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ETHIOPIA: INVESTMENT CLIMATE SURVEY II

QUESTIONNAIRE FOR MANUFACTURING SECTOR ESTABLISHMENTS

26 June, 2006

ETHIOPIA INVESTMENT CLIMATE SURVEY - II

BACKGROUND AND OBJECTIVES: An earlier Firm Level Survey of Ethiopia was conducted through a collaborative effort of the World Bank and EDRI, Ministry of Trade and Industry, Ethiopian Export Promotion Agency, CSA, Ethiopian Chamber of Commerce, Ethiopian Private Industries Association, Ethiopian Investment Authority, Addis Ababa Women Entrepreneurs' Association, and UNIDO in 2002/03 period. Similar surveys have also been carried out in other developing countries. It is believed that a number of reform attempts have been done to encourage the performance of the private sector since the last survey. These include, tax reforms, streamlining business registration processes, investment in the power sector, etc. The current survey in Ethiopia is a follow-up data collection exercise to further look at the effects of past policy reforms on the business climate indicators that affect your performance and growth; identify the current microeconomic impediments and discuss policy options with the government in order to improve the investment climate in Ethiopia.

Thus, the general purpose of this survey, as it was for the previous survey and for all other surveys in developing countries undertaken with the assistance of the World Bank, is also to understand the investment climate in Ethiopia and how it affects business performance, with the objective of helping improve it. The survey will also be used to better understand conditions in the local investment climate and how they affect firm-level productivity. The goal is to advise government on ways to change policies that hinder private establishments like yours and to develop new policies and programs that support productivity growth. Your answers should reflect only your experience of doing business in your country. We will provide you with a summary report that will be directly useful to you in that it will enable you to benchmark your business and your industry against domestic and international competitors. Furthermore, the survey will provide useful information about the changes in investment climate of Ethiopia during the last few years and analyze the current investment climate in an international context; our experience in a wide range of countries is that this information can be crucial for improving the climate so that businesses can expand and their workers prosper.

GENERAL INSTRUCTIONS TO ENUMERATORS: Clearly explain to the respondent the objectives of the survey and the expected analytical outputs; Explain to him/her that the questionnaire in general consists of **15** sections as shown below. The sections generally deal with enterprise level data such as background information, production, investment, finance, labor, and capacity utilization, conflict resolution, infrastructure services, contract enforcement and productivity. These questions should be answered by the owner or managing director of the firm. If the owner/managing director is not available, try to make an appointment with him/her at a later date to conduct the interview. With the owners/managing director's permission, other well informed staff (e.g. the accountant) could also answer some parts of the questionnaire.

IT IS IMPORTANT THAT YOU STRESS THE REASONS FOR THIS INTERVIEW AND ITS CONFIDENTIALITY saying to the respondent that

We would like to stress that the information that you provided us for this survey is strictly confidential, and will remain so. When data is entered into computer, your firm will only be identified by a code number, and no information that may identify your firm or the respondent (such as name of firm and respondent, address and telephone number) will not be added, or be used in any document based on this survey. We therefore like to get a correct information for each applicable question as that helps us get a clear understanding of the current business climate in Ethiopia, and will enable policy makers identify the priority areas of concern by the business community and remove the constraints so that businesses can flourish and become more competitive.

Please state all monetary values in **Ethiopian Birr**, unless otherwise noted. More generally, the enumerator should ensure that the unit of measurement is clearly recorded at all times and consistent throughout the survey. Also, unless noted otherwise, last fiscal year refers to FY 2004/05 [i.e. 1997 EFY].

TABLE OF CONTENTS

- | | |
|---|--|
| 1. CONTROL INFORMATION | 9. CRIME |
| 2. GENERAL INFORMATION | 10. BUSINESS-GOVERNMENT RELATIONS |
| 3. INFRASTRUCTURE AND SERVICES | 11. RESEARCH AND DEVELOPMENT |
| 4. SALES AND SUPPLIES | 12. INVESTMENT CLIMATE CONSTRAINTS
TO THE ESTABLISHMENT |
| 5. DEGREE OF COMPETITION | 13. FINANCE |
| 6. EXPECTATION AND CAPACITY
UTILIZATION | 14. LABOR |
| 7. LAND | 15. PRODUCTIVITY |
| 8. CONFLICT RESOLUTION / LEGAL
ENVIRONMENT | |

1. CONTROL INFORMATION (to be filled prior to the interview)**FIRM ID**

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Q1.1 Name of firm		
Q1.2 Respondent's Name		
Q1.3 Respondent's position	<p>ADD VALUE LABELS Q1.3</p> <p>1 'Manager'</p> <p>2 'Vice president/Deputy manager'</p> <p>3 'Planning and statistics head'</p> <p>4 'Finance and administration'</p> <p>5 'Planning expert'</p> <p>6 'Processing manager'</p> <p>7 'Managing director'</p> <p>8 'Sales manager'</p> <p>9 'Department head'</p> <p>10 'Marketing head'</p> <p>11 'Account'</p> <p>12 'Production manager'</p> <p>13 'Deputy expert'</p> <p>14 'Technical leader of medical supplier'</p> <p>15 'Owner and manager'.</p>	
Q1.4 Address		
Q1.5 City type Code: (Enumerator, Please code as follows: 1= Capital City; 2=Other city of over 200,000 people; 3=City of 100,000-200,000; 4=City of 50,000-100,000; 5=Town or Location with less than 50,000 population)		

Q1.6

INDUSTRY [Use Codes below]:

1=Food 4= Garments 7= Commercial Farming & Agri-business
2= Beverages 5= Leather & leather products 8= Other, Specify _____
3= Textiles 6= Woodwork, Furniture and Metalwork

ADD VALUE LABELS Q1.6

- 9 'Polyester button'
- 8 'Tobacco'
- 9 'Camping equipments'
- 10 'Coffee roasting and grinding'
- 11 'Plastic products manufacturing'
- 12 'Tannery (Sheep, goats)'
- 13 'Printing'
- 14 'Non-metal products (glass, rubber, & canvas, etc)'
- 15 'Wire and nails'
- 16 'PP bag production'
- 17 'Processing and selling of LPG'
- 18 'Tyre production'.

Q1.7		CITY [Use <i>Codes below</i>]:
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<i>1= Addis Ababa</i>	<i>5=Ambo</i>	<i>9=Shashemen</i>	<i>13=Harar</i>
<i>2= Gondar</i>	<i>6=Bahir Dar</i>	<i>10=Mekele</i>	<i>14=Dessie</i>
<i>3=Adwa</i>	<i>7=Bishoftu</i>	<i>11=Adigrat</i>	<i>15=Combolcha</i>
<i>4=Awasa</i>	<i>8=Dire Dawa</i>	<i>12=Nazareth</i>	<i>16=Other (SPECIFY)_____</i>

ADD VALUE LABELS Q1.7

17 'Sebeta'
18 'Modjo'
19 'Wonji'.

Q1.8a		Woreda
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ADD VALUE LABELS Q1.8a

601 'DireDawa'
602 'Harere'
603 'Kaliti'
604 'Bole'
605 'Woreda Simen'
606 'Woreda Debub'
607 'Quiha'
608 'Adwa'
609 'Adea Liben'
610 'Bishoftu'
611 'Modjo town'
612 'Adama (Nazareth)'
613 'Adigrat'
614 'Alemgena'
615 'Gonder'
616 'BahirDar'
617 'Kirkos'
618 'Lume'
622 'Shashemene'
623 'Wonago'
624 'Awash Zuria'
625 'Dara (under Sidama zone)'.

Q1.8b		Sub-City (<i>in case of the capital city</i>):
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ADD VALUE LABELS Q1.8b

101 'Taiwan'
102 'Dechatu'
103 'Dipo'

- 104 'Legahare'
- 105 'Kafera'
- 106 'Bote'
- 107 'Andegna Menged'
- 108 'Conel'
- 109 'Ashewa'
- 110 'Shenkor'
- 111 'Kella'
- 112 'Arategna'
- 113 'Kefira'
- 114 'Feress Megalla'
- 115 'Hamaressa'
- 116 'Ginealla'
- 117 'Adere Tiko'
- 118 'Greek Camp'
- 119 'Number One'
- 120 'Gende Kore'
- 121 'Shewaber'
- 122 'Arada'
- 123 'Lideta'
- 124 'Akaki Kaliti'
- 125 'Bole'
- 126 'Nifas Silk Lafto Sub-City'
- 127 'Kirkos Sub-City'
- 128 'Yeka Sub-City'
- 129 'Addis Ketema Sub-City'
- 130 'Kolfe Sub-City'
- 131 'Sebeta'
- 132 'Modjo'
- 133 'Gulele Sub-City'
- 134 'Bahil Adarash'
- 135 'Menaharia'
- 136 'Mehal Ketema'.

Q1.9 Kebele

Q1.10 House Number

Q1.11 Is this establishment located in export processing or other industrial zone?
1 = Yes 2 = No -99 = DK

Q1.12 FIRM SIZE Group (*using sampling size stated below*)
1 = Small >5 and <=49 2 = Medium > 50 and <= 249 3= Large > 250

Q1.13 Time face-to-face interview begins:

Hour	Minutes	AM/PM
<input type="text"/>	<input type="text"/>	<input type="text"/>

Q1.14	Was this enterprise interviewed in a similar previous (2002) survey?
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1 = Yes 2 = No -99 = DK

	Name	Date (DD/MM/YY)	Signature
Interviewer			

Add value labels Interv_Name

- 1 'Fetene Belayhun'
- 2 'G/Hiwot Hiluf'
- 3 'Abdulaziz Aberare'
- 4 'Tewodros Tebekew'
- 5 'Mehabuba Ahmed'
- 6 'Lemlem Amare'
- 7 'Daniel Ayalew'
- 8 'Mengistu Beshir'
- 9 'Tewodros Mekonnen'
- 10 'Yordanos Mekonnen'
- 11 'Sewasew Paulos'
- 12 'Temesgen Aragaie'
- 13 'Ayele Menberu'
- 14 'Abera Mekonnen'
- 15 'Adanech Dutu'
- 16 'Tadesse Yadeta'
- 17 'Mouez Mulugeta'
- 18 'Abera Hailu'
- 19 'Essey Takele'
- 20 'Johnny Bindera'
- 21 'Shitaye Tilahun'
- 22 'Gashew Bekele'
- 23 'Zelalem Hailegorgis'
- 24 'Berihanu Hailesilasie'
- 25 'Ayanew Amogene'
- 26 'Fetene Tsehay'
- 27 'Adam G/Yesus'
- 28 'Biruke Tefera'.

Enumeration validated by			
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Supervisors

- 1 'Dejene Tefera'
- 2 'Gemechu Ayana'
- 3 'Negusse G/Hiwot'
- 4 'Gebregziabher Naizgi'
- 5 'Kiflu Gedefe'
- 6 'Tadesse Mezegebo'
- 7 'Abebaw Achameleh'
- 8 'Tadesse Ababu'.

Data Entry operator			
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2. GENERAL INFORMATION

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

Please keep in mind that questions 2.1a - 2.5c apply to the firm including all its establishments (factories, stores and/or service outlets). After these questions, the rest of the questionnaire is directed solely to establishment-level issues. But, if it is only this establishment, all questions are directed to the establishment.

Q2.1a Is this establishment part of a larger firm?

Yes, part of a larger firm	1
No, it is a firm on its own	2
Don't know	-99

GO TO QUESTION 2.2
GO TO QUESTION 2.2

Q2.1b Does this establishment maintain its own separate financial statements?

1 = Yes 2 = No -99 = DK

Q2.2 What is this firm's current legal status?

1=Publicly listed company
2=Private held, limited company

3= Sole proprietorship
4= Partnership

5= Other (SPECIFY) _____

ADD VALUE LABELS Q2.2

6 "Government owned"

9 'Joint venture'

10 'Share company'

11 'Privately held limited association'.

Q2.3 What percent of this firm is owned by each of the following:

Q2.3a	<input type="text"/>	Private Sector: domestically-owned %
Q2.3b	<input type="text"/>	Private Sector: foreign-owned %
Q2.3c	<input type="text"/>	Government/State %
Q2.3d	<input type="text"/>	Endowment Fund %
Q2.3e	<input type="text"/>	A Regional Development Association %
Q2.3f	<input type="text"/>	Other (specify) _____ %

INTERVIEWER: CHECK TOTAL ADDS UP TO 100%

Q2.4 What percent of this firm does the largest shareholder(s) own?

Q2.5a Are any of the principal owners females?

1 = Yes 2 = No -99 = DK -77 = Not Applicable

Q2.5b What is the ethnic origin of the principal/majority owner (s)?

1 = African 3= Lebanese/Middle Eastern 5= European/Caucasian -99 = DK

2 = Indian

4= Other Asian

6= Other

-77 = NA

Q2.5c		If the principal/majority owner (s) is Ethiopian, which ethnic group is he/she from?
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1 = Oromo

3= Tigrayan

5= Harari

7 = Mixed

2 = Amhara

4= Guraghe

6= Other-Southern

-99 = DK

-77 = NA

ADD VALUE LABELS Q2.5c

8 'Somalie'

9 'Argoba'

10 'Afar'.

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:**Now, I want to ask you a couple of questions about when and how operations in this establishment began.**

Q2.6		In what year (in GC) did this establishment begin operations?
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Q2.7		How many permanent, full-time employees did this establishment employ when it started operations?
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Q2.8		How many years of experience working in this sector does the top manager have?
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Q2.9		What is the highest level of education of the top manager?
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Did not complete secondary school	1
Secondary School	2
Vocational Training	3
Some university training	4
Graduate degree (BA, BSc etc.)	5
Masters of Business Administration (MBA) from university in this country	6
Masters of Business Administration (MBA) from university in another country	7
Other post graduate degree (Ph.D, Masters) from university in this country	8
Other post graduate degree (Ph.D, Masters) from university in another country	9
Don't Know	-99

3. INFRASTRUCTURE AND SERVICES

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

Now, we turn to the establishment's operations in fiscal year [2004/05].

The following topic is infrastructure and infrastructure services. The questions that follow are trying to assess how infrastructure and infrastructure services affect this establishment

Q3.1 In fiscal year **2004/05**, what percent, in terms of annual revenue, of shipments to its customers were transported by this establishment's own transport?

Q3.2 Over fiscal year **2004/05**, did this establishment experience power outages?

Yes	1
No	2
Don't know	-99

Q3.3a Over the course of fiscal year **2004/05**, did this establishment own or share a generator?

Yes	1
No	2
Don't know	-99

GO TO QUESTION 3.4a

GO TO QUESTION 3.4a

Q3.3b In fiscal year **2004/05**, what percent of this establishment's electricity came from a generator or generators that the establishment owned or shared?

Q3.4a Over fiscal year **2004/05**, did this establishment experience insufficient water supply for production?

Yes	1
No	2
Don't know	-99
Not Applicable	-77

GO TO QUESTION 3.5

GO TO QUESTION 3.5

Q3.4b In a typical month, over fiscal year **2004/05**, how many incidents of water shortages does this establishment experience? Average number (incidents/month)

INTERVIEWER: IF THE RESPONDENT SAID NONE, WRITE 0

Q3.4c In a typical month, over fiscal year **2004/05**, if this establishment experienced insufficient water supply for production, how long did the average water shortage last? Average duration (hours/incidence)

INTERVIEWER: IF THE RESPONDENT SAID NONE, WRITE 0

Q3.5		In fiscal year 2004/05 , what percent of this establishment's water supply, used in the production process, was from public sources? %
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INTERVIEWER: IF THE RESPONDENT SAID NONE, WRITE 0

Q3.6 In its communications with clients and suppliers, does this establishment use any of the following? [**1 = Yes, 2 = No, -99 = Do not know**]

Q3.6a		E-mail
Q3.6b		Its own Website

Q3.7		If your firm does not use e-mail or a website to communicate with clients and suppliers, what is the primary reason:
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1= Cost of software /hardware and maintenance

2= Cost of internet connection

3= Lack of skilled/experienced staff

4= Other (**SPECIFY**) _____

-99 = DK

ADD VALUE LABELS Q3.7

5 'No need/not important'

6 'Not acquainted with e-mail and website'

7 'Telecommunication authority's cumbersome procedural problems'

8 'Customers are not internet users'

9 'It is underway/ on process'.

Q3.8	<p>As I list some of many factors that can affect the current operations of a business and opportunities for its growth, please tell me if you think that each factor is No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.</p> <p>Is electricity No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?</p> <p>Is transportation, of goods, supplies, inputs and workers, No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?</p> <p>Are telecommunications No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?</p>
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[Use the following codes: 0 = No obstacle, 1= Minor obstacle, 2= Moderate obstacle, 3= Major obstacle, 4= Very severe obstacle, -99= Don't know]

Q3.8a		Electricity
Q3.8b		Transportation
Q3.8c		Telecommunications

4. SALES AND SUPPLIES

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

The next topic to be covered is how and where this establishment makes its sales and how and from where this establishment obtains inputs required for production.

Q4.1

For fiscal year **2004/05**, did this establishment subcontract any part of this establishment's production line to other firms?

1 = Yes 2 = No -99 = DK

Q4.2 In fiscal year **2004/05**, what were this establishment's two main products represented by the largest proportion of annual revenue?

INTERVIEWER: FOR "CODE" SHOW LISTS OF ISIC-REV3, 4-DIGITS CODE OF THE CORRESPONDING SECTOR TO WHICH THE ESTABLISHMENT BELONGS.

	Description	Code	% of total revenue
1.First			
2.Second			

INTERVIEWER: TOTAL DOES NOT NECESSARILY ADD UP TO 100%

ADD VALUE LABELS Q4.2_1b Q4.2_2b

- 1 'Bed'
- 2 'Table and chair'
- 3 'Electric mitad (oven) for injera'
- 4 'Household and office furniture'
- 5 'Chair and school desks'
- 6 'Mill stone (Grain mill)'
- 7 'Modification of spare parts'
- 8 'Dresses'
- 9 'Men's trousers'
- 10 'Traditional clothe (Netela)'
- 11 'Bottled mineral water'
- 12 'Purified water'
- 13 'Bread'
- 14 'Macaroni'
- 15 'Metal and wood works'
- 16 'Cupboard'
- 17 'Sofa dress or manufacturing of sofa sits'
- 18 'Napkins (pillow dresses)'
- 19 'Selling of fabrics'
- 20 'Edible oil'
- 21 'Oil cake (by products)'
- 22 'Uniforms'
- 23 'Wheat flour'
- 24 'Pasta/Spaghetti'
- 25 'Maintenance of machines'
- 26 'Alcoholic and non-alcoholic beer'
- 27 'Alcoholic draft beer'
- 28 'Candy'
- 29 'Wood product (Comporsato)'
- 30 'Lumber (prefabricated houses/partitions)'
- 31 'Cleaned green coffee'
- 32 'Roasted and grinded coffee'

- 33 'Button'
- 34 'Tea'
- 35 'Tent'
- 36 'Sleeping bag'
- 37 'Skirts'
- 38 'Shorts'
- 39 'Shirts'
- 40 'Coats and jackets'
- 41 'Biscuits'
- 42 'Men suit and vest'
- 43 'Medals and badges'
- 44 'Ladies clothe'
- 45 'Producing and selling of men shoes'
- 46 'Children shoes'
- 47 'Electrical mitad (oven) for bread'
- 48 'Cigarettes'
- 49 'Candle'
- 50 'Ouzo'
- 51 'Jin'
- 52 'Nylon or cotton yarn production'
- 53 'Church cloth or traditional men clothes'
- 54 'Overall (Tuta)'
- 55 'Rain coats'
- 56 'Sewing thread'
- 57 'Sweater'
- 58 'Leather dripping and bags (cloth)'
- 59 'Holster in leather'
- 60 'Supplementary food (Famex)'
- 61 'Bertta'
- 62 'Leather articles (belt)'
- 63 'Potato chips'
- 64 'Corn /chips'
- 65 'Galvanized iron sheets'
- 66 'Plastic or metal water pipes'
- 67 'Home textile'
- 68 'Maize (corn) flour'
- 69 'Molding'
- 70 'Pin and hook'
- 71 'Powder drink'
- 72 'Snacks'
- 73 'Reinforcement'
- 74 'Doors and windows'
- 75 'Flour by product (Ferusheka)'
- 76 'Cake'
- 77 'Doors'
- 78 'Windows & window cover which is made of metal'
- 79 'Producing fabrics'
- 80 'Milk'
- 81 'Milk products (butter, cheese, etc)'
- 82 'Vegetables from own farm'
- 83 'Sugar'
- 84 'Dairy cow feed (fodder)'
- 85 'Poultry feed'
- 86 'Gown (overcoats)'
- 87 'Assembly of tractors'
- 88 'Seed cleaning machine'
- 89 'Concrete mixer'
- 90 'Sports wear'

- 91 'T-shirts'
- 92 'Polo-Shirts'
- 93 'Trailer'
- 94 'Full tank (reservoir)'
- 95 'Beehives'
- 96 'Triddle pump'
- 97 'Ethanol'
- 98 'PCC (Port land Pozo land cement)'
- 99 'OPC (Ordinary port land cement)'
- 100 'Apparel'
- 101 'Leather jackets and bags'
- 102 'Pickled sheep skin'
- 103 'Wet blue goat and cow skin'
- 104 'Shoe upper'
- 105 'Shoe sole'
- 106 'Fruits'
- 107 'Leather machine service'
- 108 'Bottled beer and draft'
- 109 'By products of brewery factory'
- 110 'Incubator'
- 111 'Agricultural, industrial and construction materials/equipments'
- 112 'Service and maintenance of agricultural equipment & accessories'
- 113 'Gear'
- 114 'Dirt Bin'
- 115 'Animal/oxen fattening'
- 116 'Grain grinding'
- 118 'Work wear'
- 119 'Camouflage set'
- 120 'Blanket'
- 121 'Sheep skin'
- 122 'Hides'
- 123 'Home furnishing'
- 124 'Flour protocol (Yewofecho goat)'
- 125 'Bologna'
- 126 'Iodized salt'
- 127 'Spices and red powdered pepper'
- 128 'Miranda/soft drink'
- 129 'Pepsi/soft drink'
- 130 'Saint Gorge beer'
- 131 'Bati beer'
- 132 'Men and women clothes patterning and designing'
- 133 'Bricks/blockets'
- 134 'Tubes made of cement'
- 135 'Tiles'
- 136 'Vehicle spring (Balestera)'
- 137 'Tonic'
- 138 'Tailoring service'
- 139 'Tyre repair'
- 140 'Break repair'
- 141 'Shoe repair'
- 142 'School and other uniform tailoring'
- 143 'Women traditional clothes making'
- 144 'Retail/selling of various food items'
- 145 'Various merchandizing products'
- 146 'Photo frame'
- 147 'Cotton mattress production'
- 148 'Air pressurizing'
- 149 'Decorated car clothes'

150	'Manufacturing of souvenirs/cultural gift goods'
151	'Sales of electronics (computer & computer accessories)'
152	'Maintenance of electronics/computer'
153	'Sale of women ready made clothes'
154	'Sale of men ready made clothes'
155	'Sale of construction wood (Atena)'
156	'Kolo'
157	'Dabo kolo'
158	'Book printing'
159	'Commercial printing'
160	'Glass and bottles'
161	'Coca cola/ Soft drinks'
162	'Fanta, sprint/Soft drinks'
163	'Corrugated EGA'
164	'Paints'
165	'Different brands of men shoes'
166	'Kork'
167	'Can'
168	'Nail'
169	'Barbed wires'
170	'Wallet'
171	'Lap top bags'
172	'Home fashion accessories'
173	'Baltena food'
174	'Coffee bags'
175	'Grain bags'
176	'Crate'
177	'Umbrella'
178	'Battery (Dry cell)'
179	'Pick axe'
180	'Shovel'
181	'LPG'
182	'Coffee washing machine'
183	'Dry coffee hunner'
184	'Timber'
185	'Wood byproduct'
186	'Tubes which made of tyre'
187	'Tyre'
188	'Under wear (Kanitera)'
189	'Plastic shoes'
190	'Corasogh Blend'
191	'Supplementary food (Fafa)'
192	'Shoe lace'
193	'Socks'
194	'Hospital equipment'
195	'Vegetable ghee and margarine'
196	'Boots cover'
197	'Canvas shoe'
198	'Fruit, vegetables and utensils shop'
199	'Brush'
200	'Pipe and its accessories'
201	'Sale of cement'
202	'Sale of female shoes (ready made)'
203	'Locker box'
204	'Selling of cleaning agents'
205	'Rent of video cassettes'
206	'Photocopy service and secretarial service'
207	'Binding'

- 208 'Textile'
 209 'Selling of mobile apparatus'
 210 'Making (sewing) of curtains'
 211 'CDs (renting and selling)'
 212 'Water hoze'.

Q4.3 In fiscal year **2004/05**, what percent of this establishment's sales were:

Q4.3a		Sold domestically % [IF 100, GO TO QUESTION 4.12]
Q4.3b		Exported indirectly (sold domestically to third party that exports products) % [IF 100, GO TO QUESTION 4.10]
Q4.3c		Exported directly % [IF 0, GO TO QUESTION 4.10]

INTERVIEWER: SUM MUST ADD UP TO 100 PERCENT

Q4.4		For fiscal year 2004/05 , what were this establishment's average size of total transport cost (to the port of exit) as a share of export value? % - Transport cost as Percent of total export value
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Q4.5 For fiscal year **2004/05**, what percent of this establishment's annual export revenue were to the top four main export destination countries:

Export Destination Country	% of total export revenue
a.	
b.	
c.	
d.	

ADD VALUE LABELS Q4.5a_1 Q4.5b_1 Q4.5c_1 Q4.5d_1

- 1 'Saudi Arabia'
- 2 'Japan'
- 3 'German'
- 4 'France'
- 5 'Djibouti'
- 6 'USA'
- 7 'EU'
- 8 'Portugal'
- 9 'Italy'
- 10 'China'
- 11 'Malaysia'
- 12 'Indonesia'
- 13 'Hong Kong/China'
- 14 'Turkey'
- 15 'Korea'
- 16 'Greek'
- 17 'Sudan'
- 18 'Yemen'
- 19 'Israel'
- 20 'South Africa'
- 21 'United Arab Emirates'
- 22 'Kenya'
- 23 'Slovakia'
- 24 'Philippines'

25 'Romania'
26 'Australia'.

Q4.6	
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For fiscal year **2004/05**, when exporting directly, what is the main border crossing that this establishment used?

1 = Land port

2= Air port

3= Sea port

Q4.7a	
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For the following question, please refer to the port or border crossing you mentioned above: In fiscal year **2004/05**, when this establishment **exported goods directly**, what was the average number of days that it took from the time this establishment's goods arrived to their point of **exit** (e.g., port, airport) until the time these goods cleared customs? [Average number of days to clear customs]

INTERVIEWER: IF THE RESPONDENT SAID LESS THAN ONE DAY, WRITE 0

Q4.7b	
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For the following question, please refer to the port or border crossing you mentioned above: In fiscal year **2004/05**, when this establishment **exported goods directly**, what was the longest number of days it took from the time this establishment's goods arrived at their point of **exit** (e.g., port, airport) until the time these goods cleared customs? [Longest number of days to clear customs]

INTERVIEWER: IF THE RESPONDENT SAID LESS THAN ONE DAY, WRITE 0

Q4.7c	
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For the following question, please refer to the port or border crossing you mentioned above: In fiscal year **2004/05**, when exporting goods directly, what were the total costs to clear the port or crossing for a typical consignment as a percent of the consignment value. In calculating total costs, please include things such as payments to clearing agents, storage fees, container handling fees, and gifts or informal payments to customs officials?

Q4.7d	
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Out of the clearing costs mentioned above, what proportion were gifts and/or informal payments to customs officials? (**Total clearing costs taken as 100%**)

INTERVIEWER: IF THE RESPONDENT REFUSES TO RESPOND, WRITE -88

Q4.8	
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In fiscal year **2004/05**, what percent of the consignment value of the products shipped for **direct export** was lost while in transit because of **theft**?

INTERVIEWER: IF THE RESPONDENT SAID NO LOSSES, WRITE 0

Q4.9	
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In fiscal year **2004/05**, what percent of the consignment value of the products shipped for **direct export** was lost while in transit because of **breakage or spoilage**?

INTERVIEWER: IF THE RESPONDENT SAID NO LOSSES, WRITE 0

Q4.10	
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In what year (in GC) did this establishment first export directly or indirectly?

Q4.11		Barrier to exports: From the list of obstacles in this card, please identify the most significant factor that impedes or completely inhibits this establishment from exporting? (SHOW CARD)
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Use codes from the following examples

Shipping and transport costs	1
Costs of obtaining visas for immigration of temporary and permanent employees	2
Cost of meeting foreign legal and product standards	3
Inability to produce to potential clients' standards and specifications	4
Inability to produce to potential clients' schedule	5
Cannot match prices of domestic competitors who export	6
Cannot match prices of foreign competitors	7
Foreign clients demand upgrades and changes in specifications too frequently	8
Recovering payments from abroad is difficult	9
Supplying the domestic market is relatively more profitable	10
Costs of establishing a foreign distribution network (and where applicable after sales service)	11
Domestic content requirements (rule of origin)	12
Customs procedures and administration	13
Non-custom related problems such as time and cost of pre-shipment activities (inspection, packaging, transport), loading/unloading at factory gate, roadblocks and related charges, etc.	14
Lack of reliable supplier of inputs or intermediary materials/raw materials of the required quality	15
Working capital to produce goods for export market	16
Specialized technology required to meet foreign market needs	17
Other (specify) _____	18

ADD VALUE LABELS Q4.11

- 19 'Cannot fulfill the interest of domestic market'
- 20 'Shortage of raw materials'
- 21 'Costs of raw materials is high in domestic markets'
- 22 'Lack of premises (working area)'
- 23 'Lack of standard at country level'
- 24 'The firm does not want to join the export market'
- 25 'Lack of information & exposure to the export markets'
- 26 'There is still unmet demand locally'
- 27 'Do not have any idea and plan at all'
- 28 'Lack of capacity to produce for the export market'
- 29 'Banks prolonged procedure to open letter of credit'
- 30 'The producers are already available in the international market'
- 31 'There is no barrier (no problem)'.

Q4.12 In fiscal year **2004/05**, what percent of this establishment's domestic sales were to:

Q4.12a		Traders/Merchants intermediaries %
Q4.12b		Government or government agencies (including state-owned enterprises)? %
Q4.12c		This establishment's parent company or affiliated subsidiaries? %
Q4.12d		Private firms (non-affiliated)? %
Q4.12e		Individuals (non-family and friends) %
Q4.12f		Individuals (relatives/family and friends) %
Q4.12g		NGOs

INTERVIEWER: CHECK THAT THE TOTAL IS 100%

Q4.13		In fiscal year 2004/05 , what percent of the consignment value of products this establishment shipped to supply domestic markets was lost while in transit because of theft ?
--------------	--	--

INTERVIEWER: IF THE RESPONDENT SAID NO LOSSES, WRITE 0

Q4.14		In fiscal year 2004/05 , what percent of the consignment value of products this establishment shipped to supply domestic markets was lost while in transit because of breakage or spoilage ?
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INTERVIEWER: IF THE RESPONDENT SAID NO LOSSES, WRITE 0

Q4.15 In fiscal year **2004/05**, as a proportion of all of the material inputs and/or supplies purchased that year, what percent of this establishment's material inputs and/or supplies were: [% of **total annual purchases of material inputs and/or supplies**]

Q4.15a		Of domestic origin %
Q4.15b		Of foreign origin % [IF 0, GO TO QUESTION 4.22]

INTERVIEWER: CHECK THAT THE TOTAL IS 100%

Q4.16		If you import directly: In fiscal year 2004/05 , what share of your total number of import shipments on average was physically inspected? [As % of number of import shipments]
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Q4.17		In fiscal year 2004/05 , when this establishment imported goods , what was the average number of days that it took from the time goods arrived to their point of entry (e.g. port, airport) until the time these goods could be claimed from customs? [Average number of days to clear customs]
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INTERVIEWER: IF THE RESPONDENT SAID LESS THAN ONE DAY, WRITE 0

Q4.18		In fiscal year 2004/05 , when this establishment imported goods what was the longest time, in days, that it took from the time goods arrived to their point of entry (e.g. port, airport) until the time these goods could be claimed from customs? [Longest number of days to clear customs]
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INTERVIEWER: IF THE RESPONDENT SAID LESS THAN ONE DAY, WRITE 0

Q4.19		At the time this establishment receives delivery of its imported most important input, how many days of stock, measured in days of production, is available? [Days of inventory of main input]
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INTERVIEWER: IF RESPONDENT REQUIRES CLARIFICATION, DEFINE AS STOCK ON HAND

Q4.20		By how much has the average price of your imported inputs changed during the last three years in terms of Birr? [Average price % change of imported inputs]
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Q4.21		Please tell me if you think that customs and trade regulations are No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.
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0 = No obstacle

2= Moderate obstacle

4= Very severe obstacle

1= Minor obstacle

3= Major obstacle

-99= Don't know

Q4.22 For fiscal year **2004/05**, what percent of your customers' purchase orders were:

Q4.22a		Written [% of order]
Q4.22b		Oral, without witness [% of order]
Q4.22c		Oral, with witness [% of order]

Q4.23		For fiscal year 2004/05 , what percent of your sales was cancelled because you failed to deliver on time?
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Q4.24		For fiscal year 2004/05 , what percent of your sales was returned due to inadequate quality/standard?
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Q4.25		For fiscal year 2004/05 , what percent of your sales on credit was not paid at the agreed date?
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Q4.26		For fiscal year 2004/05 , what percent of your sales on credit was never paid?
--------------	--	---

Q4.27		If you have a dispute with a customer, do you think your other customers will find out about it?
--------------	--	--

1 = Yes 2 = No -99 = DK

Q4.28		Do you normally refuse to deal with a customer that has dealt unfairly with other businesses?
--------------	--	---

1 = Yes 2 = No -99 = DK

Q4.29		Do you think that other businesses will refuse to deal with a customer that has dealt unfairly with you?
--------------	--	--

1 = Yes 2 = No -99 = DK

Q4.30		For fiscal year 2004/05 , referring to the primary supplier of this establishment's main input, how long has this establishment been purchasing from this supplier? [Years of relations with primary supplier]
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INTERVIEWER: IF THE RESPONDENT SAYS LESS THAN ONE YEAR, CODE AS 0

Q4.31 For fiscal year **2004/05**, what share of your orders for supplies are:

Q4.31a		Written [% of order]
Q4.31b		Oral, without witness [% of order]
Q4.31c		Oral, with witness [% of order]

Q4.32		For fiscal year 2004/05 , what percent of your inputs/supplies orders did you return/cancel due to inadequate quality/standard?
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Q4.33 Referring to the last fiscal year, what share of your supplies are located:

Q4.33a		In your city [% of supplies]
Q4.33b		Outside of your city but within Ethiopia [% of supplies]
Q4.33c		Abroad [% of supplies]

INTERVIEWER: CHECK THAT THE TOTAL IS 100%

Q4.34		Do you receive inputs/supplies on credit from a supplier? 1 = Yes 2 = No -99 = DK
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Q4.35		What share of your inputs/supplies purchases last fiscal year did you pay for late? [Percent inputs/supplies purchases paid for late]
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Q4.36		If you have a dispute with a supplier, do you think your other suppliers will find out about it? 1 = Yes 2 = No -99 = DK
--------------	--	--

Q4.37		Do you think that other businesses will refuse to deal with a supplier that has dealt unfairly with you? 1 = Yes 2 = No -99 = DK
--------------	--	--

Q4.38		Before you start working with a new supplier, what is your main source of information about him/her? (SHOW CARD)
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Other businessmen who have products similar to yours	1
Other suppliers or customers	2
Business association	3
Government agency	4
Your own research	5
Family & friends	6
Other (SPECIFY)	7

ADD VALUE LABELS Q4.38

8 'Quality and price it provides'

9 'Tender'

10 'Advertisement'

- 11 'Business agent (Intermediaries/brokers)'
- 12 'Searching through internet'
- 13 'Friends on this line of business'
- 14 'Auction announcement'
- 15 'The new supplier is situated in the property of my establishment'
- 16 'The suppliers themselves contacted us for business ties'
- 17 'Through own research/effort'
- 18 'Through chamber of commerce'.

Q4.39

How do you mainly make contact with new suppliers? (Select the most important way) (SHOW CARD)?

Through family or friends	1
Former co-workers or former employer	2
Through business acquaintance	3
Through a government agency	4
They contacted you	5
You advertised	6
Trade fair/exhibition or conference	7
Other (SPECIFY)	8

ADD VALUE LABELS Q4.39

- 9 'Direct contact'
- 10 'Tender'
- 11 'Searching through internet'
- 12 'Through business agent (Brokers)'
- 13 'Through market assessment (survey)'
- 14 'Through advertisement'
- 15 'Based on the quality of sample that the new supplier dispatches/offers'.

Q4.40

What gives you the most confidence in a new supplier? (select one) (SHOW CARD)?

You see him/her everyday (personal knowledge/acquaintance)	1
Lives in the same city as you	2
Belongs to the same nationality/ethnic group/tribe as you	3
Belongs to your association or club (including Iddir, Iqub, etc.)	4
Belongs to the same religion as you	5
Other (SPECIFY) _____	6

ADD VALUE LABELS Q4.40

- 7 'On time delivery (considerable price)'
- 8 'Written agreement'
- 9 'Reputation of the company'
- 10 'Belongs to the same business'
- 11 'Quality of inputs and respective price'
- 12 'Setup of the company'
- 13 'Recommended by others'

- 14 'Have to follow legal procedure'
- 15 'Must have permanent addresses'
- 16 'Government owned companies'
- 17 'The bank in which our supply use'
- 18 'Good conduct and manner'
- 19 'If it avoids credit facility'
- 20 'Availability of stock'
- 21 'Testing the quality of their input using internationally accepted measurements'
- 22 'On the type of guarantee the supplier provides'
- 23 'Through receiving sample products & subsequent fulfillment of the specification'.

5. DEGREE OF COMPETITION

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

Now we turn to the topic of competition. We are interested in knowing how much and what kind of competition this establishment faces in the market that you consider to be this establishment's main market.

Q5.1 For fiscal year **2004/05**, for the main market in which this establishment sold its main product, how many competitors did this establishment's main product/product line face?

0 = None

1 = One

3 = 2-5

4 = 6-10

5 = More than 10

-99 = Don't know

Q5.2 For fiscal year **2004/05**, what percentage of sales went to this establishment's most important buyer?

1 = Less than 10 percent

2 = 10-25 percent

3 = 25-50 percent

4 = 50-99 percent

5 = 100 percent

-99 = Don't know

Q5.3 Referring to this establishment's main product line, and for fiscal year **2004/05**, what share of the local market belongs to this establishment? %

Q5.4 Referring to this establishment's main product line, and for fiscal year **2004/05**, what share of the national market belongs to this establishment? %

Q5.5 How important are the following factors in reducing production costs of existing products/improving efficiency in this establishment?:

[Use the following codes: 1 = Not at all important, 2 = Slightly important, 3 = Fairly important, -99 = Don't know, -77 = NA]

Q5.5a

Pressure from domestic competitors

Q5.5b

Pressure from foreign competitors

Q5.6 Please tell me if you think that the **practices of competitors in the informal sector** are No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.

0 = No obstacle

1 = Minor obstacle

2 = Moderate obstacle

3 = Major obstacle

4 = Very severe obstacle

-99 = Don't know

Q5.7 Thinking about this establishment's major area of business or product and the main market it supplies to, what percentage of establishments do you think exited/run out of business during the last three years? [Percent of establishments exited in last three years]

Q5.8 For a typical establishment in your major area of business that exited during the last three years, what do you think are the two most important reasons for exit? *[Use the following codes: 1= High tax rates, 2= Foreclosure laws, 3= Access to finance, 4= Competition from domestic firms, 5= Competition from imported goods, 6= High cost of inputs, 7= Lack of demand, 8= Other (SPECIFY) _____, -99= Don't know]*

Q5.8a		First major reason
Q5.8b		Second major reason

ADD VALUE LABELS Q5.8a Q5.8b

- 9 'Poor service'
- 10 'Massive in flood of aid food'
- 11 'Excessive flooding of illegally imported goods'
- 12 'Diversification'
- 13 'Political problem'
- 14 'Competition from informal sectors'
- 15 'No protection from government for imports from China'
- 16 'Disagreement between shareholders'
- 17 'Lack of business skill, information and knowledge'
- 18 'Shortage of inputs'
- 19 'Lack of working place (premise) or lack of access to land'
- 20 'Electricity'
- 21 'Lack of managerial efficiency'
- 22 'Death of owners'
- 23 'Technical capacity constraints'
- 24 'Lack of working capital'
- 25 'Exorbitant rent price'
- 26 'Stringent procedure set by the Ethiopian Standardization & Quality Authority'
- 27 'Unstable working place or location disadvantage'
- 28 'Discriminatory approach of VAT registration procedure'
- 29 'Inappropriate technology'
- 30 'Poor infrastructures (i.e. poor road condition)'.

6. EXPECTATIONS AND CAPACITY UTILIZATION

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

We now turn to the topic of your expectations with respect to the volume of sales in the near future and this establishment's capacity utilization in fiscal year **2004/05**.

Q6.1a In the next twelve months, what are your expectations for this establishment?

1= To cease operations

3= To maintain sales

-99 = Don't know

2= To have lower sales

4= To increase sales

Q6.1b What percent do you expect the inflation rate will be a year from now? [Current inflation rate is 11.2%]

INTERVIEWER: INSERT MINUS SIGN (-) BEFORE THE FIGURE IF NEGATIVE

Q6.2 In fiscal year **2004/05**, what was this establishment's output in comparison with the maximum output possible using its facilities at the time? If this establishment is using the facilities to the full, answer 100%; if output was 60% of capacity, answer 60%.

Q6.3 If capacity utilisation was less than 100% in fiscal year **2004/05**? (**SHOW CARD**) what was the main reason?

Local raw materials and intermediate inputs shortage	1
Imported raw material and intermediate inputs shortage	2
Lack of working capital	3
Insufficient demand for this establishment's output	4
Skilled labor shortage	5
Unskilled labor shortage	6
Shortage of foreign exchange	7
Lack of necessary specialized technology	8
Others (please specify)	9
Don't know	-99

ADD VALUE LABELS Q6.3

- 12 'Lack of customers in EU market'
- 13 'Regional administration problem'
- 14 'Lack of permit (response) from telecommunication corporation'
- 15 'Competition from unregistered firms'
- 16 'Government policy and its regulation (corruption)'
- 17 'Promotional in efficiency'
- 18 'Frequent breakdown of machinery'
- 19 'Lack of working place'
- 20 'The establishment is new'
- 21 'Outdated machine'
- 22 'Lack of commitment and productive labour'
- 23 'Lack of the required space for machineries'
- 24 'Lack of essential merchandize'
- 25 'Improper VAT registration and unfair assessment'
- 26 'Excess tax levy'
- 27 'Power outage'
- 28 'Rising price of raw materials'.

Q6.4		In fiscal year 2004/05 , how many hours per week did this establishment normally operate?
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7. LAND**READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:**

We change topics and we would like to ask you a couple of questions about land issues.

Q7.1

Please tell me if you think that **access to land** is No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.

0 = No obstacle

2= Moderate obstacle

4= Very severe obstacle

1= Minor obstacle

3= Major obstacle

-99= Don't know

Q7.2

If it is a major or sever obstacle, what is the specific problem? _____

ADD VALUE LABELS Q7.2

- 1 'Lack of prompt response'
- 2 'The land given by the government is not suitable for this type of business'
- 3 'Ethnic discriminatory procedure of exclusion to non-Aderes to have access to land and even working premise'
- 4 'Shortage of capital requirement'
- 5 'Bureaucratic burden to get land'
- 6 'Lease cost and an availability of infrastructure'
- 7 'The government gives land only for speculators not working investors'
- 8 'There is no ample land for such establishments'
- 9 'The government officially denied land for coffee exports in AddisAbaba'
- 10 'Ethnic discriminatory procedure of excluding non-oromos from having land and even working premise'
- 11 'Inflated land lease prices and interest rates'
- 13 'Shortage of land originating from displacement of private owners for various purposes'
- 14 'The land lease policy is not appealing to invest on land'.

Q7.3

How did this establishment obtain most of the land on which its buildings and plants are erected?

1= Inherited/bought the land with the plant/factory

3= Obtained land with lease arrangement

2= Inherited/bought the land before erecting the plant

4= Other, specify _____

ADD VALUE LABELS Q7.3

- 5 'Obtained the land and building from government'
- 6 'Rent the building from private owner'
- 7 'Rent the building from kebele or RHA (Rented houses agency)'
- 8 'Nationalized by the government from previous private holders'.

Q7.4

When did this establishment last acquire a piece of land related to this business (expanding production, building outlet, etc.)? Year ____ G.C.

INTERVIEWER: IF RESPONDENT DOES NOT KNOW WRITE -99

Q7.5 Of the land occupied by this establishment, what percent is: [-99= *Don't know*]

Q7.5a		Owned by this establishment %
Q7.5b		Rented by this establishment %
Q7.5c		Leased by this establishment % [IF 0, GO TO SECTION 8]

INTERVIEWER: UNLESS RESPONDENT DOES NOT KNOW, CHECK TOTAL SUMS TO 100%

Q7.6a		What is the size, in square meters, of the total land on which this establishment has lease agreement for business purpose?
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INTERVIEWER: IF RESPONDENT DOES NOT HAVE LEASE AGREEMENT WRITE -77

Q7.6b		Referring to the most recent acquisition of leased land, from whom did this establishment acquire the land?
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1= Municipality/local government

2= Previous owner

3 = Previous leaseholder

4= Others (specify) _____

5= -99=Don't know

ADD VALUE LABELS Q7.6b

6 'Investment Bureau'

7 'Bought individually'.

Q7.6c		Referring to the most recent acquisition of leased land, what was the size of land on which this establishment completed a lease agreement for business purpose? In Square meters
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Q7.6d		Referring to the establishment's most recent acquisition of leased land, how much is the total cost of the land lease? In Birr
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Q7.6e		Referring to its most recent acquisition of leased land, how much upfront payment did this establishment pay as a percent of total lease cost? [Percent of down payment]
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Q7.6f		Referring to the establishment's most recent acquisition of leased land, how long did the process to acquire this land take; from the date the application was submitted until the date this establishment took possession of the land? [Length of process to acquire land in days]
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Q7.6g		Referring to its most recent acquisition of leased land, how much did this establishment pay as unofficial payments/gifts (if any) for this transaction to take place? [Total unofficial payments in Birr]
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INTERVIEWER: IF RESPONDENT DOES NOT CLAIM UNOFFICIAL PAYMENTS, WRITE 0

INTERVIEWER: IF RESPONDENT REFUSES TO RESPOND WRITE -88

Q7.6h		Referring to the most recent acquisition of leased land by this establishment for business purpose, what is the lease term in years?
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Q7.6i		Does this establishment have the rights to sell its leasehold?
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1 = Yes 2 = No -99 = DK

Q7.6j		How much would the total leasehold be worth if it were put for sale on the market today? [Current market price of leasehold in Birr]
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8. CONFLICT RESOLUTION / LEGAL ENVIRONMENT

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

The next set of questions address business disputes that this establishment may have had with clients/suppliers. The questions are designed to get an idea of how establishments like this one settle these disputes.

Q8.1 In the last two years, how many **business disputes** did this establishment have with another party? By dispute I mean a situation where it was necessary to take some action that involved third parties; for example, seeking arbitration, contacting a collection agency, contacting a lawyer, or filing a law suit.

Q8.2 In the last two years, did this establishment have a dispute with another party over **payments** owed to it?

Yes	1
No	2
Don't know	-99

GO TO QUESTION 8.7

GO TO QUESTION 8.7

Q8.3 What was the **most common** mechanism used (is being used] to resolve these payment disputes? (**SHOW CARD**)

Court Action	1
Federal Government agencies	2
Regional/Municipal government	3
Business association/Chamber of Commerce	4
Informal arbitration (Shimagile)	5
Other (SPECIFY)	6

ADD VALUE LABELS Q8.3

7 'Left without resolving'

8 'Business acquaintance'.

Q8.4 In the last two years, what percent of this establishment's disputes over payments owed to this establishment were resolved by court action (number court resolved divided by all disputes during the last two years as percentage?)

Q8.5a In reference to the most recent resolved dispute for which a legal proceeding was initiated, did resolving this dispute require a court judgment?

Yes	1
No	2
Don't know	-99

GO TO QUESTION 8.5f

GO TO QUESTION 8.5f

Q8.5b If yes, was the judgment in your favor? 1= Yes 2=No

Q8.5c		In reference to the most recent resolved dispute for which a legal proceeding was initiated and a court judgment was made, how many months did it take the courts to come to judgment on this dispute? Calculate time to reach a judgment from the day the establishment first took court action until the moment a judgment was made? [Months for courts to reach judgment]
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INTERVIEWER: IF RESPONDENT DOES NOT KNOW, WRITE -99 AND GO TO QUESTION 8.7

Q8.5d		In reference to the most recent resolved dispute for which a legal proceeding was initiated and a court judgment was made, was the decision of the court enforced?
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Yes	1
No	2
Don't know	-99

GO TO QUESTION 8.7

GO TO QUESTION 8.7

Q8.5e		In reference to the most recent resolved dispute for which a legal proceeding was initiated, a court judgment was made, and judgment was enforced, how many months did the enforcement (execution) of the court judgment take (from the moment of the issuance of the court decision until the moment payment was exchanged?)
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INTERVIEWER: IF RESPONDENT DOES NOT KNOW, WRITE -99 AND GO TO QUESTION 8.6

Q8.5f		In reference to the most recent resolved dispute for which a legal proceeding was initiated, was the dispute resolved out of court?
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Yes	1
No	2
Don't know	-99

GO TO QUESTION 8.7

GO TO QUESTION 8.7

Q8.5g		In reference to the most recent resolved dispute for which a legal proceeding was initiated but the dispute was resolved out of court, how many months did it take to settle this dispute out of court? Calculate time to reach resolution from the day the case was taken for out of court resolution until the moment a decision was made. [Months to reach out of court settlement]
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INTERVIEWER: IF RESPONDENT DOES NOT KNOW, WRITE -77 AND GO TO QUESTION 8.6

Q8.6		In reference to the most recent resolved dispute, how many months did it take to resolve this dispute, from the time the out of court decision was made until the moment you obtained payment? [Months to enforce decision not using courts]
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INTERVIEWER: IF RESPONDENT DOES NOT KNOW, WRITE -99

Q8.7	<p>I am going to read some descriptions of how the court system handles business disputes between private parties. Disputes might include matters of payment for goods or services, liability, and property right enforcement, but not labor disputes. For each description, please tell me if you Strongly disagree, Disagree in most cases, Tend to disagree, Tend to agree, Agree in most cases, or Strongly agree.</p> <p>The court system is (READ EACH DESCRIPTION). Do you Strongly disagree, Disagree in most cases, Tend to disagree, Tend to agree, Agree in most cases, or Strongly agree?</p>
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[Use the following codes: 1 = Strongly disagree, 2= Disagree in most cases, 3= Tend to disagree, 4= Tend to agree, 5= Agree in most cases, 6= Strongly agree, -99= Don't know]

Q8.7a		Fair, impartial and uncorrupted
Q8.7b		Quick
Q8.7c		Affordable
Q8.7d		Able to enforce its decisions

Q8.8		Please tell me if you think that the functioning of the judiciary is No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.
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0 = No obstacle

2= Moderate obstacle

4= Very severe obstacle

1= Minor obstacle

3= Major obstacle

-99= Don't know

9. CRIME

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

We now turn to questions on the issue of crime and how crime may affect the operations of this establishment.

Q9.1 In fiscal year **2004/05**, did this establishment pay for security, for example security equipment, personnel, or professional security services?

Yes	1
No	2
Don't know	-99

GO TO QUESTION 9.3a

GO TO QUESTION 9.3a

Q9.2 In fiscal year **2004/05**, what percent of its total annual revenue is paid for security, or what is the total annual cost of security?

Q9.2a As percent of total annual revenue

Or

Q9.2b Total annual cost of security (Birr)

Q9.3a In fiscal year **2004/05**, has this establishment experienced losses as a result of theft, robbery, vandalism or arson?

Yes	1
No	2
Don't know	-99

GO TO QUESTION 9.4

GO TO QUESTION 9.4

Q9.3b For fiscal year **2004/05**, what are the estimated losses as a result of theft, robbery, vandalism or arson that occurred on this establishment's premises calculated as a percent of annual revenue or the total annual value?

Q9.3b1 As percent of total annual revenue

Or

Q9.3b2 Annual losses (Birr)

Q9.4 Please tell me if you think that **street crime, theft and disorder** is No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.

0 = No obstacle

2= Moderate obstacle

4= Very severe obstacle

1= Minor obstacle

3= Major obstacle

-99= Don't know

10. BUSINESS-GOVERNMENT RELATIONS

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

We next cover the complicated relationship between business and government. The following questions are meant to assess how establishments, such as this one, deals with the relationships with government officials, their agencies, and the rules and regulations these agencies are designed to implement and enforce.

Q10.1	<p>I am going to read some statements that describe business-government relations. For each statement, please tell me if you Strongly disagree, Disagree in most cases, Tend to disagree, Tend to agree, Agree in most cases, or Strongly agree.</p> <p>READ EACH DESCRIPTION. Do you Strongly disagree, Disagree in most cases, Tend to disagree, Tend to agree, Agree in most cases, or Strongly agree?</p>
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[Use the following codes: 1 = Strongly disagree, 2= Disagree in most cases, 3= Tend to disagree, 4= Tend to agree, 5= Agree in most cases, 6= Strongly agree, -99= Don't know]

Q10.1a		“Government officials’ interpretations of the laws and regulations affecting this establishment are consistent and predictable”
Q10.1b		“It is common for establishments in this line of business to have to pay informal payments/gifts to get things done with regard to customs, taxes, licenses, and regulations, etc.”
Q10.1c		“Establishments in this line of business know in advance about how much this informal payment/gift is to get things done.”

Q10.2		Are you familiar with a government policy and strategy to improve the investment climate and promote the development of the private sector?
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1 = Yes 2 = No -99 = DK

Q10.3		Has this establishment participated, directly or through its representative body, in policy discussions with the local, regional or federal government bodies?
--------------	--	--

1 = Yes 2 = No -99 = DK

Q10.4	Please provide your opinion with respect to the relationship between this establishment and the government:
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[Use the following codes: 1 = Very helpful, 2= Mildly helpful, 3= Neutral, 4= Mildly unhelpful, 5= Very unhelpful, -99= Don't know]

Q10.4a		All in all, with respect to this establishment’s business the federal government is:
Q10.4b		All in all, in relation to this establishment’s business the regional or municipal government is:

Q10.5		Based on your experience Please evaluate the following public agencies or services for their overall honesty/integrity
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[Use the following codes: 1 = Very good, 2= Good, 3= Fairly Good, 4= Bad, 5= Fairly Bad, 6= Worst, -99= Don't know]

Q10.5a		Federal Inland Revenue Administration
Q10.5b		Customs
Q10.5c		Ethiopian Telecommunications Corporation
Q10.5d		Ethiopian Electric Power Co.
Q10.5e		The Water and Sewerage Service Agency
Q10.5f		The Police
Q10.5g		Ministry of Trade and Industry
Q10.5h		Municipal administration
Q10.5i		Central government leadership (PM/Cabinet of Ministers)

Q10.6		In a typical week over the last year, what percentage of total senior management's time (e.g. general manager, chairman, director, vice-president, and/or chief officers for operation, finance, but not supervisors) was spent in dealing with requirements imposed by government regulations? (e.g. taxes, customs, labor regulations, licensing and registration) including dealings with officials, completing forms, etc)? [As percent of total senior management's time]
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INTERVIEWER: IF THE RESPONDENT SAID NO TIME WAS SPENT, WRITE 0

Q10.7	Based on the experience of this establishment:		
Interviewer: If Inspection/meeting YES, complete these columns	a) Over the last year, were inspections or meetings carried out by:	b) Over the last year, how many inspections or meetings were carried out by:	c) In any of these inspections or meetings was a gift or informal payment expected or requested?
	1=Yes 2=No -99=DK		Yes=1 No=2 DK=-99 Refuses to respond=-88
	<i>[Q10.7a]</i>	<i>[Q10.7b]</i>	<i>[Q10.7c]</i>
a) Tax inspectorate			
b) Labor and social affairs			
c) Quality Standard Agency			
d) Other			

Q10.8		When establishments like this one do business with the government (Not with Public Enterprises), what percent of the contract value would be typically paid in additional or informal payments/gifts to secure/win the contract? [As percent of the contract value]
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**INTERVIEWER: IF THE RESPONDENT SAID NO PAYMENTS/GIFTS ARE PAID, WRITE 0
IF RESPONDENT REFUSES TO RESPOND, WRITE -88**

Q10.9 We've heard that establishments are sometimes required to make gifts or informal payments to public officials to "get things done" with regard to customs, taxes, licenses, regulations, services etc. On average, what percent of total annual revenue, or estimated value, do establishments like this one pay in informal payments/gifts to public officials for this purpose?

Q10.9a As percent of total annual revenue %

Or

Q10.9b Estimated value (in Birr)

**INTERVIEWER: IF THE RESPONDENT SAID NO PAYMENTS/GIFTS ARE PAID, WRITE 0
IF RESPONDENT REFUSES TO RESPOND, WRITE -88**

Q10.10	Based on the experience of this establishment:		
Interviewer: If application sought YES, complete these columns	a) Over the last two years, has this establishment sought	b) Average wait (days)	c) Was an informal gift or payment expected or requested?
Service or License	Yes=1 No=2 DK=-99	Less than one day=0 NA=-77	Yes=1 No=2 DK=-99 Refuses to respond=-88
	<i>[Q10.10a]</i>	<i>[Q10.10b]</i>	<i>[Q10.10c]</i>
a) A mainline telephone connection			
b) An electrical connection			
c) A water connection			
d) A construction-related permit			
e) An import license			
f) An operating license			

INTERVIEWER: IF THE RESPONDENT SAID NO WAIT, WRITE 0

Q10.11a Recognizing the difficulties many business establishments face in fully complying with taxes and regulations, what **percent of total annual revenue** would you estimate the typical firm in this line of business reports for tax purposes? [Percent of total annual revenue reported]

INTERVIEWER: IF THE RESPONDENT REFUSES TO RESPOND, WRITE -88

Q10.11b Recognizing the difficulties that many business establishments face in fully complying with labor regulations, what **percent of total workforce** would you estimate the typical firm in this line of business reports for tax purposes? [Percent of total workforce reported]

INTERVIEWER: IF THE RESPONDENT REFUSES TO RESPOND, WRITE -88

Q10.12	As I list some of many factors that can affect the current operations of a business and opportunities for its growth, please look at this card and tell me if you think that each factor is No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment. (SHOW CARD) Is/Are (READ EACH CATEGORY) No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?
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[Use the following codes: 0 = No obstacle, 1= Minor obstacle, 2= Moderate obstacle, 3= Major obstacle, 4= Very severe obstacle, -99= Don't know]

Q10.12a		Tax rates
Q10.12b		Tax administration
Q10.12c		Business licensing and permits
Q10.12d		Macroeconomic condition (inflation, exchange rate...)
Q10.12e		Corruption
Q10.12f		Economic Policy Uncertainty/unpredictability
Q10.12g		Political instability

Q10.13 Is this establishment a member of a **(READ EACH CATEGORY)**

[Use the following codes: 1 = Yes, 2= No]

Q10.13a		Business association
Q10.13b		Chamber of Commerce
Q10.13c		Other (SPECIFY) _____

Q10.14	Which of the following services possibly provided by the business association and/or Chamber of Commerce is the most important to this establishment? (SHOW CARD)
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Lobbying government	1
Resolving disputes between members and officials, workers or other firms	2
Providing information and/or contacts on domestic product and input markets	3
Information and/or contacts on international product and input markets	4
Providing accreditation, standards or quality of products; reputational benefits	5
Providing information on government regulations, laws and policies	6
Organising business training, workshops/conferences, tours, etc.	7
Other (SPECIFY)	8

ADD VALUE LABELS Q10.14

9 'No use (No benefit)'

10 'Build trade center (market area)'.

Q10.15 Please evaluate the following aspects of tax administration regarding this establishment's activities, over fiscal year **2004/05**

[Use the following codes: 0 = No problem, 1= Minor problem, 2= Moderate problem, 3= Major problem, 4= Very severe problem, -99= Don't know]

Q10.15a		Availability of information on tax requirements
Q10.15b		Completing tax forms/ filing
Q10.15c		Keeping up with changes in rules and rates
Q10.15d		Tax penalties
Q10.15e		Appeals mechanisms for tax disputes

Q10.16a How much tax in total (all combined) did this establishment pay in fiscal year **2004/05** to: **(READ EACH CATEGORY)**

Q10.16a1		Federal level tax office [in Birr]
Q10.16a2		Regional level tax office [in Birr]
Q10.16a3		Municipal level tax office [in Birr]

INTERVIEWER: IF NO SUCH PAYMENTS WERE MADE, ENTER 0
INTERVIEWER: IF RESPONDENT REFUSES TO ANSWER, WRITE -88

Q10.16b		How much in total fines by the tax authorities (if any) was assessed on this establishment during fiscal year 2004/05 ? [Fines assessed by tax authorities – in Birr]
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INTERVIEWER: IF NO SUCH PAYMENTS WERE MADE, ENTER 0
INTERVIEWER: IF RESPONDENT REFUSES TO ANSWER, WRITE -88

Q10.16c		How much unofficial payments/gifts in total (if any) did this establishment make to tax officials during fiscal year 2004/05 ? [Unofficial payments to tax officials – in Birr]
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INTERVIEWER: IF NO SUCH PAYMENTS WERE MADE, ENTER 0
INTERVIEWER: IF RESPONDENT REFUSES TO ANSWER, WRITE -88

11. RESEARCH AND DEVELOPMENT

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

The next set of questions address issues of technology use, licensing, and research and development. There are some questions about expenses incurred with respect to research and development. It is important that these questions be answered with reference to this establishment's financial statements.

Q11.1 Does this establishment at present use technology licensed from a foreign-owned company? 1 = Yes 2 = No -99 = DK

Q11.2 Does this establishment have an internationally-recognized quality certification? **(SHOW CARD)**

INTERVIEWER: SOME EXAMPLES ARE: ISO 9000, 9002 OR 14000, OR SECTOR-SPECIFIC CERTIFICATIONS SUCH AS HACCP FOR FOOD, AATCC FOR TEXTILES, ISO AND/OR SEI CMM CERTIFICATE FOR IT FIRMS, ETC.

Yes	1
No	2
Don't know	-99

Q11.3 During the last three fiscal years, did this establishment introduce into the market any new or significantly improved products (goods or services)?
1 = Yes 2 = No -99 = DK

Q11.4 During the last three fiscal years, has this establishment introduced any new or significantly improved production processes including methods of supplying services and ways of delivering products? 1 = Yes 2 = No -99 = DK

Q11.5a If 'YES' to any of the above two questions (i.e. if this establishment introduced new processes or methods of supplying services), which of the following do you think had the most important influence on this establishment to develop these new products or methods of supplying services? Learning from, suggestions, or collaboration with:

Other Domestic firms	1
Foreign firms	2
Customers/suppliers	3
Universities/Research institutions	4
Multilateral Agencies	5
Shareholders	6
Government incentives / government agencies	7
Other, SPECIFY _____	8

ADD VALUE LABELS Q11.5a

9 'Own innovation (internal initiation)'

10 'Less demand for local products'

- 11 'Using van sellers'
- 12 'Consultants'
- 13 'Purchase of sophisticated technology'
- 14 'From owner's wealth of experience'
- 15 'By referring update catalogue'
- 16 'Taking self initiative'.

Q11.5b		If 'NO' to any of the above two questions (i.e. if this establishment did not introduce new processes or methods of supplying services), what is the major reason?
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Do not think that innovation is necessary for this type of business	1
Lack of capital to do innovation (it is too costly)	2
Lack of trust on or in-existence of copy-right laws	3
Other (SPECIFY)	4

ADD VALUE LABELS Q11.5b

- 5 'Lack of demand and capital'
- 6 'Poor demand towards locally produced products'
- 7 'No need'
- 8 'Lack of working premises'
- 9 'Our company is new'
- 10 'It is already equipped with good technology'
- 11 'Government creates setback because of its unpredictable plan regarding privatization'
- 12 'Lack of performance (internal problem)'
- 13 'Lack of the required knowledge and skill'
- 14 'Lack of essential technology'
- 15 'The business is at infant stage'.

Q11.6		In fiscal year 2004/05 , did this establishment spend on research and development activities?
		Research and development (R&D) activities include all creative work undertaken on a systematic basis in order to increase the stock of knowledge, and the use of that knowledge to devise new and improved products (goods and services) and processes. Please consider all research and development activities undertaken within this establishment, and/or R&D activities contracted to other companies, and other public or private research organizations and purchased by this establishment.

Yes	1
No	2
Don't know	-99

SKIP NEXT QUESTION
SKIP NEXT QUESTION

Q11.7		<p>In fiscal year [2004/05], how much did this establishment spend on research and development?</p> <p>RESEARCH AND DEVELOPMENT (R&D) ACTIVITIES ARE DEFINED ABOVE. REFER TO THIS DEFINITION IN CASE CLARIFICATION IS REQUIRED.</p> <p>Please include the cost of personnel and related materials and investment expenditures (no depreciation) needed to implement R&D activities.</p> <p>R&D expenditures, purchased or performed in-house in Last Fiscal Year (000s Birr)</p>
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INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -99

Q11.8		<p>Does your current business plan include working in collaboration with a foreign partner to introduce a new product, to enter a new market, to establish a new marketing technique, etc?</p>
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Yes	1
No	2
Don't know	-99

12. INVESTMENT CLIMATE CONSTRAINTS TO THE ESTABLISHMENT

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

The next set of questions is designed to get a general picture of your opinion about the investment climate in your country and city of operations. Please think about all of the issues we addressed in this survey when answering these questions.

Q12.1a You have indicated that several obstacles affect the operation and growth of this establishment. Here is a card with the obstacles I just listed (**HAND RESPONDENT CARD LISTING ALL FACTORS**). Please tell me the three that you think are currently the biggest problem, beginning with the **worst** of all three.

FACTOR
1. Electricity
2. Transportation
3. Access to land
4. Tax rates
5. Tax administration
6. Customs and trade regulations
7. Inadequately educated workforce
8. Labor regulations
9. Business licensing and permits
10. Access to financing (availability/collateral)
11. Cost of financing (interest rates, fees)
12. Macroeconomic instability
13. Political instability
14. Corruption
15. Street crime, theft and disorder
16. Practices of competitors in the informal sector
17. Practices of competitors in the formal sector
18. Functioning of the judiciary
19. Other (Specify) _____

ADD VALUE LABELS Q12.1a1 Q12.1a2 Q12.1a3

- 20 'Shortage of input'
- 21 'Shortage of capital'
- 22 'Massive in flood of aid food'
- 23 'Excessive flooding of illegally imported goods'
- 24 'Competition from imported goods or (unfair competition from foreign companies)'
- 25 'Implementation of government regulation'
- 26 'Availability of raw materials'
- 27 'Telecommunication'
- 28 'Control and regulation'
- 29 'Access to finance due to religious constraints'
- 30 'Lack of market'
- 31 'Rising of input prices'
- 32 'Lack of critical spare parts and specialized technologies'
- 33 'Shortage of water supply'
- 34 'Shortage of spare parts'
- 35 'Bureaucratic burden'.

INTERVIEWER: PLEASE CHECK THAT RESPONDENT UNDERSTANDS DIRECTIONS
1=BIGGEST PROBLEM, 2=SECOND BIGGEST, 3=THIRD BIGGEST

RANK	Factor
BIGGEST PROBLEM	
SECOND BIGGEST	
THIRD BIGGEST	

Q12.1b	Now, I will provide you with another list of factors that are similar to those listed in a previous firm survey (most of which are included in the above list as well). We want the answer in this question to compare it with the previous survey results. Here is a card with the list of obstacles (HAND RESPONDENT CARD LISTING ALL FACTORS). Please tell me the three that you think are currently the biggest problem, beginning with the worst of all the three.
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INTERVIEWER: PLEASE CHECK THAT RESPONDENT UNDERSTANDS DIRECTIONS
1=BIGGEST PROBLEM, 2=SECOND BIGGEST, 3=THIRD BIGGEST

FACTOR
1. NO PROBLEM/NON APPLICABLE
2. OWNERSHIP REGULATIONS
3. TAX REGULATIONS AND/OR HIGH TAXES
4. SKILLED LABOR SHORTAGE
5. LABOR REGULATIONS
6. OBTAINING LAND AND BUILDINGS
7. FOREIGN CURRENCY REGULATIONS
8. LACK OF BUSINESS SUPPORT SERVICES
9. INADEQUATE SUPPLY OF INFRASTRUCTURE
10. UTILITY PRICES
11. INADEQUATE ACCESS TO CREDIT
12. IMPORT REGIME
13. HIGH COLLATERAL REQUIREMENTS
14. HIGH INTEREST RATES
15. INSUFFICIENT DEMAND FOR MY PRODUCTS
16. COMPETITION FROM IMPORTS
17. CRIME AND THEFT
18. OFFICIAL CORRUPTION
19. REGULATIONS FOR STARTING A BUSINESS, NEW OPERATIONS OR EXPANSION
20. BUREAUCRATIC BURDEN
21. POLITICAL INSTABILITY
22. OTHER (SPECIFY) _____

ADD VALUE LABELS Q12.1b1 Q12.1b2 Q12.1b3

- 23 'Shortage of capital and inputs'
- 24 'Old machinery'
- 25 'Shortage of inputs/spare parts'
- 26 'Excessive flooding of illegally imported goods'
- 29 'High inflation'
- 30 'Macro economic instability'
- 31 'Disconnection of electricity'
- 32 'Unfair competitors for inputs from other firms'
- 33 'Government pays unbalanced emphasis to small scale enterprises affecting the larger ones'
- 34 'Prohibitive access to land'.

RANK	Factor
BIGGEST PROBLEM	
SECOND BIGGEST	
THIRD BIGGEST	

Q12.2	In the previous question, I provided you with a list of obstacles to a better business environment. Now I want to know if the government has addressed any of these obstacles with reforms. Here is a card with a list of possible policy reforms that governments may undertake to improve the business environment (HAND RESPONDENT CARD LISTING ALL REFORMS). From this list of reforms, please rank the top three reforms that your national, regional or municipal government implemented in the last year and that have had a positive impact on your business. The top reform should be the one that benefited your business the most.
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REFORMS/changes	
1. Electricity	Improved quality and reliability and/or reduced costs of electricity
2. Transportation	Improved quality and reliability and/or reduced costs of transport
3. Access to land	Reduced time and costs of acquiring land
4. Tax rates	Lowered tax rates
5. Tax administration	Reduced time and complexity of tax compliance and made it fairer
6. Customs and trade regulations	Reduced procedures involved in importing and exporting goods
7. Inadequately educated workforce	Improved education and/or vocational skills of workers
8. Labor regulations	Increased hiring and firing flexibility and/or reduced costs of hiring and firing
9. Business licensing and permits	Reduced time and costs to obtain licenses and permits
10. Access to financing	Increased/easier availability of credit
11. Cost of financing	Reduced cost of finance (interest rates, fees)
12. Macroeconomic instability	Provided a more stable macroeconomic environment
13. Political instability	provided a more stable political environment
14. Corruption	Reduced corruption
15. Street crime, theft and disorder	Reduced street crime, theft and disorder
16. Practices of competitors in the informal sector	Increased regulatory and tax compliance to all firms
17. Functioning of the judiciary	Reduced the time and cost of settling legal disputes
18. Other (Specify)	

ADD VALUE LABELS Q12.2a Q12.2b Q12.2c

- 19 'Telecommunication'
- 20 'IT service'
- 21 'Municipal administration'
- 22 'Water supply'
- 23 'Nothing'
- 24 'Access to imported materials'
- 25 'Improper privatization policy'.

INTERVIEWER: PLEASE CHECK THAT RESPONDENT UNDERSTANDS DIRECTIONS
1=BEST REFORM, 2=SECOND BEST, 3=THIRD BEST

RANK	Reform
Best reform	
Second best reform	
Third best reform	

13. FINANCE

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

We now turn to issues of finance. I would like to ask you a few questions about how you finance the operations of this establishment.

Q13.1 In fiscal year **2004/05**, what percent, as a proportion of the value of **total annual purchases** of material inputs or services, were:

Q11.1a		Paid for before the delivery? %
Q11.1b		Paid for on delivery? %
Q11.1c		Purchased on credit? %

INTERVIEWER: CHECK THAT TOTALS ARE 100%

Q13.2 In fiscal year **2004/05**, what percent of this establishment's **total annual sales** of its goods or services were:

Q13.2a		Paid for before the delivery? %
Q13.2b		Paid for on delivery? %
Q13.2c		Sold on credit? %

INTERVIEWER: CHECK THAT TOTALS ARE 100%

Q13.3 Over fiscal year **2004/05**, what proportion of this establishment's working capital was financed from each of the following sources? (**SHOW CARD**)

Q13.3a		Internal funds/Retained earnings %
Q13.3b		Borrowed from private commercial banks %
Q13.3c		Borrowed from state-owned banks and/or government agency %
Q13.3d		Borrowed from family/friends %
Q13.3e		Borrowed from non-bank financial institutions (e.g. MFIs, credit coops, credit union, finance company) %
Q13.3f		Purchases on credit from suppliers %
Q13.3g		Advances from customers %
Q13.3h		Borrowed from informal sources (e.g., moneylenders, Iqubs, etc.) %
Q13.3i		Other (SPECIFY SOURCES) _____ %

INTERVIEWER: CHECK THAT TOTALS ARE 100%

Q13.4

In fiscal year **2004/05**, did this establishment purchase fixed assets, such as machinery, vehicles, equipment, land, buildings or improvements to leaseholds?

Yes	1
No	2
Don't know	-99

GO TO QUESTION 13.6

GO TO QUESTION 13.6

Q13.5 Over fiscal year **2004/05**, what proportion of this establishment's purchase of fixed assets was financed from each of the following sources? (**SHOW CARD**)

Q13.5a		Internal funds/Retained earnings %
Q13.5b		Issued new equity (additional shares) %
Q13.5c		Borrowed from private commercial banks %
Q13.5d		Borrowed from state-owned banks and/or government agency %
Q13.5e		Borrowed from family/friends %
Q13.5f		Borrowed from non-bank financial institutions (e.g. MFIs, credit coops, credit union, finance company) %
Q13.5g		Purchases on credit from suppliers %
Q13.5h		Advances from customers %
Q13.5i		Borrowed from informal sources (e.g., moneylenders, Iqubs, etc.) %
Q13.jk		Other (SPECIFY SOURCES) _____ %

INTERVIEWER: CHECK THAT TOTALS ARE 100%

Q13.6		Does this establishment have a checking and/or saving account? 1 = Yes 2 = No -99 = DK
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INTERVIEWER: IF THE RESPONDENT REFUSES TO RESPOND, WRITE -8

Q13.7a		Does this establishment have an overdraft facility? 1 = Yes 2 = No
---------------	--	--

Q13.7b		Does this establishment have a line of credit or loan?
---------------	--	--

Yes	1
No	2

GO TO QUESTION 13.8

Q13.7c	Referring to your line of credit or loan was it granted by: (SHOW CARD) [1 = Yes, 2 = No]
---------------	--

		Institution granted line of credit or loan
Q13.7c1		Private commercial banks
Q13.7c2		State-owned banks and/or government agency
Q13.7c3		Family/friends
Q13.7c4		Non-bank financial institutions (e.g. microfinance institution, credit cooperative, credit union, finance company)
Q13.7c5		Credit from suppliers
Q13.7c6		Advances from customers
Q13.7c7		Informal sources (e.g., moneylenders, iqubs, etc.)
Q13.7c8		Inventories
Q13.7c9		Other (SPECIFY SOURCES)

Q13.7d		Referring only to this most recent line of credit or loan, on what year was the most recent line of credit or loan approved?
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Q13.7e		Referring only to this most recent line of credit or loan, how much time (in months) was this establishment granted to pay off the loan or line of credit when it was received?
---------------	--	---

Q13.7f		Referring only to this most recent line of credit or loan, what is the loan's rate of interest? %
---------------	--	---

Q13.7g		Referring only to this most recent line of credit or loan, did the financing require collateral? 1 = Yes 2 = No -99 = DK
---------------	--	--

Q13.7h Referring only to your most recent line of credit or loan, what type of collateral was required? (**SHOW CARD**) [Use 1= Yes, 2= No]

Q13.7h1		Land, buildings of the establishment
Q13.7h2		Machinery and equipment
Q13.7h3		Movable property including vehicles
Q13.7h4		Merchandise
Q13.7h5		Accounts receivable
Q13.7h6		Shares
Q13.7h7		Inventories
Q13.7h8		Financial guarantee bond (e.g. bank guarantee bond, insurance guarantee bond)
Q13.7h9		Personal assets of owner (house. etc.)
Q13.7h10		Other (SPECIFY) _____

Q13.7i		Referring only to your most recent line of credit or loan, what was the approximate value of the collateral required as a percentage of the loan value or the value of the line of credit from formal financial institutions? %
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Q13.8		In fiscal year 2004/05 , did this establishment apply for new loans or new lines of credit from formal financial institutions?
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Yes	1
No	2
Don't know	-99

GO TO QUESTION 13.12
GO TO QUESTION 13.12

Q13.9		In fiscal year 2004/05 , how many times did this establishment apply for new loans or new lines of credit? [Number of applications submitted]
--------------	--	--

Q13.10		How many of those loan or line of credit applications were rejected? [Number of applications rejected]
---------------	--	--

INTERVIEWER: IF THE RESPONDENT ANSWERED 0, GO TO QUESTION 11.13

Q13.11		In fiscal year 2004/05 if any of this establishment's application for lines of credit or loans were rejected, what was the most common reason given for any of those rejections? [In case of multiple loans, refer to the major loan]
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Lack of acceptable collateral or cosigners	1
Perceived lack of profitability	2
Inadequate past repayment performance	3
Inadequate credit history/report	4
Incompleteness of the loan application	5
Lenders perceived too much debt	6
Other (Specify)	7

ADD VALUE LABELS Q13.11

- 8 'Lenders give priority to lend to small scale industries'
 9 'Cumbersome procedure to loan or line of credit'
 10 'Over draft facility is adequate'
 11 'Delay of privatization process'.

Q13.12		If in fiscal year 2004/05, this establishment did not apply for line of credit or loan, what was the main reason? (SHOW CARD)
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No need for a loan - establishment has sufficient internal funds	1
No need for a loan - establishment has no plans that require credit	2
Application procedures for loans or line of credit are too burdensome	3
Interest rates are too high	4
Collateral requirements for loans or line of credit are too strict	5
Inadequate amounts and maturity of loans available	6
Did not think it would be approved	7
Other	8

ADD VALUE LABELS Q13.12

- 9 'Forbidden by our religion'
 10 'Afraid of the risk to repay'
 11 'Have loan that had not paid off'
 12 'Acquired ample finance through IDF (International Development Fund) grant'
 13 'The occurrence of informal gift for loan'.

Q13.13a		Did this establishment ever had its annual financial statement checked and certified by an external auditor? 1 = Yes 2 = No -99 = DK
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Q13.13b		If yes, for which fiscal year do you have latest audited financial statement?
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Q13.14	<p>Is access to financing, which includes availability and collateral, No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?</p> <p>Is cost of financing, which includes interest rates and fees, No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?</p>
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[Use the following codes: 0 = No obstacle, 1= Minor obstacle, 2= Moderate obstacle, 3= Major obstacle, 4= Very severe obstacle, -99= Don't know]

Q13.14a		Access to financing (availability, collateral)
Q13.14b		Cost of financing (interest rates, fees)

14. LABOR

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

Now I would like to ask you a few questions about this establishment's employees. I'm going to ask you for levels of employment at different points in time. For this reason, I will clarify the time-period of reference for each question. If the time reference is not clear, please do not hesitate to ask me for clarification.

Q14.1

How many **permanent, full-time employees** did this establishment have in fiscal year **2004/05**?

INTERVIEWER: Permanent employees are defined as all paid employees that are contracted for a term of one or more fiscal years and/or have a guaranteed renewal of their employment contract and that work up to 8 or more hours per day.

INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -99

Q14.2

How many **permanent, full-time employees** did this establishment have three fiscal years ago? [i.e. fiscal year 2002/03]

INTERVIEWER: IF ESTABLISHMENT WAS NOT IN BUSINESS THREE YEARS AGO, WRITE -77

Q14.3 Last fiscal year, how many **permanent, full-time** did this establishment have? **(READ EACH CATEGORY):**

Q14.3a		Professionals
Q14.3b		Skilled production workers
Q14.3c		Unskilled production workers
Q14.3d		Non-production workers (e.g., managers, administration, sales)

Q14.4

What percent of **permanent, full-time employees** **(READ EACH CATEGORY)** are female?

Q14.5

How many **full-time seasonal or temporary employees** did this establishment have in fiscal year **2004/05**?

INTERVIEWER: Temporary/seasonal are defined as all paid short-term (i.e. for less than a fiscal year) employees with no guarantee of renewal of their employment contract.

INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -99

Q14.6

In fiscal year **2004/05**, what percentage of all **full-time seasonal or temporary employees** were female?

INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -99

Q14.7

What was the average length of employment of all **full-time temporary employees** in fiscal year **2004/05**? [Average length of employment (months)]

INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -99

Q14.8 What is the average educational attainment of a typical **skilled production worker** employed in this establishment? (**SHOW CARD**)

1= 0-3 years of education

2=4-6 years of education

3=7-12 years of education

4=13 years and above of education

5= Vocational school training

-99 = Don't know

Q14.9 Over fiscal year **2004/05**, did this establishment run formal in-house training programs for its **permanent, full-time employees**?

Yes	1
No	2
Don't know	-99

GO TO QUESTION 14.11

GO TO QUESTION 14.11

Q14.10 Referring to the in-house training programs run over fiscal year **2004/05**, what percent of **permanent, full-time employees** in each category received formal in-house training?

Q14.10a	Skilled production workers (% of all skilled)
Q14.10b	Unskilled production workers (% of all unskilled)

INTERVIEWER: IF NO EMPLOYEES IN A CATEGORY WERE TRAINED, WRITE 0

Q14.11 Over fiscal year **2004/05**, did this establishment send **permanent, full-time employees** to formal training run by other organizations?

Yes	1
No	2
Don't know	-99

GO TO QUESTION 14.13

GO TO QUESTION 14.13

Q14.12 Referring to formal training programs run by other organizations over fiscal year **2004/05**, what percent of **permanent, full-time employees** in each category received formal training run by other organizations?

Q14.12a	Skilled production workers (% of all skilled)
Q14.12b	Unskilled production workers (% of all unskilled)

INTERVIEWER: IF NO EMPLOYEES IN A CATEGORY WERE TRAINED, WRITE 0

Q14.13 What percent of this establishment's current workforce is unionized?

INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -99

Q14.14 Over fiscal year **2004/05**, as decisions about hiring or firing permanent, temporary, or part-time workers were being considered, did labor regulations affect those decisions in a significant way?

Yes	1
No	2
Don't know	-99

GO TO QUESTION 14.16

GO TO QUESTION 14.16

Q14.15 In fiscal year **2004/05**, would this establishment have hired or fired workers had it not been for having to comply with labor regulations?

Q14.15a		How many hired?
Q14.15b		How many fired?

Q14.16 During the past 24 months, how has this establishment usually found new employees?
(**SHOW CARD**)

Through family/friends	1
Public placement office	2
Private placement office	3
Public announcement/advertisement	4
School-related network	5
Establishment door postings	6
Other (Specify)	7

ADD VALUE LABELS Q14.16

- 8 'Through union'
- 9 'Do not hire employee during the past 24 months'
- 10 'Through pre application'
- 11 'Through similar business'
- 12 'Through brokers'
- 13 'Through their own employees or workers recommendation'.

Q14.17	Is an inadequately educated workforce No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment? Are labor regulations No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?
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[Use the following codes: 0 = No obstacle, 1= Minor obstacle, 2= Moderate obstacle, 3= Major obstacle, 4= Very severe obstacle, -99= Don't know]

Q14.17a		Inadequately educated workforce
Q14.17b		Labor regulations

AIDS AND SICKNESS:

Q14.18 Has sickness affected this establishment's workforce in any of the following ways in the past 24 months? [Use the following codes: 0 = No problem, 1= Minor problem, 2= Moderate problem, 3= Major problem, 4= Very severe problem, -99= Don't know]

Q14.18a		Is absenteeism among workers due to sickness a problem?
Q14.18b		Is absenteeism among workers who need to care of family members or friends due to sickness a problem?

Q14.19 Has HIV/AIDS affected this establishment's workforce in any of the following ways in the past 24 months: [Use the following codes: 0 = No problem, 1= Minor problem, 2= Moderate problem, 3= Major problem, 4= Very severe problem, -99= Don't know]

Q14.19a		Is absenteeism among workers due to HIV/AIDS a problem?
Q14.19b		Is absenteeism among workers who need to care of family members or friends due to HIV/AIDS a problem?

Q14.20 In fiscal year **2004/05**, did this establishment undertake any of the following activities to prevent HIV/AIDS among employees? [*Use 1= Yes, 2= No, -99= Don't know*]

Q14.20a		HIV prevention messages
Q14.20b		Free condom distribution
Q14.20c		Anonymous HIV testing

15. PRODUCTIVITY**READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:**

The purpose of the following questions is to allow us to estimate the productivity of establishments like this one. Estimates are made at the aggregate level so the information you provide below will be compiled with the information from other establishments. It is important that this information be as accurate as possible.

Please provide the following information from the financial statements of this establishment.

Q15.1 In fiscal year **2004/05**, what percent of this establishment's total revenue came from the following activities:

Q15.1a		Manufacturing (%)
Q15.1b		Services (%)
Q15.1c		Other (specify) _____%

INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -99

Q15.2a For fiscal year **2004/05**, please provide the following information about this establishment (in thousands of birr):

	2004/05	2003/04
	[B15.2a1]	[B15.2a2]
1. Total annual revenue		
2. Total annual cost of labor (including wages, salaries, bonuses, social payments)		
3. Total annual cost of raw materials and intermediate goods used in production		
4. Total annual costs of electricity (from public grid only)		
5. Total annual costs of communications services		
6. Total annual costs of fuel (including for generators)		
7. Total annual costs of transport for goods and workers (excluding fuel)		
8. Total annual costs of water		
9. Total annual cost of rental of land/buildings, equipment, furniture		
10. Depreciation		

Q15.2b In fiscal year **2004/05**, what percent of this establishment's total revenue came from selling intermediate products or are products or services where purchasers used this establishment's products as inputs to their production process? [Percent of output corresponds to intermediate products]

Q15.3 What was the total annual revenue for this establishment (in thousands of birr) three complete fiscal year's ago? [Total revenue three fiscal years ago in '000s Birr]

INTERVIEWER: IF ESTABLISHMENT WAS NOT IN BUSINESS THREE YEARS AGO, WRITE -7

Q15.4 In fiscal year **2004/05**, what was the average monthly payment including benefits when applicable, for each type of full-time worker?

Q15.4a		Average monthly payment for skilled production worker (000s Birr)
Q15.4b		Average monthly payment for unskilled production worker (000s Birr)
Q15.4c		Average monthly payment for non-production worker (000s Birr)

Q15.5 In fiscal year **2004/05**, what was the total annual expenditure for purchases of:

Q15.5a		Machinery, vehicles and equipment (new and/or used) in last complete fiscal year (000s Birr)
Q15.5b		Land, buildings or improvements to leasehold in last complete fiscal year (000s Birr)

Q15.6 What was the net book value of the following at the end of fiscal year **2004/05**?

Q15.6a		Machinery and equipment (including transport) in last complete fiscal year (000s Birr)
Q15.6b		Buildings in last complete fiscal year (000s Birr)

Q15.7a In fiscal year **2004/05**, if this establishment had to hypothetically purchase the land and buildings, and machinery and equipment as they are in their current condition, how much would it cost to purchase each of the following?

		Currently (2005/06)	2004/05
Q15.7a1	Land, buildings and leasehold improvements (000s Birr)		
Q15.7a2	Machinery and equipment (including transport) (000s Birr)		

Q15.7b		For the end of fiscal year 2004/05 , what would be the cost of replacing all this establishment's machinery and equipment with new machines? 000s of Birr
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THE SURVEY ENDS HERE
THANK YOU VERY MUCH FOR YOUR COOPERATION.

Q16.1 Time face-to-face interview ends:

Hour	Minutes	AM/PM

INTERVIEWER COMMENTS:

(Problems occurred/extraordinary circumstances which could influence results)

SUPERVISORS PLEASE ANSWER:

Q16.2		This questionnaire was completed in:
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One visit in face-to-face interview with one person	1
One visit in face-to-face interview with different managers/staff	2
Several visits	3