

**BUSINESS ENVIRONMENT AND ENTERPRISE PERFORMANCE
SURVEY SCREENER QUESTIONNAIRE
(Telephone Interview)**

| | | |
|---------------|-----|---------------|
| Card number | 1-2 | card |
| Serial number | 3-6 | serial |

| | |
|----------------|----------------|
| | country |
| Country | 107-108 |
| | |

IF FR YUGOSLAVIA SPECIFY:

| | | | | | |
|--------|---|------------|---|-------------|------------|
| Serbia | 1 | Montenegro | 2 | Yugo | 109 |
|--------|---|------------|---|-------------|------------|

| | |
|--|-------------|
| | City |
| City or Town | 110 |
| Capital | 1 |
| Other, over 1 million | 2 |
| Other, 250,000-1,000,000 | 3 |
| Other, 50,000-250,000 | 4 |
| CHECK LOCATION: "SMALL CITY OR COUNTRYSIDE" QUOTA | |
| Under 50,000 | 5 |

Good morning/afternoon/evening. I am calling froma market research company. Could I please speak to the person who normally represents the company for official purposes, that is who normally deals with banks or government agencies/institutions?

IF ASKED TO EXPLAIN WHY, ADD: has been commissioned by the European Bank of Reconstruction and Development and the World Bank to carry out a survey of business in our country. They want to understand better the conditions for doing business in your country.

IF PERSON IS UNAVAILABLE, ARRANGE A CONVENIENT TIME AND CALL BACK. WHEN PUT THROUGH, CONTINUE.

Good morning/afternoon/evening. I am from a market research company. We are carrying out a survey of business like yours on behalf of the European Bank of Reconstruction and Development and the World Bank. For classification purposes, could you please answer some preliminary questions? Thank you.

| | |
|------------|--|
| S.1 | Do you normally represent this company when dealing with banks or government institutions? |
|------------|--|

| | | |
|--|------------|---|
| | S1 | |
| | 111 | |
| GO TO S.1a | Yes | 1 |
| ASK TO BE PUT THROUGH TO CORRECT PERSON AND REINTRODUCE | No | 2 |

S.1a In what year did your firm begin operations in this country?

S1a

Year: 112-115

INTERVIEWER: IF THE FIRM BEGAN OPERATIONS LATER THAN 1999, THANK AND TERMINATE

S.2 What is the legal organisation of this company? **ONLY ONE ANSWER ALLOWED**

| | | S2a | S2b |
|-----------------------------------|---|----------------|------------|
| | | 116-117 | 118 |
| CHECK PRIVATE SECTOR QUOTA | Single proprietorship | 01 | 1 |
| | Partnership | 02 | |
| | Cooperative | 03 | |
| | Corporation, privately held | 04 | |
| | Corporation listed on a stock exchange | 05 | |
| CHECK WITH SUPERVISOR | Other private sector (Specify)..... | 06 | |
| CHECK STATE OWNED QUOTA | State/municipal/district-owned enterprise | 07 | 2 |
| | Corporatized state-owned enterprise | 08 | |
| CHECK WITH SUPERVISOR | Other state owned (Specify)..... | 09 | |
| TERMINATE | Charity | | |
| | Don't know | | |

Other..... **119-120** **S2c**

S.3 How would you best describe your firm's main area of activity in terms of sales?
ONLY ONE ANSWER ALLOWED

| | | S3 | |
|----------------------------------|--|----------------------|----------------|
| | | ISIC DIVISION | 121-122 |
| CHECK MANUFACTURING QUOTA | Mining and quarrying | Section C: 10-14 | 01 |
| | Construction | Section F: 45 | 02 |
| | Manufacturing | Section D: 15-37 | 03 |
| CHECK SERVICES QUOTA | Transport storage and communication | Section I: 60-64 | 04 |
| | Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods | Section G: 50-52 | 05 |
| | Real estate, renting and business services | Section K: 70-74 | 06 |
| | Hotels and restaurants | Section H: 55 | 07 |
| | Other services*** | Section O: See note | 08 |
| TERMINATE | Health, education, welfare | | |
| | Government agency, public administration | | |
| | Agriculture, hunting, forestry, fishing | | |
| | Electricity, gas, water and waste water | | |
| | Financial intermediation | | |

***Other services include the following:

Motion picture and video activities, radio and television activities, other entertainment activities, news agency activities, washing and dry cleaning, hairdressing, funeral and related activities, other service activities

S.3a1 | Could you please specify your firm’s main product line or main line of service in terms of sales?

S3a1

123-126

S.4a | How many full-time employees work for this company?

| | | S4a1 | S4a2 |
|--|----------------|-------------|-------------|
| | | 127 | 128 |
| THANK & TERMINATE | None | | |
| | 1 | | |
| CHECK SIZE:“SMALL FIRM” QUOTA | 2-10 | 1 | 1 |
| | 11-49 | 2 | |
| CHECK SIZE:“MEDIUM SIZE FIRM “QUOTA | 50-99 | 3 | 2 |
| | 100-249 | 4 | |
| CHECK SIZE:“LARGE SIZE FIRM “QUOTA | 250-499 | 5 | 3 |
| | 500-999 | 6 | |
| | 1000-9999 | 7 | |
| THANK & TERMINATE | 10,000 or more | | |

S.4c | What percentage of your firm is owned by: **READ OUT OPTIONS**

| | | | |
|---------------------------------------|---|----------------|-------------|
| Private foreign company/organisation | % | 129-131 | S4c1 |
| Private domestic company/organisation | % | 132-134 | S4c2 |
| Government/State | % | 135-137 | S4c3 |
| Other | % | 138-140 | S4c4 |

CHECK THAT THE TOTAL IS 100%

CHECK “FOREIGN OWNERSHIP” QUOTA

INTERVIEWER: IF IN S.4c FOR PRIVATE FOREIGN COMPANY/ORGANISATION NOT EQUAL TO 0 GO TO S.7, ELSE GO TO S.10

S.7 What is the nationality of this foreign company/organisation? **MULTIPLE ANSWERS ALLOWED**

S7a

| 141-146 | |
|----------------------|----|
| Austria | 01 |
| Belgium | 02 |
| Canada | 03 |
| Denmark | 04 |
| Finland | 05 |
| France | 06 |
| Germany | 07 |
| Greece | 08 |
| Hungary | 09 |
| Italy | 10 |
| Japan | 11 |
| Korea | 12 |
| Russia | 13 |
| Sweden | 14 |
| Turkey | 15 |
| UK | 16 |
| USA | 17 |
| Other (specify)..... | 18 |
| Don't know | 99 |

S7b

| | |
|------------|----------------|
| Other..... | 161-162 |
|------------|----------------|

S.10 Does your firm sell its products or services to customers outside the country?

S10

| | | 163 |
|-------------------|------------|------------|
| GO TO S.11 | Yes | 1 |
| GO TO S.12 | No | 2 |
| | Don't know | 3 |

S.11 What percentage of your total sales do such exports represent?

S11

.....% **164-166**

CHECK "EXPORTER" QUOTA

S.12 Has your firm received financing either directly or indirectly from the EBRD or the World Bank including the International Finance Corporation (IFC) since 1998? **READ OUT OPTIONS**

| | Yes | No | Don't know | | |
|---|-----|----|------------|------------|-------------|
| Direct loan or equity investment | 1 | 2 | 3 | 167 | S12a |
| Indirectly through an EBRD, World Bank or IFC credit line facility with a local commercial bank | 1 | 2 | 3 | 168 | S12b |
| Indirectly through an EBRD, World Bank or IFC supported local investment fund | 1 | 2 | 3 | 169 | S12c |

S.13a Can you please tell me where are the company's headquarters located? **READ OUT OPTIONS?**

S13a

| | 170 |
|---------------------------|------------|
| At this site | 1 |
| Elsewhere in this country | 2 |
| In a foreign country | 3 |

S.13b How many establishments (including this one) does your firm have?

Number of establishments:..... **S13b**
171-172

S.13c Does your firm have holdings or operations in other countries?

S13c

| | 173 |
|------------|------------|
| Yes | 1 |
| No | 2 |
| Don't know | 3 |

Would it possible to arrange a time to see you and ask more detailed questions, please? The interview will take about one hour.

INTERVIEWER: RECORD THE DETAILS OF THE RESPONDENT AND ARRANGE A TIME FOR THE MAIN INTERVIEW

NAME OF RESPONDENT: _____

ADDRESS OF COMPANY: _____

COMPANY NAME: _____

TELEPHONE: _____

NAME OF INTERVIEWER: _____

**BUSINESS ENVIRONMENT AND ENTERPRISE PERFORMANCE
SURVEY SCREENER QUESTIONNAIRE
(Face-to-face interview)**

The purpose of this survey is to better understand constraints that hinder the development of businesses like yours. This study is being conducted for 28 countries by the European Bank for Reconstruction and Development and the World Bank. The initial goal is to better understand conditions for doing business in your country and how they compare to other countries. The ultimate goal of this research is to advise governments on ways to change policies and practices that impose a burden on private firms and to develop new projects and programs that strengthen support for enterprise growth. Your answers should reflect only your perception and experience of doing business in your country.

I would like to assure you, that the information obtained here would be treated strictly anonymously and confidentially. Neither your name nor the name of your firm will be used in any document based on this survey. Neither the European Bank for Reconstruction and Development nor the World Bank nor any Governmental organisation will be informed of any individual firm's responses or participation in this survey.

I WOULD LIKE TO START BY ASKING SOME GENERAL QUESTIONS ABOUT YOU AND THIS ORGANIZATION.

| | |
|------------|--|
| Q.1 | What is your job title? Please note that even if you have more than one job title we are interested in the title/responsibilities that you regard as the most important. |
|------------|--|

| | |
|--|------------|
| | Q1 |
| | 207 |
| Chief Executive/President/Vice President | 1 |
| Owner/proprietor | 2 |
| Partner | 3 |
| Director | 4 |
| General Manager | 5 |
| Manager | 6 |
| Finance Officer | 7 |

INTERVIEWER: IF NOT ONE OF THE ABOVE, STOP AND ASK TO SEE THE APPROPRIATE PERSON

| | |
|------------|--|
| Q.2 | What percentage of your sales comes from the following sectors in which your establishment operates? |
|------------|--|

| | | | |
|--|---|----------------|------------|
| Mining and quarrying | % | 208-210 | Q2a |
| Construction | % | 211-213 | Q2b |
| Manufacturing | % | 214-216 | Q2c |
| Transport storage and communication | % | 217-219 | Q2d |
| Wholesale, retail, repairs | % | 220-222 | Q2e |
| Real estate, renting and business services | % | 223-225 | Q2f |
| Hotels and restaurants | % | 226-228 | Q2g |
| Other | % | 229-231 | Q2h |

CHECK THAT THE TOTAL IS 100%

Q.3a | What percentage of your firm does the largest shareholder(s) own?

.....% **Q3a**
232-234

Q.3b | How many shareholders hold this percentage share of the firm? Please give me the number

Number of shareholders holding this percentage share of the firm:..... **Q3b**
235-236

Q.4 | Which of the following best describes the largest shareholder(s) in your firm?

▪ **INTERVIEWER: SHOW CARD: 1 - MULTIPLE ANSWER**

| | Q4a |
|---------------------------------|----------------|
| | 237-244 |
| Individual | 01 |
| Family | 02 |
| Domestic company | 03 |
| Foreign company | 04 |
| Bank | 05 |
| Investment fund | 06 |
| Managers of the firm | 07 |
| Employees of the firm | 08 |
| Government or government agency | 09 |
| Other (SPECIFY) | 10 |
| Don't know | 11 |

Q4b

| | |
|-------------|----------------|
| Other:..... | 245-246 |
|-------------|----------------|

INTERVIEWER: ASK Q.9 IF COMPANY IS PRIVATE (I.E SCREENER QUESTIONNAIRE QUESTION S.2 CODES 1-6) ELSE GO TO Q.10

Q.9 | How was your firm established?

▪ **INTERVIEWER: SHOW CARD: 2 - ONE ANSWER ONLY**

| | | Q9aa |
|-------------------|---|-------------|
| | | 247 |
| GO TO Q.9a | Privatisation of a state-owned firm | 1 |
| GO TO Q.10 | Originally private, from time of start up (I.E., NO STATE-OWNED PREDECESSOR) | 2 |
| | Private subsidiary of a formerly state-owned firm | 3 |
| | Joint venture with foreign partner(s) | 4 |
| | Other (SPECIFY)..... | 5 |

Q9ab

| | |
|-------------|------------|
| Other:..... | 248 |
|-------------|------------|

Q.9a What year was the privatisation completed?

Q9a

Year of privatisation completed:..... **249-252**

Q.10 Has there been a change in the general manager since 1998?

Q10

| | |
|-----|------------|
| | 253 |
| Yes | 1 |
| No | 2 |

Q.11 Did the current general manager work in the company prior to being appointed as a general manager?

Q11

| | |
|-----|------------|
| | 254 |
| Yes | 1 |
| No | 2 |

Q.12 What is the age of the general manager?

Q12

Age:years **255-256**

Q.13 What is the highest level of education of the general manager?

Q13

| | |
|---|------------|
| | 257 |
| Did not complete secondary school | 1 |
| Secondary school | 2 |
| Vocational training | 3 |
| Some university training | 4 |
| Completed university degree | 5 |
| Completed higher university degree (eg. masters, doctorate) | 6 |
| Don't know | 7 |

I WOULD NOW ASK SOME QUESTIONS ABOUT THE SALES OF YOUR FIRM AND ITS SUPPLIERS

Q.14a What percentage of your firm's sales are:

| | | | |
|---|---|----------------|--------------|
| Sold domestically | % | 258-260 | Q14a1 |
| Exported directly | % | 261-263 | Q14a2 |
| Exported indirectly through a distributor | % | 264-266 | Q14a3 |

CHECK THAT THE TOTAL IS 100%

INTERVIEWER: IF IN Q14a THE FIRM EXPORTS DIRECTLY, ASK Q14b, ELSE GO TO Q15

Q.14b What was the average and the longest number of days in 2001 that it took from the time your goods arrived in their point of exit (eg, port, airport) until the time they cleared customs?

| | Days | | |
|--------------------------|------|---------|-------|
| On average | | 267-269 | Q14b1 |
| The longest time in 2001 | | 270-272 | Q14b2 |

INTERVIEWER: IF THE RESPONDENT SAID NO DELAYS - WRITE 000

Q.15 What percentage of your domestic sales are to:

| | | | |
|---|---|---------|------|
| Government or government agencies (excluding state-owned enterprises) | % | 307-309 | Q15a |
| Multinationals located in your country (not including your parent company, if applicable) | % | 310-312 | Q15b |
| Your firm's parent company or affiliated subsidiaries | % | 313-315 | Q15c |
| Large domestic firms (those with approximately 250 plus workers) (not including your parent company, if applicable) | % | 316-318 | Q15d |
| Other (sales to small firms, individuals, etc.) | % | 319-321 | Q15e |

CHECK THAT THE TOTAL IS 100%

Q.16a What percentage of your sales in the past 12 months goes to your three largest customers:

- INTERVIEWER: SHOW CARD: 3 - ONE ANSWER ONLY

Q16a

| | 322 |
|---------------|-----|
| Less than 20% | 1 |
| 20% or more | 2 |

Q.17a What percentage of your sales in the past 12 months is to customers that you have had for at least 3 years

- INTERVIEWER: SHOW CARD: 4 - ONE ANSWER ONLY

Q17a

| | 323 |
|---------------|-----|
| Less than 20% | 1 |
| 20% or more | 2 |

Q.18a Thinking of your firm's major product line or main line of services in the domestic market, how many competitors do you face?

- INTERVIEWER: SHOW CARD: 5 - ONE ANSWER ONLY

Q18a

| | | 324 |
|-------------|-----------|-----|
| GO TO Q.19 | None | 1 |
| GO TO Q.18b | 1-3 | 2 |
| GO TO Q.19 | 4 or more | 3 |

Q.18b Please give me the exact number of your competitors

Number:..... **Q18b**
325

Q.19 How important is competition from imports in the market for you main product line or main line of services in the domestic market?

▪ **INTERVIEWER: SHOW CARD: 6 - ONE ANSWER ONLY**

| | |
|-----------------------------------|--------------------------|
| | Q19 326 |
| Not important | 1 |
| Slightly important | 2 |
| Fairly important | 3 |
| Very important | 4 |
| Extremely important | 5 |
| These products cannot be imported | 6 |
| Don't know | 7 |

Q.21 Now I would like to ask you a hypothetical question. If you were to raise your prices of your main product line or main line of services 10% above their current level in the domestic market (after allowing for any inflation) which of the following would best describe the result assuming that your competitors maintained their current prices?

▪ **INTERVIEWER: SHOW CARD: 7 - ONE ANSWER ONLY**

| | |
|---|--------------------------|
| | Q21 327 |
| Our customers would continue to buy from us in the same quantities as now | 1 |
| Our customers would continue to buy from us, but at slightly lower quantities | 2 |
| Customers would continue to buy from us, but at much lower quantities | 3 |
| Many of our customers would buy from our competitors instead | 4 |

Q.22a Considering your main product line or main line of services, in the domestic market what percentage of the total market sales does your firm have?

▪ **INTERVIEWER: SHOW CARD: 8 - ONE ANSWER ONLY**

| | | |
|--------------------|--------------|---------------------------|
| | | Q22a 328 |
| GO TO Q.23 | 0-5% | 1 |
| GO TO Q.22b | More than 5% | 2 |

Q.22b Please give me the percentage of the total market sales that your firm has.

.....% **Q22b**
329-331

Q.23 Considering your main product line or main line of services in the domestic market, by what margin does your sales price exceed your operating costs (i.e., the cost material inputs plus wage costs but not overheads and depreciation)

Q23

.....% **332-334**

Q.24 What percent of your establishment's material inputs and supplies are:

| | | | |
|---|---|----------------|-------------|
| Purchased from domestic sources | % | 335-337 | Q24a |
| Imported directly | % | 338-340 | Q24b |
| Imported indirectly through a distributor | % | 341-343 | Q24c |

CHECK THAT THE TOTAL IS 100%

INTERVIEWER: IF IN Q24 THE FIRM IMPORTS DIRECTLY, ASK Q25, ELSE GO TO Q26

Q.25 What was the average and the longest number of days in 2001 that it took from the time your goods arrived in their point of entry (e.g. port, airport) until the time you could claim them from customs?

| | DAYS | | |
|--------------------------|-------------|----------------|-------------|
| On average | | 344-346 | Q25a |
| The longest time in 2001 | | 347-349 | Q25b |

INTERVIEWER: IF THE RESPONDENT SAID NO DELAYS - WRITE 000

Q.26 What percent of sales in 2001 was lost due to delivery delays from your material input suppliers?

Q26

.....% **350-352**

INTERVIEWER: IF THE RESPONDENT SAID NO SALES LOST - WRITE 000

Q.27a Thinking of your firm's main material input, how many suppliers do you have?

▪ **INTERVIEWER: SHOW CARD: 9 - ONE ANSWER ONLY**

Q27a

| | | 353 |
|--------------------|-----------|------------|
| GO TO Q.30a | None | 1 |
| GO TO Q.27b | 1-3 | 2 |
| GO TO Q.28 | 4 or more | 3 |

Q.27b Please give me the exact number of your suppliers.

Q27b

Number:..... **354**

| | |
|-------------|--|
| Q.28 | What per cent of your material input purchases in 2001 is from the suppliers that you have had for at least 3 years? |
|-------------|--|

▪ **INTERVIEWER: SHOW CARD: 10 - ONE ANSWER ONLY**

| | |
|---------------|---|
| Q28 | |
| 355 | |
| Less than 20% | 1 |
| 20% or more | 2 |

| | |
|--------------|--|
| Q.30a | Now, I would like to ask you a hypothetical question. If the main supplier of your main material input increased its supply price by 10% above what you pay at present (after allowing for inflation), how would you respond assuming that alternative suppliers if any left prices and other terms unchanged? |
|--------------|--|

▪ **INTERVIEWER: SHOW CARD: 11 - ONE ANSWER ONLY**

| | |
|---|---|
| Q30a | |
| 356 | |
| Purchase the same amount of the main material input from the existing main supplier | 1 |
| Purchase some of this material input from alternative suppliers, but continue most of the purchases from the existing main supplier | 2 |
| Purchase most of this material input from alternative suppliers, but continue some purchases from the existing main supplier | 3 |
| Purchase all of this material input from alternative suppliers | 4 |

| | |
|-------------|--|
| Q.31 | How important are the following as potential sources of information about new suppliers for your firm? |
|-------------|--|

▪ **INTERVIEWER: SHOW CARD: 12**

- ◆ **Not important: 1, Slightly important: 2, Fairly important: 3, Very important: 4, Extremely important: 5, Don't know: 6**

| | New suppliers | | | | | | | |
|---|---------------|---|---|---|---|---|------------|-------------|
| Family | 1 | 2 | 3 | 4 | 5 | 6 | 357 | Q31a |
| Friends | 1 | 2 | 3 | 4 | 5 | 6 | 358 | Q31b |
| Former employees who now work for a potential customer or supplier | 1 | 2 | 3 | 4 | 5 | 6 | 359 | Q31c |
| Prior employment of senior managers by a potential customer or supplier | 1 | 2 | 3 | 4 | 5 | 6 | 360 | Q31d |
| Existing customers or suppliers | 1 | 2 | 3 | 4 | 5 | 6 | 361 | Q31e |
| Government agencies | 1 | 2 | 3 | 4 | 5 | 6 | 362 | Q31f |
| Business associations/chambers of commerce | 1 | 2 | 3 | 4 | 5 | 6 | 363 | Q31g |
| Trade fairs and other public sources of information | 1 | 2 | 3 | 4 | 5 | 6 | 364 | Q31h |

Q.32 Has your company undertaken any of the following initiatives since 1998?
INTERVIEWER: FOR EACH INITIATIVE ANSWERED “YES” ASK: And how important in retrospect was this initiative for the survival and/or growth of your company over that period?

- **INTERVIEWER: SHOW CARD: 13**
- ♦ **Not important: 1, Slightly important: 2, Fairly important: 3, Very important: 4, Extremely important: 5, Don't now: 6**

| | Undertaken | | | | How important | | | | | | | |
|---|------------|----|-----|-------|---------------|---|---|---|---|---|-----|-------|
| | Yes | No | | | 1 | 2 | 3 | 4 | 5 | 6 | | |
| Changed of identity of main material input supplier | 1 | 2 | 365 | Q32a1 | 1 | 2 | 3 | 4 | 5 | 6 | 368 | Q32b1 |
| Changed of identity of the main customers (>20% of sales) | 1 | 2 | 366 | Q32a2 | 1 | 2 | 3 | 4 | 5 | 6 | 369 | Q32b2 |
| Exported to new country | 1 | 2 | 367 | Q32a3 | 1 | 2 | 3 | 4 | 5 | 6 | 370 | Q32b3 |

I WOULD NOW LIKE TO ASK YOU SOME QUESTIONS ABOUT INFRASTRUCTURE SERVICES

Q.33 How many days in 2001 did your establishment experienced:

| | Days | | |
|---|------|---------|------|
| Power outages or surges from the public grid? | | 407-409 | Q33a |
| Insufficient water supply? | | 410-412 | Q33b |
| Unavailable mainline telephone service? | | 413-415 | Q33c |

INTERVIEWER: IF THE RESPONDENT SAID NO DAYS - WRITE 000

Q.38 Does your firm regularly use in its interactions with clients and suppliers any of the following?

| | Yes | No | | |
|----------------------|-----|----|-----|------|
| Fixed line telephone | 1 | 2 | 416 | Q38a |
| Fax | 1 | 2 | 417 | Q38b |
| Mobile telephone | 1 | 2 | 418 | Q38c |
| Email | 1 | 2 | 419 | Q38d |
| Internet | 1 | 2 | 420 | Q38e |

Q.40 Based on the experience of your firm since 1998, what is/was the actual delay experienced in obtaining from the date of application each of the following?

| | Actual delay or wait in days | | |
|-----------------------------------|------------------------------|---------|------|
| A fixed line telephone connection | | 421-423 | Q40a |
| An electrical connection | | 424-426 | Q40b |

INTERVIEWER: IF THE RESPONDENT SAID NO DELAYS/SERVICE INCLUDED AS PART OF PROPERTY RENTAL - WRITE 000

NOW I'D LIKE YOU TO THINK ABOUT THE JUDICIARY AND LAW ENFORCEMENT

Q.41 How often do you associate the following descriptions with the court system in resolving business disputes?

▪ **INTERVIEWER: SHOW CARD: 14**

| | Never | Seldom | Sometimes | Frequently | Usually | Always | Do not know | | |
|-------------------------------|-------|--------|-----------|------------|---------|--------|-------------|-----|------|
| Fair and impartial | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 427 | Q41a |
| Honest/uncorrupted | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 428 | Q41b |
| Quick | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 429 | Q41c |
| Affordable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 430 | Q41d |
| Able to enforce its decisions | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 431 | Q41e |

Q.42 To what degree do you agree with this statement? "I am confident that the legal system will uphold my contract and property rights in business disputes".

▪ **INTERVIEWER: SHOW CARD: 15**

| Strongly disagree | Disagree in most cases | Tend to disagree | Tend to agree | Agree in most cases | Strongly agree | Don't know | Q42 |
|-------------------|------------------------|------------------|---------------|---------------------|----------------|------------|-----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 432 |

I WOULD NOW LIKE TO ASK YOU SOME QUESTIONS ABOUT THE PAYMENT TERMS OF YOUR FIRM

Q.43a What per cent of your firm's sales are pre-paid?

.....% **Q43a**
433-435

INTERVIEWER: IF THE RESPONDENT SAID NO SALES ARE PRE-PAID - WRITE 000

Q.43b What per cent of your firm's sales are sold on credit?

.....% **Q43b**
436-438

INTERVIEWER: IF THE RESPONDENT SAID NO SALES ARE SOLD ON CREDIT - WRITE 000

Q.43b1 Have you ever had to resolve an overdue payment?

Q43b1

| | | 439 |
|-------------|-----|-----|
| GO TO Q 43c | Yes | 1 |
| GO TO Q 43e | No | 2 |

Q.43c How long did it typically take (in weeks) to resolve an overdue payment?

Q43c
 Weeks:..... **440-442**

Q.43d Of these disputes over payments, what per cent was resolved by court action?

Q43d
% **443-445**

Q.43e How many cases in civil or commercial arbitration courts have involved your enterprise either as a plaintiff or defendant since January 2000?

| | | Number of cases | |
|-----------|--|-----------------|--------------|
| Plaintiff | | 446-447 | Q43e1 |
| Defendant | | 448-449 | Q43e2 |

INTERVIEWER: IF THE RESPONDENT SAID NO CASES - WRITE 00

Q.44 Do you pay for security (equipment, personnel, etc. excluding “protection payments”) or protection payments? If yes, what per cent of your total annual sales do you pay?

| | Make payments | | | | | % of total annual sales | | |
|---|---------------|----|------------|--------------|---|-------------------------|--------------|--|
| | Yes | No | | | | | | |
| Security (equipment, personnel, etc. excluding “protection payments”) | 1 | 2 | 450 | Q44a1 | % | 452-454 | Q44b1 | |
| Protection payments | 1 | 2 | 451 | Q44a2 | % | 455-457 | Q44b2 | |

Use List 3

Q.45 Have you had any losses as a result of theft, robbery, vandalism or arson against your establishment in 2001? If yes, what were your estimated losses as a per cent of your total 2001 sales?

| Had losses | | | Losses as a % of total 2001 sales | | |
|------------|----|------------|-----------------------------------|---|----------------------------|
| Yes | No | | | | |
| 1 | 2 | 458 | Q45a | % | 459-461 Q45b |

Use List 3

NOW I WOULD LIKE YOU TO THINK ABOUT THE GOVERNMENT POLICIES, LAWS AND REGULATIONS GOVERNING YOUR BUSINESS

Q.46 To what degree do you agree with the following statements?

▪ **INTERVIEWER: SHOW CARD: 16**

| | Strongly disagree | Disagree in most cases | Tend to disagree | Tend to agree | Agree in most cases | Strongly agree | Don't know | | |
|--|-------------------|------------------------|------------------|---------------|---------------------|----------------|------------|-----|------|
| Information on the laws & regulations affecting my firm is easy to obtain | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 462 | Q46a |
| Interpretations of the laws and regulations affecting my firm are consistent & predictable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 463 | Q46b |

Q.49 How likely do you think it is that an unforeseen change in laws or regulations will occur in 2003 and have a significant impact on your business?

▪ **INTERVIEWER: SHOW CARD: 17**

| | Q49 |
|--------------------|------------|
| | 464 |
| Extremely unlikely | 1 |
| Highly unlikely | 2 |
| Fairly unlikely | 3 |
| Fairly likely | 4 |
| Highly likely | 5 |
| Extremely likely | 6 |
| Don't know | 7 |

Q.50 What per cent of senior management's time in 2001 was spent in dealing with public officials about the application and interpretation of laws and regulations and to get or to maintain access to public services?

.....% **Q50**
465-467

INTERVIEWER: IF THE RESPONDENT SAID NO TIME WAS SPENT – WRITE 000

Use List 3

Q.51 How often is the following statement true? "If a government agent acts against the rules I can usually go to another official or to his superior and get the correct treatment without recourse to unofficial payments/gifts."

▪ **INTERVIEWER: SHOW CARD: 18**

| Never | Seldom | Sometimes | Frequently | Usually | Always | Don't know | | |
|-------|--------|-----------|------------|---------|--------|------------|-----|-----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 468 | Q51 |

Q.51a Is your firm a member of a business association or chamber of commerce?

| | | |
|-------------|-----|-------------|
| | | Q51a |
| | | 469 |
| GO TO Q.51b | Yes | 1 |
| GO TO Q.52 | No | 2 |

Q.51b What services do you receive from the association or associations to which you belong, and what is the value of these services to your firm? “Critical value to your firm” should be placed on services that significantly reduce the costs of your firm or significantly increase the sales of your firm.

▪ **INTERVIEWER: SHOW CARD: 19**

| | No value | Minor value | Moderate value | Major value | Critical value to your firm | Not provided | | |
|--|----------|-------------|----------------|-------------|-----------------------------|--------------|------------|--------------|
| Lobbying government | 0 | 1 | 2 | 3 | 4 | 5 | 470 | Q51b1 |
| Resolution of disputes (with officials, workers or other firms) | 0 | 1 | 2 | 3 | 4 | 5 | 471 | Q51b2 |
| Information and/or contacts on domestic product and input markets | 0 | 1 | 2 | 3 | 4 | 5 | 472 | Q51b3 |
| Information and/or contacts on international product and input markets | 0 | 1 | 2 | 3 | 4 | 5 | 473 | Q51b4 |
| Accrediting standards or quality of products; reputational benefits | 0 | 1 | 2 | 3 | 4 | 5 | 474 | Q51b5 |
| Information on government regulations | 0 | 1 | 2 | 3 | 4 | 5 | 475 | Q51b6 |

THINK ABOUT NATIONAL LAWS AND REGULATIONS ENACTED IN 2001 THAT HAD A SUBSTANTIAL IMPACT ON YOUR BUSINESS:

Q.52 Did your firm seek to influence the content of laws or regulations affecting it?

| | | |
|-----|--|------------|
| | | Q52 |
| | | 476 |
| Yes | | 1 |
| No | | 2 |

Q.53 How much influence do you think the following groups actually had on recently enacted national laws and regulations that have a substantial impact on your business?

▪ **INTERVIEWER: SHOW CARD: 20**

| | No impact | Minor influence | Moderate influence | Major influence | Decisive influence | Don't know | | |
|--|-----------|-----------------|--------------------|-----------------|--------------------|------------|------------|-------------|
| Your firm | 0 | 1 | 2 | 3 | 4 | 5 | 507 | Q53a |
| Your domestic competitors | 0 | 1 | 2 | 3 | 4 | 5 | 508 | Q53b |
| Other domestic firms | 0 | 1 | 2 | 3 | 4 | 5 | 509 | Q53c |
| Foreign firms | 0 | 1 | 2 | 3 | 4 | 5 | 510 | Q53d |
| A business association to which you belong | 0 | 1 | 2 | 3 | 4 | 5 | 511 | Q53e |
| Other business associations | 0 | 1 | 2 | 3 | 4 | 5 | 512 | Q53f |
| Dominant firms or conglomerates in key sectors of the economy | 0 | 1 | 2 | 3 | 4 | 5 | 513 | Q53g |
| Labour unions | 0 | 1 | 2 | 3 | 4 | 5 | 514 | Q53h |
| Organised crime | 0 | 1 | 2 | 3 | 4 | 5 | 515 | Q53i |
| Regional or local government | 0 | 1 | 2 | 3 | 4 | 5 | 516 | Q53j |
| Military | 0 | 1 | 2 | 3 | 4 | 5 | 517 | Q53k |
| Individuals or firms with close personal ties to political leaders | 0 | 1 | 2 | 3 | 4 | 5 | 518 | Q53l |
| International development agencies or foreign governments | 0 | 1 | 2 | 3 | 4 | 5 | 519 | Q53m |

WE NOW WANT TO ASK YOUR OPINION ON “UNOFFICIAL PAYMENTS” TO OFFICIALS IN THIS COUNTRY. CAN I PLEASE REASSURE YOU THAT:

We are interested in your opinions in a personal capacity

We do not imply in any way that your company makes unofficial payments/gifts

We recognise that your company neither approves of nor condones the use of unofficial payments/gifts

The responses that you give will be aggregated and presented in purely statistical terms; any comments you give me cannot be attributed to either you or your company

| | |
|-------------|--|
| Q.54 | Thinking about officials, would you say the following statements are always, usually, frequently, sometimes, seldom or never true? |
|-------------|--|

▪ **INTERVIEWER: SHOW CARD: 21**

| | Never | Seldom | Sometimes | Frequently | Usually | Always | Don't know | | |
|--|-------|--------|-----------|------------|---------|--------|------------|-----|-------------|
| “It is common for firms in my line of business to have to pay some irregular “additional payments/gifts” to get things done ” with regard to customs, taxes, licenses, regulations, services etc | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 520 | Q54a |
| “Firms in my line of business usually know in advance about how much this ‘additional payment/gifts’ is | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 521 | Q54b |

| | |
|-------------|---|
| Q.55 | On average, what percent of total annual sales do firm’s like yours typically pay in unofficial payments/gifts to public officials? |
|-------------|---|

.....% **Q55**
522-524

INTERVIEWER: IF THE RESPONDENT SAID NO PAYMENTS ARE MADE – WRITE 000
Use List 3

Q.56 Thinking now of unofficial payments/gifts that a firm like yours would make in a given year, could you please tell me how often would they make payments/gifts for the following purposes

▪ **INTERVIEWER: SHOW CARD: 22**

| | Never | Seldom | Sometimes | Frequently | Usually | Always | Don't know | | |
|--|-------|--------|-----------|------------|---------|--------|------------|-----|------|
| To get connected to and maintain public services (electricity and telephone) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 525 | Q56a |
| To obtain business licenses and permits | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 526 | Q56b |
| To obtain government contracts | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 527 | Q56c |
| To deal with occupational health and safety inspections | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 528 | Q56d |
| To deal with fire and building inspections | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 529 | Q56e |
| To deal with environmental inspections | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 530 | Q56f |
| To deal with taxes and tax collection | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 531 | Q56g |
| To deal with customs/imports | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 532 | Q56h |
| To deal with courts | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 533 | Q56i |
| To influence the content of new legislation rules decrees etc. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 534 | Q56j |

Q.57 When firms in your industry do business with the government, how much of the contract value would be typically paid in additional or unofficial payments/gifts to secure the contract?

.....% **Q57**
535-537

INTERVIEWER: IF THE RESPONDENT SAID NO PAYMENTS/GIFTS ARE PAID – WRITE 000
Use List 3

Q.58 Recognising the difficulties that many firms face in fully complying with taxes and regulations, what per cent of total annual sales would you estimate the typical firm in your area of business reports for tax purposes?

.....% **Q58**
538-540

Q.59 It is often said that firms make unofficial payments/gifts, private payments or other benefits to public officials to gain advantages in the drafting of laws, decrees, regulations, and other binding government decisions. To what extent have the following practices had a direct impact on your business.

▪ **INTERVIEWER: SHOW CARD: 23**

| | No impact | Minor impact | Moderate impact | Major impact | Decisive Impact | Don't know | | |
|---|-----------|--------------|-----------------|--------------|-----------------|------------|-----|-------------|
| Private payments/gifts or other benefits to Parliamentarians to affect their votes | 0 | 1 | 2 | 3 | 4 | 5 | 541 | Q59a |
| Private payments/gifts or other benefits to Government officials to affect the content of government decrees | 0 | 1 | 2 | 3 | 4 | 5 | 542 | Q59b |
| Private payments/gifts or other benefits to judges to affect the decisions of criminal court cases | 0 | 1 | 2 | 3 | 4 | 5 | 543 | Q59c |
| Private payments/gifts or other benefits to judges to affect the decisions in commercial cases | 0 | 1 | 2 | 3 | 4 | 5 | 544 | Q59d |
| Private payments/gifts or other benefits to central bank officials to affect central bank policies and decision | 0 | 1 | 2 | 3 | 4 | 5 | 545 | Q59e |
| Illegal contributions to political parties and/or election campaigns to affect the decisions of elected officials | 0 | 1 | 2 | 3 | 4 | 5 | 546 | Q59f |

I WOULD NOW LIKE TO ASK SOME QUESTIONS ABOUT THE FINANCING OF YOUR FIRM

Q.64 What proportion of your firm's working capital and new fixed investment has been financed from each of the following sources, over the past 12 months?

▪ **INTERVIEWER: SHOW CARD: 24**

| | Working capital (i.e. inventories, accounts receivable, cash) | | | New investments (i.e. new land, buildings, machinery, equipment) | | |
|---|---|---------------|----------------|--|---------------|----------------|
| Internal funds/Retained earnings | % | Q64a1 | 607-609 | % | Q64b1 | 707-709 |
| Equity (i.e. issue new shares) | % | Q64a2 | 610-612 | % | Q64b2 | 710-712 |
| Borrowing from local private commercial banks | % | Q64a3 | 613-615 | % | Q64b3 | 713-715 |
| Borrowing from state-owned banks, including state development banks | % | Q64a4 | 616-618 | % | Q64b4 | 716-718 |
| Borrowing from foreign banks | % | Q64a5 | 619-621 | % | Q64b5 | 719-721 |
| Loans from family/friends | % | Q64a6 | 622-624 | % | Q64b6 | 722-724 |
| Money lenders or other informal sources (other than family/friends) | % | Q64a7 | 625-627 | % | Q64b7 | 725-727 |
| Trade credit from suppliers | % | Q64a8 | 628-630 | % | Q64b8 | 728-730 |
| Trade credit from customers | % | Q64a9 | 631-633 | % | Q64b9 | 731-733 |
| Credit cards | % | Q64a10 | 634-636 | % | Q64b10 | 734-736 |
| Leasing arrangement | % | Q64a11 | 637-639 | % | Q64b11 | 737-739 |
| The government (other than state-owned banks) | % | Q64a12 | 640-642 | % | Q64b12 | 740-742 |
| Other (SPECIFY SOURCES):..... | % | Q64a13 | 643-645 | % | Q64b13 | 743-745 |

CHECK THAT TOTALS ARE 100% 100%

| | | | | |
|-------|---------------|----------------|---------------|----------------|
| Other | Q64a14 | 646-648 | Q64b14 | 746-748 |
|-------|---------------|----------------|---------------|----------------|

Q.65a Thinking of the most recent bank loan or overdraft you obtained, did the financing require collateral?

Q65a

| | | 807 |
|-------------|---------|------------|
| GO TO Q.65b | Yes | 1 |
| GO TO Q.65d | No | 2 |
| GO TO Q.66 | No loan | 3 |

Q.65b What kind of collateral (e.g. land, buildings, machinery, your home) was required? MULTIPLE ANSWER ALLOWED

Q65b1

| | | 808-813 |
|----------------------|--|----------------|
| Land | | 1 |
| Buildings | | 2 |
| Machinery | | 3 |
| Your home | | 4 |
| Other (Specify)..... | | 5 |

Q65b2

| | |
|--------|------------|
| Other: | 814 |
|--------|------------|

Q.65c What was the approximate value of the collateral required as a percent of the loan value?

.....% **Q65c**
815-817

Q.65d What is the loan's annual cost (i.e. rate of interest)?

.....% **Q65d**
818-820

Use List 3

Q.65e What is the duration of the loan in months?

Months:..... **Q65e**
821-823

Q.65f How many days did it take to agree the loan with the bank from the date of application?

Days:..... **Q65f**
824-826

Q.65h Now I would like to ask you a hypothetical question. If your firm were to fall behind in its bank repayments, which of the following would best describe how you would expect the bank to react?

▪ **INTERVIEWER: SHOW CARD: 25 - ONE ANSWER ONLY**

| | Q65h 827 |
|---|--------------------|
| Do nothing | 1 |
| Extend the term of the loan without changing the conditions | 2 |
| Extend the term of the loan but increase the interest rate | 3 |
| Begin legal proceedings to take possession of some assets of the firm | 4 |
| Don't know | 5 |

Q.66 Now I would like to ask you a hypothetical question. Suppose that your firm has to obtain a loan from a commercial bank. How easy would it be for your firm to obtain a short-term working capital loan on commercial terms. And how easy would it be for your firm to obtain a longer term banking loan for new investment

▪ **INTERVIEWER: SHOW CARD: 26- ONE ANSWER ONLY**

| | Impossible | Very difficult | Fairly difficult | Fairly easy | Very easy | Don't know | | |
|--|------------|----------------|------------------|-------------|-----------|------------|------------|-------------|
| Short-term working capital loan on commercial terms | 1 | 2 | 3 | 4 | 5 | 6 | 828 | Q66a |
| Long-term bank loan for new investment on commercial terms | 1 | 2 | 3 | 4 | 5 | 6 | 829 | Q66b |

Q.70a Has your firm changed its main bank (the single bank with which your firm has the closest relationship) since 1998?

| | | Q70a |
|------------|--------------|-------------|
| | | 830 |
| GO TO Q70B | Yes | 1 |
| GO TO Q72b | No | 2 |
| GO TO Q72b | No main bank | 3 |

Q.70b And how important in retrospect was this initiative for the survival and/or growth of your company over that period

▪ **INTERVIEWER: SHOW CARD: 27 - ONE ANSWER ONLY**

| | | Q70b |
|--|---------------------|-------------|
| | | 831 |
| | Not important | 1 |
| | Slightly important | 2 |
| | Fairly important | 3 |
| | Very important | 4 |
| | Extremely important | 5 |
| | Don't know | 6 |

Q.72b Now I would like to ask you a hypothetical question: Suppose that the incoming cash flow to your firm for the next quarter is 10% lower than you had expected. This cash flow is not permanently lost, but merely unexpectedly delayed. However, your working capital needs and level of production remain the same. Please look at this list and select at most 4 sources from which you would finance this gap. For each of the source selected, please indicate its importance.

▪ **INTERVIEWER: SHOW CARD: 28**

- ◆ Not important: 1, Slightly important: 2, Fairly important: 3, Very important: 4, Extremely important: 5, Don't know: 6

| | | Q72b1 | | | | | | | | |
|--|----|--------------------------|---------------|---|---|---|---|---|------------|---------------|
| | | Circle at most 4 sources | How important | | | | | | | |
| | | 832-839 | | | | | | | | |
| Liquidate short term financial assets | 01 | | 1 | 2 | 3 | 4 | 5 | 6 | 841 | Q72b2a |
| Obtain credit from banks | 02 | | 1 | 2 | 3 | 4 | 5 | 6 | 842 | Q72b2b |
| Obtain credit from suppliers | 03 | | 1 | 2 | 3 | 4 | 5 | 6 | 843 | Q72b2c |
| Delay payment to suppliers/utilities | 04 | | 1 | 2 | 3 | 4 | 5 | 6 | 844 | Q72b2d |
| Issue bills of exchange (e.g. veksels) | 05 | | 1 | 2 | 3 | 4 | 5 | 6 | 845 | Q72b2e |
| Exchange goods for goods | 06 | | 1 | 2 | 3 | 4 | 5 | 6 | 846 | Q72b2f |
| Delay payments to budget (taxes) and extra-budgetary funds | 07 | | 1 | 2 | 3 | 4 | 5 | 6 | 847 | Q72b2g |
| Delay payments to workers (wages) | 08 | | 1 | 2 | 3 | 4 | 5 | 6 | 848 | Q72b2h |
| Obtain credit from the government | 09 | | 1 | 2 | 3 | 4 | 5 | 6 | 849 | Q72b2i |
| Obtain a subsidy from the government | 10 | | 1 | 2 | 3 | 4 | 5 | 6 | 850 | Q72b2j |
| Other (Specify source) | 11 | | 1 | 2 | 3 | 4 | 5 | 6 | 851 | Q72b2k |

Q.73 Does your firm use international accounting standards (IAS)?

Q73

| | |
|------------|------------|
| | 853 |
| Yes | 1 |
| No | 2 |
| Don't know | 3 |

Q.74 Does your establishment have its annual financial statement reviewed by an external auditor?

Q74

| | |
|------------|------------|
| | 854 |
| Yes | 1 |
| No | 2 |
| Don't know | 3 |

Q.75 How long does it take to clear (in days) the following payments through your financial institution and what is the charge you pay as a per cent of the transaction?

- INTERVIEWER: IF THE RESPONDENT PAYS A LUMP/FIXED FEE, CIRCLE THE CODE IN THE LAST COLUMN ("PAY A LUMP/FIXED SUM")**

| | Days | | | Charge (% of transaction) | | | Pay a lump/ fixed sum | | |
|------------------------|------|----------------|--------------|---------------------------|----------------|--------------|-----------------------|------------|--------------|
| Cheque | | 855-856 | Q75a1 | % | 861-863 | Q75b1 | 1 | 870 | Q75c1 |
| Domestic currency wire | | 857-858 | Q75a2 | % | 864-866 | Q75b2 | 1 | 871 | Q75c2 |
| Foreign currency wire | | 859-860 | Q75a3 | % | 867-869 | Q75b3 | 1 | 872 | Q75c3 |

Use List 3

Q.76 What share of your sales to your customers (in per cent) in 2001 was ultimately settled by:

Q.77 What share of your purchases from suppliers in 2001 was ultimately settled by:

| | Q.76 Customer | | | Q.77 Suppliers | | |
|---|---------------|----------------|-------------|----------------|----------------|-------------|
| Cash or bank transfer (cash settlement) | % | 907-909 | Q76a | % | 923-925 | Q77a |
| Bills of exchange (e.g., veksels) | % | 910-912 | Q76b | % | 926-928 | Q77b |
| Debt swaps or offsets | % | 913-915 | Q76c | % | 929-931 | Q77c |
| Exchange of goods for goods | % | 916-918 | Q76d | % | 932-934 | Q77d |
| Other | % | 919-921 | Q76e | % | 935-937 | Q77e |

CHECK THAT TOTALS ARE 100%

100%

Q.78 Do you currently have any payments overdue (by more than 90 days) to each of the following. If yes, what is the amount of the overdue payments as a % of your total annual sales?

| | Yes | No | Don't know | | | If yes, % of total annual sales | | |
|--------------------------|-----|----|------------|-----|-------|---------------------------------|---------|-------|
| Utilities | 1 | 2 | 3 | 939 | Q78a1 | | 943-945 | Q78b1 |
| Taxes | 1 | 2 | 3 | 940 | Q78a2 | | 946-948 | Q78b2 |
| Employees | 1 | 2 | 3 | 941 | Q78a3 | | 949-951 | Q78b3 |
| Material Input suppliers | 1 | 2 | 3 | 942 | Q78a4 | | 952-954 | Q78b4 |

Q.79 Since 1998, has your firm received any subsidies from the national government, regional/local governments or any other sources? If yes, on average since 1998, what was the amount of these subsidies as a per cent of average annual sales.

| | Yes | No | Don't know | | | If YES, % of total annual sales | | |
|------------------------------|-----|----|------------|-----|-------|---------------------------------|---------|-------|
| National government | 1 | 2 | 3 | 955 | Q79a1 | | 959-961 | Q79b1 |
| Regional or local government | 1 | 2 | 3 | 956 | Q79a2 | | 962-964 | Q79b2 |
| Other (SPECIFY) | 1 | 2 | 3 | 957 | Q79a3 | | 965-967 | Q79b3 |

Use List 3

I WOULD NOW LIKE TO ASK YOU QUESTIONS ABOUT THE OVERALL BUSINESS ENVIRONMENT IN YOUR COUNTRY AND HOW IT AFFECTS YOUR FIRM

| | |
|-------------|--|
| Q.80 | Can you tell me how problematic are these different factors for the operation and growth of your business. |
|-------------|--|

▪ **INTERVIEWER: SHOW CARD: 29**

| | No obstacle | Minor obstacle | Moderate obstacle | Major obstacle | Don't Know | | |
|---|-------------|----------------|-------------------|----------------|------------|-------------|-------------|
| Access to financing (e.g., collateral required) or financing not available from banks | 1 | 2 | 3 | 4 | 5 | 1007 | Q80a |
| Cost of financing (e.g., interest rates and charges) | 1 | 2 | 3 | 4 | 5 | 1008 | Q80b |
| Telecommunications | 1 | 2 | 3 | 4 | 5 | 1009 | Q80c |
| Electricity | 1 | 2 | 3 | 4 | 5 | 1010 | Q80d |
| Transportation | 1 | 2 | 3 | 4 | 5 | 1011 | Q80e |
| Access to land | 1 | 2 | 3 | 4 | 5 | 1012 | Q80f |
| Tax rates | 1 | 2 | 3 | 4 | 5 | 1013 | Q80g |
| Tax administration | 1 | 2 | 3 | 4 | 5 | 1014 | Q80h |
| Customs and trade regulations | 1 | 2 | 3 | 4 | 5 | 1015 | Q80i |
| Business licensing and permits | 1 | 2 | 3 | 4 | 5 | 1016 | Q80j |
| Labour regulations | 1 | 2 | 3 | 4 | 5 | 1017 | Q80k |
| Skills and education of available workers | 1 | 2 | 3 | 4 | 5 | 1018 | Q80l |
| Economic policy uncertainty | 1 | 2 | 3 | 4 | 5 | 1019 | Q80m |
| Macroeconomic instability (inflation, exchange rate) | 1 | 2 | 3 | 4 | 5 | 1020 | Q80n |
| Functioning of the judiciary | 1 | 2 | 3 | 4 | 5 | 1021 | Q80o |
| Corruption | 1 | 2 | 3 | 4 | 5 | 1022 | Q80p |
| Street crime/theft/disorder | 1 | 2 | 3 | 4 | 5 | 1023 | Q80q |
| Organised crime/Mafia | 1 | 2 | 3 | 4 | 5 | 1024 | Q80r |
| Anti-competitive practices of other producers | 1 | 2 | 3 | 4 | 5 | 1025 | Q80s |
| Contract violations of by customers and suppliers | 1 | 2 | 3 | 4 | 5 | 1026 | Q80t |
| Title or leasing of land | 1 | 2 | 3 | 4 | 5 | 1027 | Q80u |
| Other (Specify) | 1 | 2 | 3 | 4 | 5 | 1028 | Q80v |

| | | | |
|--------|--|------------------|-------------|
| Other: | | 1029-1030 | Q80w |
|--------|--|------------------|-------------|

I WOULD NOW LIKE TO ASK YOU SOME QUESTIONS ABOUT THE PERFORMANCE OF YOUR FIRM AND ITS INVESTMENT ACTIVITIES

Q.81 Since 1998 , how have the following changed (increased/decreased) and what is the percent of change for your company, in real terms (i.e., after allowing for inflation):

| | Increase | Decrease | No change | | | % change | | |
|---|----------|----------|-----------|-------------|--------------|----------|------------------|--------------|
| Sales | 1 | 2 | 3 | 1031 | Q81a1 | % | 1034-1036 | Q81b1 |
| Exports | 1 | 2 | 3 | 1032 | Q81a2 | % | 1037-1039 | Q81b2 |
| Fixed Assets (e.g., land, buildings, machinery and equipment) | 1 | 2 | 3 | 1033 | Q81a3 | % | 1040-1042 | Q81b3 |

Q.82 For classification purposes please could you tell me:

| | Local currency (000's) | US dollars (000's) | | |
|--|---------------------------|-----------------------|------------------|-------------|
| The estimate of your firm's total sales in 2001 | | | 1043-1048 | Q82a |
| The estimate of the replacement value of the physical production assets used by your firm (land, building, equipment) in 2001: | | | 1049-1054 | Q82b |

INTERVIEWER: OBTAIN THE ABOVE VALUES IN ONE OF THE TWO CURRENCIES (I.E EITHER LOCAL OR IN US DOLLARS).

Q.83 On average since 1998 how much has your company spent on the following expressed as a per cent of the average annual sales of your firm over the same period?

| | In % of average annual sales over since 1998 | | | |
|---|---|------------------|-------------|--|
| New buildings, machinery and equipment | % | 1055-1057 | Q83a | |
| Research and development (including wages and salaries of R&D personnel, materials, R&D related education and training costs) | % | 1058-1060 | Q83b | |
| Advertising and marketing | % | 1061-1063 | Q83c | |
| Raw materials and bought in components/services | % | 1064-1066 | Q83d | |

Use List 3

INTERVIEWER: FOR THOSE ACTIVITIES THAT THE RESPONDENT SAID THAT HIS COMPANY DID NOT SPEND – WRITE 000

INTERVIEWER: FOR, Q84a and Q84b, COMPARE WITH 1998, IF THE COMPANY BEGAN OPERATIONS ON OR EARLIER THAN 1998. IF THE COMPANY BEGAN OPERATIONS IN 1999, ASK FOR 1999.

| | |
|--------------|--|
| Q.84a | At the end of 2001, what was the level (expressed as a per cent) of debt in relation to your total assets? And what was the level at the end of 1998/1999? |
|--------------|--|

| | | | |
|------|------------------|-----------|------------------|
| 2001 | Q84a1 | 1998/1999 | Q84a2 |
| % | 1067-1069 | % | 1070-1072 |

| | |
|---------------|--|
| Q.84a1 | In 2001, what was the level (expressed as a per cent) of gross profits in relation to your total sales. What was the level in 1998/1999? |
|---------------|--|

▪ **INTERVIEWER: SHOW CARD: 30**

| | Q84a1a | Q84a1b |
|---------------|---------------|------------------|
| | 2001 | 1998/1999 |
| | 1107 | 1108 |
| Negative | 1 | 1 |
| 0% | 2 | 2 |
| 1-10% | 3 | 3 |
| 11-20% | 4 | 4 |
| 21-30% | 5 | 5 |
| 31-40% | 6 | 6 |
| More than 40% | 7 | 7 |

Q.84b How much did your firm reinvest out of profits in 2001

▪ **INTERVIEWER: SHOW CARD: 32**

Q84b

| | 1109 |
|---------------|-------------|
| 0% | 1 |
| 1-10% | 2 |
| 11-25% | 3 |
| 26-50% | 4 |
| 51-75% | 5 |
| More than 75% | 6 |

Q.84c What percentage of your total borrowing (loans, accounts payable) is currently denominated in foreign currency?

Q84c

.....% **1110-1112**

INTERVIEWER: IF THE RESPONDENT SAID THAT NOTHING IS DENOMINATED IN FOREIGN CURRENCY – WRITE 000

Q.85 Has your company undertaken any of the following initiatives since 1998?
INTERVIEWER: FOR EACH INITIATIVE ANSWERED “YES” ASK: And how important in retrospect was this initiative for the survival and/or growth of your company over that period?

▪ **INTERVIEWER: SHOW CARD: 33**

♦ **Not important: 1, Slightly important: 2, Fairly important: 3, Very important: 4, Extremely important: 5, Don't know: 6**

| | Undertaken | | | | How important | | | | | | | |
|--|------------|----|-------------|---------------|---------------|---|---|---|---|---|-------------|---------------|
| | Yes | No | | | 1 | 2 | 3 | 4 | 5 | 6 | | |
| Developed successfully a major new product line | 1 | 2 | 1113 | Q85a1 | 1 | 2 | 3 | 4 | 5 | 6 | 1124 | Q85b1 |
| Upgraded an existing product line | 1 | 2 | 1114 | Q85a2 | 1 | 2 | 3 | 4 | 5 | 6 | 1125 | Q85b2 |
| Introduced new technology that has substantially changed the way that the main product is produced | 1 | 2 | 1115 | Q85a3 | 1 | 2 | 3 | 4 | 5 | 6 | 1126 | Q85b3 |
| Discontinued at least one product (not production) line | 1 | 2 | 1116 | Q85a4 | 1 | 2 | 3 | 4 | 5 | 6 | 1127 | Q85b4 |
| Opened of new plant | 1 | 2 | 1117 | Q85a5 | 1 | 2 | 3 | 4 | 5 | 6 | 1128 | Q85b5 |
| Closed at least one existing plant or outlet | 1 | 2 | 1118 | Q85a6 | 1 | 2 | 3 | 4 | 5 | 6 | 1129 | Q85b6 |
| Agreed a new joint venture with foreign partner | 1 | 2 | 1119 | Q85a7 | 1 | 2 | 3 | 4 | 5 | 6 | 1130 | Q85b7 |
| Obtained a new licensing agreement | 1 | 2 | 1120 | Q85a8 | 1 | 2 | 3 | 4 | 5 | 6 | 1131 | Q85b8 |
| Outsourced a major production activity that was previously conducted in-house | 1 | 2 | 1121 | Q85a9 | 1 | 2 | 3 | 4 | 5 | 6 | 1132 | Q85b9 |
| Brought in-house of a major production activity that was previously outsourced | 1 | 2 | 1122 | Q85a10 | 1 | 2 | 3 | 4 | 5 | 6 | 1133 | Q85b10 |
| Obtained a new quality accreditation (ISO 9000) | 1 | 2 | 1123 | Q85a11 | 1 | 2 | 3 | 4 | 5 | 6 | 1134 | Q85b11 |

Q.86 Thinking of your main product line or main line of services and comparing your production process with that of your closest competitor, which of the following best summarises your position:

▪ **INTERVIEWER: SHOW CARD: 34 - ONE ANSWER ONLY**

| | Q86 |
|--|-------------|
| | 1135 |
| My firm's technology is less advanced than that of its main competitor | 1 |
| My firm's technology is about the same as that of its main competitor | 2 |
| My firm's technology is more advanced than that of its main competitor | 3 |
| Don't know | 4 |

Q.87 Which of the following best describes the organisation of departments (in terms of the allocation of responsibilities, budgetary resources and staff) within your firm since 1998?

▪ **INTERVIEWER: SHOW CARD: 35 - ONE ANSWER ONLY**

| | Q87 |
|---|-------------|
| | 1136 |
| My firm is organised in much the same way as it was in 1998 | 1 |
| My firm has had some reallocation of responsibility and resources between departments | 2 |
| My firm has had major reallocations of responsibility and resources between departments | 3 |
| My firm has had a completely new organisational structure | 4 |
| Don't know | 5 |

Q.88 How would you rate the importance of each of the following factors on key decisions about your business with respect to "Developing new products or services and markets":

▪ **INTERVIEWER: SHOW CARD: 36**

| | Not at all important | Slightly important | Fairly important | Very important | Don't know | | |
|---|-----------------------------|---------------------------|-------------------------|-----------------------|-------------------|-------------|-------------|
| Pressure from domestic competitors | 1 | 2 | 3 | 4 | 5 | 1137 | Q88a |
| Pressure from foreign competitors | 1 | 2 | 3 | 4 | 5 | 1138 | Q88b |
| Pressure from customers | 1 | 2 | 3 | 4 | 5 | 1139 | Q88c |
| Pressure from creditors | 1 | 2 | 3 | 4 | 5 | 1140 | Q88d |
| Pressure from shareholders | 1 | 2 | 3 | 4 | 5 | 1141 | Q88e |
| Pressure from government or government agencies | 1 | 2 | 3 | 4 | 5 | 1142 | Q88f |

Q.89 How would you rate the importance of each of the following factors on key decisions about your business with respect to “Reducing the production costs of existing products or services”:

▪ **INTERVIEWER: SHOW CARD: 37**

| | Not at all important | Slightly important | Fairly important | Very important | Don't know | | |
|---|----------------------|--------------------|------------------|----------------|------------|------|------|
| Pressure from domestic competitors | 1 | 2 | 3 | 4 | 5 | 1143 | Q89a |
| Pressure from foreign competitors | 1 | 2 | 3 | 4 | 5 | 1144 | Q89b |
| Pressure from customers | 1 | 2 | 3 | 4 | 5 | 1145 | Q89c |
| Pressure from creditors | 1 | 2 | 3 | 4 | 5 | 1146 | Q89d |
| Pressure from shareholders | 1 | 2 | 3 | 4 | 5 | 1147 | Q89e |
| Pressure from government or government agencies | 1 | 2 | 3 | 4 | 5 | 1148 | Q89f |

INTERVIEWER: FOR Q90, Q91a and Q91b, COMPARE WITH 1998, IF THE COMPANY BEGAN OPERATIONS ON OR EARLIER THAN 1998. IF THE COMPANY BEGAN OPERATIONS IN 1999, ASK FOR 1999.

Q.90 In your judgement, what is your current output in comparison with the maximum output possible using the firm's facilities/man power at the time? If you are using your facilities/man power to the full, answer 100%; if output was 60% of capacity, answer 60%. What was the capacity utilisation in 1998/1999

| | Current capacity of utilisation | Q90a | Capacity utilisation in 1998/1999 | Q90b |
|--|---------------------------------|-----------|-----------------------------------|-----------|
| Level of utilisation of facilities/man power | | 1150-1152 | | 1153-1155 |

I WOULD NOW LIKE TO ASK YOU SOME QUESTIONS ABOUT THE EMPLOYEES OF YOUR FIRM

Q.91a How many permanent, full-time employees does your firm have now and how many did it have in 1998/1999? (give an estimate number)

| Now | Q91a1 | 1998/1999 | Q91a2 |
|-----|-----------|-----------|-----------|
| | 1156-1160 | | 1161-1165 |

Q.91b How many part-time or temporary employees does your firm have now and how many did it have in 1998/1999? (give an estimate number)

| Now | Q91b1 | 1998/1999 | Q91b2 |
|-----|-----------|-----------|-----------|
| | 1166-1170 | | 1171-1175 |

INTERVIEWER: IF IN ANY OF THE YEARS THE RESPONDENT SAID NO PART-TIME – WRITE 00000 WHERE APPLICABLE

Q.92 What per cent of your current permanent, full-time workers are:

| | | | |
|--|---|-----------|------|
| Managers (excluding those involve in shop floor supervision) | % | 1207-1209 | Q92a |
| Professionals (e.g., accountants, engineers, scientists) | % | 1210-1212 | Q92b |
| Skilled workers | % | 1213-1215 | Q92c |
| Unskilled workers | % | 1216-1218 | Q92d |
| Support workers (e.g., administration, sales) | % | 1219-1221 | Q92e |

CHECK THAT THE TOTAL IS 100%

Q.93 What percent of your permanent, full-time employees are expatriates?

.....% **Q93**

INTERVIEWER: IF THE RESPONDENT SAID NO EXPATRIATES – WRITE 000

Q.94 What percent of the workforce at your firm have the following education levels:

| | | | |
|---------------------------------|---|-----------|------|
| Did not complete primary school | % | 1225-1227 | Q94a |
| Primary schooling | % | 1228-1230 | Q94b |
| Some secondary school | % | 1231-1233 | Q94c |
| Secondary school diploma | % | 1234-1236 | Q94d |
| Some university | % | 1237-1239 | Q94e |
| University degree or higher | % | 1240-1242 | Q94f |

CHECK THAT THE TOTAL IS 100%

Q.95 How much time did it take to fill your most recent vacancy for a:

| | Weeks | | |
|---|-------|-----------|------|
| Manager? | | 1243-1244 | Q95a |
| Professional? | | 1245-1246 | Q95b |
| Skilled worker? | | 1247-1248 | Q95c |
| Unskilled worker? | | 1249-1250 | Q95d |
| Support workers (e.g., administration, sales) | | 1251-1252 | Q95e |

Q.96 Do you offer formal training to your employees? If yes, what percent of employees in each category received training in 2001?

| | Yes | No | Don't know | | | If YES, % Trained | | |
|-------------------|-----|----|------------|------|-------|-------------------|-----------|-------|
| Managers | 1 | 2 | 3 | 1258 | Q96a1 | | 1263-1265 | Q96b1 |
| Professional? | 1 | 2 | 3 | 1259 | Q96a2 | | 1266-1268 | Q96b2 |
| Skilled workers | 1 | 2 | 3 | 1260 | Q96a3 | | 1269-1271 | Q96b3 |
| Unskilled workers | 1 | 2 | 3 | 1261 | Q96a4 | | 1272-1274 | Q96b4 |
| Support workers | 1 | 2 | 3 | 1262 | Q96a5 | | 1275-1277 | Q96b5 |

INTERVIEWER: IF NO % OF EMPLOYEES IN A CATEGORY WAS TRAINED – WRITE 000, WHERE APPLICABLE

Q.97 How many days did you lose in 2001 due to:

| | Days | | |
|-----------------------------------|------|-----------|------|
| Strikes or other labour disputes? | | 1307-1309 | Q97a |
| Civil unrest | | 1310-1312 | Q97b |

INTERVIEWER; IF NO DAYS LOST – WRITE 000, WHERE APPLICABLE

Q.98 Now, I would like to ask you a hypothetical question. If you could change the number of regular full-time workers you currently employ without any restrictions (i.e. without seeking permission, making severance payments etc.), what would be your optimal level of employment as a percent of your existing workforce? (e.g. 90% implies you would reduce your workforce by 10%, 110% means you want to expand by 10%)

.....% **Q98** **1313-1315**

Q.99 Since 1998, how have the following changed (increased/decreased). If changed, how important in retrospect were they for the survival and/or growth of your company over that period

- **INTERVIEWER: SHOW CARD: 38**
- ♦ **Not important: 1, Slightly important: 2, Fairly important: 3, Very important: 4, Extremely important: 5, Don't know: 6**

| | Increase | Decrease | No change | | | How important | | | | | | | |
|---|----------|----------|-----------|------|-------|---------------|---|---|---|---|---|------|-------|
| The share of skilled workers | 1 | 2 | 3 | 1316 | Q99a1 | 1 | 2 | 3 | 4 | 5 | 6 | 1320 | Q99b1 |
| The share of unskilled workers | 1 | 2 | 3 | 1317 | Q99a2 | 1 | 2 | 3 | 4 | 5 | 6 | 1321 | Q99b2 |
| The share of managers and professionals | 1 | 2 | 3 | 1318 | Q99a3 | 1 | 2 | 3 | 4 | 5 | 6 | 1322 | Q99b3 |
| The share of employees that have at least a secondary education | 1 | 2 | 3 | 1319 | Q99a4 | 1 | 2 | 3 | 4 | 5 | 6 | 1323 | Q99b4 |

| | |
|--------------|---|
| Q.100 | Since 1998, how many managers, professionals and skilled workers left your firm for a job or to seek employment in the more developed industrial economies of North America, Europe or East Asia? If so how important in retrospect were they for the survival and/or growth of your company over that period ? |
|--------------|---|

- **INTERVIEWER: SHOW CARD: 39**
- ◆ **Not important: 1, Slightly important: 2, Fairly important: 3, Very important: 4, Extremely important: 5, Don't know: 6**

| | Left company/How many | | | | How many | | | How important | | | | | | | |
|-----------------|-----------------------|----|------|--------|----------|-----------|--------|---------------|---|---|---|---|---|------|--------|
| | Yes | No | | | | | | | | | | | | | |
| Managers | 1 | 2 | 1324 | Q100a1 | | 1327-1329 | Q100b1 | 1 | 2 | 3 | 4 | 5 | 6 | 1336 | Q100c1 |
| Professionals | 1 | 2 | 1325 | Q100a2 | | 1330-1332 | Q100b2 | 1 | 2 | 3 | 4 | 5 | 6 | 1337 | Q100c2 |
| Skilled workers | 1 | 2 | 1326 | Q100a3 | | 1333-1335 | Q100b3 | 1 | 2 | 3 | 4 | 5 | 6 | 1338 | Q100c3 |

INTERVIEWER THANK RESPONDENT:

Thank you very much for having taken the time to complete this questionnaire. The information on your perceptions is a very important input for the evaluation of conditions in the business environment and private sector relations with government, as well as for the formulation of policy advice.

INTERVIEWER: READ TO THE RESPONDENT:

WE MAY REPEAT THIS SURVEY IN ABOUT 2-3 YEARS TIME IN ORDER TO SEE HOW THE BUSINESS ENVIRONMENT HAS CHANGED. TO THIS END, WE WOULD LIKE TO ESTABLISH A PANEL OF COMPANIES AND WOULD ASK FOR YOUR PERMISSION TO INCLUDE YOUR COMPANY'S NAME, ADDRESS, AND TELEPHONE NUMBER IN A COFIDENTIAL DATABASE. THIS INFORMATION MAY BE USED BY OUR COMPANY OR A DIFFERENT RESEARCH AGENCY IN ORDER TO INTERVIEW YOU AGAIN IN 2-3 YEARS TIME. DO WE HAVE YOUR PERMISSION TO INCLUDE THE ABOVE-MENTIONED COMPANY DETAILS IN OUR DATABASE?

permis

| | | |
|---------------------------|----------|-------------|
| Permission granted | 1 | 1339 |
| Permission refused | 2 | |

INTERVIEWERS COMMENTS

(Problems occurred/extraordinary circumstances which could influence results)

I certify that this interview has been personally carried out by me with the respondent. I further certify that all the information included herein is truthful and correct.

I understand that any discrepancies during back-checking of this questionnaire will result in the cancellation of this interview.

INTERVIEWER'S SIGNATURE:

DATE: