

# Portugal



## Total Respondents:

September 2014	23
May 2015	18
November 2016	69

## Respondents with customers in this country:

September 2014	16
May 2015	13
November 2016	26

## Sales are primarily to:

	Existing Customers	New Customers
May 2015	82%	18%
November 2016	96%	4%

## Do accounts in this country represent a significant portion of respondents A/R?:

	Yes	No
November 2016	12%	88%

## Respondents extending credit to customers vs. those who do not

	Extend Credit	Do Not Extend Credit
September 2014	75%	N/A
May 2015	89%	N/A
November 2016	88%	12%

## Payment terms granted by those extending credit to customers in this country:

	0-30	31-60	61-90	91+
September 2014	27%	64%	1%	0%
May 2015	25%	63%	12%	0%
November 2016	27%	46%	18%	9%

## Payment methods used (multiple selections permitted):

	Wire Transfer	EFT (seller initiated)	EFT (buyer initiated)	Check	Credit Card	Extended Payment Program or Progress Billing	B.P.O. (Bank Payment Obligation)	Letter of Credit	Cash Against Documents	Dated Draft	*Other
September 2014	n/a	n/a	n/a	n/a	n/a	n/a	n/a	6%	0%	0%	94%
May 2015	0%	0%	n/a	0%	0%	0%	n/a	11%	0%	0%	89%
November 2016	96%	19%	27%	12%	12%	0%	8%	15%	15%	4%	0%
<b>*OTHER (NOTE: Previous surveys asked for top method of payment which included PIA and open account)</b>											
September 2014	<ul style="list-style-type: none"> <li>19% listed payment in advance, 75% listed open account. Payment methods unspecified.</li> </ul>										
May 2015	<ul style="list-style-type: none"> <li>89% listed open account, no payment method specified</li> </ul>										

## Payment Delays Are:

	Increasing	Decreasing	No Change	No Payment Delays
September 2014	N/A	N/A	N/A	25%
May 2015	N/A	N/A	N/A	25%
November 2016	15%	8%	73%	4%
<b>*NOTE: Previous Surveys asked for average length of payment delay.</b>				
September 2014	<ul style="list-style-type: none"> <li>50% cited delays of &lt;30 days; 17% cited delays of 30-60 days; 8% cited delays &gt;90 days.</li> </ul>			
May 2015	<ul style="list-style-type: none"> <li>63% cited delays of &lt;30 days; 12% cited delays of 30-60 days</li> </ul>			

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## Causes of payment delays, open account:

	Billing Disputes	Other Disputes	Cash Flow Issues	Inability to Pay	Unwilling to Pay	Customer Payment Policy	Government Approval	Regulatory Issues	Foreign Exchange Rates	Central Bank Issues	Cultural Norms and Customs	Other
May 2015	n/a	33%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	67%
November 2016	24%	4%	36%	4%	8%	8%	4%	0%	4%	0%	8%	0%
<b>*Other</b>												
May 2015	<ul style="list-style-type: none"> <li>67% cited unspecified delays</li> </ul>											

## Resources used to check creditworthiness of customers (multiple selections permitted):

	Customer visits	Trade references	International credit reports	Country risk reports	Financial statements	Bank references	Tax records	Customer's borrowing relationship with their bank	Customer's line of credit with their primary bank
May 2015	25%	38%	100%	50%	88%	25%	n/a	n/a	n/a
November 2016	42%	30%	92%	50%	81%	19%	12%	12%	15%

## Documents used to confirm or finalize sale to prior to shipping (multiple selections permitted):

	Credit Applications	Purchase Orders	Sales Contract	Other
May 2015	62%	75%	25%	0%
November 2016	65%	88%	65%	12%
<b>*OTHER</b>				
November 2016	<ul style="list-style-type: none"> <li>customer contact for correct info</li> <li>Order confirmations</li> <li>We don't use the credit application to confirm or finalize a sale; that is used when setting up the account and establishing a credit line and payment terms.</li> </ul>			

## Advice when doing business in this country:

November 2016	<ul style="list-style-type: none"> <li>Customers in Portugal need to be monitored, use your credit limits to maintain leverage for payment.</li> <li>The same as for any credit review apply the KYC's and due diligence.</li> <li>Payments tend to be slow from customers in Portugal. Available information is decent. We don't have many customers there, but low margins and high short term debt seems to be common.</li> <li>Unless you agree prepayment terms, for a private distributor, payments on open credit terms can take a number of years to come through, due to the very bad public finances situation.</li> </ul>
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