

	May 2019	January 2020	June 2020
<b>Total Respondents</b>	58	60	55
<b>Respondents with customers in this county</b>	20	30	21
<b>Sales are primarily to</b>	<b>May 2019</b>	<b>January 2020</b>	<b>June 2020</b>
Existing Customers	90%	93%	95%
New Customers	10%	7%	5%
<b>Respondents extending credit to customers vs. those who do not</b>	<b>May 2019</b>	<b>January 2020</b>	<b>June 2020</b>
Extend Credit	76%	93%	91%
Do Not Extend Credit	24%	7%	9%
<b>Payment terms granted by those extending credit to customers in this country:</b>	<b>May 2019</b>	<b>January 2020</b>	<b>June 2020</b>
0-30	44%	30%	40%
31-60	50%	48%	50%
61-90	6%	18%	5%
91+	0%	4%	5%
<b>Average days beyond terms:</b>	<b>May 2019</b>	<b>January 2020</b>	<b>June 2020</b>
	29.2	21.5	21.1
<b>Payment methods used (multiple selections permitted):</b>	<b>May 2019</b>	<b>January 2020</b>	<b>June 2020</b>
Wire Transfer	95%	100%	86%
EFT (seller initiated)	5%	13%	23%
EFT (buyer initiated)	5%	7%	14%
Check	5%	10%	18%
Credit Card	10%	17%	23%
Extended Payment Program or Progress Billing	5%	0%	0%
B.P.O. (Bank Payment Obligation)	0%	0%	0%
Letter of Credit	10%	13%	18%
Cash Against Documents	0%	0%	5%
Dated Draft	0%	0%	0%
*Other	0%	0%	0%
<b>Payment Delays Are:</b>	<b>May 2019</b>	<b>January 2020</b>	<b>June 2020</b>
Increasing	33%	22%	40%
Decreasing	7%	0%	10%
No Change	40%	64%	30%
No Payment Delays	20%	14%	20%
<b>Causes of payment delays, open account:</b>	<b>May 2019</b>	<b>January 2020</b>	<b>June 2020</b>
Billing Disputes	0%	8%	6%
Other Disputes	0%	0%	0%
Cash Flow Issues	50%	36%	31%
Inability to Pay	0%	8%	6%
Unwilling to Pay	17%	8%	0%
Customer Payment Policy	8%	8%	6%
Government Approval	0%	0%	0%
Regulatory Issues	0%	0%	0%
Foreign Exchange Rates	8%	8%	19%

Causes of payment delays, open account:	May 2019	January 2020	June 2020
Central Bank Issues	0%	0%	0%
Cultural Norms and Customs	17%	12%	6%
*Other	0%	12%	26%

**\*OTHER**

January 2020	June 2020
<ul style="list-style-type: none"> <li>Billing cycle delay due to credit card payment date.</li> <li>A combination of inability and unwillingness to pay.</li> </ul>	<ul style="list-style-type: none"> <li>Issues with receiving invoices.</li> <li>COVID-19 related issues, cash flow.</li> </ul>

**PRS Political & Economic Risk Forecast (Updated 01/01/20)**

18-month & 5-year political forecasts and probability for REGIMES most likely to hold power; risk ratings for TURMOIL (low to high), and RISK RATINGS (A+ least, D- most) for financial TRANSFER, direct INVESTMENT, and EXPORT to the country. If forecast has changed, the previous rating appears in parentheses. An asterisk means a nonincumbent regime. Most recent economic data and forecasts include a previous five-year average, a one-year forecast or estimate, and a five-year forecast average. REAL GROWTH of GDP and INFLATION are expressed as percentages, and CURRENT ACCOUNT figures are in billions of US dollars.

Country Regimes and Probabilities	Turmoil	Transfer	Investment	Export		Real GDP Growth	Inflation	Current Account
Colombia					2015-2019	2.5	5.0	-13.68
Divided Government 60%	Moderate	B	B+	B	2020	3.0	3.4	-14.40
Divided Government 40%	Moderate	B-	B	B-	2021-2025	3.4	3.3	-13.90

Forecast provided by The PRS Group, Inc. [Click Here for More Information on the Political Risk Letter and other offerings.](#)

**Advice when doing business in this country:**

**June 2020**

- It is a good market, but make sure you have a very strong contract.
- Very stable.
- We require cash in advance of shipments.
- Make sure that you have local presence (agent).

**January 2020**

- Conduct a thorough credit investigation obtaining bank and trade references preferably US suppliers and review financial statements to determine creditworthiness.
- Obtain financial statements and do a complete review.
- Really know the Legal Entity you are doing business with not their DBA/Trade/Banner name (5 C's of Credit) and do all your due diligence.
- Close monitoring recommended to avoid delays.
- Make sure the business exists.
- The continued onslaught of refugees from Venezuela is creating a strain on the economy in Columbia. Unemployment and crime have risen. Know your customer.
- Know government policy for foreign money and devaluation history.
- Expect slow payments. Review 3+ years of financials AS MINIMUM.

**May 2019**

- Build strong relationship between the customer Sales and your team. Sales should know the customer very well to begin to sell.
- Be careful use prepay if you can.
- Know your customer. The economic situation is deteriorating in Columbia due to the large influx of refugees from Venezuela.



#### May 2019

- We use cash in advance terms except for a few select customers that we have had good history and a longstanding business relationship.
- Be very careful and secure your transaction if possible.  
Obtain financial statements and complete your due diligence.