



Sales are primarily to	August 2019	March 2020	July 2021
Existing Customers	85%	100%	100%
New Customers	15%	0%	0%

Respondents extending credit to customers vs. those who do not	August 2019	March 2020	July 2021
Extend Credit	92%	91%	87%
Do Not Extend Credit	8%	9%	13%

Payment terms granted by those extending credit to customers in this country:	August 2019	March 2020	July 2021
0-30	33%	25%	29%
31-60	25%	70%	57%
61-90	33%	5%	14%
91+	8%	0%	0%

Average days beyond terms:	August 2019	March 2020	July 2021
	16.3	26.3	9.6

Payment methods used (multiple selections permitted):	August 2019	March 2020	July 2021
Wire Transfer	69%	100%	100%
EFT (seller initiated)	23%	18%	38%
EFT (buyer initiated)	23%	18%	13%
Check	0%	9%	25%
Credit Card	23%	18%	13%
Extended Payment Program or Progress Billing	0%	0%	0%
B.P.O. (Bank Payment Obligation)	0%	9%	0%
Letter of Credit	8%	22%	25%
Cash Against Documents	0%	9%	0%
Dated Draft	0%	0%	0%
*Other	4%	0%	0%

***OTHER**

August 2019

- Cash in advance as it is a trial order.

Payment Delays Are:	August 2019	March 2020	July 2021
Increasing	33%	60%	43%
Decreasing	8%	0%	0%
No Change	42%	40%	57%
No Payment Delays	17%	0%	0%

Causes of payment delays, open account:	August 2019	March 2020	July 2021
Billing Disputes	22%	5%	0%
Other Disputes	0%	5%	0%
Cash Flow Issues	22%	45%	43%
Inability to Pay	0%	0%	0%
Unwilling to Pay	11%	15%	14%
Customer Payment Policy	11%	10%	29%
Government Approval	11%	0%	14%
Regulatory Issues	0%	0%	0%
Foreign Exchange Rates	0%	0%	0%
Central Bank Issues	0%	0%	0%
Cultural Norms and Customs	23%	10%	0%
*Other	0%	10%	0%

***OTHER**

March 2020

- COVID-19 Impact

PRS Political & Economic Risk Forecast (Updated 02/01/21)

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
Spain					2016-2020	-0.1	0.8	24.21
*Center-Right Minority 40%	Moderate	B	A-	B+	2021	5.5	0.7	20.20
*Center-Right Minority 40%	Low	B+	A-	B+	2022-2026	3.1	1.6	35.90

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:

July 2021

- Economy appears stable, good to know your customer.
- Know your customer. Pandemic still having impact on supply chain and the receipt of merchandise slowing payments.
- Request and get financials from customers before selling on credit terms.

March 2020

- Long terms are common or even mandatory in certain industries or even with government. strong insurance culture, disputes with SME due to cashflow issues are common.
- You need to really know who you customer is... 5 C's of Credit is vital.
- Economy was beginning to slow prior to the coronavirus outbreak. Country is essentially on lock down with many businesses closed. Companies have reported the inability to pay at the present time. No date has been set for full recovery.
- Close control on payments, secure the extended payments
- Country report sector report Financial Situation of Corporate market Report - name of Companies.
- Secure credit insurance when granting Net Terms.
- Really know who you customer is, know the true legal entity that you are selling too and not the DBA or Trade Name (5 C's of Credit) always the foundation of your work to getting to know your true customer.
- Country is on complete lockdown due to the coronavirus. Most companies are shut down and unable to pay. Economic outlook uncertain.

August 2019

- Know the Legal customer you are actually selling not their banner/trade name... 5 C's of Credit.
- Not experiencing issues with customers in Spain.
- Do appropriate due diligence before providing unsecured credit. Add a clause that will allow you to change the payment term when customer's creditworthiness deteriorates.
- Cash in Advance is recommended.