

# 3<sup>rd</sup> EBRD Banking Environment and Performance Survey (BEPS III)

## Respondent: Head of Credit

**H1 Standard information to be completed prior to the interview or immediately after**

**Single code for each**

- a. *Respondent name:* \_\_\_\_\_
- b. *Respondent gender:* \_\_\_\_\_
- c. *Bank name:* \_\_\_\_\_
- d. *Bank ID:* \_\_\_\_\_
- e. *Date:* |\_|\_| |\_|\_| |\_|\_|\_|\_|
- f. *City of interview:* \_\_\_\_\_
- g. *Start time:* |\_|\_|:|\_|\_|
- h. *End time:* |\_|\_|:|\_|\_|
- i. *Interviewer name:* \_\_\_\_\_

**Read:** This study is conducted in 34 countries in Central and Eastern Europe, Central Asia, Turkey, and the southern and eastern Mediterranean by the European Bank for Reconstruction and Development (EBRD). The goal is to better understand conditions for banking in your country and to help EBRD to advise governments on ways to improve policies related to the banking sector. Your answers should reflect your own perception and experience of banking in your country.

I would like to assure you that the information obtained will be treated anonymously and confidentially. Your name or that of your bank will not be used in any document related to this survey. No governmental organisation will be informed of any individual bank's responses or participation in this survey. For public dissemination of the survey results, the data will be aggregated so that individual bank responses cannot be identified. Once the data are analysed, EBRD will send you a report with an aggregate and anonymous summary of the results for this country.

**H2 Job title of respondent**

**Single code**

- 1. Chairperson of the board
- 2. President
- 3. Chief Executive Officer/Managing Director
- 4. Chief Operating Officer
- 5. Vice President
- 6. Deputy CEO/Deputy Managing Director
- 7. Head of Credit
- 8. Other (specify)

**H3 Since when have you been working in this position?**

- a. *Month:* |\_|\_|
- b. *Year:* |\_|\_|\_|\_|

## Section H1. Credit application and approval

**Read:** For the purpose of this survey, Small and Medium-sized Enterprises (SMEs) are defined as enterprises with between 10 and 250 employees.

When thinking of employees, please consider formal employees.

**H4 Does your bank provide credit/loans to SMEs?**

Single code

1. Yes
2. No [**>H19**]

**H5 How many decision layers are involved when lending to SMEs? By a decision layer I mean an organizational hurdle or step where at least one person can reject the loan application.**

For the purpose of this question, if a loan application can be rejected based on automatic credit scoring it is considered a decision layer. However, points at which a loan application can be rejected in the back office or legal department are not considered a decision layer.

- a. Minimum number of layers: \_\_\_\_\_
- b. Typical number of layers: \_\_\_\_\_
- c. Maximum number of layers: \_\_\_\_\_

**H6 What is the highest loan amount that a loan officer who interacts with an SME client can approve without approval from a higher level?**

For the purpose of this question, automatic credit scoring would not count as a higher level.

If it is not possible to approve a loan without confirmation, please mark "Not applicable"

- a. Loan amount: \_\_\_\_\_ or Not applicable (code -98)
- b. Currency used to express the above loan amount: \_\_\_\_\_

[Soft check – if the answer is below 500 USD or above 100,000 US, the message below in purple should appear on the tablet. If the answer needs revising, please display the question again, so that the interviewer can insert the correct answer. If the answer does not need revising, please let the interviewer proceed to the next question.]

**Read:** Could you please confirm that your answer is correct?

1. Yes, the answer is correct
2. No, the answer should be revised

**H7 Where are SME clients' applications typically (that is, most loans) finally approved?**

Single code

For the purpose of this question, most loans refers to the number of loans.

1. Foreign headquarters (if applicable)
2. Domestic headquarters
3. Regional office/branch
4. Local office/branch
5. Don't know (code -97)

**H8** Looking at this card, please score the importance (frequency of use) of each lending technique for SME customers:

Single code for each; show card H1

The respondent should think about how frequently they currently use each of these; this is not hypothetical.

	1. Very unimportant	2. Unimportant	3. Neither important nor unimportant	4. Important	5. Very important	6. Don't know (code -97)
a. Relationship (knowledge of the client)						
b. Cash-flow analysis (financial information)						
c. Automated credit scoring using an algorithm						
d. Collateral: Immovable tangible assets owned by the firm (e.g. buildings)						
e. Collateral: Movable tangible assets owned by the firm (e.g. machinery, cars, inventory)						
f. Collateral: Intangible assets (e.g. patents, trademarks, brands)						
g. Collateral: Personal assets pledged by entrepreneur						
h. Government guarantee (government agency or development bank)						
i. Other (non-government) third-party guarantee						

**H9** Imagine an average SME client who is applying for a loan for the first time (in other words, the SME is a completely new client and does not have any existing relationship with your bank). What would the annual loan rate be for a USD 100,000 (or equivalent) loan with the following characteristics:

- Working capital loan
- Fully collateralised
- In local currency
- One year-maturity

Fully collateralised means that the loan is fully covered.

If the respondent cannot provide a point estimate, please probe for a range.

a. Point estimate: \_\_\_\_\_

b. Range: from \_\_\_\_\_ or Don't know (code -97)

c. to \_\_\_\_\_ or Don't know (code -97)

[Soft check – if the range is larger than 10 percentage points, the message below in purple should appear on the tablet. If the answer needs revising, please display the question again, so that the interviewer can insert the correct answer. If the answer does not need revising, please let the interviewer proceed to the next question.]

**Read: Could you please confirm that your answer is correct?**

1. Yes, the answer is correct
2. No, the answer should be revised

**H10** Now imagine an average SME client that has already borrowed and successfully repaid one loan from your bank. What would the annual loan rate be for a loan similar to the one just discussed, namely a USD 100,000 (or equivalent) loan with the following characteristics:

- Working capital loan
- Fully collateralised
- In local currency
- One year-maturity

**Fully collateralised means that the loan is fully covered.**

**If the respondent cannot provide a point estimate, please probe for a range.**

a. Point estimate: \_\_\_\_\_

b. Range: from \_\_\_\_\_ or Don't know (code -97) or Not applicable (code -98)

c. to \_\_\_\_\_ or Don't know (code -97) or Not applicable (code -98)

[Soft check – if the range is larger than 10 percentage points, the message below in purple should appear on the tablet. If the answer needs revising, please display the question again, so that the interviewer can insert the correct answer. If the answer does not need revising, please let the interviewer proceed to the next question.]

**Read: Could you please confirm that your answer is correct?**

1. Yes, the answer is correct
2. No, the answer should be revised

**H11** Speaking about the same SME client, what would the loan rate be if the second loan was uncollateralised?

**If the respondent cannot provide a point estimate, please probe for a range.**

a. Point estimate: \_\_\_\_\_

b. Range: from \_\_\_\_\_ or Don't know (code -97)

c. to \_\_\_\_\_ or Don't know (code -97)

[Soft check – if the range is larger than 10 percentage points, the message below in purple should appear on the tablet. If the answer needs revising, please display the question again, so that the interviewer can insert the correct answer. If the answer does not need revising, please let the interviewer proceed to the next question.]

**Read: Could you please confirm that your answer is correct?**

1. Yes, the answer is correct
2. No, the answer should be revised

**H12** Now imagine an average SME client that has had a 10-year relationship with the bank. What would the annual loan rate be for a USD 100,000 (or equivalent) loan with the following characteristics:

- Working capital loan
- Fully collateralised
- In local currency
- One year-maturity

Fully collateralised means that the loan is fully covered.

By a 10-year relationship, I mean that the client has been a general client of the bank for 10 years but has not necessarily borrowed from the bank for 10 years.

If the respondent cannot provide a point estimate, please probe for a range.

a. Point estimate: \_\_\_\_\_

b. Range: from \_\_\_\_\_ or Don't know (code -97)

c. to \_\_\_\_\_ or Don't know (code -97)

[Soft check – if the range is larger than 10 percentage points, the message below in purple should appear on the tablet. If the answer needs revising, please display the question again, so that the interviewer can insert the correct answer. If the answer does not need revising, please let the interviewer proceed to the next question.]

Read: Could you please confirm that your answer is correct?

1. Yes, the answer is correct

2. No, the answer should be revised

**H13** What is the loan-amount threshold above which your bank requires SME borrowers to provide audited statements?

If the threshold is mandated by the law (as opposed to set internally by the bank), please write down what the legal threshold is.

a. \_\_\_\_\_ or Audited statements are always required (code -95) or Audited statements are never required (code -92)

b. Currency used to express the above loan-amount threshold: \_\_\_\_\_

**H14** Does your bank accept online applications for SME loans? Please select the option that best describes whether you accept online applications.

Single code

If the bank accepts online applications for at least some SME loans, please respond based on those types of loans. In this question, online applications refer to applications made via websites not by email.

1. Yes, our bank accepts online applications and will in some cases disburse funds without meeting the client
2. Yes, our bank accepts online applications but a subsequent face-to-face meeting with the client is always required before disbursement
3. No, SME applications are never accepted online

	<p><b>H15 Does your bank undertake an [rotate through: environmental; climate change; social; corporate governance] impact assessment of at least some <u>SMEs</u> before loan approval?</b></p> <p>Single code for each</p> <p>For the purpose of this question:</p> <p>environmental refers to local effects (e.g. polluting rivers) and climate change refers to global effects (e.g. emissions).</p> <p>Impact assessments can be project specific or company level.</p>	<p><b>H16 Since which year?</b></p>	
	<p>1. Yes</p>	<p>2. No</p>	
a. <i>Environmental</i>			<p>[Show only if H15a = 1]           or Don't know (code -97)</p>
b. <i>Climate change</i>			<p>[Show only if H15b = 1]           or Don't know (code -97)</p>
c. <i>Social</i>			<p>[Show only if H15c = 1]           or Don't know (code -97)</p>
d. <i>Corporate governance</i>			<p>[Show only if H15d = 1]           or Don't know (code -97)</p>

**H17** [Show only if at least one among H15a, H15b, H15c or H15d = 1] **How often does your bank reject SME loan applications for environment (including climate), social, or governance reasons?**

Single code

1. Never
2. Almost never

3. Sometimes
4. Often
5. Very often

**H18** [Show only if at least one among H15a, H15b, H15c or H15d = 1] How often does your bank increase the pricing of **SME** loan applications for environmental reasons, such as polluting activity or large carbon emissions?

Single code

1. Never
2. Almost never
3. Sometimes
4. Often
5. Very often

**Read:** For the purpose of this survey, large enterprises are defined as enterprises with more than 250 employees. When thinking of employees, please consider formal employees.

**H19** Does your bank provide credit/loans to large enterprises?

Single code

1. Yes
2. No [**>H27**]

**H20** How many decision layers are involved when lending to large enterprises? By a decision layer I mean an organizational huddle or step where at least one person can reject the loan application.

For the purpose of this question, if a loan application can be rejected based on automatic credit scoring it is considered a decision layer. However, points at which a loan application can be rejected in the back office or legal department are not consider a decision layer.

- a. Minimum number of layers: \_\_\_\_\_
- b. Typical number of layers: \_\_\_\_\_
- c. Maximum number of layers: \_\_\_\_\_

**H21** Looking at this card, please score the importance (frequency of use) of each lending technique for large enterprise customers:

Single code for each; show card H1

The respondent should think about how frequently they currently use each of these; this is not hypothetical.

	1. Very unimportant	2. Unimportant	3. Neither important nor unimportant	4. Important	5. Very important	6. Don't know (code -97)
a. <i>Relationship (knowledge of the client)</i>						
b. <i>Cash-flow analysis (financial information)</i>						
c. <i>Automated credit scoring using an algorithm</i>						
d. <i>Collateral: Immovable tangible assets owned by the firm (e.g. buildings)</i>						
e. <i>Collateral: Movable tangible assets owned by the firm (e.g. machinery, cars, inventory)</i>						
f. <i>Collateral: Intangible assets (e.g. patents, trademarks, brands)</i>						
g. <i>Government guarantee (government agency or development bank)</i>						
j. <i>Other (non-government) third-party guarantee</i>						

**H22 Does your bank accept online applications for large-enterprise loans? Please select the option that best describes whether you accept online applications.**

**Single code**

**If the bank accepts online applications for at least some large loans, please respond based on those types of loans. In this question, online applications refer to applications made via websites not by email.**

1. Yes, our bank accepts online applications and will in some cases disburse funds without meeting the client
2. Yes, our bank accepts online applications but a subsequent face-to-face meeting with the client is always required before disbursement
3. No, applications for large-enterprise loans are never accepted online



	<b>H23 Does your bank undertake an [rotate through: environmental; climate change; social; corporate governance] impact assessment of at least some <u>large enterprises</u> before loan approval?</b> <b>Single code for each</b> <b>For the purpose of the question:</b> <b>environmental refers to local effects (e.g. polluting rivers) and climate change refers to global effects (e.g. emissions).</b> <b>Impact assessments can be project specific or company level.</b>	<b>H24 Since which year?</b>	
	1. Yes	2. No	
a. <i>Environmental</i>			[Show only if H23a = 1] <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> or Don't know (code -97)
b. <i>Climate change</i>			[Show only if H23b = 1] <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> or Don't know (code -97)
c. <i>Social</i>			[Show only if H23c = 1] <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> or Don't know (code -97)
d. <i>Corporate governance</i>			[Show only if H23d = 1] <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> or Don't know (code -97)

**H25** [Show only if at least one among H23a, H23b, H23c or H23d = 1] **How often does your bank reject loan applications by large enterprises for environment (including climate), social, or governance reasons?**  
**Single code**

1. Never
2. Almost never
3. Sometimes
4. Often
5. Very often

**H26** [Show only if at least one among H23a, H23b, H23c or H23d = 1] How often does your bank increase the pricing of large enterprise loan applications for environmental reasons, such as polluting activity or large carbon emissions?

Single code

1. Never
2. Almost never
3. Sometimes
4. Often
5. Very often

**Read:** For the purpose of this survey, retail customers are defined as physical persons that apply for mortgage lending or consumer lending.

**H27** Does your bank provide credit/loans to retail customers?

Single code

1. Yes
2. No [>H32]

**H28** Looking at this card, please score the importance (frequency of use) of each lending technique for retail customers:

Single code for each; show card H1

The respondent should think about how frequently they currently use each of these; this is not hypothetical.

	1. Very unimportant	2. Unimportant	3. Neither important nor unimportant	4. Important	5. Very important	6. Don't know (code -97)
a. Relationship (knowledge of the client)						
b. Cash-flow analysis (financial information)						
c. Automated credit scoring using an algorithm						

d. Collateral: Immovable tangible assets owned by the loan applicant (e.g. buildings)						
e. Collateral: Movable tangible assets owned by the loan applicant (e.g. machinery, cars, inventory)						
f. Government guarantee (government agency or development bank)						
g. Other (non-government) third-party guarantee						

**H29 Does your bank accept online applications for retail customers? Please select the option that best describes whether you accept online applications.**

**Single code**

**If the bank accepts online applications for at least some retail loans, please respond based on those types of loans. In this question, online applications refer to applications made via websites not by email.**

1. Yes, our bank accepts online applications and will in some cases disburse funds without meeting the client
2. Yes, our bank accepts online applications but a subsequent face-to-face meeting with the client is always required before disbursement
3. No, retail applications are never accepted online

**H30 Does your bank currently obtain information on credit histories of potential borrowers from one or more credit registries or credit bureaus?**

**Single code**

1. Yes [**>H32**]
2. No

**H31 What is the main reason for not using information from a credit registry or credit bureau?**

**Single code**

1. A credit bureau/registry does not exist
2. The coverage of potential borrowers by the credit bureau/registry is inadequate
3. The accuracy and reliability of information provided by the credit registry/bureau is inadequate
4. The cost of accessing this information about potential borrowers is too high
5. Other (specify): \_\_\_\_\_

**Read: This section relates to lending to start-ups. For the purpose of this survey, we define start-ups as (1) businesses that have not started operations yet but have a business plan or (2) businesses that have recently started up but do not yet have an established financial record of accomplishment.**

**H32 Does your bank have an internal definition of start-ups?**

**Single code**

1. Yes
2. No [**>H34**]

**H33 Below what age (in years) would a small business be considered a start-up by your bank?**

H34 Does your bank provide loans / credit to start-ups?

Single code

The respondent should consider all loans / credit provided to start-ups; it may be that the bank does not have specific products for start-ups but provides loans / credit to start-ups on an ad-hoc basis.

1. Yes
2. No [[>H37](#)]

H35 Does your bank underwrite start-ups differently from established, more mature small firms?

Single code

1. Yes
2. No [[>H37](#)]

H36 Looking at this card, please score the importance (frequency of use) of each lending technique for start-up customers:

Single code for each; show card 1

The respondent should think about how frequently they currently use each of these; this is not hypothetical.

	1. Very unimportant	2. Unimportant	3. Neither important nor unimportant	4. Important	5. Very important	6. Don't know (code -97)
a. Relationship (knowledge of the client)						
b. Cash-flow analysis (financial information)						
c. Automated credit scoring using an algorithm						
d. Collateral: Immovable tangible assets owned by the firm (e.g. buildings)						
e. Collateral: Movable tangible assets owned by the firm (e.g. machinery, cars, inventory)						
f. Collateral: Intangible assets (e.g. patents, trademarks, brands)						
g. Collateral: Personal assets pledged by entrepreneur						
h. Government guarantee (government agency or development bank)						
i. Other (non-government) third-party guarantee						
j. Additional documentation (e.g., business plan)						
k. Owner characteristics (e.g., managerial quality, personal impression, references)						

**Read:** For the purpose of this survey, “innovative” industries are industries that are R&D intensive, such as information technology (computers, electronic products, software, data processing), chemicals and pharmaceuticals.

**H37 Does your bank provide loans / credit to innovative industries?**

**Single code**

1. Yes
2. No [**>H43**]

**H38 How important are innovative industries among your bank’s borrowers today, in terms of percentage of (the volume of) loans?**

\_\_\_\_\_ or Less than 1% (code -95)

**H39 How important were innovative industries among your bank’s borrowers in 2010, in terms of percentage of (the volume of) loans?**

\_\_\_\_\_ or Less than 1% (code -95) or The bank did not exist 10 years ago (code -90) or Don’t know (code -97)

**H40 How difficult is it to lend to borrowers from innovative industries compared to borrowers from more traditional industries?**

**Single code**

1. Easier
2. A bit easier
3. The same
4. A bit more difficult
5. More difficult

**H41 What constrains your bank’s ability to lend to innovative industries? Looking at this card, please choose three constraints from this card in order of decreasing importance:**

**Single code for each; show card H2**

	a. <i>First constraint (most important)</i>	b. <i>Second constraint (second most important)</i>	c. <i>Third constraint (third most important)</i>
1. Lack of creditworthy customers (that is, too few loan applicants meet the underwriting criteria)			
2. Insufficient demand for credit (that is, not enough loan applications)			
3. The interest rates on loans is too low relative to deposit rates (i.e., low net interest margins)			

4. Loan officers do not have the skills needed to evaluate credit risks			
5. Loan officers cannot obtain the right amount and type of information needed to evaluate credit risks			
6. The bank's lack of liquidity			
7. The bank's lack of equity capital			
8. Such borrowers often have insufficient collateral			
9. . Government programs for guaranteed loans are absent or insufficient			
10. Regulatory limits on the use of intangible assets (patents, trademarks, brands) as collateral			
11. Other (specify): _____			
12. Not applicable (code -98)			

**H42 Looking at this card, please score the importance (frequency of use) of each lending technique for innovative customers:**

**Single code for each; show card H3**

**The respondent should think about how frequently they currently use each of these; this is not hypothetical.**

**The respondent can think of innovative customers to include new, established, small and large companies from innovative industries.**

	1. Very unimportant	2. Unimportant	3. Neither important nor unimportant	4. Important	5. Very important	6. Don't know (code -97)
a. <i>Relationship (knowledge of the client)</i>						
b. <i>Cash-flow analysis (financial information)</i>						
c. <i>Automated credit scoring using an algorithm</i>						
d. <i>Collateral: Immovable tangible assets owned by the firm (e.g. buildings)</i>						
e. <i>Collateral: Movable tangible assets owned by the firm (e.g. machinery, cars, inventory)</i>						
f. <i>Collateral: Intangible assets (e.g. patents, trademarks, brands)</i>						
g. <i>Collateral: Personal assets pledged by entrepreneur</i>						
h. <i>Government guarantee (government agency or development bank)</i>						

i. <i>Personal/third-party guarantee</i>						
j. <i>Additional documentation (e.g., business plan)</i>						
k. <i>Owner characteristics (e.g., managerial quality, personal impression, references)</i>						

**Read:** This section relates to correspondent banks.

**H43** Over the past decade, some major international correspondent banks have terminated relationships with respondent banks. Has any bank terminated its correspondent banking relationship with your bank since 2008?

**Single code**

1. Yes
2. No [**>H45**]
3. Don't know (code -97) [**>H45**]

**H44** Please state the year of termination, the bank's name, and its country of origin.

**Note down names in full (no abbreviations) and in English**

	a. <i>Year of termination</i>	b. <i>Bank name</i>	c. <i>Country</i>
1.	<div> <div> <div></div><div></div><div></div><div></div><div></div><div></div> </div> </div> <div>or Don't know (code -97)</div>	<div>_____</div> <div>or Don't know (code -97)</div>	<div>_____</div> <div>or Don't know (code -97)</div>
2.	<div> <div> <div></div><div></div><div></div><div></div><div></div><div></div> </div> </div> <div>or Don't know (code -97) or Not applicable (code -98)</div>	<div>_____</div> <div>or Don't know (code -97) or Not applicable (code -98)</div>	<div>_____</div> <div>or Don't know (code -97) or Not applicable (code -98)</div>
3.	<div> <div> <div></div><div></div><div></div><div></div><div></div><div></div> </div> </div> <div>or Don't know (code -97) or Not applicable (code -98)</div>	<div>_____</div> <div>or Don't know (code -97) or Not applicable (code -98)</div>	<div>_____</div> <div>or Don't know (code -97) or Not applicable (code -98)</div>

**H45** How many banks provide correspondent banking services to your bank at present?

\_\_\_\_\_ or Don't know (code -97)

[Soft check – if greater than 500, the message below in purple should appear on the tablet. If the answer needs revising, please display the question again, so that the interviewer can insert the correct answer. If the answer does not need revising, please let the interviewer proceed to the next question.]

**Read:** Could you please confirm that your answer is correct?

1. Yes, the answer is correct
2. No, the answer should be revised

**H46** Looking at this card, are the following types of correspondent banking services: not available to you bank; difficult to access; or easy to access?

**Single code for each; show card H4**

**Currency clearing in sub-question c refers to the mutual offsetting of cashless settlements and claims of**

counter parties from various countries.

	1. This service is not available to us	2. This service is difficult to access for us	3. This service is easy to access for us	4. Don't know (code -97)
a. <i>Payment transactions</i>				
b. <i>Trade finance</i>				
c. <i>Currency clearing</i>				

**H47 Does your bank offer Letters of Credit (LCs)?**

**Single code**

1. Yes
2. No [**>H50**]

**H48 Since when has it offered Letters of Credit (LCs)?**

Year: |\_|\_|\_|\_|\_| or Don't know (code -97)

**H49 What is the typical fee, as a percentage of the transaction value?**

**The respondent should consider the typical fee for SMEs clients.**

**If the respondent cannot provide a point estimate, please probe for a range.**

- a. *Point estimate:* \_\_\_\_\_
- b. *Range: from* \_\_\_\_\_ *or Don't know (code -97)*
- c. *to* \_\_\_\_\_ *or Don't know (code -97)*

**H50 Does your bank offer the service of confirming foreign Letters of Credit (LCs)?**

**Single code**

1. Yes
2. No [**>H53**]

**H51 Since when has it offered this service?**

Year: |\_|\_|\_|\_|\_| or Don't know (code -97)

**H52 What is the typical fee, as a percentage of the transaction value?**

**If the respondent cannot provide a point estimate, please probe for a range.**

- a. *Point estimate:* \_\_\_\_\_
- b. *Range: from* \_\_\_\_\_ *or Don't know (code -97)*



c. to \_\_\_\_\_ or Don't know (code -97)

## Section H2. Security rights for lenders

**H53** Please look at this card. Thinking of the law and its implementation in your country related to pledging collateral (security rights over **MOVABLE ASSETS** such as inventory, motor vehicles, equipment, receivables, IP rights), to what extent do you agree with the following statements?

Single code for each; show card H5

Sub-question b relates to the definition of security rights ex-ante (creation and registration), while sub-question c related to the ex-post enforcement of security rights if something goes wrong.

	1. Strongly disagree	2. Disagree	3. Neither agree nor disagree	4. Agree	5. Strongly agree	6. Don't know (code -97)
a. <i>The law and the bankruptcy system provides adequate scope as to types of security (e.g., types of assets received as collateral, types of debt that can be secured)</i>						
b. <i>The law and the bankruptcy system enables efficient creation and perfection (registration) of security rights (simple, cheap, fast)</i>						
c. <i>The law and the bankruptcy system enables efficient enforcement of security rights (simple, cheap, fast)</i>						
d. <b><u>OVERALL</u></b> , <i>the law and the bankruptcy system adequately protects secured creditor rights in case of insolvency</i>						

**H54** Please look at this card. Thinking of the law and its implementation related to mortgages (security rights over **IMMOVABLE ASSETS**, such as mortgages over buildings or land, or equivalent, such as transfer of title for security purpose) in your country to what extent do you agree with the following statements?

Single code for each; show card H5

The respondent should consider mortgages for real estate in general rather than specifically consumer mortgages.

Sub-question b relates to the definition of security rights ex-ante (creation and registration), while sub-question c related to the ex-post enforcement of security rights if something goes wrong.

	1. Strongly disagree	2. Disagree	3. Neither agree nor disagree	4. Agree	5. Strongly agree	6. Don't know (code -97)
a. <i>The law and the bankruptcy system provides adequate scope as to types of security (e.g., types of assets received as collateral, types of debt that can be secured)</i>						
b. <i>The law and the bankruptcy system enables efficient creation and perfection (registration) of security rights (simple, cheap, fast)</i>						
c. <i>The law and the bankruptcy system enables efficient enforcement of security rights (simple, cheap, fast)</i>						
d. <b><u>OVERALL</u></b> , <i>the law and the bankruptcy system adequately protects secured creditor rights in case of insolvency</i>						

**H55** Looking at this card, please indicate the extent to which you agree with the following descriptions related to how the court system resolves business disputes:

Single code for each; show card H5

	1. Strongly disagree	2. Disagree	3. Neither agree nor	4. Agree	5. Strongly agree	6. Don't know (code -97)
a. <i>Fair and impartial</i>						
b. <i>Quick and efficient</i>						
c. <i>Able to enforce its decisions</i>						

## Section H3. Branch networks

**HSUB** [Show only if H4 = 1] Is this bank a foreign branch?

**DO NOT ASK** the respondent this question please fill out yourself.

1. Yes [>H58]

2. No

**H56** [Show only if H4 = 1] In a city setting, how far from the branch that provides SME funding is the typical SME borrower located (in kilometres):

a. Point estimate: \_\_\_\_\_

b. Range: from \_\_\_\_\_ or Don't know (code -97)

c. to \_\_\_\_\_ or Don't know (code -97)

**H57** [Show only if H4 = 1] In rural or sparsely populated areas, how far from the branch which provides SME funding is the typical SME borrower located (in kilometres):

a. Point estimate: \_\_\_\_\_

b. Range: from \_\_\_\_\_ or Don't know (code -97) or Not applicable (code -98)

c. to \_\_\_\_\_ or Don't know (code -97) or Not applicable (code -98)

## Section H4. COVID-19

Read: The COVID-19 pandemic has affected many countries. I would like to ask you a few questions about the possible impact of COVID-19 on your bank and on your clients.

H58 Did your bank provide at least some existing clients with a temporary deferral of payments (repayment holidays or grace periods during which time clients did not have to pay monthly repayments and / or interest) in response to COVID-19?

Single code

1. Yes
2. No [[>H62](#H62)]

<p>H59 For which of the following <u>existing</u> clients did your bank provide a temporary deferral of repayments in response to COVID-19?</p> <p>Single code for each</p>	<p>H60 Were these payment deferrals imposed by the government / regulator (that is, they were mandatory or were advised by the regulator / government) or did your bank implement them voluntarily?</p> <p>Single code for each</p>		<p>H61 For which months did your bank provide <u>existing</u> borrowers with a temporary deferral of payments?</p>					
<p>1. Yes</p>	<p>2. No</p>		<p>1. Implemented voluntarily at first and later imposed by the government</p>	<p>2. Imposed by the government</p>	<p>3. Implemented completely voluntarily</p>		<p>a. Temporary deferral of payments were first introduced in:</p>	<p>b. Temporary deferral of payments ended in:</p>

a. <i>SMEs (firms with between 10 and 250 employees)</i>			[Show only if H59a = 1]				[Show only if H59a = 1]	Month <input type="text"/> Year <input type="text"/>	Month <input type="text"/> Year <input type="text"/> <i>Deferral of payments have not ended (code -95)</i>
b. <i>Large enterprise (with more than 250 employees)</i>			[Show only if H59b = 1]				[Show only if H59b = 1]	Month <input type="text"/> Year <input type="text"/>	Month <input type="text"/> Year <input type="text"/> <i>Deferral of payments have not ended (code -95)</i>
c. <i>Retail customers (households)</i>			[Show only if H59c = 1]				[Show only if H59c = 1]	Month <input type="text"/> Year <input type="text"/>	Month <input type="text"/> Year <input type="text"/> <i>Deferral of payments have not ended (code -95)</i>

**H62 To help firms deal with interrupted cash flows did your bank provide existing clients with any of the following as special COVID-19 bridging credit facilities:**

**Single code for each**

	1. Yes	2. No
a. <i>Additional credit facilities within the existing limits</i>		
b. <i>Additional credit facilities with increased limits</i>		
c. <i>Specialised short-term loans to cover liquidity shortages</i>		



b. Large enterprise (with more than 250 employees)			[Show only if H63b = 1]				[Show only if H63b = 1]	Month       Year	Month       Year           Bridge facilities are still provided (code -95)
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**H66 Did your bank provide new clients with special COVID-19 bridging credit facilities to help firms deal with interrupted cash flows?**

**Single code**

1. Yes
2. No [**>H70**]

H67 For which of the following <u>new</u> borrowers did your bank provide special COVID-19 bridging credit facilities to: <b>Single code for each</b>		H68 Was the provision of such credit facilities imposed by the government / regulator (that is, they were mandatory or were advised by the regulator / government) or did you implement them voluntarily: <b>Single code for each</b>			H69 In which months did your bank provide <u>new</u> clients with a bridge facility?		
1. Yes	2. No	1. Implemented voluntarily at first and later imposed by the government	2. Imposed by the government	3. Implemented completely voluntarily	a. Bridge facilities were first introduced in:	b. Bridge facilities ended in:	



a. <i>SMEs (firms with between 10 and 250 employees)</i>			[Show only if H67a = 1]				[Show only if H67a = 1]	Month  __  Year  __ __ __	Month  __  Year  __ __ __  Bridge facilities are still provided (code -95)
b. <i>Large enterprise (with more than 250 employees)</i>			[Show only if H67b = 1]				[Show only if H67b = 1]	Month  __  Year  __ __ __	Month  __  Year  __ __ __  Bridge facilities are still provided (code -95)

**H70 Was court enforcement of debt recovery negatively affected in your country because of the temporary closure of courts, suspension of courts or increased delays in court proceedings?**

**Single code**

1. Yes
2. No [**>H72**]

**H71 How much did the temporary closure or suspension of courts negatively affect your ability to recover pledged assets?**

**Single code**

1. Extremely
2. Very
3. Moderately
4. Slightly
5. Not at all

**H72 I would like to gauge how big the impact of COVID-19 has been on the build-up of non-performing loans. What would be the volume of NPLs in your portfolio at 2020-end, as compared to the hypothetical situation in which the COVID-19 pandemic would not have happened?**

**Single code**

1. Much lower
2. Lower
3. About the same
4. Higher
5. Much higher

**H73 Did your bank temporarily close any branches in response to COVID-19?**

For the purpose of this question, a temporary closure refers to a branch closure which lasts an extended period of time. If the bank has implemented any measures, such as periodic deep cleaning that requires reduced opening hours or rolling closures of branches, the answer to this question should be “No”.

Single code

1. Yes
2. No [[>H75](#)]

**H74 In which months did your bank temporarily close branches in response to COVID-19?**

a. Month when your bank started closing (at least some) branches: Month

b. Month when all the bank branches reopened: Month  or Some or all branches are still closed (code -95)

**H75 Did COVID-19 negatively affect the ability of loan officers to make regular visits to monitor existing clients?**

Single code

1. Extremely - regular visits stopped more or less completely
2. Very - approx. 25% of usual visits took place
3. Moderately - approx. 50% of usual visits took place
4. Slightly - approx. 75% of usual visits took place
5. Not at all

**H76 [[Show only if H75 = 1](#)] In which months were loan officers' regular visits to monitor existing clients stopped completely?**

a. Starting from: Month

b. Until: Month

**Read: Thank you very much for taking the time to complete this questionnaire. The information you have provided is a very important input for the evaluation of conditions in the banking environment and private sector relations with government, as well as for the formulation of policy advice.**