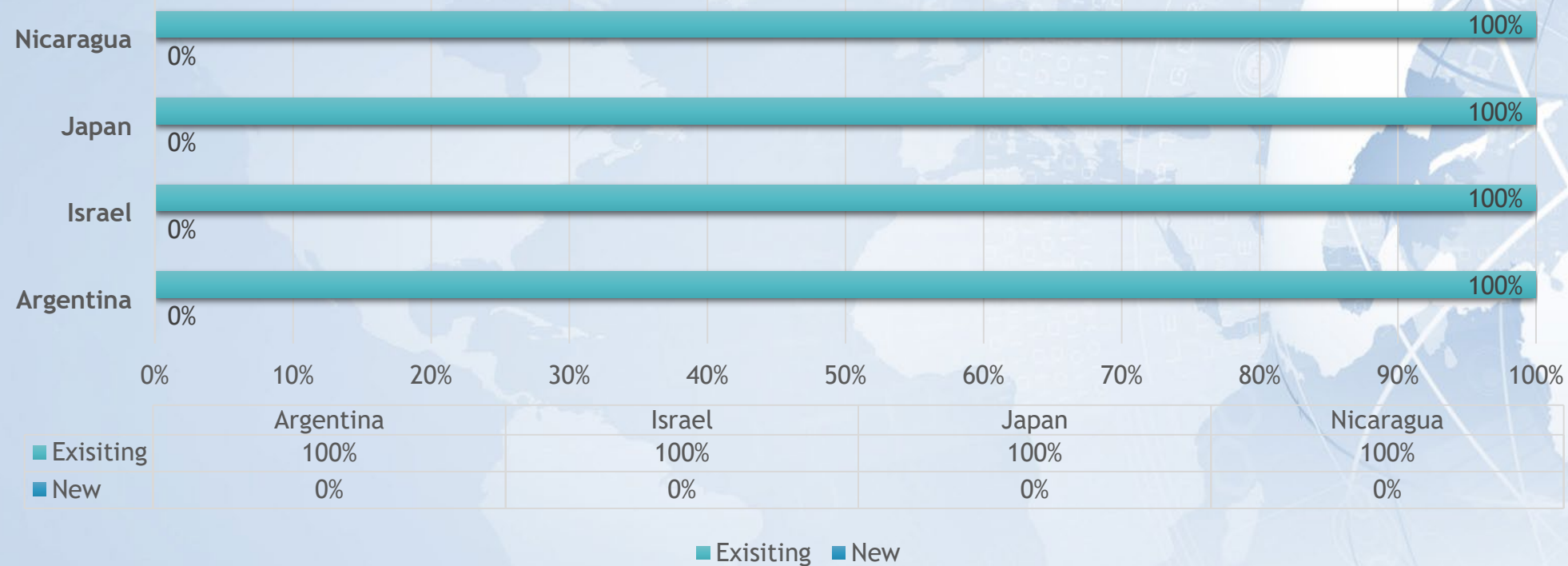


August 2024

# FCIB Credit & Collections Survey

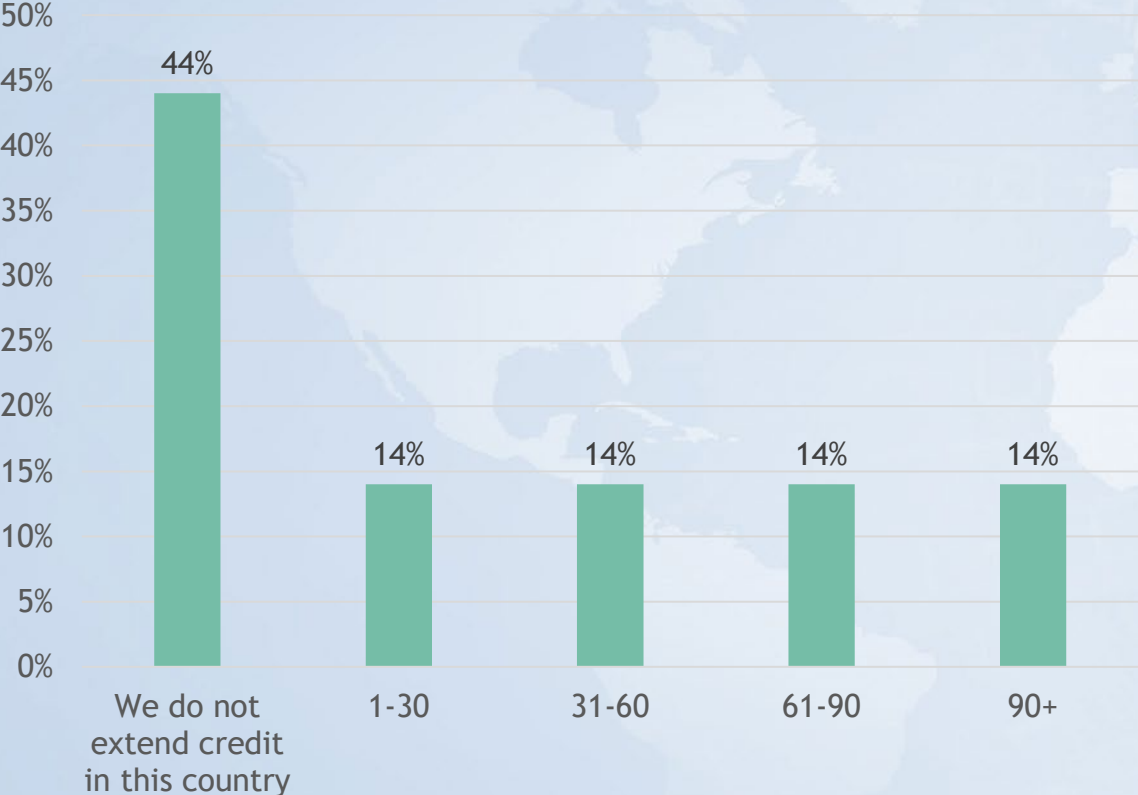
Argentina, Israel, Japan, Nicaragua

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

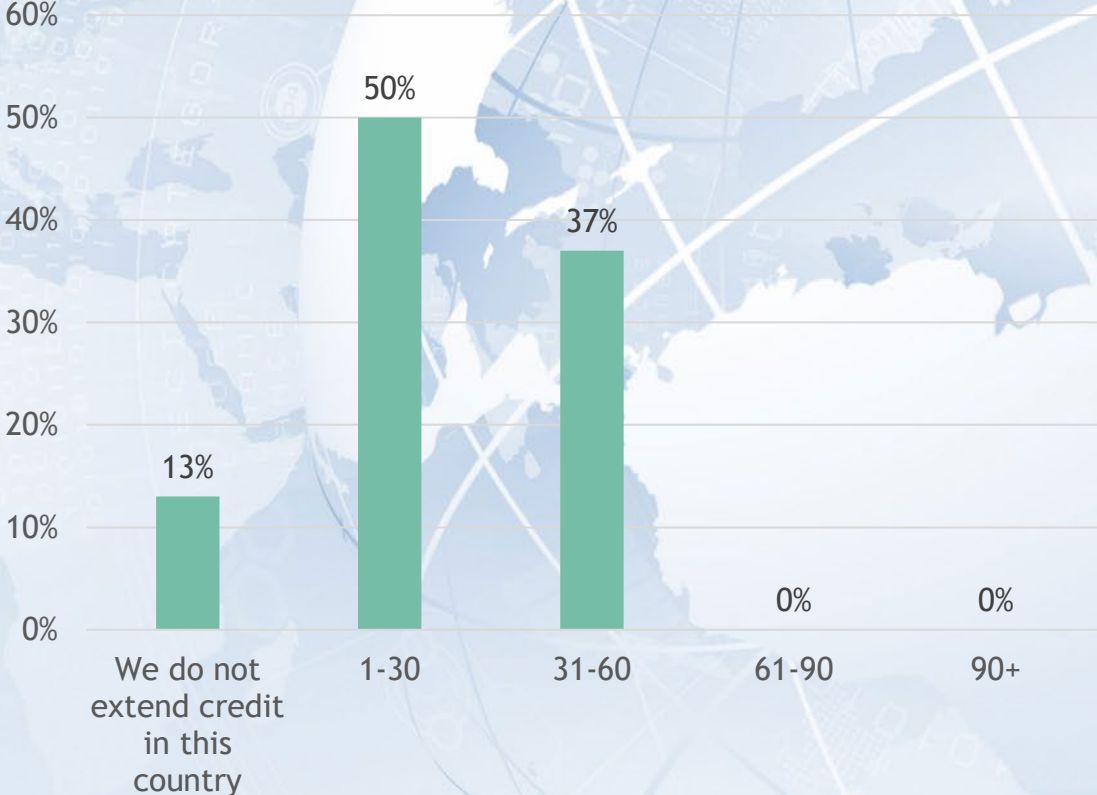


# On average, what payment terms are you granting?

### Argentina

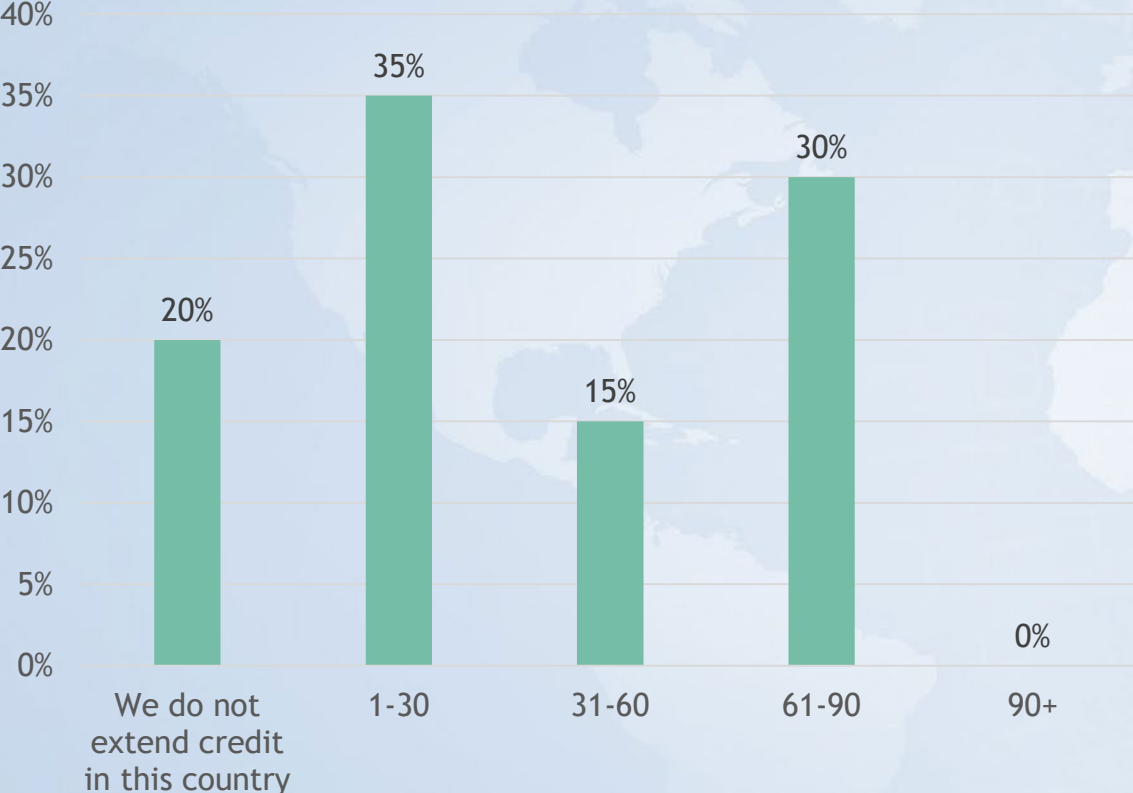


### Israel

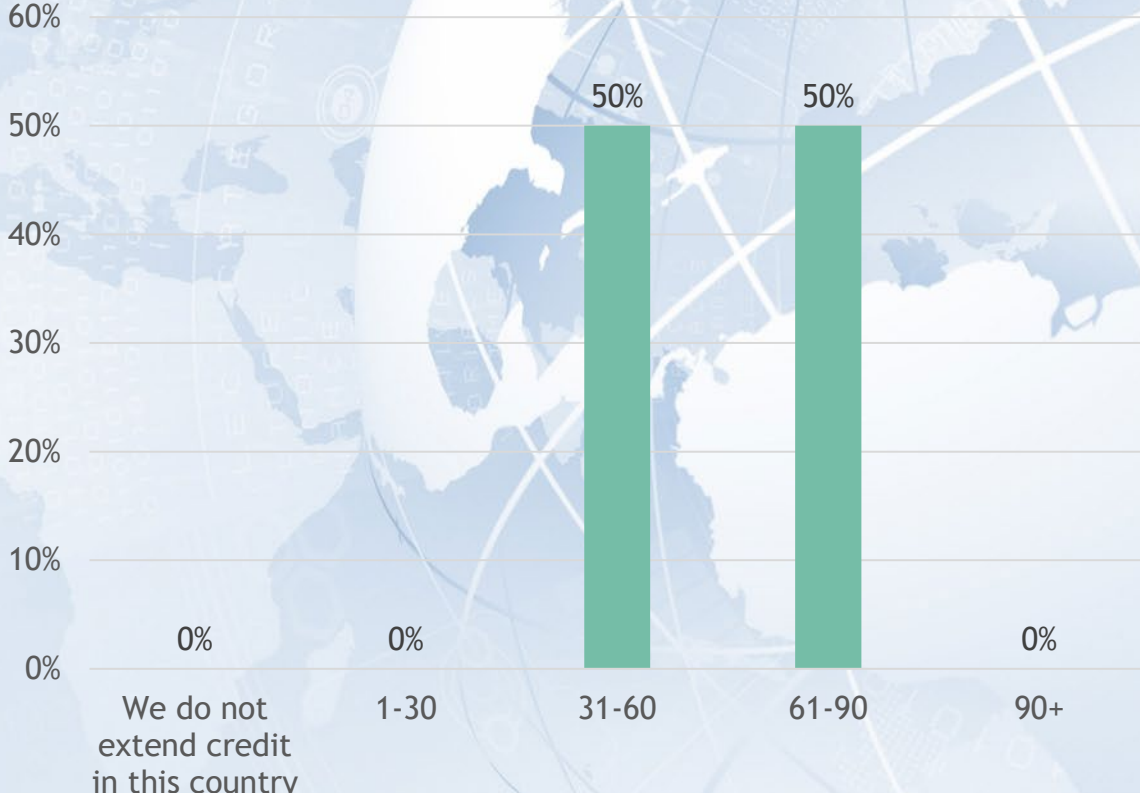


# On average, what payment terms are you granting?

### Japan



### Nicaragua



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

Argentina

31

Israel

16

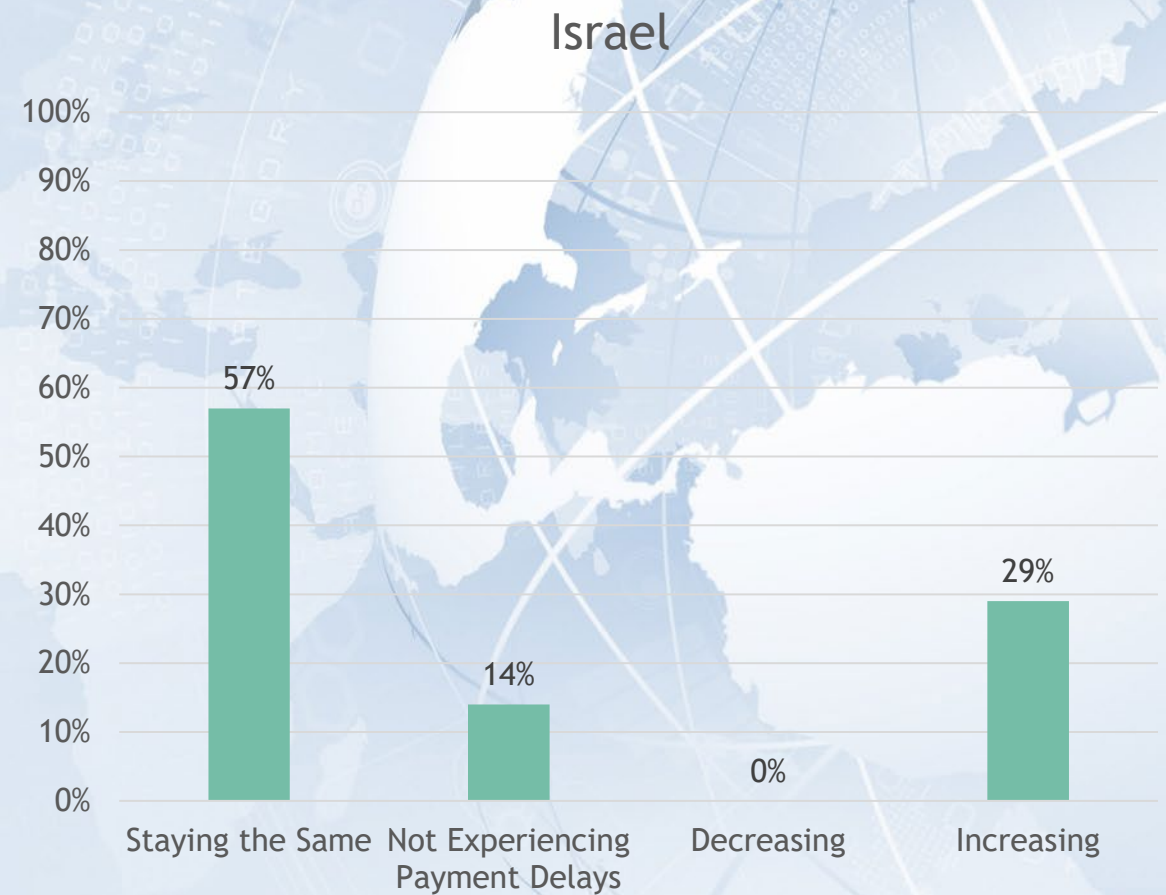
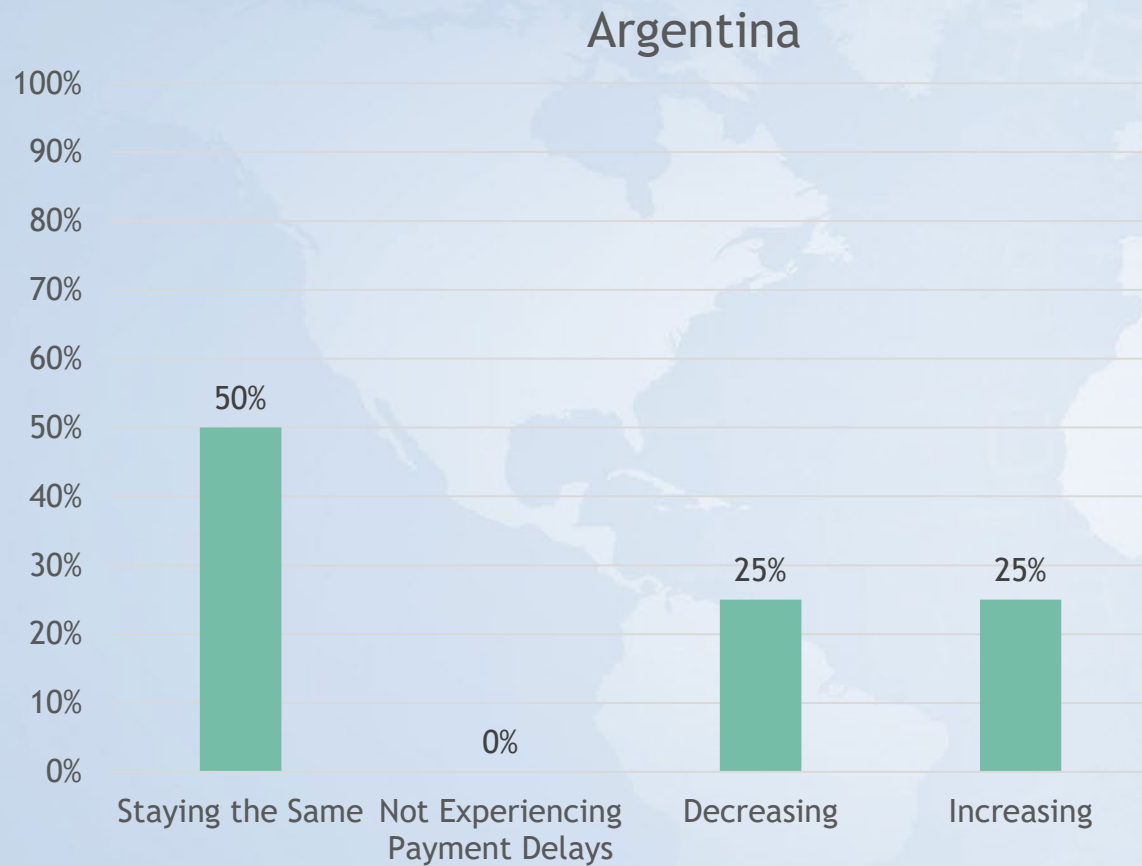
Japan

7

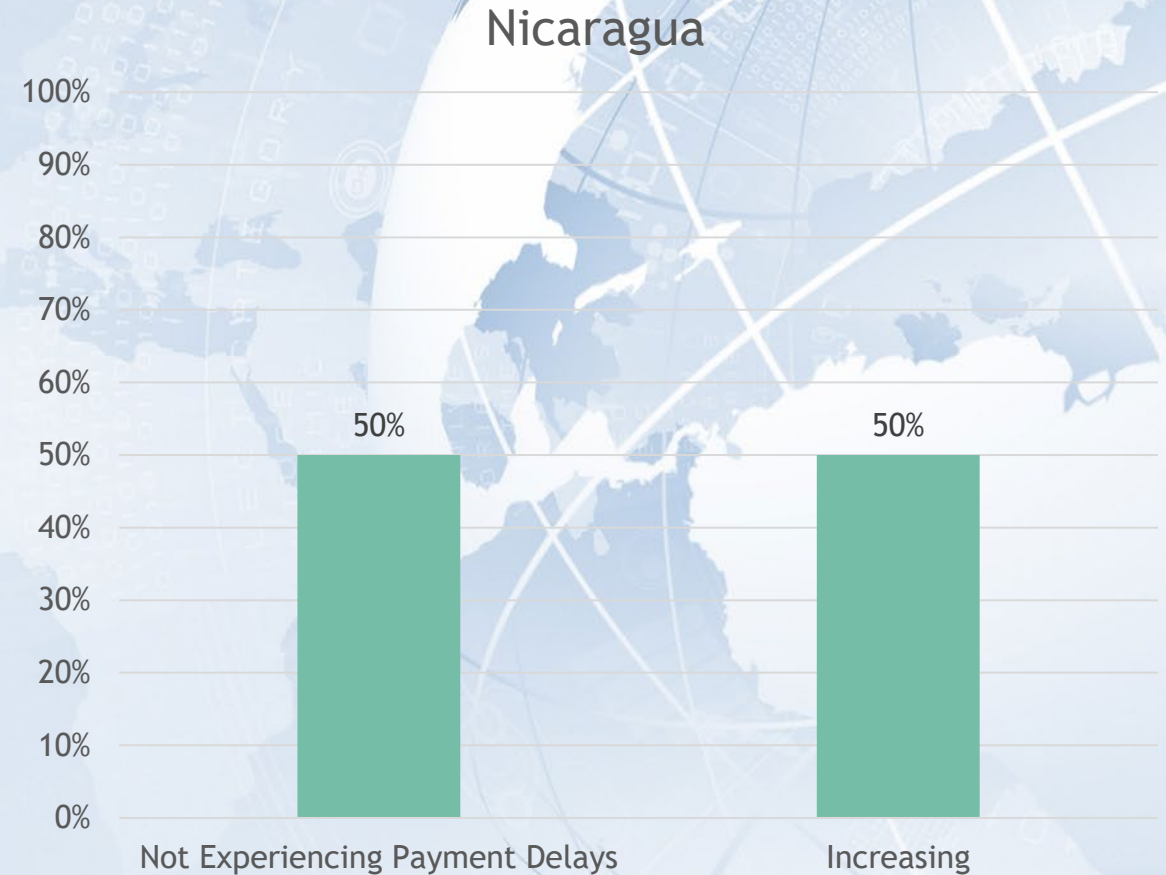
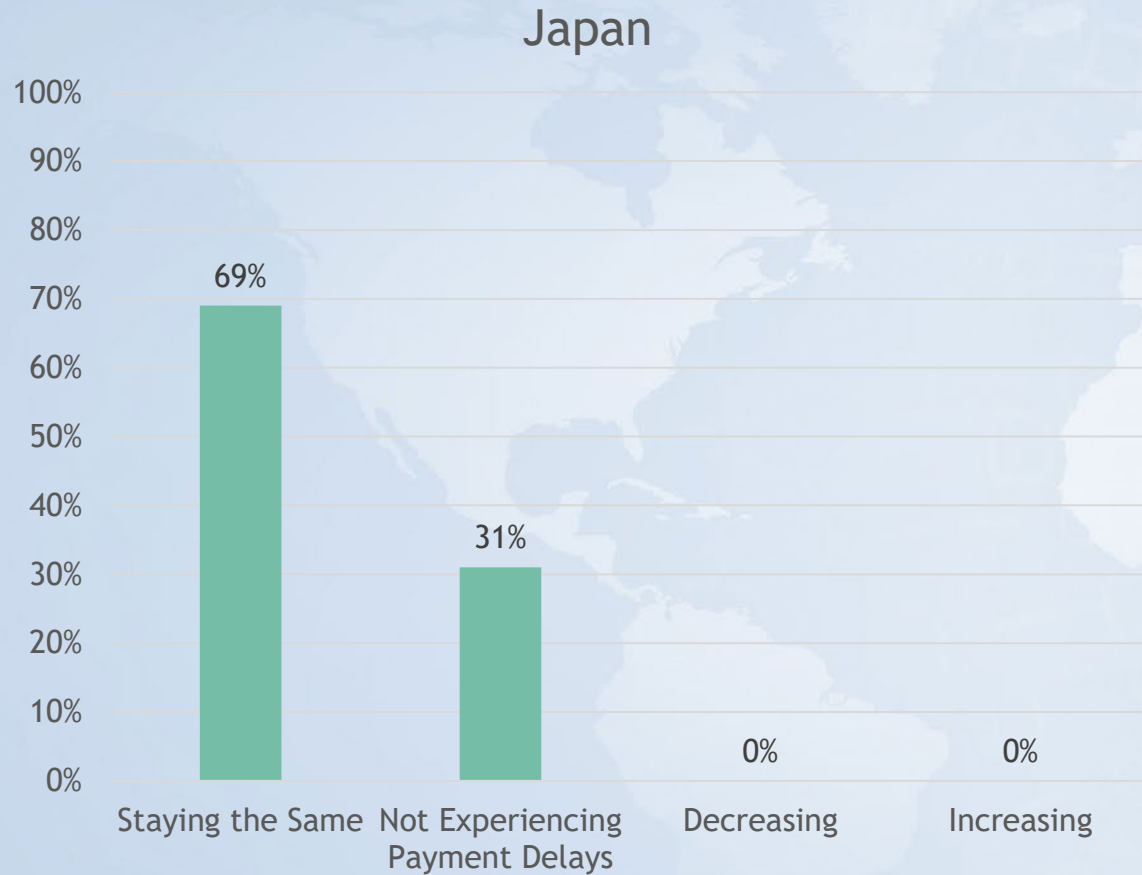
Nicaragua

7

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

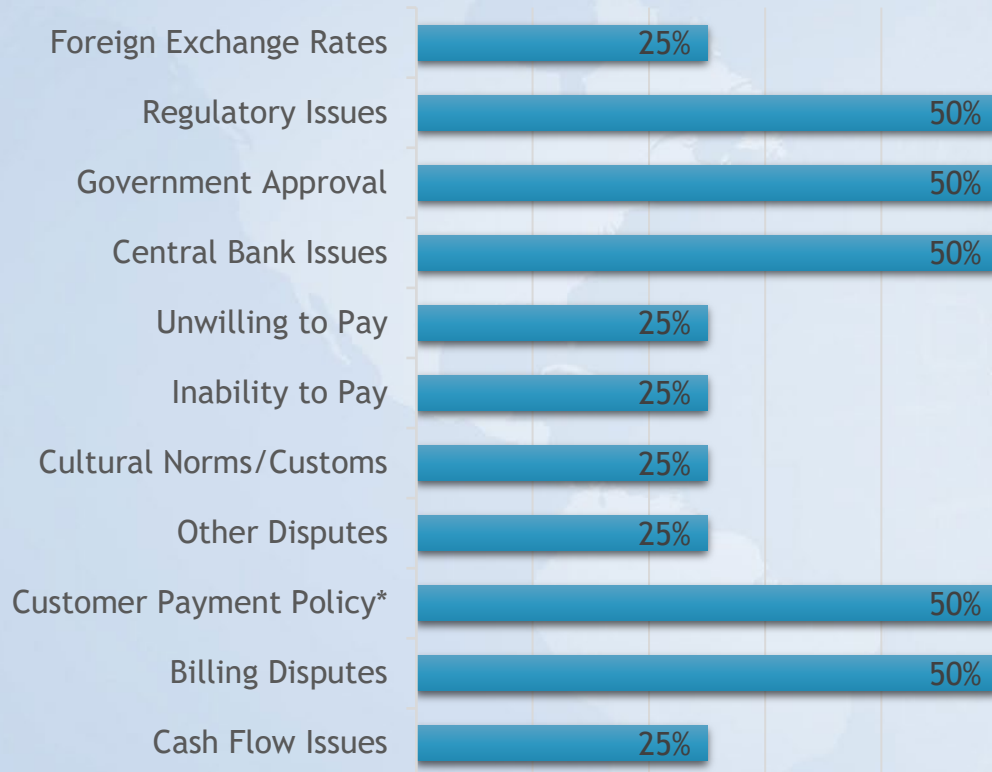


# Are payment delays increasing, decreasing, or staying the same?

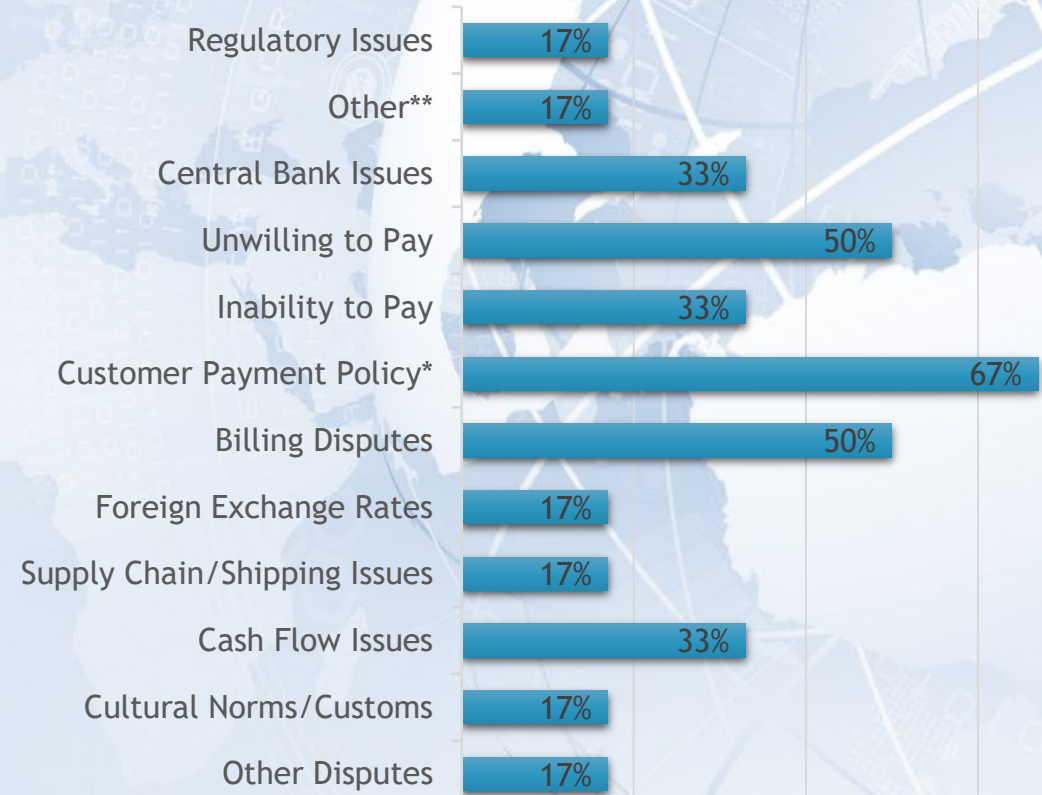


# The most common causes of payment delays

## Argentina



## Israel



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

\*\* (Israel Hamas war)

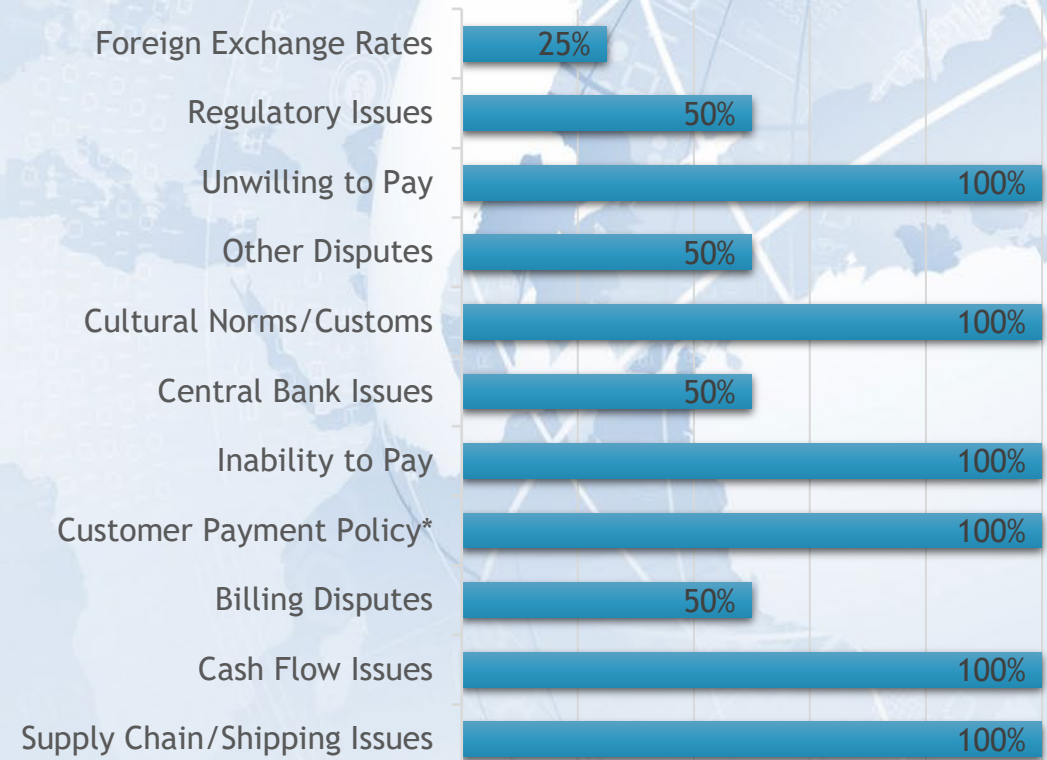


# The most common causes of payment delays

## Japan

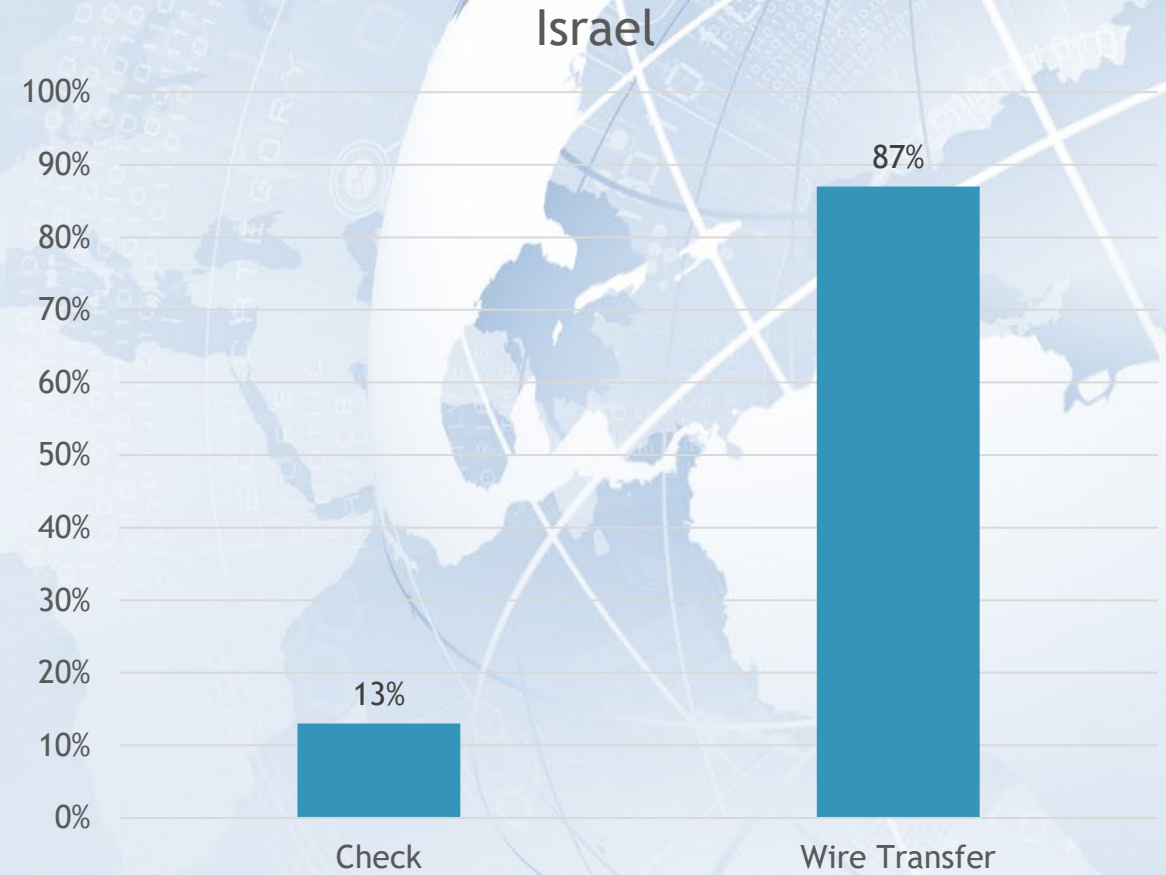
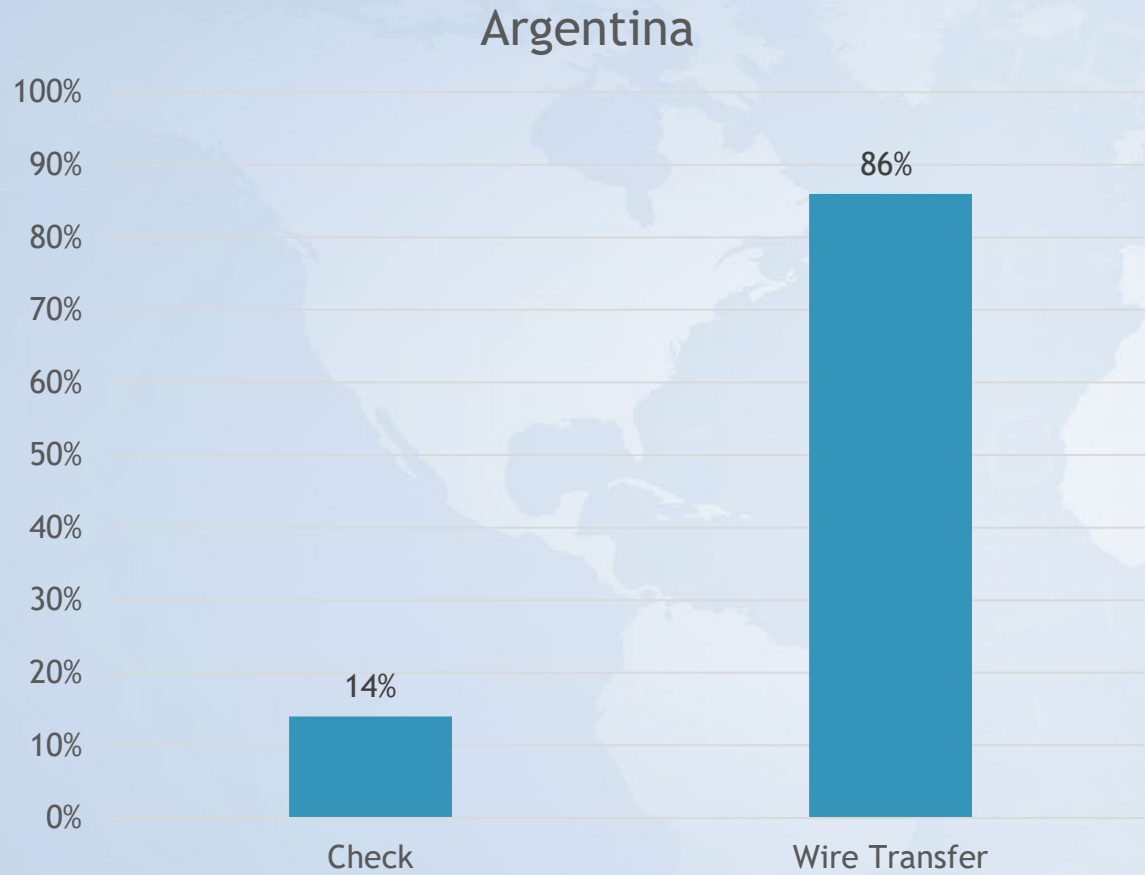


## Nicaragua

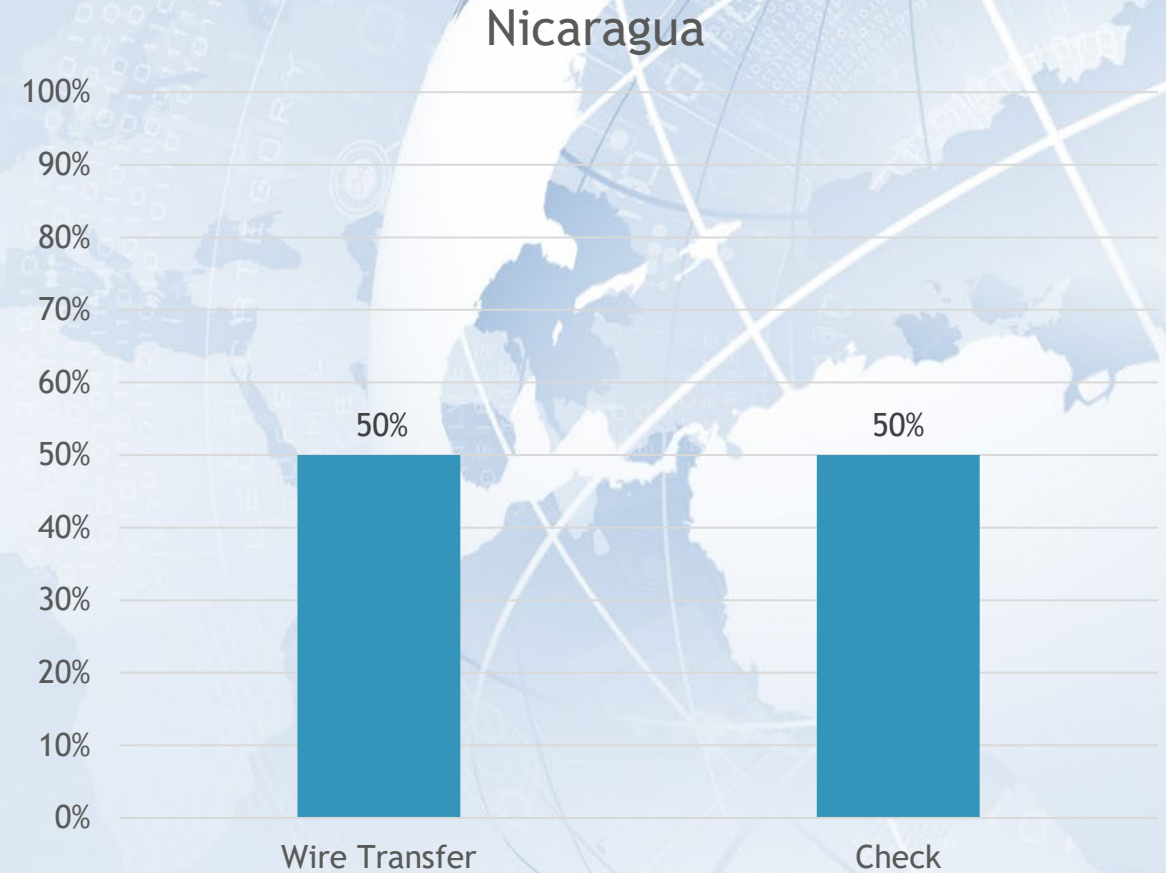
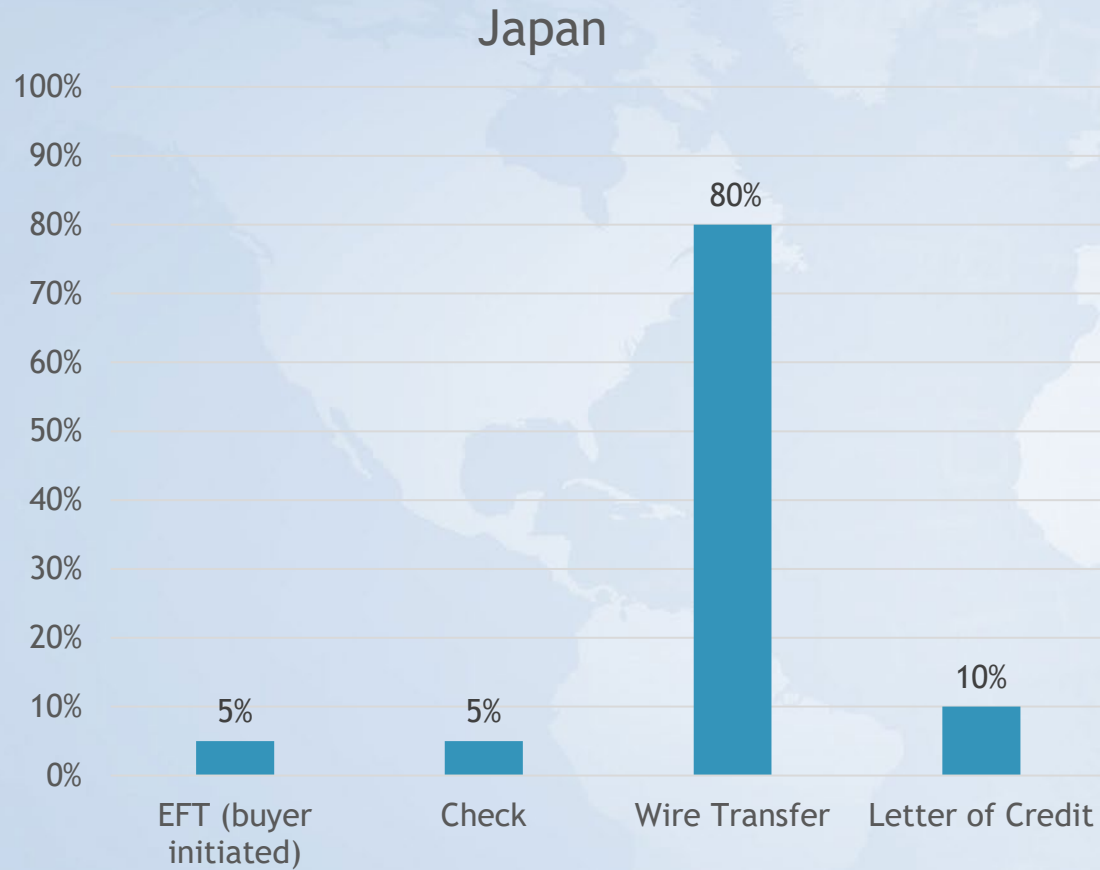


\*(i.e. customer only pays on a set day of the month)

# Methods used to secure payment



# Methods used to secure payment



# Insights from Credit Professionals

## Israel

- “Open terms, cash against documents payment terms can be used.”
- “Companies here are easy to deal with, very forthright.”

## Japan

- “Take transit time into consideration.”
- “This market is very particular with disputes. Even if the invoices have been legally assigned to a factor and they are liable to pay on a specific due date, the customer will hold payment until disputes are resolved. Everything about the invoice has to be in perfect match to their specs before they approve a payment.”

# 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.
- With continued global inflation, war in Japan and high interest, you need to know your true legal customer to prevent fraud and keep your A/R secured.
- 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.