



	February 2017	May 2017	September 2019
Total Respondents	75	99	77

	February 2017	May 2017	September 2019
Respondents with customers in this county	29	32	26

Sales are primarily to	February 2017	May 2017	September 2019
Existing Customers	100%	97%	100%
New Customers	0%	3%	0%

Respondents extending credit to customers vs. those who do not	February 2017	May 2017	September 2019
Extend Credit	93%	97%	92%
Do Not Extend Credit	7%	3%	8%

Payment terms granted by those extending credit to customers in this country:	February 2017	May 2017	September 2019
0-30	35%	32%	17%
31-60	50%	39%	61%
61-90	11%	16%	13%
91+	4%	13%	9%

Average days beyond terms:	February 2017	May 2017	September 2019
	N/A	N/A	30.2

Payment methods used (multiple selections permitted):	February 2017	May 2017	September 2019
Wire Transfer	93%	94%	92%
EFT (seller initiated)	4%	6%	16%
EFT (buyer initiated)	7%	25%	8%
Check	11%	19%	4%
Credit Card	19%	19%	16%
Extended Payment Program or Progress Billing	4%	9%	4%
B.P.O. (Bank Payment Obligation)	4%	3%	0%
Letter of Credit	15%	22%	8%
Cash Against Documents	11%	9%	0%
Dated Draft	7%	3%	0%
*Other	0%	0%	4%

***OTHER**

September 2019

- Credit Insurance

Payment Delays Are:	February 2017	May 2017	September 2019
Increasing	24%	16%	30%
Decreasing	0%	6%	0%
No Change	66%	62%	65%
No Payment Delays	10%	16%	4%

Causes of payment delays, open account:	February 2017	May 2017	September 2019
Billing Disputes	12%	4%	10%
Other Disputes	4%	0%	5%
Cash Flow Issues	28%	39%	20%
Inability to Pay	4%	7%	20%

Causes of payment delays, open account:	February 2017	May 2017	September 2019
Unwilling to Pay	0%	15%	15%
Customer Payment Policy	8%	7%	10%
Government Approval	0%	0%	5%
Regulatory Issues	4%	4%	0%
Foreign Exchange Rates	4%	4%	0%
Central Bank Issues	4%	4%	0%
Cultural Norms and Customs	16%	7%	5%
*Other	16%	9%	10%

***OTHER**

February 2017	May 2017	September 2019
<ul style="list-style-type: none"> • New Management • We have not seen any payment delay from our customers in Panama • Payment delays are not significant • Documentation 	<ul style="list-style-type: none"> • It's on us - customers can't pay on partial shipments. They need the whole order to install so they can collect from end users. • Starting terms from receipt of goods instead of invoice date. 	<ul style="list-style-type: none"> • No specific reasons. • We are still investigating as to why our customer is not paying on time.

PRS Political & Economic Risk Forecast (Updated 06/01/19)

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
Panama					2014-2018	5.0	1.1	-5.13
*Centrist Coalition 45%	Moderate	A-	A-	B+	2019	4.9	1.8	-5.00
*Centrist Coalition 45%	Moderate	B	B+	B	2020-2024	5.6	2.3	-3.50

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:

September 2019

- Do not extend credit. Have them pay in advance.
- Be persistent with collection. Do your due diligence to gather information about the company; such as, register of deeds, financials, trade references. Insure your receivables. They tend to stretch out payments for no reason.
- Follow up the collection before is due and you will get payment on time.
- Know the Legal customer you are doing business with not just their Trade/Banner Name -- 5 C's of Credit.
- Ensure processes are set out.
- Economy is relatively stable. No real issue here.
- If you are planning of doing business in Panama be prepared to open a bank account there. Due to banking relationships they have hard time getting money out of the country. Also keep your contracts tight and terms short, they customers there like to delay payments if they are given to chance.

May 2017

- Due diligence as with all new customers. Get a credit application and know your customer
- For the most part, all of our customers in these countries need to get paid from their customers before they can make payments to their suppliers.

May 2017

- Perform all necessary credit checks. Gather all information available on the entity.
- Do not extend payment terms too much. Country does not justify having extended terms.
- Make sure your customer's bank in Panama has a relationship with a Central bank to be able to send payments out of the country. Many banks in Panama have been cut off recently.
- Try and obtain trade references.
- I only have a couple of customers in Panama, and as such I probably can't make any general statements on doing business there.
- Good opportunity. Know your customer and the business they are in.

February 2017

- Understand the customer's business by working closely with sales team
- Ensure mutual agreements and contracts are in place up front, always know as much as possible about the customer and their markets and clients
- Know your customers, their market, and their customer. Start out with CIA terms and work up to open terms. Use LC's if possible for new customers.
- Obtain Financials
- Money laundering is an issue in Panama
- Panama is little easier to do business with however one should thoroughly check the creditworthiness and pay habits of the customer
- Be very cautious in Panama they have a lot of banks that are having issues with corresponding bank relationships. Even though the customer might be a good risk depending on who their banking relationship is with them may not have the ability to send you money.
- Panama is a stable economy; we have no major issues.
- In our experience, payments have been slow.
- Limit credit terms to 30 days.