

APPENDIX 5: SAMPLE PROFILE AND SAMPLING METHODOLOGY

In this study, firms were selected using a simple random sampling methodology. First, a list of firms was obtained from the Ministry of Labor that included firms in electronics (1,080 firms), auto/auto parts (767 firms), and textiles/garments (6,525 firms).

Small and medium enterprises accounted for 34.9% of electronics firms, 52.6% of auto/auto parts firms, and 65.0% of textiles/garments firms. Because the study focused on how FTAs affect firms in the three main export sectors, the sample covers only exporting firms and excludes nonexporting firms. Consequently, about 52% of the total firms in electronics, 54% in auto/auto parts, and 60% in textiles/garments were excluded in the sample. The remaining firms in the sample were randomly selected, and 221 firms responded during the survey. The distribution of the sample by sector, firm size, and ownership type is shown in Table A2.

Interviews with firms were conducted face to face and by telephone, guided by a questionnaire prepared by ADB and TDRI. The questionnaire dealt with the following five issues on free trade agreements (FTAs): relative importance of FTAs, business perceptions of the impact of FTAs, utilization of FTA preferences, impact of rules of origin on business activities, and policy and institutional support to deal with FTAs. These issues served as the main headings of the survey findings as discussed in this paper. Apart from the questionnaire, more in-depth interviews were undertaken with 18 firms that seemed to demonstrate interesting aspects of how firms adapt to FTAs. These interviews provided more insights that offered richer analysis of survey findings.

Table A2: Sample Profile

	All Firms			Textiles/ Garments		Electronics		Auto/ Auto Parts	
	No.	% Dist. (column)	% Dist. (row)	No.	% Dist. (row)	No.	% Dist. (row)	No.	% Dist. (row)
No. of firms	221	100.0	100.0	64	29.0	73	33.0	84	38.0
<i>By firm size¹</i>									
SME	107	48.4	100.0	32	29.9	33	30.8	42	39.2
Large	85	38.5	100.0	24	28.2	33	38.8	28	32.9
Giant	29	13.1	100.0	8	27.6	7	24.1	14	48.3
<i>By ownership²</i>									
Foreign	99	44.8	100.0	7	7.1	41	41.4	51	51.5
Domestic	122	55.2	100.0	57	46.7	32	26.2	33	27.1

Notes:

¹ SMEs have 100 employees or less; large firms, 101 to 1,000; and giant firms, over 1,000.

² A firm with more than 10% foreign equity is classified as a foreign firm (UNCTAD definition).