



Atradius Payment Practices Barometer 2024



B2B payment practices trends

# Romania

Bad debt concerns eased by widespread reliance on strategic credit risk management





## About the Atradius Payment Practices Barometer

The Atradius Payment Practices Barometer is an annual survey of business-to-business (B2B) payment practices in markets across the world.

Our survey provides us with the opportunity to hear directly from companies polled about how they are coping with the impact of the current challenging economic and trading environment on payment behaviour of their B2B customers. This can give valuable insights into how businesses are paid by their B2B customers, and how they tackle the pain points caused by poor payment practices.

The findings about what measures are undertaken to fund a sudden need for cash, and what credit management tools they use to mitigate the risk of long-term cash flow problems, may also be valuable information in helping understand how companies respond to the crucial issue of late or non-payment in the current uncertain times.

However, the survey also has a strong focus on the challenges and risks that companies polled believe they will encounter during the coming months, and their expectations for future business growth.

The results of our survey can supply useful insights into the current dynamics of corporate payment behaviour in B2B trade, and identify emerging trends that may shape its future. This can be extremely useful to companies doing business, or planning to do so, in the markets polled.

In this report, you will find the survey results for Romania.

The survey was conducted between the end of Q1 and the beginning of Q2 2024. The findings should therefore be viewed with this in mind.





## In this report

---

B2B payment practices trends	4
<b>Bad debt concerns eased by widespread reliance on strategic credit risk management</b>	
Key figures and charts	5

---

Looking ahead	6
<b>Rising risk of insolvencies and cybersecurity top range of worries</b>	
Key figures and charts	7

---

Survey design	8
---------------	---

---

### Disclaimer

This publication is provided for information purposes only and is not intended as investment advice, legal advice or as a recommendation as to particular transactions, investments or strategies to any reader. Readers must make their own independent decisions, commercial or otherwise, regarding the information provided. While we have made every attempt to ensure that the information contained in this publication has been obtained from reliable sources, Atradius is not responsible for any errors or omissions, or for the results obtained from the use of this information. All information in this publication is provided 'as is', with no guarantee of completeness, accuracy, timeliness or of the results obtained from its use, and without warranty of any kind, express or implied. In no event will Atradius, its related partnerships or corporations, or the partners, agents or employees thereof, be liable to you or anyone else for any decision made or action taken in reliance on the information in this publication or for any loss of opportunity, loss of profit, loss of production, loss of business or indirect losses, special or similar damages of any kind, even if advised of the possibility of such losses or damages.

Copyright Atradius N.V. 2024

## B2B payment practices trends

### Bad debt concerns eased by widespread reliance on strategic credit risk management

The ongoing importance of trading on credit in B2B sales among businesses in Romania is evident in our survey. This is reflected by an average 47% of sales being transacted on credit, which shows stability from the previous year. Steel-metals companies are the most likely to use a strategy of B2B selling on credit, with the aim of maintaining a competitive advantage. They also offer the most lenient payment terms to B2B customers across all sectors involved in the survey in Romania. The construction industry is least inclined to trade on credit with B2B customers. Overall, payment terms being extended to B2B customers by Romanian companies have remained steady from last year, at an average two months from invoicing.

A relatively stable trading environment for companies in Romania is clear from our survey finding that 60% of businesses report no significant change in B2B customer payment behaviour during the past 12 months. The majority of the rest tells us that payment practices are improving, and late payments currently affect an average 49% of all B2B sales. Overall, bad debts are also steady, standing at 5% of all B2B sales on credit, but there are differences between sectors. The construction and pharmaceutical industries are both struggling with bad debts, while steel-metals companies are being least impacted.

One reason for this in the steel-metals sector is their widespread use of credit insurance. This enables businesses to offer lenient payment terms to B2B customers without suffering the financial strain of bad debts. By leveraging credit insurance, these companies in Romania can protect themselves against a backlog of long-outstanding overdue invoices, thereby mitigating potential financial risks. Our survey finds that a notable 44% of Romanian businesses are opting to outsource credit risk management rather than managing it in-house. Securitisation is also a widely used alternative tool to protect accounts receivable arising from B2B trade on credit.

In order to avoid liquidity bottlenecks due to the impact of customer credit risk on the business, one-third of companies in Romania tell us they normally react by delaying investment plans. An almost equal number say their response is to delay payments to their own suppliers, particularly in the construction industry, although this risks a ripple effect throughout the sector.

### Key figures and charts on the following pages

### Key survey findings

- 47% of B2B sales are currently being transacted on credit by companies in Romania, which is steady from last year. The steel-metals sector is most likely to trade on credit, and construction businesses the least inclined.
- Payment terms now average two months from invoicing, which is also stable from the previous year. Around half of steel-metals companies offer terms three months from invoicing, a reflection of their positive approach to trading on credit.
- No significant change in B2B customer payment behaviour is reported by 60% of Romanian businesses. Late payments now affect an average 49% of all B2B sales, while bad debts are steady at 5% of all B2B sales, with the pharmaceuticals sector hardest hit.
- Steel-metals companies are being least impacted by bad debts due to widespread use of credit insurance. This enables them to apply lenient payment policies without suffering financial strain, and protects against a backlog of overdue invoices. Overall, 44% of companies in Romania look to credit insurance.
- One-third of Romanian businesses are responding to late payments by delaying investment plans, while 30% delay payments to suppliers. Pharmaceuticals companies report a heightened reliance on short-term funding and look to invoice financing.
- Days-Sales-Outstanding (DSO) is relatively stable, with 66% of businesses reporting no significant change, especially in the pharmaceuticals sector. Deterioration in debt collection efficiency is most evident in the construction industry.

Pharmaceutical companies stand out for their heightened reliance on short-term financing due to the impact of customer credit risk, and they primarily resort to invoice financing as a source of funding to maintain business operations. The overall steady mood in Romania is also shown by 66% of companies reporting no change in Days-Sales-Outstanding (DSO) from last year.

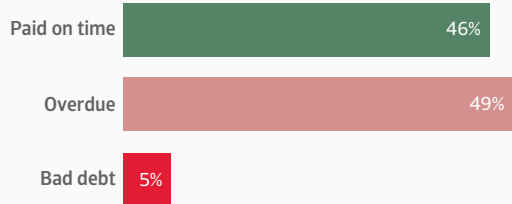




# Romania

## Romania

% of the total value of B2B invoices paid on time, overdue and bad debt

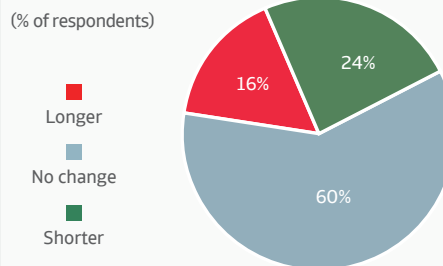


Sample: all survey respondents

Source: Atradius Payment Practices Barometer Romania – 2024

## Romania

% of respondents reporting changes in payment duration\* over the past 12 months



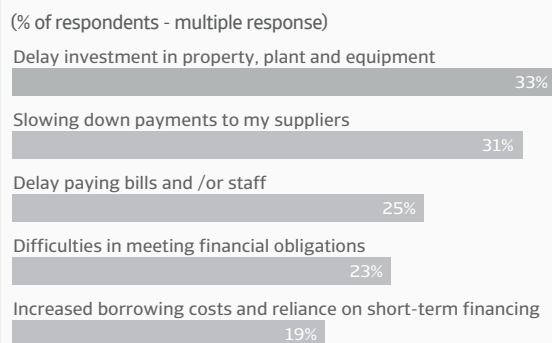
\*average amount of time to get paid from B2B customers

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Romania – 2024

## Romania

Over the past 12 months, have late payments from your B2B customers led your company to experience any of the following situations?



Sample: all survey respondents

Source: Atradius Payment Practices Barometer Romania – 2024

## Romania

What are the main sources of financing that your company used during the past 12 months?

- 46% Trade credit
- 44% Invoice financing
- 30% Bank loans
- 25% Internal funds

(% of respondents - multiple response)

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Romania – 2024

## Looking ahead

### Rising risk of insolvencies and cybersecurity top range of worries

A wide range of worries are preoccupying companies in our survey of Romania as they navigate the current challenging trading landscape. Perhaps the most pressing concern of all surrounds the state of the economy, with anxiety stemming from stubbornly high inflation, high pay growth and strong domestic demand that is contributing to price rises. All this is weighing on business confidence and is felt across all sectors in Romania. Another clear concern is increasing vulnerability to potential cyberattacks that can disrupt operations, compromise sensitive data and tarnish the reputation of a business. They not only threaten the trust and confidence of customers, but pose financial risks too.

The need to adapt to ever-changing regulations while staying competitive is another major worry expressed by companies in Romania. This can be a daunting task for firms as they navigate the increasing emphasis on sustainable business practices and alignment with environmental targets and regulations. A further worry across all sectors is that market saturation and intense competition will put a ceiling on their prospects of expansion. Difficulties in attracting and retaining top talent in a competitive landscape where skilled professionals are in high demand is also a widespread concern, with fears that this could hinder growth opportunities.

Companies in Romania are notably optimistic about the prospects for demand in the year ahead. Nearly 60% of businesses tell us they anticipate a surge in demand for their products and services from B2B customers, while 31% foresee no change. The positive mood is particularly prevalent in the construction and pharmaceutical sectors, but steel-metals companies are far more pessimistic. In contrast, only 40% of Romanian companies say they expect a positive trend in profitability during the coming months, and the steel-metals industry is again the most negative. Half of the businesses in our survey foresee no significant change in B2B customer payment behaviour.

The majority of businesses in our survey of Romania anticipate a negative trend in insolvency risk during the year ahead. This is a particular anxiety in the steel-metals sector, perhaps due to challenges such as fluctuating

### Key survey findings

- The state of the economy is the primary concern for the year ahead among all sectors in Romania, with worries about stubbornly high inflation amid strong domestic demand. A growing threat of cybersecurity attacks is also a widespread anxiety
- Among a range of further worries is the need to adapt to evolving changes in regulatory compliance as well as the potential for limited growth due to market saturation. Difficulty in attracting top talent is also a clear concern for Romanian businesses.
- Nearly 60% of companies in Romania expect a surge in demand for their products and services during the year ahead, with the construction and pharmaceutical sectors notably optimistic. 31% of businesses anticipate no significant change.
- There is a much more mixed mood about prospects for profitability. Only 40% of companies expect a positive trend for profits in the coming 12 months, with the steel-metals sector most pessimistic. 50% of Romanian businesses anticipate no change in B2B customer payment behaviour.
- A majority of companies anticipate a negative trend in insolvency risk during the year ahead. The Romanian steel-metals sector again has the most pessimistic outlook due to challenges such as fluctuating commodity prices and global trade tensions.
- 57% of businesses in our survey of Romania say they anticipate no significant change in Days-Sales-Outstanding (DSO) in the coming months. Most of the rest expect improvement in debt collection efficiency, especially in the construction industry.

commodity prices, global trade tensions impacting demand, and the cyclical nature of the industry. These factors can increase the risk of financial distress and insolvencies. The pharmaceuticals sector reports more optimism, reflecting the relatively stable current demand for healthcare products and services. Overall, there is a positive mood about the outlook for Days-Sales-Outstanding (DSO), with 57% of companies expecting no change. The steel-metals sector again displays the most pessimistic stance.

### Key figures and charts on the following pages



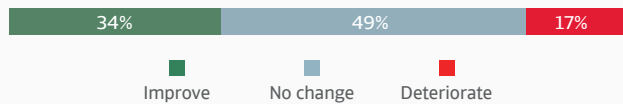


# Romania

## Romania

Looking ahead to the next 12 months: how do you expect the payment practices of your B2B customers to change?

(% of respondents)



Sample: all survey respondents

Source: Atradius Payment Practices Barometer Romania – 2024

## Romania

Do you see an increased insolvency risk for your customers in the next 12 months?

(% of respondents)



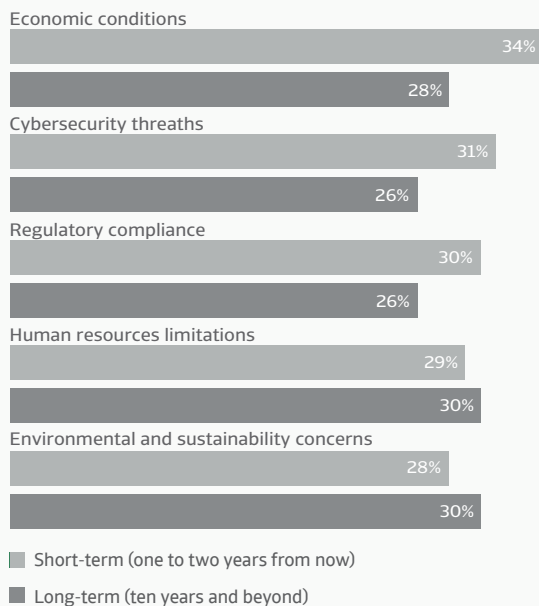
Sample: all survey respondents

Source: Atradius Payment Practices Barometer Romania – 2024

## Romania

Looking ahead: top 5 concerns expressed by businesses polled

(% of respondents - multiple response)



Sample: all survey respondents

Source: Atradius Payment Practices Barometer Romania – 2024

## Romania

How do you expect your average DSO to change over the next 12 months?

- 27% Improve
- 57% No change
- 16% Deteriorate

(% of respondents)

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Romania – 2024

## Survey design

Atradius conducts annual reviews of international corporate payment practices through a survey called the Atradius Payment Practices Barometer. Companies polled in Romania are the focus of this report, which forms part of the 2024 edition of the Atradius Payment Practices Barometer. A change in research methodology means year-on-year comparisons are not feasible for some of these survey results. Using a questionnaire, CSA Research conducted 216 interviews in total. All interviews were conducted exclusively for Atradius.

### Survey scope

- **Basic population:** Companies from Romania were surveyed, and the appropriate contacts for accounts receivable management were interviewed
- **Sample design:** The Strategic Sampling Plan enables us to perform an analysis of country data crossed by sector and company size. It also allows us to compare data referring to a specific sector crossed by each of the economies surveyed.
- **Selection process:** Companies were selected and contacted by use of an international Internet panel. A screening for the appropriate contact, and for quota control, was conducted at the beginning of the interview.
- **Sample:** N=216 people were interviewed in total. A quota was maintained according to four classes of company size.
- **Interview:** Computer Assisted Web Interviews (CAWI) of approximately 15 minutes duration. Interview period: The survey was conducted between the end of Q1 and the beginning of Q2 2024. The findings should therefore be viewed with this in mind.

### Sample overview – Total interviews = 216

Business sector	Interviews	%
Manufacturing	122	57
Wholesale trade	56	26
Retail trade/Distribution	16	7
Services	22	10
<b>TOTAL</b>	<b>216</b>	<b>100</b>
Business size	Interviews	%
SME: Small enterprises	43	20
SME: Medium enterprises	63	29
Medium Large enterprises	77	36
Large enterprises	33	15
<b>TOTAL</b>	<b>216</b>	<b>100</b>
Pharma	70	32
Construction	72	33
Steel/metals	74	35
<b>TOTAL</b>	<b>216</b>	<b>100</b>

### Methodological note

Last year different sectors were included in the survey for Romania. This makes year-on-year comparisons unfeasible for certain topics for the current year. For a detailed overview of last year's survey results for Romania, please refer to the specific report available on the [Atradius website](#).

## Interested in finding out more?

Please visit the [Atradius](#) website where you can find a wide range of up-to-date publications. [Click here](#) to access our analysis of individual industry performance, detailed focus on country-specific and global economic concerns, insights into credit management issues, and information about protecting your receivables against payment default by your customers.

Follow us to stay up to date with our latest releases by [subscribing](#) to notifications of our Publications, and receive weekly emails with alerts to when new reports are published.

To find out more about B2B receivables collection practices in **Romania and worldwide**, please visit [atradiuscollections.com](http://atradiuscollections.com).

For Romania please visit [Atradius Romania](#)

Atradius Crédito y Caución S.A. de Seguros y Reaseguros  
Sucursala București  
Clădirea Sky Tower, Calea Floreasca, nr. 246 C, Etaj 34, Sector 1  
București, cod poștal 014476, România  
Telefon: +40 31225 6409

Email: [comunicare-romania@atradius.com](mailto:comunicare-romania@atradius.com)



Follow Atradius on  
Social Media



@Atradius



Atradius

Atradius  
David Ricardostraat 1 · 1066 JS Amsterdam  
Postbus 8982 · 1006 JD Amsterdam  
The Netherlands  
Phone: +31 20 553 9111

[info@atradius.com](mailto:info@atradius.com)  
[atradius.com](http://atradius.com)