



INSTITUTE FOR ECONOMIC RESEARCH AND POLICY CONSULTING



QUESTIONNAIRE FOR BUSINESS MANAGERS/OWNERS

KYIV 2020

| Contact result | In case of refusal (code 5 or 6) – reason of refusal |
|---|---|
| 1. Number is invalid | 1. Respondent doesn't have time for the interview |
| 2. Number is busy (under 5 attempts to | 2. Respondent cannot take part in the interview due to |
| dial) | health status |
| 3. Number is not answering (under 5 | 3. Respondent doesn't trust the research company |
| attempts to dial) | |
| 4. Voice mail (leave the message, under 5 | 4. Respondent doesn't trust the interviewer |
| attempts to dial) | |
| 5. Refusal on the enterprise level (failed to | 5. Respondent doesn't want to take part in the interview |
| reach the potential respondent) | (without giving reasons) |
| 6. Refusal of the potential respondent | 6. Respondent doesn't want to take part in the interview on |
| | this topic |
| 7. Postponed (date, time) | 7. Other reasons for the refusal (specify) |
| 8. Interview was started, but wasn't | |
| finished (interrupted) | |
| 9. Interview was successfully finished | |

Questionnaire for business managers /owners

A. Introduction

A1. Greeting

Read out to all

[text]

Good afternoon! My name is _____, and I represent the company Info Sapiens. We are doing a survey with executives and owners of enterprises for the creation of the Municipal Competitiveness Index (MCI) with the support of USAID. You can read more about the project on our website sapiens.com.ua. All answers will be anonymous and will only be analyzed in general. We invite managers or business owners for the interview.

A2. Additional information

Read out if needed

[text]

About the survey

MCI is an analytical tool for evaluating the business climate in cities, especially the effectiveness of economic governance. MCI is aimed at stimulating competition between cities in creating a favorable business climate.

About researchers

The survey is conducted by the company Info Sapiens, which is contracted with the company Chemonics («Chemonics International Inc.»). Chemonics ensures implementation of the USAID-funded international technical assistance program "Competitive Economy of Ukraine" (CEP), within which the Municipal Competitiveness Index is created.

CEP is a five-year program aiming at encouraging startup businesses and SMEs, increasing domestic market competition, and supporting the competitiveness of Ukrainian firms in international markets. We (researchers and interviewers) are not part of the USAID and CEP.

The data collected through the survey will be analyzed by the Institute for Economic Research and Policy Consulting, which is involved in the creation of MCI together with Info Sapiens.

Risks and benefits

We ask you to participate in the interview to express your opinion about local government efforts in improving a local business climate. We do not expect that participation in the interview will pose any risks or bring you any direct benefits.

Confidentiality

All your responses will be kept confidentially by the company Info Sapiens. The company Info Sapiens will have exclusive access to the interview records. Your name, position, or name of the enterprise won't be mentioned in any report.

Voluntary participation

Your participation is voluntary. If you are unwilling to participate or answer certain questions, you are not forced to do so. If you opt to participate, note that you may change your mind at any time during the interview. If you choose not to participate in this interview, this will not have any consequences for you.

Report

The information obtained from you and other respondents will be used for the compilation of the MCI and preparation of the final report in May-June 2020. The report will be transmitted to the CEP Program and other stakeholders for their input; then, the final report will be published. You can follow the course of the research on the Facebook page of «USAID Program "Competitive Economy of Ukraine» facebook.com/usaidcep.ua.

Contacts

Should you have any concerns, please refer to the company Info Sapiens by e-mail address info@sapiens.com.ua or by telephone (044) 299-35-92 or (044) 224-64-54. If necessary, we can send you an official invitation letter.

A3. We would like to speak to the manager or the business owner. What is your position?

Do not read out

[single]

- 1. The owner of the enterprise
- 2. Manager (Director)
- 3. Deputy Manager (Deputy Director)
- 4. Chief Financial Officer / Chief Accountant
- 5. Other →THE END OF THE INTERVIEW

A4. In order to control my work, our conversation can be recorded. Do you mind?

Do not read out

[single]

- 1. Don't mind
- 2. I object (Explain again about privacy. If the respondent insists, then choose this option) \rightarrow THE END OF THE INTERVIEW

A5. How do you prefer I call you?

[open]

B. General questions

B1. Please specify, in which city your enterprise / Individual entrepreneur is registered?

Do not read out

[single] Check quotas

- 1. Vinnytsia
- 2. Dnipro
- 3. Zhytomyr
- 4. Zaporizhzhia
- 5. Ivano-Frankivsk
- 6. Kyiv
- 7. Kramatorsk
- 8. Kropyvnytskyi

- 9. Lutsk
- 10. Lviv
- 11. Mykolaiv

- 15. Sumy
- 16. Sievierodonetsk

- 17. Ternopil
- 18. Uzhhorod
- 19. Kharkiv
- 20. Kherson
- 21. Khmelnytskyi
- 22. Cherkasy
- 23. Chernivtsi
- 24. Chernihiv

B2. Do you do business in this city?

Read out

- 12. Odesa
- 13. Poltava
- 14. Rivne

[single]

1. Yes

2. No → THE END OF THE INTERVIEW

B3. Type of business entity?

Read out

[single] Check quotas

- 1. Individual entrepreneur
- 2. Legal entity

B4.1. In which year was the company registered?

[scale 1900-2019]

___ (year)

/ Hidden variable

B4.2. Creation period

EDP! Code B4.1. Check quotas

- 1. Before the year 2017, including
- 2. In 2018-2019

B5. Are you currently in the process of termination of the business?

Read out

- [single]
 - 1. Yes → THE END OF THE INTERVIEW
 - 2. No

Base: B3 = 2 "Legal entity"

B6. What is the legal form of your business

Read as needed. Interviews are not conducted with non-governmental organizations, public utilities, farms, trade cooperatives, public associations

[single]

- 1. Lawyers' union
- 2. Private Joint Stock Company
- 3. Public Joint Stock Company
- 4. Association THE END OF THE INTERVIEW
- 5. Production cooperative → *THE END OF THE INTERVIEW*
- 6. Public organization → THE END OF THE INTERVIEW
- 7. State enterprise → THE END OF THE INTERVIEW
- 8. Subsidiary enterprise
- 9. Collective enterprise → THE END OF THE INTERVIEW
- 10. Utility enterprise → THE END OF THE INTERVIEW
- 11. Cooperative → THE END OF THE INTERVIEW
- 12. Credit Union
- 13. Enterprise of association of citizens (religious organization, trade unions) → THE END OF THE INTERVIEW
- 14. Consumer cooperative enterprise → THE END OF THE INTERVIEW
- 15. Full enterprise
- 16. Private enterprise
- 17. Agricultural production cooperative → THE END OF THE INTERVIEW
- 18. Additional liability company
- 19. Limited Liability Company
- 20. Farm → THE END OF THE INTERVIEW
- 21. Other (specify)___

B7. Please specify, in which range is the average number of employees for 2019

Read out [single]

- 1. under 10 person
- 2. 11 50 person
- 3. 51 250 person
- 4. More than 250 person

B8. In what industry is your business/ individual enterpriser operating?

Read out if needed
[single]

- 1. Agriculture, forestry, fish farm
- 2. Mining and excavation
- 3. Food and pharmaceutical processing industry
- 4. Electric energy, natural gas, steam, and conditioned air supply
- 5. Water supply; sewage, waste management
- 6. Construction
- 7. Wholesale and retail trade; vehicle and motorcycle repair

- 8. Transport, warehousing, post and courier services
- 9. Temporary storage and catering
- 10. Information and telecommunications
- 11. Finance and insurance
- 12. Real estate
- 13. Research and technology
- 14. Administrative and support services
- 15. Education
- 16. Healthcare and social assistance
- 17. Art, sports, entertainment, and recreation
- 18. Other services [o]

B9. In your opinion, what are the most important barriers to business operations in your city? I will read out the options, choose no more than three, or name your option

Read out

[multiple, random order of alternatives 1..15] No more than 3 answer options

- 1. Complicated business registration procedures
- 2. Complication procedures of obtaining permits for certain business operations
- 3. Complexity of legislature
- 4. High taxes
- 5. Lack of qualified workforce
- 6. Lack of funds
- 7. Lack of land resources for business facilities
- 8. Poor transport infrastructure

- 9. Complexity of connecting the electric grid, water, gas supply systems, and sewage
- 10. Municipal government corruption
- 11. Risks of a raider attack
- 12. Low consumer buying capacity
- 13. High cost of the raw materials and supplies
- 14. Political risks
- 15. Military actions in the East of Ukraine
- 16. Other [o]
- 99. (DO NOT READ OUT) Hard to say / refuse

Base: (B3 = 2 "Legal entity") AND (B6 ≠ 2 OR 3, so is not a joint-stock company)

B10. Final owners (beneficiaries) of business are:

Read out

- [multiple]
 - 1. Individuals
 - 2. Entities
 - 3. Foreigners (individuals or entities)
 - 4. Refuse

Base: (B10 = 1 "Individuals")

B11. What is the number of individual owners?

[scale] 1-10

99. (DO NOT READ OUT) Hard to say / refuse

Base: (B10 = 1 " Individuals ") AND (B11 ≠ 99 "Hard to say / refuse")

Ask about each owner for a question B11. If the enterprise is an individual entrepreneur (B3 = 1 "Individual entrepreneur »), then the number of owners is 1

| | B12 Gender Read out [single] | B13 Age <i>Read out</i> [single] |
|----------|---------------------------------------|---|
| Owner 1 | B12.1 1. Male 2. Female | B13.1 1. Under 18 years 2. 18-22 3. 23-30 4. 30-45 5. Over 45 99. (DO NOT READ OUT) Hard to say / refuse |
| | | |
| Owner 10 | B12.10 1. Male 2. Female | B13.10 1. Under 18 years 2. 18-22 3. 23-30 4. 30-45 5. Over 45 99. (DO NOT READ OUT) Hard to say / refuse |

Base: B3 = 2 "Legal entity"

B14. What is the gender of the person managing the enterprise (owner or employee)

Do not read out

- [single]
 - 1. Male
 - 2. Female

B15. Which statement defines your business expansion plans for the nearest two years the best?

Read out

[single]

- 1. We plan to expand our business
- 2. We plan to continue operating at the same level
- 3. We plan to reduce our operations
- 4. We plan to close down our business

Base: B15 = 1 "We plan to expand our business»

B16.1. Specify, how much do you plan to expand your business?

Read out

[single]

- 1. Expand a little
- 2. Expand notably
- 3. Expand a lot

Base: B14 = 3 "We plan to reduce our operations»

B16.2. Specify, how much do you plan to reduce your operations?

Read out

- 1. Reduce a little
- 2. Reduce notably
- 3. Reduce a lot

/Hidden variable

B17. Business expansion plans

[scale]

!EDP create new variable from B15, B16.1 and B16.2: 1 — if B15 = 4 2 — if B16.2 = 3 3 — if B16.2 = 2

- 4 if B16.2 = 1
- 4 if B10.2 = 5 — if B15 = 2
- 6 if B16.1 = 1
- 6 If B16.1 =
- 7 if B16.1 = 2
- 8 if B16.1 = 3

C. Business Climate Assessment (Compared to ABCA)¹

C1. How do you assess the financial and economic situation of your business now?

Read out

- [single]
 - 1. Good
 - 2. Acceptable
 - 3. Bad

99. (DO NOT READ OUT) Hard to say / refuse

C2. And what changes do you expect in the next 6 months?

Read out

[single]

- 1. Improvements
- 2. No change
- 3. Deterioration
- 4. I cannot foresee such a long-term perspective
- 99. (DO NOT READ OUT) Hard to say / refuse

C3. How do you evaluate the general economic environment for your business now?

Read out

[single]

- Good
 Acceptable
- 3. Bad
- 99. (DO NOT READ OUT) Hard to say / refuse

C4. And what changes do you expect in the next 6 months?

Read out

[single]

- 1. Improvements
- 2. No change
- 3. Deterioration
- 4. I cannot foresee such a long-term perspective
- 99. (DO NOT READ OUT) Hard to say / refuse
- **C5.** Have you increased the amount of production or service delivery in the last two years (in USA dollars)? *Read out*

- 1. Yes, increased
- 2. No, left with no change

¹ Section C is a part of ABCA survey and it is not a part of MCI Index.

3. No, decreased

4. The enterprise did not exist two years ago

99. (DO NOT READ OUT) Hard to say / refuse

Base: C5 \neq 4 «The enterprise did not exist two years ago»

C6. Have you increased the number of employees in the last two years?

Read out

[single]

- 1. Yes, increased
- 2. No, left with no change
- 3. No, decreased
- 4. The enterprise did not exist two years ago
- 99. (DO NOT READ OUT) Hard to say / refuse

C7. In your estimation, how did the following processes and situations have changed compared to 2018?

| Read out [single] | More complicated | No changes | More simplified | (DO NOT READ OUT) Hard to say / refuse |
|--|------------------|------------|-----------------|--|
| C7.1. Registration process and conditions | 1 | 2 | 3 | 99 |
| C7.2. The situation with checks | 1 | 2 | 3 | 99 |
| C7.3. The process and conditions for administering taxes and fees | 1 | 2 | 3 | 99 |

D. Starting a business (component 1)

Base: B4.2 = 2 "In 2018-2019»

D1. Remember how you went through the state registration process in 2018-2019. How many full days did it take, starting with the day of registration documents submission until the day of receiving the Extract from the Universal State Register?

[scale] ≥1

If it is difficult to remember, ask for an estimate

____(days)

- 98. Did not pass state registration in 2018-2019 \rightarrow TRANSITION to D5, **correct** the answer on the question B4.2
- 99. (DO NOT READ OUT) Hard to say / refuse

Base: B4.2 = 2 "In 2018-2019» AND D1 ≠ 98 «Did not pass state registration in 2018-2019»

D2. Did you face any problems / barriers during the process of business registration?

Read out

[single]

- 1. Yes
 - 2. No

99. (DO NOT READ OUT) Hard to say / refuse

Base: B4.2 = 2 "In2018-2019» AND D1 ≠ 98 «Did not pass state registration in 2018-2019»

D3. When you were passing the state registration procedure in 2018-2019, did you have an opportunity to receive counseling or any other assistance in filling in / submission of documents for state registration? *Read out* [single]

1. Yes

2. No

99. (DO NOT READ OUT) Hard to say / refuse

Base: B4.2 = 2 "In 2018-2019» AND D1 ≠ 98 «Did not pass state registration in 2018-2019»

D4. How many full days passed from the date of submitting the documents for business registration to the date of the first sale?

[scale] ≥1

If it is difficult to remember, ask for an estimate

____(days)

99. (DO NOT READ OUT) Hard to say / refuse

D5. Did you (your company / you as the individual entrepreneur) conduct state registration of changes to the information contained in the EDR in 2018-2019?

Read out

[single]

1. Yes

2. No

99. (DO NOT READ OUT) Hard to say / refuse

Base: D5 = 1 «Yes»

D6. How many full days did the state registration of changes take? [scale] ≥1 If it is difficult to remember, ask for an estimate _____(days)

99. (DO NOT READ OUT) Hard to say / refuse

D7. I will read the list of permits, and you will tell if you received such a document in 2018-2019. And if so, how many full days did you spend from the day the application was filed to the day you received it? *If it is difficult to remember, ask for an estimate*

| | Number of days [scale] ≥1 | Did not receive such permits | (DO NOT READ OUT) Hard to say / refuse |
|---|---------------------------------|------------------------------------|--|
| Permits and registrations in construction (<i>if needed, explain: notification about the onset of preparatory and construction works, permission for construction, declaration about readiness for commissioning, certificate of commissioning of completed construction)</i> | (days) | 98 | 99 |
| Location passport of the temporary facility designated for commercial, household, social, cultural or other purposes used for business activity | (days) | 98 | 99 |
| Declaration of conformance of the business facilities to fire safety requirements | (days) | 98 | 99 |
| Approval for commercial sign placement | (days) | 98 | 99 |
| Approval for outdoor advertisement placement | (days) | 98 | 99 |
| Resolution on state registration of market operator capacity | (days) | 98 | 99 |
| Permission to disturb beautification objects and amenities | (days) | 98 | 99 |

E. Access to public property (component 2)

E1. Do you (your company / you as an individual entrepreneur) have access to the documents of ownership / lease of the land plot where the business operates?

Read out [single]

- 1. Yes
 - 2. No
- 3. Does not apply
- 99. (DO NOT READ OUT) Hard to say / refuse

Base: E1 = 1 «Yes»

E2. Did you (your company / you as an individual entrepreneur) apply for documents certifying your right of ownership / land lease in 2018-2019?

Read out

- [single]
 - 1. Yes
 - 2. No
 - 3. Does not apply
 - 99. (DO NOT READ OUT) Hard to say / refuse

Base: E2 = 1 «Yes»

E3. How many full days passed before the documents were issued, from submitting the application (or any other document) to the day of receiving the confirming documents (signing land lease agreement / receiving extract from State Land Register)?

[scale] ≥1

_____(days) 99. (DO NOT READ OUT) Hard to say / refuse

E4. Is the information about communal land plots vacant for rent, which can be used for construction or other purposes, available?

Read out

- [single]
 - 1. Yes 2. No
 - 99. (DO NOT READ OUT) Hard to say / refuse
- E5. Is the information about municipal real estate (including non-residential facilities), which is leased or can be leased for business purposes, available in your city?

Read out

- 1. Yes
 - 2. No
- 99. (DO NOT READ OUT) Hard to say / refuse

F. Data transparency and openness (component 3)

F1. How do you rate the availability of such information?

Read out the scale

[single y рядку]

| | Poor | Acceptab le | Average | Good | Excellent | (DO NOT READ OUT) Hard to say / refuse |
|---|------|----------------|---------|------|-----------|---|
| F1.1. Local budget information | 1 | 2 | 3 | 4 | 5 | 99 |
| F1.2 An opportunity to get acquainted with the content of local regulatory acts | 1 | 2 | 3 | 4 | 5 | 99 |
| F1.3 Availability of public procurement information at the expense of local budgets and utilities | 1 | 2 | 3 | 4 | 5 | 99 |

G. Cost of Compliance with the law (Component 4)

G1. How many days per year do you (your company / you as an individual entrepreneur) spend on compliance with local regulations governing your industry?

[scale] 0-365

If it is difficult to remember the number of days, ask for an estimate. If nothing is spent, write down 0 (zero).

__(days)

99. (DO NOT READ OUT) Hard to say / refuse

G2. What is the percentage of the annual income of you (your company / you as an individual entrepreneur) spent on compliance with the requirements of local regulations?

[scale] 0-100

Ask for an estimate. If nothing is spent, write down 0 (zero).

____(%)

99. (DO NOT READ OUT) Hard to say / refuse

G3. How many times a year are you visited by local authorities inspectors for inspecting your business (e.g., architecture and construction control, control of labor code compliance, beautification, public services, and amenities control, control of fulfilling liabilities of duties to the local budget, control of public toilets, parking lots and parking area operation, etc.)?

[scale] ≥0

If it is difficult to remember the number of times, ask for an estimate. If the inspectors did not visit, write down 0 (zero)

_____(number of times) 99. (DO NOT READ OUT) Hard to say / refuse

Base: G3 > 0

G4. How many days per year do you (your company / you as an individual entrepreneur) spend dealing with inspectors during the inspections referred to the previous question? [scale] 0-365 *If it is difficult to remember the number of days, ask for an estimate. If nothing is spent, write down 0 (zero)*

_____(days) 99. (DO NOT READ OUT) Hard to say / refuse

H. Taxes and duties (component 5)

H1. What percentage of your company's / your annual income is spent on taxes and duties (including Universal social fund contribution)?

[scale] 0-100

Ask for an estimate in %. If nothing is spent, write down 0 (zero)
_____(%)
99. (DO NOT READ OUT) Hard to say / refuse

H2. How many days do you (your company / you as an individual entrepreneur) spend to fulfill your taxation liabilities (including data collection and processing, fiscal accounting, filling in, submitting tax reports, tax payment)

[scale] 0-365

If it is difficult to remember the number of days, ask for an estimate. If nothing is spent, write down 0 (zero).

___(days)

99. (DO NOT READ OUT) Hard to say / refuse

H3. Do local taxes and duties become an obstacle for your business?

Read out

[single]

- 1. Yes
- 2. No
- 99. (DO NOT READ OUT) Hard to say / refuse
- H4. Did you (your company / you as an individual entrepreneur) receive benefits for paying local taxes and duties in 2018-2019?
 - Read out

[single]

- 1. Yes
 - 2. No

99. (DO NOT READ OUT) Hard to say / refuse

I. Security of operating a business (component 6)

11. In your opinion, do your competitors operate in the shadow?

Read out

- [single]
 - 1. Yes
 - 2. No
 - 99. (DO NOT READ OUT) Hard to say / refuse
- 12. Has you (your company / you as an individual entrepreneur) experienced any losses due to extortion, theft, robbery, vandalism, arson 2018-2019?

Read out [single]

1. Yes 2. No

99. (DO NOT READ OUT) Hard to say / refuse

Base: I2 = 1 "Yes"

^{13.} What percentage of your company's / yours annual income were the losses caused by such actions?

[scale] 0-100

Ask for an estimate in %. If nothing was lost, write down 0 (zero) (%) 99. (DO NOT READ OUT) Hard to say / refuse

14. Did your company experience a raider attack or management replacement as a result of the plotted business conflict in 2018-2019?

Read out [single] 1. Yes 2. No 99. (DO NOT READ OUT) Hard to say / refuse

15. What are the costs you incur to ensure security / protection for your business (security, equipment, court procedure, payment for protection racketeering), in % to your / your company's annual income [scale] 0-100

Ask for an estimate in %. If nothing is spent, write down 0 (zero) _____(%) 99. (DO NOT READ OUT) Hard to say / refuse

J. Leadership of municipal authorities (component 8)

Dimension 1. Business development support

J1. In your opinion, what is the attitude of the local authorities to private business?

Read out the scale

| [single] | [si | ng | le] | |
|----------|-----|----|-----|--|
|----------|-----|----|-----|--|

| Very bad | Bad | Average | Good | Very good |
|----------|-----|---------|------|-----------|
| 1 | 2 | 3 | 4 | 5 |

99. (DO NOT READ OUT) Hard to say / refuse

J2. Do you agree with the statement that the municipal government supports business start-ups? Read out

[single]

- 1. Yes
- 2. No

99. (DO NOT READ OUT) Hard to say / refuse

J3. Do you agree with the statement that the municipal government supports the development of the existing businesses?

Read out

- [single]
 - 1. Yes
 - 2. No
 - 99. (DO NOT READ OUT) Hard to say / refuse
- J4. Evaluate the opportunity for business representatives to participate in the elaboration of local documents (strategies, programs, plans)

Read out the scale [single]

| ng | le] | | | | |
|----|-----|------|------|-----|--|
| 10 | ~~~ | orti | init | inc | |

| No opportunities | Limited | Average | Extensive | Very extensive |
|------------------|---------------|---------------|---------------|----------------|
| | opportunities | opportunities | opportunities | opportunities |
| 1 | 2 | 3 | 4 | 5 |

99. (DO NOT READ OUT) Hard to say / refuse

Dimension 2. Public-private dialogue

J5. According to your observations, is private business consulted before adopting a new regulation or amending an existing one, which affects or may affect the business?

Read out the scale[single]

| 511.8161 | | | | |
|----------|--------|--------------|-------|--------|
| Never | Rarely | Occasionally | Often | Always |
| 1 | 2 | 3 | 4 | 5 |

99. (DO NOT READ OUT) Hard to say / refuse

K. Development resources (component 9)

Dimension 1. Human resources

K1. How do you evaluate the quality of the workforce at the local labor market? Read out the scale [single]

| Poor | Acceptable | Average | Good | Excellent |
|------|------------|---------|------|-----------|
| 1 | 2 | 3 | 4 | 5 |

99. (DO NOT READ OUT) Hard to say / refuse

K2. How do you evaluate the quality of vocational education of workers at the local labor market? *Read out the scale*

[single]

| Poor | Acceptable | Average | Good | Excellent |
|------|------------|---------|------|-----------|
| 1 | 2 | 3 | 4 | 5 |

99. (DO NOT READ OUT) Hard to say / refuse

K3. In your opinion, is the poor training of the local workforce a serious barrier for business operation in your city?

Read out

[single]

- 1. Yes
- 2. No
- 99. (DO NOT READ OUT) Hard to say / refuse
- K4. In your opinion, is the lack of local workforce a serious barrier for business operation in your city? *Read out*

[single]

- 1. Yes
- 2. No

99. (DO NOT READ OUT) Hard to say / refuse

Dimension 2. Financial and infrastructure resources

K5. Did you (your company / you as an individual entrepreneur) receive financial support for business operation from local authorities in 2018 -2019 (subsidized loans, compensation of loan interest, etc.)? *Read out*

[single]

1. Yes

2. No 99. (DO NOT READ OUT) Hard to say / refuse

K6. In your opinion, is the lack of financial resources a serious barrier for business operation in your city? Read out

1. Yes 2. No 99. (DO NOT READ OUT) Hard to say / refuse

K7 Did you (your company / you as an individual entrepreneur) connected your business facilities to the electric grid/water-supply/sewage /heating in 2018-2019?

1. Yes 2. No

99. (DO NOT READ OUT) Hard to say / refuse

Base: K7 = 1 "Yes"

K8. Remember, how many full days did it take from the date of applying until the date of the actual connection?

If it is difficult to remember the number of days, ask for an estimate

| | Number of days [scale] ≥1 | Didn't connect | (DO NOT READ OUT) Hard to say / refuse |
|--|---------------------------------|-------------------|--|
| K8.1 To electric grid | (days) | 98 | 99 |
| K8.2 To gas supply system | (days) | 98 | 99 |
| K8.3 To centralized potable water supply | (days) | 98 | 99 |
| K8.4 To sewage system | (days) | 98 | 99 |
| K8.5 To centralized heating network | (days) | 98 | 99 |

Dimension 3. Business support infrastructure

K9. Did you (your company / you as an individual entrepreneur) use any business support services (informational, advisory, training, etc.) offered by the municipal authorities in 2018 – 2019? *Read out*

[single]

- 1. Yes
- 2. No

99. (DO NOT READ OUT) Hard to say / refuse

Base: K9 = 1 "Yes"

| K10. How do you rate the quality of the services you received? | | | | |
|--|------------|---------|------|-----------|
| Read out the scale | | | | |
| [single] | | | | |
| Poor | Acceptable | Average | Good | Excellent |
| 1 | 2 | 3 | 4 | 5 |

99. (DO NOT READ OUT) Hard to say / refuse

K11. Is there a business support center operating in your city (an institution, a department within the structure of the local authorities)?

Read out [single]

1. Yes

2. No

99. (DO NOT READ OUT) Hard to say / refuse

K12. Are you aware of any business associations or clubs (or any other member associations for businesses) operating in your city?

Read out [single]

1. Yes

2. No 99. (DO NOT READ OUT) Hard to say / refuse

K13. Are you (your company / you as an individual entrepreneur) a member of any business association? Read out

[single]

- 1. Yes
- 2. No
- 99. (DO NOT READ OUT) Hard to say / refuse

L. Support of the innovations (component 10)

- L1. Did you (your company / you as an individual entrepreneur) work with any research institutions or technological companies for production purposes in 2018-2019?
 - Read out [single]
 -] 1. Yes 2. No 99. (DO NOT READ OUT) Hard to say / refuse
- L2. Have you (your company / you as an individual entrepreneur) introduced new technologies, solutions, or products to optimize production, service delivery, sales, or business management in 2018-2019? *Read out*

[single]

- 1. Yes
- 2. No
- 99. (DO NOT READ OUT) Hard to say / refuse
- L3. To what extent do you believe the municipal authorities support local innovation programs, allocating funding from the local budget?

Read out the scale [single]

| No support at all | Limited support | Adequate support | Significant support | Very significant support |
|-------------------|-----------------|------------------|---------------------|-----------------------------|
| 1 | 2 | 3 | 4 | 5 |

99. (DO NOT READ OUT) Hard to say / refuse

L4. Are your business needs in technology transfer services met (transfer of patents for inventions, knowhow, research and development, patent licensing, the expertise of inventions, etc.) Read out the scale

[single]

| Not met at all | Almost not met | Somewhat | Met to a significant extent | Fully met |
|----------------|----------------|----------|--------------------------------|-----------|
| 1 | 2 | 3 | 4 | 5 |

97. (DO NOT READ OUT) Do not understand the question / do not know what "technology transfer" is 98. (DO NOT READ OUT) No need

- 99. (DO NOT READ OUT) Hard to say / refuse
- L5. Are you (your company / you as an individual entrepreneur) a member of a cluster created with the initiative or support of the city government (cluster the geographical concentration of interconnected companies and institutions in a particular area)? Read out the scale [single]

M. Informal payments and corruption (component 6)

Dimension 1. Bribes/gifts

M1. Have businesses (or you as an individual entrepreneur) experienced situations related to so-called "informal payments" during 2018-2019 when interacting with city government representatives on any business issues?

Read out [single]

- 1. Yes
- 2. No

99. (DO NOT READ OUT) Hard to say / refuse

Base: M1 = 1 "Yes"

M2. Did your business experience this in 2018-2019...

| <i>Read out</i> [single] | Yes | No | (DO NOT READ OUT) Hard to say / refuse |
|---|-----|----|--|
| M2.1. You were asked for a bribe / gift in direct or indirect form, but you did not agree | 1 | 2 | 99 |
| M2.2. You were asked for a bribe / gift in direct or indirect form, and you agreed | 1 | 2 | 99 |
| M2.3. You offered a bribe / gift, either directly or indirectly, on your initiative | 1 | 2 | 99 |

/Hidden variable

M2_Aggr. Experience of corruption cases in 2018-2019

[single]

!EDP create the new variable from M2.1-M2.3:

- 1 "Reported the experience" if M2.1 = 1 or M2.2 = 1 or M2.3 = 1.
- 2 "Haven't reported the experience" else.

Base: M2.1 = 1 OR M2.2 = 1 OR M2.3 = 1

M3. How many times such situations have occurred during 2018-2019?

[scale] ≥1

If it is difficult to remember the number of times, ask for an estimate (number of times)

99. (DO NOT READ OUT) Hard to say / refuse

Base: M2.1 = 1 OR M2.2 = 1 OR M2.3 = 1

M4. How much percent of your business's annual revenue did you spend on such " informal payments" during 2018-2019?

[scale] 0-100

Ask for an estimate. If nothing was spent, write down 0 (zero)

___(%)

99. (DO NOT READ OUT) Hard to say / refuse

Dimension 2. Anticorruption efforts

M5. Are you aware of local authorities implementing any special measures to prevent corruption (e.g., open budget system, digital municipal office, the system of corruption risk assessment and mitigation, municipal anti-corruption program / plan, etc.)?

Read out

- [single]
 - 1. Yes 2. No
 - 99. (DO NOT READ OUT) Hard to say / refuse

[text]

End of interview. Thank the respondent for participating in the survey.

[open]

Interviewer, if you have any comments or remarks about the interview, you can leave them in this box______ 99. No comments