

# El Salvador



## Total Respondents:

November 2013	41
July 2014	14
May 2016	90

## Respondents with customers in this country:

November 2013	16
July 2014	6
May 2016	20

## Sales are primarily to:

	Existing Customers	New Customers
May 2016	100%	0%

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

	Yes	No
May 2016	5%	95%

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

	Extend Credit	Do Not Extend Credit
November 2013	63%	N/A
July 2014	33%	N/A
May 2016	70%	30%

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

	0-30	31-60	61-90	91+
November 2013	50%	25%	25%	0%
July 2014	100%	0%	0%	0%
May 2016	29%	43%	21%	7%

## 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
November 2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6%	0%	0%	94%
July 2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	0%	100%
May 2016	95%	5%	5%	26%	21%	0%	0%	32%	10%	0%	5%
<b>*OTHER (NOTE: Previous surveys asked for top method of payment which included PIA and open account)</b>											
November 2013	<ul style="list-style-type: none"> <li>31% Payment in Advance, no method specified; 63% Open Account, no method specified</li> </ul>										
July 2014	<ul style="list-style-type: none"> <li>57% Payment in Advance, no method specified; 43% Open Account, no method specified</li> </ul>										
May 2016	<ul style="list-style-type: none"> <li>secured limit</li> </ul>										

# El Salvador

## Payment Delays Are:

	Increasing	Decreasing	No Change	No Payment Delays
November 2013	N/A	N/A	N/A	50%*
July 2014	N/A	N/A	N/A	50%*
May 2016	15%	0%	55%	30%
*NOTE: Previous surveys asked for average length of payment delay.				
November 2013	<ul style="list-style-type: none"> <li>30% reported payment delays &lt;30 days, 20% reported delays of 30-60 days.</li> </ul>			
July 2014	<ul style="list-style-type: none"> <li>50% reported payment delays &lt;30 days</li> </ul>			

## 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 2016	8%	0%	33%	33%	0%	0%	0%	0%	0%	8%	17%	0%

## 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 2016	50%	65%	85%	40%	60%	40%	5%	20%	20%

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

	Credit Applications	Purchase Orders	Sales Contract	Other
May 2016	65%	90%	60%	0%

## Advice when doing business in this country:

May 2016	<ul style="list-style-type: none"> <li>Credit insurance is a must.</li> <li>know your customer and maintain a close relationship</li> <li>Do a full credit investigation</li> <li>Analyze financial statements</li> </ul>
----------	---