

Serial number		seno1999
Card no.	1	
Sector	sector1	
State Sector	1	
Private Sector	2	

TOWN		town1
Capital		1
Other, over 1 million		2
Other, 250,000 - 1,000,000		3
Other, 50,000 – 250,000		4
Under 50,000		5

Country	a1

IF BOSNIA AND HERZEGOVINA SPECIFY:		bih
Federation of Bosnia and Herzegovina		1
Republika Srpska		2

**WORLD BUSINESS ENVIRONMENT
SURVEY SCREENER QUESTIONNAIRE
1999**

Good morning/afternoon/evening. I am calling from AC Nielsen an international market research company. Could I please speak to the person who normally represents the company for official purposes?

IF ASKED TO EXPLAIN WHY, ADD: AC Nielsen 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 how effectively the banks and state institutions encourage business growth.

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

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

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

CONTINUE	Yes	s1
ASK TO BE PUT THROUGH TO CORRECT PERSON AND REINTRODUCE	No	
		1
		2

S.2 What is the legal organisation of this company?

		s2
CHECK PRIVATE SECTOR QUOTA	Single proprietorship	1
	Partnership	2
	Cooperative	3
	Corporation, privately-held	4
	Corporation listed on a stock exchange	5
CHECK WITH SUPERVISOR	Other private sector (SPECIFY)	6
CHECK STATE OWNED QUOTA	State/municipal/district-owned enterprise	7
	Corporatized state-owned enterprise	8
CHECK WITH SUPERVISOR	Other state owned (SPECIFY)	9
TERMINATE		
	Charity	
	Don't know	

S.3 How would you best describe your organisation's main area of activity?

		s3
CHECK MANUFACTURING QUOTA	Farming/fishing/forestry	1
	Mining/quarrying	2
	Manufacture/repair (IDENTIFY SECTOR)	3
	Building/construction	4
	Power generation	5
CHECK SERVICES QUOTA		
	Trading/wholesale	6
	Retail	7
	Transport(air, land, sea)	8
	Financial services	9
	Personal services	10
	Business services	11
TERMINATE	Local/native/government/agency	12
	Health, welfare, education	13
	Charity	
CHECK WITH SUPERVISOR	Other (SPECIFY)	

S.5 How many full-time employees and casual staff in total work for this company?

CHECK SIZE QUOTAS

	Full-time	Casual
None	s5ful 1	s5cas 1
1-9	2	2
10-49	3	3
50-99	4	4
100-199	5	5
200-499	6	6
500 or more	7	7

S.6 Does any foreign company have a financial stake in your organisation?

		s6
CONTINUE	Yes	1
GO TO S.9	No	2

S.7 What proportion of your organisation's capital do they own? **WRITE IN PERCENTAGE**

s7 %

.....

S.8 What is the nationality of this foreign company?

	s8
Austria	1
Belgium	2
Canada	3
Denmark	5
France	7
Germany	8
Greece	9
Japan	11
Korea	12
Russia	38
Turkey	42
UK	16
USA	17
Other (SPECIFY)	52
.....	
Don't know	-9

S.9 Does any state organisation or state agency have a financial stake in your organisation?

		s9
CONTINUE	Yes	1
GO TO S.11	No	2

S.10 And what proportion of your organisation's capital does this state organisation own?
WRITE IN PERCENTAGE

s10 %

.....

S.11 Does your firm have holdings or operations in other countries?

	s11
Yes	1
No	2

S.12 Does your firm sell its products or services to customers outside the country?

		s12
CONTINUE	Yes	1
GO TO S.14	No	2
	Don't know	3

S.13 What proportion of your sales do such exports represent? **WRITE IN PERCENTAGE**
%

.....
CHECK QUOTAS

S.14 Does your company trade with the state sector?

		s14
CONTINUE	Yes	1
GO TO S.16	No	2

S.15 What proportion of your sales do they represent? **WRITE IN PERCENTAGE**
s15 %

.....

S.16a Can you please tell me where are the company's headquarters located?
READ OUT OPTIONS

		s16a
GO TO S.17	At this site	1
	Elsewhere in this country	2
	CONTINUE	In another country

S.16b In what country are the company's headquarters located?

	s16b
Austria	1
Belgium	2
Canada	3
Denmark	4
France	5
Germany	6
Greece	7
Japan	8
Korea	9
Russia	11
Turkey	12
UK	13
USA	14
Other (SPECIFY)	15
.....	
Don't know	-9

ASK ALL:

S.17 Does your company have Internet access?

	s17
Yes	1
No	2

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

INTERVIEWER: FIX TIME FOR INTERVIEW.

NAME:.....

ADDRESS:.....

COMPANY NAME:

TEL:

NAME OF EMPLOYEE:

Serial number		seno1999
Card no.	2	
Sector	sector2	
State Sector	1	
Private Sector	2	

TOWN		town2
Capital		1
Other, over 1 million		2
Other, 250,000 - 1,000,000		3
Other, 50,000 – 250,000		4
Under 50,000		5
Country		a1

**World Business Environment Survey
Main Questionnaire – Private Sector
1999**

Thank you for agreeing to see me.

The purpose of this survey is to better understand constraints that hinder the development of businesses like yours. This study is being conducted for 100 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 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 will be treated strictly anonymously and confidentially. Neither your name nor the name of your firm will be used in any document based on this surveys. Neither the European Bank for Reconstruction and Development nor the World Bank will be informed of any individual firms' responses or participation in this survey.

I'd like to start by asking some more questions about you and this organisation.

Q.1 What is your job title?

	q1
Chief Executive/President	1
Owner/proprietor	2
Partner	3
Director	4
General Manager	5
Manager	6
Finance Officer/Accountant	7
Deputy	8
Other (SPECIFY)	9
.....	

- Q.2 Which of the following best describes the control of your firm, where control means making major decisions concerning the enterprise's direction today and three years ago? **SHOW CARD. ONE ANSWER ONLY**

	Today	3 Years Ago
	q2tod	q2yr3
Individual owner(s)	1	1
A family	2	2
A domestic company group	3	3
A bank	4	4
Its board of directors/supervisory board	5	5
Its managers	6	6
Its workers	7	7
Government or government agency	8	8
A foreign company	9	9
An investment fund	11	11
Other (SPECIFY)	12	12
Firm did not exist 3 years ago	-7	-7
Don't know	-9	-9

INTERVIEWER CHECK S.10 IF THE STATE OWNS 50% OR MORE OF THE FIRM'S CAPITAL THEN GO TO Q.6

- Q.3 Is the majority ownership in your company held by one shareholder/owner, two to three shareholders/owners, or more?

	q3
One Shareholder/Owner	1
Two to three Shareholders/owners	2
More than three	3
Don't know	-9

- Q.4 Which of the following best describes the type of owner which now has the largest stake in your firm, either directly or indirectly? **SHOW CARD**

INTERVIEWER IF 'GOVERNMENT OR GOVERNMENT AGENCY' ONLY GO TO Q.6

	q4
Individuals	1
Family	2
Domestic company group	3
Foreign company	4
Bank	5
Investment fund	6
Its managers	7
Its workers	8
Government or government agency	9
Other (SPECIFY)	11
Collective farms	13
Don't know	-9

Q.5 Has the identity of this shareholder changed over the last three years?

	q5
Yes	1
No	2
Firm did not exist 3 years ago	-7
Don't know	-9

Q.6 In what year was your firm founded? **WRITE IN YEAR**

.....

Year	q6yr	
Don't know	-9	

Q.7 How was your firm established ? **ONE ANSWER ONLY**

	q7
Originally private, from time of start up (no state-owned predecessor)	1
Privatization of a state-owned firm	2
Private subsidiary of a formerly state-owned firm	3
joint venture, domestic and foreign private owners	4
Other (SPECIFY)	5
Don't know	6
State-owned company	7

Q.8 Has there been a change in the general manager within the last three years?

		q8
CONTINUE	Yes	1
GO TO INTRODUCTION	No	2
BEFORE Q.11	Don't know	-9

Q.9 What happened to the previous General Manager?

	q9
dismissed on performance grounds	1
recruited by another firm	2
separated from the firm through retirement or death	3
replaced due to merger or takeover	4
Other (SPECIFY)	5
resigned	8
Don't know	-9
Refused	-8

Q.10 Did the current general manager work in the company prior to being appointed as general manager?

	q10
Yes	1
No	2
Don't know	-9

Now, I'd like you to think about the quality and integrity of public services.

Q.11 Could you please rate the overall quality and efficiency of services delivered by the following public agencies or services, use the scale on this card. **SHOW CARD WITH SCALE**

So, how would you rate the overall quality and efficiency of

READ OUT PUBLIC SERVICES

		Very Good	Good	Slightly good	Slightly bad	Bad	Very Bad	Don't know
Customs Service/Agency	q11cus	1	2	3	4	5	6	-9
The judiciary/courts	q11jud	1	2	3	4	5	6	-9
Roads Department/Public Works	q11roa	1	2	3	4	5	6	-9
Postal Service/Agency	q11pos	1	2	3	4	5	6	-9
The Telephone Service/Agency	q11tel	1	2	3	4	5	6	-9
The Electric Power Company/Agency	q11ele	1	2	3	4	5	6	-9
The Water/Sewerage Service/Agency	q11wat	1	2	3	4	5	6	-9
Public Health Care Service/Hospitals	q11puh	1	2	3	4	5	6	-9
Education services/Schools	q11edu	1	2	3	4	5	6	-9
The Police	q11pol	1	2	3	4	5	6	-9
The armed forces/military	q11arm	1	2	3	4	5	6	-9
Central Government leadership (President/PM/Cabinet)	q11cgv	1	2	3	4	5	6	-9
The parliament	q11par	1	2	3	4	5	6	-9
The Central Bank (USE THE SPECIFIC NAME OF THE CENTRAL BANK IN EACH COUNTRY)	q11cbk	1	2	3	4	5	6	-9

Q.12 Do you import goods directly?

		q12
CONTINUE	Yes	1
GO TO Q.14a	No	2

Q.13 How many days does it typically take from the time your goods arrive in their point of entry (e.g. port, airport) until the time you can claim them from customs? **WRITE IN**

.....	Days	q13
	Don't know	-9

Q.14a Do you export goods (as opposed to services) directly?

		q14a
CONTINUE	Yes	1
GO TO INTRODUCTION BEFORE Q.15	No	2

Q.14b How many days does the pre-shipment inspection process take, from the time you submit the goods until the time they are released?

.....

Year	q14b
Don't know	-9

Now I'd like you to think about the rules and regulations governing your business

Q.15 Using the scale on this card, to what degree do you agree with this statement?
"Information on the laws and regulations affecting my firm is easy to obtain". **SHOW CARD**

	q15
Fully agree	1
Agree in most cases	2
Tend to agree	3
Tend to disagree	4
Disagree in most cases	5
Strongly disagree	6
Don't know	-9

Q.16a To what degree do you agree with the statement, "Interpretations of regulations affecting my firm are consistent and predictable"? **SHOW CARD**

Q.16b To what extent would you have agreed with this statement three years ago? **SHOW CARD**

		fully agree	agree in most cases	tend to agree	tend to disagree	disagree in most cases	strongly disagree	Firm did not exist 3 years ago
Q.16a Now	q16a	1	2	3	4	5	6	
Q.16b Three years ago	q16b	1	2	3	4	5	6	-7

- Q.17 Using this four point scale (**SHOW CARD**) can you please tell me how problematic are the following for the operation and growth of your business?
READ OUT EACH IN TURN.

		No Obstacle	Minor Obstacle	Moderate Obstacle	Major Obstacle	Not applicable	Don't know
Business Licensing	q17bus	1	2	3	4	-7	-9
Customs/Foreign Trade Regulations in your country	q17cus	1	2	3	4	-7	-9
Labor regulations	q17lab	1	2	3	4	-7	-9
Foreign currency/exchange regulations	q17for	1	2	3	4	-7	-9
Environmental regulations	q17env	1	2	3	4	-7	-9
Fire, safety regulations	q17fir	1	2	3	4	-7	-9
Tax regulations/administration	q17tax	1	2	3	4	-7	-9
High taxes	q17hit	1	2	3	4	-7	-9

- Q.18 Which of these do you regard as the MOST important obstacle for your business?
SHOW CARD

	q18
Business Licensing	1
Customs/Foreign Trade Regulations in your country	2
Labor regulations	3
Foreign currency/exchange regulations	4
Environmental regulations	5
Fire, safety regulations	6
Tax regulations/administration	7
High taxes	8
Don't know	-9

- Q.19 How often does the government intervene in the following types of decisions by your firm?
SHOW CARD WITH FREQUENCIES AND READ OUT DECISION TYPES

		Always	Usually	Frequently	Sometimes	Seldom	Never	Don't know	Not applicable
Investment	q19inv	1	2	3	4	5	6	-9	-7
Employment	q19emp	1	2	3	4	5	6	-9	-7
Sales	q19sal	1	2	3	4	5	6	-9	-7
Pricing	q19pri	1	2	3	4	5	6	-9	-7
Merger/ Acquisitions	q19mer	1	2	3	4	5	6	-9	-7
Dividends	q19div	1	2	3	4	5	6	-9	-7
Wages	q19wag	1	2	3	4	5	6	-9	-7

Q.20a Using this scale, (**SHOW CARD**), can you please tell me how helpful do you find Central and National Government towards businesses like yours?

Q.20b And how helpful were they three years ago? **SHOW CARD**

		Very Helpful	Mildly Helpful	Neutral	Mildly unhelpful	Very unhelpful	Firm did not exist 3 years ago	Don't know
Q.20a Now	q20a	1	2	3	4	5	-7	-9
Q.20b 3 Years Ago	q20b	1	2	3	4	5	-7	-9

Q.21a How helpful do you find local/regional government towards businesses like yours?
SHOW CARD

Q.21b And how helpful were they three years ago? **SHOW CARD**

		Very Helpful	Mildly Helpful	Neutral	Mildly unhelpful	Very unhelpful	Firm did not exist 3 years ago	Don't know
Q.21a Now	q21a	1	2	3	4	5	-7	-9
Q.21b 3 Years Ago	q21b	1	2	3	4	5	-7	-9

Q.22 Now, thinking about our country's legal system, how often do you associate the following descriptions with the court system in resolving business disputes?
SHOW CARD WITH FREQUENCIES AND READ OUT DESCRIPTIONS

		Always	Usually	Frequently	Sometimes	Seldom	Never	Not applicable	Don't know
Fair and impartial	q22fai	1	2	3	4	5	6	-7	-9
Honest/ Uncorrupted	q22hon	1	2	3	4	5	6	-7	-9
Quick	q22qui	1	2	3	4	5	6	-7	-9
Affordable	q22aff	1	2	3	4	5	6	-7	-9
Consistent/Reliable	q22con	1	2	3	4	5	6	-7	-9
Able to enforce its decisions	q22enf	1	2	3	4	5	6	-7	-9

Q.23a 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". **SHOW CARD**

Q.23b And to what degree would you have agreed with it 3 years ago? **SHOW CARD**

		Fully agree	Agree in most cases	Tend to agree	Tend to disagree	Disagree in most cases	Strongly disagree	Firm did not exist 3 years ago
Q.23a Now	q23a	1	2	3	4	5	6	
Q.23b 3 Years Ago	q23b	1	2	3	4	5	6	-7

Q.24 What percentage of senior management's time per year is spent in dealing with government officials about the application and interpretation of laws and regulations? **SHOW CARD**

	q24
Up to 1%	1
1 to 5%	2
6 to 10%	3
11 to 25%	4
26 to 50%	5
More than 50%	6
Don't know	-9

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
- We recognise that your company as well as AC Nielsen neither approves of nor condones the use of unofficial payments
- 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.25 Thinking about officials, would you say the following statement is always, usually, frequently, sometimes, seldom or never true?

"It is common for firms in my line of business to have to pay some irregular "additional payments" to get things done". **SHOW CARD**

CONTINUE

GO TO Q.28

	q25
Always	1
Mostly	2
Frequently	3
Sometimes	4
Seldom	5
Never	6
Not applicable	-7
Don't know	-9

And would you say the following statements are always, usually, frequently, sometimes, seldom or never true:

Q.26a “Firms in my line of business usually know in advance about how much this “additional payment” is.”

SHOW CARD

Q.26b “If a firm pays the required additional payment to a particular government official, another government official will subsequently require an additional payment for the same service”

SHOW CARD

Q.26c “If a firm pays the required “additional payments” the service is usually also delivered as agreed.”

This is true . **SHOW CARD**

		Always	Usually	Frequently	Sometimes	Seldom	Never	Not applicable	Don't know
Q.26a	q26a	1	2	3	4	5	6	-7	-9
Q.26b	q26b	1	2	3	4	5	6	-7	-9
Q.26c	q26c	1	2	3	4	5	6	-7	-9

Q.27 On average, what percent of revenues do firms like yours typically pay per annum in unofficial payments to public officials? **SHOW CARD.**

	q27
0%	1
Less than 1%	2
1 - 1.99%	3
2 – 9.99%	4
10 – 12%	5
13 – 25%	6
Over 25%	7
Don't know	-9

Q.28 How often do firms like yours nowadays need to make extra, unofficial payments to public officials for any of the following?:
SHOW CARD. READ OUT LIST BELOW.

		Always	Mostly	Frequently	Sometimes	Seldom	Never	Not applicable	Don't know
To get connected to public services (electricity, telephone)	q28con	1	2	3	4	5	6	-7	-9
To get licenses and permits	q28lic	1	2	3	4	5	6	-7	-9
To deal with taxes and tax collection	q28tax	1	2	3	4	5	6	-7	-9
To gain government contracts	q28gov	1	2	3	4	5	6	-7	-9
When dealing with customs / imports	q28cus	1	2	3	4	5	6	-7	-9
When dealing with courts	q28cou	1	2	3	4	5	6	-7	-9
To influence the content of new laws decrees or regulations	q28law	1	2	3	4	5	6	-7	-9
Other (SPECIFY)	q28oth	1	2	3	4	5	6	-7	-9

IF NEVER TO ALL, GO TO Q.31

Q.29 Of the total unofficial payments that a firm like yours would make in any given year, can you please give me an estimate of what share/percentage of those payments would be spent on each of the following purposes

SHOW CARD AND RECORD A PERCENTAGE FOR EACH PURPOSE

INTERVIEWER PLEASE ADVISE RESPONDENT THAT WHAT WE NEED

FOR THIS QUESTION ARE ROUGH ESTIMATES

To get connected to and maintain public services (electricity and telephone)	q29con	%
To get licenses and permits	q29lic	%
To deal with taxes and tax collection	q29tax	%
To gain government contracts	q29gov	%
To deal with customs/imports	q29cus	%
To deal with courts	q29cou	%
To deal with health/fire inspectors	q29hea	%
To influence the content of new legislation rules decrees etc.	q29law	%
Other important unofficial/additional payments (SPECIFY)	q29oth1	%

CHECK TOTAL IS 100%

Q.30 When firms in your industry do business with the government, how much of the contract value would they typically offer in additional or unofficial payments to secure the contract?
SHOW CARD.

	q30
0%	1
Up to 5%	2
6-10%	3
11-15%	4
16-20%	5
Greater than 20%	6
Don't know	-9
Don't do business with the government	-7

ASK ALL:

Q.31 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.”

SHOW CARD

	q31
Always	1
Mostly	2
Frequently	3
Sometimes	4
Seldom	5
Never	6
Not applicable	-7
Don't know	-9

Q.32 Are you a member of a trade association or lobby group?

		q32
CONTINUE	Yes	1
GO TO Q.34a	No	2

Q.33 If so, when a new law, rule, regulation, or decree is proposed that would have a substantial impact on your firm, which channel would you typically rely on to try to affect the outcome?

SHOW CARD

	q33
trade association or lobby group	1
your firm's direct ties to public officials	2
Other	3
Don't know	-9

Q.34a When a new law, rule, regulation, or decree is being discussed that could have a substantial impact on your business, how much influence does your firm typically have at the national level of government to try to influence the content of that law, rule, regulation or decree? Please use the scale on this card.

SHOW CARD. READ OUT EACH IN TURN. IF RESPONDENT UNAWARE OF THE EXISTENCE OF A REGULATORY AGENCY IN HIS/HER SECTOR CODE AS 'NOT APPLICABLE'

1 = not applicable

2 = never influential

3 = seldom influential

4 = influential

5 = frequently influential

6 = very influential

	National level							Don't know
Executive	q34aexe	1	2	3	4	5	6	-9
Legislature	q34aleg	1	2	3	4	5	6	-9
Ministry	q34amin	1	2	3	4	5	6	-9
Regulatory agency	q34areg	1	2	3	4	5	6	-9

ASK Q.34b FOR RUSSIA ONLY

Q.34b When a new law, rule, regulation, or decree is being discussed that could have a substantial impact on your business, how much influence does your firm typically have at the local level of government to try to influence the content of that law, rule, regulation or decree?
Please use the scale on this card.

SHOW CARD. READ OUT EACH IN TURN. IF RESPONDENT UNAWARE OF THE EXISTENCE OF A REGULATORY AGENCY IN HIS/HER SECTOR CODE AS ‘NOT APPLICABLE’

	Local level							Don't know
Executive	q34bexe	1	2	3	4	5	6	-9
Legislature	q34bleg	1	2	3	4	5	6	-9
Ministry	q34bmin	1	2	3	4	5	6	-9
Regulatory agency	q34breg	1	2	3	4	5	6	-9

Q.35 Using this scale, how predictable are changes in the government's economic and financial policies which materially affect your business? **SHOW CARD**

Q.36 And how predictable are changes in rules, laws or regulations, which materially affect your business? **SHOW CARD**

	q35	q36
completely predictable	1	1
highly predictable	2	2
fairly predictable	3	3
fairly unpredictable	4	4
highly unpredictable	5	5
completely unpredictable	6	6
Don't know	-9	-9

Using the scale on this card (**SHOW CARD**), how often are the following statements true:

Q.37a “The process of developing new rules, regulations or policies is usually such that businesses are informed in advance of changes that will affect them”

Q.37b “In case of important changes in laws or policies affecting my business operation the government takes into account concerns voiced either by me or by my business association.”

		Always	Mostly	Frequently	Sometimes	Seldom	Never	Not applicable	Don't know
Q.37a	q37a	1	2	3	4	5	6	-7	-9
Q.37b	q37b	1	2	3	4	5	6	-7	-9

Q.38a Using this scale (**SHOWCARD**), can you please tell me, how have the laws, regulations and policies affecting your business changed over the past three years? **SHOW CARD**

	q38a
Much more predictable	1
Somewhat more predictable	2
Unchanged	3
Somewhat less predictable	4
Much less predictable	5
Firm did not exist 3 years ago	-7
Don't know	-9

Q.38b What proportion of your firm's fixed investment have been financed from each of the following sources, over the past year?

SHOW CARD AND RECORD A PERCENTAGE FOR EACH SOURCE
INTERVIEWER PLEASE ADVISE RESPONDENT THAT WHAT WE NEED
FOR THIS QUESTION ARE ESTIMATES

Internal funds/Retained earnings	q38bint	%
Equity, sale of stock	q38bequ	%
Local commercial banks	q38bloc	%
Investment Funds/Special Development Finance	q38binv	%
Foreign banks	q38bfor	%
Family/friends	q38bfam	%
Money lenders, traditional or informal sources	q38bmon	%
Supplier credit	q38bsup	%
Leasing arrangement	q38blea	%
The State	q38bsta	%
Other (SPECIFY)	q38both1	%
.....	q38both2	%
.....		

CHECK TOTAL IS 100%

Q.39a Has the financing of your firm's fixed investments changed over the past three years?

		q39a
CONTINUE	Yes	1
GO TO Q.40a	No	2
	Firm did not exist 3 years ago	-7
	Don't know	-9

Q.39b To what extent have the following persons/ organisations/ institutions have increased, or decreased their investment in your organisation over the past three years?

SHOW CARD AND RECORD AN ANSWER FOR EACH SOURCE

		Increased	Decreased	No Change	Not Used
Internal funds/Retained earnings	q39bint	1	2	3	4
Equity, sale of stock	q39bequ	1	2	3	4
Local commercial banks	q39bloc	1	2	3	4
Investment Funds/Special Development Finance	q39binv	1	2	3	4
Foreign banks	q39bfor	1	2	3	4
Family/friends	q39bfam	1	2	3	4
Money lenders, traditional or informal sources	q39bmon	1	2	3	4
Supplier credit	q39bsup	1	2	3	4
Leasing arrangement	q39blea	1	2	3	4
The State	q39bsta	1	2	3	4
Other (SPECIFY)	q39both	1	2	3	4
.....					

Q.40a How many days does it take to transfer money through the financial system to a domestic supplier?

WRITE IN.

.....	
Days	q40a
Don't know	-9

Q.40b And how many days did it take three years ago? **WRITE IN.**

.....	
Days	q40b
Don't know	-9

Q.40c How long does it take to transfer money to a supplier in an another country through the financial system?

WRITE IN.

.....	
Days	q40c
Don't know	-9

Q.40d And how many days did it take three years ago? **WRITE IN.**

Days q40d	
Don't know	-9

Q.41 Using this scale (**SHOWCARD**), can you tell me how problematic are these different financing issues for the operation and growth of your business.

READ OUT ISSUES.

		No Obstacle	Minor Obstacle	Moderate Obstacle	Major Obstacle	Not applicable	Don't know
Collateral requirements of banks/financial institutions	q41col	1	2	3	4	-7	-9
Bank paperwork/bureaucracy	q41pap	1	2	3	4	-7	-9
High interest rates	q41int	1	2	3	4	-7	-9
Need special connections with banks/financial institutions	q41con	1	2	3	4	-7	-9
Banks lack money to lend	q41mon	1	2	3	4	-7	-9
Corruption of bank officials	q41cor	1	2	3	4	-7	-9
Lack access to foreign banks	q41for	1	2	3	4	-7	-9
Lack access to non bank equity/investors/ Partners	q41equ	1	2	3	4	-7	-9
Lack access to specialised export finance	q41exp	1	2	3	4	-7	-9
Lack access to lease finance for equipment	q41lea	1	2	3	4	-7	-9
Inadequate credit/financial information on customers	q41cre	1	2	3	4	-7	-9
Lack access to long-term bank loans	q41lon	1	2	3	4	-7	-9

Q.42 And which of these would you say is the biggest obstacle for your business?

SHOW CARD

ONE ANSWER ONLY

	q42
Collateral requirements of banks/financial institutions	1
Bank paperwork/bureaucracy	2
High interest rates	3
Need special connections with banks/financial institutions	4
Banks lack money to lend	5
Corruption of bank officials	6
Lack access to foreign banks	7
Lack access to non bank equity/investors/partners	8
Lack access to specialised export finance	11
Lack access to lease finance for equipment	12
Inadequate credit/financial information on customers	13
Lack access to long-term bank loans	14
Does not face any obstacles	-6
Don't know	-9

Q.43 Does your firm use international accounting standards (IAS)?

	q43
Yes	1
No	2
Don't know	-9

Q.44 Does your firm circulate either internally or externally annual financial statements that have been reviewed by an external auditor?

	q44
Yes	1
No	2
Don't know	-9

Q.45 Thinking of your firm's major product line in the domestic market, how many competitors do you face?

		q45
GO TO Q.48a	None	1
CONTINUE	1-3	2
	More than 3	3

Q.46 From which of the following would you say your company faces the biggest competitive threat?

SHOW CARD ONE ANSWER ONLY

	q46
Domestic small and medium enterprise	1
Domestic large private enterprise	2
Foreign firm producing in domestic market (not imports)	3
State-owned enterprise	4
Micro-enterprise/informal sector	5
Legal imports	6
Smuggled goods	7
My firm has no effective competitors	-6
Other (SPECIFY)	9
Don't know	-9

Q.47 Using the scale on this card (**SHOWCARD**) can you tell me how serious a problem are the following practices of your competitors for your firm? **READ OUT EACH PRACTICE**

		No obstacle	Minor obstacle	Moderate obstacle	Major obstacle	Don't know	Not applicable
They avoid sales tax or profits tax	q47sal	1	2	3	4	-9	-7
They do not pay duties or observe trade regulations	q47dut	1	2	3	4	-9	-7
Foreign producers sell below international prices	q47for	1	2	3	4	-9	-7
Domestic producers unfairly sell below my prices	q47dom	1	2	3	4	-9	-7
They avoid labor taxes/regulations (e.g social security)	q47lab	1	2	3	4	-9	-7
They violate my copyrights, patents or trademarks	q47cop	1	2	3	4	-9	-7
They collude to limit my access to credit, supplies, land, equipment or customers	q47col	1	2	3	4	-9	-7
They receive subsidies (including the toleration of tax arrears) from national/ local government	q47sub	1	2	3	4	-9	-7
They have favored access to credit, infrastructure services or customers	q47fav	1	2	3	4	-9	-7

Q.48a What percentage of the sales of a typical firm in your area of activity would you estimate is reported to the tax authorities, bearing in mind difficulties with complying with taxes and other regulations?

SHOW CARD.

	q48a
100%	1
90-99%	2
80-89%	3
70-79%	4
60-69%	5
50-59%	6
25-49%	7
Less than 25%	8
Don't know	-9

Q.48b In summary, how would you rate the efficiency of government in delivering services?

SHOW CARD

	q48b
Very Efficient	1
Efficient	2
Mostly Efficient	3
Mostly inefficient	4
Inefficient	5
Very Inefficient	6

Q.49 Using this scale (**SHOW CARD**) can you tell me how problematic are these different factors for the operation and growth of your business. **READ OUT STATEMENTS**

		No Obstacle	Minor Obstacle	Moderate Obstacle	Major Obstacle	Not applicable	Don't know
Financing	q49fin	1	2	3	4	-7	-9
Infrastructure (e.g. telephone, electricity, water, roads, land)	q49infr	1	2	3	4	-7	-9
Taxes and regulations	q49tax	1	2	3	4	-7	-9
Policy instability/uncertainty	q49pol	1	2	3	4	-7	-9
Inflation	q49infl	1	2	3	4	-7	-9
Exchange rate	q49exc	1	2	3	4	-7	-9
Functioning of the judiciary	q49jud	1	2	3	4	-7	-9
Corruption	q49cor	1	2	3	4	-7	-9
Street crime/theft/disorder	q49str	1	2	3	4	-7	-9
Organized crime/Mafia	q49org	1	2	3	4	-7	-9
Anti-competitive practices by government or private enterprises	q49ant	1	2	3	4	-7	-9
Other (Specify)	q49oth	1	2	3	4	-7	-9
.....							

I would now like to ask a few more classification questions.

Q.50a Have your company's sales, investment, exports, employment and debt changed in real terms over the last three years.

IF ANY OF THE ABOVE ITEMS MENTIONED CHANGED, THEN CONTINUE ELSE GO TO Q.50e

FOR ALL THE ITEMS THAT CHANGED ASK Q.50b

IF RESPONDENT SAYS THAT ACTIVITY NOT PERFORMED OR NOT PRESENT, ASK IF IT EXISTED 3 YEARS AGO.

IF NO: CODE Q.50a AS 'NOT CHANGED';

IF YES: CODE Q.50a AS 'CHANGED' AND CODE Q.50d AS 100

Q.50b Have increased or decreased?

IF INCREASED ASK Q.50c, IF DECREASED ASK Q.50d

Q.50c By what percentage have increased?

Q.50d By what percentage have decreased?

		Q.50a Changed?			Q.50b Increased/Decreased			Q.50c By what percentage increased		Q.50d By what percentage decreased
		Changed	Not Changed		Increased	Decreased				
Sales	q50asal	1	2	q50bsal	1	2	q50csal		q50dsal	
Investment	q50ainv	1	2	q50binv	1	2	q50cinv		q50dinv	
Exports	q50aexp	1	2	q50bexp	1	2	q50cexp		q50dexp	
Employment	q50aemp	1	2	q50bemp	1	2	q50cemp		q50demp	
Debt	q50adeb	1	2	q50bdeb	1	2	q50cdeb		q50ddeb	

Q.50e Do you expect your company's sales, investment, exports, employment and debt to change in real terms over the next three years.

IF ANY OF THE ABOVE ITEMS MENTIONED CHANGED THEN CONTINUE ELSE GO TO Q.51

FOR ALL THE ITEMS THAT CHANGES ASK Q.50f –h

IF RESPONDENT SAYS THAT ACTIVITY WILL NOT BE PERFORMED

OR

PRESENT BUT NOT PERFORMED CODE Q.50e AS 'NOT TO CHANGE'

Q.50f Do you expect to increase or decrease?

IF INCREASE ASK Q.50g, IF DECREASE ASK Q.50h

Q.50g By what percentage do you expect to increase?

Q.50h By what percentage do you expect to decrease?

		Q.50e Change?			Q.50f Increase/ Decrease			Q.50g By what percentage increase		Q.50h By what percentage decrease
		Change	Not to Change		Increase	Decrease				
Sales	q50esal	1	2	q50fsal	1	2	q50gsal		q50hsal	
Investment	q50einv	1	2	q50finv	1	2	q50ginv		q50hinv	
Exports	q50eexp	1	2	q50fexp	1	2	q50gexp		q50hexp	
Employment	q50eemp	1	2	q50femp	1	2	q50gemp		q50hemp	
Debt	q50edeb	1	2	q50fdeb	1	2	q50gdeb		q50hdeb	

Q.51 For classification purposes please could you tell me, on the scale on this card.

SHOW CARD

- a) The estimate of your firm's total sales in the last one year
- b) The estimate of your firm's fixed assets (land, building, equipment)
- c) The estimate of your firm's debts

Dollars	Table in Local Currency	Q.51a Sales	Q.51b Fixed assets	Q.51c Debts
		q51a	q51b	q51c
Under \$250,000		1	1	1
\$250-\$499,000		2	2	2
\$500-999,000		3	3	3
\$1-1.99 million		4	4	4
\$2-4.99 million		5	5	5
\$5-9.99 million		6	6	6
\$10-19.99 million		7	7	7
\$20-49.99 million		8	8	8
\$50-499 million		9	9	9
\$500 million or more		11	11	11
No sales / fixed assets / debts		-6	-6	-6
Don't know		-9	-9	-9

Q.52a Given your firm's current level of output and existing capital stock, how does the current level of skilled workers in your firm compare with the desired level in your firm?

SHOW CARD. ONE ANSWER ONLY.

Q.52b Given your firm's current level of output and existing capital stock, how does the current level of unskilled workers in your firm compare with the desired level in your firm?

SHOW CARD. ONE ANSWER ONLY.

	Q.52a Skilled workers	Q.52b Unskilled Workers
	q52a	q52b
too high by more than 20%	1	1
too high by 10 – 20%	2	2
too high by 5 – 10%	3	3
employment level about right	4	4
employment level too low	5	5
Don't employ this kind of worker	-7	-7
Don't know	-9	-9

Q.53a Is the amount of payments overdue (by more than 90 days) by your company to each of the following substantial, manageable, modest or non-existent?

SHOW CARD WITH SCALE

		Substantial amount	Manageable amount	Modest amount	None	Don't know
Utilities	q53auti	1	2	3	4	-9
Suppliers	q53asup	1	2	3	4	-9
Government taxes	q53agov	1	2	3	4	-9
Local taxes	q53aloc	1	2	3	4	-9
Workers	q53awor	1	2	3	4	-9

Q.53b And is the amount overdue accounts receivable (by more than 90 days) from customers substantial, manageable, modest or non-existent?

		Substantial amount	Manageable amount	Modest amount	None	Don't know
Customers	q53b	1	2	3	4	-9

MODULE ON RESTRUCTURING AND COMPETITION

Q.54. Has your company undertaken any of the following initiatives in the last three years?

SHOW CARD MULTIPLE ANSWERS POSSIBLE

A reduction in the company workforce of greater than 10%	q54red
An increase in the company workforce of greater than 10%	q54inc
successful development of major new product line	q54dev
upgrading of existing product line	q54upg
Discontinuation of at least on product line	q54dis
change of identity of main supplier	q54sup
change of identity of main customers (>20% of sales)	q54cus
export to new country	q54exp
change of main bank	q54ban
Opening of new plant	q54ope
closure of at least one existing plant	q54clo
joint venture with foreign partner	q54joi
licensing agreement	q54lic
outsourcing of production activity that was previously conducted in-house	q54out
quality accreditation (ISO 9000)	q54qua
none of the listed activities undertaken	q54non

- Q.55 Of your current total sales, approximately what proportion is accounted for by products launched on this market over the last three years?

SHOW CARD

	q55
All	1
>80%	2
50%-80%	3
20%-50%	4
<20%	5
None	6
Do not have suppliers	-6
Firm did not exist 3 years ago	-7
Don't know	-9

- Q.56a Of your current customers, approximately what proportion were already your customers 3 years ago?

SHOW CARD

- Q.56b Of your current suppliers, approximately what proportion were already your suppliers 3 years ago?

SHOW CARD

INTERVIEWER: IF LESS THAN 80% OF CURRENT SUPPLIERS WERE ALREADY SUPPLIERS 3 YEARS AGO, GO TO Q.58

	Q.56a Customers	Q.56b Suppliers
	q56a	q56b
All	1	1
>80%	2	2
50%-80%	3	3
20%-50%	4	4
<20%	5	5
None	6	6
Do not have suppliers	-6	-6
Firm did not exist 3 years ago	-7	-7
Don't know	-9	-9

- Q.57 To the extent that your firm has retained suppliers from three years ago, which of these answers better describes the reason for the lack of change?

SHOW CARD

	q57
Our firm has been satisfied with the suppliers' performance and prices	1
Our firm has been dissatisfied with the suppliers' Performance and prices, but have been unable to switch to alternative suppliers.	2

- Q.58 Which of the following best describes the organization of departments (in terms of the allocation of responsibilities, budgetary resources and staff) within your firm during the last three years?
SHOW CARD ONE ANSWER ONLY

	q58
My firm is organized in much the same way as it was three years ago	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 organizational structure	4

- Q.59 What proportion of your current full-time workers were employed by your firm 3 years ago?
WRITE IN PERCENTAGE.

%

.....

Proportion

q59

Don't know	-9
------------	----

- Q.60 If you were to raise your prices of your main product line 10% above their current level (after allowing for any inflation and assuming that your competitors maintained their current prices), which of the following would best describe the result?
SHOW CARD ONE ANSWER ONLY

	q60
Many of our customers would buy from our competitor(s) instead	1
Our customers would continue to buy from us, but at much lower quantities	2
Customers would continue to buy from us, but at slightly lower quantities	3
Customers would continue to buy from us in the same quantities as now	4

- Q.61 Considering your main product line, what share of the total (COUNTRY NAME) market sales does your firm have?

%

.....

Share

q61

Don't know	-9
------------	----

- Q.62 Considering your main product line, by what margin does your sales price exceed your operating costs (i.e., the cost material inputs plus wage costs)?

%

.....

Margin

q62

Don't know	-9
------------	----

- Q.63 Please rate on a scale of 1 (not at all important) to 4 (very important) the influence of each of the following factors on key decisions about your business with respect to “Developing new products and markets”:

SHOW CARD AND READ OUT STATEMENTS

		Not at all important	Slightly important	Fairly important	Very important	Don't know
Pressure from domestic competitors	q63dom	1	2	3	4	-9
Pressure from foreign competitors	q63for	1	2	3	4	-9
Pressure from customers	q63cus	1	2	3	4	-9
Pressure from creditors	q63cre	1	2	3	4	-9
Pressure from shareholders	q63sha	1	2	3	4	-9
Pressure from government or government agencies	q63gov	1	2	3	4	-9

- Q.64 Please rate on a scale of 1 (not at all important) to 4 (very important) the influence of each of the following factors on key decisions about your business with respect to “Reducing the production costs of existing products”:

SHOW CARD AND READ OUT STATEMENTS

		Not at all important	Slightly important	Fairly important	Very important	Don't know
Pressure from domestic competitors	q64dom	1	2	3	4	-9
Pressure from foreign competitors	q64for	1	2	3	4	-9
Pressure from customers	q64cus	1	2	3	4	-9
Pressure from creditors, including bankruptcy	q64cre	1	2	3	4	-9
Pressure from shareholders	q64sha	1	2	3	4	-9
Pressure from government or government agencies	q64gov	1	2	3	4	-9

- Q.65a Does your enterprise receive subsidies (including tolerance of tax arrears) from local or national government?

- Q.65b And did your enterprise receive subsidies (including tolerance of tax arrears) from local or national government three years ago?

	Q.65a Now	Q.65b 3 Years Ago
	q65a	q65b
Yes	1	1
No	2	2
Don't know	-9	-9

INTERVIEWER: IF YES TO Q.65a AND Q.65b ASK Q.66, OTHERWISE GO TO Q.67a

- Q.66 Relative to support three years ago, the subsidies now received by your company is (Please tell me the most appropriate phrase to complete the sentence) **SHOW CARD ONE**
ANSWER ONLY

	q66
substantially less	1
slightly less	2
about the same	3
slightly more	4
substantially more	5

Q.67a What share of your firm's sales are now conducted in barter, offsets or bills of exchange (money surrogates)? **SHOW CARD.**

Q.67b And what share of your firm's sales were conducted in barter, offsets or bills of exchange (money surrogates) three years ago? **SHOW CARD.**

	Q.67a Now	Q.67b 3 Years Ago
	q67a	q67b
None	1	1
1-9%	2	2
10-25%	3	3
26-50%	4	4
51-75%	5	5
76-100%	6	6
Firm did not exist 3 years ago		-7
Don't know	-9	-9

Q.68 Use this scale (**SHOW CARD**), what extent the following forms of corruption have had an impact on your business?

READ OUT STATEMENTS

		No impact	Minor impact	Significant impact	Very significant impact	Don't know	Not applicable
The Central Bank mishandling of funds (USE THE SPECIFIC NAME OF THE CENTRAL BANK IN EACH COUNTRY)	q68cen	1	2	3	4	-9	-7
Sale of Parliamentary votes on laws to private interests	q68par	1	2	3	4	-9	-7
Sale of Presidential decrees to private interests	q68pre	1	2	3	4	-9	-7
Sale of decisions of courts in criminal cases	q68cri	1	2	3	4	-9	-7
Sale of arbitration courts decisions to litigants	q68arb	1	2	3	4	-9	-7
Bribes to public officials to avoid taxes and regulations	q68bri	1	2	3	4	-9	-7
Patronage [public officials hiring their friends and relatives into official positions]	q68pat	1	2	3	4	-9	-7
Contributions by private interests to political parties and election campaigns	q68con	1	2	3	4	-9	-7

Q.69a How many additional taxes would you be prepared to pay, as a percent of your revenues, if corruption would be eliminated?

%

.....

Percent of revenue q69a

Don't know	-9
------------	----

Q.69b And how many additional taxes would you be prepared to pay, as a percent of your revenues, if crime would be eliminated?

%

.....

Percent of revenue q69b	
Don't know	-9

Q.69c And how many additional taxes would you be prepared to pay, as a percent of your revenues, if excessive regulations would be eliminated?

%

.....

Percent of revenue q69c	
Don't know	-9

IN ALL COUNTRIES EXCEPT RUSSIA AND UKRAINE:

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.

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:

INTERVIEWER CODE

FOR RUSSIA AND UKRAINE ONLY

Q.70 Did your firm have your primary bank account blocked for non-payment of taxes at any time in 1998?

INTERVIEWER: PLEASE REMIND RESPONDENT TO NOT INCLUDE ACCOUNTS THAT MAY HAVE BEEN FROZEN BECAUSE OF THE RECENT BANKING CRISIS

	q70
Yes	1
No	2
Don't know	-9

Q.71 The Federal, oblast, and municipal governments sometimes pay for their purchases from enterprises by reducing the tax liabilities of the selling firm. During 1998, did your firm receive such a tax offset from any level of government?

	q71
Yes	1
No	2
Don't know	-9

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.

INTERVIEWERS COMMENTS

(Problems occurred/extraordinary circumstances which could influence results)

--

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INTERVIEWER'S SIGNATURE:

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