

## Western Europe: the good pupil in debt collection

- Euler Hermes publishes its “2018 Collection Complexity Score and Rating”, which aims to support decision makers when trading internationally.
- Western Europe sets the example for the rest of the world with Sweden, Germany and Ireland ranking amongst the least complex countries when it comes to debt collection.
- At the opposite end of the spectrum, Saudi Arabia, the United Arab Emirates and Malaysia are the three most complex countries when it comes to international debt collection.

**PARIS – 1 FEBRUARY** – Euler Hermes’ “2018 Collection Complexity Score and Rating” aims at measuring the level of complexity relating to international debt collection procedures within each of the 50 countries taken into consideration. Three main factors were analyzed: local payment practices, local court proceedings and local insolvency proceedings. It therefore provides a simple assessment of debt collection proceedings in each country, helping to support decisions and manage expectations when trading internationally.

### Western European countries lead the pack

While the global average stands at 51 on a 0-100 scale, showing a very high level of collection complexity around the world, Western Europe stands out when it comes to simplifying the life of companies trying to recover their dues.

Sweden, Germany and Ireland take the lead, ranking as the least complex countries with respective scores of 30, 30 and 31. Sweden and Germany really set the example, being the only country with the lowest score of complexity in local payment practices, local court proceedings as well as in local insolvency proceedings.

The region also presents the highest number and share of countries at a “notable” collection complexity. 14 out of 16 countries stand at the less severe level, the exceptions being Greece and Italy, (both rated as high level of collection complexity).

### Middle East at the tail end

Middle East stands at the opposite end of the spectrum with Saudi Arabia and the United Arab Emirates ranking as the most complex countries when it comes to debt collection. With a score of 94, international debt collection is three times more complex in Saudi Arabia than in Sweden.

Asia-Pacific is not far behind and counts the highest number of countries standing at a severe rating of collection complexity, with Malaysia (right behind the United Arab Emirates), China and Indonesia.

### Pockets of collection complexity are everywhere

Euler Hermes’ report also demonstrates that the largest economies, most dynamic markets, and the less vulnerable countries do not necessarily entail more conducive a business environment. Pockets of collection complexity exist in all countries, even in Sweden. Indeed, complexity in international debt collection depends on many different factors. At a global level, it appears that the key factor of complexity are by far local insolvency proceedings, which are not always effective, i.e. taking into account priority rules and cancellation of prior transactions.

*“A key rule applies to debt collection: the longer one waits, the greater the complexity and risks. That is why we want to help our clients to make the right decision at the right time. The Euler Hermes 2018 Collection Complexity Score and Rating provides a simple assessment of debt collection procedures in each country, helping to support our clients with key information when and where they want it,”* said **Jennifer Baert, Group Head of Collection at Euler Hermes.**

Find out more about the International Debt Collection Report and Country Profiles on [Euler Hermes’ website](#).

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