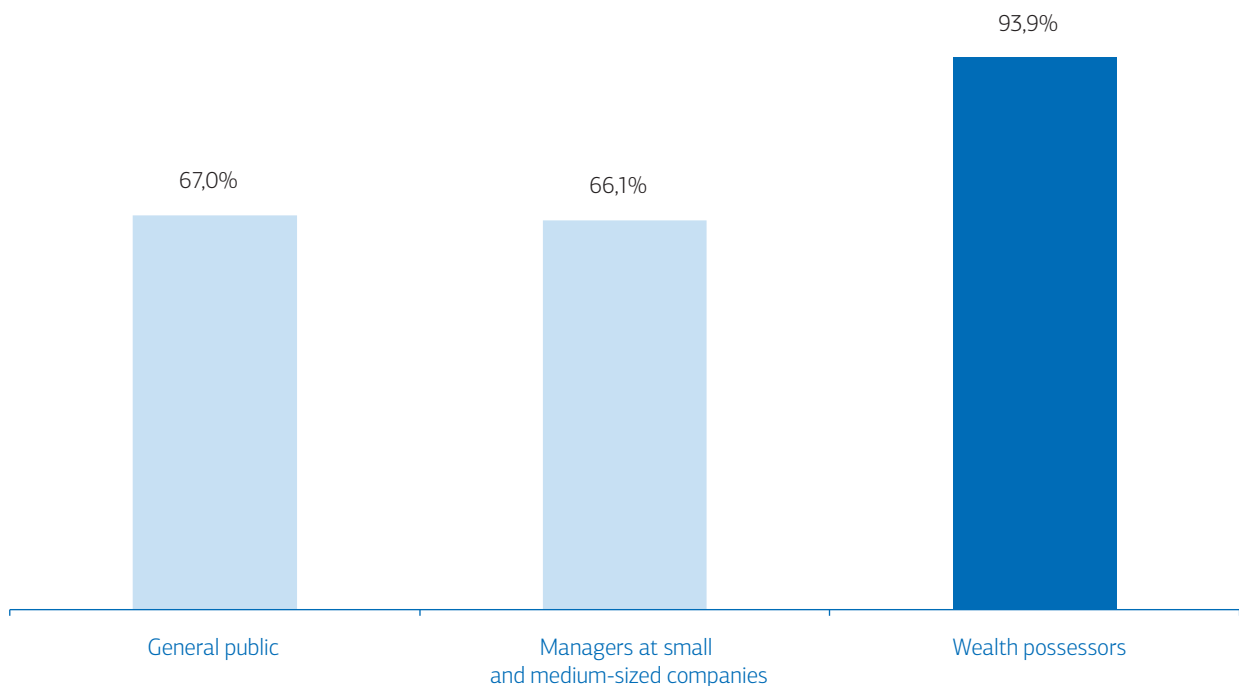
er as compared to the general public: almost all (93.9%¹⁹) of the respondents in our study had participated in a charitable event or activity in the previous 12 months as compared to only about two-thirds (67.0%²⁰) of the population as a whole (please see Exhibit 6).

At the same time, every eighth (13%²¹) Russian wealth possessor we interviewed had worked as a volunteer in a charitable non-profit organisation or a project at such an organisation in the previous year. This figure is comparable to the level of involvement in volunteering for the general public.

DONATION AMOUNTS

In absolute terms the amount of financial support provided by wealth possessors to charitable projects is higher than that of the general population by several orders of magnitude. Compare the following: according to CAF²², the average donation made by the members of general public was about RUB 8,000, and the median (the most typical) value amounted to RUB 2,000; whereas the average donation made by the top managers and owners of small and middle-sized businesses (whom we surveyed) exceeded RUB 76'000 (with a medi-

EXHIBIT 6. THE SHARE OF THOSE WHO TOOK PART IN CHARITABLE ACTIVITIES IN THE PREVIOUS 12 MONTHS AMONG WEALTHY RUSSIANS IS HIGHER THAN AMONG THE GENERAL PUBLIC



Source: CAF Russia Giving 2017 (for the general public), SKOLKOVO Wealth Transformation Centre analysis (see Appendix 2, Question 1 and Appendix 3, Question 1)

19 Appendix 1, Question 1
 20 CAF Russia Giving 2017
 21 Appendix 1, Question 1
 22 CAF Russia Giving 2017

an value of RUB 8,500), while the average donation for charitable projects made by wealth possessors in our sample exceeded RUB 3 million (with a median value of RUB 230'000).

The large gap between the average value and the most typical one (median value) suggests uneven distribution of values in the sample and the highly concentrated nature of donations. In other words, a small number of philanthropists provide the bulk of the donations. This is indeed the case: according to our surveys, 80% of the total amount of donations²³ was provided by 11.7% of the interviewed top managers / owners of small and medium-sized businesses and by only 6.9% of the interviewed wealth possessors²⁴.

Whether the values in the sample are evenly distributed is important for determining the fundraising strategy: in a recent study²⁵, a group of American scientists concluded that if the concentration of donations in a charitable

foundation is higher than that described by the classical Pareto²⁶ distribution, the focus in the fundraising strategy should be on increasing the average donation size rather than on expanding the target audience.

POPULAR CHARITY CAUSES

Supporting children is an undisputed leader in popularity among the charity causes financed by the Russian wealthy. Projects in this category were supported by three quarters (73.9%) of the wealth possessors that we surveyed²⁷.

The next three most popular charity causes are helping poor and indigent (47.8%), church and religion (28.3%), and higher education and science (17.4%). It is interesting to note that on the whole, the preferences of the wealth possessors are very similar to those of the general public, as well as the findings of our supplementary survey of top managers of small and medium-sized businesses (please see Table 1)²⁸.

TABLE 1. THE MOST POPULAR CHARITY CAUSES FINANCED BY RUSSIAN WEALTH POSSESSORS DO NOT DIFFER MUCH FROM THOSE SUPPORTED BY THE GENERAL PUBLIC

General public	Top managers and owners of small and medium-sized businesses	Wealth possessors
1. Children (58%)	1. Children (62%)	1. Children (74%)
2. Religious organisations (30%)	2. Poor, indigent and socially disadvantaged (49%)	2. Poor and indigent (50%)
3. The poor (28%)	3. Church and religion (26%)	3. Church and religion (28%)
4. Animals (20%)	4. Education and science (14%)	4. Education and science (22%)

Source: For the general public—CAF Russia Giving 2017; for wealth possessors and top managers and owners of small and medium-sized businesses—please see Appendices 1 and 2, respectively

²³ of those who answered the corresponding question.

²⁴ That is, the concentration is higher than in the classical Pareto distribution, where 80% of the total is provided by 20% of the sample.

²⁵ Gottesman W., Reagan A., Dods P. // Collective Philanthropy: Describing and Modeling the Ecology of Giving // PLoS ONE 9(7): e98876, 2014, DOI: <https://doi.org/10.1371/journal.pone.0098876>

²⁶ That is, 80% of the donations are provided by less than 20% of the donors.

²⁷ Donations were allocated between categories by respondents themselves. We did not perform any independent verification.

²⁸ It is interesting that overall the preferences of the Russian wealth possessors are very similar to those of the general public; this was also the case for the results of our supplementary survey of top managers of small and medium-sized businesses (please see Table 1). It is also interesting that the charity causes that are popular in Russia are very different from those popular, for example, in the UK, for which CAF also collects detailed data. In the UK, medical research (26%), animal welfare (24%), children or young people (23%), hospitals and hospices (23%), and overseas aid and disaster relief (23%), were the five most popular charity causes for private donations. For more details, please see CAF UK Giving 2018.

At the same time, interesting patterns and differences emerged between the preferences of various segments²⁹, which may need to be considered when working with wealth possessors and developing a fundraising strategy for your charitable project:

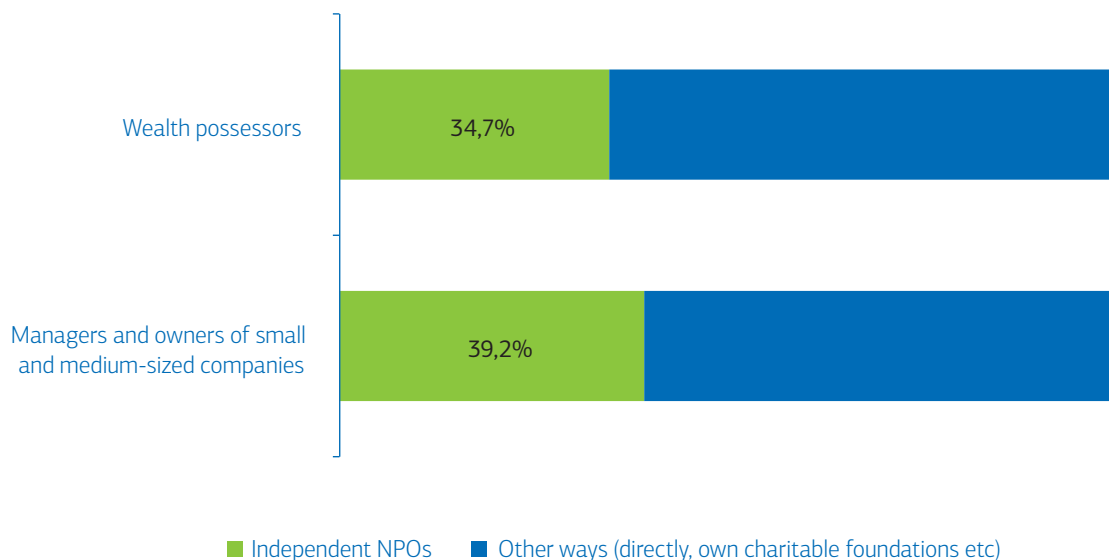
- Helping the poor is one and a half to two times more popular among the wealthy and top managers as compared to the general public.
- Level of support for church and religious projects is relatively stable and is generally at the 25%–30% level, with the exception of ultra-wealthy individuals (those with wealth exceeding US\$ 30 million), where the share of those who support such projects is almost twice that high³⁰.

- The share of those supporting sport is two to three times higher among entrepreneurs and ultra-wealthy people as compared to the average for the sample.
- Those aged 31 to 40 provide support for small businesses much more actively as compared to the other segments.
- Those aged 50 and above provide support to school education twice as often as compared to the average for the sample.

SUPPORT CHANNELS

In our main survey, independent NPOs received only a third of the total funds spent by wealth possessors on charitable projects during the year: out of RUB 228 million that our respondents spent for these purposes in the

EXHIBIT 7. SHARE OF CHARITABLE DONATIONS TRANSFERRED THROUGH INDEPENDENT NPOS



Source: SKOLKOVO Wealth Transformation Centre analysis (please see Appendix 1, Question 5, and Appendix 2, Question 5)

²⁹ For more details, please see Appendix 1, Question 2

³⁰ Is this a reflection of the deep-seated preferences of this segment, or is it the result of a more targeted and professional engagement strategy for this segment by religious organisations? This is a topic for a separate study.

previous 12 months, NPOs received less than RUB 80 million (or 34.7%)³¹. The wealth possessors transferred two thirds of their funds either directly to specific people, or through their own foundations established for these purposes.

The responses of top managers of small and medium-sized businesses in the supplementary survey showed similar results: independent NPOs accounted for only 39.2% of the funds that they donated for charitable purposes³².

In other words, independent NPOs are yet to become the main channel for servicing funds allocated by Russian wealth possessors to charity (see Exhibit 7).

NON-FINANCIAL SUPPORT

In addition to providing financial support for charitable projects, wealthy Russians also actively provide various forms of non-financial support. Moreover, level of such support appears to increase with the size of the wealth: among wealth possessors with wealth of less than US\$ 1M, only about one in five respondents (21.1%³³) provided non-financial support, while the corresponding share of respondents with wealth in the US\$ 1M to US\$ 30M range was 54.3%, and the share among ultra-wealthy respondents—77.8%.

The three most popular forms of non-financial support were the provision of free expert and advisory support, assistance in identifying the necessary contacts and in building connections and relationships, and participation in the work of an organisation's Board of Trustees.

The common complaint that Russian wealth possessors, unlike their American counterparts, do not allocate enough time or make sufficient effort to help raise funds for the projects they support (ie to fundraising), is not ungrounded: only one out of every six respondents in our study mentioned their participation in this kind of activity.

IS SUPPORT SPONTANEOUS OR PRE-PLANNED

Support provided by Russian wealth possessors is typically more systemic: almost half of them (45.2%³⁴) claim that more than 60% of their donations are pre-planned in advance. For comparison: only one in eight respondents (12.2%³⁵) among top-managers and owners of small and medium-sized businesses pointed out a similar level of planning in respect of their donations (please see Exhibit 8).

MOTIVATION FOR ENGAGING IN PHILANTHROPY

In our survey we suggested several options that the respondent could choose to indicate their motivation for engaging in philanthropy. Out of the suggested options, the majority (55.9%³⁶) of wealthy people chose the "desire to contribute to creating a stable environment for the community and ensuring progress for the country as a whole"³⁷ as their main motivation for engaging in philanthropic projects.

The other three most popular answers were: "I support a cause, which has directly affected me or those close to me" (20.6%); "I want to do something fulfilling besides work"

³¹ For more details, please see Appendix 1, Question 5

³² For more details, please see Appendix 1, Question 5

³³ For more details, please see Appendix 1, Question 3

³⁴ For more details, please see Appendix 1, Question 4

³⁵ For more details, please see Appendix 1, Question 6

³⁶ For more details, please see Appendix 1, Question 9

³⁷ Of course, true motivation for participating in charitable projects is not exhausted by the five response options that we suggested in the survey. It is a complex and multi-dimensional phenomenon. For more details on scientific developments in this field, please see Bekkers R., Wiepking P. // A Literature Review of Empirical Studies of Philanthropy: Eight Mechanisms That Drive Charitable Giving // *Nonprofit and Voluntary Sector Quarterly*, Vol 40, Issue 5, 2011, <https://doi.org/10.1177/0899764010380927>. Based on the analysis of 500 scientific articles, the authors of the paper have identified eight factors that affect the degree of participation in philanthropy: (a) awareness of need; (b) solicitation; (c) cost and benefits; (d) altruism; (e) reputation; (f) psychological benefits; (g) values; (h) efficacy.

Expert commentary



Oksana Oracheva
Vladimir Potanin Foundation
General Director

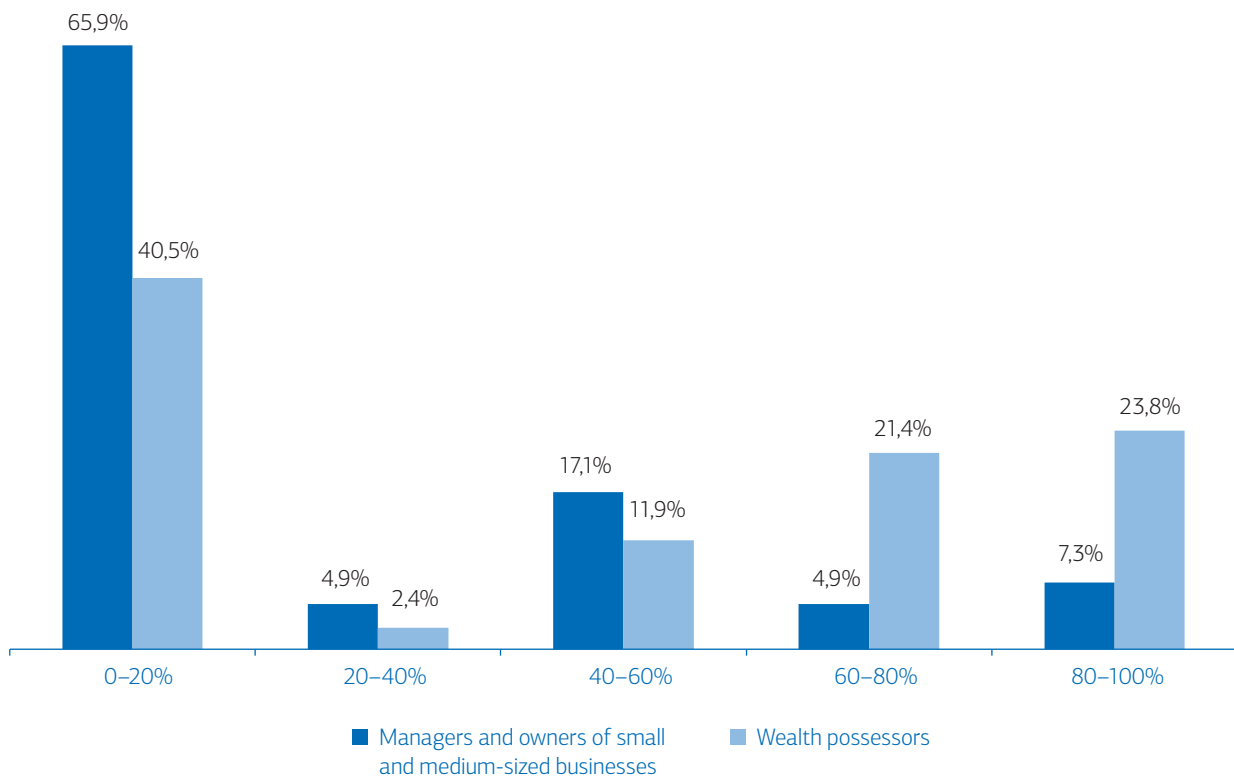
One of the key findings of the SKOLKOVO Wealth Transformation Centre private philanthropy study shows that the Russian wealthy donors are concerned about the same issues as the non-profit sector as a whole: whether support is systemic and effective, and whether you can see any tangible and real results from your contribution. It is not surprising that entrepreneurs pay great attention to the character and personality of the manager and to the level of professionalism of the employees of the organisations that they support. It is hard to disagree with the findings of the study that this is why many wealth possessors prefer creating their own funds, are personally involved in charity, and are less likely to fund charitable projects through independent non-profit organisations.

Employees at non-profit organisations are concerned about similar issues: how to improve efficiency of their work, how to measure results and to link their activities to specific program outcomes, how to earn trust of both the general public, and of major donors. International studies also indicate that the non-profit sector considers raising professionalism of staff, improving operational management and ability to explain your mission and to demonstrate social impact as the main challenges of the sector. These studies suggest that there is a similar demand from the beneficiaries—for meaningful impact of charitable programs and services, as well as for transparency of funding and spending.

Obviously, issues of trust, reputation and communication are taking top priority on today's agenda. And all stakeholders need to have this in mind when developing their own philanthropy strategy.



EXHIBIT 8. SHARE OF PRE-PLANNED DONATIONS AS COMPARED TO SPONTANEOUS



Source: SKOLKOVO Wealth Transformation Centre analysis (please see Appendix 1, Question 4, and Appendix 2, Question 6)

(20.6%), and “I do it together with my family / at the request of my family” (19.1%).

It is worth mentioning that engaging in charity together with family members is especially relevant for older respondents: in the segment of those aged above 50, the proportion of respondents who selected this factor as a motivator for engaging in charity was twice as high as the average for the sample (42.9% vs 20.6%).

Although, as pointed out above, more than 90% of wealth possessors participate in charitable projects, it is interesting to note that only one in seven respondents (14.7%) said that they were engaged in charitable activities because “it is considered a norm in

my social circle”. This suggests that there is a gap between the public image of charity and the degree of people’s actual involvement in it; there is yet much to be done to make philanthropy and charity ‘a norm’ and ‘a common practice’.

PRINCIPLES FOR SELECTING CHARITABLE PROJECTS TO SUPPORT

What factors are important for Russian wealth possessors in choosing a philanthropic project to support?

Of the five broad options we suggested—“personality and trust”, “efficient controls and targeted nature of aid”, “long-term impact”, “professionalism and experience of the

team”, and “values and guiding principles”—the undisputed leader was the ‘personality and trust’ factor, ie level of trust to the foundation or its leader, director’s personality or character, personal acquaintance to the director or the project, reputation etc. This factor turned out to be important to every four out of five wealth possessors (77.2%³⁸) from our sample.

The second most popular factor was “efficient controls and targeted nature of aid”—evidence of existence of proper controls over the project implementation and its transparency,—which was chosen by almost two thirds of respondents (59.5%).

“Understanding the long-term impact from the project and the project’s financial sustainability” was important to just over a third of the respondents.

The other two factors—“the level of professionalism and experience of the team” and “the values and guiding principles”—were the least popular among the five factors that we suggested. In other words, Russian wealth possessors appear to take these two factors into account the least when choosing a charitable project to support.

It is interesting that the selection criteria used by the ultra-wealthy respondents (worth more than US\$ 30M) were different: the ‘personality and trust’ factors was less significant, but the long-term impact and the level of professionalism of the team were more important than the average for the sample. This implies that it will likely be more difficult to convince this category of wealth possessors to support your project.

CRITERIA FOR SUCCESS OF THE CHARITABLE PROJECT

What do Russian wealth possessors consider to be the key criteria for the success of a charitable project? This question is a difficult one

to answer from the methodological point of view, since the immediate effect of charitable and social activities is not immediately obvious in many cases.

“Reaching objectives and tangible results” was the most popular response in the survey. This answer was given by 70.0% of the respondents. This is not very good news for projects aimed at solving complex social problems, where the results are not immediately evident.

The next three most popular project success criteria were: efficiency and effectiveness (28.0%), long-term financial sustainability of the project and ability to attract new donors (28.0%), and targeted nature of help (18.0%).

Below are some examples of comments made by the survey respondents regarding the criteria for selecting charitable projects to support:

- “The number of affected people and visible results (objective positive changes, achievements)” – ‘Financial investor’³⁹, 51+ years old, worth US\$ 1M to US\$ 5M
- “Feedback from the aid recipients, potential for project expansion (more cities, more recipients etc), changes in laws, involving a larger number of donors in the project” – ‘Financial investor’, 41 to 50 years old, worth US\$ 1M to US\$ 5M
- “Participation in major events, mentioning in the media, implemented projects, saved lives, improved living standards of people” – ‘Entrepreneur’, 31 to 40 years old, worth less than US\$ 1M
- “The capability for self-replication and the viral effect for the target audience” – ‘Entrepreneur’, 31 to 40 years old, worth more than US\$ 100M
- “A clear goal, a good team, long-term impact of the project” – ‘Entrepreneur’, 41 to 50 years old, worth less than US\$ 1M
- “Sustainable activities, achievement of

³⁸ For more details, please see Appendix 1, Question 8

³⁹ The asset composition classification is based on the classification proposed by The Investment Preferences of Russian Wealth Possessors study (Moscow School of Management SKOLKOVO, 2017): ‘Entrepreneurs’ (E), with more than 50% of their wealth tied in their core business, and ‘Financial Investors’ (FI), where the value of their liquid financial assets and real estate exceeds the value of their investment in private businesses.

goals, growth in the number of supporters, reputation of the organisation” – *‘Financial investor’, 51+ years old, worth US\$ 5M to US\$ 30M*

It is interesting to note that the ultra-wealthy respondents attached much more importance to effective and efficient internal operations of the foundation and the availability of a quality team as a project success criterion than the sample as a whole. This coincides with the above-mentioned opinion of this category of wealth possessors about the importance of professionalism as one of the criteria for selecting projects.

Similar criteria were mentioned in the responses to a related question: what would wealth possessors recommend the non-profit organisations to do to improve their work?

The most popular recommendation was to increase the level of transparency, be more open and to regularly communicate about the results achieved: almost two-thirds of the respondents (61.8%) noted that.

The next three most popular recommendations were: to use a personalised approach and deeper involvement of donors in project implementation (32.4%), to constantly improve the efficiency of their activities and the professionalism of the team (23.5%), and to spend more time on fundraising and ensuring the long-term financial sustainability of the project.

Below are some examples of recommendations for improving the performance of non-profit organisations that the survey respondents made:

- “Professionalism of the team, existence of long-term goals, quality development of programmes and projects” – *‘Financial investor’, 41 to 50 years old, worth US\$ 1M to US\$ 5M*
- “Be transparent, effective, consistent” – *‘Financial investor’, 41 to 50 years old, worth US\$ 1M to US\$ 5M*

- “Improve reporting to donors. Explore the possibility of crowdfunding” – *‘Financial investor’, 51+ years old, worth US\$ 5M to US\$ 30M*
- “Having a clear definite strategy and system—from raising funds to ensuring achievement of the project’s purpose” – *‘Financial investor’, 41 to 50 years old, worth US\$ 5M to US\$ 30M*

LEVEL OF SATISFACTION

The respondents’ answers to the question about the level of their satisfaction with the quality of their interaction and cooperation with non-profit organisations were somewhat surprising: only one out of seven Russian wealth possessors interviewed (14.1%⁴⁰) was absolutely satisfied with their cooperation with NPOs; slightly more than a half (57.1%) of the respondents chose the option “generally satisfied”. At the same time, almost a third of the respondents either described their experience of interaction with independent NPOs as unsatisfactory or could not say that they were satisfied.

This suggests that NPOs have something to think about. Perhaps the above explains the reason why more than half of the funds donated to charity are spent outside NPOs.

INFLUENCE OF GOVERNMENT REGULATION

We also asked the respondents a question about whether the recent tightening of NPO-related and tax regulations—both the legislation on ‘foreign agents’ and the controlled foreign company legislation—had impacted the amount of charitable donations made by Russian wealth possessors.

Only four out of five respondents (79.3%) were confident that there was no such negative influence; that is, every fifth respondent did not rule out such negative impact on the amount of donations. In other words, the tightening of legislative regulation may lead

⁴⁰ For more details, see Appendix 1, Question 6

Expert commentary



Irina Ikonnikova
PHILIN
General Director

Besides the fact that the study offers readers a comprehensive assessment of the size of the Russian charity sector, its key findings and recommendations provide a rich basis for further discussions.

For example, the authors of the study interpret the share of charitable donations sent to independent non-profit organisations as fairly low. In my opinion, the share of 35% to 39%, on the contrary, demonstrates a reasonably high level of trust of large donors to non-profit organisations. Due to the absence of a baseline, it is not possible to say what the current trend is, so one has to base his or her opinion on this individual piece of data and personal observations. That is why in the future it is important to continue the research

in the future using similar methodology and indicators in order to be able to track the further developments and trends.

At the same time, it is interesting to note that the level of professionalism of the project manager and the long-term effect impact of the project lead as criteria for selection of charitable projects only for ultra-wealthy donors. For the rest of the respondents, the “personality” factor, ability to exercise control and targeted nature of help play a decisive role. On the one hand, this implies that some donors may need to be more structured and professional when selecting charitable projects to fund. One way to do that would be to turn to independent professionals who help donors to verify the level of maturity and professionalism of individual non-profit organisations, as well as to help the donors define their own strategy and theory of the desired social impact. On the other hand, it is only natural that donors will want to have tools to protect their own interests and to build an independent control system. And, of course, experienced ultra-wealthy donors need to be prepared to share their approaches and to transfer their experience, which implies a high degree of openness and transparency, and being ready to discuss with colleagues not only their successful cases, but also lessons learned from past mistakes.

Overall, the results of the study suggest that in the coming years we will see further qualitative and quantitative development of the Russian non-profit sector, which among other things will require efficient backoffice solutions.



to a decrease in the amount of donations from at least some of Russian wealth possessors.

What Experts Say About Their Experience of Working with Russian Wealth Possessors

In addition to conducting a survey of wealth possessors, we interviewed 12 experts with relevant experience to find out the intricacies of working with this segment of philanthropists.

The answers we received are in many respects similar to the survey findings described above:

- There are no uniform approaches or frameworks for working with the wealthy. Each wealth possessor has his (her) own individual approach, expectations, preferences, requests, and biases.
- It is important to maintain an honest, open and regular dialogue, and not to limit communications only to formal occasions, such as asking for donations or providing official reports. This is important because cooperation is largely based on existence of a personal relationship and of emotional motivation for engaging with the charitable project. This emotional aspect cannot be underestimated: the opportunity to personally participate in the activities of the charitable foundation, to see the very people whom they help and whose lives their donation improves can significantly increase the degree of donor's engagement.
- Another important factor is financial transparency. This is a kind of a 'quality mark', which facilitates communication with the wealth possessors. Lack of

transparency in reporting becomes an obstacle to building a long-term relationship with a donor.

- Wealth possessors can help not only with money, but with other resources or advice. This allows the charity to build deeper strategic partnerships with them: to openly discuss not only the successes, but also the challenges and failures, as well as the infrastructure needs of the organisation.
- Wealth possessors often strive to measure the effectiveness of the operational activity; it is difficult, however, to do so in philanthropy, since, unlike in business, there is no profit. Nevertheless, the relationship with the donor can be improved by utilising in the conversation the language of business: to show him or her 'the roadmap', 'the business plan', and the expected results.

Recommendations to Non-Profit Organisations

The above findings allow us to make the following practical recommendations for non-profit organisations:

- Cooperation with wealth possessors has high potential 'return on investment' for an NPO engaged in charitable activities both due to a substantially higher potential amount of financial support, and the more systematic and regular nature of help provided by this segment.
- Do not limit your communication with wealthy donors to discussions around donations. Involve them in the activities of your organisation: they can help with advice, participate in the development of the strategy, assist in networking and finding necessary contacts.
- Working with wealthy donors requires

openness and transparency in the activities of NPOs and regular communication about the results achieved and the effectiveness of the funds used.

- Due to the high importance that wealthy donors place on personal trust to potential recipients when choosing an NPO, foundation or social project to support, investing in building reputation and individualised communication with the target audience can have significant impact on the success of fund-raising campaigns.
- Therefore, do not limit your communication with wealthy donors to discussions around donations. Involve them in the activities of your organisation: they can help with advice, participate in the development of the strategy, assist them in networking and finding necessary contacts.

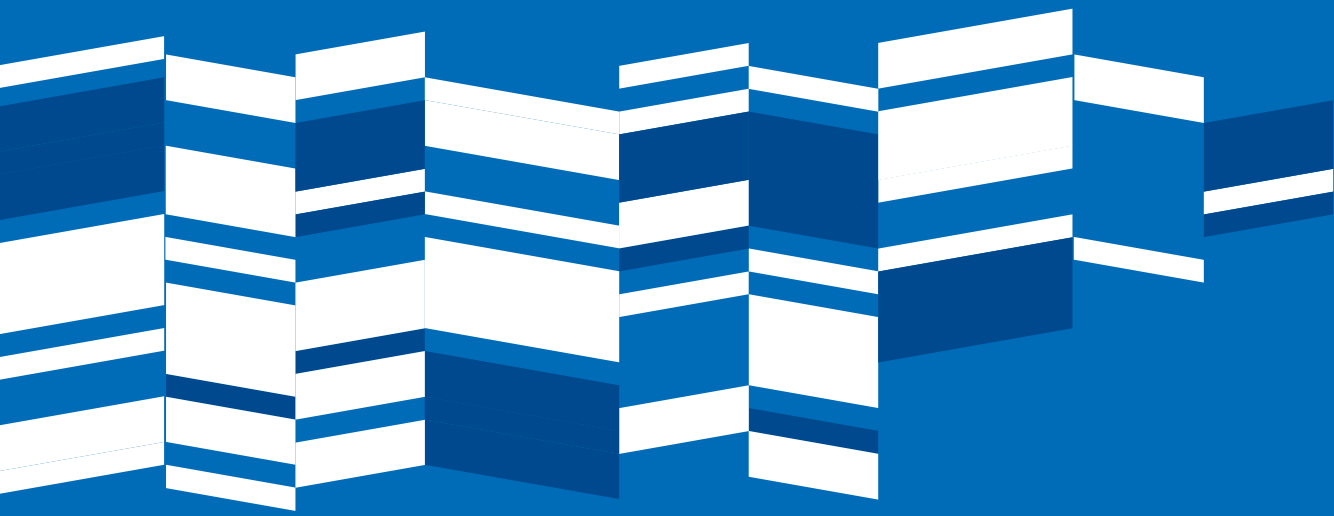
the team and the likelihood of achieving long-term impact can increase the effectiveness of your charitable donations and social project financing.

- Insisting on demonstration of quick results and immediate efficiency carries certain risk: in an attempt to meet these expectations, recipients may use the funds they receive to finance projects that can produce short-term gains, but which would be sub-optimal from achieving long-term impact perspective.

Recommendations for Philanthropists

The obtained data also make it possible to formulate recommendations for wealth possessors who are willing to increase the return on their funds donated to finance philanthropic and social initiatives:

- Social motivation and the amount of resources in the Russian philanthropic sector are already sufficient to experiment with new tools beyond classical charity.
- Pooling of resources by several wealthy donors and the use of a wider set of financing instruments will make it possible to complete a larger number of significant projects with greater social impact.
- Excessive focus on personal trust when selecting projects to finance may lead to unwarranted bias in selection. Taking into account the professionalism of



4.

THE FUTURE OF RUSSIAN PRIVATE PHILANTHROPY

1

2

3

4

5

6

What can we expect from the Russian philanthropic sector in the coming years, especially in the segment that depends on private donations? We have identified eight trends, which we expect to manifest themselves in the next five to ten years.

1. FURTHER EXPANSION AND QUALITATIVE IMPROVEMENT OF THE PHILANTHROPIC SECTOR

First of all, we expect further expansion and qualitative improvement of the non-profit sector both due to economic growth⁴¹, and as a result of the sector becoming more mature and of accumulation of practical experience.

The Russian government will also likely contribute to the possible development of the philanthropic sector due to increasing realisation that some of the social functions can be realised more effectively and efficiently by ‘subcontracting’ their implementation to independent non-profit organisations with appropriate government funding⁴².

2. INCREASING PROFESSIONALISATION OF THE SECTOR AND WIDER USE OF BEST PRACTICES, INCLUDING THOSE BORROWED FROM BUSINESS

In recent years we have seen both philanthropists and managers at charitable foundations paying more attention to the level of professional competencies they expect from employees and volunteers at non-profit organisations. There is also an increasing demand for improving efficiency of operations through use and sharing of the relevant best practices.

At the same time, we see higher interest in philanthropic issues on the part of both ultra-wealthy individuals and top managers of commercial firms, who have already reached professional fulfilment, but who are now willing to contribute to the development of society outside business.

These new actors bring with them new competencies, demand for effective internal processes in charitable organisations, and the habit of using terminology and tools common in business, such as, thinking in terms of ‘processes’, ‘projects’, and ‘results’⁴³, or using such business tools as ‘strategic planning’, ‘key performance indicators’, ‘roadmaps’ etc.

3. PAYING MORE ATTENTION TO DEVELOPING THE ‘THEORY OF CHANGE’ AND CRITERIA FOR ASSESSING SUCCESS AND MONITORING PROGRESS OF THE PROJECT

Mechanistic transfer of business practices to the non-profit sector, however, does not always bring the results that their proponents expect.

First, there is no single criterion, like profit in business, to measure the effectiveness of social projects. There have been numerous attempts to develop an integral indicator of the effectiveness of social and charity projects⁴⁴, but no indicator has yet been found to be fully universally suitable for this purpose⁴⁵, especially since measuring project results using most of these indicators is labour-intensive, as well as often fairly subjective.

41 For example, the CAF Gross Domestic Philanthropy 2016 study revealed high correlation between the GDP growth and the amount of private donations to charity.

42 The legal foundation for public-philanthropic partnership in this area was laid down, for example, in the relevant provisions of Federal Law No. 44-FZ dated 05 April 2013, which granted Russian government bodies the right to place orders for purchase of goods and services for state and municipal needs with socially-oriented non-profit organisations.

43 This trend is evident not only in Russia, but also abroad: some even started using a special term to refer to such business-oriented philanthropists — ‘philanthrocapitalists’ (for example, please see Bishop M., Green M., *Philanthrocapitalism: How Giving Can Save the World.* – NY: Bloomsbury Press, 2009)

44 For example, see Graham B., Anderson E., *Impact Measurement: Exploring its role in impact investment.* – National Australia Bank, *The Difference Incubator and Benefit Capital*, 2015; Florman, M., Kingler-Vidra R., Facada M., *A Critical Evaluation of Social Impact Assessment Methodologies and a Call to Measure Economic and Social Impact Holistically Through the External Rate of Return Platform* // LSE Enterprise Working Paper #1602, 2016; Rozhdestvenskaya N., Boguslavskaya S., Bobrova O.: *Evaluation of Non-Profit Organisation, Social Entrepreneurship and Civic Initiatives Project Effectiveness.*—St. Petersburg, Publishing House of Polytechnic University, 2016.

45 We have seen precedents of usage in Russia of such indicators as SROI (Social Return on Investment), MCA (Multi-Criteria Appraisal), GRI (Global Reporting Initiative Sustainability Reporting Standards), and the balanced scorecard.

Attempts to replace the social impact assessment with measuring financial efficiency, eg by measuring the share of donations spent on overhead⁴⁶, have their own disadvantages and their own critics⁴⁷. Putting financial efficiency first is no less subjective in selecting criteria for measuring such efficiency, and may promote short-term orientation to the detriment of achieving long-term social impact.

Secondly, the motivation of NPO employees and volunteers for working in social projects is typically much more multi-dimensional than that of employees in business enterprises. There is always a risk that excessive focus on achieving formalised key performance indicators may demotivate them.

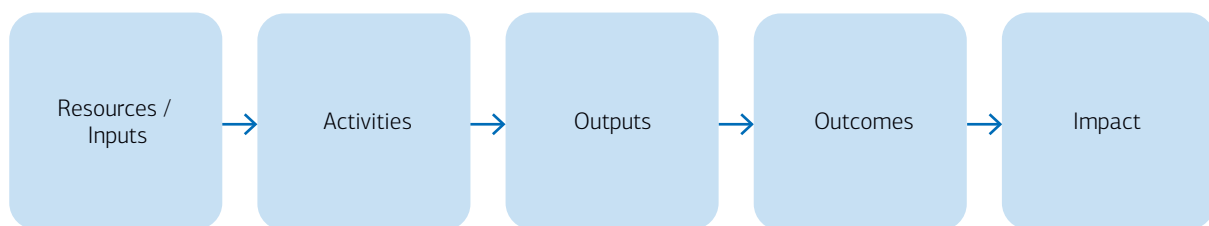
Third, even reaching pre-agreed performance indicators in practice does not necessarily lead to donor satisfaction with the project results, if the link between these indica-

tors and the mission and goals of the organisation has not been fully thought through in advance.

One of the leading global best practices aimed at addressing this problem is to develop a so-called 'theory of change'⁴⁸ for the project or the non-profit organization, which would provide a logical justification of how the practical outcomes of the organisation's or project's activities would contribute to the long-term impact and systemic improvement of the current situation. We outline a sample structure of such logical model in its simplest form in Figure 1⁴⁹.

Applying the 'theory of change' method, like any other management tool, does not guarantee success and cannot by itself ensure achieving the desired long-term social impact⁵⁰. At the same time, it can be a greater step forward as compared to using simple economic performance indicators.

FIGURE 1. A TYPICAL STRUCTURE OF A THEORY OF CHANGE FOR A NON-PROFIT PROJECT



Source: Logic Model Development Guide: Using Logic Models to Bring Together Planning, Evaluation, and Action. – W.K. Kellogg Foundation, 2004.

⁴⁶ Which is common, for example, in the US practice.

⁴⁷ One of the common criticisms is that this indicator substitutes an evaluation of the outcomes with the evaluation of operational efficiency. For more details, please see Pallotta D., Uncharitable— How Restraints on Nonprofits Undermine Their Potential. – UPNE, 2010.

⁴⁸ This approach is also sometimes labelled as 'logic model' or 'programme theory'.

⁴⁹ For more information, please see Logic Model Development Guide: Using Logic Models to Bring Together Planning, Evaluation, and Action. –

W.K.Kellogg Foundation, 2004.; Funnell S., Rogers P.: Purposeful Program Theory: Effective Use of Theories of Change and Logic Models. – San Francisco, Jossey-Bass, 2011; Rogers P., Using Programme Theory to Evaluate Complicated and Complex Aspects of Interventions. // Evaluation, 14/1, 2008,

DOI:10.1177/1356389007084674. An example of the practical application of this method in Russia is provided in Kuzmin A., Kosheleva N. Theory of Change:

General Recommendations for Use (Based on the Experience of the Victoria Children Foundation). – M.:Prospekt, 2014, and in Dikman D.: From Intentions to

Results. Strategic Planning in Charities. – M: Nuzhna Pomosh, 2018.

⁵⁰ For example, analysis of philanthropic projects in India, conducted by McKinsey in 2013 (for more details, please see Designing Philanthropy for Impact – McKinsey, 2013) showed that 85% of the analysed philanthropic projects were aimed at achieving short-term results. The authors of the study suggested that it would have been more effective to double the share of projects aimed at promoting systemic and institutional changes, eg legislative changes.

In our practice, we see increasing interest – both on the part of NPOs and philanthropists – in doing deep analysis of possible hypotheses about the theory of change in the social projects they implement, and we expect that this tool will be used more and more extensively.

4. IMPROVEMENT IN REPORTING AND COMMUNICATION PRACTICES

Wealth possessors' requests to demonstrate achievement of concrete results and to provide proof of effective and efficient use of funds, that we mentioned above, should force charitable foundations and non-profit organisations to raise both the quality of reporting that they provide to donors, and the quality and frequency of communication with them (be it in social media, by e-mail, using messengers or by other means).

We also expect non-profit organisations to start paying more attention to building long-term relationships with both the current and potential donors, and to increasing donors' involvement in project implementation.

5. WIDER VARIETY OF FORMATS FOR THE IMPLEMENTATION OF SOCIAL PROJECTS

Traditionally, most private social projects in Russia have been financed by charitable donations. The global best practices, however, suggest the possibility to use a much wider set of mechanisms for using private capital to help solve social problems, which often have a commercial component, or are even self-sustainable (please see Figure 2).

An additional factor that may promote using alternative structures for financing social projects is the above-mentioned interest in philanthropic issues on the part of the Russian ultra-wealthy individuals. They are often fairly open to the possibility for a non-profit organisation to earn money on their own, and often regard the capability of the organisation

to earn money proactively as an additional guarantee that desired long-term social impact of the project can be achieved.

For example, the Moscow School of Management SKOLKOVO, which our Centre is a part of, is itself a practical example of a socially-driven business: although it is a non-profit organisation and the founders provided sizeable donations at its inception, in its daily work the business school is guided by the need to be self-sufficient and to earn a profit, which is then used for further development of the business school.

In this context, we also expect that corporate social responsibility will be gaining in popularity in Russia—as a way to contribute to solving social problems without the need to allocate additional funds specifically for this purpose.

6. INCREASE IN THE SHARE OF PROJECTS THAT USE HYBRID FUNDING TOOLS OTHER THAN DONATIONS AND GRANTS

We also expect a wider dissemination of new (so-called 'hybrid') ways of financing social and philanthropic projects. Experts from the European Venture Philanthropy Association (EVPA), for instance, suggest to consider, among others, the following hybrid financing tools⁵¹:

- Recoverable grants: loans that must be paid back only if the project reaches certain previously defined milestones.
- Forgivable loans: loans that are forgiven if the project succeeds, that is, if the project goals and objectives are achieved.
- Conditional financing: the next tranche of financing (on a recoverable or grant basis) is provided on condition that the project reaches the agreed key indicators.
- Convertible grants or loans: the provided financing is converted into equity in case of project success and achievement of agreed milestones.

⁵¹ For more details, please see [A Practical Guide to Venture Philanthropy and Social Impact Investment, EVPA, 2016](#).

It would also be a good idea to borrow from the experience of using ‘blended finance’ in development projects in developing countries, where grants are used not to finance the development project per se but rather to reduce its risks, which in turn makes the project attractive for private investors. The most popular forms of such blended financing are the following⁵²:

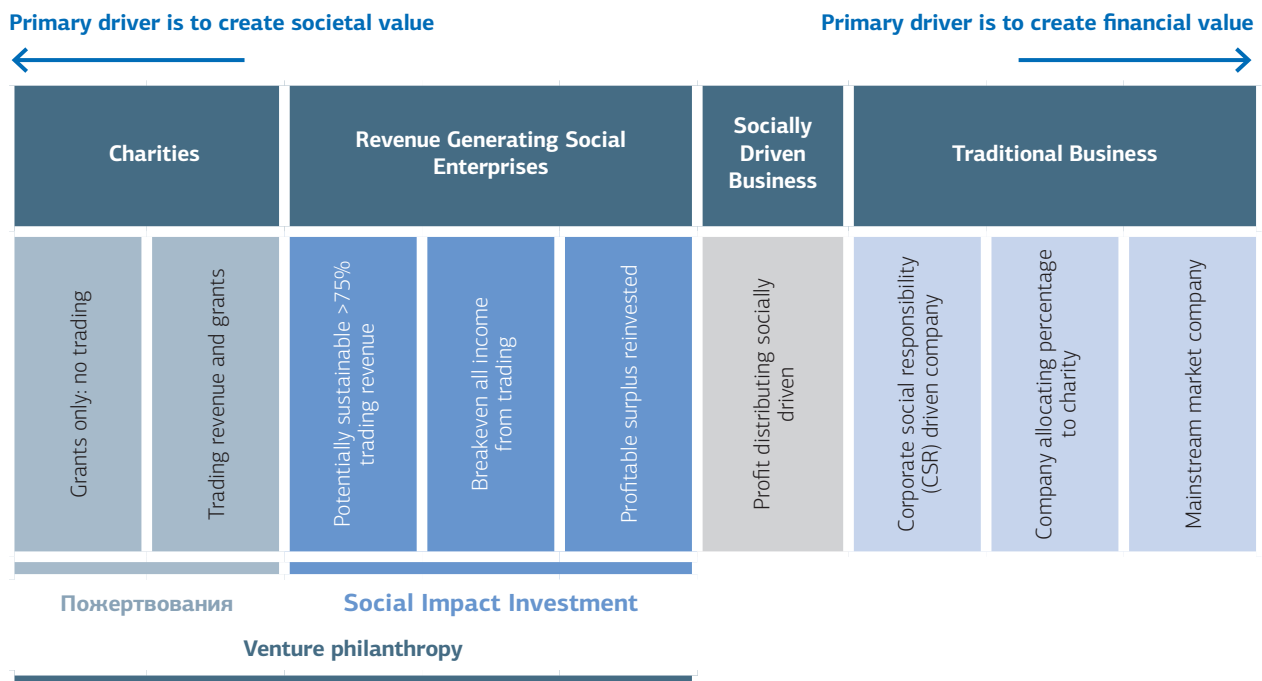
- Junior / subordinated capital.
- Donor-funded technical assistance.
- Provision of guarantees and risk-insurance mechanisms.
- Grants funding the design or preparation documentation.

Some experts suggest so-called ‘social bonds’⁵³ may become a promising tool that may get wide acceptance in the future. We, however, believe that wide use of this mechanism in Russia in the near future is unlikely, especially since it requires extensive coordination with the government, which is not going to be easy.

7. INCREASE IN THE NUMBER OF PROJECTS JOINTLY FINANCED BY SEVERAL WEALTH POSSESSORS

Given the significant amount of funds channelled to charitable and social projects by private wealth possessors and the limited im-

FIGURE 2. TAXONOMY OF ORGANISATIONS FROM THE SOCIAL IMPACT PERSPECTIVE



Source: A Practical Guide to Venture Philanthropy and Social Impact Investment. – EVPA, 2016

⁵² The State of Blended Finance, Working Paper, Business & Sustainable Development Commission + Convergence, 2017.

⁵³ Social bonds typically involves the provision of initial funding of a social project by private investors on a recoverable basis where the government pays income for the use of funds on condition that the project achieves social results exceeding the results achieved by the control group. The first such project was a bond issued in the UK in 2010 as part of a project to implement a rehabilitation programme for prisoners in one of the country’s largest prisons.

pact that an individual donation can achieve, we expect an increased interest in joining of efforts and collaboration in implementing charitable and philanthropic projects both between large wealth possessors and between wealth possessors and the government.

Increased project scale should allow achieving better and more significant long-term social impact.

8. MORE FOCUS ON THE LONG-TERM FINANCIAL SUSTAINABILITY OF PHILANTHROPIC PROJECTS AND INCREASED USE OF ENDOWMENTS

Financing at many non-profit organisations is often unstable and unpredictable, which reduces their effectiveness, forcing them to spend extensive time and effort on fundraising activities⁵⁴. On the other hand, sometimes lack of internal controls and inefficient management at the non-profit organisation level may aggravate the problem, forc-

ing large donors to use phased financing as a tool to ensure achievement of short-term outcomes and objectives.

We believe that as the quality of management at non-profit organisations is to improve over time, a growing number of wealth possessors will be ready to discuss the provision of funding on a regular and systematic basis as a way to increase the likelihood of achieving the targeted social impact.

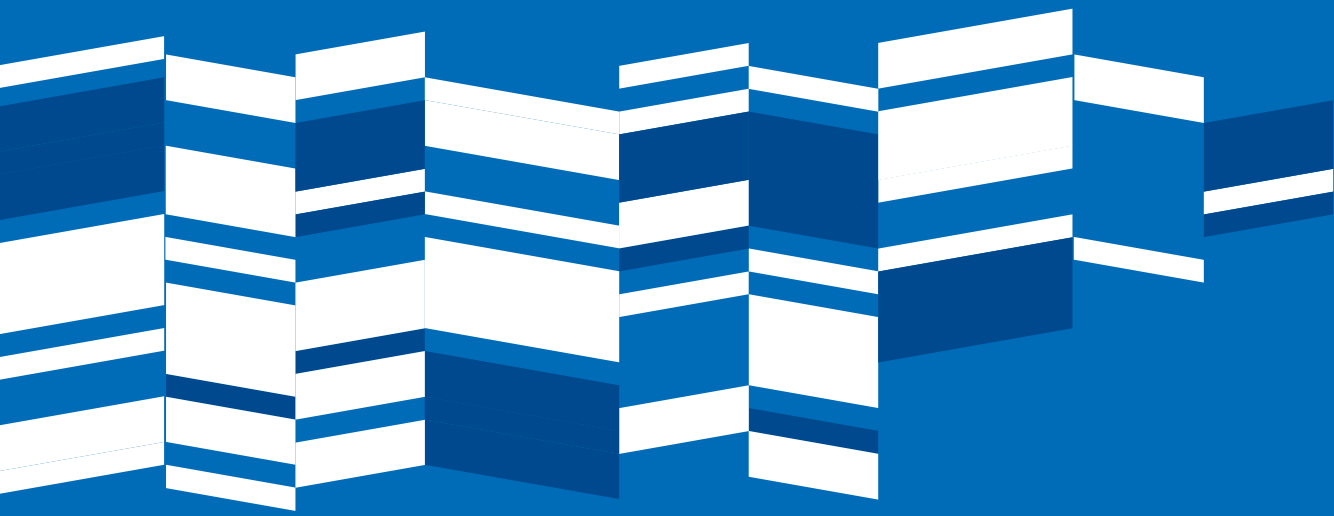
One of the ways to ensure long-term financial sustainability of non-commercial and social projects is establishing endowments. Since the Russian law permitting the creation of such foundations came into force in 2007⁵⁵, more than 150 endowments have been created in Russia, which by now manage almost RUB 25 billion⁵⁶. Although most Russian endowments have been established to support universities and museums, we expect that this mechanism will be increasingly used to finance the activities of NPOs in other areas.

⁵⁴ For example, according to the survey conducted by WINGS in 2017 (for more details, see *A New Global Picture of Organisations Serving Philanthropy: Growing and Strengthening the Field—WINGS, 2017*), lack of financial sustainability is the main obstacle to achieving the goals and objectives at non-profit organisations, which was noted by almost three quarters (72%) of the survey respondents.

⁵⁵ Federal Law No. 275-FZ dated 30 December 2006.

⁵⁶ See *Developments in the Endowment Sector // Vedomosti&, No. 22, 26 April 2018*.





APPENDIX 1. RESULTS OF THE MAIN SURVEY

We conducted an online survey of Russian wealth possessors with wealth exceeding US\$ 1M and top managers of the leading Russian companies during September–October 2017, receiving 98 responses.

The results of the survey are presented below segmenting the respondents by gender, age, value of wealth, and composition of assets. The asset composition classification is based on the classification proposed by The Investment Preferences of Russian Wealth Possessors study (Moscow School of Management SKOLKOVO, 2017): ‘Entrepreneurs’ (E), with more than 50% of their wealth tied in their core business, and ‘Financial Investors’ (FI), where the value of their liquid financial assets and real estate exceeds the value of their investment in private businesses.

We marked significant deviations (of more than 10 percentage points) of the results in a particular segment from the average with underlining (except for the segments with five answers or less).

1. WHICH CHARITABLE ACTIVITIES DID YOU PARTICIPATE IN DURING THE PREVIOUS 12 MONTHS? (MULTIPLE RESPONSES ALLOWED)

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	98	71	14	23	45	17	19	47	9	31	38
Donated money to a charitable non-profit organisation	63,3%	63,4%	<u>85,7%</u>	<u>73,9%</u>	66,7%	58,8%	68,4%	68,1%	<u>77,8%</u>	61,3%	68,4%
Donated money directly to specific individuals or families	51,0%	57,7%	42,9%	56,5%	53,3%	58,8%	<u>36,8%</u>	<u>61,7%</u>	55,6%	54,8%	57,9%
Donated clothes, food or other items to a charitable non-profit organisation	32,7%	31,0%	<u>42,9</u>	26,1%	40,0%	23,5%	31,6%	34,0%	33,3%	29,0%	39,5%
Worked as a volunteer in a charitable non-profit organisation or in a project of such an organisation	13,3%	18,3%	<u>0,0%</u>	21,7%	15,6%	5,9%	10,5%	14,9%	11,1%	19,4%	7,9%
Donated through my own private foundation or through a foundation established by my company	11,2%	12,7%	14,3%	4,3%	17,8%	11,8%	5,3%	10,6%	<u>44,4%</u>	16,1%	13,2%
Other or difficult to say	6,1%	8,5%	0,0%	0,0%	6,7%	17,6%	0,0%	10,6%	0,0%	6,5%	10,5%
Did not take part in such activities during the previous 12 months	6,1%	2,8%	0,0%	0,0%	4,4%	0,0%	0,0%	0,0%	0,0%	3,2%	0,0%

2. WHICH CHARITABLE CAUSES OR PROJECTS YOU HAVE SUPPORTED OVER THE PAST 12 MONTHS DIRECTLY OR THROUGH NON-PROFIT ORGANISATIONS? (MULTIPLE RESPONSES ALLOWED)

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	92	69	14	23	43	17	19	46	9	30	38
Children (orphans, seriously ill)	73,9%	71,0%	<u>92,9%</u>	<u>87,0%</u>	79,1%	<u>47,1%</u>	<u>89,5%</u>	69,6%	<u>88,9%</u>	73,3%	78,9%
Helping poor and indigent (elderly, immigrants, larger families etc)	47,8%	47,8%	57,1%	47,8%	51,2%	47,1%	<u>36,8%</u>	56,5%	55,6%	46,7%	50,0%
Church, religion	28,3%	29,0%	28,6%	21,7%	32,6%	29,4%	21,1%	26,1%	<u>55,6%</u>	30,0%	<u>15,8%</u>
Higher education and science	17,4%	20,3%	<u>7,1%</u>	17,4%	16,3%	23,5%	21,1%	17,4%	<u>33,3%</u>	20,0%	13,2%
Art and culture	15,2%	17,4%	7,1%	13,0%	20,9%	5,9%	10,5%	17,4%	11,1%	16,7%	13,2%
Supporting public initiatives	15,2%	20,3%	<u>0,0%</u>	<u>26,1%</u>	14,0%	11,8%	10,5%	19,6%	22,2%	16,7%	13,2%
Promoting entrepreneurship	13,0%	13,0%	<u>0,0%</u>	<u>26,1%</u>	4,7%	5,9%	5,3%	10,9%	22,2%	20,0%	7,9%
Sport	12,0%	11,6%	14,3%	17,4%	9,3%	11,8%	5,3%	8,7%	<u>33,3%</u>	<u>23,3%</u>	7,9%
School education	9,8%	13,0%	0,0%	4,3%	9,3%	<u>23,5%</u>	5,3%	15,2%	11,1%	10,0%	13,2%
Medicine and healthcare	5,4%	7,2%	0,0%	4,3%	4,7%	11,8%	0,0%	8,7%	11,1%	10,0%	2,6%
Helping socially disadvantaged (homeless, drug addicts, prisoners)	5,4%	5,8%	7,1%	4,3%	4,7%	11,8%	0,0%	8,7%	11,1%	6,7%	2,6%
Media and journalists	4,3%	5,8%	0,0%	0,0%	7,0%	5,9%	0,0%	2,2%	11,1%	3,3%	5,3%
Other or difficult to say	4,3%	4,3%	7,1%	4,3%	2,3%	11,8%	10,5%	2,2%	0,0%	3,3%	7,9%
Did not take part in such initiatives during the previous 12 months	4,3%	2,9%	0,0%	0,0%	4,7%	0,0%	0,0%	2,2%	0,0%	3,3%	0,0%

3. HAVE YOU PROVIDED NON-FINANCIAL SUPPORT TO CHARITABLE ORGANISATIONS OVER THE PAST 12 MONTHS? IF SO, WHAT FORM DID IT TAKE? (MULTIPLE RESPONSES ALLOWED)

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	93	69	14	22	44	17	19	46	9	31	36
No, I have NOT provided such support over the past 12 months	52,7%	44,9%	<u>71,4%</u>	50,0%	52,3%	<u>41,2%</u>	<u>78,9%</u>	45,7%	<u>22,2%</u>	<u>38,7%</u>	55,6%
Provided free expert or advisory support to charitable / philanthropic projects	26,9%	33,3%	<u>7,1%</u>	27,3%	29,5%	29,4%	10,5%	30,4%	33,3%	32,3%	25,0%
Supported employees of charitable organisations in identifying necessary contacts and building connections and relationships	20,4%	24,6%	<u>7,1%</u>	27,3%	20,5%	17,6%	10,5%	26,1%	<u>33,3%</u>	25,8%	16,7%
Participated in Board of Trustees (or equivalent) meetings of a charitable organization	18,3%	23,2%	<u>7,1%</u>	9,1%	25,0%	23,5%	0,0%	26,1%	<u>33,3%</u>	22,6%	16,7%
Participated in organising and implementation of fundraising activities for a charitable organisation	17,2%	20,3%	14,3%	22,7%	22,7%	<u>5,9%</u>	15,8%	26,1%	11,1%	25,8%	8,3%
Worked as a volunteer in a charitable / philanthropic project	14,0%	18,8%	<u>0,0%</u>	22,7%	15,9%	5,9%	10,5%	15,2%	11,1%	19,4%	8,3%
Provided assets or premises for a free of charge use to a charitable / philanthropic project or organization	10,8%	14,5%	<u>0,0%</u>	9,1%	13,6%	11,8%	0,0%	8,7%	<u>44,4%</u>	19,4%	11,1%
Difficult to say	4,3%	4,3%	<u>0,0%</u>	9,1%	2,3%	0,0%	0,0%	6,5%	<u>0,0%</u>	6,5%	2,8%

4. PLEASE INDICATE THE SHARE OF DONATIONS (IN PERCENTAGE TERMS) WHICH YOU TYPICALLY MAKE IN A PRE-PLANNED RATHER THAN SPONTANEOUS MANNER?

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	42	33	8	9	24	8	9	25	6		19
0%-20%	40,5%	39,4%	50,0%	33,3%	41,7%	50,0%	44,4%	44,0%	16,7%	25,0%	52,6%
20%-40%	2,4%	0,0%	0,0%	0,0%	9,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
40%-60%	11,9%	9,1%	25,0%	0,0%	16,7%	12,5%	11,1%	12,0%	16,7%	12,5%	15,8%
60%-80%	21,4%	24,2%	12,5%	44,4%	16,7%	12,5%	33,3%	20,0%	16,7%	25,0%	21,1%
80%-100%	23,8%	27,3%	12,5%	22,2%	25,0%	25,0%	11,1%	24,0%	50,0%	37,5%	10,5%

5. PLEASE INDICATE THE TOTAL AMOUNT OF CHARITABLE DONATIONS (IN ROUBLE TERMS), WHICH YOU MADE OVER THE PAST 12 MONTHS?

A. TOTAL

	Total	Gender		Age		
		M	F	31-40	41-50	51+
<i>Number of responses (N)</i>	72	56	13	19	37	13
Mean	3 172 458	4 015 625	217 308	3 921 053	2 863 378	3 635 000
Median	230 000	340 000	200 000	150 000	250 000	240 000
Total value of donations	228 417 000	224 875 000	2 825 000	74 500 000	105 945 000	47 255 000

	Total	Value of wealth			Composition of assets	
		Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	72	18	39	7	24	33
Mean	3 172 458	248 333	1 748 462	21 957 143	6 889 792	542 273
Median	230 000	135 000	330 000	10 000 000	500 000	200 000
Total value of donations	228 417 000	4 470 000	68 190 000	153 700 000	165 355 000	17 895 000

B. DONATIONS TO INDEPENDENT CHARITABLE NON-PROFIT ORGANISATIONS

	Total	Gender		Age		
		M	F	31-40	41-50	51+
<i>Number of responses (N)</i>	61	46	12	19	29	10
Mean	1 299 377	1 661 304	177 083	2 526 316	968 276	246 500
Median	120 000	175 000	100 000	120 000	150 000	75 000
Total value of donations	79 262 000	76 420 000	2 125 000	48 000 000	28 080 000	2 465 000

	Total	Value of wealth			Composition of assets	
		Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	61	17	32	6	21	27
Mean	1 299 377	210 000	587 031	9 350 000	2 926 429	534 444
Median	120 000	100 000	175 000	6 500 000	200 000	100 000
Total value of donations	79 262 000	3 570 000	18 785 000	56 100 000	61 455 000	14 430 000

C. DONATIONS MADE THROUGH OTHER CHANNELS (DIRECTLY, OWN CHARITABLE FOUNDATION ETC)

	Total	Gender		Age		
		M	F	31-40	41-50	51+
<i>Number of responses (N)</i>	38	32	6	8	22	8
Mean	3 925 132	4 639 219	166 667	3 312 500	3 539 318	5 598 750
Median	150 000	220 000	100 000	175 000	100 000	270 000
Total value of donations	149 155 000	148 455 000	700 000	26 500 000	77 865 000	44 790 000

	Total	Value of wealth			Composition of assets	
		Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	38	7	24	4	14	18
Mean	3 925 132	128 571	2 058 542	24 400 000	7 421 429	192 500
Median	150 000	100 000	125 000	18 750 000	275 000	100 000
Total value of donations	149 155 000	900 000	49 405 000	97 600 000	103 900 000	3 465 000

6. HOW SATISFIED ARE YOU WITH YOUR COOPERATION WITH CHARITABLE AND PHILANTHROPIC ORGANISATIONS?

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	85	65	14	21	41	17	19	44	8	28	36
Absolutely satisfied	14,1%	15,4%	14,3%	23,8%	12,2%	11,8%	21,1%	13,6%	<u>25,0%</u>	21,4%	11,1%
Generally satisfied	57,6%	55,4%	<u>78,6%</u>	57,1%	58,5%	64,7%	57,9%	54,5%	62,5%	57,1%	61,1%
Generally NOT satisfied	10,6%	12,3%	<u>0,0%</u>	4,8%	17,1%	<u>0,0%</u>	<u>0,0%</u>	13,6%	12,5%	3,6%	19,4%
Absolutely NOT satisfied	1,2%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Difficult to say	16,5%	16,9%	7,1%	14,3%	12,2%	23,5%	21,1%	18,2%	<u>0,0%</u>	17,9%	8,3%

7. DID THE 'DEOFFSHORISATION' (CONTROLLED FOREIGN COMPANIES) LEGISLATION OR LEGISLATION ON 'FOREIGN AGENTS' NEGATIVELY AFFECT THE AMOUNT OF YOUR CHARITABLE DONATIONS IN RUSSIA?

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	82	66	14	21	43	16	18	45	9	29	37
No, it did not affect the amount of donations	79,3%	78,8%	78,6%	76,2%	79,1%	81,3%	77,8%	75,6%	88,9%	75,9%	83,8%
Difficult to say	14,6%	16,7%	7,1%	19,0%	16,3%	6,3%	16,7%	17,8%	<u>0,0%</u>	17,2%	13,5%
Yes, the amount of donations decreased	6,1%	4,5%	14,3%	4,8%	4,7%	12,5%	5,6%	6,7%	11,1%	6,9%	2,7%

8. WHAT CRITERIA DO YOU USE WHEN SELECTING A CHARITABLE PROJECT / RECIPIENT FOR FUNDING

(MULTIPLE RESPONSES ALLOWED)

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	79	65	14	22	42	15	19	44	9	29	36
Personality and trust: trust (to the foundation or its leader); director's personality and character; personal acquaintance to the project or its leader; reputation (of the particular person or the foundation)	77,2%	78,5%	71,4%	68,2%	73,8%	<u>100,0%</u>	73,7%	81,8%	<u>55,6%</u>	<u>65,5%</u>	85,7%
Efficient controls; targeted nature of aid; transparency of the project	59,5%	55,4%	64,3%	63,6%	59,5%	<u>40,0%</u>	<u>47,4%</u>	56,8%	55,6%	51,7%	62,9%
Long-term (multiple) impact from the project; financial sustainability of the project; structured approach	38,0%	36,9%	35,7%	31,8%	40,5%	33,3%	26,3%	36,4%	<u>66,7%</u>	<u>48,3%</u>	28,6%
Professionalism and relevant experience of the director or the project leader; compliance to international standards	24,1%	24,6%	21,4%	22,7%	26,2%	20,0%	15,8%	20,5%	<u>55,6%</u>	31,0%	20,0%
Mission and values: clarity of organisation's mission, program and priorities; personal motivation of the organisation's employees; matching personal and family values	15,2%	15,4%	7,1%	13,6%	14,3%	13,3%	10,5%	15,9%	11,1%	13,8%	11,4%
Other or difficult to say	5,1%	3,0%	14,3%	0,0%	9,5%	0,0%	<u>15,8%</u>	4,5%	0,0%	3,4%	8,6%

9. IF YOU ENGAGE IN CHARITY OR PHILANTHROPY WHAT MOTIVATES YOU? (MULTIPLE RESPONSES ALLOWED)

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	68	56	11	16	37	14	12	39	8	24	30
I want to create a stable environment for the community / progress for the country as a whole	55,9%	51,8%	<u>72,7%</u>	<u>81,3%</u>	51,4%	<u>35,7%</u>	<u>75,0%</u>	51,3%	<u>75,0%</u>	54,2%	53,3%
I support a cause which has directly affected me or those close to me	20,6%	21,4%	18,2%	12,5%	21,6%	28,6%	16,7%	17,9%	25,0%	25,0%	26,7%
I want to do something fulfilling besides work	20,6%	21,4%	18,2%	25,0%	24,3%	<u>7,1%</u>	<u>33,3%</u>	20,5%	25,0%	20,8%	20,0%
I do it together with my family / at the request of my family	19,1%	19,6%	18,2%	18,8%	10,8%	<u>42,9%</u>	8,3%	25,6%	<u>0,0%</u>	16,7%	13,3%
It is considered a norm in my social circle	14,7%	14,3%	18,2%	18,8%	16,2%	7,1%	16,7%	10,3%	<u>0,0%</u>	16,7%	20,0%
I want to support and preserve cultural heritage	14,7%	17,9%	<u>0,0%</u>	12,5%	18,9%	7,1%	16,7%	17,9%	12,5%	20,8%	6,7%
I learn new things / it contributes to my personal development	11,8%	12,5%	9,1%	6,3%	16,2%	7,1%	8,3%	15,4%	12,5%	8,3%	13,3%
I like to receive recognition	10,3%	10,7%	9,1%	18,8%	5,4%	14,3%	16,7%	5,1%	12,5%	12,5%	6,7%
Unifies my family, facilitates communication and transfer of values to the next generation	8,8%	8,9%	9,1%	6,3%	8,1%	14,3%	8,3%	7,7%	0,0%	8,3%	6,7%
Enhances image and reputation Улучшение (both personal and of the family)	7,4%	7,1%	9,1%	6,3%	8,1%	7,1%	8,3%	5,1%	12,5%	12,5%	3,3%
Helps find personal fulfillment outside my family	5,9%	7,1%	0,0%	6,3%	8,1%	0,0%	8,3%	7,7%	0,0%	4,2%	3,3%
I have sufficient free time	1,5%	0,0%	9,1%	6,3%	0,0%	0,0%	8,3%	0,0%	0,0%	4,2%	0,0%
Other or difficult to say	16,2%	12,5%	<u>36,4%</u>	18,8%	13,5%	21,4%	<u>41,7%</u>	12,9%	<u>0,0%</u>	12,5%	16,7%
I do not engage in charitable activities	2,9%	3,6%	0,0%	0,0%	2,7%	7,1%	0,0%	5,1%	0,0%	4,2%	3,3%

10. WHAT TO DO YOU CONSIDER CRITERIA FOR SUCCESS OF A CHARITABLE OR PHILANTHROPIC PROJECT TO BE? (CATEGORIES WERE IDENTIFIED BASED ON OUR ANALYSIS OF RESPONDENT’S ANSWERS; MULTIPLE CATEGORIES POSSIBLE)

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	50	41	9	13	30	7	9	31	7	21	20
Reaching objectives / tangible and visible results / impact	70,0%	70,7%	66,7%	76,9%	66,7%	71,4%	66,7%	67,7%	71,4%	66,7%	75,0%
Efficiency and effectiveness	28,0%	26,8%	33,3%	30,8%	26,7%	<u>28,6%</u>	<u>11,1%</u>	32,3%	<u>42,9%</u>	28,6%	35,0%
Long-term financial sustainability / ability to attract new donors	28,0%	26,8%	33,3%	23,1%	26,7%	<u>42,9%</u>	22,2%	35,5%	<u>0,0%</u>	28,6%	30,0%
Targeted nature of help	18,0%	12,2%	<u>44,4%</u>	23,1%	20,0%	0,0%	<u>33,3%</u>	16,1%	0,0%	9,5%	25,0%
Project’s reputation	10,0%	9,8%	11,1%	7,7%	3,3%	<u>42,9%</u>	11,1%	9,7%	0,0%	14,3%	10,0%
Quality of the team	10,0%	4,9%	<u>33,3%</u>	7,7%	13,3%	0,0%	11,1%	6,5%	<u>28,6%</u>	14,3%	5,0%
Other*	34,0%	36,6%	22,2%	<u>53,8%</u>	23,3%	42,9%	33,3%	29,0%	<u>57,1%</u>	38,1%	35,0%

* the following other criteria were also mentioned: systematic approach, being a catalyst of change / scalability, personal satisfaction, transparency, help as it is

11. WHAT ACTIONS WOULD YOU RECOMMEND TO NON-PROFIT ORGANISATIONS / CHARITABLE FOUNDATIONS TO IMPROVE? (CATEGORIES WERE IDENTIFIED BASED ON OUR ANALYSIS OF RESPONDENT'S ANSWERS; MULTIPLE CATEGORIES POSSIBLE)

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	34	28	6	9	19	6	8	22	3	13	13
Improve transparency, be more open, regularly communicate about your achievements	61,8%	60,7%	66,7%	66,7%	63,2%	<u>50,0%</u>	62,5%	59,1%	100,0%	<u>46,2%</u>	<u>76,9%</u>
Personalised approach deeper involvement of donors into projects	32,4%	28,6%	<u>50,0%</u>	<u>44,4%</u>	26,3%	33,3%	37,5%	31,8%	33,3%	23,1%	38,5%
Constant efficiency improvement, raising professionalism of your team	23,5%	28,6%	<u>0,0%</u>	22,2%	21,1%	33,3%	<u>0,0%</u>	27,3%	33,3%	<u>38,5%</u>	15,4%
Pay more attention to fundraising and long-term sustainability of the project	17,6%	17,9%	16,7%	11,1%	15,8%	<u>33,3%</u>	<u>0,0%</u>	27,3%	0,0%	15,4%	23,1%
Pay more attention to proper defining of long-term goals and objectives of the project and to optimal positioning of the project	11,8%	10,7%	16,7%	<u>0,0%</u>	15,8%	16,7%	<u>0,0%</u>	9,1%	33,3%	7,7%	<u>23,1%</u>
Other*	14,7%	10,7%	<u>33,3%</u>	<u>33,3%</u>	10,5%	<u>0,0%</u>	12,5%	18,2%	0,0%	15,4%	15,4%

* the following other criteria were also mentioned: pay attention to improving project's reputation and visibility, don't be shy, make philanthropy a happy event

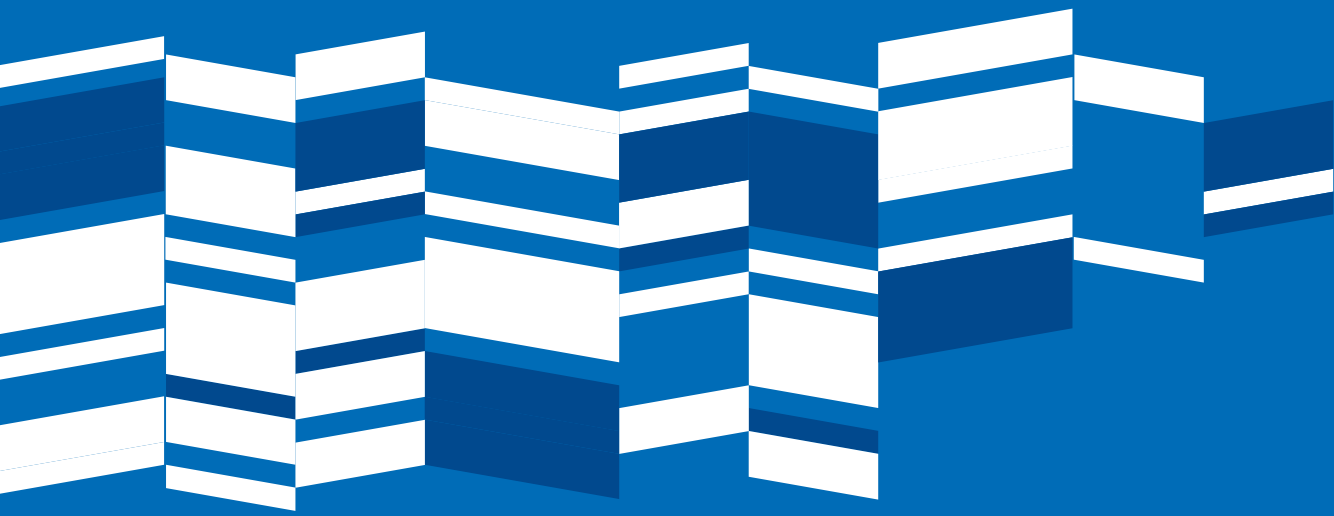
12. WHAT BARRIERS OR OBSTACLES DO YOU ENCOUNTER IN YOUR CHARITABLE ACTIVITIES?
(CATEGORIES WERE IDENTIFIED BASED ON OUR ANALYSIS OF RESPONDENT'S ANSWERS; MULTIPLE CATEGORIES POSSIBLE)

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	27	23	4	9	14	4	8	14	4	12	10
Insufficient information, non-profit organisation operations are not transparent, lack of clarity as to how exactly your donation will make an impact	14,8%	13,0%	25,0%	11,1%	14,3%	25,0%	12,5%	21,4%	0,0%	8,3%	<u>30,0%</u>
Lack of corporate tax benefits in respect of charitable donations	11,1%	13,0%	0,0%	<u>22,2%</u>	7,1%	0,0%	12,5%	14,3%	0,0%	8,3%	20,0%
Excessive bureaucracy, regulatory obstacles and barriers	11,1%	13,0%	0,0%	<u>22,2%</u>	7,1%	0,0%	12,5%	0,0%	50,0%	<u>25,0%</u>	<u>0,0%</u>
Inadequate level of professional skills at the non-profit organisation	11,1%	8,7%	25,0%	11,1%	14,3%	0,0%	<u>0,0%</u>	<u>21,4%</u>	0,0%	<u>0,0%</u>	10,0%
Other*	18,5%	17,4%	25,0%	22,2%	21,4%	0,0%	<u>37,5%</u>	14,3%	0,0%	25,0%	10,0%
Did not encounter any serious barriers or obstacles in my charitable activities	33,3%	34,8%	25,0%	<u>11,1%</u>	35,7%	75,0%	25,0%	28,6%	<u>50,0%</u>	33,3%	30,0%

* the following other barriers and obstacles were also mentioned: disagreement with certain operational practices at the non-profit organisation, unclear positioning, unwillingness from the non-profit organisation to accept non-monetary assistance, lack of time

13. IF THERE WERE NO FINANCIAL CONSTRAINTS, CHARITABLE PROJECT IN WHICH AREA YOU WISH YOU COULD IMPLEMENT?

	Total	Gender		Age			Value of wealth			Composition of assets	
		M	F	31-40	41-50	51+	Less than US1M	From US1M to US30M	More than US\$30M	E	FI
<i>Number of responses (N)</i>	40	32	8	12	22	6	13	22	4	14	17
Children (orphans, seriously ill)	25,0%	25,0%	25,0%	8,3%	31,8%	33,3%	15,4%	<u>36,4%</u>	0,0%	21,4%	29,4%
Helping education (schools or universities) and science	25,0%	28,1%	12,5%	<u>41,7%</u>	<u>13,6%</u>	33,3%	30,8%	27,3%	0,0%	21,4%	<u>35,3%</u>
Helping poor and indigent (elderly, immigrants, larger families etc)	10,0%	9,4%	12,5%	16,7%	4,5%	16,7%	7,7%	13,6%	0,0%	7,1%	17,6%
Art and culture	10,0%	12,5%	<u>0,0%</u>	16,7%	4,5%	16,7%	15,4%	9,1%	0,0%	7,1%	11,8%
Medicine and healthcare	10,0%	6,3%	25,0%	16,7%	9,1%	0,0%	15,4%	4,5%	25,0%	14,3%	5,9%
Supporting public initiatives	7,5%	6,3%	12,5%	8,3%	9,1%	0,0%	7,7%	9,1%	0,0%	7,1%	0,0%
Sport	7,5%	6,3%	12,6%	0,0%	9,1%	16,7%	0,0%	9,1%	25,0%	14,3%	0,0%
Church, religion	5,0%	6,3%	0,0%	0,0%	4,5%	<u>16,7%</u>	7,7%	0,0%	25,0%	0,0%	5,9%
Other	25,0%	21,9%	<u>37,5%</u>	25,0%	31,8	<u>0,0%</u>	23,1%	22,7%	25,0%	<u>38,6%</u>	17,6%



APPENDIX 2. RESULTS OF THE SUPPLEMENTARY SURVEY

The following summarises the results of a telephone survey of 307 owners and managers of small and medium-sized businesses who had the authority to make financial decisions in their respective companies. The survey was conducted in September–October 2017, using the Business Omnibus technology of the NAFI Analytical Centre.

We present the results segmenting the respondents into representatives of small and medium-sized businesses, as well as into representatives of Moscow and the Moscow Oblast and other regions.

1. WHICH CHARITABLE ACTIVITIES DID YOU PARTICIPATE IN DURING THE PREVIOUS 12 MONTHS? (MULTIPLE RESPONSES ALLOWED)

	Total	Business size		Region	
		Small	Medium	The City of Moscow and the Moscow Oblast	Other regions
<i>Number of responses (N)</i>	307	157	150	47	260
Donated money to a charitable non-profit organization	29,0%	30,6%	27,3%	21,3%	30,4%
Donated money directly to specific individuals or families	31,3%	34,4%	28,0%	25,5%	32,3%
Donated clothes, food or other items to a charitable non-profit organization	20,2%	19,7%	20,7%	14,9%	21,2%
Worked as a volunteer in a charitable non-profit organisation or in a project of such an organization	2,9%	3,8%	2,0%	4,3%	2,7%
Donated through my own private foundation or through a foundation established by my company	3,9%	3,8%	2,7%	0,0%	4,6%
Other or difficult to say	11,1%	11,5%	10,7%	4,2%	12,3%
Did not take part in such activities during the previous 12 months	31,6%	24,2%	39,3%	46,8%	28,8%

3. HAVE YOU PROVIDED NON-FINANCIAL SUPPORT TO CHARITABLE ORGANISATIONS OVER THE PAST 12 MONTHS? IF SO, WHAT FORM DID IT TAKE? (MULTIPLE RESPONSES ALLOWED)

	Total	Business size		Region	
		Small	Medium	The City of Moscow and the Moscow Oblast	Other regions
<i>Number of responses (N)</i>	203	114	89	24	179
No, I have NOT provided such support over the past 12 months	75,4%	75,4%	75,3%	83,3%	74,3%
Provided free expert or advisory support to charitable / philanthropic projects	2,5%	4,4%	0,0%	0,0%	2,8%
Supported employees of charitable organisations in identifying necessary contacts and building connections and relationships	4,4%	4,4%	4,5%	4,2%	4,5%
Participated in Board of Trustees (or equivalent) meetings of a charitable organization	2,0%	1,8%	2,2%	0,0%	2,2%
Participated in organising and implementation of fundraising activities for a charitable organization	2,0%	0,9%	3,4%	0,0%	2,2%
Worked as a volunteer in a charitable / philanthropic project	3,4%	2,6%	4,5%	4,2%	3,4%
Provided assets or premises for a free of charge use to a charitable / philanthropic project or organization	5,4%	5,3%	5,6%	4,2%	5,6%
Other or difficult to say	7,4%	6,1%	9,0%	4,2%	7,8%

4. WHAT CRITERIA DO YOU USE WHEN SELECTING A CHARITABLE PROJECT / RECIPIENT FOR FUNDING
(MULTIPLE RESPONSES ALLOWED)

	Total	Business size		Region	
		Small	Medium	The City of Moscow and the Moscow Oblast	Other regions
<i>Number of responses (N)</i>	186	102	84	24	162
Personality and trust: trust (to the particular person or the foundation); director's personality and character; personal acquaintance to the director or the project leader; reputation (of the particular person or the foundation)	29,0%	28,4%	29,8%	25,0%	29,6%
Efficient control and targeted nature of aid; transparency of the project	57,5%	58,8%	56,0%	70,8%	55,6%
Mission and values: clarity of organisation's mission, program and priorities; personal motivation of the organisation's employees; matching personal and family values	9,1%	9,8%	8,3%	0,0%	10,5%
Long-term (multiple) impact from the project; financial sustainability of the project; structured approach	9,7%	9,8%	9,5%	4,2%	10,5%
Professionalism and relevant experience of the director or the project leader; compliance to international standards	22,0%	24,5%	19,0%	12,5%	23,5%
Difficult to say	8,6%	8,8%	8,3%	4,2%	9,3%

5. PLEASE INDICATE THE TOTAL AMOUNT OF CHARITABLE DONATIONS (IN ROUBLE TERMS), WHICH YOU MADE OVER THE PAST 12 MONTHS?

A. TOTAL

	Total	Business size		Region	
		Small	Medium	The City of Moscow and the Moscow Oblast	Other regions
<i>Number of responses (N)</i>	105	62	43	14	91
Mean	76 160	59 060	100 817	51 521	79 951
Median	8 500	7 750	10 000	8 500	8 500
Total value of donations	7 996 850	3 661 700	4 333 150	721 300	7 275 550

B. DONATIONS TO INDEPENDENT CHARITABLE NON-PROFIT ORGANISATIONS

	Total	Business size		Region	
		Small	Medium	The City of Moscow and the Moscow Oblast	Other regions
<i>Number of responses (N)</i>	56	32	24	8	48
Mean	56 029	39 053	78 663	11 413	63 465
Median	8 500	8 500	8 500	8 500	8 500
Total value of donations	3 137 600	1 249 700	1 887 900	91 300	3 046 300

C. DONATIONS MADE THROUGH OTHER CHANNELS (DIRECTLY ETC)

	Total	Business size		Region	
		Small	Medium	The City of Moscow and the Moscow Oblast	Other regions
<i>Number of responses (N)</i>	63	39	24	6	57
Mean	77 131	61 846	101 969	105 000	74 197
Median	7 000	6 000	9 000	13 500	6 000
Total value of donations	4 859 250	2 412 000	2 447 250	630 000	4 229 250

6. PLEASE INDICATE THE SHARE OF DONATIONS (IN PERCENTAGE TERMS) WHICH YOU TYPICALLY MAKE IN A PRE-PLANNED RATHER THAN SPONTANEOUS MANNER?

	Total	Business size		Region	
		Small	Medium	The City of Moscow and the Moscow Oblast	Other regions
<i>Number of responses (N)</i>	41	25	16	5	36
0%-20%	65,9%	72,0%	56,3%	40,0%	69,4%
20%-40%	4,9%	0,0%	12,5%	20,0%	2,8%
40%-60%	17,1%	20,0%	12,5%	20,0%	16,7%
60%-80%	4,9%	4,0%	6,3%	0,0%	5,6%
80%-100%	7,3%	4,0%	12,5%	20,0%	5,6%



The Moscow School of Management SKOLKOVO is one of the leading private business schools in Russia and the CIS. It was founded in 2006 by members of the business community. The school's founding partners are 8 Russian and multinational firms and 11 individuals, each a leader of Russian business. Moscow School of Management SKOLKOVO offers programmes for businesses of any type and size – from startups to large multinational corporations.

Address:
Novaya ul. 100, Skolkovo village,
Odintsovsky District, Moscow Region,
143025, Russia
www.skolkovo.ru

WTC.SKOLKOVO.RU

**SKOLKOVO WEALTH
TRANSFORMATION
CENTRE**