

GLOBAL INVESTMENT COMPETITIVENESS SURVEY 2017 QUESTIONNAIRE

PROMPT 1

Hello, my name is <interviewer> and I am calling from <survey company> on behalf of the International Finance Corporation and World Bank.

We are interviewing key decision makers in companies across the world to better understand the company's decisions to expand overseas, especially in emerging markets and developing countries.

The results of these interviews will be used by the IFC and the World Bank to assist governments in emerging markets to improve their business environments and make it easier for companies like yours to enter and prosper in these new markets.

We would like to talk to an executive in your company who is familiar with your company's motivations in setting up, growing and closing down operations in developing countries. This executive is typically involved in the company's global (or regional) expansion strategy and decision-making process in global operations.

In most companies the position of this executive is typically the General Manager, Chief Executive Officer (CEO), Vice President or Director of Global Operations...but it may be someone else in your company.

I would first like to ask a couple of questions to see if your company is eligible for the study and then I would like to schedule an appointment for the interview with the executive.

(READ OUT) Your answers to this voluntary survey will be treated in strict confidence, used for statistical or policy research purposes and published in aggregate form only.

[READ IF NECESSARY (IF RESPONDENTS ASK FOR MORE INFORMATION ABOUT THE CONFIDENTIALITY PROVISIONS):

"All data is confidential and the property of the World Bank Group. Its sole purpose is for research on the business environment and is not for commercial use. No data or other information from the survey will be released to third parties without the written approval of the World Bank Group. The implementing contractor will turn over all data, questionnaire and other material to the World Bank Group and will not retain any information or material after the survey data collection has ended. The implementing contractor will provide the names and addresses of participating establishments to the World Bank Group in order to facilitate future surveys. The names of participating establishments will not be released to any other party for any reason."

1p. NACE code (from sample list)

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

4p. Size of company (from sample list)

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

1. In which country is your company headquartered?

DO NOT READ OUT - ONE ANSWER

List of 30 countries (alphabetical)

2. We are interested in your overseas activities in developing countries and emerging markets, such as those in Asia, Latin America, Eastern Europe, Africa and the Middle East. Does your company have foreign affiliates, such as subsidiaries or branches, in any **developing** countries?

| | |
|----------|---|
| Yes | 1 |
| No | 2 |
| Not sure | 3 |

If yes, code "1" continue with Q3

If no, code "2" screen out

If not sure, "code "3" read PROMPT 2 and proceed with Q3a to identify countries

PROMPT 2

[If the respondent is not sure, encourage them to name countries:] Feel free to name countries where you have investments, and I can check for you if they are considered developing countries.

[If respondent says there are too many countries for them to name:] If you can, please identify at least 5 developing countries. You can choose the countries where you know most about your operations. Small, less developed countries would be of particular interest to us.

2b. Is your company a branch or an affiliate of another company or group which is headquartered in another country?

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

2c. In which country is your parent company headquartered?

List of all countries (alphabetical)

FILTER: COUNTRY SELECTED IN Q2 HIDDEN IN Q3 LIST

3. In which developing countries do you have foreign affiliates or branches?

MULTIPLE ANSWERS POSSIBLE

Full list of developing countries (alphabetical)

4. For the interview, I will ask about your company's operations in developing countries. I will also ask questions on how your company interacted with government agencies, how it obtained government approvals and permits, and received tax incentives. I will also ask about issues encountered in setting up the subsidiaries, running operations, and exiting the investments.

Are you familiar with these details?

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

If yes, code "1" read PROMPT 4

If NO, code "2" read PROMPT 3

PROMPT 3

May I please ask for your email address? We will be able to send you the questionnaire for your reference and an official letter with some more information about the study.

Email : _____

Set interview appointment

PROMPT 4

I am very sorry but for this study we can only interview respondents who are familiar with their company's motivations with regard to entering and exiting investments in foreign developing countries. Can you please let me know the name of the person, and his/her contact details, who could answer some questions on this topic?

| | |
|--------------------|----|
| Name | |
| Position | |
| Telephone | |
| E-mail | |
| Don't know (SPONT) | -9 |

SECTION 1: GENERAL INFORMATION

(READ OUT) This is just a reminder that your answers to this voluntary survey will be treated in strict confidence, used for statistical or policy research purposes and published in aggregate form only.

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Let me start with few basic classification questions regarding your company

5. What is the main sector of activity of your company?

[DO NOT READ OUT LIST – IF NEEDED, READ OUT RELEVANT CATEGORIES YOU ARE UNSURE ABOUT]

| | |
|---|----|
| Primary | |
| Agriculture, Hunting, Forestry, and Fishing | 1 |
| Mining, Quarrying, and Petroleum | 2 |
| Manufacturing | |
| Refined Petroleum Products, Coke and Nuclear Fuel | 3 |
| Agroprocessing, Food Products, and Beverages | 4 |
| Textiles, Apparel, and Leather | 5 |
| Chemicals and Chemical Products | 6 |
| Rubber | 7 |
| Plastic Products | 8 |
| Pharmaceuticals, Biotechnology, and Medical Devices | 9 |
| Metals and metal products | 10 |
| Non-metal mineral products | 11 |
| Wood and wood products (other than Furniture) | 12 |
| Furniture | 13 |
| Paper and paper products | 14 |
| Printing and Publishing | 15 |
| Automobiles, Other Motor Vehicles, and Transport Equipment | 16 |
| Information Technology and Telecommunications Equipment | 17 |
| Other Machinery and Electrical and Electronic Equipment and Components | 18 |
| Other Manufacturing, specify: | 19 |
| Services | |
| Electricity, Gas, and Water | 20 |
| Alternative Energy | 21 |
| Construction | 22 |
| Wholesale and Retail Trade | 23 |
| Hotels and Restaurants | 24 |
| Other Travel and Tourism-related Services | 25 |
| Logistics, Transport, and Storage | 26 |
| Telecommunications | 27 |
| Computer and Software Services | 28 |
| Financial Services including Insurance | 29 |
| Real Estate | 30 |
| Business Services | 31 |
| Professional, Scientific and Technical Services (Engineering, Architecture, etc.) | 32 |
| Health Services | 33 |
| Media and Entertainment | 34 |
| Other Services, specify: | 35 |
| Other, specify: | |

6. Approximately how many full-time employees does your company have globally?

| | | | | | |
|--|--|--|--|--|--|
| | | | | | |
|--|--|--|--|--|--|

If DON'T KNOW, record code "-9" and ask Q6

7. Does your company have ...

| | |
|---------------------------|---|
| Less than 100 employees | 1 |
| 100 to 250 employees | 2 |
| 251 to 1000 employees | 3 |
| 1001 to 10000 employees | 4 |
| More than 10000 employees | 5 |

8. What is your position in the company?

| | |
|---|---|
| Board member | 1 |
| CEO/President/Managing director | 2 |
| CFO/Finance Director/Treasurer/Comptroller | 3 |
| CIO/Technology director | 4 |
| Director of Global Operations or Global Manufacturing | 5 |
| Other C-level executive | 6 |
| SVP/VP/Director | 7 |
| Head of business unit / Head of department / Manager | 8 |
| Other, please specify _____ | 9 |

SECTION 2: INVESTMENT MOTIVATIONS

ASK ALL

PROMPT

I will now ask questions about how important are various factors in your company's decision to invest or establish operations in developing countries. Please rate the importance on a scale from 1 to 4, where 1 means "Not at all important", 2 means "Somewhat important", 3 means "Important", 4 means "Critically important". "Critically important" means it is a "deal-breaker" – by itself this factor could change your decision about whether to invest or not in a country.

9. How important are the following characteristics to your company's decision to invest in developing countries?

READ OUT – ONE ANSWER PER ROW - RANDOMIZE ORDER

| | | 1 = Not at all important 2 = Somewhat important 3 = Important 4 = Critically important -9 = Don't Know (SPONT) | | | | |
|----|---|--|---|---|---|----|
| 1 | Large domestic market size and potential | 1 | 2 | 3 | 4 | -9 |
| 2 | Macro-economic stability and favourability of exchange rate | 1 | 2 | 3 | 4 | -9 |
| 3 | Low cost of labor and other production inputs | 1 | 2 | 3 | 4 | -9 |
| 4 | Available talent and skill of labor | 1 | 2 | 3 | 4 | -9 |
| 5 | Good physical infrastructure, such as transport and telecom | 1 | 2 | 3 | 4 | -9 |
| 6 | Access to land or real estate | 1 | 2 | 3 | 4 | -9 |
| 7 | Availability of financing in the domestic market | 1 | 2 | 3 | 4 | -9 |
| 8 | Political stability and security | 1 | 2 | 3 | 4 | -9 |
| 10 | Low tax rates | 1 | 2 | 3 | 4 | -9 |
| 11 | Business-friendly legal and regulatory environment | 1 | 2 | 3 | 4 | -9 |

10. The next set of factors are about investment rules and policies in developing countries. Please rate their importance to your company using the same scale from 1 to 4 where 1 means "not at all important" and 4 means "critically important" or "deal breaker".

READ OUT – ONE ANSWER PER ROW - RANDOMIZE ORDER

| | | 1 = Not at all important |
|--|--|--------------------------|
|--|--|--------------------------|

| | | | | | | |
|---|---|--|---|---|---|----|
| | | 2 = Somewhat important 3 = Important 4 = Critically important -9 = Don't Know (SPONT) | | | | |
| 1 | Ease of obtaining government approvals to start a business and to own all equity in the company | 1 | 2 | 3 | 4 | -9 |
| 2 | High quality services and support from the country's Investment Promotion Agency (IPA) | 1 | 2 | 3 | 4 | -9 |
| 3 | Investment incentives such as tax holidays | 1 | 2 | 3 | 4 | -9 |
| 4 | Capabilities of local firms to act as suppliers | 1 | 2 | 3 | 4 | -9 |
| 5 | Investment protection guarantees provided in the country's laws | 1 | 2 | 3 | 4 | -9 |
| 6 | Transparency and predictability in the conduct of public agencies | 1 | 2 | 3 | 4 | -9 |
| 7 | Having a preferential trade agreement | 1 | 2 | 3 | 4 | -9 |
| 8 | Having a bilateral investment treaty | 1 | 2 | 3 | 4 | -9 |

PROMPT 4

I would like to ask you more details about the investment policy-related factors that you identified as important in the previous question.

ASK Q11 IF Q10.1 ON "EASE OF..." IS ANSWERED CODE 2 "SOMEWHAT IMPORTANT", 3 "IMPORTANT" OR CODE 4 "CRITICALLY IMPORTANT".

11. Please use the same scale of 1 to 4 where 4 is critically important or a deal breaker. How important is it for your company to...

READ OUT - ONE ANSWER PER ROW - RANDOMIZE ORDER

| | | | | | | |
|---|---|--|---|---|---|----|
| | | 1 = Not at all important 2 = Somewhat important 3 = Important 4 = Critically important -9 = Don't Know (SPONT) | | | | |
| 1 | Own all equity in the foreign affiliate and not be required to share ownership with local firms or the government | 1 | 2 | 3 | 4 | -9 |
| 2 | Quickly obtain investment approvals and permits to start a business | 1 | 2 | 3 | 4 | -9 |
| 3 | Easily bring in expatriate staff and get visas and work permits | 1 | 2 | 3 | 4 | -9 |
| 4 | Import your production inputs instead of being required by law to purchase them from local suppliers | 1 | 2 | 3 | 4 | -9 |

ASK Q12 IF Q10.2 ON "INVESTMENT PROMOTION AGENCIES" IS ANSWERED CODE 2 "SOMEWHAT IMPORTANT", 3 "IMPORTANT" OR CODE 4 "CRITICALLY IMPORTANT".

12. The next set of questions is about services offered by Investment Promotion Agencies – or IPAs -- in developing countries. IPAs are government agencies whose mission is to attract investments. They can be called investment and development board, investment commission, ministry of commerce and industry, etc. How important are the following services offered by IPAs for your company's investment decisions?

READ OUT - ONE ANSWER PER ROW - RANDOMIZE ORDER

| | | |
|--|--|--|
| | | 1 = Not at all important 2 = Somewhat important 3 = Important 4 = Critically important -9 = Don't Know (SPONT) |
|--|--|--|

| | | | | | | |
|---|--|---|---|---|---|----|
| 1 | Advertising about investment opportunities in the country that you can find online, in newspapers, and other media | 1 | 2 | 3 | 4 | -9 |
| 2 | Exhibitions about the country at trade shows, investment conferences and other such events | 1 | 2 | 3 | 4 | -9 |
| 3 | Meetings with agency officers to discuss investment opportunities in more detail and to organize site visits | 1 | 2 | 3 | 4 | -9 |
| 4 | Information and assistance in setting up, such as complying with registration requirements and obtaining entry permits | 1 | 2 | 3 | 4 | -9 |
| 5 | Information and assistance to handle issues and problems, and resolve grievances with the government | 1 | 2 | 3 | 4 | -9 |
| 6 | Efforts to improve the business environment in the country | 1 | 2 | 3 | 4 | -9 |

ASK Q13 IF Q10.3 ON “INVESTMENT INCENTIVES” IS ANSWERED CODE 2 “SOMEWHAT IMPORTANT”, 3 “IMPORTANT” OR CODE 4 “CRITICALLY IMPORTANT”.

13. Now I'd like to ask about different types of tax incentives. How important are these for your company to invest or expand in a developing country?

READ OUT - ONE ANSWER PER ROW - RANDOMIZE ORDER

| | Types of incentives | 1 = Not at all important 2 = Somewhat important 3 = Important 4 = Critically important -9 = Don't Know (SPONT) | | | | |
|---|--|--|---|---|---|-----|
| 1 | Tax holidays | 1 | 2 | 3 | 4 | N/A |
| 2 | Accelerated depreciation | 1 | 2 | 3 | 4 | N/A |
| 3 | VAT exemption | 1 | 2 | 3 | 4 | N/A |
| 4 | Duty free imports | 1 | 2 | 3 | 4 | N/A |
| 5 | Direct subsidies | 1 | 2 | 3 | 4 | N/A |
| 6 | Subsidized loans | 1 | 2 | 3 | 4 | N/A |
| 7 | Subsidized land | 1 | 2 | 3 | 4 | N/A |
| 8 | Technical or business support incentives | 1 | 2 | 3 | 4 | N/A |

ASK Q14 IF Q10.4 ON “LINKAGES WITH DOMESTIC FIRMS” IS ANSWERED CODE 2 “SOMEWHAT IMPORTANT”, 3 “IMPORTANT” OR CODE 4 “CRITICALLY IMPORTANT”.

14. The next set is related to linkages with domestic firms. Linkages refer to how your company purchases from or sells to firms within the developing country of investment. Please rate the importance using the same scale from 1 to 4.

How important are these for your company?

READ OUT - ONE ANSWER PER ROW - RANDOMIZE ORDER

| | | | | | | |
|---|--|--|---|---|---|----|
| | | 1 = Not at all important 2 = Somewhat important 3 = Important 4 = Critically important -9 = Don't Know (SPONT) | | | | |
| 1 | Capacity and skills of local suppliers | 1 | 2 | 3 | 4 | -9 |
| 2 | Information about the available and qualified local suppliers | 1 | 2 | 3 | 4 | -9 |
| 3 | Pro-active role played by government in organizing matchmaking events with potential suppliers | 1 | 2 | 3 | 4 | -9 |
| 4 | Pro-active role played by government in upgrading of potential local suppliers to meet international or company standards | 1 | 2 | 3 | 4 | -9 |
| 5 | Availability of financial or fiscal incentives from the government to encourage firms like yours to invest in local supplier upgrading | 1 | 2 | 3 | 4 | -9 |

ASK Q15 IF Q10.5 ON "INVESTMENT PROTECTION GUARANTEES" IS ANSWERED CODE 2 "SOMEWHAT IMPORTANT", 3 "IMPORTANT" OR CODE 4 "CRITICALLY IMPORTANT".

15. The next set is about investment protection guarantees. How important are these for your company?

READ OUT - ONE ANSWER PER ROW - RANDOMIZE ORDER

| | | | | | | |
|---|---|--|---|---|---|----|
| | | 1 = Not at all important 2 = Somewhat important 3 = Important 4 = Critically important -9 = Don't Know (SPONT) | | | | |
| 1 | Ability to transfer currency in and out of the country without restrictions | 1 | 2 | 3 | 4 | -9 |

| | | | | | | |
|---|--|---|---|---|---|----|
| 2 | Efficiency in repatriating profits, dividends, management fees, and other foreign exchange transactions without delay | 1 | 2 | 3 | 4 | -9 |
| 3 | Protection against expropriation provided in the law | 1 | 2 | 3 | 4 | -9 |
| 4 | Protection against breach of contract by the government provided in the law (CLARIFICATION FOR ENUMERATORS -- e.g. in case your company has a contract with the government, such as in concessions, public procurement, licensing contracts, etc.) | 1 | 2 | 3 | 4 | -9 |
| 5 | Protection against non-transparent or arbitrary government conduct provided in the law | 1 | 2 | 3 | 4 | -9 |



SECTION 3: INVESTMENT EXIT

ASK ALL

PROMPT 5

Thank you for answering my questions about how important factors are for your investment. I will now move to a new set of questions about political risks.

16. I will read out certain situations and I would like to know if your company has actually experienced them in any of your foreign affiliates in developing countries. Did your company experience...

READ OUT – ONE ANSWER PER ROW – RANDOMISE ORDER

| | | Yes | No | Don't know |
|---|---|-----|----|------------|
| 1 | Delays in obtaining necessary government permits and approvals to start or operate a business | | | |
| 2 | Lack of transparency and predictability in dealing with public agencies | | | |
| 3 | Restrictions in your ability to transfer and convert currency | | | |
| 4 | Breach of contract by the government (CLARIFICATION FOR ENUMERATORS -- e.g. in case your company has a contract with the government, such as in concessions, public procurement, licensing contracts, etc.) | | | |
| 6 | Expropriation or taking of your property or assets by the government | | | |
| 7 | Sudden change in the laws and regulations with a negative impact on your company | | | |

FILTER: ONLY DISPLAY ITEMS THAT WERE CODE 1 'YES' IN Q16

17. Now I would like to know how each of the situations you mentioned affected your investments in the country. Please tell me whether the [\$\$insert Q15 item] caused you to ...

READ OUT – MULTIPLE ANSWERS POSSIBLE

| | | | | | | | |
|---|---|--|---|---|---|---|----|
| | | 1 = Significantly delay an investment 2 = Cancel a planned investment 3 = Withdraw an existing investment 4 = <u>Consider</u> a delay or cancellation of investment (but not doing it at the end) 5 = None of these -9 = Don't know (SPONT) | | | | | |
| 1 | Delays in obtaining necessary permits and approvals to start or operate a business | 1 | 2 | 3 | 4 | 5 | -9 |
| 2 | Lack of transparency and predictability in dealing with public agencies | 1 | 2 | 3 | 4 | 5 | -9 |
| 3 | Restrictions on your ability to transfer and convertibility currency | 1 | 2 | 3 | 4 | 5 | -9 |
| 4 | Breach of contract by the government (CLARIFICATION FOR ENUMERATORS -- e.g. in case your company has a contract with the government, such as in concessions, public procurement, licensing contracts, etc.) | 1 | 2 | 3 | 4 | 5 | -9 |
| 6 | Expropriation or taking of your property or assets by the government | 1 | 2 | 3 | 4 | 5 | -9 |
| 7 | Sudden change in the laws and regulations with a negative impact on your company | 1 | 2 | 3 | 4 | 5 | -9 |

ASK Q18 IF AT LEAST ONE CODE 1 to 3 in Q16, OTHER GO TO Q19

18. Based on your previous answers, it seems that you had an issue, or a grievance, with how the government operated. Taking your experience as a whole, please tell me if any of the following apply:

READ OUT - ONE ANSWER PER ROW - RANDOMIZE ORDER

| | | |
|--|--|--|
| | | 1 = Yes 2 = No -9 = Don't Know (SPONT) |
|--|--|--|

| | | | | |
|---|---|---|---|-----|
| 1 | The process of complaint to the government about a grievance/conflict with the government was simple and efficient. | 1 | 2 | N/A |
| 2 | The grievance with the government was promptly resolved. | 1 | 2 | N/A |
| 3 | The government introduced a systematic solution to address or prevent such grievances in the future | 1 | 2 | N/A |

19. Has your firm ever closed down an affiliate/ branch in any developing country?

| | |
|---------------------|----|
| Yes | 1 |
| No | 2 |
| Don't know (SPONT.) | -9 |

ANSWER Q20 IF CODE 1 – YES in Q19, OTHERS GO TO SECTION 4.

20. What were the main reasons for closing down the foreign affiliate(s)?

READ OUT – MULTIPLE ANSWERS POSSIBLE – MAX. 5 ANSWERS - RANDOMIZE ORDER

INTERVIEWER INSTRUCTION : READ OUT ONE BY ONE AND WAIT FOR A RESPONSE ON EACH ITEM.

| | |
|---|--|
| | |
| 1 | Change in your company's strategy and management priorities |
| 2 | Increased policy or regulatory uncertainty (Examples if needed: change in government leadership, pending legislation that may affect your operations) |
| 3 | Sudden restrictions on transfer and convertibility of currency |
| 4 | Breach of contract by the government |
| 5 | Expropriation or taking of your property or assets by the government |
| 6 | Non-transparent or arbitrary government conduct |
| 7 | Withdrawal of tax incentives |
| 8 | Sudden restrictions on hiring expatriate staff |
| 9 | Global economic downturn (Examples if needed: lower commodity prices, financial crises, etc.) |

| | |
|----|---|
| 10 | Unstable macroeconomic conditions or unfavourable exchange rate |
| 11 | Increase in cost of local labor and raw materials |

SECTION 4: SPECIFIC INVESTMENT IN A DEVELOPING COUNTRY

READ PROMPT 5a IF ONLY ONE COUNTRY SELECTED IN Q2, THEN GO TO Q22.

PROMPT 5a

Thank you. We would now like to ask you several detailed questions about your company's experience of investing in [\$\$ Insert country Q2].

READ PROMPT 5b IF MORE THAN ONE COUNTRY SELECTED IN Q2, THEN GO TO Q21.

PROMPT 5b

Thank you. We would now like to ask you several detailed questions about your company's experience of investing in a specific developing country of your choice.

At the beginning of the survey, you told me your firm had foreign affiliates in XXX [\$\$ Insert Number of countries mentioned in Q3] countries.

21. Please select the country you are most familiar with in terms of the establishment of the affiliate or branch. If you are familiar with more than one, please select the smallest or least developed country.

ONE ANSWER

Show list of countries selected in Q3

22. Is the sector of the affiliate in [\$\$Q20 – country of investment] the same as the parent company, which is [\$\$Q4 – sector]?

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

IF NO, CODE 2 IN Q22, ASK Q22A

- 22a. What is the main sector of your affiliate in [\$\$Q20 – country of investment]?
[DO NOT READ OUT – ONE ANSWER]

| | |
|---|---|
| Primary | |
| Agriculture, Hunting, Forestry, and Fishing | 1 |

| | |
|---|----|
| Mining, Quarrying, and Petroleum | 2 |
| Manufacturing | |
| Refined Petroleum Products, Coke and Nuclear Fuel | 3 |
| Agroprocessing, Food Products, and Beverages | 4 |
| Textiles, Apparel, and Leather | 5 |
| Chemicals and Chemical Products | 6 |
| Rubber | 7 |
| Plastic Products | 8 |
| Pharmaceuticals, Biotechnology, and Medical Devices | 9 |
| Metals and metal products | 10 |
| Non-metal mineral products | 11 |
| Wood and wood products (other than Furniture) | 12 |
| Furniture | 13 |
| Paper and paper products | 14 |
| Printing and Publishing | 15 |
| Automobiles, Other Motor Vehicles, and Transport Equipment | 16 |
| Information Technology and Telecommunications Equipment | 17 |
| Other Machinery and Electrical and Electronic Equipment and Components | 18 |
| Other Manufacturing | 19 |
| Services | |
| Electricity, Gas, and Water | 20 |
| Alternative Energy | 21 |
| Construction | 22 |
| Wholesale and Retail Trade | 23 |
| Hotels and Restaurants | 24 |
| Other Travel and Tourism-related Services | 25 |
| Logistics, Transport, and Storage | 26 |
| Telecommunications | 27 |
| Computer and Software Services | 28 |
| Financial Services including Insurance | 29 |
| Real Estate | 30 |
| Business Services | 31 |
| Professional, Scientific and Technical Services (Engineering, Architecture, etc.) | 32 |
| Health Services | 33 |
| Media and Entertainment | 34 |
| Other Services | 35 |
| Other, specify: | |

23. What is the main activity of your affiliate in [\$\$\$Q20 – country of investment]? Is it...

[READ OUT – ONE ANSWER]

| | |
|--|----|
| Manufacturing | 1 |
| Research and development (R&D) | 2 |
| Sales, marketing or a representative office | 3 |
| Call center for customer support | 4 |
| Back office services (READ EXAMPLES IF NEEDED: HR, accounting, transaction processing) | 5 |
| Business services such as consulting or advertising | 6 |
| Maintenance or servicing | 7 |
| Regional headquarters | 8 |
| Extraction of natural resources (READ EXAMPLES IF NEEDED: oil, gas, mining, agriculture) | 9 |
| Logistics, distribution or transportation | 10 |
| Other, specify: | 11 |

24. What were your company's motivations in investing in [\$\$Q20 – country of investment]? I will read a few motivations and please tell me if these are true.

Did you invest in [\$\$Q20 – country of investment] in order to:

READ OUT - ONE ANSWER PER ROW - RANDOMIZE ORDER

| | | YES | NO |
|---|--|-----|----|
| 1 | Access new markets or new customers? | 1 | 2 |
| 2 | Lower production costs or establish a new base for exports? | 1 | 2 |
| 3 | Coordinate your company's value chain, such as being closer to your suppliers (Read only if needed: other examples include produce intermediate goods, assemble products) | 1 | 2 |
| 4 | Access natural resources and raw materials, such as oil, gas or agricultural products | 1 | 2 |
| 5 | Acquire another firm that will provide your company new technologies or brands | 1 | 2 |

ASK Q25 for all code "1" IN Q23, others go to Q26

25. Which one of these motivations is the most important for your company?

ONE ANSWER

| | MOST IMPORTANT |
|---|-------------------|
| To access new markets or new customers | 1 |
| To lower production costs or establish a new base for exports | 2 |
| To coordinate your company's value chain | 3 |
| To access natural resources and raw materials | 4 |
| To acquire another firm that will provide your company new technologies or brands | 5 |

26. Approximately what proportion of the profits earned by the affiliate in [\$\$Q20 – selected country] were re-invested in that country in the last fiscal year?

| | | | |
|--|--|--|---|
| | | | % |
|--|--|--|---|

If DON'T KNOW, record code "-9" and ask Q27

27. Did your company re-invest about

ONE ANSWER

| | |
|---|----|
| 1% to 25% | 1 |
| 26% to 50% | 2 |
| 51% to 75% | 3 |
| 76% to 100% | 4 |
| The branch/affiliate did not generate profits in the last fiscal year (SPONT) | -6 |
| None, since the investment was done in this fiscal year (SPONT) | -7 |
| Refusal (SPONT) | -8 |
| Don't know (SPONT) | -9 |

28. The next set of questions is about the efficiency of government agencies in [\$\$Q20 – selected country]. In your company's actual experience, how long did it take to...?

READ OUT - ONE ANSWER PER ROW, RECORD ANSWER AND ALLOW RESPONDENT TO DETERMINE TIME UNITS (HOURS/DAYS/WEEKS/MONTHS)

| | | Length of time | hours | days | weeks | months | N/A | DK |
|---|---|----------------|-------|------|-------|--------|-----|----|
| 1 | Obtain investment approval and permits to start a business | | 1 | 2 | 3 | 4 | -8 | -9 |
| 2 | Obtain work permits for expatriate staff | | 1 | 2 | 3 | 4 | -8 | -9 |
| 3 | Obtain a land lease | | 1 | 2 | 3 | 4 | -8 | -9 |
| 4 | Obtain approval for fiscal and financial incentives, such as tax holidays | | 1 | 2 | 3 | 4 | -8 | -9 |
| 7 | Repatriate profits, dividends, management fees, and other foreign exchange transactions | | 1 | 2 | 3 | 4 | -8 | -9 |

29. We will now move on to the services offered by the Investment Promotion Agency in [\$\$Q20 – selected country]. Did you use any of their services?

| | |
|---------------------|----|
| Yes | 1 |
| No | 2 |
| Don't know (SPONT.) | -9 |

ASK Q30 if "YES", CODE1 in Q29

30. For what purpose did you use the services of the IPA in [\$\$Q20 – selected country]?

| | | YES | NO |
|---|---|-----|----|
| 1 | Exploring locations for a new investment | 1 | 2 |
| 2 | Registration and obtaining permits for a new investment | 1 | 2 |
| 3 | Assistance during operations with issues or problems | 1 | 2 |
| 4 | Expanding the investment | 1 | 2 |
| 5 | Finding domestic suppliers | 1 | 2 |

ASK Q31 IF 10.3 ON "INVESTMENT INCENTIVES" IS ANSWERED CODE 2 "SOMEWHAT IMPORTANT", 3 "IMPORTANT" OR CODE 4 "CRITICALLY IMPORTANT".

31. I would now like to ask you about incentives. I will read out types of incentives and please tell me if your company received them in [\$\$Q20 – selected country]?
READ OUT - ONE ANSWER PER ROW - RANDOMIZE ORDER

| | | YES | NO | DK |
|---|--------------|-----|----|----|
| 1 | Tax holidays | 1 | 2 | 3 |

| | | | | |
|---|--|---|---|---|
| 2 | Accelerated depreciation | 1 | 2 | 3 |
| 3 | VAT exemption | 1 | 2 | 3 |
| 4 | Duty free imports | 1 | 2 | 3 |
| 5 | Direct subsidies | 1 | 2 | 3 |
| 6 | Subsidized loans | 1 | 2 | 3 |
| 7 | Subsidized land | 1 | 2 | 3 |
| 8 | Technical or business support incentives | 1 | 2 | 3 |

ASK Q32 IF 11.4 ON “LINKAGES WITH DOMESTIC FIRMS” IS ANSWERED CODE 2 “SOMEWHAT IMPORTANT”, 3 “IMPORTANT” OR CODE 4 “CRITICALLY IMPORTANT”.

32. I would like to ask about where you source your production inputs, supplies, and services, in your [INSERT COUNTRY SELECTED IN Q20] affiliate.

I have three categories of where the inputs might come from. The **first** is from local suppliers in the country, the **second** is from another unit of your company and the third is imported from other countries.

Again the sources are (1) local, (2) from your company and (3) imported.

For the last fiscal year, please estimate the percentage of material inputs, supplies, and services sourced...

| | Percent | DON'T KNOW (SPONTANEOUS) |
|--|-------------|-----------------------------|
| From local suppliers | % | -9 |
| From another unit of your company | % | -9 |
| Imported from another country (excluding your company) | % | -9 |
| | 100% | |

CHECK THAT TOTAL SUMS TO 100%
(UNLESS RESPONDENT DOES NOT KNOW)

ASK Q33 IF “Locally sourced material inputs, suppliers, or services provided by locally-owned firms” IN Q32 IS MORE THAN “0” ZERO, OTHERS GO TO END

33. Does your firm have internal “talent scouts” to seek out local suppliers in [\$\$\$Q20 – selected country]?

| | |
|---------------------|----|
| Yes | 1 |
| No | 2 |
| Don't know (SPONT.) | -9 |

34. Does your firm have vocational or training programs to upgrade local suppliers?

| | |
|---------------------|----|
| Yes | 1 |
| No | 2 |
| Don't know (SPONT.) | -9 |

ASK Q35 if YES – CODE 1 in Q34, OTHERS GO TO Q37

35. Are these vocational or training programs developed and/or implemented jointly with local technical colleges or universities?

| | |
|---------------------|----|
| Yes | 1 |
| No | 2 |
| Don't know (SPONT.) | -9 |

36. Does your firm sponsor certification programs for local suppliers?

| | |
|---------------------|----|
| Yes | 1 |
| No | 2 |
| Don't know (SPONT.) | -9 |

37. Does your firm have equipment-financing programs for local suppliers?

| | |
|---------------------|----|
| Yes | 1 |
| No | 2 |
| Don't know (SPONT.) | -9 |

THE SURVEY ENDS HERE, THANK YOU VERY MUCH FOR YOUR TIME AND INFORMATION.

The World Bank would like to include in their report several detailed case studies of companies' experiences with foreign investment. Would you be interested in your company participating in such a case study? If yes, I would like to schedule another interview with you in several weeks. It would take about 30 minutes, but it would have fewer questions and more opportunity for you to talk about your company.

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