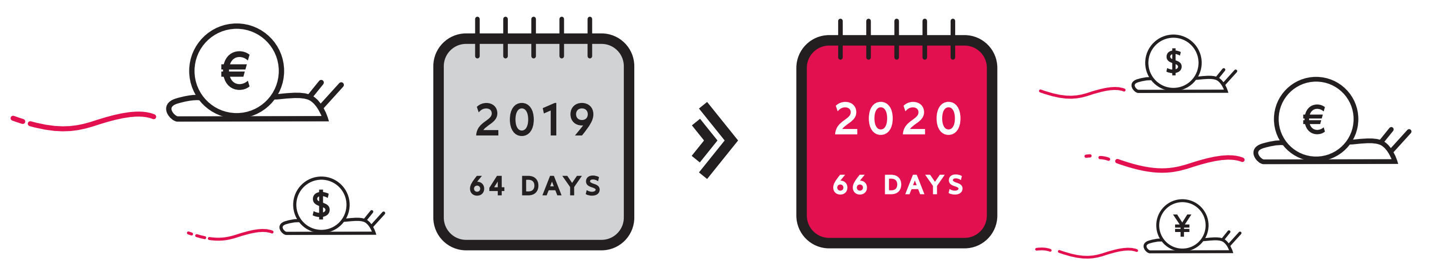
AN EXPORTER'S GUIDE TO FAST PAYMENT

Exclusive data from Euler Hermes provides insight into the payments culture worldwide. It shows the average number of days for invoices to be paid, based on 36 countries and drawn from a panel of 24,000 listed companies around the world.

Which countries pay quickly – and which are more likely to make you wait for your cash?
This is vital information for any firm looking to start exporting.

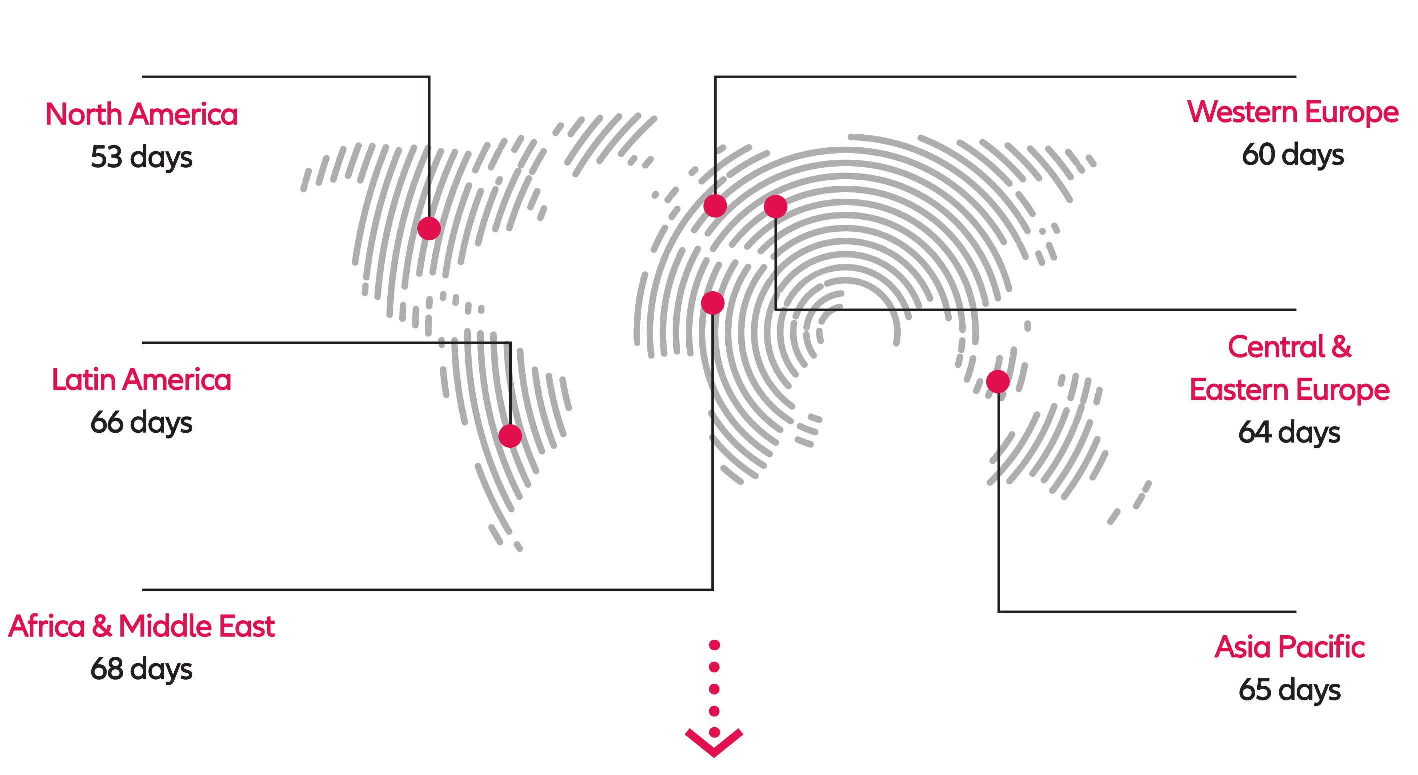
Payments are slowing.

Global average time for payment:

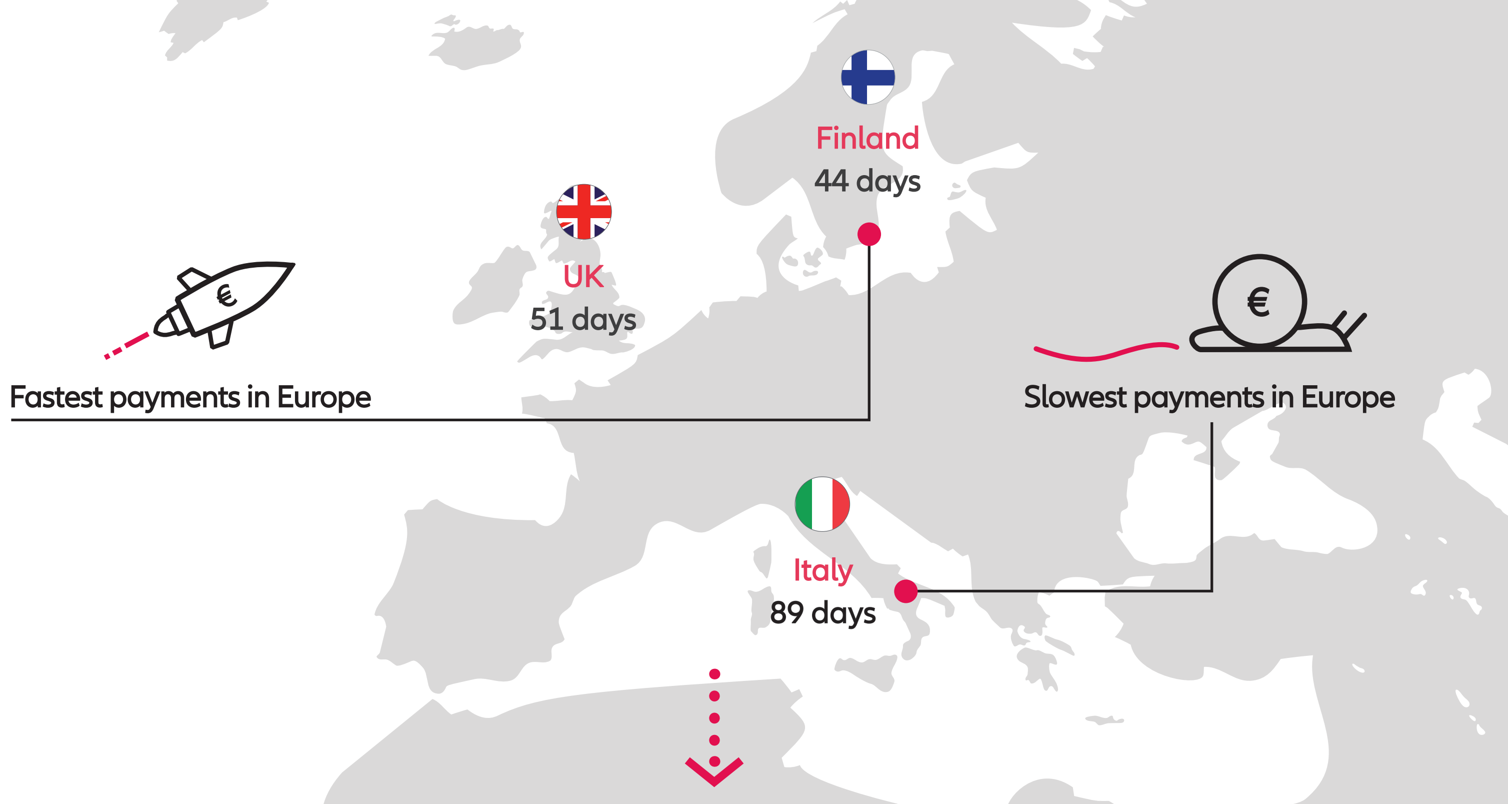


A world of payments, fast and slow.

Average payment times



But payment times **vary widely within regions.**



Every country will have **fast and slow payers**, and payment speeds will also vary according to industry sector. However, the data shown gives a strong idea of countries' payment cultures.

In 2011, the EU issued a directive to help firms receive timely payment:

- Governments and public bodies should pay in 30 days
- Companies should pay in 60 days unless agreed otherwise
- Late payments should attract interest at 8% above standard rates

However, some EU countries are still among the world's slowest payers.
Average payment time in the Eurozone has improved modestly...

...from 70 days in 2011 to 65 days in 2020

Fastest countries to pay worldwide 2020

New Zealand	37
Finland	44
Netherlands	45
South Africa	47
Australia	50

Slowest countries to pay worldwide 2020

China	94
Italy	89
Greece	83
Turkey	82
Spain	80

The "Golden 8" export opportunities – and how long they take to pay

This list shows countries that have traditionally been major UK export markets, plus those for which a post-Brexit trade deal has been signed or is being negotiated. For companies starting to export, it potentially represents a shortlist of opportunity.
The table shows average days to pay:

New Zealand	37
Netherlands	45
Australia	50
Germany	50
USA	53
France	69
Japan	70
China	94

Exporting can take a toll on cash flow. Even if customers pay promptly, payments can take much longer to arrive in your UK account.

Export finance, from the government or finance firms, can help, but **doesn't solve the big potential problem of non-payment**. Trade credit insurance can help you address this risk. It can provide protection not only in the event of customer default, but against other events such as governments cancelling contracts, or imposition of export controls that make contract fulfilment impossible.

Find out more with our guide to the
[benefits of trade credit insurance]

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