

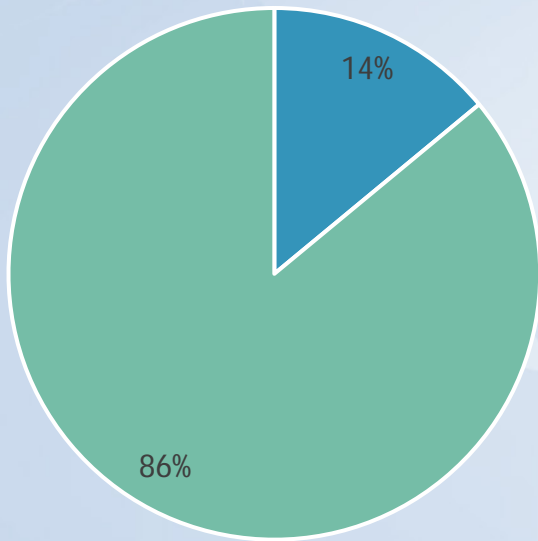
June 2023

FCIB Credit & Collections Survey

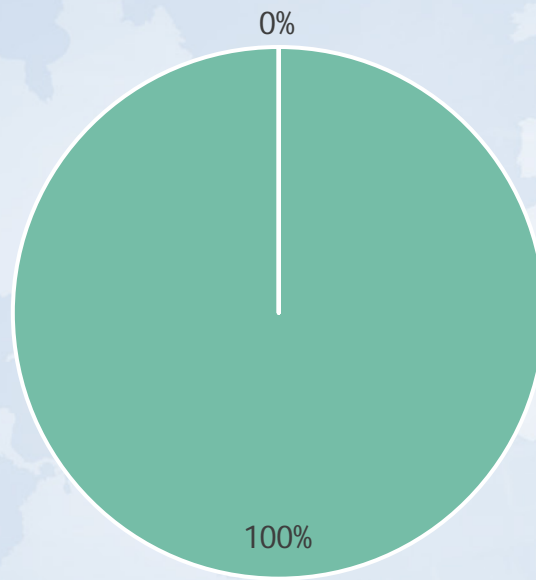
Bangladesh, Ecuador, Poland, Turkey

Are your sales primarily to **new** or **existing** customers?

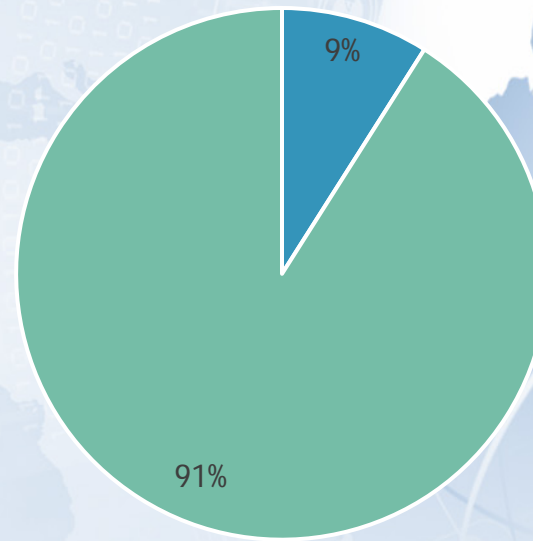
Bangladesh



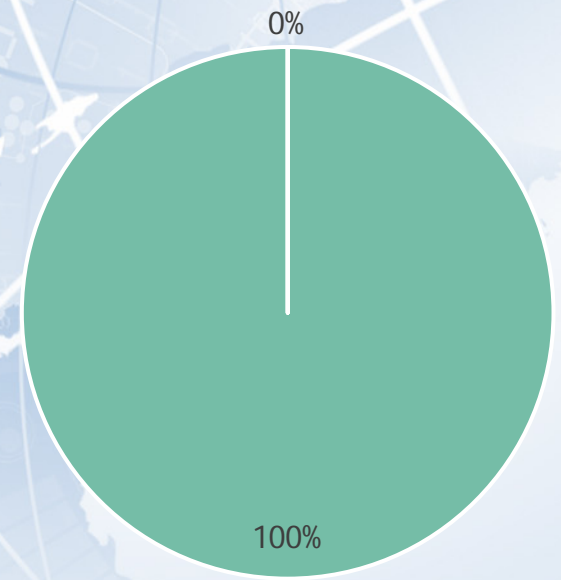
Ecuador



Poland



Turkey



On average, what payment terms are you granting?

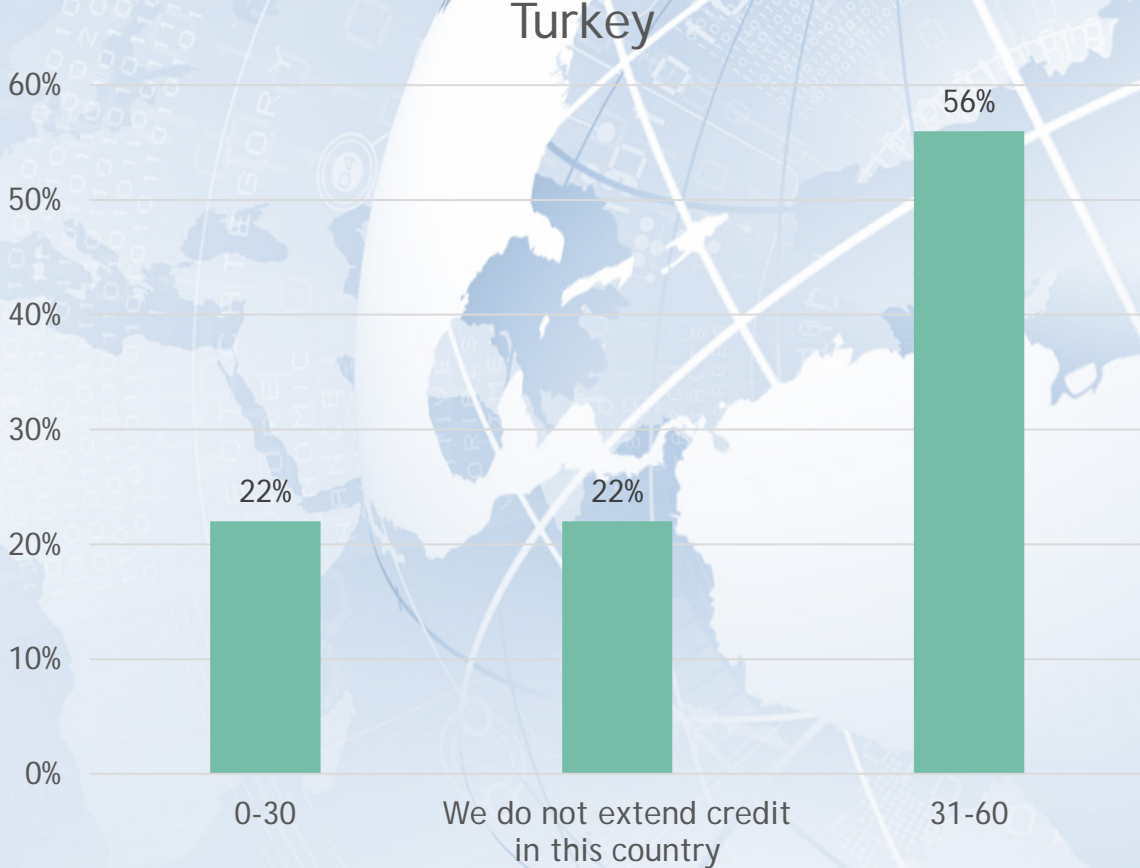
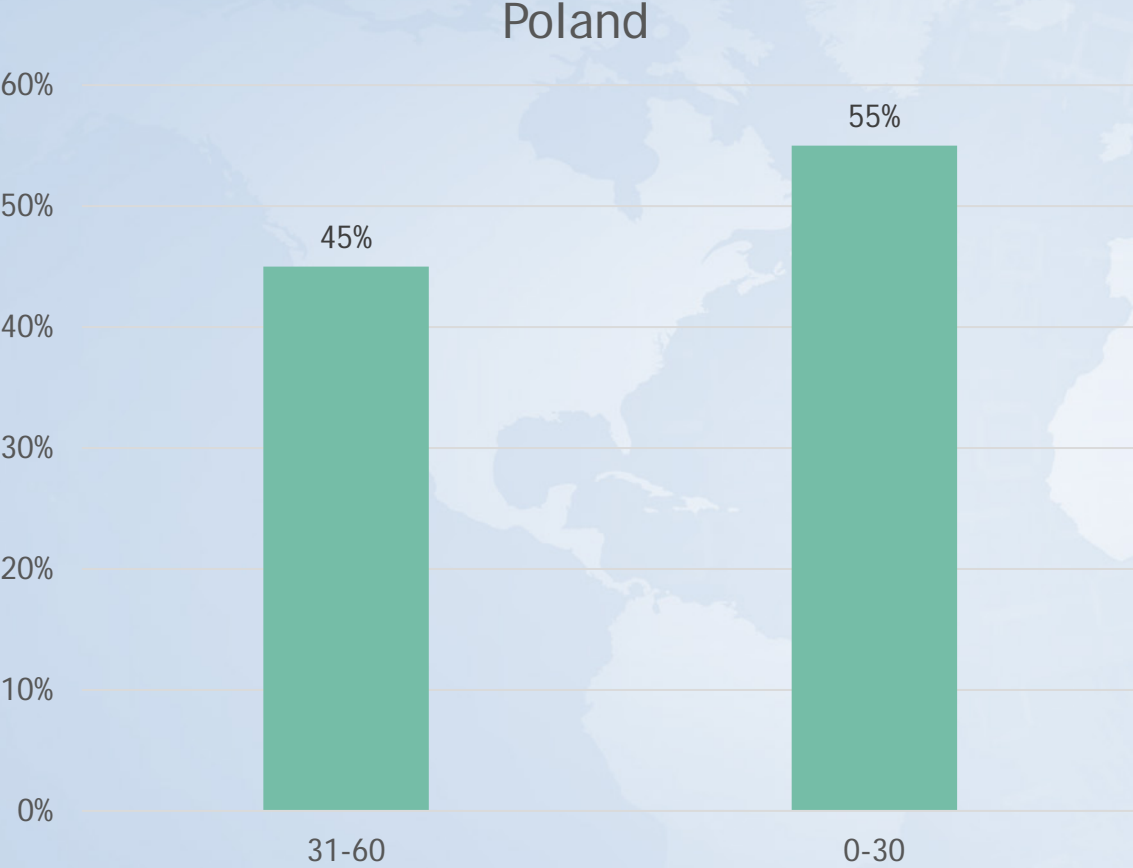
Bangladesh



Ecuador



On average, what payment terms are you granting?



What is the average number of days beyond terms in these countries?

Bangladesh

37

Ecuador

35

Poland

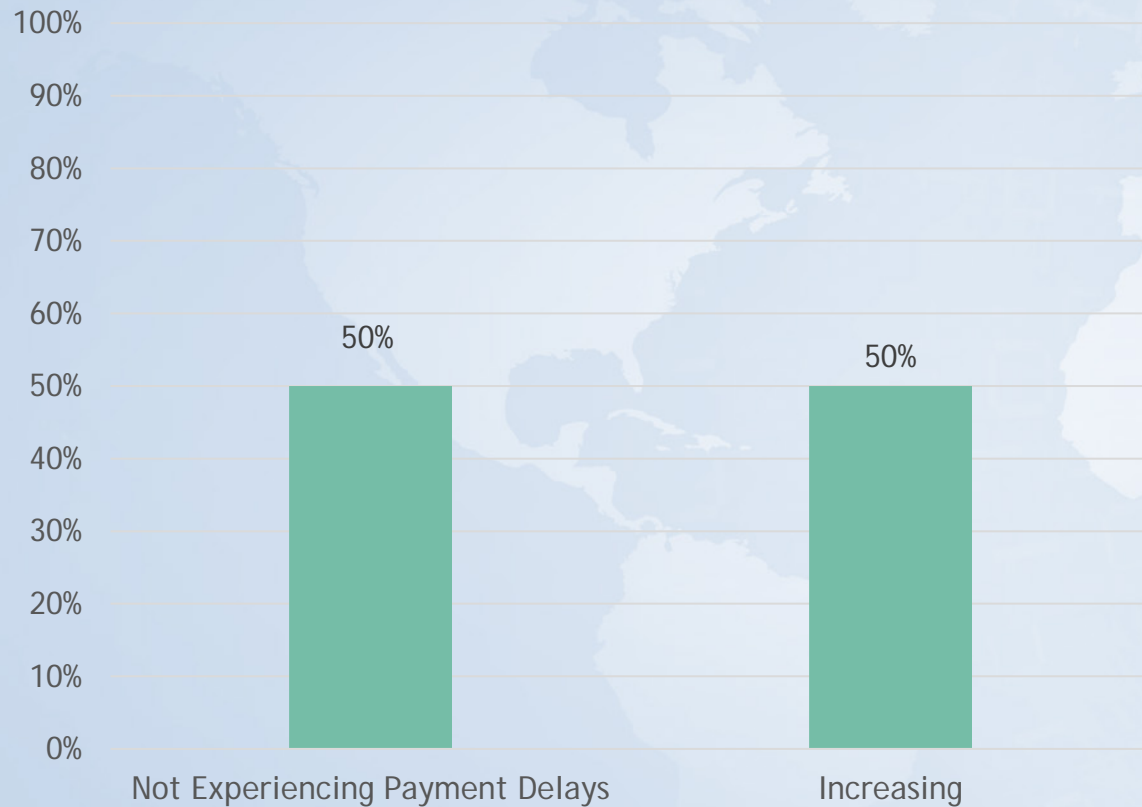
21.1

Turkey

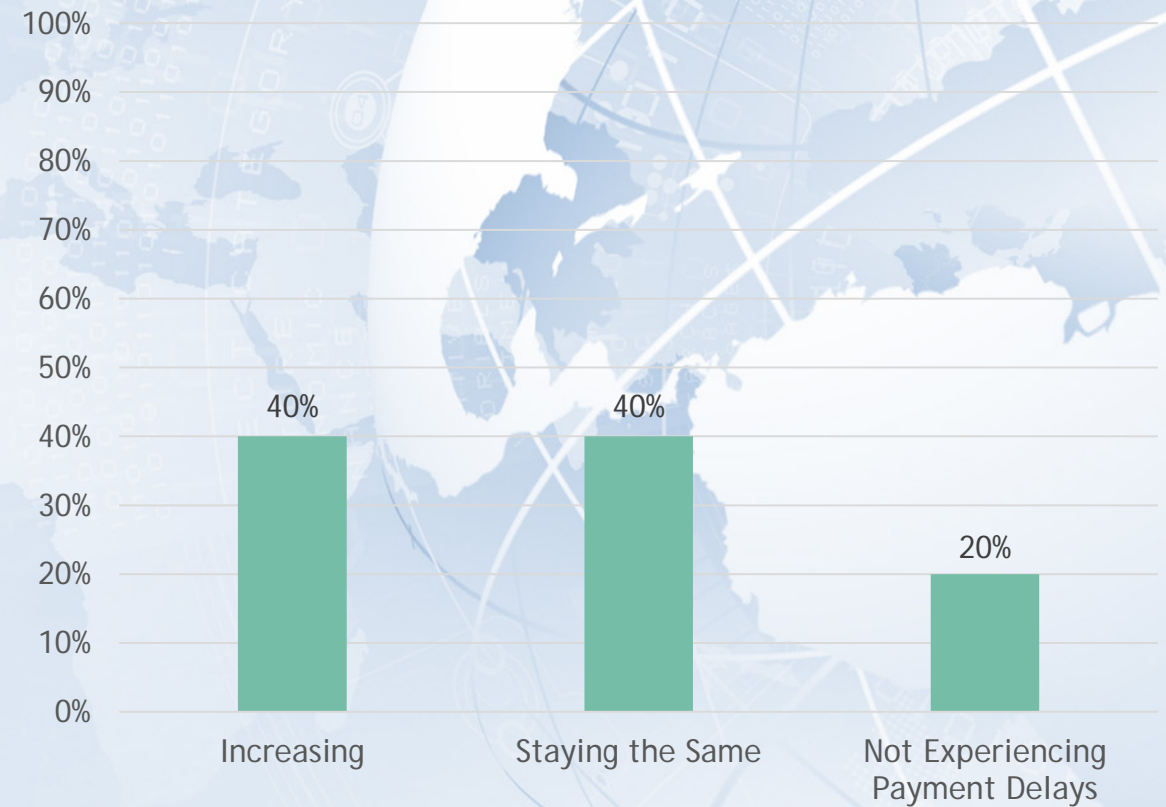
32.8

Are payment delays increasing, decreasing, or staying the same?

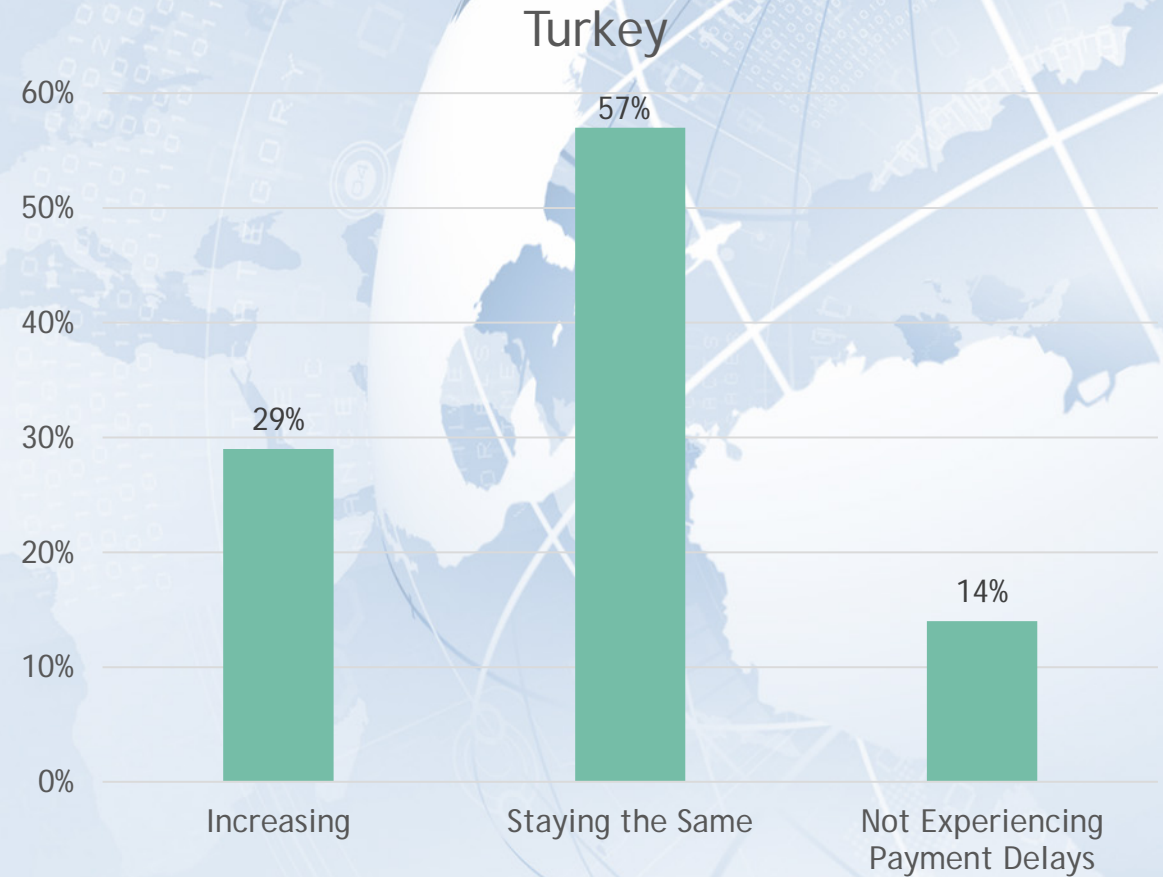
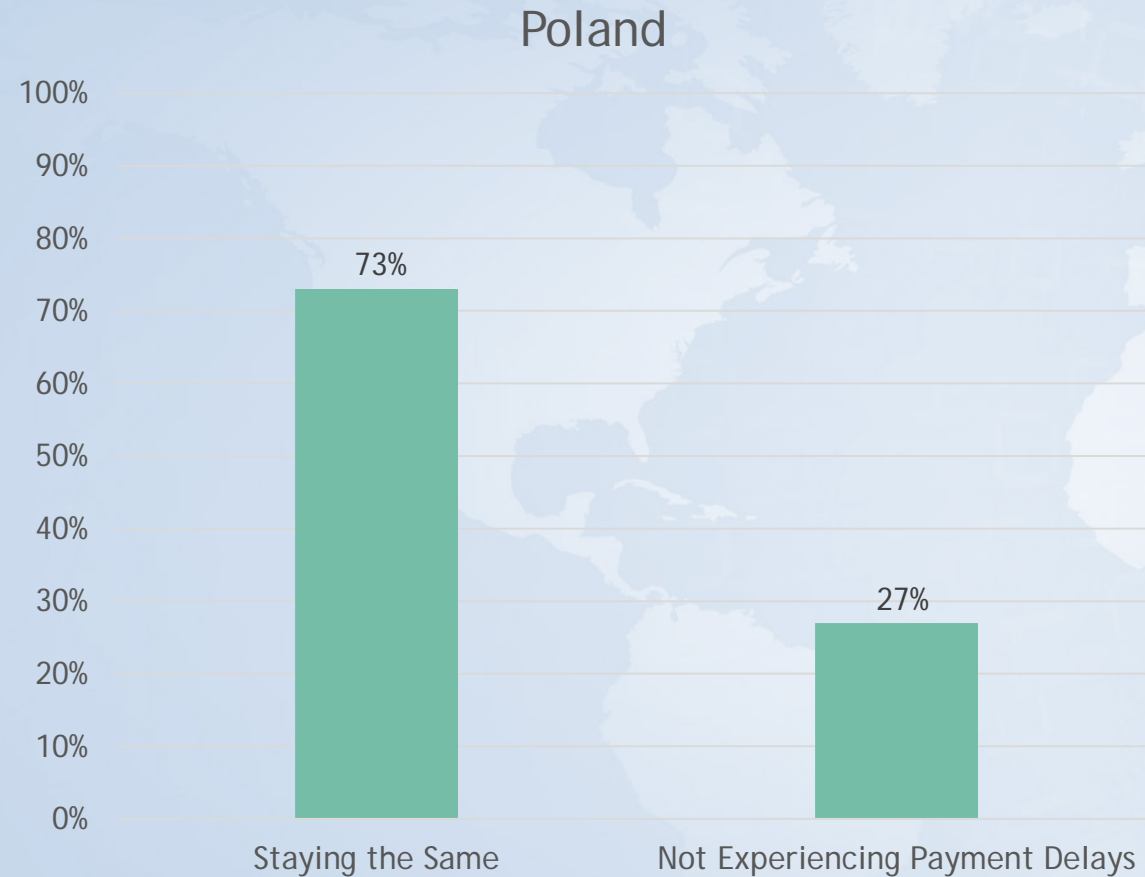
Bangladesh



Ecuador

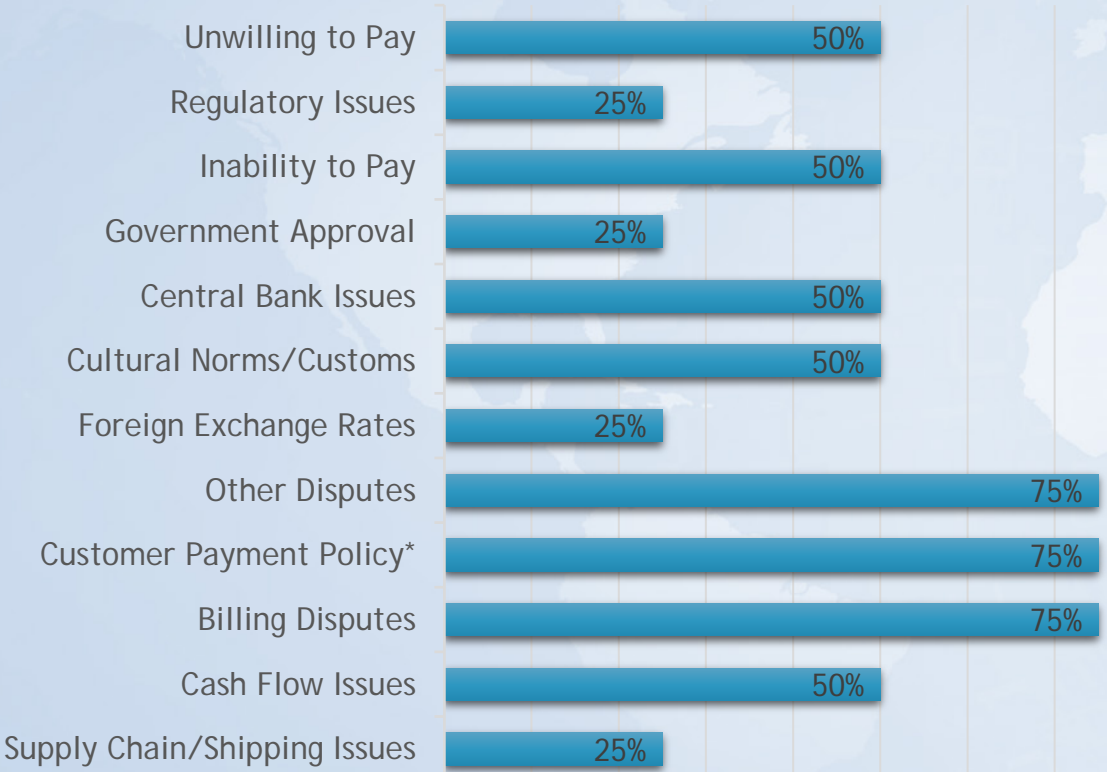


Are payment delays increasing, decreasing, or staying the same?

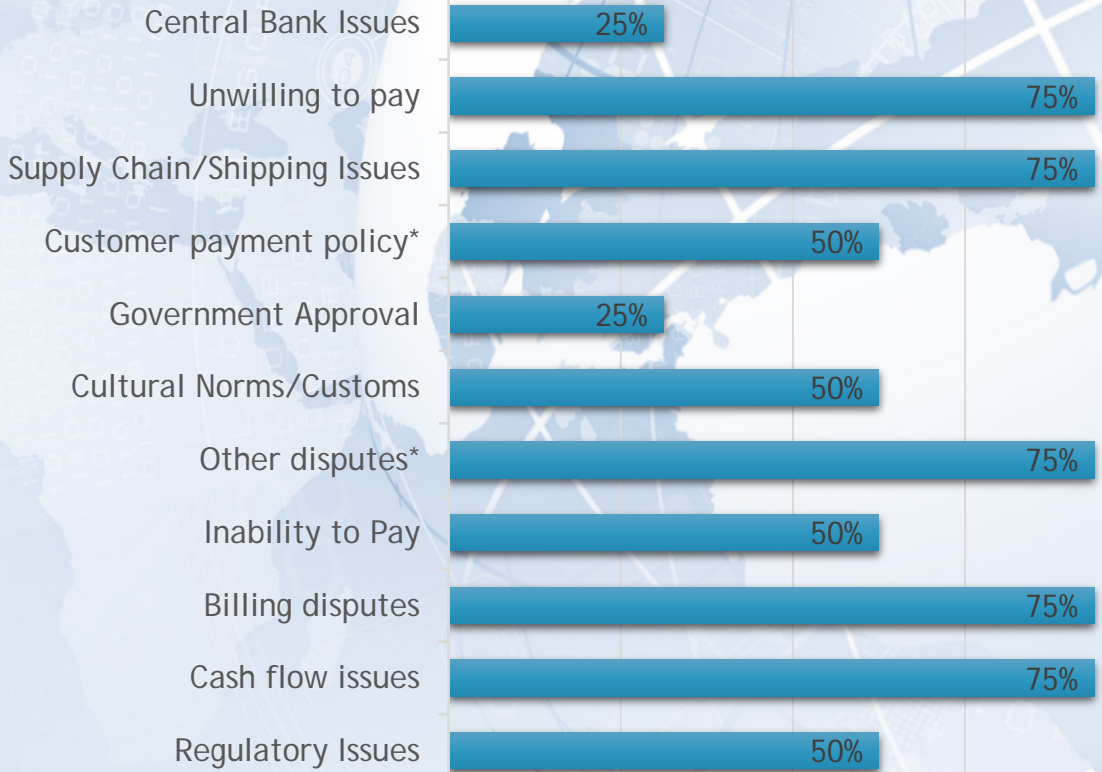


The most common causes of payment delays

Bangladesh



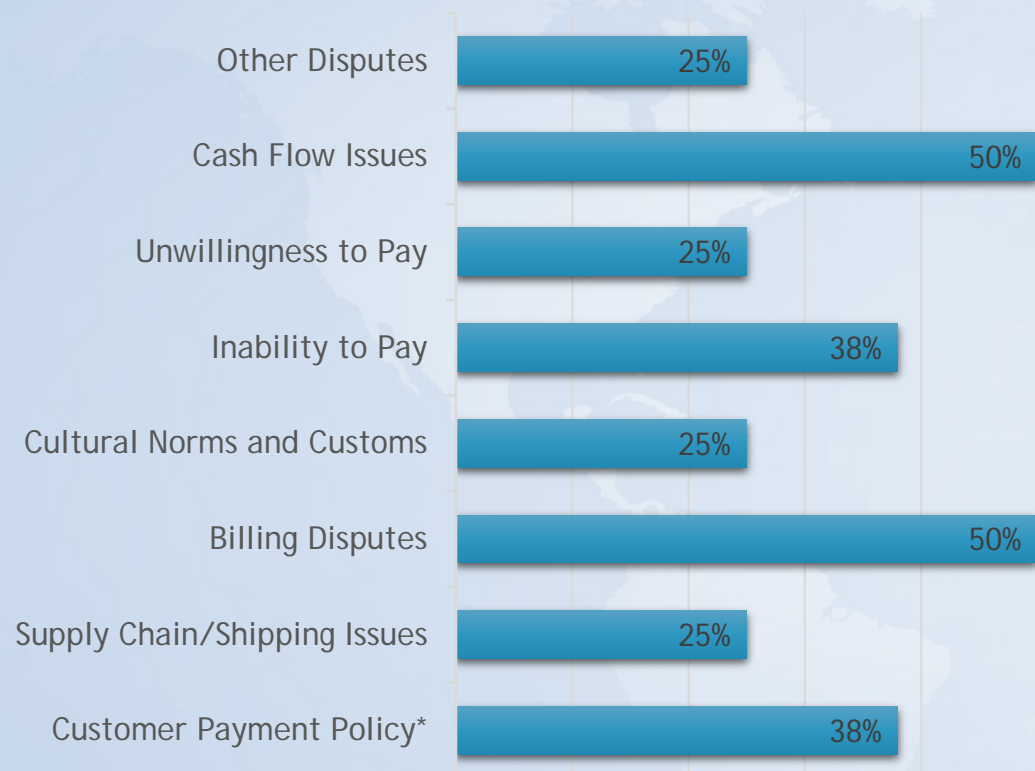
Ecuador



*(i.e. customer only pays on a set day of the month)

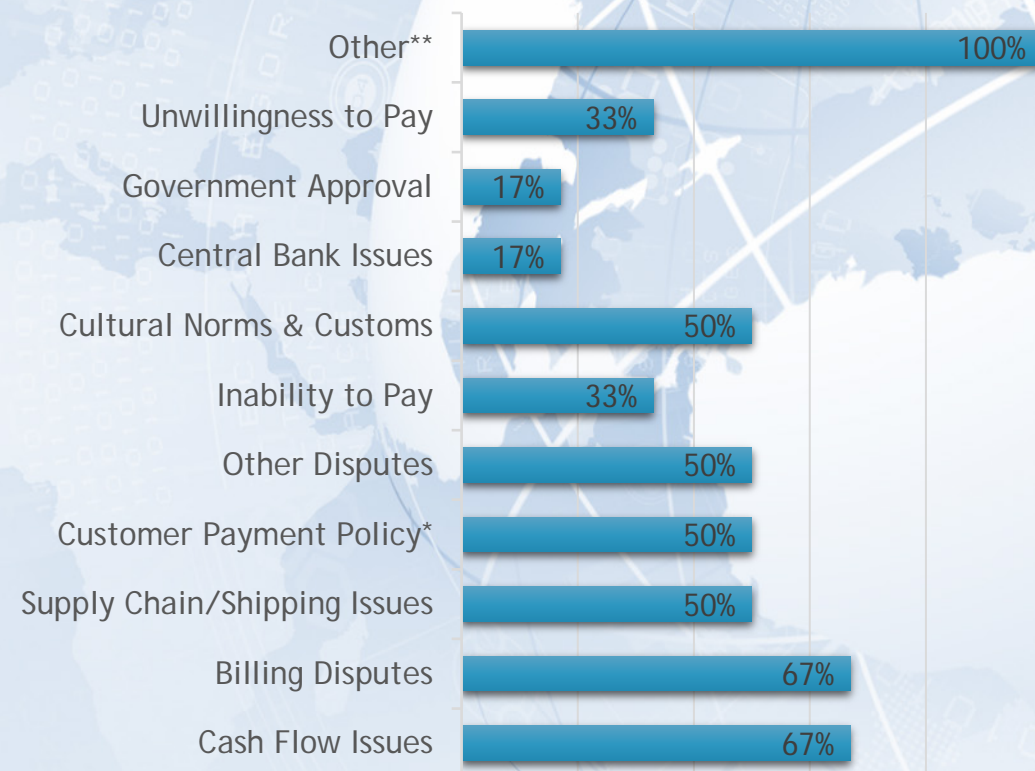
The most common causes of payment delays

Poland



*(i.e. customer only pays on a set day of the month)

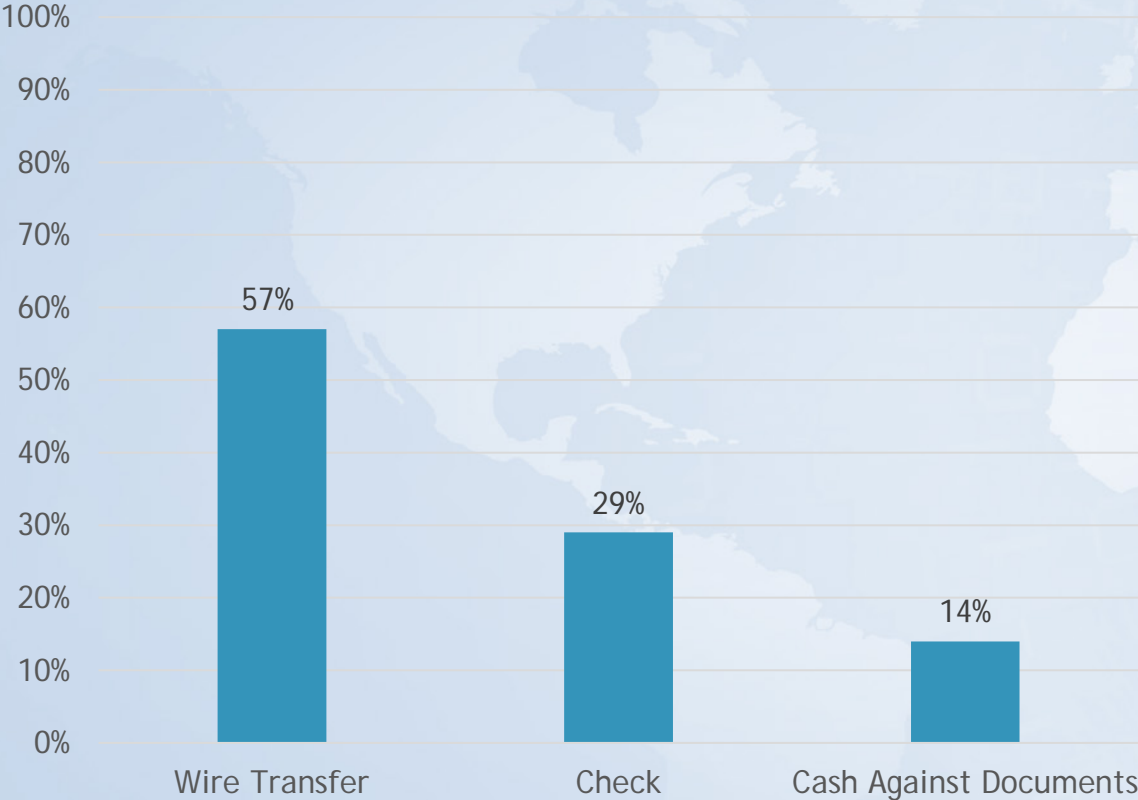
Turkey



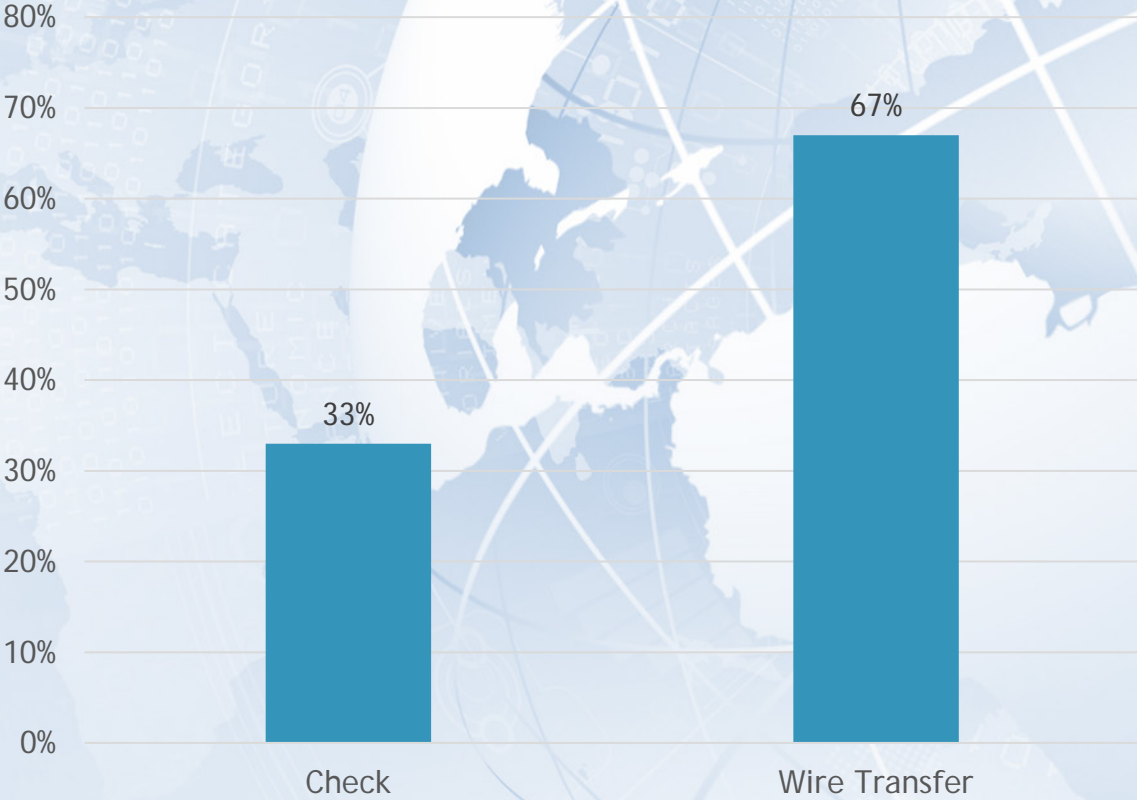
** (i.e. Earthquake fallout)

Methods used to secure payment

Bangladesh

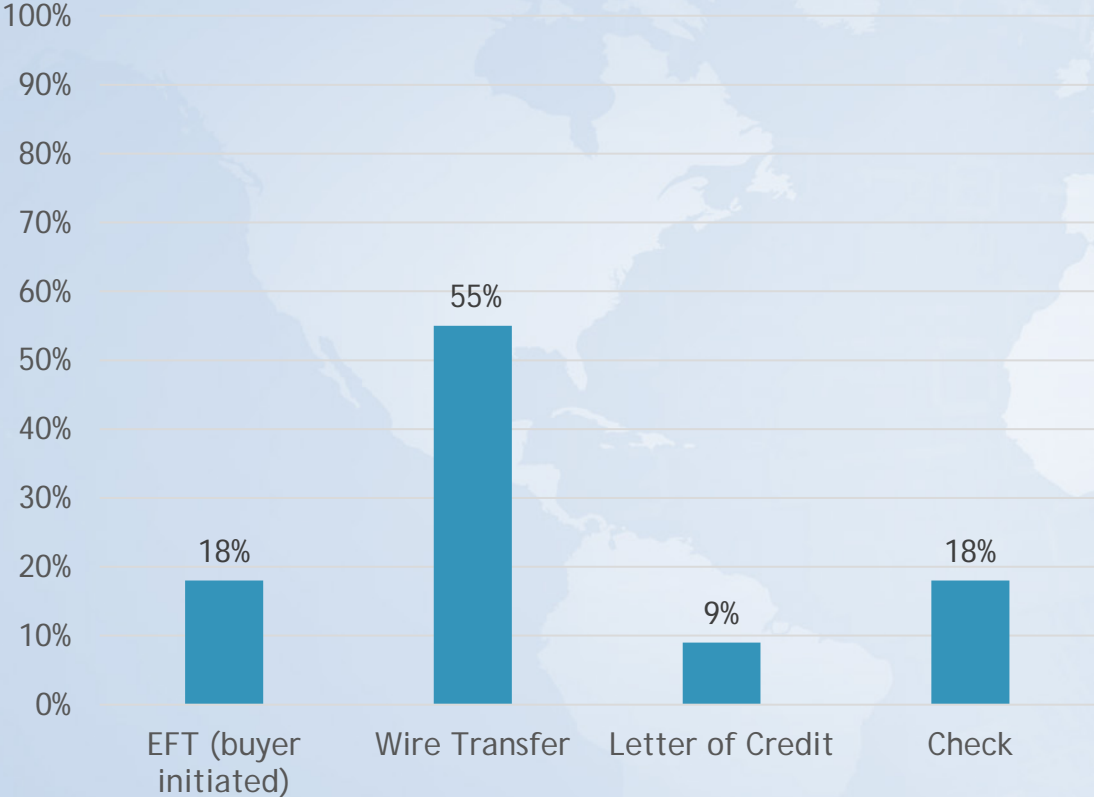


Ecuador

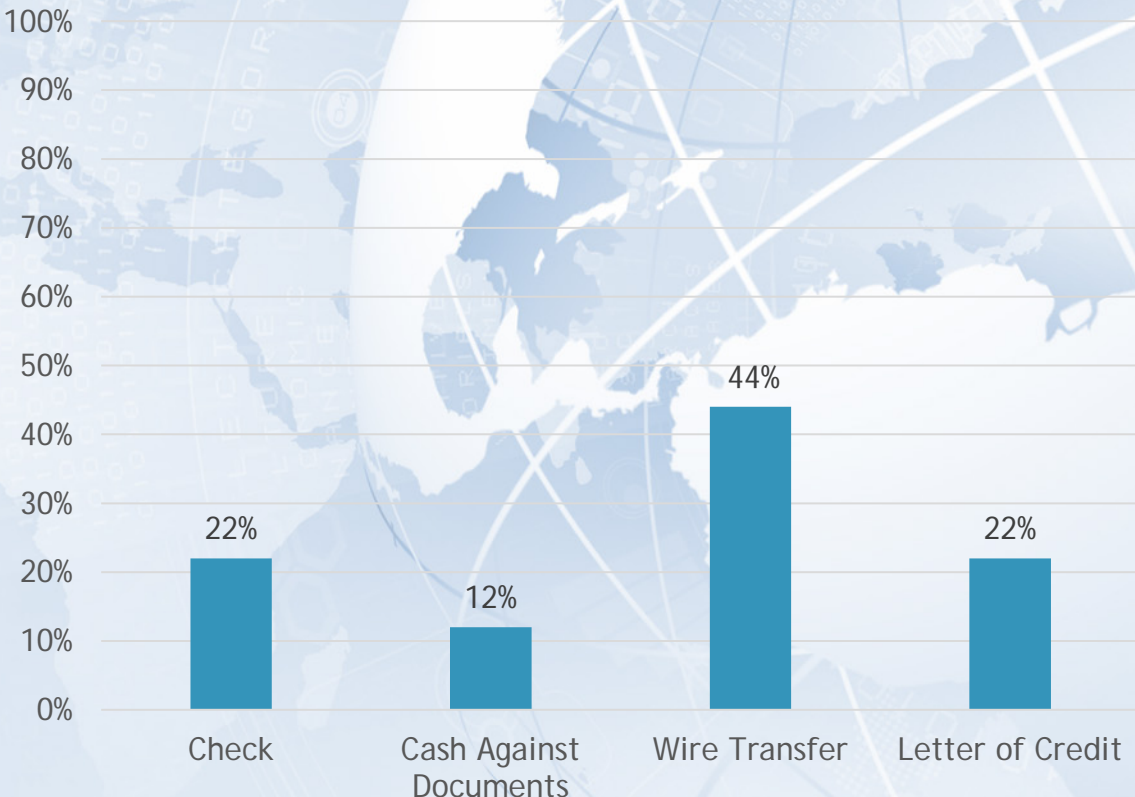


Methods used to secure payment

Poland



Turkey



Insights from Credit Professionals

Bangladesh

- Secure your working capital by asking for advance payment at least 10% of total agreed contract amount
- Cash in advance only. There have been some delays lasting 5-12 days from time the customer sends wire to processing wires through their central bank. Make sure you have received your money in U.S. bank prior to shipping.

Poland

- When you experience a dispute with the client, don't continue working until you scrub the whole scope of work from the beginning of the contract until the date of dispute. Then agree before project kick off.

Ecuador

- If you are going to extend terms consider transit time and research how long it takes to clear customs.
- Prepare a payment schedule and make the client agree and ask for advance payment and stop working if the payment plan is not honored till you are paid

Turkey

- Keep the momentum by issuing the invoices on time and send statements of accounts after each payment received and meet the client for payment follow up. Don't rely on emails or phone calls.
- Trade through DC where possible.

Insights from Credit Professionals

Non-country-specific Advice from the survey.

- Know your real customer, not the Trade/Banner name but the True Legal Entity (5 C's of Credit).
- Start early building a relationship with your customer, and include your salesperson - you'll make a team and teams work together.
- Follow up with the customer's Procurement Dept and Finance Dept as many times as necessary.
- Obtain updated credit information Look for owner and addresses verification, as changes are often not communicated by the customer. Know all you can about the customer. Pull a credit report for payment history and legal status and name verification.
- Do due diligence for all prospect customers especially to those small/medium privately held companies with no Financials, credit report, etc. Check the profile and validate like business address, company domain e-mail address, etc. and start with small, reasonable credit line and reasonable payment terms.
- It is important to know customer's payment process to avoid misunderstandings or delays due to administrative issues.
- Obtain financial statements on your customers and backstop sales with credit insurance.
- Ensure payment language is on the wire payments received.