

## **MEMRB International**

### **PR 95178 EBRD- Institutional Constraints and Adaptation in SME Development in Poland - Slovakia - Romania**

The purpose of this survey is to gather information on institutional constraints and adaptation in SME Development in Poland/Slovakia/Romania (Interviewer: Read out appropriate country). This study is commissioned by the European Bank for Reconstruction and Development (EBRD) and MEMRB were charged with the responsibility of administering this questionnaire. Results from this survey will assist the Bank to formulate its development strategies towards the SME sector. The information obtained here will be treated as strictly confidential. No accurate financial details are needed, only approximations on the spot and to the best of your memory.

#### **I GENERAL**

- (1) Questionnaire serial number ..... (2) Date of Interview.....
- (3) Name of Interviewer .....
- (4) Name of Company.....
- (5) Address.....
- (6) Telephone Number..... (7) Fax Number .....
- (8) Country 1 Poland {107} (9) City 1 Katowice 2 Other ..... {108}
- 2 Slovakia 1 Kosice 2 Other.....
- 3 Romania 1 Brasov 2 Other.....
- (10) Name of respondent .....
- (10a) Position of respondent .....
- (11) Number of full time employees at the end of first half of 1997.....{109-111}
- (12) What is your main business activity? ..... **Q 13**

01	Metal parts and products	06	Chemical products	<b>For official use only</b>	{112-113}
02	Wood products and furniture	07	Paper and packaging		
03	Food products and beverages	08	Handicrafts and art		
04	Clothes, footwear, and leather goods	09	Electrical machinery		
05	Construction materials	10	Miscellaneous		

**(13)** Do you employ more than 10 full time workers in your manufacturing activities?

{114}

Yes 1  
No 2

(14) When was this firm first registered?.....[month/year] {115-118}

(15) Which of the following best describes the ownership of your company now

- 1 State Owned {119}
- 2 Private
- 3 Joint Venture - Local private with foreign company
- 4 Joint Venture - State owned with foreign company
- 5 Other (Specify)

.....

(16) When was the first full month and year of operation?.....[month/year] {120-123}

(17) What was the initial legal form of your company upon registration

- 1 Joint stock company {124}
- 2 Limited liability company
- 3 Partnership under civil law
- 4 Individual entrepreneur
- 5 Joint venture
- 6 Other (specify) .....

(17a) What is the legal form of this firm now?

- 1 Joint stock company {125}
- 2 Limited liability company
- 3 Partnership under civil law
- 4 Individual entrepreneur
- 5 Joint venture
- 6 Not registered
- 7 Other (specify) .....

(18) Has your company been privatised?	Yes	1	<b>Q 19</b>	{126}
	No	2	<b>Q 20</b>	

(19) How was your firm privatised

- 1 By restitution {127}
- 2 By the privatisation agency
- 3 By municipality
- 4 By ministry
- 5 Other (Specify).....

## **II START-UP**

(20) How many employees did you have during the first full year of operation?..... {129-130}

(21) How many worked full-time?..... {131-133}

(22) In your first full year of operation was your main product the same as it is now?

Yes	1	<b>Q 25</b>	{134}
No	2	<b>Q 23</b>	

(23) What was it?.....

01	Metal parts and products	06	Chemical products	<b>For official use only</b>	{135-36}
02	Wood products and furniture	07	Paper and packaging		
03	Food products and beverages	08	Handicrafts and art		
04	Clothes, footwear, and leather goods	09	Electrical machinery		
05	Construction materials	10	Miscellaneous		

(24) When did you change to your current production?..... [year] {137-138}

(25) In which of the following did you ever work before this firm?

	YES	NO		
1 Private Sector	1	2	Yes <b>Q 26</b>	{139}
2 State Industrial Enterprise	1	2	Yes <b>Q 27</b>	{140}
3 State Trading Organisation	1	2	Yes <b>Q 27</b>	{141}
4 Government or other state organisation	1	2	Yes <b>Q 27</b>	{142}
5 Co-operative or other	1	2	Yes <b>Q 27</b>	{143}

(26) When you worked in the private sector were you...

	YES	NO	
1 The owner of a registered firm	1	2	{144}
2 The manager of a registered firm	1	2	{145}
3 An independent entrepreneur	1	2	{146}
4 An employee	1	2	{147}

**[GO TO Q 28]**

(27) If worked in a state enterprise before working in this firm were you :

	YES	NO	
1 A high level manager	1	2	{148}
2 An engineer	1	2	{149}
3 An ordinary worker	1	2	{150}

(28) In any previous job, did you ever work for a firm making the same product line?

Yes	1	{151}
No	2	

(29) From which source did you get your start-up capital in the beginning and what was the percentage share from each source?

	YES	NO	Percent Share (%)
1 Your own savings	1	2	
2 Savings of family	1	2	
3 Financing from other private firms or individuals	1	2	
4 Financing from a state enterprise	1	2	
5 A loan	1	2	
6 Issuing shares to the public	1	2	
7 Other: (specify) .....	1	2	

100%

**Q 31** {152-54}

**Q 31** {155-57}

**Q 31** {158-60}

**Q 31** {161-63}

**Yes Q 30 No Q 31** {164-66}

**Q 31** {167-69}

**Q 31** {170-72}

(30) Where was this loan obtained from?

{.....173}

	YES	NO
1 A State bank	1	2
2 A Private bank	1	2
3 A friend	1	2
4 A family member	1	2
5 A domestic private firm	1	2
6 A domestic state firm	1	2
7 A foreign firm	1	2
8 Other source: (specify) .....	1	2

{207}

{208}

{209}

{210}

{211}

{212}

{213}

{214}

{.....215}

(31) When you founded this firm, did you get trade credit from other firms in the first 3 months of operation?

Yes 1 {216}  
No 2

(32) About how much capital did you have when you started this firm? (please include not only cash but also other capital).

..... ..[Zloty/Koruna/Leu]

(32a) Capital at time when firm started to operate (USD)..... **[For official use only]**  
{217-223}

(33) Was this firm previously part of a state enterprise? Yes 1 {224}  
No 2

(34) When you founded this firm, how many other private firms in this city were making the same product?

..... {225-226}

(35) At start-up how long did you expect it to take to earn back the costs of your initial investment?

- |   |              |       |
|---|--------------|-------|
| 1 | 3 months     | {227} |
| 2 | 6 months     |       |
| 3 | 1 year       |       |
| 4 | 2 year       |       |
| 5 | 3 years      |       |
| 6 | 4 years      |       |
| 7 | 5 years      |       |
| 8 | Over 5 years |       |

(36) How long did it actually take to earn back the costs of your initial investment?

- |   |                |       |
|---|----------------|-------|
| 1 | 3 months       | {228} |
| 2 | 6 months       |       |
| 3 | 1 year         |       |
| 4 | 2 year         |       |
| 5 | 3 years        |       |
| 6 | 4 years        |       |
| 7 | 5 years        |       |
| 8 | Not earned yet |       |

(37) In your first full year of operation, what were your profits after tax, as a percentage of the initial investment in the firm?

- |   |          |       |
|---|----------|-------|
| 1 | Negative | {229} |
| 2 | 0%       |       |
| 3 | 1-10%    |       |
| 4 | 11-20%   |       |
| 5 | 21-40%   |       |
| 6 | 41+ %    |       |

(38) In your first full year of operation, what were your profits after tax, as a percentage of sales?

- |   |                |       |
|---|----------------|-------|
| 1 | Negative or 0% | {230} |
| 2 | 1-10%          |       |
| 3 | 11-20%         |       |
| 4 | 21-40%         |       |
| 5 | 41-60%         |       |
| 6 | Above 60%      |       |

(39) How much did you re-invest out of your profits during the first year?

- |   |               |       |
|---|---------------|-------|
| 1 | 0%            | {231} |
| 2 | 1-10%         |       |
| 3 | 11-25%        |       |
| 4 | 26-49%        |       |
| 5 | 50-75%        |       |
| 7 | More than 75% |       |

(40) How much do you normally re-invest out of your annual profits?

- |   |               |  |  |       |
|---|---------------|--|--|-------|
| 1 | 0%            |  |  | {232} |
| 2 | 1-10%         |  |  |       |
| 3 | 11-25%        |  |  |       |
| 4 | 26-49%        |  |  |       |
| 5 | 50-75%        |  |  |       |
| 6 | More than 75% |  |  |       |

(41) How much of your capital equipment came from state enterprises which helped found this firm?

- |   |         |             |       |
|---|---------|-------------|-------|
| 1 | 0%      | <b>Q 44</b> | {233} |
| 2 | 1-25%   | <b>Q 44</b> |       |
| 3 | 26-50%  | <b>Q 44</b> |       |
| 4 | 51-75%  | <b>Q 42</b> |       |
| 5 | 76-100% | <b>Q 42</b> |       |

(42) What percentage of your material supplies in 1996 were provided by suppliers of those SOE (or by the SOE itself)?

- |   |         |  |       |
|---|---------|--|-------|
| 1 | 0       |  | {234} |
| 2 | 1-25%   |  |       |
| 3 | 26-50%  |  |       |
| 4 | 51-75%  |  |       |
| 5 | 76-100% |  |       |

(43) What proportion of your sales in 1996 went to companies with whom you dealt before being spun-off?

- |   |         |  |       |
|---|---------|--|-------|
| 1 | 0       |  | {235} |
| 2 | 1-25%   |  |       |
| 3 | 26-50%  |  |       |
| 4 | 51-75%  |  |       |
| 5 | 76-100% |  |       |

(44) What was the firm's average monthly labour cost (including bonuses but not taxes or employee contributions, social security) in the 1st Q of 1997?.

.....[Zloty/Koruna/Leu] {236-242}

(45) What was the firm's average TOTAL monthly labour costs (including taxation and employee contributions, social security) in the 1st Q of 1997?

..... [Zloty/Koruna/Leu] {243-249}

(46) How has your use (measured in physical units) of electricity changed

	Increase	Decrease	% change	
1 1st half 1997 compared to 1st half of 1996	1	2		{250-253}
2 1st half 1997 compared to 1st half of 1995	1	2		{254-257}
3 1st half 1997 compared to 1st half of 1994	1	2		{258-261}
4 1st half 1997 compared to 1st half of 1991	1	2		{262-265}

### **III CUSTOMERS**

(47) How many regular customers do you have now?..... {266-268}

(48) How many of them are new within the last year?..... {270-271}

#### **OLDEST CONTINUOUS CUSTOMER**

I would like to ask you questions about your OLDEST CONTINUOUS CUSTOMER. Whether or not your company was formerly part of/or a state enterprise, your oldest continuous customer is the customer with whom you established a business relationship after you founded this firm. Your OLDEST CONTINUOUS CUSTOMER must be a purchaser of the goods that you manufacture. If you regard one or more of your customers as the OLDEST CONTINUOUS CUSTOMER, please answer the questions with reference to the biggest or more important customer.

(49) How long has this firm been a customer?..... (Years) {272-273}

..... (Months) {274-275}

(50) Are the customer's orders

1 Written {276}

2 Verbal

3 Sometimes written and sometimes verbal

(51) For this customer, do you maintain inventories (ready made and finished goods), or do you produce goods on order?

1 Inventory {277}

2 On order

3 Both of the above

(52) How many employees (full plus part time) does this customer have?.....

{278-80}

(53) Do you sell the exact same goods to other customers, or are these unique to this customer?

1 Same to others {307}

2 Unique

(54) What percentage of your annual total sales (in value terms ) go to this customer?

.....% {308-309}

(55) How often do you deliver goods to this customer?

1 Daily {310}

2 Weekly

3 Every 2 weeks

4 Monthly

5 Every 1-3 months

6 Less often

(56) Is this customer located

1	In your city	{ 311}
2	Around/close to your city	
3	Elsewhere in the country	
4	In another country	

(57) Is this customer domestic or foreign owned?

1	Domestic	{312}
2	Foreign	
3	Part domestic and part foreign	

(58) Is this customer

1	A state enterprise or organisation	<b>Q 59</b>	{313}
2	A private enterprise	<b>Q 60</b>	
3	Part state and part private	<b>Q 60</b>	
4	An individual	<b>Q 61</b>	

(59) Is this customer a:

1	State industrial enterprise		{314}
2	State trading company		
3	Government agency		
4	Another state organisation		

**[GO TO Q 61]**

(60) Is this customer:

1	An individual consumer		{315}
2	An industrial firm		
3	A wholesale firm		
4	A retail store		
5	Other		

(61) Before you began working with this customer, what was your primary source of information about this firm/person?

	YES	NO		
1 It is managed or owned by my family	1	2	<b>Q 63</b>	{316}
2 It is managed or owned by a friend	1	2	<b>Q 63</b>	{317}
3 I used to work for this firm	1	2	<b>Q 63</b>	{318}
4 From a previous business acquaintance	1	2	<b>Yes Q 62, No Q 63</b>	{319}
5 Through a government agency	1	2	<b>Q 63</b>	{320}
6 Through a bank	1	2	<b>Q 63</b>	{321}
7 Through a credit rating agency	1	2	<b>Q 63</b>	{322}
8 Through a business association	1	2	<b>Q 63</b>	{323}
9 Other: (specify)	1	2	<b>Q 63</b>	{324}
.....				

{.....325}

(62) Is this person ( that is (4) Previous business acquaintance) :

1	Your customer	{326}
2	Your supplier	
3	Your competitor	
4	Other	



(63) How many times did your company's representatives visit this customer's factory or store before you sold to him?

- |   |                   |       |
|---|-------------------|-------|
| 1 | Never             | {327} |
| 2 | 1-3 times         |       |
| 3 | 4-6 times         |       |
| 4 | More than 6 times |       |

(64) How many times did this customer's representatives visit your factory before you sold to him?

- |   |                   |       |
|---|-------------------|-------|
| 1 | Never             | {328} |
| 2 | 1-3 times         |       |
| 3 | 4-6 times         |       |
| 4 | More than 6 times |       |

(65) Do you now or did you ever give credit to this customer?

- |     |   |             |       |
|-----|---|-------------|-------|
| Yes | 1 | <b>Q 66</b> | {329} |
| No  | 2 | <b>Q 67</b> |       |

(66) How long did you work with this customer before you gave him first credit?

..... Years ..... Months {330-333}

(67) What proportion of the customer's payment is made at the following times:

- |   |         |                                  |          |
|---|---------|----------------------------------|----------|
| 1 | _____ % | When the order is placed         | {334-35} |
| 2 | _____ % | On delivery                      | {336-37} |
| 3 | _____ % | 1-7 days after delivery          | {338-39} |
| 4 | _____ % | 8-30 days after delivery         | {340-41} |
| 5 | _____ % | More than 30 days after delivery | {342-43} |
| 6 | _____ % | Other Schedule (Specify)         |          |
|   | 100 %   | .....                            | {344-46} |

(68) If this customer refused to accept delivery of an order, how long would it take you to find another customer for these goods?

- |   |                                     |       |
|---|-------------------------------------|-------|
| 1 | A day or less                       | {347} |
| 2 | More than a day, less than a week   |       |
| 3 | More than a week, less than a month |       |
| 4 | More than a month                   |       |
| 5 | Would be impossible                 |       |

(69) Does this customer have alternative suppliers of these goods? {348}

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

(70) If you failed to deliver these goods, how long would it take this customer to find another supplier?

- |   |                                     |       |
|---|-------------------------------------|-------|
| 1 | A day or less                       | {349} |
| 2 | More than a day, less than a week   |       |
| 3 | More than a week, less than a month |       |
| 4 | More than a month                   |       |
| 5 | Would be impossible                 |       |

- ## MOST RECENT CUSTOMER

(80) How long has this firm been a customer

10

- (81) Are the customer's orders
- |   |  |       |
|---|--|-------|
| 1 | Written                                | {363} |
| 2 | Verbal                                 |       |
| 3 | Sometimes written and sometimes verbal |       |
- (82) For this customer, do you maintain inventories (ready made and finished goods), or do you produce goods on order?
- |   |                   |       |
|---|-------------------|-------|
| 1 | Inventory         | {364} |
| 2 | On order          |       |
| 3 | Both of the above |       |
- (83) How many employees (full plus part time) does this customer have?
- ..... {365-367}
- (84) Do you sell the exact same goods to other customers, or are these unique to this customer?
- |   |                |       |
|---|----------------|-------|
| 1 | Same to others | {368} |
| 2 | Unique         |       |
- (85) What percentage of your annual total sales (in value terms ) go to this customer?
- ..... % {369-70}
- (85a) How often do you deliver goods to this customer?
- |   |                  |       |
|---|------------------|-------|
| 1 | Daily            | {371} |
| 2 | Weekly           |       |
| 3 | Every 2 weeks    |       |
| 4 | Monthly          |       |
| 5 | Every 1-3 months |       |
| 6 | Less often       |       |
- (86) Is this customer located
- |   |                           |       |
|---|---------------------------|-------|
| 1 | In your city              | {372} |
| 2 | Around/close to your city |       |
| 3 | Elsewhere in the country  |       |
| 4 | In another country        |       |
- (87) Is this customer domestic or foreign owned?
- |   |                                |       |
|---|--------------------------------|-------|
| 1 | Domestic                       | {373} |
| 2 | Foreign                        |       |
| 3 | Part domestic and part foreign |       |
- (88) Is this customer
- |   |                                    |             |       |
|---|------------------------------------|-------------|-------|
| 1 | A state enterprise or organisation | <b>Q 89</b> | {374} |
| 2 | A private enterprise               | <b>Q 90</b> |       |
| 3 | Part state and part private        | <b>Q 90</b> |       |
| 4 | An individual                      | <b>Q 91</b> |       |
- (89) Is this customer a:
- |   |                             |       |
|---|-----------------------------|-------|
| 1 | State industrial enterprise | {375} |
| 2 | State trading company       |       |
| 3 | Government agency           |       |
| 4 | Another state organisation  |       |

**[ GO TO Q 91 ]**

**(90)** Is this customer: {407}

- 1 An individual consumer
- 2 An industrial firm
- 3 A wholesale firm
- 4 A retail store
- 5 Other

**(91)** Before you began working with this customer, what was your primary source of information about this firm/person?

	YES	NO		
1 It is managed or owned by my family	1	2	<b>Q 93</b>	{408}
2 It is managed or owned by a friend	1	2	<b>Q 93</b>	{409}
3 I used to work for this firm	1	2	<b>Q 93</b>	{410}
4 From a previous business acquaintance	1	2	<b>Yes Q 92, No Q 93</b>	{411}
5 Through a government agency	1	2	<b>Q 93</b>	{412}
6 Through a bank	1	2	<b>Q 93</b>	{413}
7 Through a credit rating agency	1	2	<b>Q 93</b>	{414}
8 Through a business association	1	2	<b>Q 93</b>	{415}
9 Other (specify) .....	1	2	<b>Q 93</b>	{416}

{.....417}

**(92)** Is this person (that is (4) Previous business acquaintance):

- 1 Your customer {418}
- 2 Your supplier
- 3 Your competitor
- 4 Other

**(93)** How many times did your company's representatives visit this customer's factory or store before you sold to him?

- 1 Never {419}
- 2 1-3 times
- 3 4-6 times
- 4 More than 6 times

**(94)** How many times did this customer's representatives visit your factory before you sold to him?

- 1 Never {420}
- 2 1-3 times
- 3 4-6 times
- 4 More than 6 times

**(95)** Do you now or did you ever give credit to this customer?

- |     |   |             |       |
|-----|---|-------------|-------|
| Yes | 1 | <b>Q 96</b> | {421} |
| No  | 2 | <b>Q 97</b> |       |

**(96)** How long did you work with this customer before you gave him first credit?

..... Years {422-423} ..... Months {424-425} ..... (Weeks) {426}

(97) What proportion of the customer's payment is made at the following times:

1	_____ %	When the order is placed	{427-428}
2	_____ %	On delivery	{429-430}
3	_____ %	1-7 days after delivery	{431-432}
4	_____ %	8-30 days after delivery	{433-434}
5	_____ %	More than 30 days after delivery	{435-436}
6	_____ %	Other Schedule (Specify) .....	{437-438}
	100 %		{.....439 }

(98) If this customer refused to accept delivery of an order, how long would it take you to find another customer for these goods?

1	A day or less	{440}
2	More than a day, less than a week	
3	More than a week, less than a month	
4	More than a month	
5	Would be impossible	

(99) Does this customer have alternative suppliers of these goods?

Yes	1	{441}
No	2	

(100) If you failed to deliver these goods, how long would it take this customer to find another supplier?

1	A day or less	{442}
2	More than a day, less than a week	
3	More than a week, less than a month	
4	More than a month	
5	Would be impossible	

(101) Are quality specifications

1	Written in a contract or order?	{443}
2	Discussed verbally?	
3	Both of the above	

(102) How often do your company's representatives visit his firm? {444}

1	Daily
2	Weekly
3	Monthly
4	Less often
5	Never

(103) How often do this customer's representatives visit your firm?

1	Daily	{445}
2	Weekly	
3	Monthly	
4	Less often	
5	Never	

(104) How often do you communicate by phone or fax with his firm? {446}

1	Daily
2	Weekly
3	Monthly
5	Never
4	Less often

(106) Currently, does your firm talk with other suppliers of this customer?

- |   |                       |       |
|---|-----------------------|-------|
| 1 | No                    | {447} |
| 2 | Yes, daily            |       |
| 3 | Yes, weekly           |       |
| 4 | Yes, monthly          |       |
| 5 | Yes, but infrequently |       |

(107) If your firm had a dispute with this customer, would your other customers find out about it?

- |     |   |       |
|-----|---|-------|
| Yes | 1 | {448} |
| No  | 2 |       |

(108) If your firm had a dispute with this customer, would other suppliers of this customer find out about it?

- |     |   |       |
|-----|---|-------|
| Yes | 1 | {449} |
| No  | 2 |       |

(109) If this customer had a dispute with another firm, would your company find out about it?

- |     |   |       |
|-----|---|-------|
| Yes | 1 | {450} |
| No  | 2 |       |

## GENERAL CUSTOMER

I am now going to ask you general questions about your sales which are not specific to any category of customer.

(110) What percentage of your 1996 sales (value) were made to customers who are:

- |   |   |        |          |
|---|---|--------|----------|
| 1 | State enterprises                           | _____% | {451-52} |
| 2 | Privatised (former state-owned) enterprises | _____% | {453-54} |
| 3 | New private firms                           | _____% | {455-56} |
| 4 | Households and individuals                  | _____% | {457-58} |
| 5 | Foreign owned enterprises and foreigners    | _____% | {459-60} |
| 6 | Joint Ventures (State & Private)            | _____% | {461-62} |
|   |   | 100 %  |          |

(111) What portion of your 1996 sales were made to firms located:

- |   |                                       |        |          |
|---|---------------------------------------|--------|----------|
| 1 | Within your city                      | _____% | {463-64} |
| 2 | Around your city but not in your city | _____% | {465-66} |
| 3 | Elsewhere in the country              | _____% | {467-68} |
| 4 | Abroad                                | _____% | {469-70} |
|   |                                       | 100%   |          |

(112) Do you sell to intermediaries such as wholesalers or other middlemen?

Yes	1	<b>Q 113</b>	{471}
No	2	<b><u>Q IV Suppliers</u></b>	

(113) What percentage of your sales (value) go to intermediaries (such as wholesalers or other middlemen)?

\_\_\_\_\_ % {472-73}

(114) How often do your company's representatives visit the firm of your most important wholesaler?

1	Daily	{474}
2	Weekly	
3	Monthly	
4	Less often	
5	Never	

(115) How often do representatives of your most important wholesaler visit your firm?

1	Daily	{475}
2	Weekly	
3	Monthly	
4	Less often	
5	Never	

(116) How often do you communicate by phone or fax with his firm?

1	Daily	{476}
2	Weekly	
3	Monthly	
4	Less often	

(118) Does your wholesaler certify quality in any way (i.e., guarantee to his customers that your products are high quality)?

Yes	1	{477}
No	2	
Don't know	3	

## **IV SUPPLIERS**

I am now going to ask you questions about your suppliers. Suppliers are firms/individuals which provide you with manufactured or other products that you use as a direct input to your production. For this section, consider only those suppliers accounting for 5 % or more of your procurement bill.

### **OLDEST CONTINUOUS SUPPLIER**

As with the previous questions I would like to start first with your OLDEST CONTINUOUS SUPPLIER. The criteria for identifying this supplier are as for the OLDEST CONTINUOUS CUSTOMER that I explained earlier in the interview.

(119) How long has he been a supplier? .....Years {507-8}

.....Months {509-10}

(120) How many employees (full plus part time) does this supplier have?

..... {511-513}

(121) Does this supplier make

- |   |   |       |
|---|---|-------|
| 1 | The exact same product for other firms, | {514} |
| 2 | Is the input specific to your firm?     |       |

(122) Does the supplier

- |   |                                       |       |
|---|---------------------------------------|-------|
| 1 | Maintain inventories of this product, | {515} |
| 2 | Produce it only to fill your orders?  |       |

(123) Are your supply orders

- |   |  |       |
|---|--|-------|
| 1 | Written                                | {516} |
| 2 | Verbal                                 |       |
| 3 | Sometimes written and sometimes verbal |       |

(124) How often do you receive goods from this supplier?

- |   |                  |       |
|---|------------------|-------|
| 1 | Daily            | {517} |
| 2 | Weekly           |       |
| 3 | Every 2 weeks    |       |
| 4 | Monthly          |       |
| 5 | Every 1-3 months |       |
| 6 | Less often       |       |

(125) Is this supplier located

- |   |                            |       |
|---|----------------------------|-------|
| 1 | In your own city?          | {518} |
| 2 | Around/close by your city? |       |
| 3 | Elsewhere in the country   |       |
| 4 | In another country         |       |

(126) Is this supplier

- |   |                            |       |
|---|----------------------------|-------|
| 1 | Domestic-owned             | {519} |
| 2 | Foreign-owned              |       |
| 3 | Domestic and foreign owned |       |

(127) Is this supplier

- |   |                                     |              |       |
|---|-------------------------------------|--------------|-------|
| 1 | A state-owned entity?               | <b>Q 128</b> | {520} |
| 2 | A private enterprise or individual? | <b>Q 129</b> |       |
| 3 | State and privately owned           | <b>Q 129</b> |       |



- (128) Is the supplier
- |   |                               |       |
|---|-------------------------------|-------|
| 1 | A state industrial enterprise | {521} |
| 2 | A state trading company       |       |
| 3 | Other government entity       |       |

**[GO TO Q 130]**

- (129) Is the supplier
- |   |                            |       |
|---|----------------------------|-------|
| 1 | An individual or household | {522} |
| 2 | A private trading company  |       |
| 3 | A manufacturing firm       |       |
| 4 | Other private enterprise   |       |

- (130) Before you began working with him, what were your sources of information about this supplier?

	YES	NO		
1 It is managed or owned by my family	1	2	<b>Q 132</b>	{523}
2 It is managed or owned by a friend	1	2	<b>Q 132</b>	{524}
3 I used to work for this firm	1	2	<b>Q 132</b>	{525}
4 From a previous business acquaintance	1	2	<b>Yes Q 131, No Q132</b>	{526}
5 Through a government agency	1	2	<b>Q 132</b>	{527}
6 Through a bank	1	2	<b>Q 132</b>	{528}
7 Through a credit rating agency	1	2	<b>Q 132</b>	{529}
8 Through a business association	1	2	<b>Q 132</b>	{530}
9 Other: (specify)	1	2	<b>Q 132</b>	{531}
.....				

{.....532 }

- (131) Is this person ((4) Previous business acquaintance) your:

- |   |            |       |
|---|------------|-------|
| 1 | Customer   | {533} |
| 2 | Supplier   |       |
| 3 | Competitor |       |
| 4 | Other      |       |

- (132) How many times did your company's representatives visit this supplier's factory before you purchased from him?

- |   |                   |       |
|---|-------------------|-------|
| 1 | Never             | {534} |
| 2 | 1-3 times         |       |
| 3 | 4-6 times         |       |
| 4 | More than 6 times |       |

- (133) How many times did representatives of this supplier visit your factory before you purchased from him?

- |   |                   |       |
|---|-------------------|-------|
| 1 | Never             | {535} |
| 2 | 1-3 times         |       |
| 3 | 4-6 times         |       |
| 4 | More than 6 times |       |

- (134) Does or did this supplier give you credit?
- |     |   |              |       |
|-----|---|--------------|-------|
| Yes | 1 | <b>Q 135</b> | {536} |
| No  | 2 | <b>Q 136</b> |       |

(135) How long did you work with this supplier before he gave you first credit?

..... Years {537 -38} ..... Months {539-40}

(136) What proportion of your payments to the supplier are made at the following times?

1	___%	When the order is placed	{541-42}
2	___%	On delivery	{543-44}
3	___%	1-7 days after delivery	{545-46}
4	___%	8-30 days after delivery	{547-48}
5	___%	More than 30 days after delivery	{549-50}
6	___%	Other schedule (Specify) .....	{551-52}
	100 %		{.....553}

(137)	Do you have other suppliers of this input?	Yes	1	{554}
		No	2	

(138) If this supplier failed to deliver, how long would it take you to find replacement supplies?

1	A day or less	{555}
2	More than a day, less than a week	
3	More than a week, less than a month	
4	More than a month	
5	Would be impossible	

(139) If you refused to accept a shipment of this input, how long would it take your supplier to re-sell the goods?

1	A day or less	{556}
2	More than a day, less than a week	
3	More than a week, less than a month	
4	More than a month	
5	Would be impossible	

(140)	Are quality specifications	1	Written in a contract/order?	{557}
		2	Discussed verbally?	
		3	Both of the above	

(141) How often do your company's representatives visit his factory?

1	Daily	{558}
2	Weekly	
3	Monthly	
4	Less often	
5	Never	

(142) How often do this supplier's representatives visit your factory?

1	Daily	{559}
2	Weekly	
3	Monthly	
4	Less often	
5	Never	

(143) How often do you communicate by phone or fax with his firm? {560}

1	Daily
2	Weekly
3	Monthly
4	Less often
5	Never

(145) Currently, does your firm talks with other clients of this supplier?

1	No	{561}
2	Yes, daily	
3	Yes, weekly	
4	Yes, monthly	
5	Yes, but infrequently	

(146) If another firm you have never purchased from offered to supply this input for a price 10% less than this supplier, would you purchase from the new firm instead of this supplier?

Yes	1	{562}
No	2	
Buy from both	3	

(147) If your company had a dispute with this supplier, would your other suppliers find out about it?

Yes	1	{563}
No	2	

(148) If your company had a dispute with this supplier, would other customers of this supplier find out about it?

Yes	1	{564}
No	2	

(149) If this supplier had a dispute with another firm, would your company find out about it?

Yes	1	{565}
No	2	

### **MOST RECENT SUPPLIER**

I am now going to ask you questions about your most recent supplier

(150) How long has he been a supplier?

.....Years {566-67} .....Months {568-69}

(151) How many employees (full plus part time) does this supplier have?..... {570-72}

(152) Does this supplier make

{573}

1	The exact same product for other firms,
2	Is the input specific to your firm?

(153) Does the supplier

1	Maintain inventories of this product	{574}
2	Produce it only to fill your orders?	

- |       |                        |   |  |       |
|-------|------------------------|---|--|-------|
| (154) | Are your supply orders | 1 | Written                                | {607} |
|       |                        | 2 | Verbal                                 |       |
|       |                        | 3 | Sometimes written and sometimes verbal |       |

- |   |                  |       |
|---|------------------|-------|
| 1 | Daily            | {608} |
| 2 | Weekly           |       |
| 3 | Every 2 weeks    |       |
| 4 | Monthly          |       |
| 5 | Every 1-3 months |       |
| 6 | Less often       |       |

- |                        |   |                            |       |
|------------------------|---|----------------------------|-------|
| (157) Is this supplier | 1 | Domestic-owned             | {610} |
|                        | 2 | Foreign-owned              |       |
|                        | 3 | Domestic and foreign owned |       |

- |              |                 |   |                               |       |
|--------------|-----------------|---|-------------------------------|-------|
| <b>(159)</b> | Is the supplier | 1 | A state industrial enterprise | {612} |
|              |                 | 2 | A state trading company       |       |
|              |                 | 3 | Other government entity       |       |

- |              |                 |   |                            |       |
|--------------|-----------------|---|----------------------------|-------|
| <b>(160)</b> | Is the supplier | 1 | An individual or household | {613} |
|              |                 | 2 | A private trading company  |       |
|              |                 | 3 | A manufacturing firm       |       |
|              |                 | 4 | Other private enterprise   |       |

	YES	NO		
1 It is managed or owned by my family	1	2	<b>Q 163</b>	{614}
2 It is managed or owned by a friend	1	2	<b>Q 163</b>	{615}
3 I used to work for this firm	1	2	<b>Q 163</b>	{616}
4 From a previous business acquaintance	1	2	<b>Yes Q 162, No Q 163</b>	{617}
5 Through a government agency	1	2	<b>Q 163</b>	{618}
6 Through a bank	1	2	<b>Q 163</b>	{619}
7 Through a credit rating agency	1	2	<b>Q 163</b>	{620}
8 Through a business association	1	2	<b>Q 163</b>	{621}
9 Other: (specify) .....	1	2	<b>Q 163</b>	{622}

(162) Is this person (that is (4) Previous business acquaintance) your:

- |   |            |       |
|---|------------|-------|
| 1 | Customer   | {624} |
| 2 | Supplier   |       |
| 3 | Competitor |       |
| 4 | Other      |       |

(163) How many times did your company's representatives visit this supplier's factory before you purchased from him?

- |   |                   |       |
|---|-------------------|-------|
| 1 | Never             | {625} |
| 2 | 1-3 times         |       |
| 3 | 4-6 times         |       |
| 4 | More than 6 times |       |

(164) How many times did this supplier's representatives visit your factory before your purchased from him?

- |   |                   |       |
|---|-------------------|-------|
| 1 | Never             | {626} |
| 2 | 1-3 times         |       |
| 3 | 4-6 times         |       |
| 4 | More than 6 times |       |

(165) Does or did this supplier give you credit?      Yes      1      **Q 166**      {627}  
   No      2      **Q 167**

(166) How long did you work with this supplier before he gave you first credit?

..... Years      {628-29}

..... Months      {630-31}

(167) What proportion of your payments to the supplier are made at the following times?

- |   |                                       |          |
|---|---------------------------------------|----------|
| 1 | ___% When the order is placed         | {632-33} |
| 2 | ___% On delivery                      | {634-35} |
| 3 | ___% 1-7 days after delivery          | {636-37} |
| 4 | ___% 8-30 days after delivery         | {638-39} |
| 5 | ___% More than 30 days after delivery | {640-41} |
| 6 | ___% Other schedule (Specify) .....   | {642-43} |
|   | 100 %                                 |          |

{.....644}

(168) Do you have other suppliers of this input?

- |     |   |       |
|-----|---|-------|
| Yes | 1 | {645} |
| No  | 2 |       |

(169) If this supplier failed to deliver how long would it take you to find replacement supplies?

- |   |                                     |       |
|---|-------------------------------------|-------|
| 1 | A day or less                       | {646} |
| 2 | More than a day, less than a week   |       |
| 3 | More than a week, less than a month |       |
| 4 | More than a month                   |       |
| 5 | Would be impossible                 |       |

(170) If you refused to accept a shipment of this input, how long would it take your supplier to re-sell the goods?

- |   |                                     |       |
|---|-------------------------------------|-------|
| 1 | A day or less                       | {647} |
| 2 | More than a day, less than a week   |       |
| 3 | More than a week, less than a month |       |
| 4 | More than a month                   |       |
| 5 | Would be impossible                 |       |

(171) Are quality specifications

1	Written in a contract/order?	{648}
2	Discussed verbally?	
3	Both of the above	

(172) How often do your company's representatives visit his factory? {649}

- |   |            |
|---|------------|
| 1 | Daily      |
| 2 | Weekly     |
| 3 | Monthly    |
| 4 | Less often |
| 5 | Never      |

(173) How often do your supplier's representatives visit your factory

- |   |            |       |
|---|------------|-------|
| 1 | Daily      | {650} |
| 2 | Weekly     |       |
| 3 | Monthly    |       |
| 4 | Less often |       |
| 5 | Never      |       |

(174) How often do you communicate by phone or fax with his firm?

- |   |            |       |
|---|------------|-------|
| 1 | Daily      | {651} |
| 2 | Weekly     |       |
| 3 | Monthly    |       |
| 4 | Less often |       |
| 5 | Never      |       |

(176) Currently, does your company talk with other clients of this supplier?

- |   |                       |       |
|---|-----------------------|-------|
| 1 | No                    | {652} |
| 2 | Yes, daily            |       |
| 3 | Yes, weekly           |       |
| 4 | Yes, monthly          |       |
| 5 | Yes, but infrequently |       |

(177) If another firm you have never purchased from offered to supply this input for a price 10% less than this supplier, would you purchase from the new firm instead of this supplier?

- |               |   |       |
|---------------|---|-------|
| Yes           | 1 | {653} |
| No            | 2 |       |
| Buy from both | 3 |       |

(178) If your company had a dispute with this supplier, would your other suppliers find out about it?

- |     |   |       |
|-----|---|-------|
| Yes | 1 | {654} |
| No  | 2 |       |

(179) If your company had a dispute with this supplier, would other customers of this supplier find out about it?

Yes	1	{655}
No	2	

(180) If this supplier had a dispute with another firm, would your company find out about it?

Yes	1	{656}
No	2	

## GENERAL SUPPLIER QUESTIONS

I am now going to ask you general questions which are not specific to any certain category of supplier.

(181) In 1996, what proportion of your supplies were purchased from:

1	State-owned enterprises	_____%	{657-58}
2	Privatised (former state) enterprises	_____%	{659-60}
3	New private firms	_____%	{661-62}
4	Foreign-owned firms	_____%	{663-64}
5	State and foreign owned firms	_____%	{665-66}
6	Other	_____%	{667-68}
		100 %	

(182) What proportion of your supplies in 1996 were purchased from firms located:

1	Within 1 km of your firm	_____%	{669-70}
2	Further than 1 km, but within your own city	_____%	{671-72}
3	Outside your town but within your country	_____%	{673-74}
4	Outside of the country (imports)	_____%	{675-76}
		100 %	

## **V CONTRACT DISPUTES**

(183) Even if you never had a contract dispute could you please tell me which of the following third parties can enforce an agreement with a customer or supplier?

	YES	NO	
1 Court	1	2	{707}
2 The national government	1	2	{708}
3 The local government	1	2	{709}
4 A non-governmental organisation (such as a trade association	1	2	{710}
5 Other	1	2	{711}
6 There is no one	1	2	{712}

(184) Even if you never had a contract dispute could you please tell me if there is anyone who assists in arbitrating a dispute or negotiating a settlement with a customer or supplier?

	YES	NO	
1 Local Government Agency	1	2	{713}
2 National Government Agency	1	2	{714}
3 Trade association	1	2	{715}
4 Middleman or wholesaler	1	2	{716}
5 Other	1	2	{717}
6 There is no one	1	2	{718}

(185) If you had contract disputes in the past have you resolved them without third party involvement ?

- |   |  |       |
|---|--|-------|
| 1 | Never  | {719} |
| 2 | Sometimes (up to 1/4 of all disputes)                |       |
| 3 | Often (1/4 to 3/4 of all disputes)                   |       |
| 4 | Almost always (over 3/4 of all disputes but not all) |       |
| 5 | Always   |       |

(186) Has a customer ever failed to pay for a product after you have delivered it?

- |     |   |       |
|-----|---|-------|
| Yes | 1 | {720} |
| No  | 2 |       |

(187) Has a supplier ever refused to accept the return of defective merchandise or to refund money for merchandise returned because of low quality?

- |     |   |       |
|-----|---|-------|
| Yes | 1 | {721} |
| No  | 2 |       |

(188) What was the final outcome from your most recent payment dispute with a customer?

- |   |   |       |
|---|---|-------|
| 1 | My firm wrote off the debt completely   | {722} |
| 2 | My firm negotiated a partial settlement |       |
| 3 | My firm recovered loss in full          |       |



(188a) What was the final outcome from your most recent payment dispute with a supplier?

- 1 My firm paid in full {723}
- 2 My firm negotiated a partial settlement
- 3 My firm did not pay at all

(188b) Was your most recent payment dispute with a: 1 Customer {724}  
2 Supplier

(189) What organisations assisted in the case of your most recent payment dispute?

	YES	NO	
1 Courts	1	2	{725}
2 Local government authorities	1	2	{726}
3 A formal private agency specialising in such cases	1	2	{727}
4 An informal private agency specialising in such cases	1	2	{728}
5 No one	1	2	{729}

(190) When did this incident occur? \_\_\_\_\_ (Year) {730-31}

(191) How long had your firm worked with this customer or supplier?

\_\_\_\_\_ (Year) {732-33} .....(Months) {734-35}

(192) What type of firm was the customer or supplier? 1 State enterprise {736}  
2 Private  
3 State and Private

(193) Is this firm still a customer or supplier? Yes 1 {737}  
No 2

(194) Where is this customer or supplier located? 1 In your city {738}  
2 Around/close to your city  
3 Elsewhere in the country  
4 In another country

(195) Even if you never had a contract dispute could you please tell me your view on how does the current frequency of contract disputes with customers and suppliers compare to their frequency during your first year in business?

- 1 More common now {739}
- 2 Less common now
- 3 Frequency of contract disputes has not changed

(196) Are trade disputes more likely to occur with 1 State enterprises {740}  
2 Privatised former state enterprises  
3 Private firms

(197) With which type of firm are disputes easiest to resolve 1 State enterprises {741}  
2 Privatised former state enterprises  
3 Private firms  
4 State and Private

## **VI GENERAL**

(198) If your firm wanted to produce a different good, would one or more licences be required?

Yes	1	<b>Q 199</b>	{742}
No	2	<b>Q 200</b>	

(199) How long would it take you to receive the necessary licences?

1	Less than a week	{743}
2	More than a week, less than a month	
3	More than one month but less than 6 months	
4	More than six months	

(200) How much does it cost to obtain the necessary licences, including any commissions and other extraordinary payments?

..... [Zloty/Koruna/Leu] {744-50}

(200a) What is the official cost of these necessary licences..... [Zloty/Koruna/Leu]  
{751-757}

(201) How many other producers of goods similar to yours are located

Within 1 km of your factory..... {758-59}

Within same city..... {760-61}

(202) Were any firms in the same city set up by one of your former employees?

Yes	1	{762}
No	2	

(203) Have you co-operated with producer of goods similar to yours in the same city to fill an order for a customer within the last 6 months?

Yes	1	{763}
No	2	

(204) How often do you talk with producers of goods similar to yours within your city?

1	Daily	{764}
2	Weekly	
3	Monthly	
4	Less frequently / not at all	

(205) What do you talk about?

	YES	NO	
1 Suppliers and customers	1	2	{765}
2 Technology and product design	1	2	{766}
3 Other	1	2	{767}

(206) Is your company a member of any type of business or trade association?

Yes 1 {768}  
No 2

(207) What benefits do companies get from business or trade associations?

	YES	NO	
Information about technology	1	2	{769}
Information about the identity and location of new customers/suppliers	1	2	{770}
Information about the trustworthiness of customers/suppliers	1	2	{771}
Contract and/or dispute arbitration	1	2	{772}
Other (specify) .....	1	2	{773}
			{.....774}

(208) What are the two most important factors in determining the price you charge for your products? (Interviewer: Circle only the two most important )

- 1 Cost of inputs {775-78}
- 2 Relationship with the customer
- 3 Competitors prices
- 4 Bargaining power of buyer
- 5 Other (please specify) .....

(209) If you have recently ( 1 year ago) started producing a new product, what was the most important source of information about the market potential of this product? (Interviewer: Circle only one)

- 1 Information from existing customers {807-808}
- 2 Information from new customers
- 3 Information from suppliers
- 4 Information from competitors
- 5 Information from government agency
- 6 Other (Specify).....

(210) What percentage of your time as a top manager is devoted to the following activities:

- 1 Internal matters: .....% {809-10}
  - 2 External matters with firms: .....% {811-12}
  - 3 Matters related to all levels of government/regulatory: .....% {813-14}
- (Including taxes, licences, labour and trade regulations) 100 %

(211) Of the time dealing with other firms, what percent of your time is spent

Dealing with existing customers and suppliers \_\_\_\_\_% {815-16}  
Searching for new suppliers and customers \_\_\_\_\_% {817-18}  
100 %

## **VII CREDIT**

(212) What are your accounts payable as a percentage of monthly sales? .....% {819-20}

(213) What are your accounts receivable as a percentage of monthly sales?.....% {821-22}

(214) Have you ever had a loan/credit from a bank or a formal financial institution?

Yes 1 **Q 216** {823}  
No 2 **Q 215**

(215) Even if you haven't had a successful loan application, did you offer the following kinds of collateral

	YES	NO	
Equipment	1	2	{824}
Land	1	2	{825}
Commercial real estate (e.g office or factory space)	1	2	{826}
Residential real estate (e.g apartment or house)	1	2	{827}
Other (specify) .....	1	2	{828}

**[GO TO Q VIII FINAL SECTION ]** {.....829}

### **Loan/Credit in 1996**

(216) In 1996, did you receive credit from a bank or a formal financial institution?

Yes 1 **Q 217** {830}  
No 2 **Q 226**

(217) How many different banks or formal financial institutions did you receive credit from?  
..... {831}

If you borrowed from more than one source, please answer the following questions referring to the bank or formal financial institution that has given you the largest loan.

(218) How large was this credit as a percent of monthly sales?.....% {832-33}

(219) Was the loan in: 1 Domestic currency {834}  
2 Foreign currency  
3 Both of the above

(220) What was the maturity of this loan?

1 1 month or less {835}  
2 1-3 months  
3 3-6 months  
4 6-12 months  
5 12-24 months  
6 More than 2 years

(221) What was the interest rate on this loan

- |   |                        |       |
|---|------------------------|-------|
| 1 | Less than 15% per year | {836} |
| 2 | 15-30%                 |       |
| 3 | 31-50%                 |       |
| 4 | 51-75%                 |       |
| 5 | 76-100%                |       |
| 6 | More than 100%         |       |

(222) What kind of bank or financial institution was it?

- |   |                   |       |
|---|-------------------|-------|
| 1 | State             | {837} |
| 2 | Private           |       |
| 3 | State and Private |       |
| 4 | Other             |       |

(223) How much collateral did you provide as a percent of the loan .....% {838-9}

(224) What kind of collateral did you provide

	YES	NO	
1 Equipment	1	2	{840}
2 Land	1	2	{841}
3 Commercial real estate (e.g office or factory space)	1	2	{842}
4 Residential real estate (e.g apartment or house)	1	2	{843}
5 Other (specify) .....	1	2	{844}

(225) If you received credit from this bank or financial institution before 1996 in what year did you first get credit from this bank?

..... (Year) {845-46}

### **First credit**

(226) When did you get your first credit from a bank or financial institution?

.....(Year) {847-48}

(227) How large was this credit as a percent of monthly sales?.....% {848-50}

(228) Was the loan in:

1	Domestic currency	{851}
2	Foreign currency	
3	Both	

(229) What was the maturity of this loan?

1	1 month or less	{853}
2	1-3 months	
3	3-6 months	
4	6-12 months	
5	12-24 months	
6	More than 2 years	



## **VIII FINAL SECTION**

(235) What year were you born?.....(Year) {865-66}

(236) How many years of formal schooling have you had?..... {867-868}

(237) Have you completed

	YES	NO	
1 Secondary School	1	2	{869}
2 University	1	2	{870}
3 Technical College	1	2	{871}

(238) What languages do you speak at home?..... {872}

(239) Did your family operate a business before 1950? Yes 1 No 2 {873}

(240) Do any other family members operate their own businesses?

Yes 1 {874}  
No 2

(241) Over the last 2 years, have sales in value terms (after adjusting for inflation) {875}

- 1 Decreased or stayed the same {876}
- 2 Increased less than or equal to 10%
- 3 Increased more than 10 but less than or equal to 30%
- 4 Increased more than 30 but less than or equal to 50%
- 5 Increased by more than 50%

(242) If it were possible for you to decrease the price of your main product by 10% (without your competitors changing their prices), how much do you think your sales would increase as a percentage of your current sales?  
.....% {907-8}

(243) What was the total number of your employees at the end of 1996?

..... {909-911}

(244) How many work full-time?..... {912-914}

(245) What was the total number of your employees at the end of 1994?.....  
..... {915-917}

(246) How many work full-time?..... {918-920}

(247) What was the value of your sales in your first full year of operation?

.....[Zolty/Koruna/Leu] {921-927}

(248) What was the value of your sales in 1996?

.....[Zolty/Koruna/Leu] {928-934}

(249) In 1996, what were profits after tax as a percentage of sales?

- |   |               |       |
|---|---------------|-------|
| 1 | Negative      | {935} |
| 2 | 0%            |       |
| 3 | 1-10%         |       |
| 4 | 11-20%        |       |
| 5 | 21-40%        |       |
| 6 | More than 40% |       |

(250) How much did you re-invest out of profits during 1996?

- |   |               |       |
|---|---------------|-------|
| 1 | 0%            | {936} |
| 2 | 1-10%         |       |
| 3 | 11-25%        |       |
| 4 | 26-49%        |       |
| 5 | 50-75%        |       |
| 6 | More than 75% |       |

(251) What percentage of your firm is owned by:

- |   |   |         |          |
|---|---|---------|----------|
| 1 | The top manager or his family?                  | _____ % | {937-39} |
| 2 | Other private firms or individuals?             | _____ % | {940-42} |
| 3 | State firms or state organisations of any kind? | _____ % | {943-45} |
| 4 | Foreign enterprises                             | _____ % | {946-48} |
| 5 | Workers   | _____ % | {949-51} |
| 6 | Other   | _____ % | {952-54} |
|   |   | 100 %   |          |

(252) Given current conditions in your line of business, would you invest \$100 in your enterprise if you expected to receive (but without any guarantee) in two years:

	YES	NO	
1 \$110	1	2	{955}
2 \$125	1	2	{956}
3 \$150	1	2	{957}
4 \$200	1	2	{958}
5 \$300	1	2	{959}

(253) Assuming that you wanted to sell your company at the end of 1996, what would it have been worth approximately?

.....[Zolty/Koruna/Leu] {960-976}

Thank you for this detailed information about your firm. I'd now like to ask a few questions about your industry in general.

Interviewer : It is very important in recording answers to the following questions to make a clear distinction between the answers "zero" , " I don't know" and I can't say.



- (254) It is thought that many firms in your industry, in order to survive and grow, may need to mis-report their operational and financial results. Please estimate the degree of misreporting by firms in your area of activity.

_____	hidden sales as percent of actual sales	{1007-09}
_____	hidden salaries as percent of actual salary bill	{1010-12}
_____	inputs and materials costs as percent of actual costs	{1013-15}
	(note: this should be more than 100% if there is misreporting)	
_____	reported exports as percent of actual exports	{1016-18}
	(may be greater than or less than 100%)	
_____	reported imports as percent of actual imports	{1019-21}
	(may be greater than or less than 100%)	

- (255) How much do firms pay for expert assistance (e.g., accountants, lawyers, auditors, other) in dealing with government regulations per year?

1	Amount (in local currency) .....	[Zolty/Koruna/Leu]	{1022-28}
2	Usual percent of turnover .....	%	{1029-30}

- (256) How much are the following as a percent of sales for firms in your sector

_____	%	Labour	{1031-32}
_____	%	Materials and other production costs	{1033-34}
_____	%	Taxes	{1035-36}
_____	%	Other payments to the government	{1037-38}
_____	%	Profits	{1039-40}
_____	%	Other	{1041-42}
100	%		

- (257) It is thought that some firms may need to make a payment for “protection” of their activities. Do you think this is generally true for firms in your sector?

Yes	1	{1043}
No	2	

- (258) How much would a typical firm in your sector be likely to pay per month?

1	Amount (in local currency) .....	[Zolty/Koruna/Leu]	{1044-50}
2	Usual percent of turnover .....	%	{1051-52}

- (259) It is thought that some firms may need to make indirect or direct payments to government officials to obtain permissions, licences and regulations. Do you think this is generally true for firms in your sector?

Yes	1	{1053}
No	2	

**(260)** How much would a typical firm in your sector be likely to pay per month?

- 1 Amount (in local currency) ..... [Zolty/Koruna/Leu] {1054-60}
- 2 Usual percent of turnover ..... %

**(261)** It thought that some firms in addition to official payments for government services, may also need to make unofficial or extralegal payments. Do you think this is generally true for firms in your sector?

- |     |   |        |
|-----|---|--------|
| Yes | 1 | {1061} |
| No  | 2 |        |

**(262)** Please estimate the size of official and unofficial payments for firms in your sector.

	<u>Official</u>	<u>Unofficial</u>	
1 Phone line installation	.....	.....	{1107-16}
2 Initial enterprise registration	.....	.....	{1117-26}
3 Continuing registration requirements (per annum)	.....	.....	{1127-36}
4 Single visit of fire/sanitary inspector	.....	.....	{1137-46}
5 Quarterly interaction with tax inspector	.....	.....	{1147-56}
6 Production or office space at a state enterprise (per month)	.....	.....	{1157-66}
7 Electricity (per month)	.....	.....	{1167-76}
8 Gas (per month)	.....	.....	{1207-16}
9 Obtaining necessary permissions to export	.....	.....	{1217-26}
10 Border crossing with customs (percent of goods value)	.....	.....	{1227-36}
11 Obtaining permissions to import	.....	.....	{1237-46}
12 Access to credit at lower than market interest rates	.....	.....	{1247-56}