



# EU Payment Observatory

Annual Report 2025





# **EU PAYMENT OBSERVATORY**

Annual Report

2025

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## Abbreviations

AI	Artificial intelligence
B2B	Business-to-business
BNPL	Buy Now, Pay Later
DSO	Days Sales Outstanding
CJEU	Court of Justice of the European Union
EISMEA	European Innovation Council and SMEs Executive Agency
ECB	European Central Bank
EPC	European Payments Council
EPR	European Payment Report
ETI	Intermediate-sized enterprise (Entreprises de taille intermédiaire in its French Original)
EU	European Union
G2B	Government-to-business
IPR	Instant Payments Regulation
IoT	Internet of Things
MEF	Italian Ministry of Economy and Finances
PNRR	National Recovery and Resilience Plan
SCT Inst	SEPA Instant Credit Transfer
SEPA	Single Euro Payments Area
SME	Small and medium-sized enterprises
UPI	Unified Payments Interface

## Glossary of basic terms

Late Payment	Payment not made within the contractual or statutory payment period
Payment term	Contractually agreed or legally established time in which a payment needs to be settled
Payment period	Actual time taken to make the payment, also called payment time
Payment delay	Difference between the payment term and payment period/time

# THE STATE OF LATE PAYMENTS IN THE EU

## SUMMARY OF FINDINGS

Analytical findings in this report are based on multiple data sources. The main data sources include business surveys – notably the Intrum company survey underpinning the European Payment Report and the ECB/European Commission Survey on Access to Finance (SAFE).

Another major source is transaction-based data from Cribis/D&B. This year, these have been exceptionally complemented by the Eurobarometer survey on Startups, Scaleups and Entrepreneurship, and the European Commission expanded SME Panel Survey.

### Late payments are an increasing problem

- **More than half of European companies, 52 %, indicate that they are facing problems due to late payments in 2024.** This is five points more than in 2023 and 10 points higher than in 2021, which was when the situation started to worsen.
- **In 19 Member States, the share of companies reporting issues linked to late payments increased.** The worst situations are in Poland, Czechia and Luxembourg, while the Netherlands and Bulgaria record the lowest share of impacted companies.

### Payment periods remain very long

- **Average payment periods exceed 60 days for both B2B (60.3) and G2B (69.8),** with public authorities paying on average 9.5 days later than businesses.
- **In 2024, the average payment period, reported by suppliers, increased by 0.8 days in G2B transactions and decreased by 1.5 days in B2B transactions.**

### Long payment terms lead to long payment periods

- **Longer payment terms correlate with longer payment periods in 87 % of cases.**
- **Payment terms increased by 2.1 days in G2B transactions and decreased by 2.4 days for B2B ones.** Suppliers report average G2B payment terms of 55.9 days and of 43 days for B2B transactions.
- **Most surveyed companies favour limiting payment terms.** 41 % of respondents support introducing a mandatory maximum payment deadline in B2B, and an additional 23 % agree, provided sector-specific flexibility is allowed. The most preferred option is payment terms of 30 days, backed by 31 % of respondents favouring a mandatory limit.

### Size matters

- **The larger the company, the less likely it is to pay on time** – a pattern consistent across every year analysed.
- Large companies stand out as those paying later in 16 out of 20 Member States, while micro companies are the most punctual in 13 out of 20 Member States.
- Micro companies tend to consider late payments a bigger challenge due to their limited cash reserves and bargaining power.

### Sector matters, but a country's payment culture matters more

- **Payment performance varies more between Member States than between sectors within a single country.**
- **Construction was the most punctual sector in six Member States** but also the worst performer in another three.

- **Retail trade and agriculture, forestry, hunting and fishing were the least punctual sectors in more Member States, four each.**
- **Shorter payment times were experienced by 9 out of 14 sectors in 2024.** The biggest improvements, of more than 5 days, were observed in 'Transportation & logistics' and 'Pharma, Medical & Biotech'.
- **The book sector stands out as largely unaffected by late payments,** reflecting its sector-specific long payment terms and very low support for limiting payment terms.

### **Economic slowdown and uncertainty worsened payment performance in 2024**

- **53 % of companies indicate that the economic slowdown made it harder to pay their suppliers on time,** while 54 % are more concerned than ever about clients' ability to pay by the due date.
- **37 % consider sanctions against late payments ineffective,** while a third indicate that the current rules are not consistently enforced.
- **Late payments have a cascading effect:** 31 % of companies in 2024 admit to delaying their own payments because they themselves are paid late.
- **Cross-border trade faces more late payment issues:** 49 % of non-exporting companies report problems with delayed payments, compared to 56 % of exporters.

### **Bad payment practices have multiple consequences**

- **The most frequently reported consequence (40 %) of late payments is their negative effects on investment and growth,** followed by 31 % of respondents citing delayed payments as a threat to their survival.
- **A strong link persists between late payments and access to finance:** 65 % of companies facing late payment problems struggle to access finance, 12 points higher than those without such difficulties. Conversely, 61 % of businesses facing severe financing constraints report late payments, compared with 46 % of those without.
- **Companies spend, on average, 9.85 hours a week chasing late payments.** This is a considerable burden, especially for small companies with few employees.
- **Estimates suggest that without late payments, EU micro companies, SMEs and intermediate-sized enterprises could unlock over EUR 100 billion a year in additional cash flow.**

### **Deterioration of data availability**

- **Data availability worsened in 2025 in relation to 2024,** with fewer sectoral and impact details available. This was partially offset by a one-off company survey, which, does not allow for tracking changes over time. The lack of data is a serious gap preventing the shift towards a prompt payment culture in the business environment.

### **Emerging technologies can contribute to reducing late payments**

- **Combining technological innovation with regulatory measures** can help to address entrenched late payment behaviours and drive on-time payments, thus achieving lasting improvements in payment timeliness.
- **Instant payments** can significantly reduce the time taken for transactions; however, it would be beneficial to combine this innovative technology with other measures, including regulatory actions.
- The **blockchain technology** can enhance payment processes by providing a secure, transparent and decentralised framework that eliminates intermediaries, reduces transaction costs and accelerates cross-border payments.
- The integration of **artificial intelligence** into payment processing can enable predictive analytics, fraud detection and automation, streamlining invoicing.

# 1. INTRODUCTION

This third edition of the **European Payment Observatory of Commercial Transactions** (EU Payment Observatory) Annual Report provides a comprehensive analysis of the main trends and developments in payment performance in commercial transactions in the European Union (EU) up to 2024.

In 2025, the EU Payment Observatory has undertaken multiple activities to enhance the availability and quality of information on payment performance in B2B and G2B transactions in the EU, as well as on late payments and unfair payment conditions. Two thematic reports were published this year: one examining the [situation of late payments in non-EU countries](#) and another analysing the new reporting requirements on payment practices arising from the Corporate Sustainability Reporting Directive (CSRD). In addition, the [Indicators Mapper](#), an interactive dashboard which provides data on key dimensions of payment performance in the EU, has been revamped.

Beyond its analytical work, the Observatory has continued to raise awareness and increase visibility around the issue of late payments. In 2025, it organised three webinars, participated in three external events and hosted a dedicated session at the 2025 SME Assembly in Copenhagen. Efforts were also made to improve the attractiveness and user experience of [its website](#), which is regularly updated, and widely disseminated through five issues of the Observatory's external [newsletter](#).

This year's report includes additional information on payment terms and on the administrative burdens created by late payments. It also draws insights from an additional source of information, the European Commission SME panel survey (key findings are available on the Observatory website).

Findings from this year's analysis confirm that late payment practices remain an issue, due to a combination of structural and cyclical factors. Data from 2024 show that companies are increasingly concerned about late payment issues amid uncertainty and an economic slowdown. Smaller companies, although generally being more punctual than larger ones, report that late payments pose a greater challenge. Of particular concern are G2B payments, as suppliers report a further increase in the time it takes public entities to fulfil their payment obligations. Payment terms remain a contentious issue. Most companies seem to support limiting them but with wide sectoral variance.

This report is divided into five sections. Section 2 outlines the data sources and methodology to build the Observatory, highlighting complementarities and limitations. Section 3 presents an overview of payment performance trends at the EU level up to 2024. Section 4 provides national-level assessments of late payment patterns. Section 5 explores the impact of emerging technologies on late payments. The last section concludes by summarising initiatives and outreach efforts carried out in 2025.

## 2. ANALYSIS OF DATA ON PAYMENT PERFORMANCE ACROSS THE EU

**Monitoring late payment trends and developments in the EU remains a crucial element in the context of the ongoing revision of the [Late Payment Directive](#), as it provides policymakers with a comprehensive overview of the scale and features of the problem across Member States.** A sound monitoring system is key not only for identifying both the underlying causes and the symptoms of late payments, but also for designing targeted interventions. In addition, continuous tracking of payment behaviour makes it possible to assess whether policy initiatives are achieving their intended effects. Moreover, **greater transparency on payment practices and performance also brings significant benefits to firms.** Enhanced information helps companies better understand the typical causes and consequences of late payments, as well as sector- and size-specific characteristics. This knowledge can help them to adapt their behaviour, manage risks more effectively, and negotiate fairer and more sustainable payment terms. The possibility of benchmarking data also allows firms to assess their own performance relative to industry standards, while broader visibility on payment behaviour contributes to raising awareness and fostering a culture of timely payments.

These considerations make the European Payment Observatory, as a repository of all available information around late payments in the EU, a key tool for both policymakers and companies.

### DATA SOURCES AND METHODOLOGY

**The greatest challenge to the Observatory's mission continues to be the scarcity of comprehensive and systematised data on payments in commercial transactions at the EU level. The lack of a harmonised, EU-wide dataset covering all 27 Member States represents a major obstacle to accurately monitoring payments.**

As a result, the Observatory relies on a wide array of sources – both public and private – covering individual countries or groups of countries, often employing different concepts, definitions, and reporting methodologies. To date, the Observatory has mapped over 100 national and supranational sources – including surveys, government reports, industry associations, and private data providers. Of these, around 30 were identified as sufficiently robust to offer a reliable picture of late payment trends across the EU in 2024. Selection was based on methodological reliability, time coverage, and sample size, ensuring that the resulting evidence is trustworthy, spans multiple years, and is representative of the specific dimensions examined.

While these data sources provide valuable perspectives on late payments, they also come with caveats and methodological divergences. The following section describes in detail how the database of EU late payment indicators was built, while highlighting the specific limitations and differences among the sources considered.

#### **The EU late payment database: limitations, methodological differences, and complementarity of the data sources used**

The core strategy for constructing the Indicators Database has been to achieve a holistic view of payment performance across Member States by rigorously assessing and integrating publicly available data from diverse sources. A team of country experts then systematically collected, categorised, and validated this information, ensuring data were consistent, representative, and sufficiently up to date to serve as a reliable monitoring tool. In a few cases, where publicly available data lacked sufficient coverage or quality, we explored whether privately held sources could help close the gap, and, when possible, directly contacted providers to request access to their data.

The resulting dataset, underpinning the analysis presented in this report, combines both national and supranational data sources. National datasets focus on a single economy, while multi-country sources offer comparable information across several Member States. This distinction matters because sources rely on different methodologies for data collection and processing. Consequently, figures from one source in a given country cannot be directly compared to those from another source elsewhere, as they stem from different approaches. For this reason, European-level comparisons are based exclusively on multi-country sources, which are the only ones allowing meaningful cross-country benchmarking. Key examples include the Intrum European Payment Report, the Cribis Payment Study, and the ECB/EC SAFE survey on access to finance. For the country-by-country analysis, however, national sources are also used, as they provide complementary insights into the specific late payment situation in each economy. The availability of multiple sources for a single country generally enables a more detailed analysis, which help to uncover differences by sector, firm size, or type of transaction (B2B or G2B).

Given the limitations of comparing data directly across Member States, a model-based approach is presented in a dedicated section below (“Comparing late payments across countries and time”). This approach pools information from multiple sources to provide a more robust and comprehensive picture of cross-country differences in payment performance, while controlling for confounding factors arising from underlying differences in the data available across countries.

Another important distinction relates to the type of data. Two main categories are used: transaction data and survey data. The main limitation of survey data lies in the fact that they rely on respondents’ perceptions rather than complete information, which inevitably introduces a bias. For instance, in a recent survey on late payments conducted by the European Commission, 73 % of respondents reported that their clients pay them late, while only 24 % admitted to paying their own clients late. Moreover, surveys’ methodologies differ considerably: questions may be framed differently, response options may vary, and samples may include distinct types of stakeholders. This explains the discrepancies in results across surveys, making absolute cross-survey comparisons unreliable. However, even if levels differ, trends over time can still be compared meaningfully across different surveys.

Transaction data, by contrast, are derived from the actual time taken to settle invoices. This makes them a more objective measure of payment times, avoiding the perception bias inherent in surveys. Nevertheless, methodological divergences remain, for example, in how the start of an invoice period is defined or how results are aggregated across invoices, which can lead to inconsistencies between sources.

Despite these differences, transaction and survey data are best viewed as complementary. Transaction data are more robust for assessing payment times, while survey data broaden the scope by providing insights into the drivers of late payments, the most affected business areas, firms’ responses to delays, and attitudes towards policy measures.

In sum, when comparing across Member States, multi-country sources are prioritised to ensure consistency, while both transaction and survey data are combined to build a fuller picture: the former providing more objective measures of payment times, and the latter adding valuable context on causes, consequences, and business perceptions. When focusing on a single country, national sources are combined with any available multi-country data covering that country, with priority given – depending on the dimension examined – to the source offering the highest data quality.

## **Latest developments in data availability**

In 2023, data availability had already deteriorated compared to previous years. For instance, Intrum, one of the key sources, stopped providing information for some EU countries, notably the Baltics (Estonia, Latvia and Lithuania) and Romania, thereby reducing the geographical coverage. Furthermore, for the countries covered, there was a decline in the scope of the data reported, with fewer details provided on important aspects of late payments, including their impact on key business indicators such as loss of income, liquidity squeeze, and bankruptcy.

In 2024, both the coverage and the scope of available data deteriorated even further. One survey-based source covering multiple EU countries stopped providing sectoral breakdowns of

payment times at the country level, and dropped questions on the effects of late payments and on the actions taken by companies when faced with late payments. Such changes reduce the granularity and overall coverage of the Observatory's analytical capacity.

On the positive side, in 2025, the **Eurobarometer survey on Startups, Scaleups and Entrepreneurship** included questions on the severity of payment delays for companies. The survey provides valuable EU-level insights into key indicators such as the extent to which companies view late payments as a problem, with further breakdowns by sector and firm size.

Moreover, the EU Commission recently conducted an **SME Panel Survey with an expanded sample**, and specifically focused on late payments, providing valuable additional insights into their incidence, underlying causes, and consequences. Whereas the original Commission SME Panel Survey is designed to capture the views of small and medium-sized enterprises across the 27 EU Member States, for this particular wave, the sample was broadened to increase the number of respondents. This expansion considerably enlarged the respondent base, but it also affects overall representativeness.

The survey had 3 500 responses, and despite the sample size is smaller than other surveys, such as the SAFE survey (which has approximately 11 000 responses) or the Intrum survey (with 9 000), the additional information is still relevant. Around 25 % of the sample is composed by business associations, representing multiple companies. Importantly, the voluntary basis of the survey introduces a self-selection bias: the sample is neither random nor designed to be representative across countries, company sizes and sectors. When it comes to the distribution of answers across different company sizes, micro and small enterprises together account for 69 % of the sample, compared to only 6 % for large companies. The rest of the sample is made up of a similar number of medium and single-person companies.

Moreover, the unfiltered access to the survey does not prevent the overrepresentation of sectors most interested in shaping the EU legislative process around late payments. A notable example of sectoral overrepresentation is the book sector, which accounts for 20 % of total survey responses (705 out of 3 497) – clearly disproportionate compared to their share of the total economy. The overrepresentation is even more pronounced in countries such as France and Germany, where the book sector makes up 34 % (122 out of 360) and 46 % (333 out of 719) of responses, respectively. This imbalance is driven by the sector's concerns regarding a potential limitation of payment terms. The sector relies on flexible and long payment terms as an integral part of its business model (in France, a law of 2010 excludes the entire book supply chain from the application of the national provisions transposing the "Late Payment Directive")<sup>2</sup> to ensure healthy cash flow and efficient stock rotation. This is motivated by the fact that books are slow-moving and low-margin products which are mostly sold during two periods of the year: Christmas and the back-to-school period<sup>3</sup>. Given the high number of responses and the specificity of this (sub-)sector, it is the subject of special analysis in this report. In contrast, several other sectors (e.g. Financial and insurance activities, or real estate activities) are underrepresented in the survey.

Moreover, while some Member States have more than 500 responses, 22 out of 27 have less than 100, meaning that the national distribution of the sample is also not representative. For this reason, the country-level analysis is limited to countries with more than 100 responses, namely, France Germany, Italy, Poland, Portugal, and Spain.

In conclusion, while the expansion of the respondents base of the SME Panel Survey considerably enlarged the sample size, it also affected overall representativeness, leading to a sectoral bias (the book sector being a notable example of this), unbalanced distribution across company sizes, and organisational type, with business organisations accounting for a quarter of the sample. These aspects are taken into account in the following analysis by identifying and examining these respondent groups separately where relevant.

Finally, following a suggestion from the EU Payment Observatory and with the agreement of DG GROW, in the **2024 SAFE survey**, the question on companies experiencing problems due to

<sup>2</sup> <https://www.legifrance.gouv.fr/loda/id/LEGIARTI000038725902/2019-07-05#LEGIARTI000038725902>

<sup>3</sup> European and International Booksellers Federation (2024) Position paper on the late payment regulation: [https://europeanbooksellers.eu/system/files/2024-02/EIBF\\_%20Position\\_%20Paper\\_Late\\_%20Payment\\_%20Regulation.pdf](https://europeanbooksellers.eu/system/files/2024-02/EIBF_%20Position_%20Paper_Late_%20Payment_%20Regulation.pdf).

late payments was split into two: one referring to Business-to-Business (B2B) transactions and the other to Government-to-Business (G2B). This breakdown still enables a meaningful comparison of the two dimensions across all EU countries. However, it is important to note that while it is reasonable to assume that almost all companies engage in B2B transactions, this may not be true for G2B transactions. As a result, the lower incidence of businesses reporting late payment problems in G2B may partly reflect the absence of such transactions, rather than fewer payment issues per se. To maintain continuity with the previous year indicators covering all types of transactions, B2B and G2B responses are also shown as an aggregate. A firm was classified as experiencing problems with late payments if such issues were reported in either B2B or G2B transactions.

### 3. OVERVIEW OF PAYMENT PERFORMANCE IN THE EU IN 2024

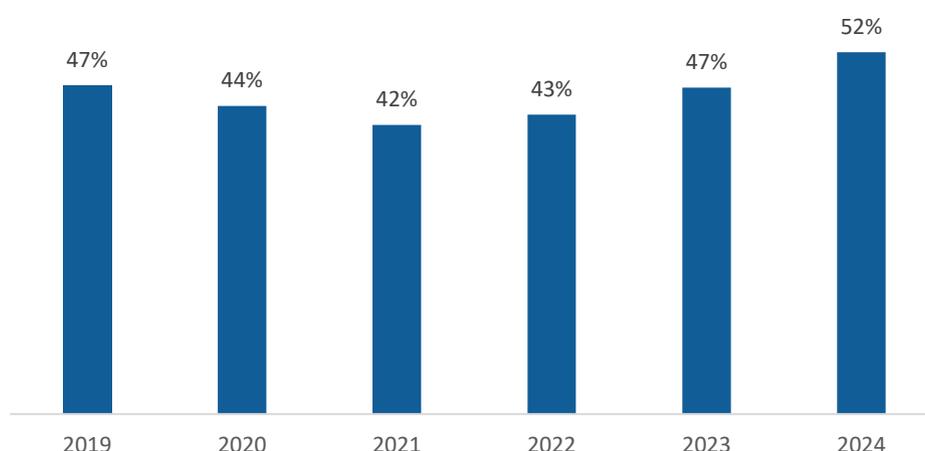
#### More than half of European companies indicate that they face issues due to late payments

In 2024, late payments appear to have a greater impact than in any other analysed year, with 52 % of European companies indicating that they have had problems due to delayed payments. That is five points more than in 2023 and 10 points more than in 2021, when the situation started to worsen. The current economic climate, which combines a slowdown with increased volatility and uncertainty, is a probable cause of this deterioration, as will be discussed further.

Looking at the figures in more depth, in 2024, 47 % of surveyed companies claimed to be affected by late payments from other businesses, while 16 % indicated having had issues with payment delays from public authorities. This indicates that most late payments are coming from business transactions. However, it does not mean that late payments by governments are less severe or less frequent; rather, the difference is probably due to fewer companies contracting with public authorities.

Another testimony of the pervasiveness of the issue is provided by the 2024 [Startups, Scaleups and Entrepreneurship Eurobarometer](#), which concluded that **late payments ranked second (39 %) amongst the areas that pose the biggest problem to SMEs**, behind regulatory obstacles or administrative burdens (64 %). For 16 % of European SMEs, payment delays represent the biggest challenge, while another 24 % consider it one of the main problems. For startups, late payments seem to be an even larger issue, with 46 % of them saying that it is one of their biggest problems.

**Figure 1: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, EU average, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

At the national level, in 2024, **more than half the companies in 17 Member States reported suffering issues as a consequence of late payments**. Poland ranks highest with 72 % of its companies being affected, followed by Luxembourg and Czechia, each with 69 %, which is consistent with their poor performance in this indicator in previous years. Conversely, the Netherlands, with 31 %, and Bulgaria, with 35 %, remain, for the third consecutive year, the Member States in which the fewest companies indicate having issues due to late payments.

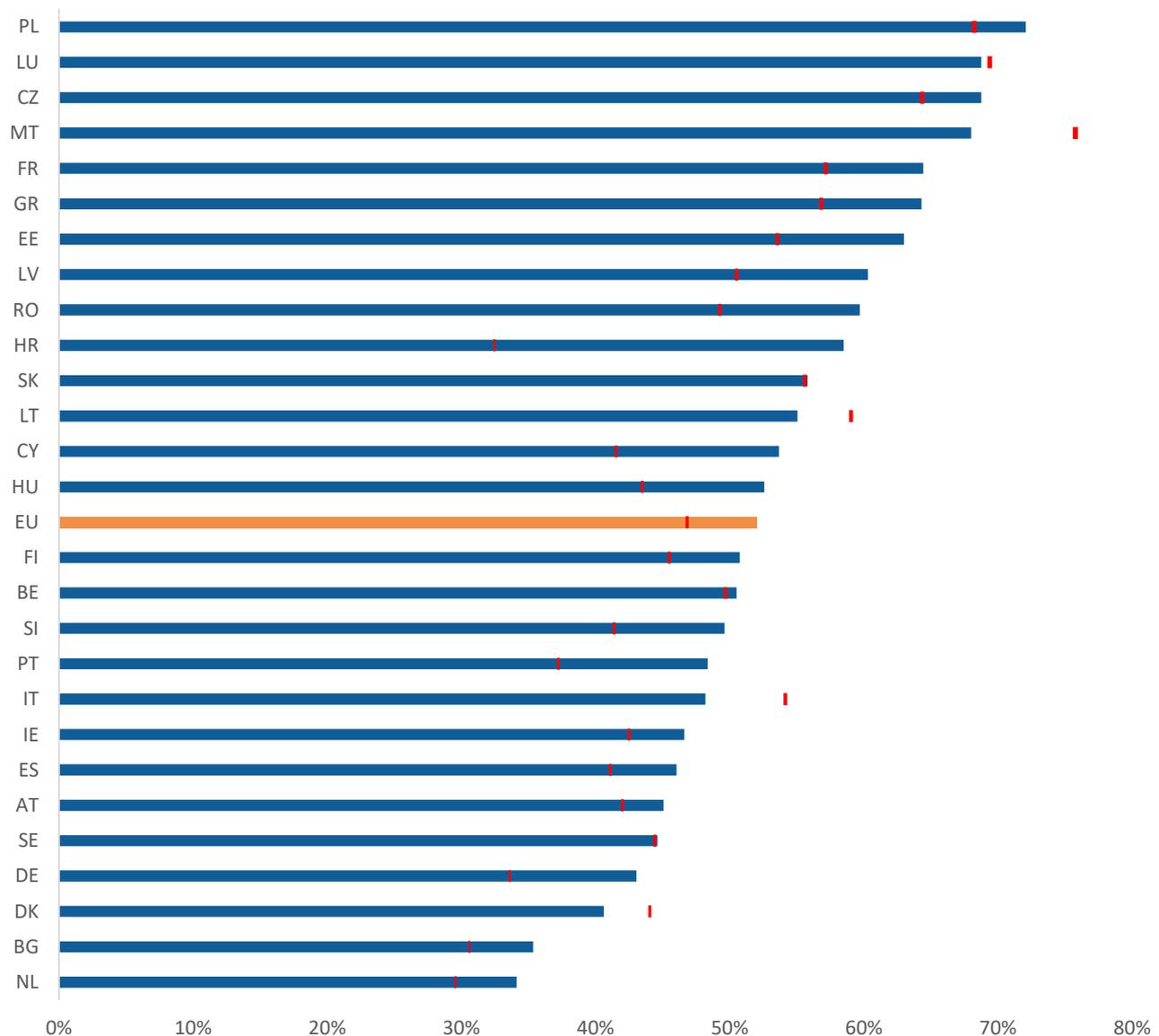
In relation to 2023, the situation:

- Worsened in 19 countries: Croatia, Cyprus, Portugal, Romania, Latvia, Germany, Estonia, Hungary, Slovenia, Greece, France, Finland, Spain, Bulgaria, Netherlands, Czechia, Ireland, Poland, Austria and Belgium<sup>4</sup>.
- Improved in 5: Malta, Italy, Lithuania, Denmark and Luxembourg<sup>5</sup>.
- Remained stable in 3: Sweden, Slovakia and Belgium.

The biggest increases in the share of companies that indicated being affected by late payments happened in Croatia (+26 %), Cyprus (+12 %) and Portugal (11 %). Meanwhile, the larger decreases were in Malta (-8 %) and Italy (-6 %).

It is important to note that for methodological reasons, these numbers tend to change more in small Member States, as the sample used for the survey is more limited. As an example of this volatility, Cyprus is the second Member State in which the share of companies that have issues due to late payments has increased the most in 2024. However, in 2023, it was the country in which the greatest improvement was reported.

**Figure 2: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2024 (2023 values as red markings), G2B and B2B**



<sup>4</sup> Ordered from bigger to smaller increase of enterprises reporting having issues due to late payments.

<sup>5</sup> Ordered from bigger to smaller decrease of enterprises reporting having issues due to late payments.

Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

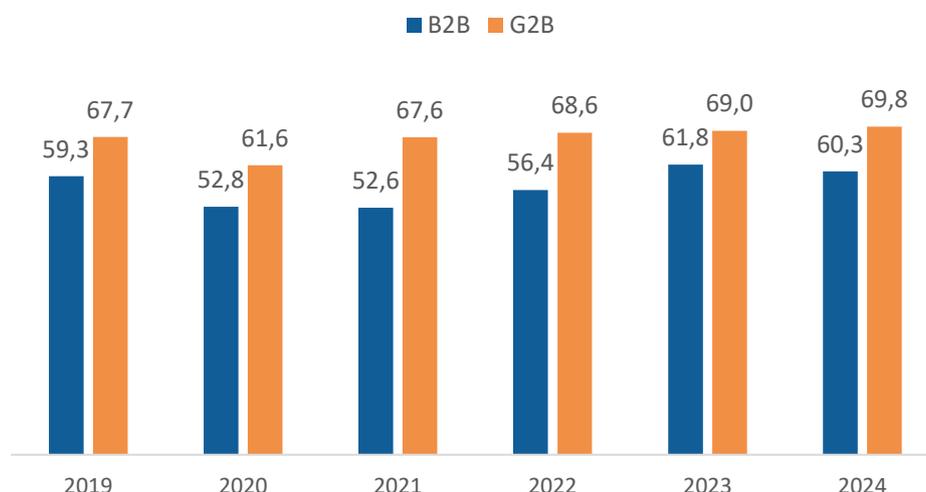
## Payment periods increased for G2B while decreasing for B2B

Late payments are not the only indicator of a bad payment culture. Often, having long payment periods, regardless of whether there is a delay, signals the presence of unfair situations. These are often characterised by a supplier, normally smaller, resigning itself to being paid later in order not to damage the relationship with its clients. These use the leverage that they have over their suppliers to extend payment periods, retaining the cash for other purposes.

In this context, as reported by suppliers, **payment periods surpass, on average, the landmark 60 days for both businesses and public authorities in 2024. In comparison to 2023, this represents an increase in G2B transactions and a decrease in B2B ones:**

- Public authorities paid on average on 69.8 days, 0.8 more than in 2023, continuing an upward trend observed since 2021.
- Businesses paid on average in 60.3 days, 1.5 days less than the year before. Although this is positive news, as B2B payment periods had been lengthening since 2021 at a faster pace than those of G2B, it is still quite long. The Late Payments Directive states that B2B payments should be made normally within 30 days, although they can be extended to 60 days and, only under exceptional circumstances duly justified and if not unfair to the creditor, longer than 60 days.

**Figure 3: Average payment period in the EU in number of days, 2019-2024, B2B and G2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report (No data available for CY, LU and MT. Data for EE, LT, LV, and RO only available until 2022).

Thus, in 2024, **governments continue to pay their invoices later than businesses by an average of 9.5 days.** This is despite public authorities being subject to stricter payment terms than businesses. They are obliged to settle their invoices within 30 days. The only exceptions, which should not exceed 60 days, are healthcare providers, public companies and public authorities subject to additional transparency requirements. Nevertheless, governments are taking almost 70 days to pay their invoices. That more than doubles the legally mandated payment terms of 30 days, and surpasses by almost 10 days any possible exemption.

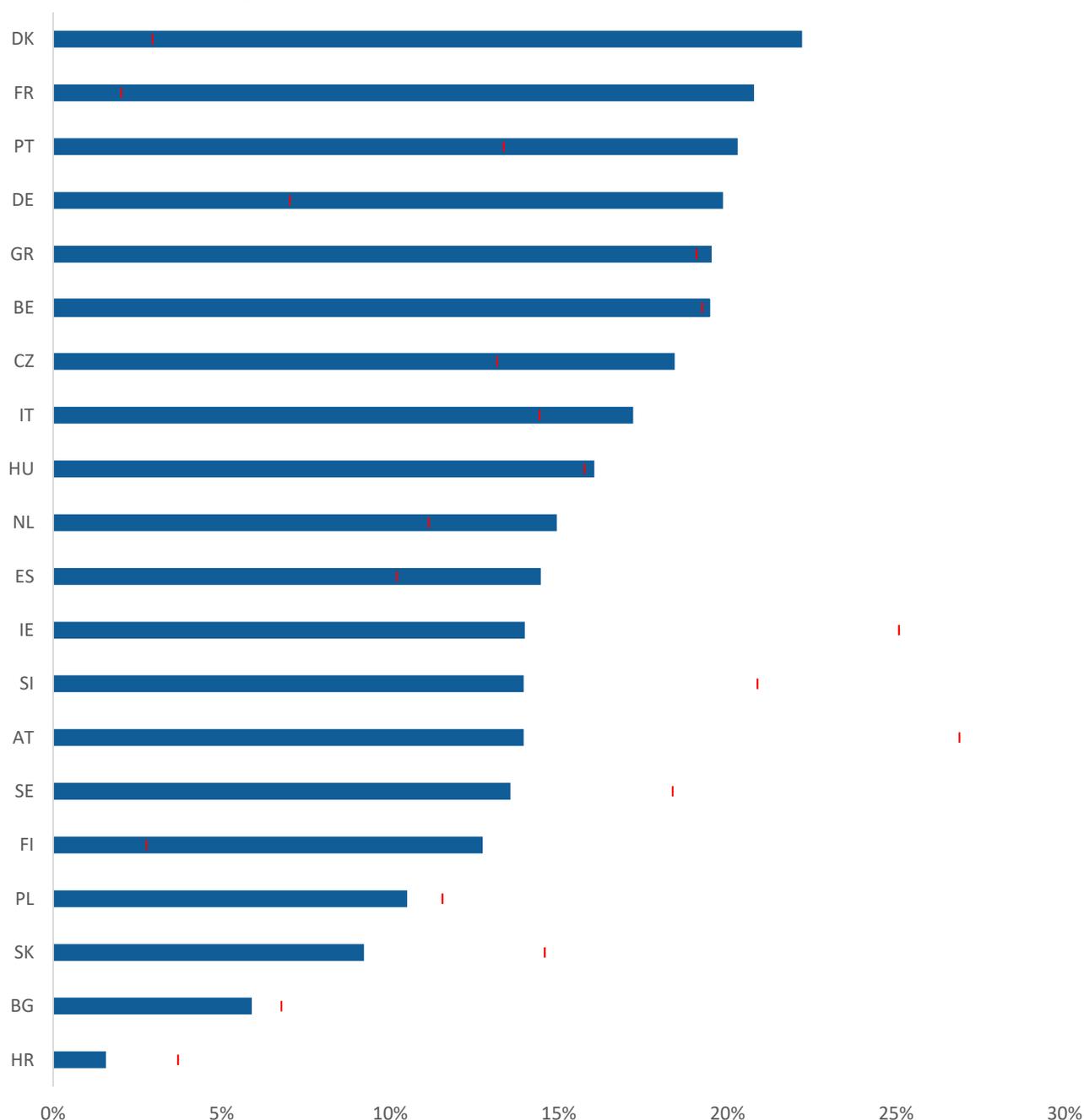
There are multiple reasons that explain public authorities' late payments, as developed in a [specific thematic report](#). Determined by the unique specificities of each Member State and public entity, their nature can be, among other things, organisational, behavioural, particular to economic or societal circumstances, or because of liquidity issues. However, there are also multiple possible measures that can be taken to reduce those late payments.

Despite that, **Governments paid later than businesses in every Member State, according to suppliers.** In line with the increase in average G2B payment periods in the EU and the decrease in B2B ones, the gap:

- Widened in 12 Member States: Denmark, France, Germany, Finland, Portugal, Czechia, Spain, Netherlands, Italy, Greece, Hungary and Belgium<sup>6</sup>.
- Reduced in 8: Austria, Ireland, Slovenia, Slovakia, Sweden, Croatia, Poland and Bulgaria<sup>7</sup>.

The biggest increases in payment gaps, of close to 20 %, were in the two countries with reported wider gaps, Denmark and France. In the first, suppliers indicated that governments pay on average 22.2 % days later than businesses. In the second, 20.8 %. Meanwhile, the smallest difference between G2B and B2B payment periods can be found in Croatia, with 1.6 % days.

**Figure 4: Difference in average payment periods of G2B and B2B payments in percentage, (2023 values as red markings), 2024**



Source: EU Payment Observatory elaboration on Intrum European Payment Report (No data available for CY, EE, LU, LT, LV, MT and RO).

<sup>6</sup> Ordered from bigger to smaller increase of the difference of payment periods between governments and businesses.

<sup>7</sup> Ordered from bigger to smaller decrease of the difference of payment periods between governments and businesses.

**At the national level, payment periods in G2B exceed 60 days in every Member State.** Public authorities paid their invoices earliest in Bulgaria (63.8 days) and Croatia (64.7 days), while the longest payment times were observed in the Czechia (73.8 days) and Greece (72.8 days).

Compared with the previous year, **G2B payment periods increased in 11 countries and decreased in nine.** France recorded the largest increase, with payment periods lengthening by 9.5 days, followed by Germany and Czechia, each increasing by 6.7 days. Conversely, Sweden, which had the longest payment periods in 2023, saw the largest decline of 5.8 days, followed by Bulgaria (-5.3 days) and Poland (-3.9 days).

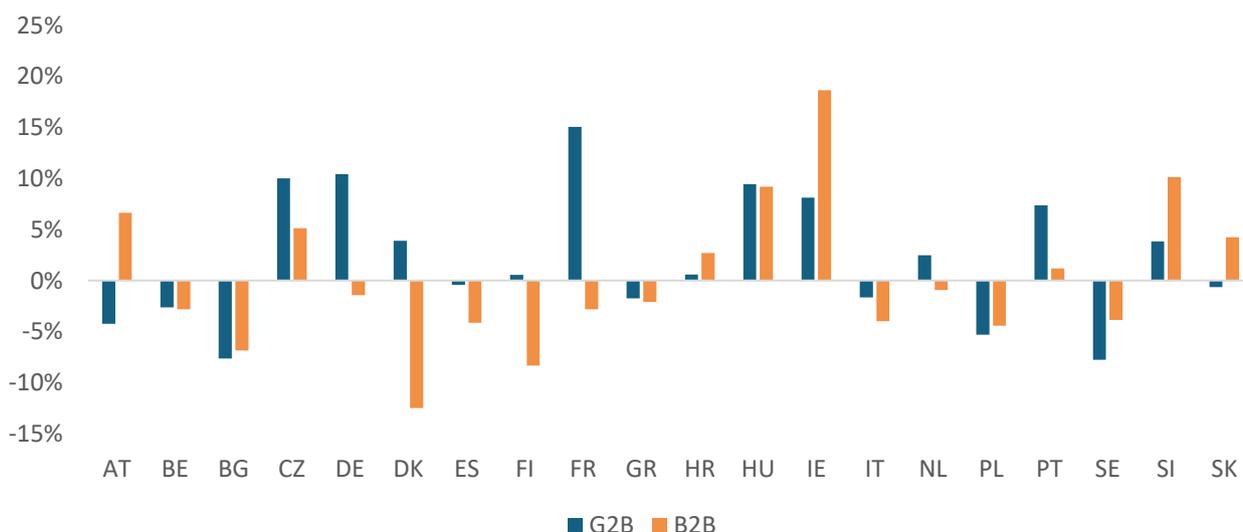
**In B2B, the average payment period was less than 60 days in only 5 Member States.** The shortest were reported in Denmark, 57.8 days, and Austria, 58.9 days. Conversely, Croatia, with 63.7 days, and Czechia, with 62.3, were the countries in which companies took the longest to settle their invoices.

**Average B2B payment periods decreased in 12 Member States and increased in 8.** The greatest reduction was recorded in Denmark (-8.2 days), followed by Finland (-5.5) and Bulgaria (-4.4). Conversely, business payment periods increased in Ireland (+9.6 days), Slovenia (+5.6), and Hungary (+5).

There were 7 countries in which payment periods improved for both G2B and B2B: Belgium, Bulgaria, Spain, Greece, Italy, Poland and Sweden.

By contrast, in six Member States, average payment periods deteriorated for both G2B and B2B: Czechia, Croatia, Hungary, Ireland, Poland and Sweden.

**Figure 5: Difference in average payment period reported by suppliers from 2023 to 2024 in B2B and G2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report (No data available for CY, EE, LU, LT, LV, MT and RO).

## Payment terms

### Long payment terms lead to long payment periods

Payment terms determine when the settlement of an invoice is considered late. **However, establishing long payment terms that result in long payment times can be harmful in itself, even if the invoice is settled on time. Analysis of the data available concludes**

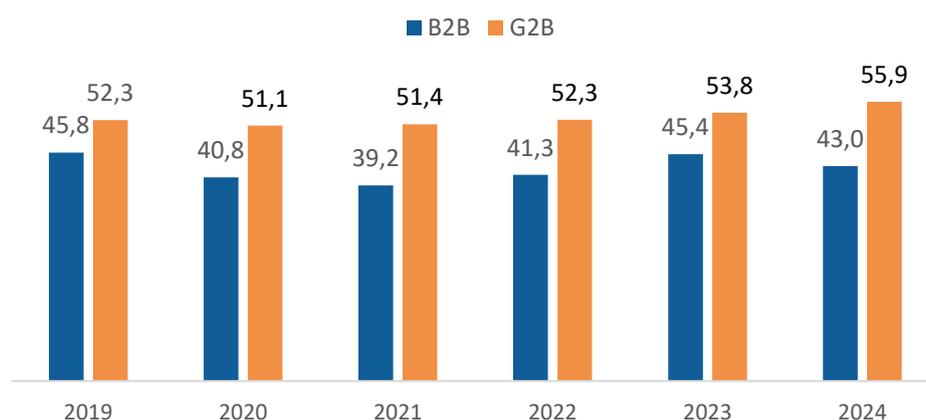
that extended payment terms correlate with longer payment periods in 87 % of the cases<sup>8</sup>.

The negotiating power between the parties engaging in a business relationship usually determines payment conditions. This leads companies, particularly SMEs, to agree on payment terms that are detrimental to them. Longer payment terms favour the client, allowing them to pay later without the risk of breaching the contract conditions. However, as they result in long payment times, they may strain suppliers' cash flows much like late payments. This shows how a good payment culture depends not only on the absence of late payments but also on the negotiation of fair payment terms and conditions that do not unduly disadvantage weaker companies.

**In 2024, suppliers reported an increase in the payment terms for G2B transactions and a decrease for B2B transactions**, reflecting trends in payment times.

- **G2B transactions:** In 2024, suppliers reported having an average payment term of 55.9 days for public sector clients, up from 2021, when it was 51.1 days. These G2B figures are notable given that the [Late Payment Directive](#) indicates statutory payment terms of 30 days for public authorities, with a few restricted 60-day exceptions. The Intrum survey suggests that most public authorities are using those exceptions.
- **B2B transactions:** Payment terms were on average 43 days in 2024, down from the 45.4 days of 2023 but still above the 39.2 days reached in 2021. On average, B2B payment terms systematically exceed the 30 days, which the Late Payments Directive states should be the norm, though extensions up to 60 days, and exceptionally, beyond that, are permitted.

**Figure 6: Payment terms specified to clients in number of days, 2019-2024, B2B and G2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report (No data available for CY, LU and MT. Data for EE, LT, LV, and RO only available until 2022).

### Most surveyed companies favour limiting payment terms.

There is an ongoing debate on whether payment terms should be further restricted. In that context, the European Commission has proposed [a Late Payments Regulation](#) that would cap payment terms in B2B transactions to 30 days from the date of receipt of the invoice. The 2025 European Commission expanded SME Panel Survey provides insights into the perspectives of different stakeholders on this debate.

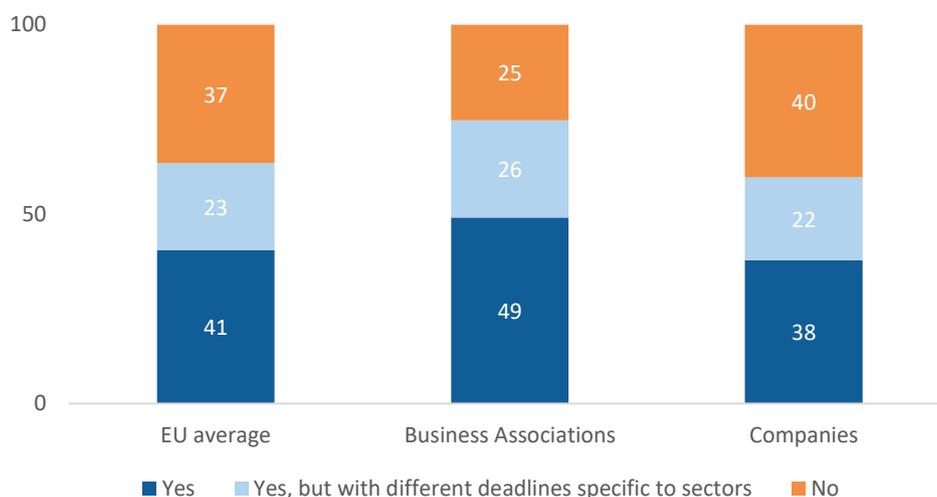
This panel shows that across the EU, **an average of 41 % of respondents support introducing a mandatory maximum payment deadline between businesses** (see figure below). **Another 23 % support such a measure, if it allows for flexibility in specific sectors**, while 37 % oppose setting a legal maximum payment deadline.

Interestingly, business associations are more supportive of capping payment terms than companies. Out of 860 association respondents, 49 % would set that maximum deadline and

<sup>8</sup> See Annex 4 for more details.

26 % support it with sector-specific flexibility. By contrast, only 38 % of individual companies favour a fixed cap and 22 % support sector-specific limits. Consequently, just one quarter of business associations oppose a mandatory limit, compared with 40 % among individual companies.

**Figure 7: Percentage of respondents indicating whether there should be a law establishing a maximum deadline for payments between businesses, 2025**



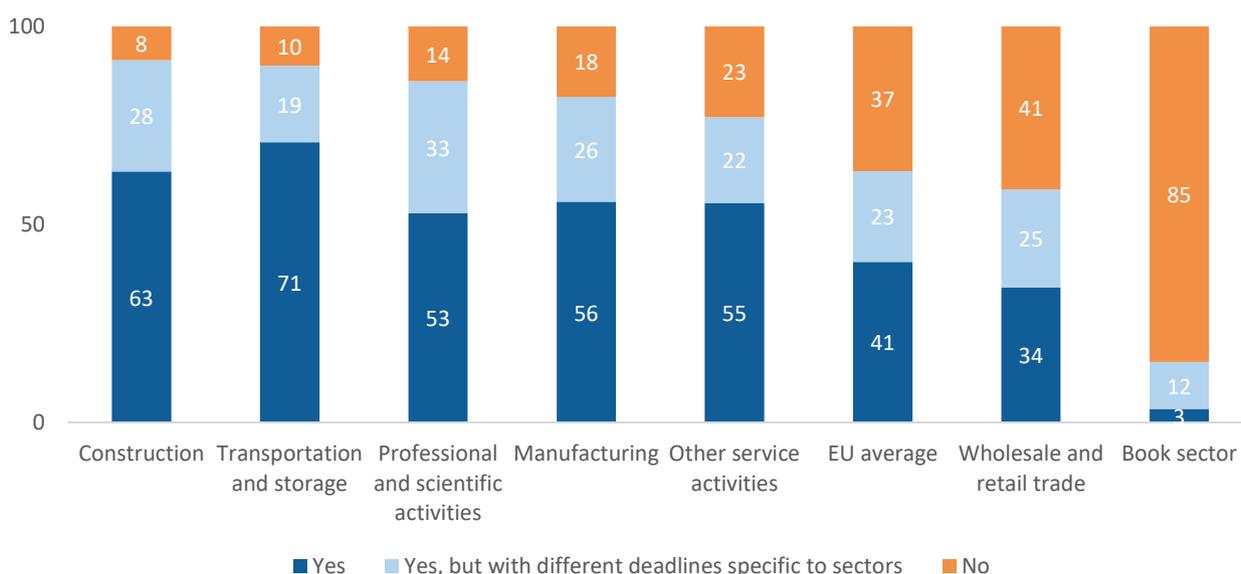
Source: EU Payment Observatory elaboration on the European Commission Survey.

Examining responses by sector reveals that **some sectors are significantly more supportive of a mandatory maximum payment deadline than others.**

In the construction, transport, professional services, and manufacturing sectors, over 80 % of respondents expressed support for such legislation. In contrast, respondents from the wholesale and Retail trade sector were notably more critical of the proposal. The bookshops sector, which is overrepresented in this survey (accounting for around 700 responses, or 20 % of the total), strongly opposes a mandatory payment deadline, with only 15 % of respondents in favour.

Excluding bookshops, 50 % would approve the legislation outright, 24 % support it conditionally with sector-specific flexibility, and only 24 % oppose it.

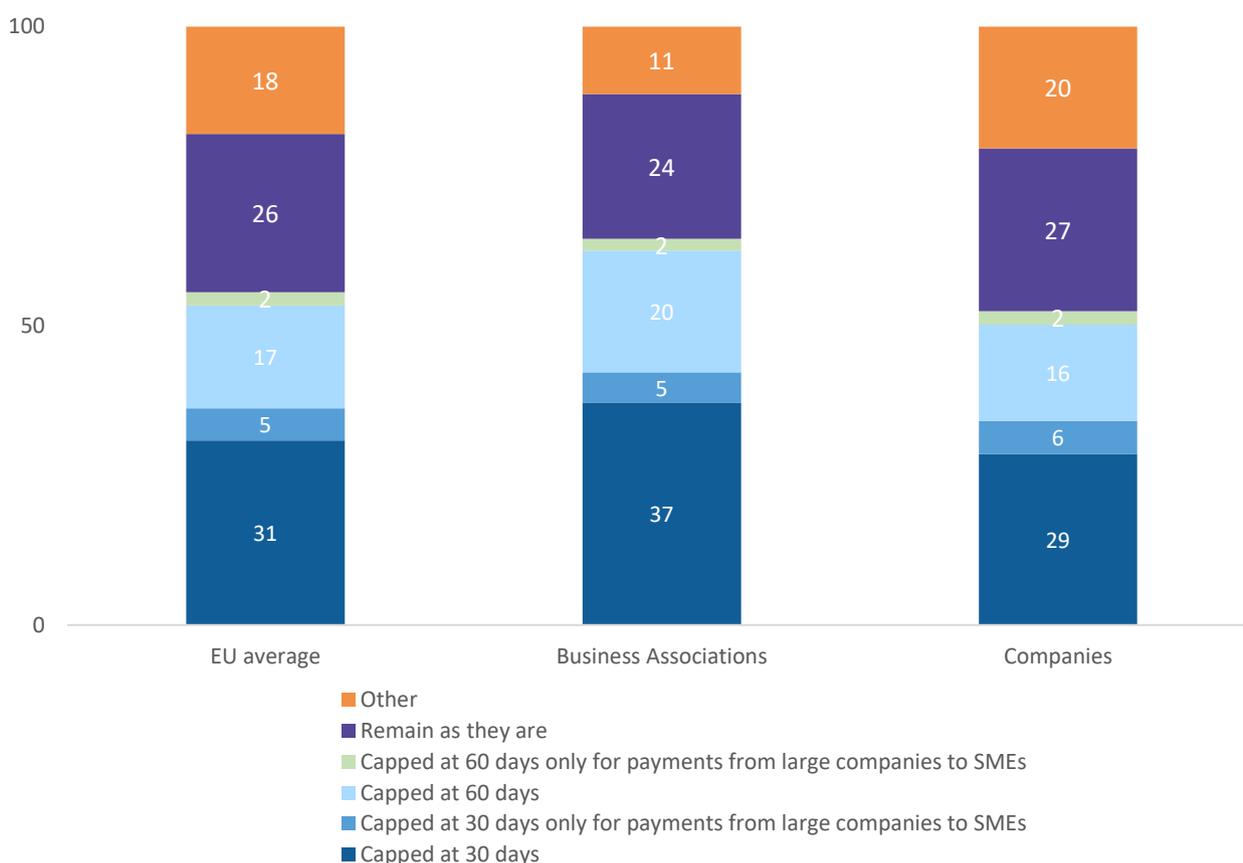
**Figure 8: Percentage of respondents indicating there should be a law establishing a maximum deadline for payments between businesses by sector, 2025**



Source: EU Payment Observatory elaboration on the European Commission Survey.

The Survey also explores preferences regarding the specific duration of the maximum payment deadline. As illustrated in Figure 9, which refers to the subsample of respondents supporting the introduction of a mandatory maximum payment period, roughly **one third of respondents across Member States believe the limit should be set at 30 days, one fifth at 60 days, and about one quarter consider that the current framework should be maintained (i.e. maximum 60 days, but longer payment deadlines allowed if expressly agreed and not 'grossly unfair')**. Business associations appear more supportive of shorter deadlines, with 42 % favouring a 30-day cap and 22 % 60 days. By comparison, 35 % of companies prefer a maximum deadline of 30 days, and 18 % a maximum of 60. Similar proportions of both groups (24 % of associations and 27 % of companies) prefer to keep the current situation unchanged.

**Figure 9: Percentage of respondents indicating a preference for a specific maximum deadline for payments between businesses, 2025**

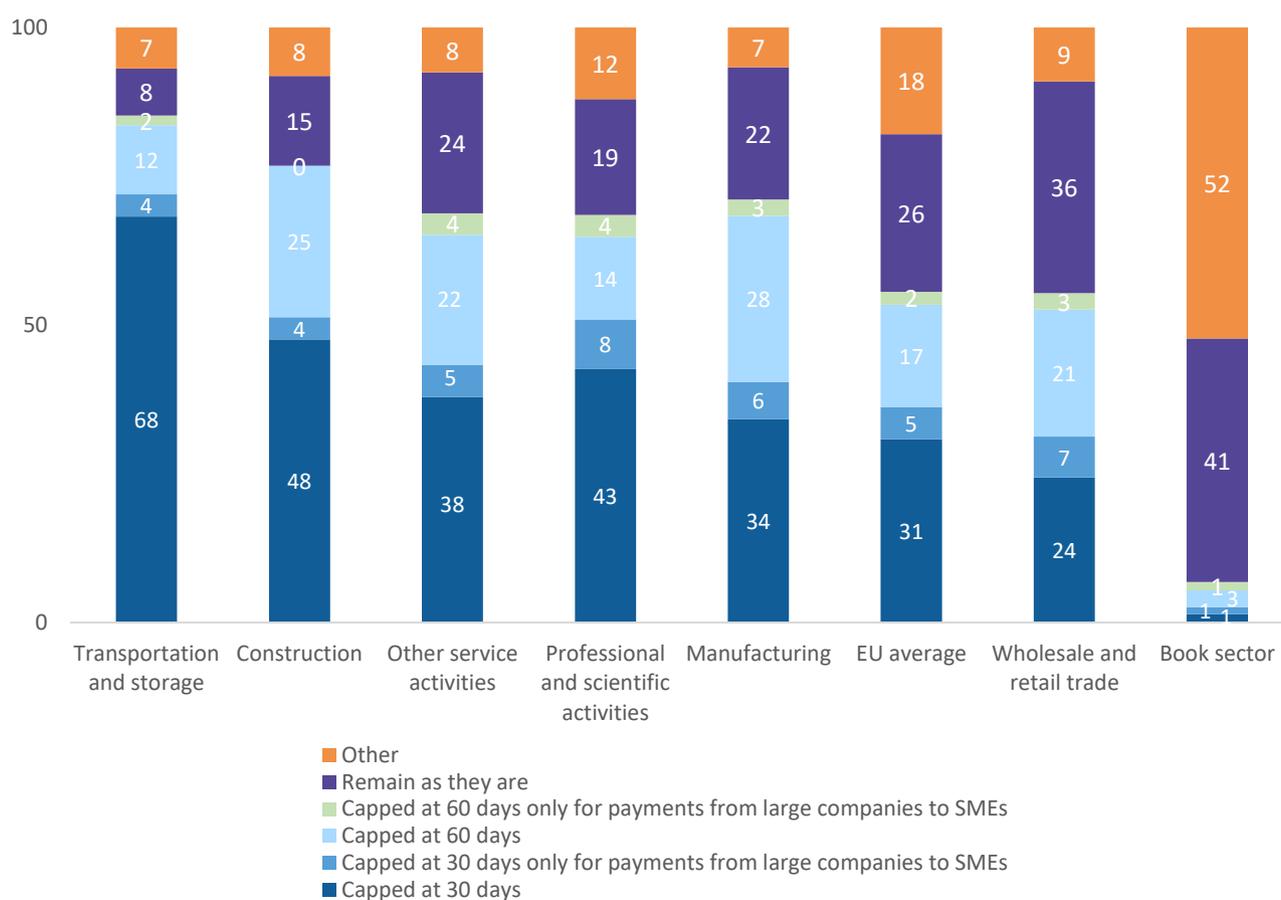


Source: EU Payment Observatory elaboration on the European Commission Survey.

Sectoral differences are also pronounced, as can be seen from Figure 10. The transport sector emerges as the strongest advocate for stricter payment limits, with 68 % of respondents supporting a 30-day cap, followed by the construction sector, where half of respondents favour a 30-day limit and an additional quarter a 60-day one. Other sectors – including other service activities, professional and scientific services, and manufacturing – display broadly similar patterns, with around 70 % of respondents supporting a maximum deadline of either 30 or 60 days.

By contrast, in the wholesale and Retail trade sector, fewer than one third of respondents back a 30-day limit and fewer than one quarter a 60-day one. Bookshops again stand out with a markedly different view: only 7 % support either a 30- or 60-day cap, while 41 % prefer that the current system be maintained, and more than half offer no opinion. Excluding bookshops from the overall sample would increase the EU-wide share supporting a 30-day cap by nine percentage points.

**Figure 10: Percentage of respondents indicating a preference for a specific maximum deadline for payments between businesses by sector, 2025**



Source: EU Payment Observatory elaboration on the European Commission Survey.

## Despite being the most punctual, late payments pose a greater challenge for micro companies

Company size matters in commercial transactions. Larger businesses have greater leverage when negotiating payment conditions, while smaller companies are more dependent on their customers. As a result, micro and smaller companies often accept longer payment terms and times than what would be optimal, making them more exposed to unfair payment practices. In addition, smaller companies typically face tighter liquidity constraints, which amplify the consequences of a bad payment culture.

The 2024 data by size confirms these dynamics. The evidence shows that **larger companies are less likely to settle invoices on time. In 2024, as in every other year analysed, large businesses stand out as the ones with a smaller percentage of payments by the due date in 16 out of 20 Member States, slightly up from 15 in 2023.**

**Conversely, micro companies are the ones more frequently settling their invoices on time in 13 out of 20 Member States,** which is consistent with 2023. Small businesses generally rank as the second most punctual payers, which occurred in 16 Member States, while medium-sized companies are more often ranked third, which happened in 12 countries.

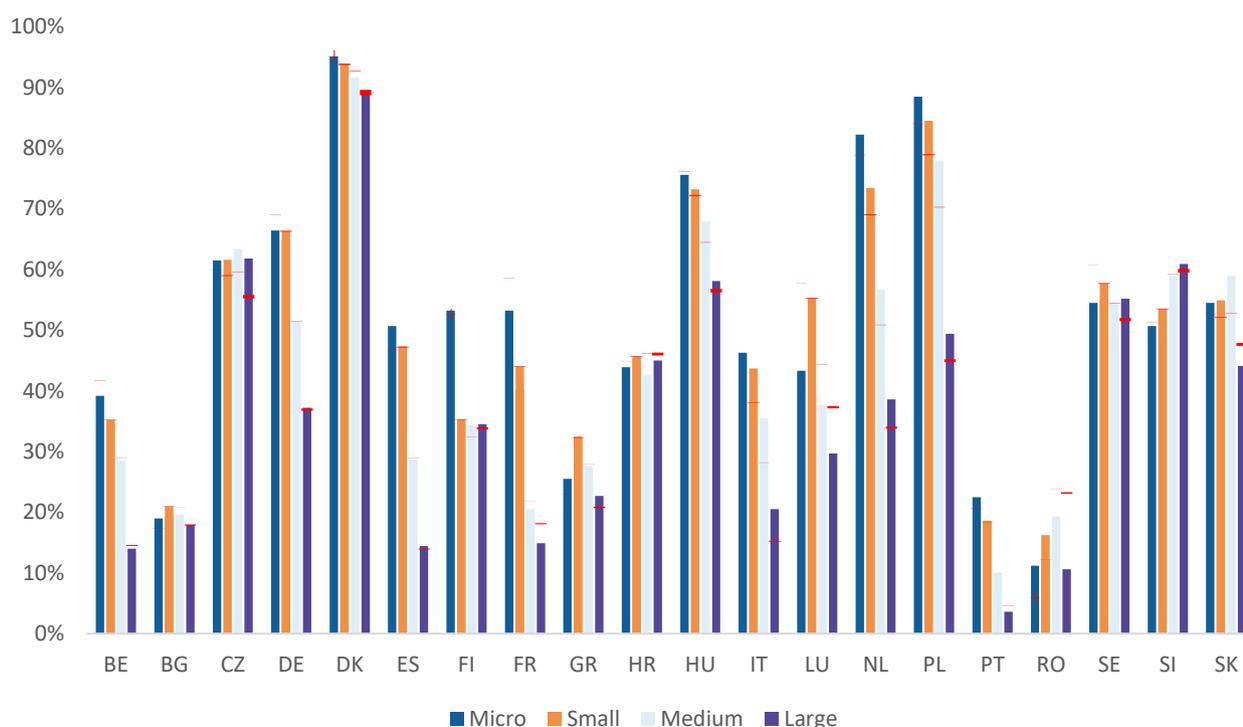
As in 2023, Portugal shows the biggest difference in on-time payments between micro and larger enterprises. Micro companies are almost six times more likely to pay on time, with 23 % of their invoices settled by the due date, compared with large companies, for which the share is of only 4 %. Other Member States with significant divergences between micro and large companies are France, 53 % to 15 %, and Spain 51 % to 14 %.

Conversely, Sweden is the most “equal” country, with companies of all sizes settling around 55 % of their invoices on time. Bulgaria, Czechia, and Croatia also exhibit minimal differences – less than two percentage points – between company sizes in on-time payment performance.

Comparing 2024 with 2023, **the percentage of on-time payments improved for micro and large enterprises in most countries.** In 11 countries, the share of invoices settled on time by micro companies increased, while in 8 it decreased. For large companies, there were improvements in 10 Member States and decreases in 7.

For medium-sized companies, **the share of payments made by the due date decreased in 10 Member States,** while it increased in 7. In the case of small firms, the percentage of transactions settled by the due date was better in 9 Member States and worse in another 9.

**Figure 11: Percentage of payments by due date across company sizes and Member States (2023 values as red markings), 2024, B2B**

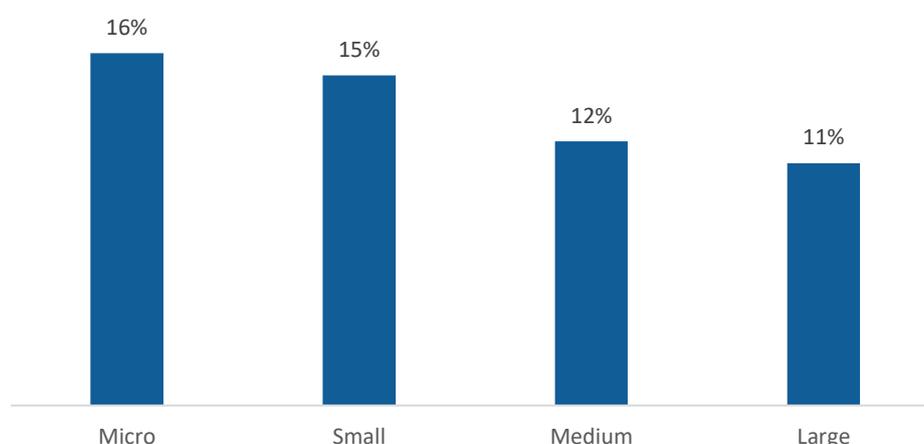


Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study (no data available for AT, CY, EE, IE, LT, LV, MT).

Size matters not only in terms of how a company pays its suppliers, but also in how it gets paid by its customers, and in the extent to which it is affected by unfair payment practices. Smaller enterprises are more vulnerable, as they have less leverage in a business relationship. Similarly, their cash flows are more impacted by delays as they lack the liquidity of bigger companies. Thus, they tend to suffer more due to late payments.

In fact, **16 % of micro companies consider payment delays their biggest challenge, a percentage that diminishes as the size of companies grows larger.** In the case of small enterprises, 15 % report it as their biggest problem, a percentage that diminishes to 12 % for medium-sized ones. Meanwhile, companies with more than 500 employees indicate that it is the most severe issue for them in 11 % of the cases. For micro, small and medium enterprises, late payments are second in the ranking of biggest problems, behind regulatory obstacles or administrative burdens. However, for the largest companies, it is the third area more likely to be considered their biggest challenge, also surpassed by access to finance.

**Figure 12: Percentage of companies indicating that late payment their biggest problem by size, 2025, B2B and G2B**



Source: EU Late Payments Observatory elaboration on the basis of the Startups, Scaleups and Entrepreneurship Eurobarometer. Large companies are defined as those with above 500 employees.

### **Payment performance by sector varies significantly across countries.**

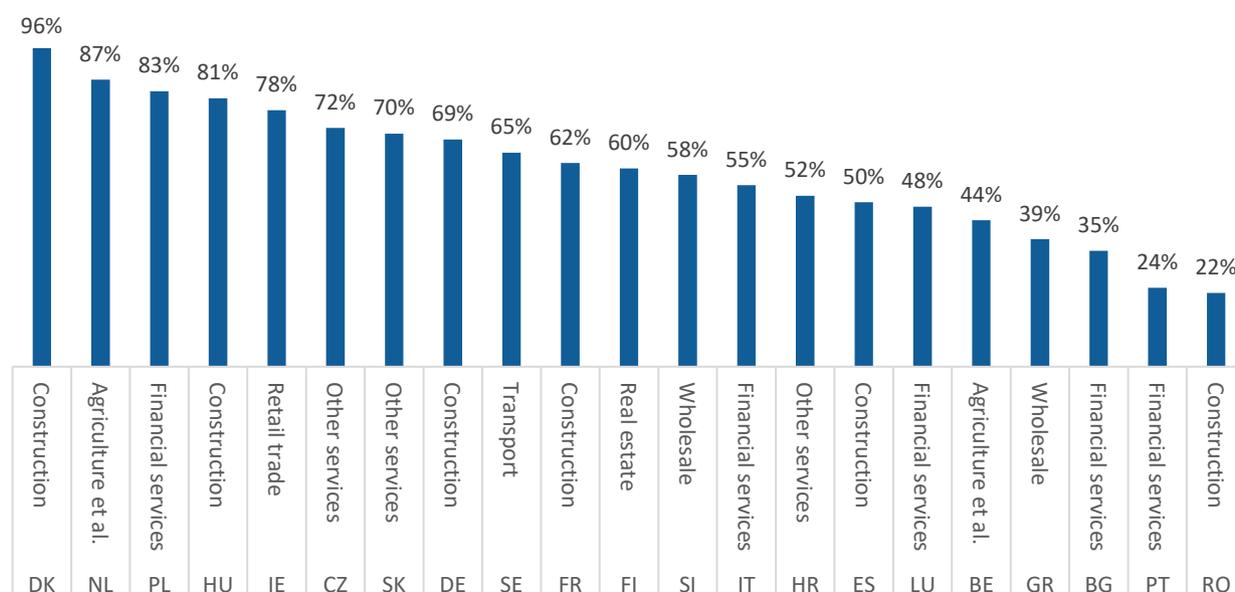
Payment performance can change significantly across sectors. However, the evidence suggests that in every sector there is also significant country variance, with all sectors analysed performing very well in some Member States and very badly in others<sup>9</sup>. Meanwhile, at the national level, the differences in sectoral payment performance are significantly smaller than across Member States. This suggests that **the payment culture inside a country has more influence on a sector's payment performance than the sector's own characteristics.**

Sectoral data also show the pervasiveness of late payments in the EU. **In 6 Member States, the best-performing sector pays on time in less than half of transactions;** this figure was 5 in last year's edition. In Romania, the best sector, 'Construction', only pays 22 % of its invoices on time. **In contrast, in seven other Member States, the worst performing sector pays on average more than half of its invoice by the due date.** This is an improvement with respect to 2023 data, when the figure was four, and means that we are back at 2022 levels.

**'Construction' emerges as the sector that performs better in more countries (6) in 2024.** In fact, the best performing sector across the entire sample is 'Construction' in Denmark, with 96 % of invoices settled by the due date. However, showing the cross-country heterogeneity of late payments, 'Construction' is also the worst performing sector in three Member States, with only 13 % of on-time payments in Bulgaria, the second to worst across all the sample.

Another well-performing sector is 'Financial Services', which, as in previous years, leads the ranking of on-time payments in 5 countries. It performed better in Poland, with 95 % of the invoices paid by the due date. In contrast, in Portugal, only 24 % of the sectors' payments were made on time. It was also the worst-performing sector in France.

<sup>9</sup> It is important to note that this analysis which is based on Cribis/D&B data doesn't cover all sectors. There might be sectors with better and worse performances that are simply not included in the sample. In addition, coverage varies a lot per Member State. In Sweden and Finland, 17 sectors are included, while only 4 are covered in Greece and Romania. Results are more robust for countries with a better coverage. Equally, only 21 Member States are represented. The following are the sectors considered in the Cribis analysis, including information on when there are additional coverage limitations: (i) agriculture, forestry, hunting and fishing – not covered for GR, LU and RO; (ii) mining and quarrying – only covered by DE, ES, FI, FR, IT, NL, PL and PT; (iii) manufacturing; (iv) construction; (v) wholesale – not covered by FI and SE; (vi) Retail trade – not covered by FI and SE; (vii) transportation; (viii) financial and insurance activities – not covered for GR and LU; (ix) other service activities. Also, the following sectors are only covered for FI and SE: (x) electricity, gas, steam and air conditioning supply; (xi) administrative and support services; (xii) wholesale and Retail trade; (xiii) hospitality; (xiv) information and communication; (xv) water supply, sewerage and waste management; (xvi) professional, scientific and technical activities; (xvii) real estate; (xviii) education; (xix) human health and social work activities; (xx) arts, entertainment and recreation.

**Figure 13: Sector with the highest percentage of on-time payments in each country, 2024, B2B**

Source: EU Payment Observatory elaboration on Cribis/D&B Payment Study (no data available for AT, CY, EE, LT, LV, MT).

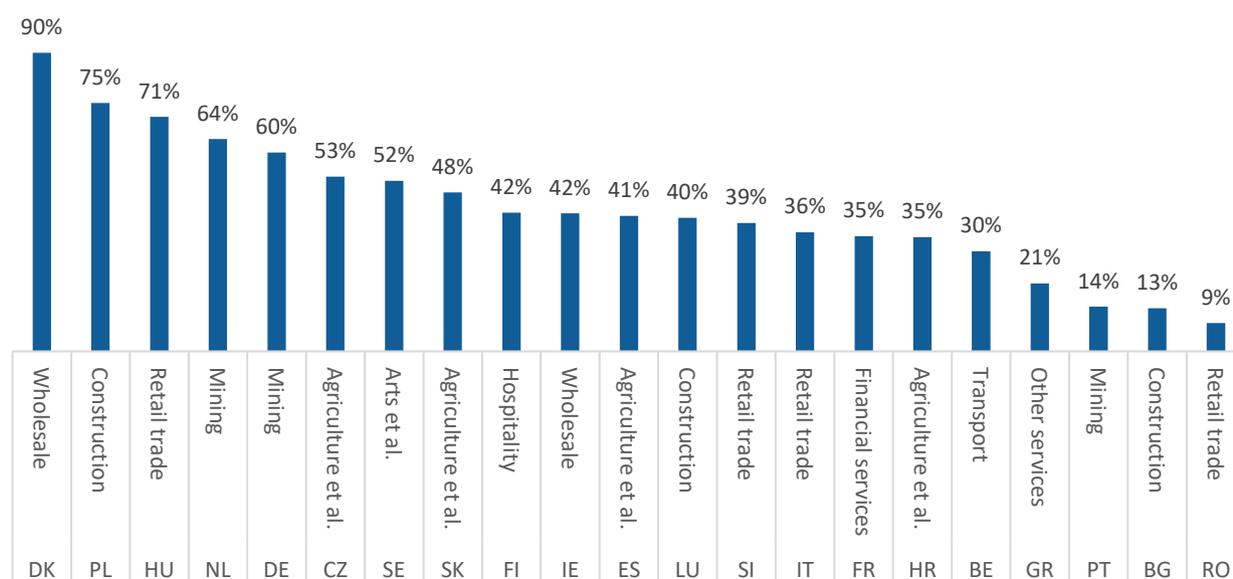
**'Agriculture, forestry, hunting and fishing' and 'Retail Trade' were the sectors with the worst performance in more countries. Each of them had the lowest share of on-time payments in four Member States.** Both sectors stand out for having unique features that influence their payment performance, although they do not justify late payments.

Small producers in the agri-food sector are particularly vulnerable to unfair trading practices in B2B relationships. Certain goods can only be produced or harvested at specific times of the year, while others remain fresh for a limited time. This requires product delivery to be completed quickly, so the cancellation of an order can heavily impact the producer's finances. As well, a delay can significantly affect their cash flows at the moment when they need more liquidity. The [Directive \(EU\) 2019/63332](#) was adopted precisely to address this issue and reduce power imbalances in commercial relationships in the agricultural and food supply chain. It restricts payment terms for perishable products to a maximum of 30 days and for other agricultural and food products to 60 days.

However, despite these more stringent payment terms, the 'Agriculture, forestry, hunting and fishing' sector is showing particularly high levels of late payments in Czechia, Slovakia, Spain and Croatia, which may indicate that the Directive is not being applied well. Nonetheless, the share of invoices settled by the due date in the sector varied substantially across countries, from 96 % in Denmark to 19 % in Portugal. It was also the sector with more on-time payments in the Netherlands and Belgium.

'Retail trade', in turn, is a sector that greatly values the capacity to negotiate longer payment terms to manage risks, as can be seen in its responses to the European Commission Survey. This is because many of the goods it offers have a long shelf life, serve niche applications or are sold seasonally. Despite this flexibility, however, the sector has the highest levels of late payments in Hungary, Slovenia, Italy and Romania. In fact, the sector with the lowest share of payments by the due date in the entire sample was 'Retail trade' in Romania, with 9 %. However, the sector also has very good rates of on-time payments in certain countries. In fact, it pays 93 % of its invoices by the due date in Denmark and 85 % in the Netherlands and Poland.

The results of the 'Mining' sector were also noticeable. It had the smallest percentage of on-time payments in three Member States, the Netherlands, Germany and Portugal, a very high number as it was only covered in 8 countries.

**Figure 14: Sector with the lowest percentage of on-time payments in each country, 2024, B2B**

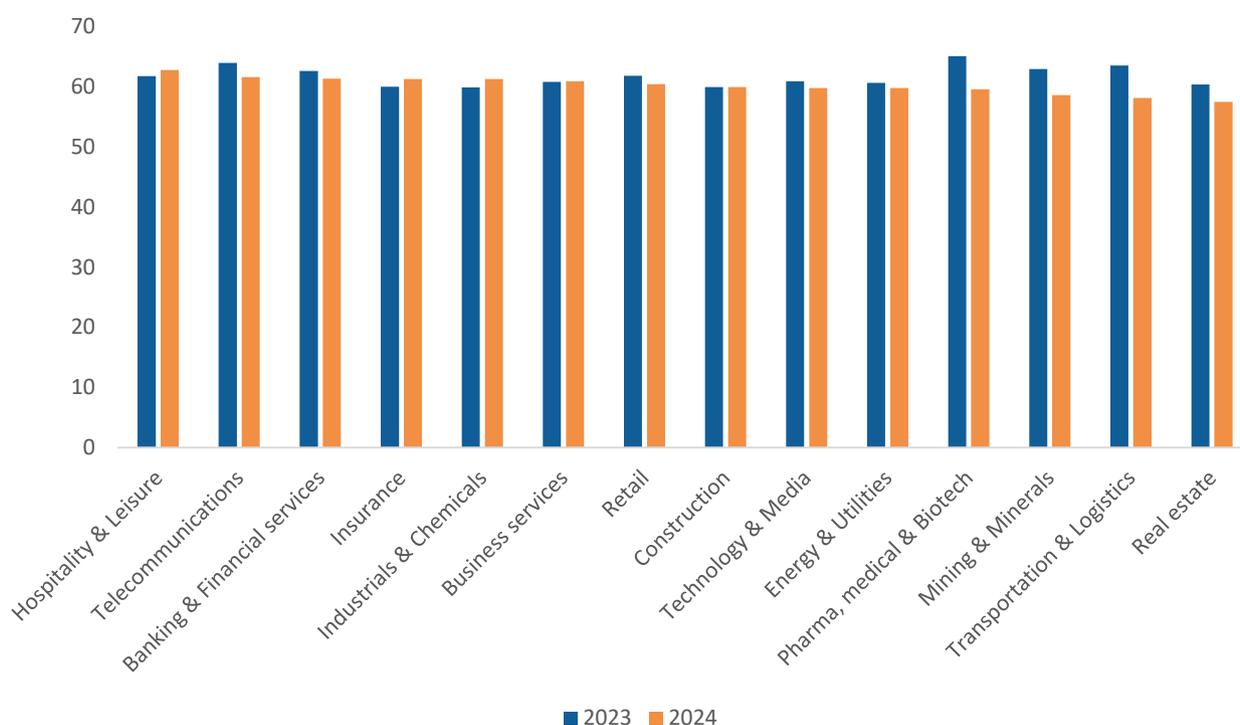
Source: EU Payment Observatory elaboration on Cribis/D&B Payment Study (no data available for AT, CY, EE, LT, LV, MT).

The evidence already analysed refers to the payment performance of sectors. Available data on the extent to which they are subject to long payment periods is less accurate. In this year's Annual Report, it is not possible to calculate average payment times for EU countries solely; instead, the sample covers 20 EU Member States, plus five non-EU countries<sup>10</sup>.

The evidence shows that **a majority of sectors experienced a reduction in the time they were paid in 2024 in Europe**. As can be seen in Figure 15, 9 out of 14 sectors reported an improvement in payment times while 5 indicated a deterioration. The biggest improvements, of more than 5 days, were observed in the sectors of 'Transportation & logistics' and 'Pharma, Medical & Biotech'. Meanwhile, 'Industrial & Chemicals', 'Insurance' and 'Hospitality & Leisure' reported increases in the time in which they were paid of more than a day. These results are a clear improvement in comparison with last year, when all covered sectors reported increases in the time that their clients had taken to settle invoices.

**However, the average payment period in which sectors were paid remained in all cases close to 60 days and way higher than the 30 days indicated in the proposed Late Payments Regulation.** Of the sectors surveyed, 7 of the 14 are paid on average in more than 60 days. In 2023, it was 11. The "Hospitality and Leisure" sector seems to be the one suffering more from long payment times, with an average of 62.8 days. On the other side, 'Real Estate' with 57.5 days was the sector whose invoices were settled earlier.

<sup>10</sup> The data available comes from the Intrum Payments Report which doesn't cover Cyprus, Estonia, Lithuania, Luxembourg, Latvia, Malta and Romania. In turn, it includes Bosnia and Herzegovina, Norway, Serbia, Switzerland and the United Kingdom. In previous editions, it was possible to calculate average payment times for EU countries solely. This year, however, such EU-specific averages are no longer available, and the data now reflects all 25 countries combined. As such, the analysis done in this part of the report for 2024 compares available data for the 25 countries with that of those countries in 2023. This may result in it not accurately reflecting EU trends. For instance, past EU averages consistently showed the 'Banking and financial sector' as amongst those that received payments fastest. In contrast, in this edition, when including the 5 non-EU countries, this sector appears among the slowest to be paid, ranking third from last, with 61.3 days.

**Figure 15: Average payment period in which sectors were paid in days, 2023 and 2024, B2B**

Source: EU Payment Observatory elaboration on Intrum European Payment Report (Every EU MS is covered except for CY, LU, MT, EE, LV, LT. It also includes non- EU countries: BA, NO, RS, CH, UK).

## Drivers of late payments

### The economic slowdown and current business environment are increasing late payment concerns for around 50 % of European companies

The economic situation seems to be one of the main reasons driving the reported increase in late payment problems in 2024. **Around 53 % of the companies surveyed by Intrum indicate that they are finding it increasingly difficult to pay their suppliers on time, due to the economic slowdown.** Furthermore, 54 % say that they are more concerned than ever about their clients' ability to pay by the due date.

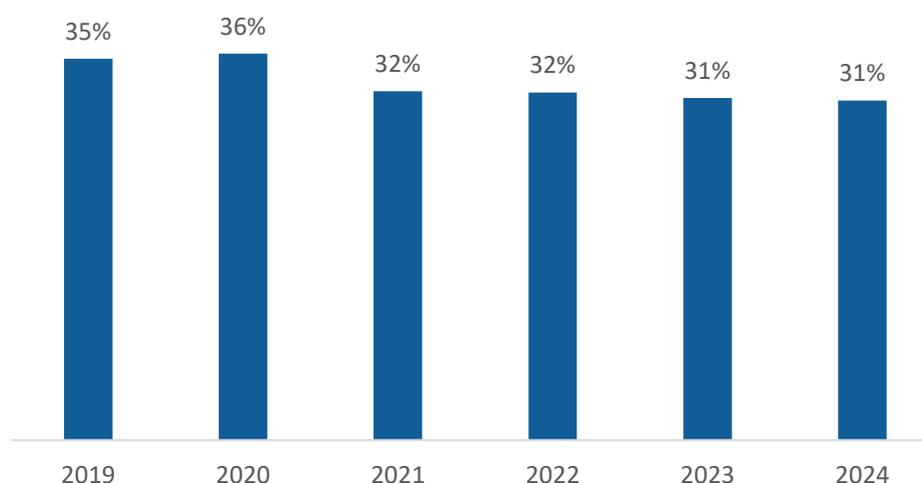
In addition, power imbalances in business relationships continue to have a significant impact on payment performance, as already shown by the data by company size. **An increasing number of companies report that they have had to accept payment terms longer than they are comfortable with, 56 % in 2024,** up from 55 % in 2023 and 49 % in 2020. This situation, which stems from being in a weaker negotiating position, leads to longer invoice settlement times. Even when these payments are not technically late, they still have a substantial impact on suppliers. In fact, around 44 % of firms indicate that the payment terms they are offering to their clients are too generous and are harming them as a business. The same percentage also indicates that in the current business environment, they find it increasingly difficult to agree on payment terms that are fair for them as well as their customer. However, that figure has improved from 52 % in 2023.

**Table 1: Determinants of late payments, 2024, G2B and B2B**

Drivers	2024
We have accepted longer payment terms than we are comfortable with, as we did not want to damage client/customer relationships	56 %
Due to the economic slowdown, we are finding it increasingly difficult to pay our suppliers on time	53 %
In today's business environment, we are finding it increasingly difficult to agree on payment terms that are fair for us as well as our clients/customers	44 %
The payment terms that we offer to clients/customers are too generous and are harming us as a business	44 %
We are more concerned than ever before about our clients/customers' ability to pay us on time	54 %
Our clients/customers typically still pay us later than they did before the pandemic	36 %

Source: EU Payment Observatory elaboration on Intrum European Payment Report (No data available for CY, LU, MT for all years and for EE, LV, LT and RO for 2023).

Late payments often create a vicious cycle. A delay in settling an invoice impacts the liquidity of the company that is waiting to receive the money, which can delay its own payments. In an interconnected economy, a single late payment can have a ripple effect on an entire supply chain, impacting the cash flows of multiple companies. According to the ECB/EC SAFE survey, on a consistent basis, **around one third of European companies report delaying the settlement of invoices because they have been paid late**. In 2024, the percentage was 31 %, the same as in 2023.

**Figure 16: Percentage of companies indicating that delayed payments cause them, in turn, to delay their payments to suppliers, 2019-2022 B2B**

Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

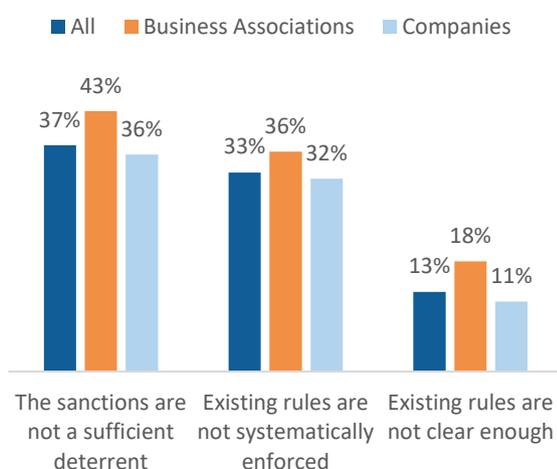
According to respondents in the European Commission Survey, one reason for paying late is that the established legislative framework is ineffective. Overall, **37 % of the respondents indicate that sanctions are not a sufficient deterrent to prevent late payments**, a view shared by 43 % of business associations and 36 % of companies. Similarly, one third of respondents consider that the current rules are not systematically enforced (36 % of business associations and 32 % of companies), while 13 % find the current rules insufficiently clear (18 % of the business associations and 11 % of companies).

The widespread perception of weak enforcement is likely driven by the fact that the current regime relies on suppliers to take the initiative in claiming interest and compensation for recovery costs in cases of late payment. Although creditors are entitled to do so, they are not obliged, and often choose not to exercise these rights to avoid jeopardising the business relationship with their clients. This happens particularly when SMEs depend on larger clients. As

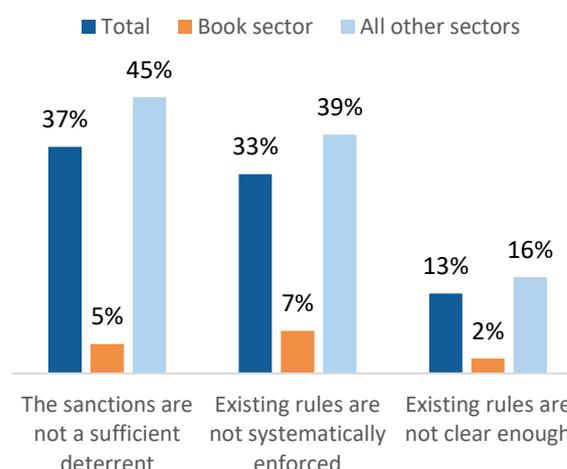
a result, the existing sanctioning regime often fails to discourage late payments effectively, as many companies can delay payments without facing any penalisation. Some Member States, such as France and Poland, are attempting to address this issue through the establishment of enforcement authorities that can inspect companies and sanction them<sup>11</sup>. The European Commission proposal for a [Late Payments Regulation](#) also includes this measure to strengthen enforcement.

Interestingly, when responses from the book sector are excluded, the share of respondents expressing concerns rises notably: 45 % consider sanctions ineffective, 39 % view the current rules as not systematically enforced, and 16 % believe the rules lack clarity. This underscores the peculiarities of the book sector, for which the current legislative framework seems to be less problematic and which views further limitations as challenging to its business model.

**Figure 17: Percentage of business associations and companies indicating the following as causes of late payments, 2025**



**Figure 18: Percentage of book sector respondents indicating the following as causes of late payments**



Source: EU Payment Observatory elaboration on the European Commission Survey.

## Late payment issues increasingly affect exporting companies, particularly those with intermediate levels of exports

**Companies' participation in cross-border trade appears to be correlated with exposure to late payments. While 49 % of firms that do not export report experiencing problems with late payments, this share rises to 56 % among those exporters,** suggesting that international activity is associated with greater difficulties in receiving payments on time.

Empirical analysis conducted by the Observatory, drawing on the ECB/EC SAFE survey data<sup>12</sup>, suggests that such a relationship is non-linear: as in the previous year report, **companies with moderate export shares are found to have a higher likelihood of facing problems with late payment**, while those that do not export at all, as well as those for which exports exceed half of total turnover, report fewer problems. Between 2023 and 2024, late payment problems became more pronounced among firms with intermediate levels of export intensity. In **2023, 56 % of companies whose exports represented less than a quarter of their turnover reported problems with late payments; by 2024, this figure had increased to 61 %.** A

<sup>11</sup> EU Payment Observatory (2023) 'Enforcement measures combating late payments in commercial transactions', [https://single-market-economy.ec.europa.eu/document/download/4d5faf6a-0b52-447c-8ba8-a29762c830e4\\_en?filename=Thematic%20report%20on%20enforcement%20measures\\_Final.pdf](https://single-market-economy.ec.europa.eu/document/download/4d5faf6a-0b52-447c-8ba8-a29762c830e4_en?filename=Thematic%20report%20on%20enforcement%20measures_Final.pdf).

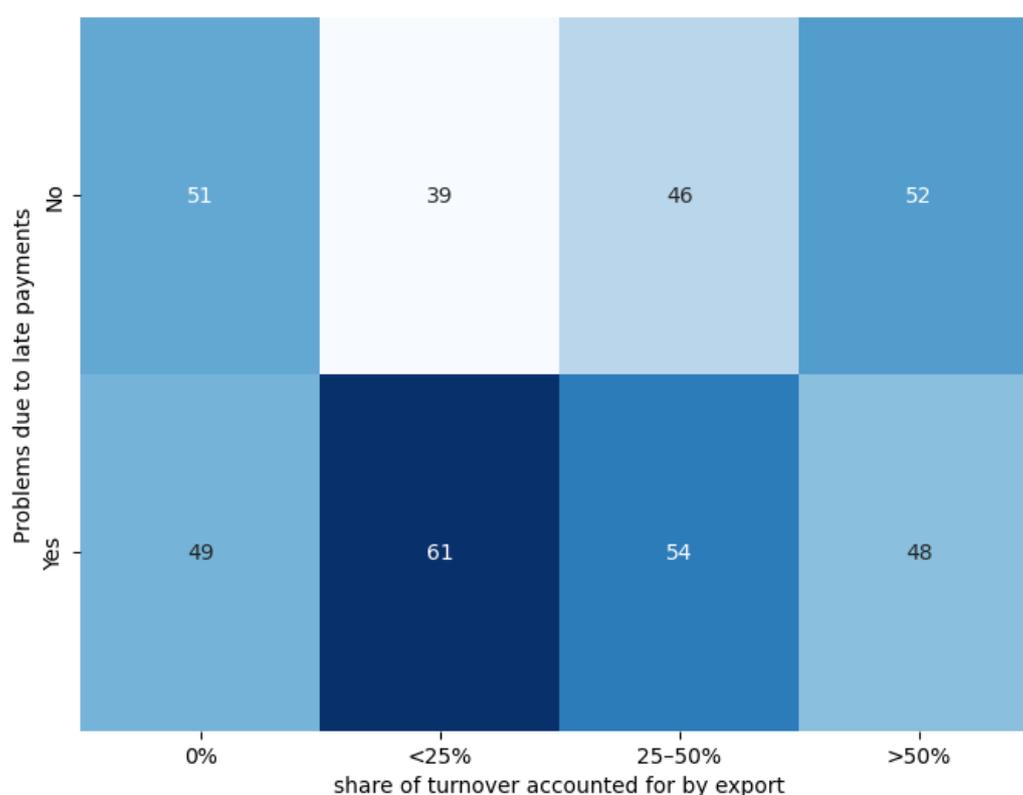
<sup>12</sup> The survey provides firm-level information on both exporting activity and late payment experiences, supported by a robust sample size. While the indicator on problems with late payments refers to the survey period and the indicator on the share of turnover accounted for by export refers to the previous year, export shares are found to be very stable over time, making this time lag negligible for assessing the relationships.

similar increase in the incidence is also observed among firms with export shares of between 25 and 50 % of turnover.

To explore whether higher export intensity consistently leads to more late payments, companies were grouped into four categories based on export share: non-exporters, firms exporting up to 25 % of turnover, those exporting 25-50 %, and those exporting more than 50 % (see **Figure 19**). If the relationship between exporting and late payments were positive and linear, the proportion of affected firms would rise steadily with increasing export shares.

However, the data suggest a different pattern: firms with moderate export exposure – those generating more than 0 % but less than 50 % of their turnover from exports – are more likely to encounter late payment problems. Specifically, 61 % of firms exporting less than a quarter of their turnover and 54 % of those exporting between one quarter and half of their turnover report such issues, compared with notably lower shares among both non-exporters and highly export-oriented firms.

**Figure 19: Percentage of enterprises experiencing late payments by share of turnover accounted for by exports, 2024**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

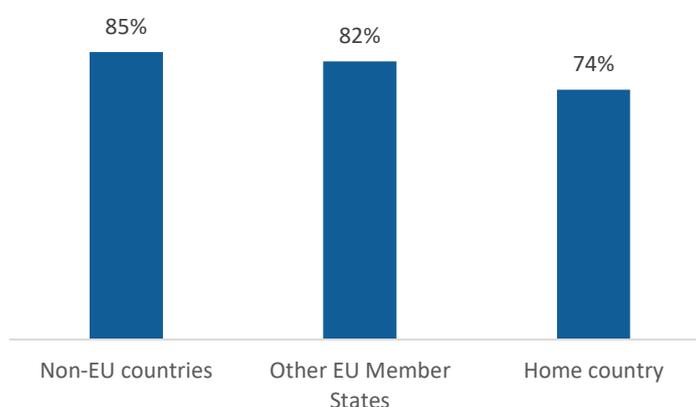
Exporting companies face a series of additional challenges that make them more vulnerable to late payments. Operating across borders may require dealing with partners whose creditworthiness is harder to assess, navigating differences in legal and regulatory systems, and adapting to varying payment practices across countries. These factors create higher levels of uncertainty and are shown to increase the likelihood of payment delays. By contrast, companies operating solely in domestic markets benefit from greater familiarity with local clients, business practices, and regulations, which reduces the risk of encountering late payments. Nevertheless, evidence also indicates that firms with high levels of cross-border transactions experience fewer late payment issues than those with lower levels of exports. This can be explained by their frequent use of trade credit insurance. Industry reports suggest that many firms that engage regularly in cross-border transactions rely on such financial instruments to mitigate information gaps and manage payment risks. These tools act as a safeguard against the risk of non-payment by foreign clients, effectively reducing the incidence of problems with late payments for high-

exporting companies. In addition, firms specialised in exporting are likely to invest more resources in knowing foreign markets, thus reducing their vulnerability to late payments.

Finally, the analysis based on the SAFE survey explores whether the export destination affects the incidence of late payments. The results show no clear evidence of such an effect, as the likelihood of late payment issues appears broadly similar across destinations, 55 % for exporters to the EEA and 54 % for those exporting outside the EU. However, these findings should be interpreted with caution. Many exporters operate across multiple regions at the same time, making it difficult to isolate the effect of a single destination. Restricting the sample to companies exporting exclusively to one region would result in a much smaller, non-representative sample. Therefore, while the evidence points to broadly stable patterns across destinations, data limitations constrain more precise conclusions.

The 2025 European Commission Survey provides additional insights into how selling in different markets influences the incidence of late payments. In particular, the survey asks companies whether they sell their goods and services in their home country, to other EU Member States, or to countries outside the EU. This distinction allows an examination of whether differences exist in the share of companies reporting that their clients pay them late across these three different groups. Figure 20 shows the share of companies reporting that their clients paid them late, depending on whether they sell their products or services domestically, in other EU Member States, or outside the EU. **Late payments appear most prevalent among companies selling outside the EU (85 %), followed by those selling within the EU (82 %).** By contrast, 74 % of firms operating solely in their home market reported being paid late by clients – a gap of 11 percentage points compared with companies selling outside the EU. This evidence supports the view that engaging in cross-border trade increases the likelihood of late payments, particularly when transactions take place beyond the EU.

**Figure 20: Percentage of companies indicating that their clients pay them late, by destination markets, 2025**



Source: EU Payment Observatory elaboration on the European Commission Survey.

## Impacts of late payments

### Effects on investment and growth are the most frequently indicated impact of late payments

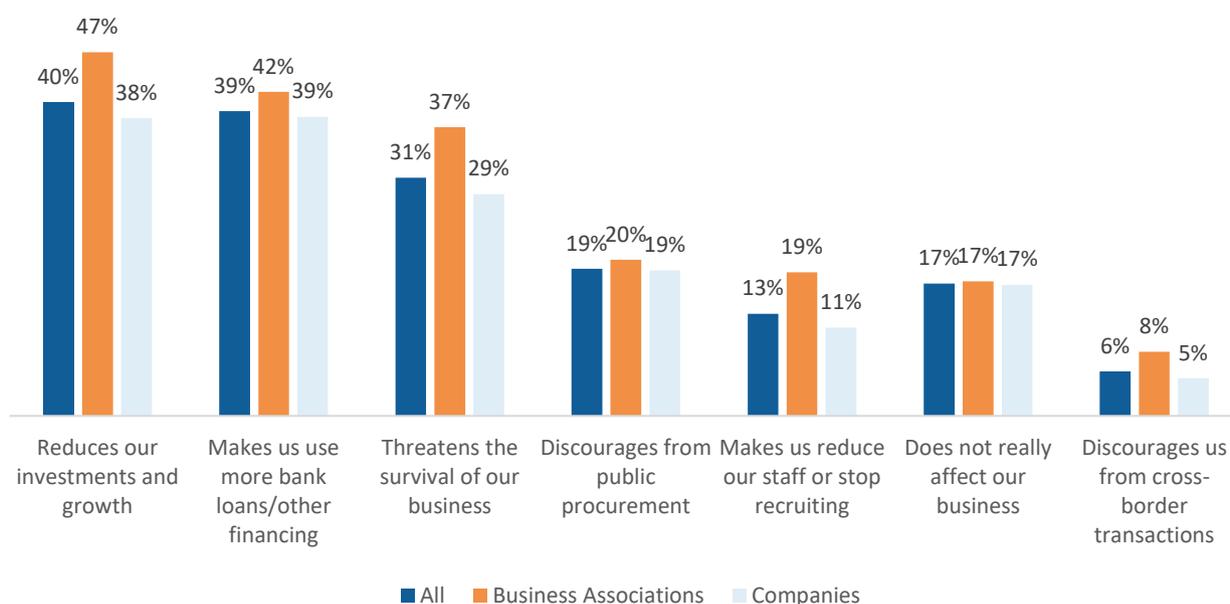
The consequences of a poor payment culture are significant and multifaceted. Late payments strain affected companies' cash flows, limiting their liquidity and, in turn, deteriorating competitiveness, reducing their investment capacity and hindering growth. They can also disrupt operations, constraining access to finance and, in severe cases, leading to job losses or even bankruptcies.

According to the respondents of the European Commission Survey<sup>13</sup>, the most frequently reported **effect of late payments is their negative impact on investment and growth, indicated by 40 % of respondents**. This highlights how late payments are contributing to the European investment gap, estimated in the Draghi Report to be at around EUR 750-800 billion annually, thereby undermining the competitiveness of European enterprises. A similar share of respondents (39 %) also highlights adverse impacts on access to finance.

**Furthermore, 31 % of respondents indicated that late payments threaten the survival of their business, illustrating** the severity of the issue and how the financial distress caused by late payments can lead to bankruptcies. Meanwhile, 19 % of respondents report being discouraged from participating in public procurement, 17 % say that late payments make them reduce their staff or stop recruitment, and 6 % report that late payments deter them from engaging in cross-border trade. Only 17 % of the respondents say that late payments do not affect their businesses.

As shown in Figure 21, business associations tend to be more likely than individual companies to recognise the wide-ranging consequences of late payments. The greatest differences can be seen in the impact on investment and growth (reported by 47 % of business associations vs 38 % of companies) and in the risk of business survival (37 % of associations vs 29 % of companies).

**Figure 21: Percentage of business associations and companies indicating the following consequences of late payments, 2025**

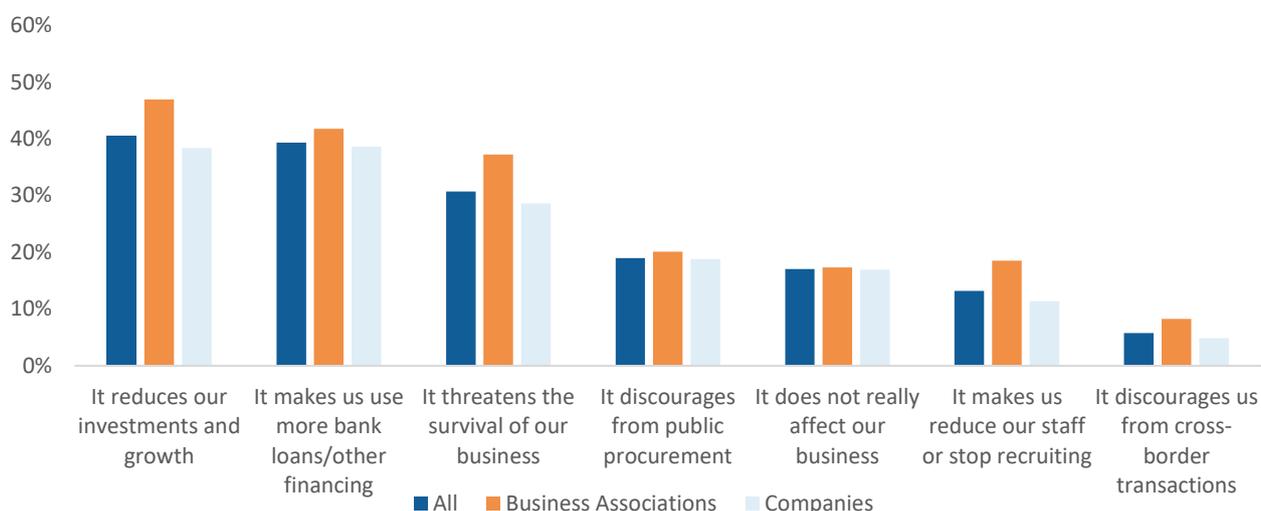


<sup>13</sup> The responses of this survey might be distorted by a self-selection bias with companies that are more impacted by late payments being more prone to complete it. As well, answers to this questions may also be affected by the respondents willingness to perform the questioned activities. For instance, companies may not be thinking about doing public procurement, so regardless of the severity of their late payments issues, they will indicate that they are not discouraging them from contracting with the public sector.

Source: EU Payment Observatory elaboration on the European Commission Survey.

By contrast, the book sector appears largely insulated from the consequences of late payments, except when it comes to access to public procurement: 23 % of the book sector respondents indicate being discouraged from public contracting because of late payments, higher than the 19 % for the rest of the sample. Other impacts seem less pronounced in the book sector: only 6 % of its respondents consider that it impacts their investment and growth, compared to 49 % of other respondents. Similarly, just 5 % of the book sector indicates an effect on access to finance, versus 48 % in the rest of the sample. Strangely, only 9 % of the book sector participants indicate that their business is unaffected by late payments, lower than the 16 % observed for the rest of the sample.

**Figure 22: Percentage of book sector respondents indicating the following consequences of late payments**



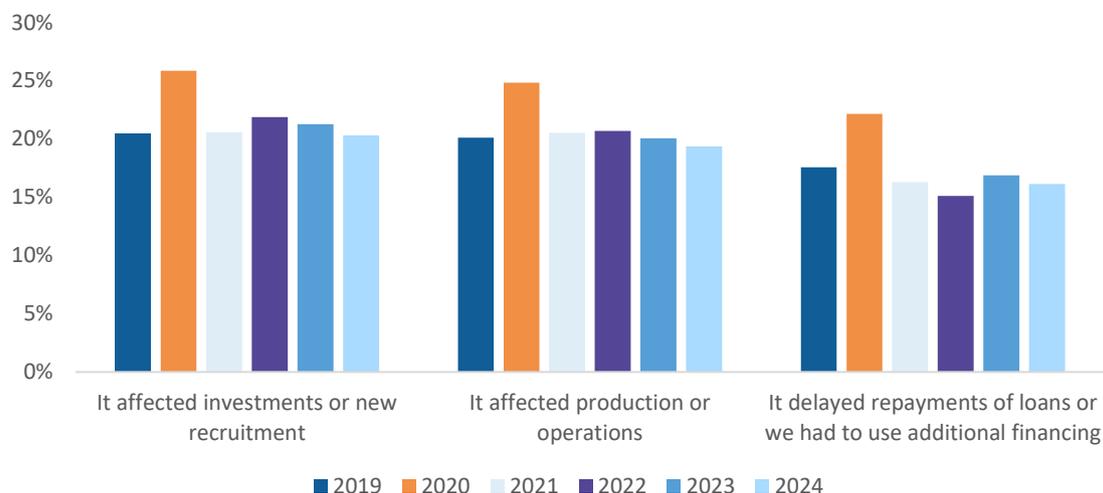
Source: EU Payment Observatory elaboration on the European Commission Survey.

The data on the impacts of late payments have been decreasing. The only source consistently reporting on their evolution is the ECB/EC SAFE survey. In 2024, it indicates **a slight decrease in the effects of late payments, continuing the downward trend observed since 2020**. According to it, nearly a fifth of European companies, 20 %, report that late payments affected their investments and the recruitment of new staff; 19 % also indicate that it affected their regular production and operations. Meanwhile, 16 % stated that because of being paid late, they had to delay repayments of loans or had to use additional financing. In all cases, there is a small improvement of one percentage point in relation to 2023.

In addition, Allianz has performed an analysis on the Working Capital Requirements of large companies, which is defined as the money they need to finance the gap between payments to suppliers and from customers. Working Capital Requirements have increased the most in 2024 in western Europe in comparison with other regions in the world. This is mostly due to an increase

in Day Sales Outstanding of 2 days . Such an increase should make the consequences of late payments more severe for large companies.

**Figure 23: Percentage of enterprises indicating that late payments have had the following consequences, 2019-2024, B2B and G2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

### **A vicious circle: late payments hinder access to external financing, and financial constraints lead to more late payment issues.**

As mentioned, a significant share of companies are reporting in both the SAFE and European Commission Surveys that they have to resort to additional financing because of payment delays. However, additional analysis also shows how late payments remain a major obstacle to companies' ability to obtain external financing. Recent firm-level data from the ECB/EC SAFE survey for 2024 indicate that **whereas 65 % of companies that have issues with late payments report difficulties in accessing finance, this figure falls to 53 % among those not affected by delayed payments – a gap of 12 percentage points. Compared with 2023, this gap widened by two percentage points in 2024**, suggesting that the negative impact of late payments on companies' ability to obtain external financing has become more pronounced.

Looking specifically at credit, suffering more from delayed payments equally makes you more likely to encounter difficulties in accessing loans. Of companies that reported a deterioration in banks' willingness to provide loans, 66 % suffered from late payment issues. That figure has increased in comparison to 2023, when it was 61 %.

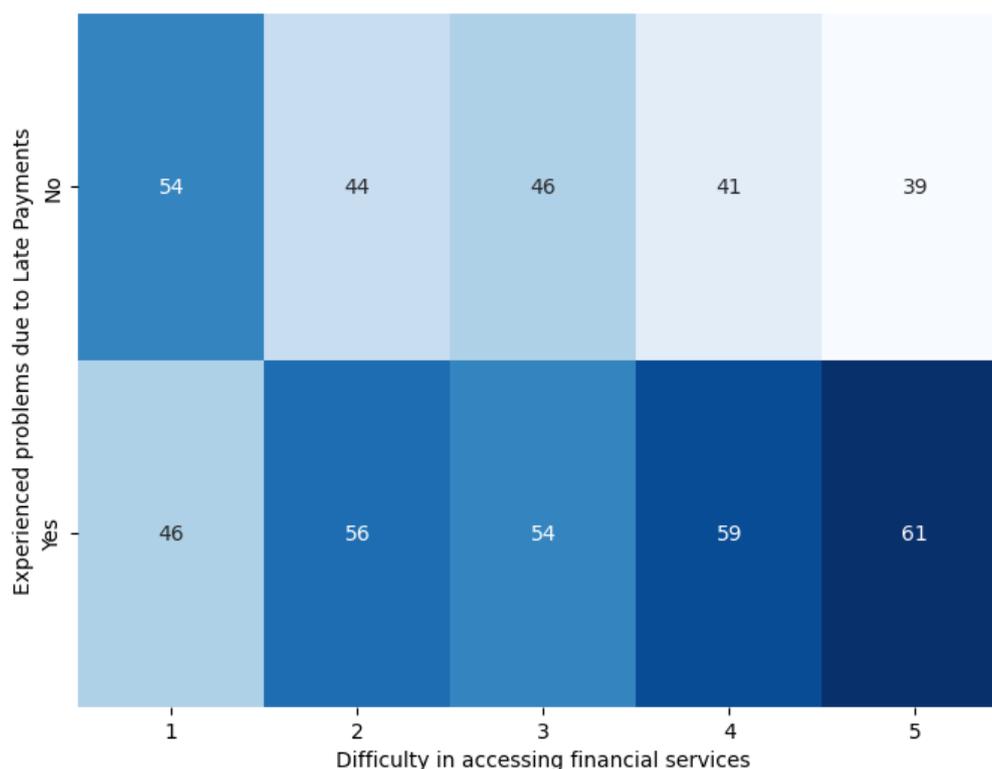
At the same time, as was also found in last year's analysis, companies struggling more with access to finance also tend to face more late payments. This can be observed in Figure 24, which illustrates how the proportion of firms reporting late payments varies depending on the severity of their problems in accessing financial services. The share of companies experiencing late payment problems rises progressively with the reported intensity of financing constraints (with an exception for intermediate levels of difficulties in accessing financial services).

In fact, **among firms with no reported difficulties in accessing finance, only 46 % report late payment problems, whereas this share rises to 61 % for those experiencing very severe access-to-finance constraints.** Compared with 2023, when the figures stood at 43 % and 60 % respectively, the pattern remains broadly unchanged.

The two-sided relationship between these dimensions was corroborated by a logistic regression. **The findings suggest a circular relationship between late payments and access to finance, creating a self-reinforcing cycle.** Late payments weaken firms' liquidity, which in turn reduces their chances of securing loans and other financing instruments, as financial institutions become more cautious. Restricted access to finance then further constrains liquidity, making it harder for companies to settle invoices on time and increasing the risk of additional

late payments. This dynamic perpetuates itself, locking firms into a cycle of liquidity shortages, financing barriers, and payment delays.

**Figure 24: Percentage of enterprises experiencing late payments and difficulty in accessing financial services, 2024**



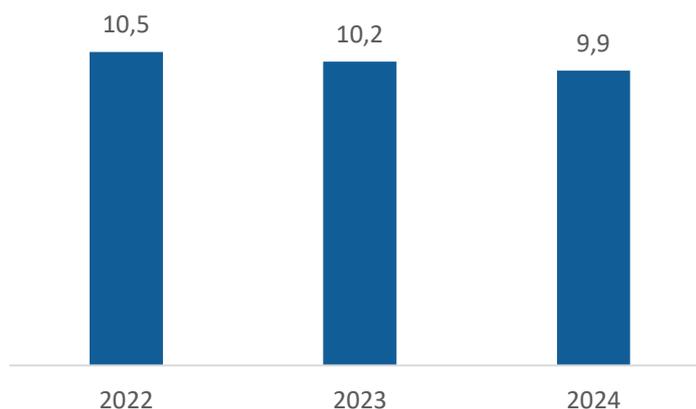
Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

### **Companies spent on average 9.85 hours a week chasing late payments, which is particularly burdensome for SMEs.**

Another important impact of late payments is the administrative burden they impose on companies. According to the Intrum survey, **companies spend on average 9.85 hours a week chasing late payments**, through activities such as sending reminders or making phone calls. This is approximately a quarter of the weekly working time of one employee.

Furthermore, SMEs dedicate almost as much time to chasing late payments (9.82 hours) as large companies (9.92 hours). Since they have a lower number of employees (often very few) and process far fewer invoices, they spend more hours and overall available resources per invoice to secure payments. This highlights the disproportionate impact on smaller firms.

The average number of hours dedicated to chasing late payments has slightly reduced over the last 3 years from 10.5 hours in 2022.

**Figure 25: Number of hours spent chasing late payments per week, 2022-2024, B2B and G2B**

Source: EU Payment Observatory elaboration on Intrum European Payment Report (Every EU MS is covered except for CY, LU, MT, EE, LV, LT. It also includes non-EU countries: BA, NO, RS, CH, UK).

### **Without late payments, micro companies, SMEs and intermediate-sized enterprises<sup>14</sup> could potentially gain over EUR 100 billion in cash flows.**

Accurately quantifying the impact of late payments in the EU remains challenging because of the lack of data. Nonetheless, national-level analyses can provide valuable indicative insights.

According to the latest publication of the Banque de France<sup>15</sup>, in 2024, French Micro-enterprises, SMEs and intermediate-sized enterprises (ETI) experienced a combined cash flow loss of approximately EUR 17 billion due to late payments. Specifically, in the absence of payment delays, French micro companies would have benefited from an additional EUR 4 billion in cash flows, SMEs from EUR 9 billion and ETIs from EUR 4 billion. Of those EUR 17 billion, de facto withheld by clients, EUR 12 billion originated from very large enterprises, while the remaining EUR 5 billion came from other economic agents, including the government, local authorities, households and non-residents.

These calculations are based on firms' balance-sheet data and are therefore difficult to replicate at the EU level. However, if one assumes that France's experience is broadly representative of the EU as a whole, the French national figures can be extrapolated to approximate the potential EU-wide impact. Following this reasoning, the French estimates were projected to the EU level using GDP as the scaling metric. Specifically, it is assumed that (i) the ratio of late payment impacts to GDP observed in France reflects the EU average, and (ii) the sectoral and firm-size composition of the French business economy broadly mirrors that of the EU (see box 1 for a similar exercise based on UK estimates).

**Under these assumptions**, and knowing that France's GDP was 16.2 % of EU GDP in 2024, **in the absence of late payments, EU micro companies, SMEs and ETI would have generated an estimated EUR 104.9 billion of additional cash flows.** Of this total, both micro-enterprises and ETIs would each have gained roughly EUR 24.7 billion, while SMEs would have benefited the most, with around EUR 55.6 billion in additional liquidity.

**These figures should be interpreted as indicative estimates, illustrating the magnitude of the issue, rather than precise measurements.** Assuming that the French economy is representative of the EU in terms of both late payment incidence and the distribution of

<sup>14</sup> From the French 'Entreprises de Taille Intermédiaire'. They are defined as companies with between 250 and 4 999 employees, and a turnover which does not exceed EUR 1.5 billion or a balance sheet total which does not exceed EUR 2 billion.

<sup>15</sup> Banque de France (2025) Les délais de paiement se sont réduits en 2024, sauf pour les grandes entreprises qui sont de plus mauvais payeurs, <https://www.banque-france.fr/fr/publications-et-statistiques/publications/les-delaix-de-paiement-se-sont-reduits-en-2024-sauf-pour-les-grandes-entreprises-qui-sont-de-plus>

enterprises by size class is clearly a simplifying assumption that does not account for cross-country variations in payment practices and culture, as well as business structure.

### **Box 1. The economic costs of late payments: the case of the UK**

As interest grows in understanding both the magnitude (in monetary terms) and the impact of late payments – whether on firms' cash flows in the short term or on broader economic performance through reduced investment in the longer term – the UK Department for Business & Trade<sup>16</sup> recently published its own estimates of the phenomenon, using multiple data sources and complex estimation techniques.

Unlike the French analysis presented above, which focuses on the effects of late payments on company cash flows, the UK study estimates the aggregate economic costs arising from late payments. These include the increase in bankruptcies, decrease in investment, time spent chasing late payments, debt collection, as well as legal and supply chain finance costs associated with late payments. The study finds that this is substantial, ranging between GBP 4.7 billion (EUR<sup>17</sup> 5.3 billion) and GBP 17.6 billion (EUR 20.2 billion), with a midpoint calculation of GBP 10.7 billion (or EUR 12.3 billion).

Importantly, the study acknowledges that these figures do not account for the distributional effects of late payments, namely, that some of the economic losses incurred by suppliers might be partially offset by the additional liquidity available to firms that delay payments, which they may reinvest in other economic activities. Similar to the French findings, the report highlights that late payments effectively represent implicit liquidity transfers between firms.

Using the same simplified approach as above, and using the UK findings and its size relative to the EU (about 19 %) to extrapolate the impact on the EU. The aggregate cost of late payments in the EU could be in the range of EUR 65 billion.

## **Comparing late payments across countries and time**

This section examines how late payments differ across European countries and over time. Previous analysis highlighted variations in payment performance depending on firm size, sector, and transaction type (B2B vs G2B). Yet, due to inconsistencies in data sources and methodologies, cross-country comparisons remain challenging, as observed differences often reflect data limitations rather than actual variations in payment performance. Therefore, to reliably measure and compare late payment patterns across countries, it is necessary to account for factors such as data source, companies' sector and size, and transaction type. Incorporating these elements into a unified model makes it possible to isolate a country's underlying late payment performance, removing the distortions caused by these confounding variables.

To measure payment performance across Member States and time, a proxy for late payment severity was constructed. Out of more than 100 metrics in the EU Indicators Database, 55 were identified as relevant measures of payment performance. These were standardised so that higher values uniformly represent poorer performance, whether expressed in days or percentages. The resulting dependent variable ranges from 0 to 1. While this transformation reduces direct interpretability, it enables consistent comparisons of the severity of late payments across countries and years. The model then isolates the effect of each country and year on the constructed proxy for payment performance, which ranges between 0 and 1. The higher the estimated obtained for a country in a given year, the worse its payment performance. The model also estimates the impact of explanatory factors such as firm size, sector, transaction type (B2B or G2B), and data source. Controlling for these ensures that the measure of late payments for each country reflects underlying performance rather than structural differences. Annex 3 provides further details on the methodology, model specification, data processing, and the full set of results.

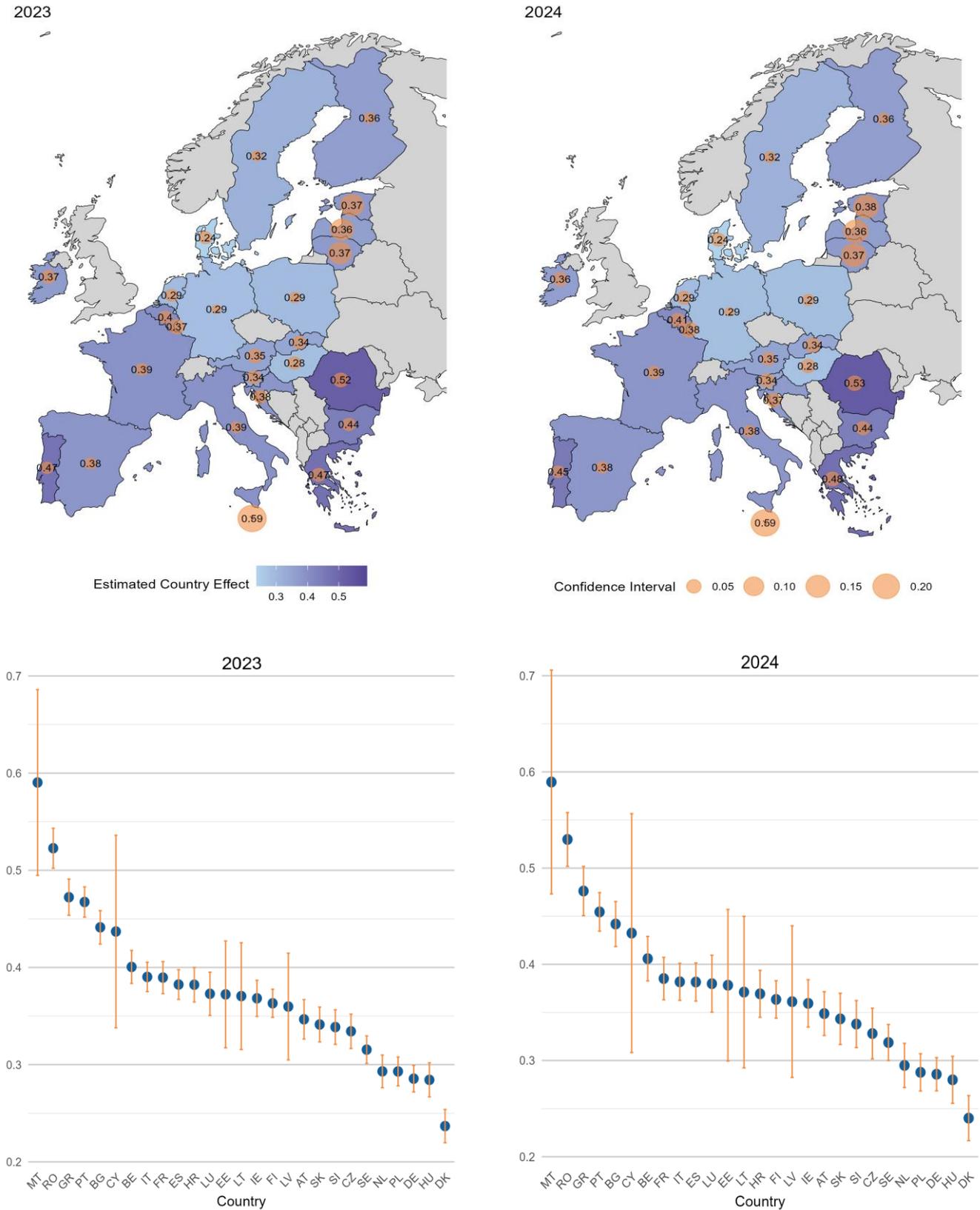
<sup>16</sup> UK Department for Business & Trade (2025) Late Payments Research Estimating the total economic cost of late payments and their impact on the UK economy, [https://assets.publishing.service.gov.uk/media/688a089a6478525675738ff9/late\\_payments\\_research\\_impact\\_on\\_uk\\_economy.pdf](https://assets.publishing.service.gov.uk/media/688a089a6478525675738ff9/late_payments_research_impact_on_uk_economy.pdf).

<sup>17</sup> Based on INFOREURO exchange rates of October 2025.

Tables 2 presents the estimated payment performance for each country and year. Results are displayed in two complementary formats: a European heatmap, where darker shades denote more severe late payments, and a plot of country estimates with their corresponding 95 % confidence intervals. To highlight recent developments, the comparison covers the years 2023 and 2024. The heatmap also shows the marginal effect of each country on the constructed proxy for late payments (ranging from 0 to 1), with an orange circle indicating the size of the 95 % confidence interval around each estimate. In addition, the chart ranks countries from weakest to strongest performers. This approach makes it possible to assess whether differences across countries are statistically meaningful: when confidence intervals overlap, no statistically significant difference can be inferred.

Looking at the table below, the ranking of countries by severity of late payment in 2024 appears broadly unchanged from 2023. Malta still emerges as the weakest performer; however, this estimate is highly uncertain due to the country's very limited data coverage, as reflected in the wide confidence intervals. As a result, Malta's estimated effect in 2024 cannot be considered statistically different from that of Romania – the second-worst performer in both 2024 and 2023 – as well as from Greece and Cyprus, whose intervals also overlap. Greece, Portugal, and Bulgaria continue to feature among the worst performers in both 2024 and 2023, with effects that are statistically distinguishable from most other Member States. At the opposite end, Denmark remains the country with the strongest payment culture. Yet, while Denmark could be identified as the clear best performer at a 95 % confidence level in 2023, this is no longer the case in 2024, since its confidence interval now overlaps with that of Hungary. Other Member States that have consistently shown good payment behaviour over the past 2 years include Germany, Poland and the Netherlands in that order. Many other countries fall into an intermediate group. Within this range, Italy, France and Belgium tend to be among the weaker performers, while Austria, Slovakia, Slovenia, Czechia, and Sweden show relatively better results. However, because confidence intervals for this group frequently overlap, their precise ranking is difficult to establish. Finally, some countries have such limited data coverage that no reliable conclusions about their position can be drawn. These include Malta, Cyprus, Estonia, Latvia, and Lithuania. Notably, their confidence intervals widened in 2024 compared with 2023, pointing to a further deterioration in their data availability. Overall, this highlights how limited data coverage and quality in these countries constrain meaningful analysis of their payment performance.

**Table 2: Estimated payment performance across EU countries in 2023 and 2024, darker equals worse payment situation, large orange circle equals less wider confidence interval**



Source: EU Payment Observatory estimations based on EU Indicators Database.

## 4. THE SITUATION OF LATE PAYMENTS IN EU MEMBER STATES

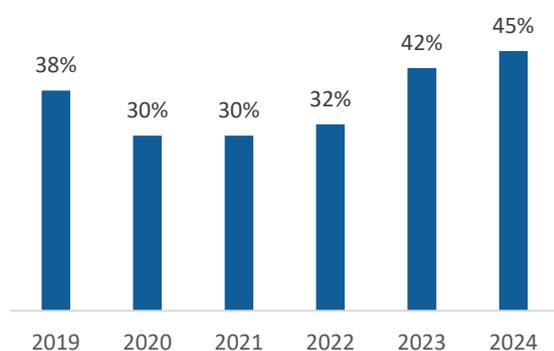


### AUSTRIA

In Austria, the share of companies facing issues due to late payments has been increasing since 2022. This trend continued in 2024, when, according to the ECB/EC SAFE survey, 45 % of Austrian enterprises reported difficulties related to late payments, which represents a rise of three percentage points compared with 2023. Although this upward trend mirrors the broader European pattern, Austria remains below the EU average, which reached 52 % in 2024.

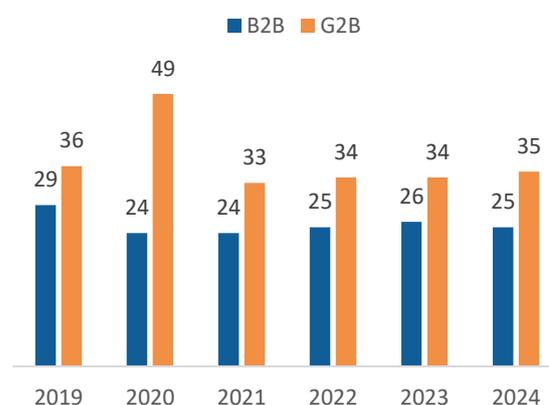
More specifically, data from the Austrian Business Check indicate that the average payment period for B2B transactions slightly decreased compared with 2023, returning to its 2022 level of 25 days. In contrast, for G2B transactions, the average payment period modestly increased, reaching 35 days. With these two trends moving in opposite directions, the gap in payment behaviour between B2B and G2B transactions has widened to 10 days, meaning that, on average, government settle their invoices 10 days later than those between businesses. This persistent gap reflects fundamental differences in payment behaviour between public authorities and private companies.

**Figure 26: Percentage of enterprises indicating they have faced issues due to late payments in the last 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 27: Average payment period in number of days, 2019-2024, B2B and G2B**

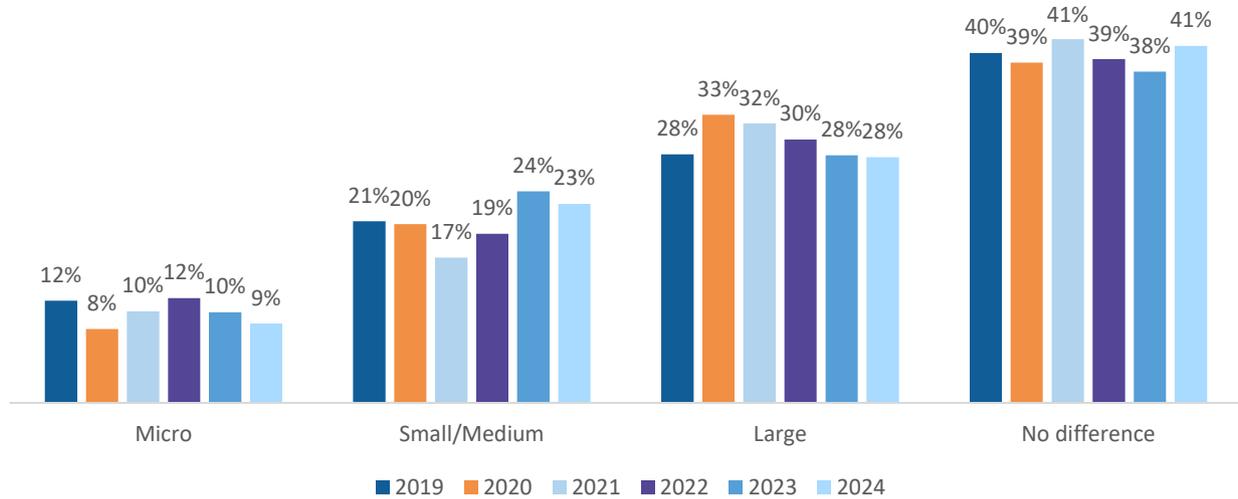


Source: EU Payment Observatory elaboration on Austrian Business Check.

The figure below shows that company size plays an important role in determining payment behaviour. Specifically, in 2024, large enterprises continue to be identified as the worst payers, a pattern that has remained stable since 2019. Small and medium-sized enterprises (SMEs), as well as micro-enterprises, are still perceived as less problematic in terms of payment performance with both groups showing a slight improvement compared with 2023. Finally, 38 % of respondents report no perceived difference in payment behaviour across enterprises of different sizes. These findings suggest that payment behaviour is closely linked to market power:

larger companies can afford to delay payments or impose unfair conditions due to their stronger negotiating position, whereas smaller firms tend to comply more strictly in order to preserve their business relationships.

**Figure 28: Percentage of respondents indicating size of companies that pay the worst, B2B**



Source: EU Payment Observatory elaboration on Austrian Business Check data.

In 2024, the evolution of payment performance relative to 2023 differed markedly across sectors. The average payment periods of eight sectors increased, for seven there was a decline and for three there were no changes.

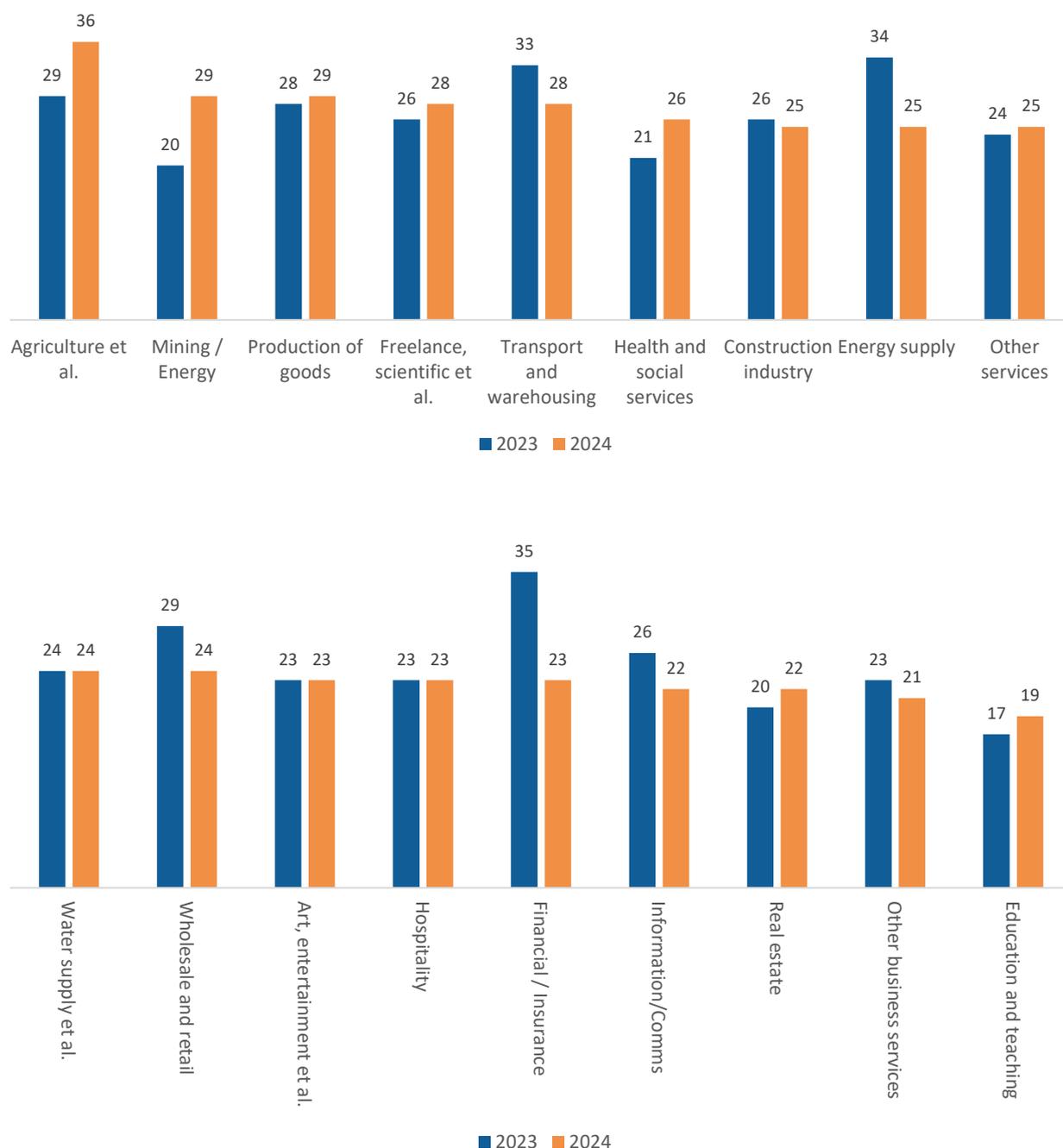
The two sectors with longest payment periods were the ones that recorded a bigger lengthening. In 'Agriculture, forestry and fishing' payment periods went from 29 to 36 days. Austria's agricultural sector faced renewed challenges in 2024. Despite lower prices for intermediate goods such as fertilisers and animal feed, the sector's production value fell by 2.1 % due to adverse weather conditions and reduced crop yields<sup>18</sup>. This downturn may have led to tighter liquidity conditions and, consequently, longer payment delays. However, payment periods increased even more, by 9 days, for the 'Mining and energy' to reach the 29 days.

The biggest reduction in average payment periods, was observed in the 'Financial and Insurance activities' sector with a decrease of 12 days. 'Energy supply' also show a significant shortening of the time to settle invoices of 9 days.

In any case, as in 2023, the sector that paid its invoices the fastest was 'Education and Teaching', although it recorded a slight increase in settlement times, rising from 17 to 19 days. It was followed by 'Other Business services' with 23 days.

<sup>18</sup>Statistics Austria (2025), 'Increase in agricultural incomes in 2024',

[https://www.statistik.at/fileadmin/announcement/2025/04/20250425LGR2024EN.pdf#:~:text=The%20expenses%20of%20the%20agricultural%20industry%20for%20costs%20thus%20further%20decreased%20in%202024%20\(%E2%88%925.2%25\).](https://www.statistik.at/fileadmin/announcement/2025/04/20250425LGR2024EN.pdf#:~:text=The%20expenses%20of%20the%20agricultural%20industry%20for%20costs%20thus%20further%20decreased%20in%202024%20(%E2%88%925.2%25).)

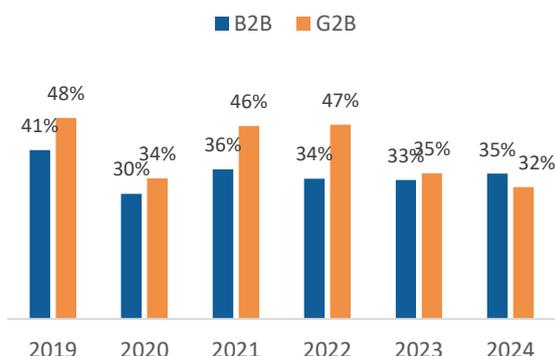
**Figure 29: Average payment period in number of days by sector, 2019-2024, B2B**

Source: EU Payment Observatory elaboration on Austrian Business Check data.

In 2024, 35 % of Austrian companies identified power dynamics as a cause of payment delays in B2B transactions, compared with 32 % in G2B relationships. This marks a reversal of the pattern observed from 2019 to 2023, when power dynamics played a more significant role in G2B transactions.

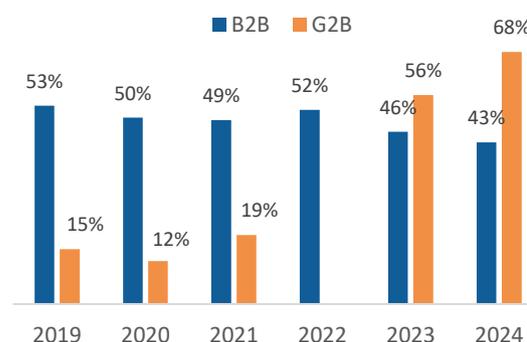
In 2024, administrative inefficiencies remained a key driver of late payments in B2B transactions, cited by 43 % of companies. However, their relevance declined compared with 2023, where it was 46 %. In contrast, such inefficiencies gained prominence in G2B transactions, with 68 % of firms identifying them as a significant issue, an increase of 8 percentage points from 2023 and a sharp contrast with the 2019-2021 period, when the share fluctuated between 12 % and 19 %.

**Figure 30: Percentage of enterprises indicating power dynamics as a cause of late payments, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Austrian Business Check.

**Figure 31: Percentage of enterprises indicating inefficient administration as a cause of late payments, 2019-2024, B2B and G2B<sup>19</sup>**



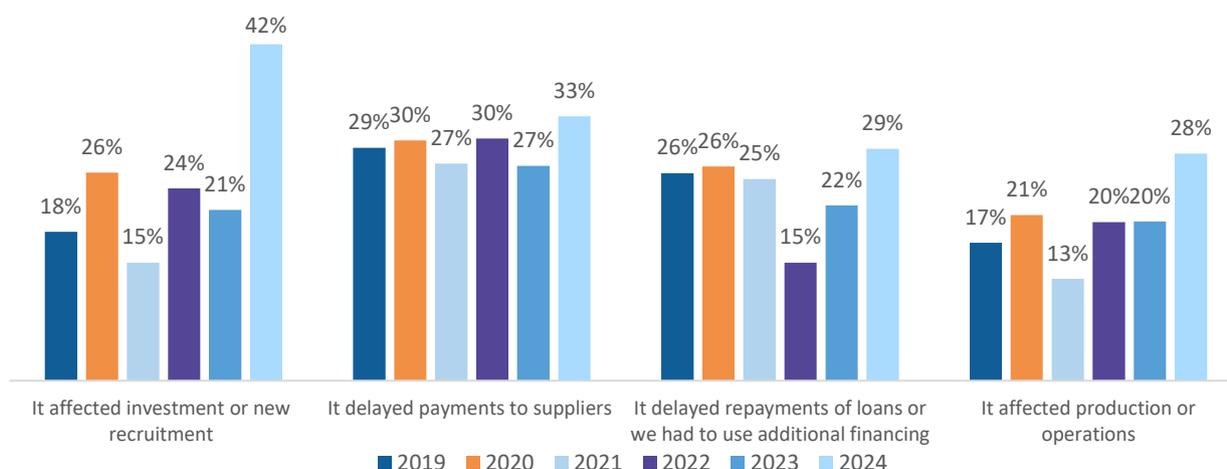
Source: EU Payment Observatory elaboration on Austrian Business Check.

Looking at the consequences of late payments, Austria is the European country with the highest percentage of enterprises reporting that late payments affected investment or new recruitment: the share of companies indicating that late payments have affected investment or new recruitment has doubled since 2023 (21 %), reaching 42 % in 2024.

Austria is the second European country with the largest proportion of businesses reporting that late payments have also impacted payments to suppliers, with 33 % of enterprises indicating potential trickle-down effects on their supply chains. Moreover, 29 % of companies reported that late payments caused them to delay loan repayments or seek additional financing to cover expenses, up from 22 % in 2023. Finally, production and operations were affected as well, with 28 % of companies identifying them as areas negatively influenced by late payments, compared to 20 % in 2023.

Overall, the share of companies reporting a negative impact from late payments has increased across all factors analysed highlighting a broad and worsening effect on nearly every aspect of company management, which goes against EU trends.

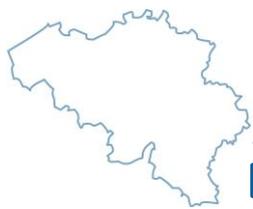
**Figure 32: Percentage of enterprises indicating that late payments have had the following consequences, 2019-2024, B2B and G2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

<sup>19</sup> No data available for G2B in 2022.

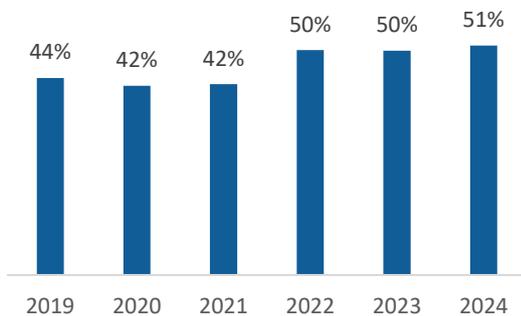
Despite the worsening payment performance perceived by Austrian companies, which mirrors broader European trends, there remains a generally positive outlook among businesses. Fewer companies expect a further deterioration in payment behaviour from either the private sector or the government compared to last year. However, results from the Austrian Business Check survey indicate mixed sentiments about the future, with many enterprises anticipating little to no change in payment conduct over the coming year.



In Belgium, in 2024, 51 % of companies claimed to be experiencing problems due to late payments, up from 50 % in both 2023 and 2022. This slight increase, while worrisome, was lower than the one observed on average in the EU and puts Belgium for the first time since 2020 below the European average.

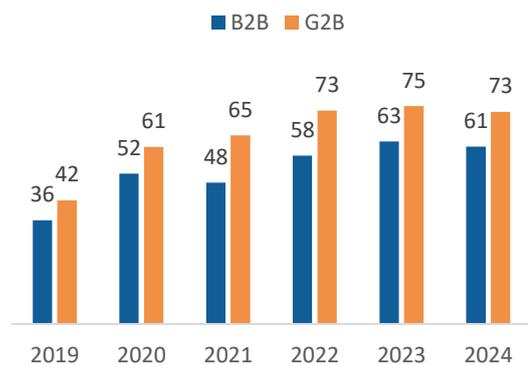
Belgium experienced a reduction in payment periods of 2 days for both B2B and G2B in 2024 according to suppliers. It was 1 of only 7 Member States in which such an improvement was reported. However, in both cases Belgium remains above the EU average.

**Figure 33: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 34: Average payment period in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

The situation is particularly concerning in G2B transactions. Belgian public authorities are the third latest payers in Europe according to suppliers, with 73 days. They also have the second longest payment terms, of 59 days. In fact, in June 2025, Belgium was condemned in a [ruling](#) by the Court of Justice of the European Union (ECJ) for the lack of compliance of its public authorities with the 30-days payment deadline established by the Late Payment Directive. Concretely the ruling affected the Federal Government, the Wallon region and the Brussels region.

The Belgian government is taking steps to address the issues of payment performance of its public authorities. Following another [ECJ ruling](#) from 2022 on national schemes that made 60 days the de facto maximum period allowed in G2B transactions, the Belgian [public procurement law](#) was modified. This established stricter payment terms of 30 days including the verification period, allowing for only two exceptions. The new rules entered into force on 1 January 2025, so its effects will be analysed next year<sup>20</sup>.

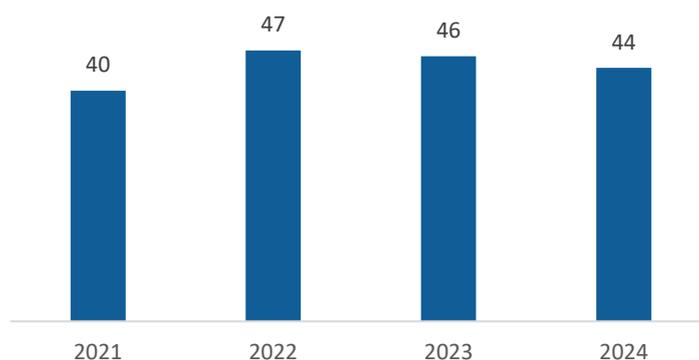
In addition, the Belgian Federal government has been publishing data on its own payments since 2021. The data show a small improvement in 2024 on the payment periods of the central government<sup>21</sup> of 2 days, from 46 to 44 days, still very far away from the 30 days target. As in the year before, the Justice Ministry (SPF Justice) was the one paying later, with an average of 56 days, although that is an improvement from the 64 of 2023. The large number of invoices it processes, more than 100 000, and the complexity that such an exercise entails may be the reason for such delays. It is followed by the Health Care Ministry (SPF Santé Publique) with 45

<sup>20</sup>Ministry of Policy and Support (2024) Marchés publics: règles de paiement à partir de janvier 2025, <https://bosa.belgium.be/fr/news/marches-publics-regles-de-paiement-partir-de-janvier-2025>.

<sup>21</sup> Measured since the date of the invoice.

days and the Federal police with 40 days. On the other side, as in 2023, the Ministry with the shortest payment periods was the one of Science Policy (SPP Politique Scientifique) with 15 days. The only others that paid in less than 30 days in 2024 are the Ministry of Policy and Support (SPF BOSA), 21 days, the Ministry of Economy (SPD Economie), 24 days and the Ministry of Social Security (SPF Sécurité Sociale), 29 days.

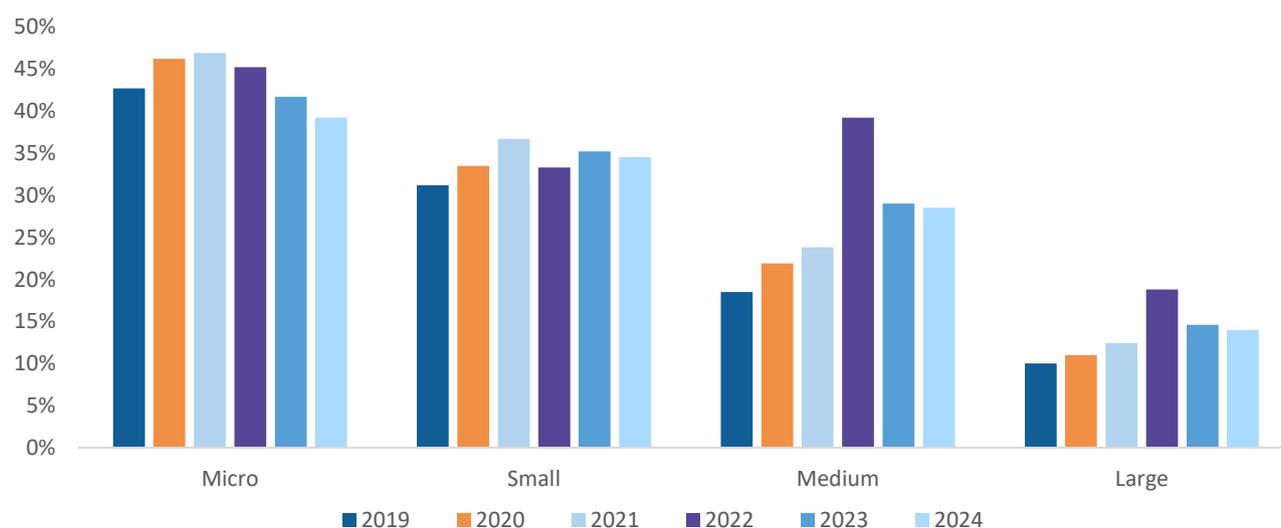
**Figure 35: Average payment period to suppliers by the Belgian Federal Government in days, 2021-2024**



Source: EU Payment Observatory elaboration on the basis of data by Belgian Federal Public Service of Policy & Support (FPS BOSA).

Belgium continues to follow the mantra that the bigger the company, the less on time it tends to pay. The payment performance of large companies has been deteriorating since 2022. In 2024, they settled only 14 % of their invoices by the due date, slightly down from the 15 % of 2023. The performance of the most punctual companies, micro-enterprises, also deteriorated with 39 % of their invoices settled on-time vs 42 % in 2023. Meanwhile, the share of on-time payments remained the same as in 2023 for small companies at 35 %, and medium at 29 %.

**Figure 36: Percentage of payments by due date across company sizes, 2019-2023, B2B**



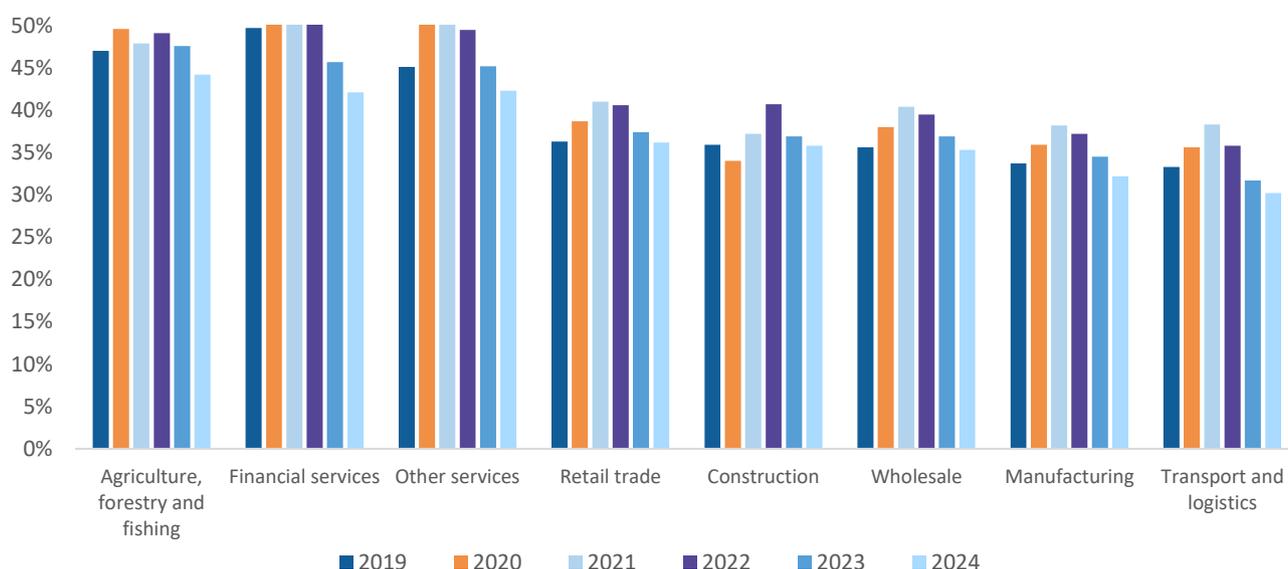
Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

The payment performance of all sectors covered in Belgium deteriorated in 2024. The decline in on-time payments was most pronounced in 'Financial Services' which saw a four-percentage point drop compared to 2023. In contrast, it only decreased by one percentage point for 'Construction' and 'Retail trade'.

Despite these differences, the position of each sector in the payment performance ranking remained the same as in 2023. 'Agriculture, Forestry and Fishing' paid a larger share of its

invoices on-time, 44 %. Meanwhile, 'Transport and logistics' was the worst performer, with just 30 % of its invoices settled by the due date.

**Figure 37: Percentage of payments by due date per sector, 2019-2024, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

Some 56 % of Belgian companies (the third highest in the EU) say that they are more worried than ever before about their clients' ability to pay them on time. In fact, the concern about the possibility that their customers might go bankrupt seems to be very high. A significant percentage, 70 %, of companies in Belgium anticipate a rise in B2B customer insolvencies in the coming months<sup>22</sup>, 39 % (also third highest in the EU) indicate that they have accepted longer payment terms to prevent their clients bankruptcies and 23 % (again third highest in the EU) indicate that customer insolvency is a serious challenge at the current time. In total, 47 % of Belgian companies say that due to the economic slowdown they are finding it increasingly difficult to pay their suppliers on time, however, this is the lowest percentage amongst all Member States.

To prevent these late payments, in the last year, 42 % of Belgian companies (first in the EU) have performed credit checks on their clients liquidity and 29 % (third highest in the EU) have opted for credit insurance. In addition, 31 % of Belgian companies (second highest in the EU) have offered revised payment terms to their clients to avoid having them pay late.

<sup>22</sup> Atradius (2025), 'Why are businesses in Belgium tightening B2B payment risk strategies?', <https://group.atradius.com/knowledge-and-research/reports/b2b-payment-practices-trends-belgium-2025>.



## BULGARIA

According to the ECB/EC SAFE survey, slightly above one third of Bulgarian companies indicated having experienced issues due to late payments in 2024, in both G2B and B2B transactions. Despite being one of the EU countries with the lowest share of impacted companies after the Netherlands, this result marks a reversal of the previous declining trend evidenced until 2023. In particular, the data show an increase of 10 percentage points in 2024, compared to the lowest share reported in 2022 (25 %), and four percentage points more with regard to 2023 (31 %).

Furthermore, most Bulgarian companies reporting late payments signalled these to have affected several aspects, with particular emphasis on payments to suppliers (39 %) and investments and new recruitment (29 %). The former, particularly appears as one of the top reasons for delaying payments in the country<sup>23</sup> in order to get a temporary relief due to liquidity issues. Moreover, in an effort to preserve client relationships, Bulgarian companies have reported<sup>24</sup> implementing measures such as agreeing to longer payment terms.

In addition to this, more than one fifth of Bulgarian companies reported that delayed payments have affected production or operations (22 %), whereas a smaller proportion stated having delayed repayments of loans or using additional financing (17 %) in 2024. Overall, and compared to the previous year, the percentage of companies indicating late payments to have an impact on any of these four areas decreased, with the exception of investments and new recruitment which has increased in two percentage points.

The average payment period reported by suppliers in 2024 shows a substantial improvement, achieving the best payment performance observed in the last 6 years in both B2B and G2B transactions (see below figure). At EU level, Bulgaria ranks second among the countries with the highest reduction in average payment periods in G2B transaction in 2024, after Sweden. According to the Intrum Payment Report, the average payment period settled by public authorities was 63.8 days, showing a reduction of 7.6 % compared to 2023 data (69.1 days). Interestingly, 2024 marks the shortest average payment period recorded over the last 6 years.

Furthermore, there has been a notable improvement in the average payment period in B2B transactions reported by Bulgarian companies, exhibiting a reduction of 4.4 days (-6.9 %) compared to 2023, and 8.2 days (12 %) compared to 2019. It is worth noting that, despite having one of the longest payment terms in B2B transactions in Europe – averaging 44.04 days<sup>25</sup>– Bulgarian companies exhibit some of the shortest average payment periods in the EU. This result is particularly unusual given that, as developed under the EU chapter, companies with longer payment terms are in their vast majority associated with longer payment periods.

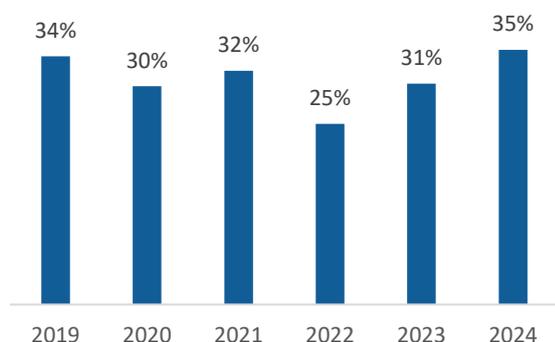
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<sup>23</sup> Atradius (2025), B2B Payment Practices trends Bulgaria, <https://atradiuscollections.com/dam/jcr:c3e65fd5-9ea0-4e15-8ab4-abb73aad6e08/payment-practices-barometer-central-and-eastern-europe-2025-bulgaria-en.pdf>.

<sup>24</sup> Intrum Payment Report 2025.

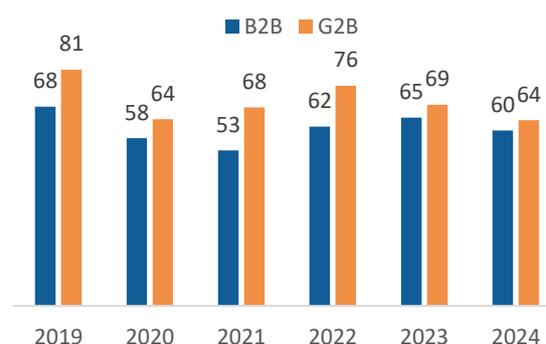
<sup>25</sup> Intrum Payment Report 2025.

**Figure 38: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 39: Average payment period in number of days, 2019-2024, G2B and B2B**



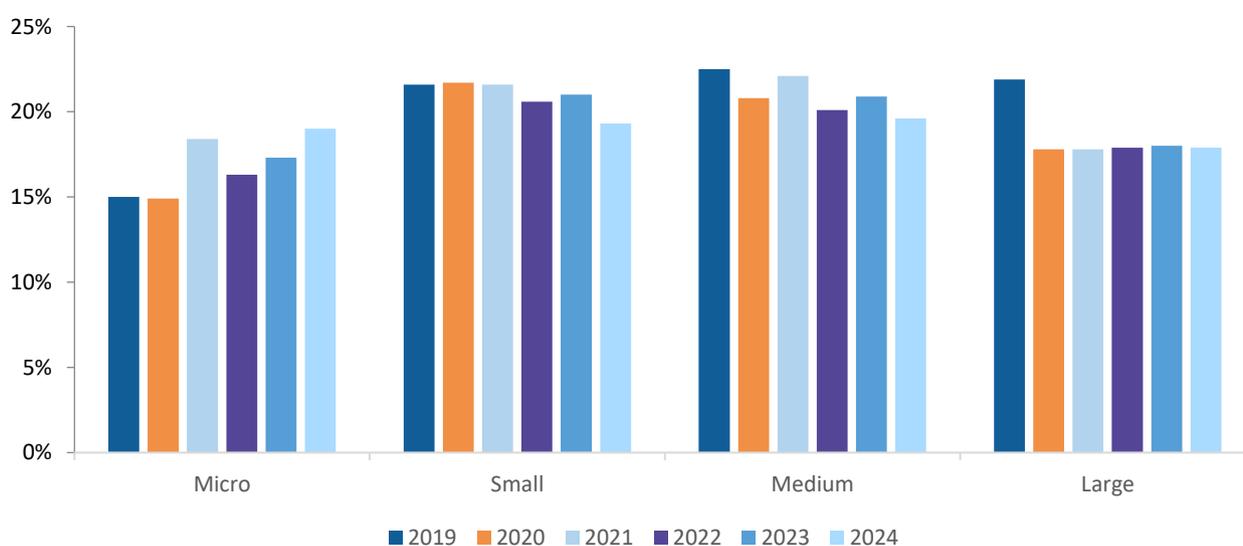
Source: EU Payment Observatory elaboration on Intrum European Payment Report.

Bulgarian companies rank amongst the poorest performers across the EU in terms of on-time payments in B2B transactions (see figure below). Regardless of the companies' size, the share of payments made on time over the last 6 years stayed below one fifth of the totality of payments made.

In addition, consistent with previous years, and in opposition to the pattern seen in most EU Member States, micro companies in Bulgaria keep showing the lowest proportion of on-time payments in comparison to the rest of the business size categories. Among the major drivers for this is the weak adoption of advanced technology which remains limited for SMEs<sup>26</sup>.

Compared to 2023, small and medium companies have experienced a slightly decrease in the share of on-time payments, of two and one percentage points respectively. Moreover, while large companies remained stable with 18 % of on-time payments, micro companies show a slightly improvement of two percentage points increase in the share of on-time payments compared to the previous year.

**Figure 40: Percentage of payments by due date across company sizes, 2019-2024, B2B**



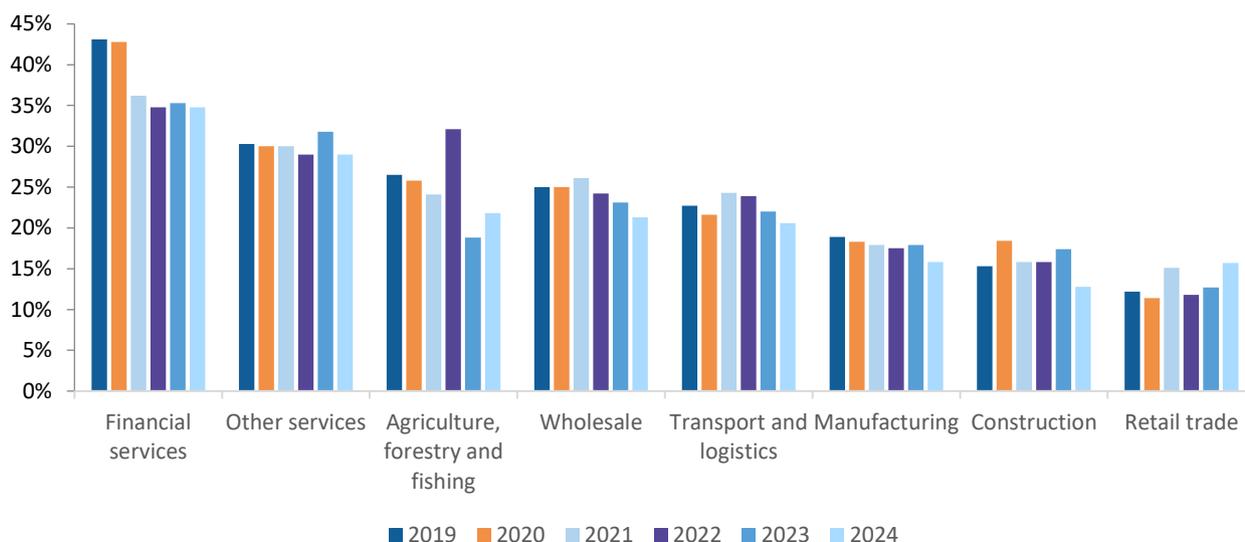
Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

<sup>26</sup> European Commission (2025), 'Bulgaria 2025 Digital Decade Country Report', <https://digital-strategy.ec.europa.eu/en/node/13711/printable/pdf>.

Payment behaviour deteriorated in most sectors compared to the previous year (see figure below). Two sectors deviate from this general trend: 'Agriculture, forestry and fishing' and 'Retail trade'. In both cases, the share of on-time payments increased by three percentage points in comparison with 2023 (22% and 16% respectively). In the case of 'Agriculture, forestry and fishing', the improvement in payment performance could be attributed to a more cautious credit management with special emphasis on maintaining customer relationships, as well as in mitigating potential risks<sup>27</sup>.

Among all sectors, 'Construction' exhibits the poorest payment performance showing a decrease of four percentage points compared to 2023 (13%), followed by other services (29%). Similar to previous years, 'Financial services' ranks first among all Bulgarian sectors in terms of on-time payments (35%).

**Figure 41: Percentage of on-time payments by sector, 2019-2024, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

<sup>27</sup> Atradius (2025), B2B Payment Practices trends Bulgaria, <https://atradiuscollections.com/dam/jcr:c3e65fd5-9ea0-4e15-8ab4-abb73aad6e08/payment-practices-barometer-central-and-eastern-europe-2025-bulgaria-en.pdf>.



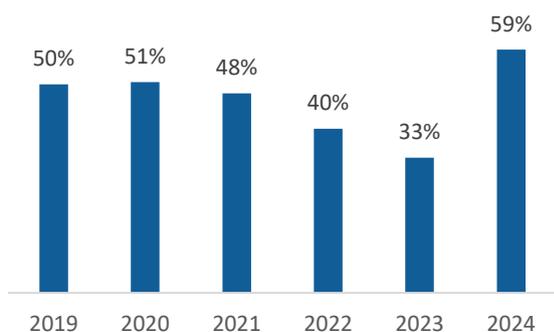
# CROATIA

In 2024, 59 % of Croatian companies indicated they experienced problems due to late payments. This represents a significant increase in comparison to last year, when 33 % of companies indicated issues caused by late payment. This is the most important hike reported in the entire EU, causing Croatia to shift from being one of the best performers to one of the worst. In fact, Croatia was diverging from European trends with a decreasing share of companies reporting issues caused by late payments. In 2023, it was 14 percentage points below the EU average. In 2024, it has instead surpassed the EU average by 7 percentage points.

Suppliers have indicated an increase in average payment periods for both G2B and B2B transactions in 2024. For G2B transactions the number of days lengthened by 1 day, to reach 65, which is the second lowest in the EU. For B2B transactions the payment period increased by 2 days, to reach 64. Worryingly, that is the longest payment period in the EU. In fact, in Croatia the difference in average payment periods between B2B and G2B transactions is the smallest in the EU, at 1 day. Despite that, Croatian firms report that the government consistently takes longer than businesses to settle invoices.

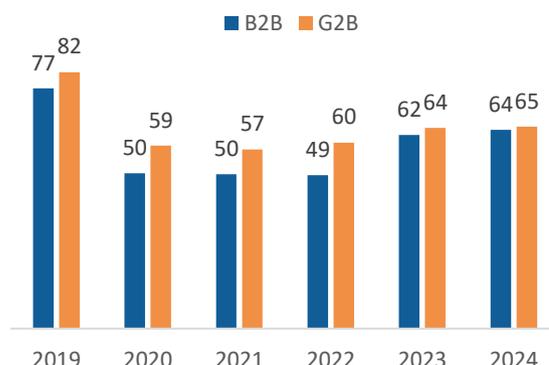
Average payment terms in B2B transactions in Croatia are also the longest in the EU (at 46 days). This is not surprising given the strong correlation between long payment periods and terms. Concerningly, these high numbers seem to be driven by imbalances in business relationships, with suppliers agreeing to payment terms that do not suit them in order not to damage the relationship with their clients. In fact, half of Croatian companies indicated that they are offering their customers overly generous payment terms, and an increasing percentage of them report that they are adapting payment terms to accommodate their clients.

**Figure 42: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



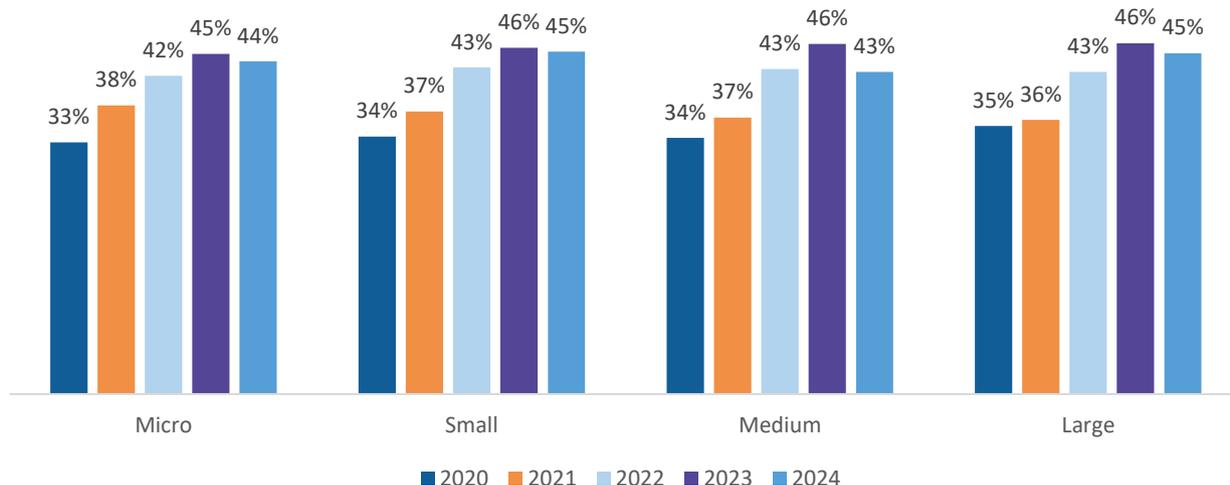
Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 43: Average payment period in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

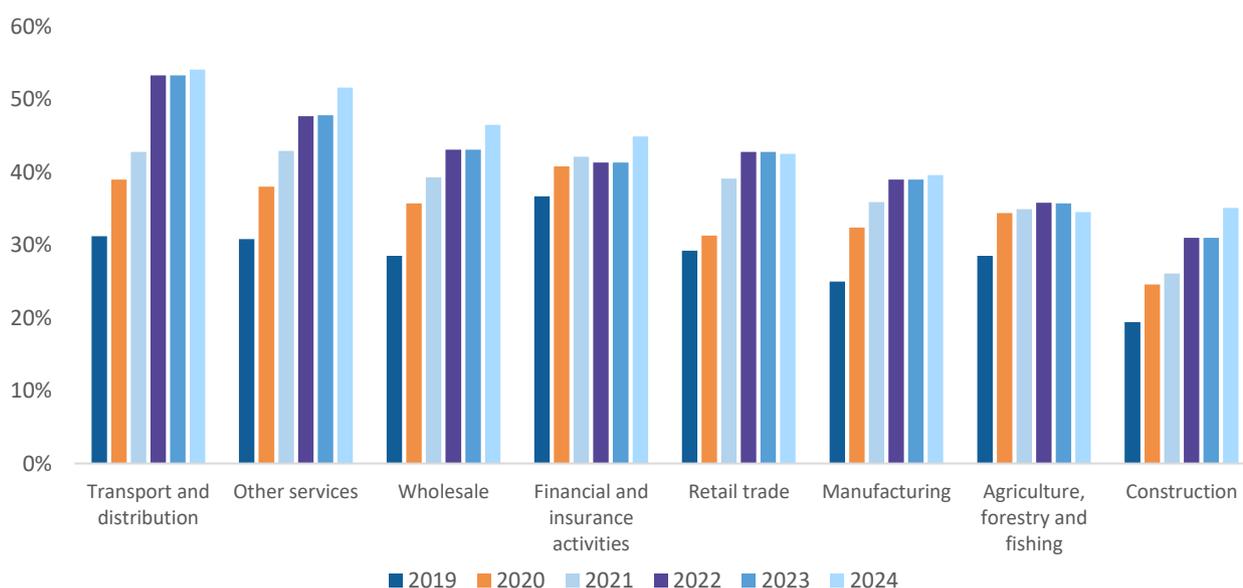
Examining transaction data on the proportion of on-time payments, Croatia showcases very similar shares across company sizes. In fact, it is the country with the second most similar percentages of on-time payments between company size in of the EU, implying that company size is a variable with little to no effect on payment behaviour. There is a noticeable deterioration of payments made by due date across all company sizes, with the biggest drop visible among medium-sized companies, down from 46 % to 43 % of on-time payments. This makes medium-sized companies the worst performers, followed by micro companies with 44 % of payments made by due date, and then small and large with 45 % of invoices paid on time.

**Figure 44: Percentage of payments by due date across company sizes, 2020–2024, B2B**

Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

Breaking down payment performance across company sectors offers interesting insights. In 2024, 'Transport & distribution' was the best performing sector with 54 % of invoices settled on time. In fact, it has been the best performing sector for the last 3 years. The worst performing sector is the 'Construction' sector, with 35 % of its payments made on-time. Nevertheless, the sector experienced the biggest relative improvement of all sectors, increasing on-time payments by 13 %.

Another interesting observation is when comparing the results per sector with the breakdown per company size. The comparison between company size indicated a negative evolution for all categories, while the changes reported per sector only report negative developments in 'Agriculture, forestry and fishing'. This may be the result of sample limitations or of the lack of coverage of certain sectors.

**Figure 45: Percentage of payment by due date per sector, 2019–2024, B2B**

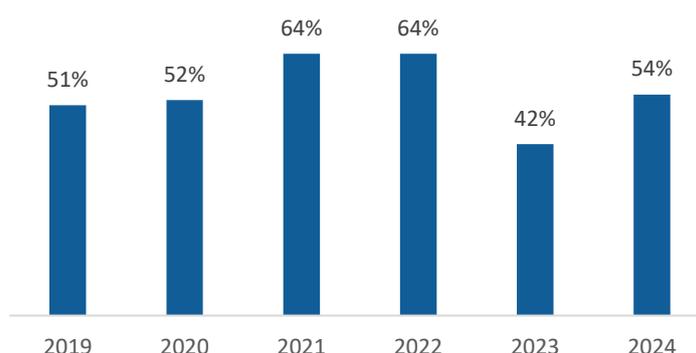
Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

## CYPRUS

The data on payment performance in Cyprus is very limited. Only two sources cover Cyprus, the multi-country ECB/EC SAFE survey which allows for comparisons with other Member States, and the data provided by its Ministry of Industry and Technology on G2B payment performance. The ECB/EC SAFE survey however only has a small sample of 95 companies for Cyprus. As a result, it has a limited representativeness, which explains the high volatility of its results for the country. There are no data on payment performance by size or sector, on B2B payment periods and on drivers and attitudes towards late payments in Cyprus.

Some 54 % of Cypriot companies faced issues as a consequence of late payments in 2024, according to the ECB/EC SAFE survey. This is slightly above the EU average. It represents a 12 percentage points increase in comparison to 2023, the second biggest rise observed in all Member States. However, this big oscillation, as well as the ones observed in other years are probably the result of the data limitations described above.

**Figure 46: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

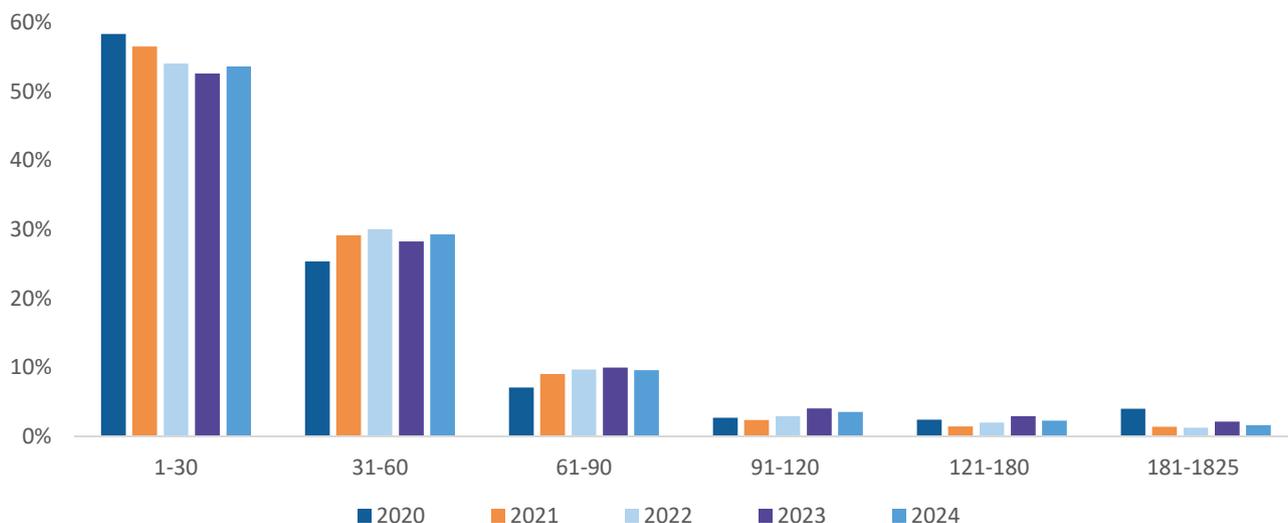
In 2024, the payment performance of public administrations in Cyprus seems to have slightly improved with 54 % of its invoices settled in the first 30 days after being issued, which is one percentage point more than in 2023. As the Late Payments Directive sets maximum payment terms of 30 days, this means that the percentage of on-time payments has increased. This is particularly good news as the share of invoices paid in the first 30 days had been decreasing since 2020.

The proportion of invoices paid between day 31 and 60 also increased by one percentage point from 28 % in 2023 to 29 % in 2024. As the Directive allows extending G2B payment terms to healthcare providers and public corporations, some of those payments may also be on-time.

Meanwhile, the share of invoices settled between days 61 and 90 (10 %) 91 and 120 (4 %) and 181 and 1825 (2 %) remained stable. There was only a decline, of one percentage point of the payments made between day 121 and 180 (2 %). All these transactions, which constitute 17 % of all G2B ones were settled after the due date.

Moreover, average payment periods by public administrations in Cyprus decreased in 2024 to 42 days. In 2023, they stood at 45.1 days. They are however still far from the 38.7 days of 2021.

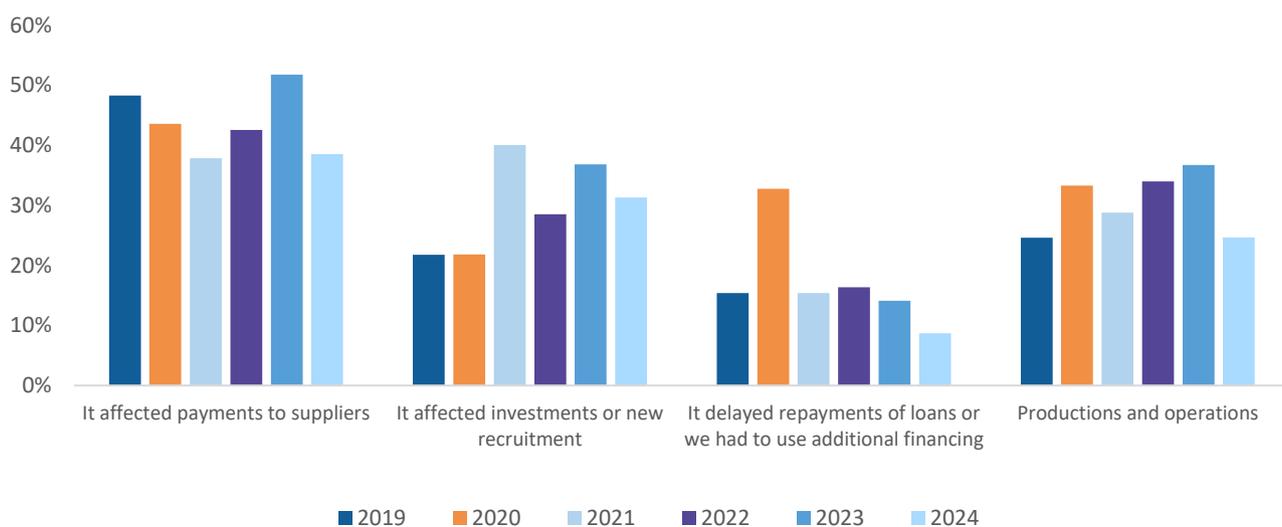
**Figure 47: Percentage of invoices paid between time periods in G2B transactions, 2020-2024**



Source: EU Payment Observatory elaboration on data provided by the Ministry of Industry and Technology of Cyprus.

There has been a big reduction in the percentage of Cypriot companies impacted by the consequences of late payments measured by the SAFE survey. Some 39 % report that payment delays affected their own payments, down from 52 % in 2023; 31 % indicate that they impacted their investments or new recruitment vs 37 % in 2023; 25 % consider that they had an effect on their production and operations, something that was claimed by 37 % of companies in 2023. Finally, only 9 % of enterprises, the second lowest across all EU countries, cite an effect on the repayments of their loans or that delays led to them requiring additional financing vs 14 % in 2023.

**Figure 48: Percentage of enterprises indicating the consequences of late payments, 2019-2024, B2B and G2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.



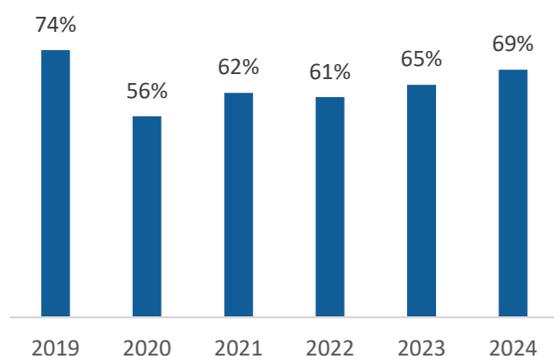
## CZECHIA

In recent years, Czechia has consistently ranked among the EU Member States with the largest share of companies reporting difficulties due to late payments. The problem appears to have intensified during last year, reaching 69 % of Czech companies in 2024, which is considerably higher than the reported EU average for the same year (52 %). This represents a deterioration of 4 percentage points in relation to the 2023 value and 13 percentage points more than the lowest value recorded during the period 2019-2024 (56 % in 2020). In this context, almost one fourth of the companies participating in the ECB/EC survey reported late payments to have affected payments to suppliers in 2024 (23 %). Furthermore, an additional share of firms also mentioned late payments had impacted investments or new recruitment (15 %), as well as production or operations (14 %).

Consistent with this pattern, the average payment period in B2B and G2B transactions in 2024 points to a further decline in payment performance (see figure below). In particular, the average payment period for public authorities in 2024 (73.8) recorded the highest value across the EU, 4 days above the EU average (69.8). Compared to 2023, the average payment period in G2B transactions increased by 7 days.

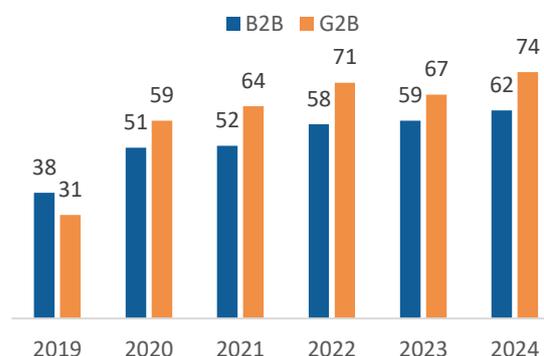
On the other hand, the average payment period for businesses registered in 2024 was 62.3 days, also one of the largest within the EU after Croatia. Compared to previous years, payment periods in B2B transactions have deteriorated by 5.1 % with regard to the situation in 2023, and almost 25 % if compared it with 2020 value. Delays in payments made by Czech businesses are most often attributed to disputes on invoices and supply chain disruptions<sup>28</sup>. Furthermore, Czech companies reported high levels of uncertainty with many of them expecting more B2B clients to default on payments of invoices in the upcoming months<sup>29</sup>.

**Figure 49: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 50: Average payment period in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

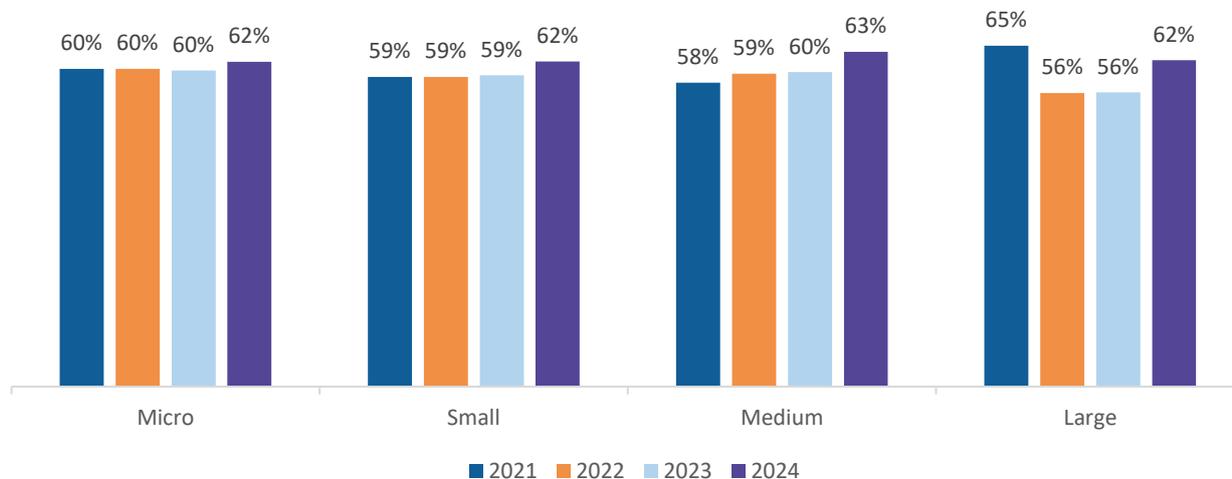
In contrast to the trend observed in most EU countries, the payment performance of Czech companies exhibits minor variations across different company sizes. Medium-sized businesses settle, on average, 63 % of their invoices on-time, while micro, small and large companies settle 62 % of their commercial payments.

<sup>28</sup> Atradius (2025), 'B2B Payment Practices trends Czechia', <https://atradiuscollections.com/dam/jcr:0bdf70af-c2a3-4d53-b475-01a4a5839f34/payment-practices-barometer-central-and-eastern-europe-2025-the-czech-republic-en.pdf>.

<sup>29</sup> Idem.

The percentage of on-time payments experienced a positive development across companies of all sizes in 2024 (see figure below). The most notable improvement can be observed among large companies, recording a six-percentage point increase compared to 2022 and 2023. However, the share of payments by due date for this group of companies remains below 2021 levels. For micro, small and medium enterprises, the 2024 value represents the highest level in the last 4 years, with increases of two and three percentage points compared to 2023, respectively.

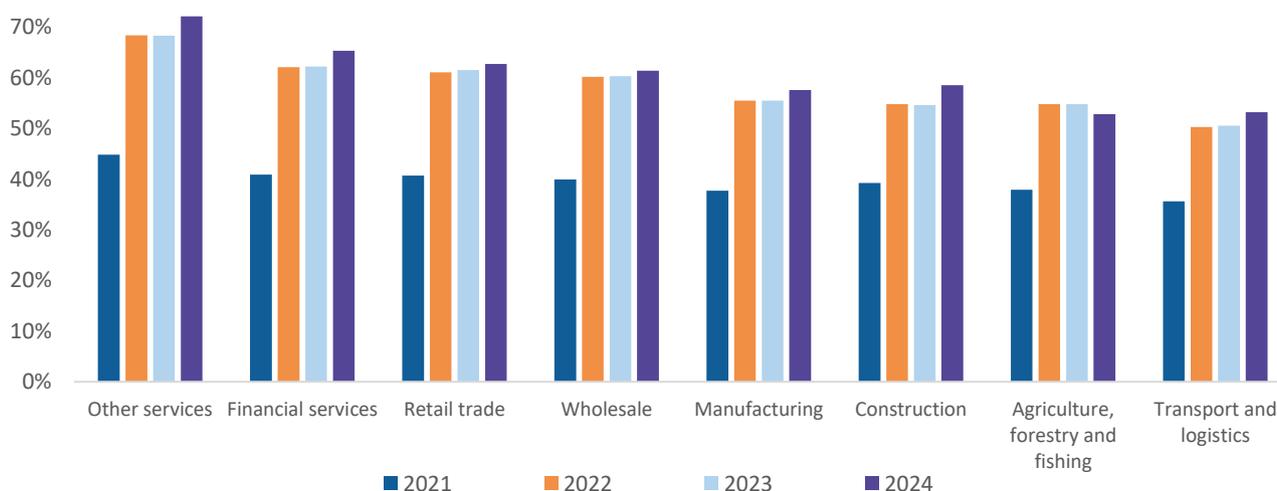
**Figure 51: Percentage of payments by due date across company sizes, 2021-2024, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

At sectoral level, payment performance in Czechia improved across all sectors during 2024, reaching their highest levels since 2021, with the exception of 'Agriculture, forestry and fishing', where the share of on-time payments declined by two percentage points compared to 2023. While 'Other services' continues leading the rank with the highest proportion of payments made on time in 2024 (72 %), 'Transports and logistics' maintains its position as the weakest performer across sectors in Czechia (53 %). Moreover, the most substantial increase was observed in 'Construction', which has experienced a four percentage points increase compared to 2023 (59 %).

**Figure 52: Percentage of on-time payments by sector, 2021-2024, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

## DENMARK

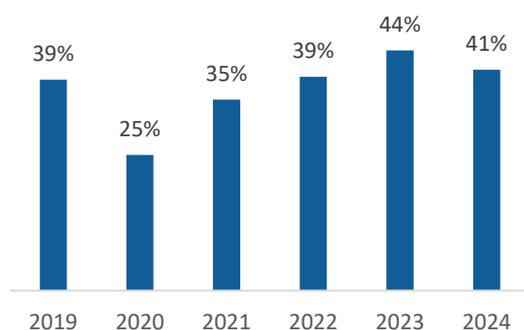
Denmark is, yet again, one of the best performing Member States in several different indicators on payment practices. Although 41 % of Danish companies report facing issues due to late payments, Denmark is one of only five Member States in which that percentage reduced in 2024 (compared to 44 % in 2023). It also ranks as the third-lowest country in the EU in terms of the share of companies affected by late payments.

The trends on average payment periods in Denmark are very similar to the European ones, with an increase in G2B and a decrease in B2B. According to suppliers, Danish public authorities settled their invoices, on average, in 70 days in 2024, two more than in 2023. This is slightly above the European average.

At local level, a recent study found that approximately 10 % of all invoices paid by municipalities in Denmark to SMEs are settled after 30 days. However, the percentage is above 30 % in some municipalities such as Odsherred, Glostrup, Ballerup and Gribskov<sup>30</sup>.

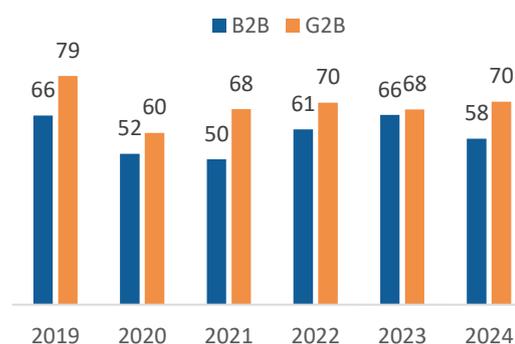
Meanwhile, businesses in Denmark are the ones paying earliest in the EU in 2024, according to suppliers, with 57.6 days. This is 8 days less than in 2023, marking the biggest reduction observed in the EU. As a result of these dynamics, the gap between average payment periods in G2B vs B2B increased by almost 20 %.

**Figure 53: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 54: Average payment period in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

As in previous years, Danish companies are the ones with the highest percentages of on-time payments in the EU, of more than 90 % for every business size and sector. It has often been claimed that the reason why late payments were less frequent in the country was because of long payment terms. In 2024, however, Denmark experienced the largest reduction in the EU in B2B payment terms, with an average decrease of more than 5 days. It fell from 47.7 days to 42.5, putting it below the EU average. Meanwhile, G2B payment terms increased slightly by over a day, reaching 55.9 days, which is also below EU average. Nonetheless, 48 % of Danish companies still indicate that the payment terms that they offer to their clients are too generous and detrimental to their business, the highest percentage in the EU with France, according to the Intrum European Payment Report. This is despite the fact that they are the least likely in

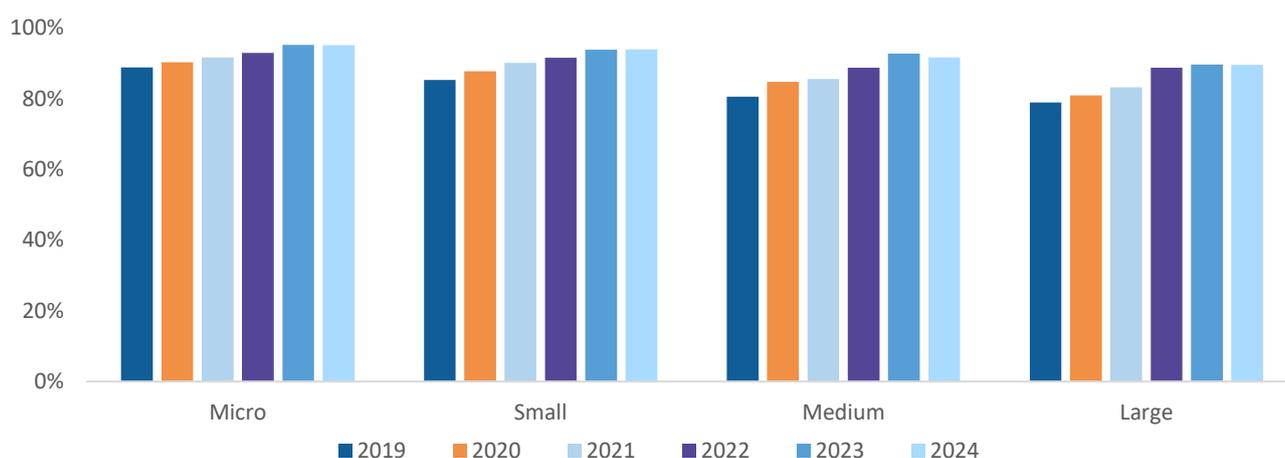
<sup>30</sup> Dinero (2025) Kommuner betaler ikke regningerne til tiden – trods lovkrav, <https://dinero.dk/om-os/presse/kommuner-betaler-ikke-regningerne-til-tiden-trods-lovkrav/>.

Europe to accept payment terms unconditionally, with only 6 % of Danish companies doing so in 2024.

Looking into the data by size of on-time payments, the situation seems to have remained very stable. The share of invoices settled by the due date remained the same for micro, small and large enterprises, with only a small reduction of one percentage point for medium-sized companies.

Like in most of the EU, in Denmark, the biggest the company the higher the likelihood it pays late. Micro companies were, once again, the ones with the highest percentage of on-time payments, followed by small businesses with 94 %, medium-sized companies with 92 %, and large companies with 90 %.

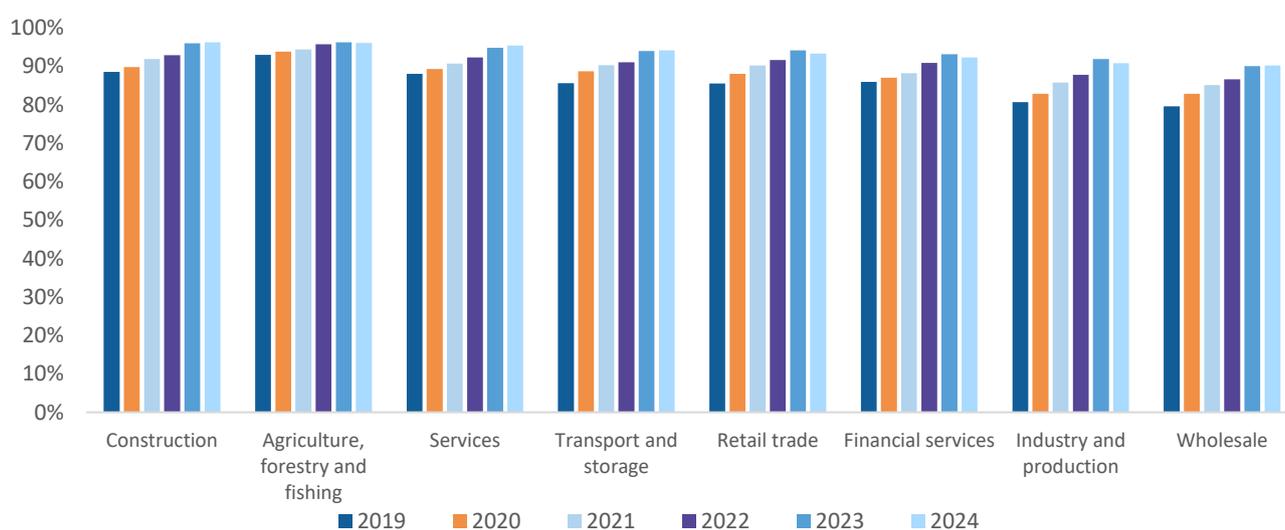
**Figure 55: Percentage of payments by due date across company sizes, 2019-2023, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

Per sector, the share of payments by the due date remained very similar in 2024 to the one of 2023. There was only a small reduction of one percentage point in the on-time payments of 'Retail Trade', 'Financial Services' and 'Industry and Production'. 'Construction' and 'Agriculture forestry and fishing' were once again the ones with a highest share of invoices settled by the due date, 96 %. 'Wholesale' remained as the sector with fewer on-time payments, 90 %.

**Figure 56: Percentage of payments by due date per sector, 2019-2024, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

Considering the strong performance of Danish companies in late payment indicators, it is not surprising that very few of them report that late payments have impacted their operations 10 %) or their investments and new hiring 12 %). However, it is concerning that the percentage of Danish companies reporting that late payments have delayed loan repayments or forced them to seek additional financing doubled from 10 % to 20 % in 2024.

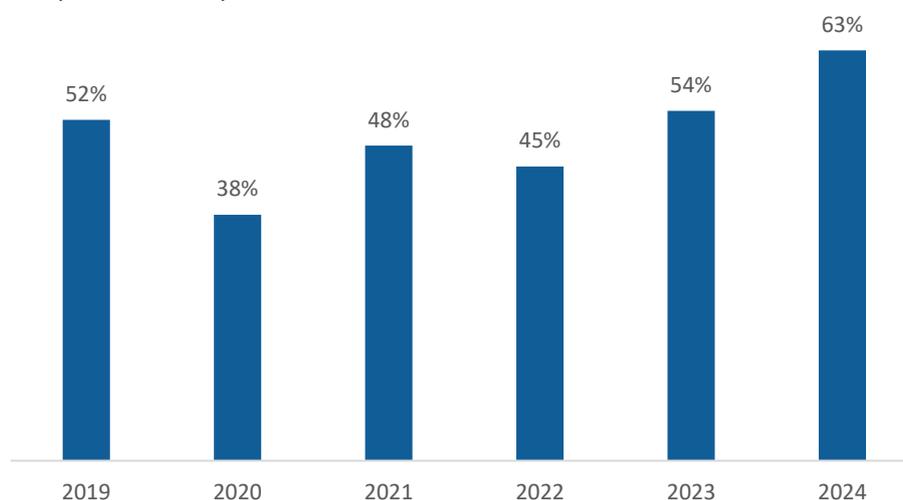
Data on late payments in Estonia remain limited, with a significant reduction in coverage in 2023 and similarly scarce information for 2024. The only available source is the SAFE survey. For 2024, no data on average payment periods are available, nor is it possible to disaggregate by sector or company size. Likewise, there is no information on the drivers, and little data on impacts of late payments.

Moreover, the SAFE survey for Estonia covers only 95 companies – 5 fewer than in 2023 – limiting both the representativeness and reliability of the data. Consequently, the scope of the following analysis is necessarily limited.

In 2024, 63 % of Estonian companies reported experiencing issues due to late payments, up nine percentage points from 2023 and well above the European average of 52 %. The gap with the EU average has widened since 2023, placing Estonia seventh in the ranking in 2024.

This indicator has been rising since 2022, marking three consecutive years of increase in late payment issues for the first time since 2019. While the small sample size may explain some of the fluctuations seen in the graph below, the overall trend suggests that the share of companies affected by late payment in Estonia has been increasing over the past 6 years, with 2024 marking the highest level.

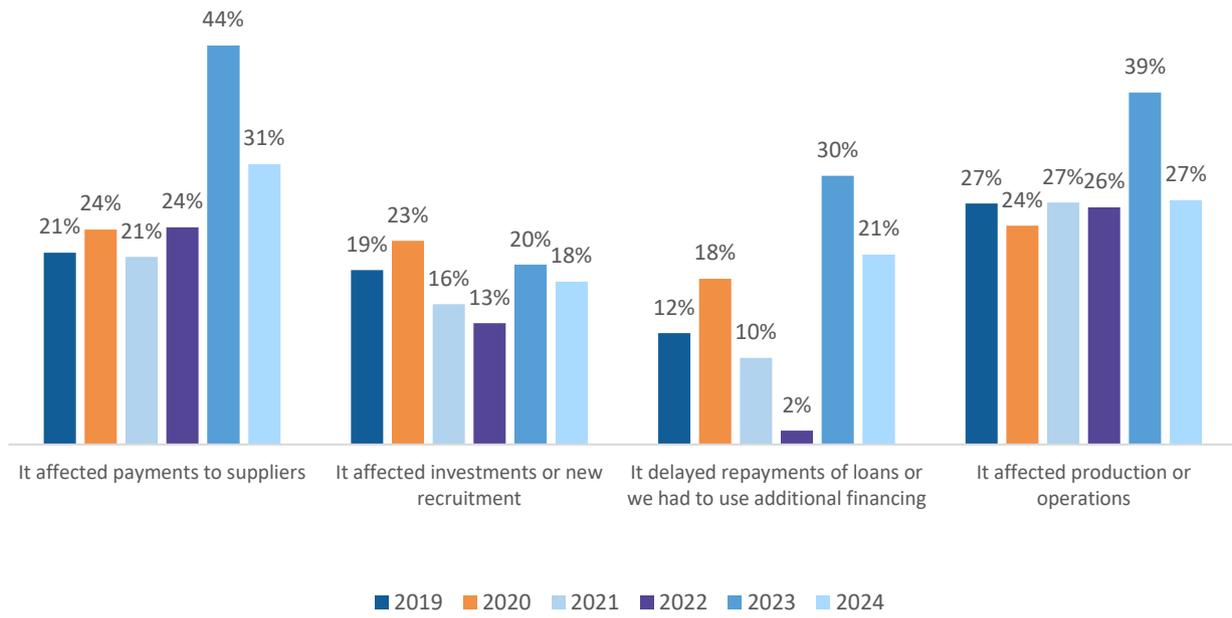
**Figure 57: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019–2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

Across the four indicators available on drivers, Estonia shows a clear improvement in 2024 compared to 2023, as illustrated in the figure below. Significant perceived improvements are seen in payments to suppliers (from 44 % in 2023 to 31 % in 2024), production or operations (from 39 % to 27 %), and repayments of loans or need for additional financing (from 30 % to 21 %). Effects on investments and recruitment improved only slightly by two percentage points. Overall, this suggests that, although late payments remain an issue, their direct operational and financial impacts on Estonian companies eased in 2024.

**Figure 58: Percentage of enterprises indicating that late payments had negative consequences on the reported dimensions, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

## FINLAND

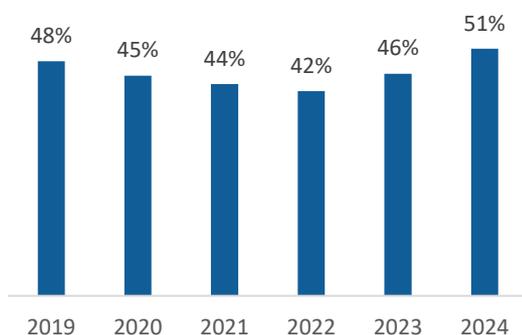
In 2024, 51 % of companies in Finland indicated facing issues caused by late payments. When comparing the Finnish situation with the general situation in the EU, the share of enterprises reporting issues as a consequence of late payments is just below the average of 52 %. The trends in Finland for this indicator closely follow those observed across the EU. In fact, between 2023 and 2024, it increased by 5 percentage points, the same as the EU average. In 2024, Finland faced the highest rate of negative effects caused by late payments of the last 6 years, surpassing that of pre-pandemic levels at 48 %.

It takes the Finnish government 7 days more to pay their suppliers than what it takes businesses. The average payment period of public authorities has remained stable since 2022, standing at 68 days in 2024. This places G2B payments in Finland below the EU average of 70 days.

On the other hand, the average payment period in Finland for B2B transactions has decreased by 5 days in 2024, down from 66 to 61 days. Despite the improvement, it is still above the EU average. This follows a period of increases in business payment times between 2021 and 2023.

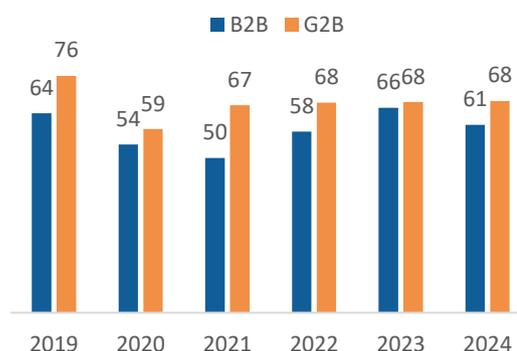
Companies in Finland have been reporting liquidity problems, due to increasing inventory levels caused by an economic slowdown. This has pushed many of them to use trade credit offerings, invoice financing and bank loans to preserve their cash levels<sup>31</sup>.

**Figure 59: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 60: Average payment period in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

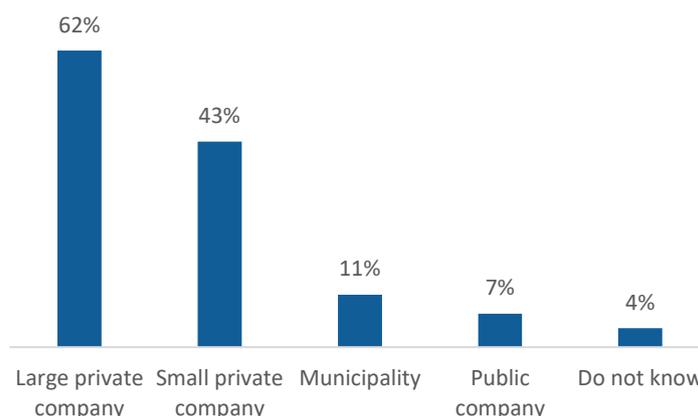
The long payment times registered in Finland could further be explained by the number of companies that are requesting to extend payment terms. In fact, in a 2025 survey, 30 % of companies indicated that their contractual partners had requested an extension of payment terms in the last 2 years.

The data were further broken down by category of company. Some 62 % of the respondents reported that the request came from a large company. Small private companies were the second largest group of companies, 43 %, requesting extensions to the payment terms, Municipalities and publicly owned companies were the most uncommon groups requesting extension terms, with 11 % and 7 % respectively.

<sup>31</sup> Atradius (2024), 'B2B payment practices trends Nordics 2025', <https://atradiusdutchstatebusiness.nl/dam/jcr:428c4706-261a-47a4-b626-39864deb3053/payment-practices-barometer-western-europe-2025-nordics-en.pdf>.

These results complement data from Intrum that indicate that 58 % of Finnish companies report having accepted longer payment terms than they are comfortable with, as they did not want to damage the relationships with their clients. The data also indicate that this type of often unfair pressure is more commonly exerted by larger companies that use their size and market power as leverage.

**Figure 61: Company category requesting an extension of payment terms in the last 2 years**



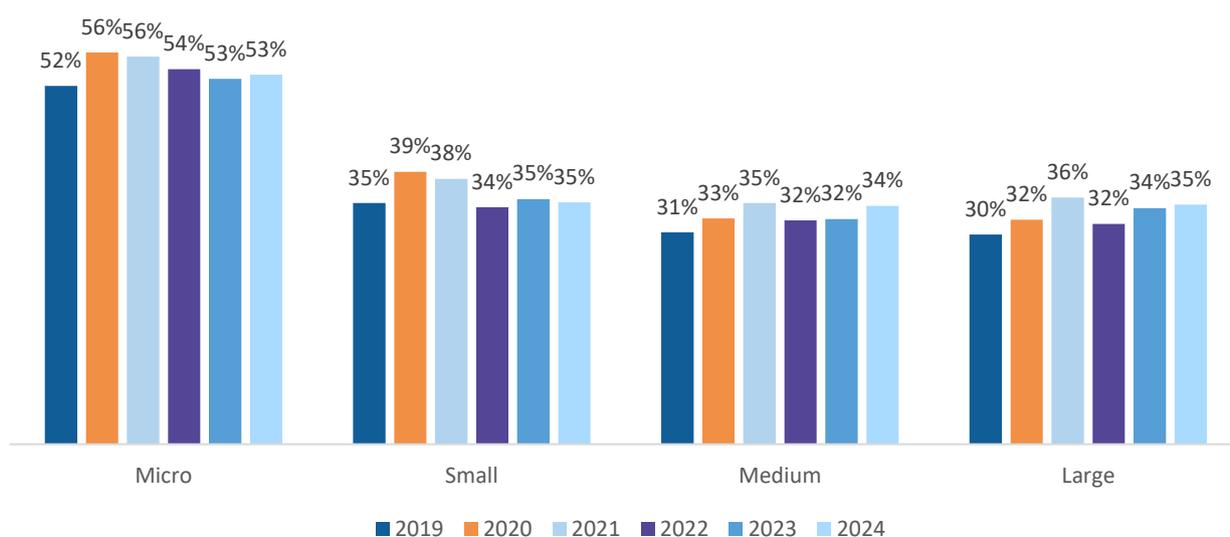
Source: EU Payment Observatory elaboration on Yrittäjägallup study.

Looking at payment habits per company size, firms in Finland follow similar payment trends as those observed in the EU as a whole with smaller firms having a higher share of on-time payments than large ones.

Micro companies are the best performers with 53 % of payments made by due date. They are followed by small and large firms, which make 35 % of their payments on time. Lastly, medium-sized companies settle 34 % of their invoices by the due date.

The share of on-time payments remained stable in comparison to 2023 for micro and small enterprises. In turn, it increased by two percentage points for medium-sized companies and by one percentage point for large ones.

**Figure 62: Percentage of payments by due date across company sizes, 2019-2024, B2B**



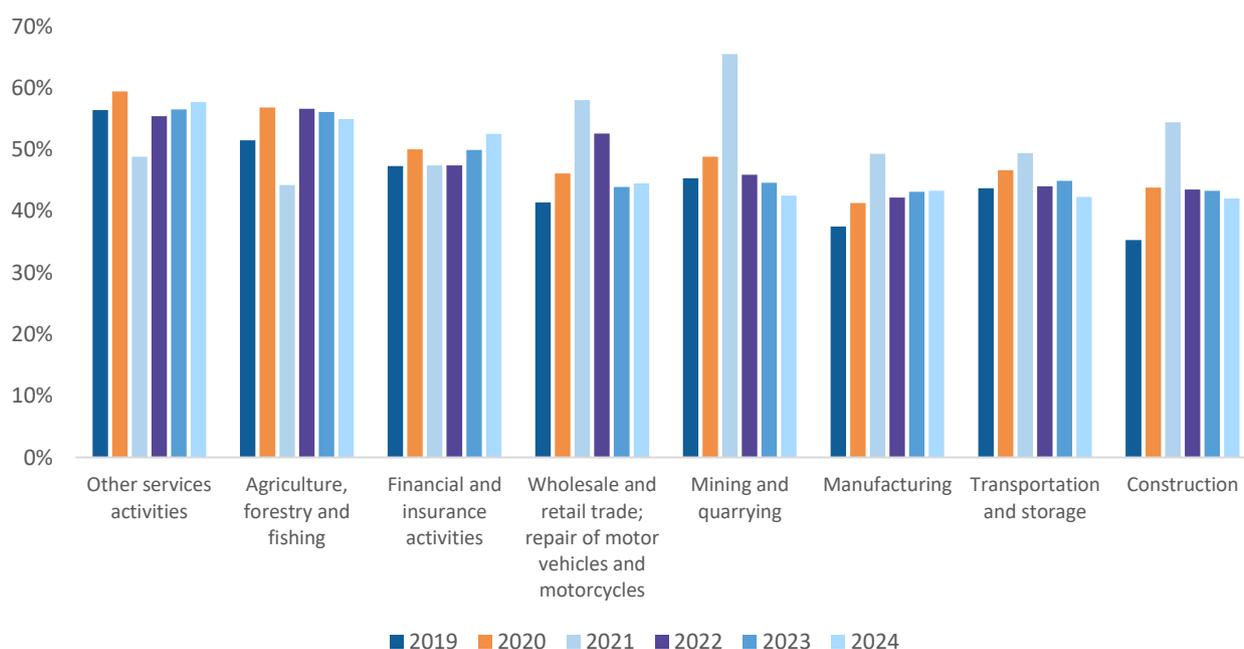
Source: EU Payment Observatory elaboration on Cribis/D&B Payment study.

Sectoral data in Finland have different time coverage. For eight sectors, it goes from 2019-2024. For another 10, there are only data for 2023-2024. The best performing sector in terms of share of payments made on-time in 2024 was 'Real State activities', with 60 %. The worst with just 42 % of their invoices settled by the due date were 'Construction' and 'Accommodation and food services activities'. A total of 10 sectors were more punctual in 2024 than in 2023. There was a deterioration in five and three remained stable. The next paragraphs analyse in more detail the sectoral results depending on their time coverage.

Comparing the payment behaviour across the eight sectors in Finland that have data for the period 2019-2024, three have more than half of their payments made on time in 2024. 'Other services' had the largest share of payment made by due date, at 58 %, which is also a slight improvement compared to 2023. 'Agriculture, forestry and fishing' had 55 % of on-time payments, a slight deterioration compared to previous years. The third sector was 'Financial and insurance activities', at 53 %. The two worst performing sectors in the country are 'Transport and storage' and 'Construction', both with 42 % of payments completed by the due date.

Observing general developments, there has been an increase in the number of on-time payments in three sectors in the last year, 'Other services activities', 'Financial and insurance activities', as well as in 'Wholesale and Retail trade; repair of motor vehicles and motorcycles'. At the same time, 'Manufacturing' experienced no change compared to 2023. The four remaining sectors observed decreases in payments made by due date, with the 'Transport and storage' sector facing the biggest drop of 3 percentage points.

**Figure 63: Percentage of payments by due date per sector, 2019-2024, B2B**

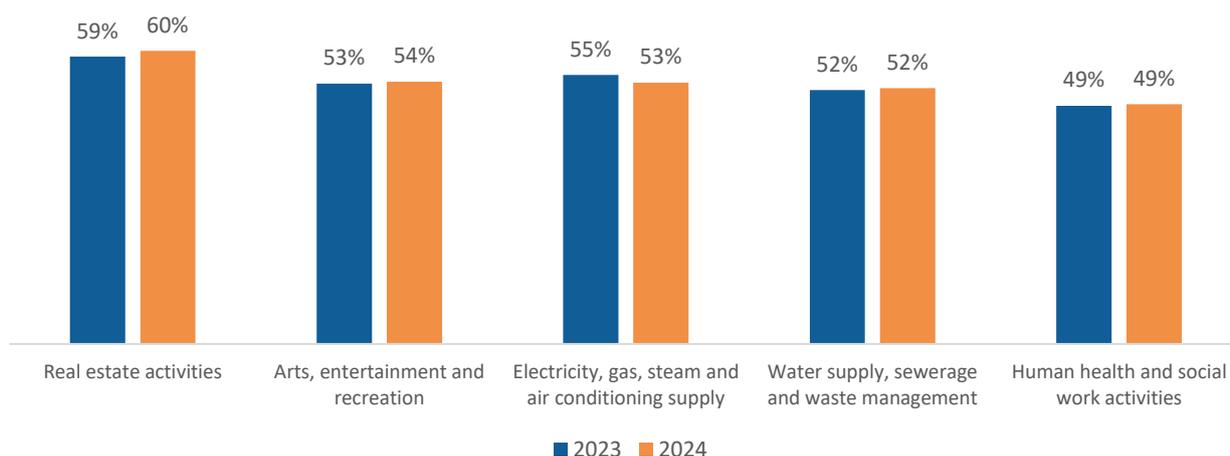


Source: EU Payment Observatory elaboration on Cribis/D&B Payment study.

Additional data are available in 10 other sectors, covering the period 2023 and 2024. Out of these, only four settle more than half their payments by the due date: 'Real state activities' (60 %), 'Arts, entertainment and recreation' (54 %), 'Electricity, gas, steam and air conditioning supply' (53 %), and 'Water supply, sewerage and waste management' (52 %). They were also the only sectors with more than half of payments completed by due date in 2023. The 'Accommodation and food services activities' sector is the worst performer with 42 % of payment completed on time.

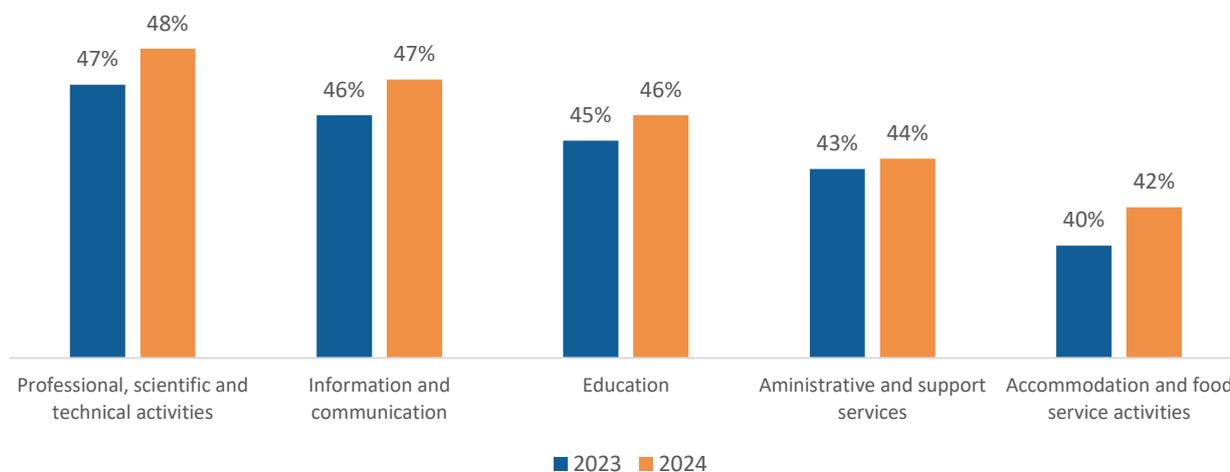
Of the sectors shown in the figures below 7 out of the 10 sectors displayed below experienced an improvement of one or two percentage points. Only 'Electricity, gas steam and air conditioning supply' experienced a deterioration of two percentage points. Meanwhile for 'Water supply, sewerage and waste management' and 'Human health and social work activities' the rates remained stable.

**Figure 64: Percentage of payments by due date per sector, 2023-2024, B2B**



Source: EU Payment Observatory elaboration on Cribis/D&B Payment study.

**Figure 65: Percentage of payments by due date per sector, 2023-2024, B2B**



Source: EU Payment Observatory elaboration on Cribis/D&B Payment study.

The payment behaviour of companies in Finland is following a stable development, as payment times and on-time payment rates only moved slightly between the years. While this could be an indicator for a stable business environment and predictability in payment behaviours, the general situation in Finland is worse than the EU average. Finnish companies are reporting an expected increase in B2B insolvencies in the coming year, caused by expected high inventory levels. Further factors that influence payment behaviours in Finland are increasing production costs, stricter regulations and AI developments. As companies may prioritise liquidity, payment delays could be negatively impacted in the coming years<sup>32</sup>.

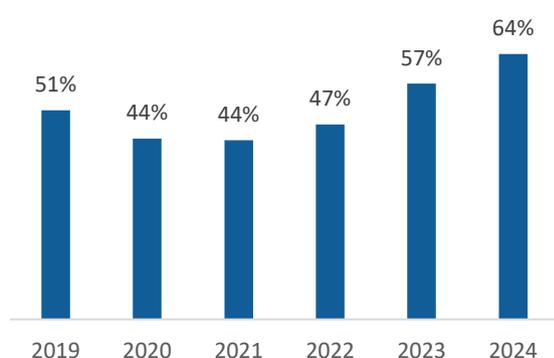
<sup>32</sup> Atradius (2024), 'B2B payment practices trends Nordics 2025', <https://atradiusdutchstatebusiness.nl/dam/jcr:428c4706-261a-47a4-b626-39864deb3053/payment-practices-barometer-western-europe-2025-nordics-en.pdf>.

## FRANCE

After having experienced a decrease in the negative issues caused by late payments on businesses for multiple years, France has seen the situation deteriorate since 2022 with increasing indications of payment delays negatively impacting businesses. In 2024, 64 % of companies reported experiencing problems caused by late payments. Most European countries have also reported a negative trend, however, the French one is comparatively more drastic, with the share of companies affected by late payment issues being 12 percentage points above the EU average.

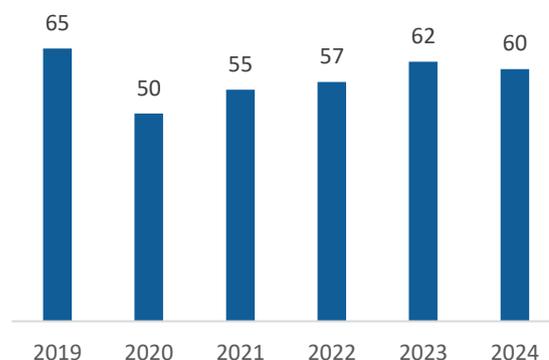
The situation seems slightly different when looking at average payment periods in B2B transactions which decreased between 2023 and 2024, to reach the 60 days. This is slightly lower than EU averages, an improvement compared to 2023 when payment times were marginally above.

**Figure 66: Percentage of enterprises indicating they have faced issues due to late payment in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 67: Average payment period in number of days, 2019-2024, B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

A very high rate of on-time payments for public procurement has been consistently reported by the French Late Payment Observatory, a trend that continues in 2024. In France public procurement slightly increased their share of payments done on time to reach an all-time high of 89 %. Public services report very good payment times across the board.

These results, however, do not align with what is reported by those supplying the public sector. When looking at the G2B payment periods, a big difference can be observed between what authorities and suppliers report. According to the French Payment Observatory, based on data from public authorities, payment times in France have remained below 20 days for the last 5 years. For the duration of the period, the longest payment time was recorded in 2019 with 19 days. Since then the number of payment days has been fluctuating between 17 and 18 days and stood at 17 in 2024. This indicates a consistent payment behaviour and compliance with the regulatory limit of paying in maximum 30 days that applies to all French public services<sup>33</sup>.

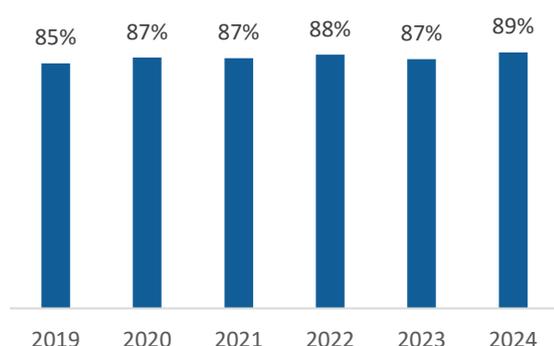
The payment periods reported by suppliers are significantly longer. Perceptions of payment delays reported in the surveys conducted by Intrum highlight payment periods that are perceived as longer than the statutory deadlines. Respondents indicated that they potentially wait as long as 73 days, representing an average increase of 10 days compared with the previous year.

A possible explanation for the discrepancy is a difference in methodology. The figures reported by suppliers are drawn from a perception-based survey using a sample that aggregates delays across all public authorities. As such, the results may vary depending on sample size and the representation of different supplier profiles. By contrast, payment periods reported by public

<sup>33</sup> Observatoire des délais de paiement (2025), 'Rapport Annuel 2024', <https://www.banque-france.fr/fr/publications-et-statistiques/publications/rapport-de-lobservatoire-des-delais-de-paiement-2024>.

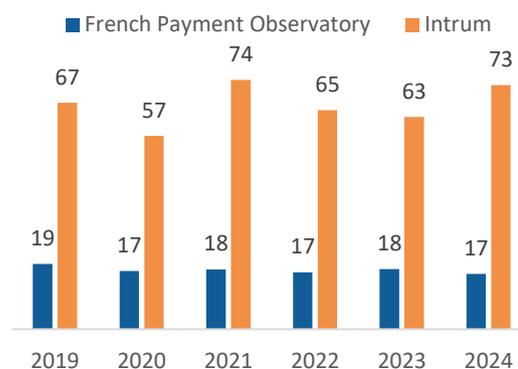
authorities are calculated from the date on which all invoices are registered in their e-invoicing systems, while the French Payment Observatory measures delays based only on invoices that meet the expected standards at the time of receipt.

**Figure 68: Percentage of payments made on time for public procurement, 2019-2024, C2B**



Source: EU Payment Observatory elaboration on French Payment Observatory Report.

**Figure 69: Average payment period in number of days, comparison between French Payment Observatory and Intrum, 2019-2024, C2B**

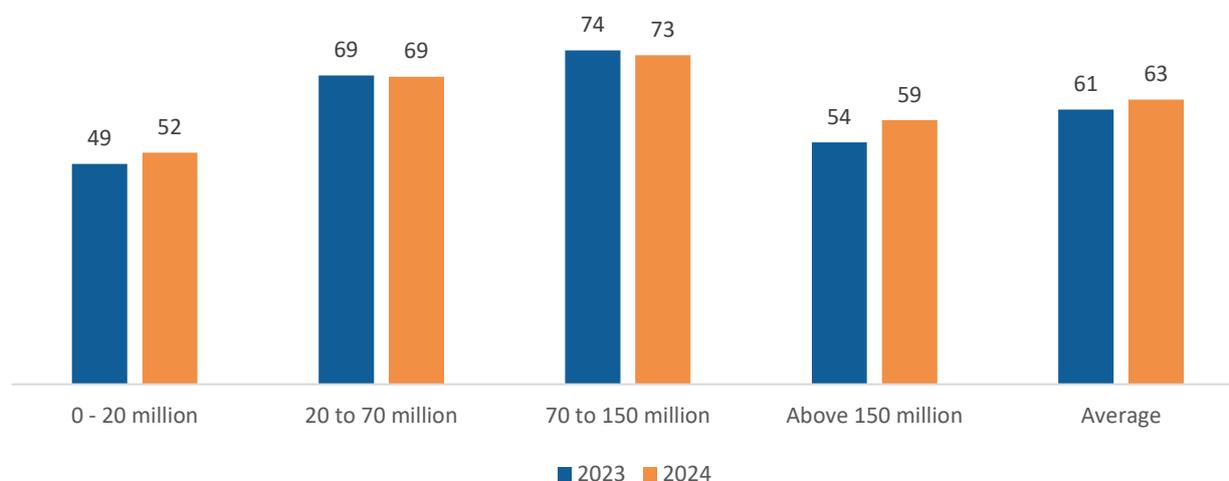


Source: EU Payment Observatory elaboration on French Payment Observatory and Intrum European Payment Report.

The hospital sector is currently facing significant challenges to making payments within the payment terms. Hospitals in France benefit from exemptions in payment term requirements, extended to 50 days for public health institutions<sup>34</sup>. The average payment times reported by public authorities for hospitals is 63.4 days in 2024, payment periods that go beyond those of the Regulation.

As a starting point, this represents a deterioration of the situation in comparison with 2023. Further, there are significant differences between hospitals in metropolitan France and for Overseas Territories. In fact, outside the mainland the average payment periods are of 121.5 days compared with 63.4 days in metropolitan France. The figure below breaks down hospitals payment behaviour in four different groups based on their annual turnover. Interestingly, hospitals with a revenue between EUR 70 million and EUR 150 million are reporting the longest payment time, at 73.3 days. The long payment delays reported in hospitals, and especially those in Overseas territories, are reportedly caused by structural and economic factors that have been negatively impacted by the increased cost of raw materials.

**Figure 70: Payment times for hospitals in metropolitan France, 2023-2024 (number of days)**



Source: EU Payment Observatory elaboration on French Payment Observatory Report.

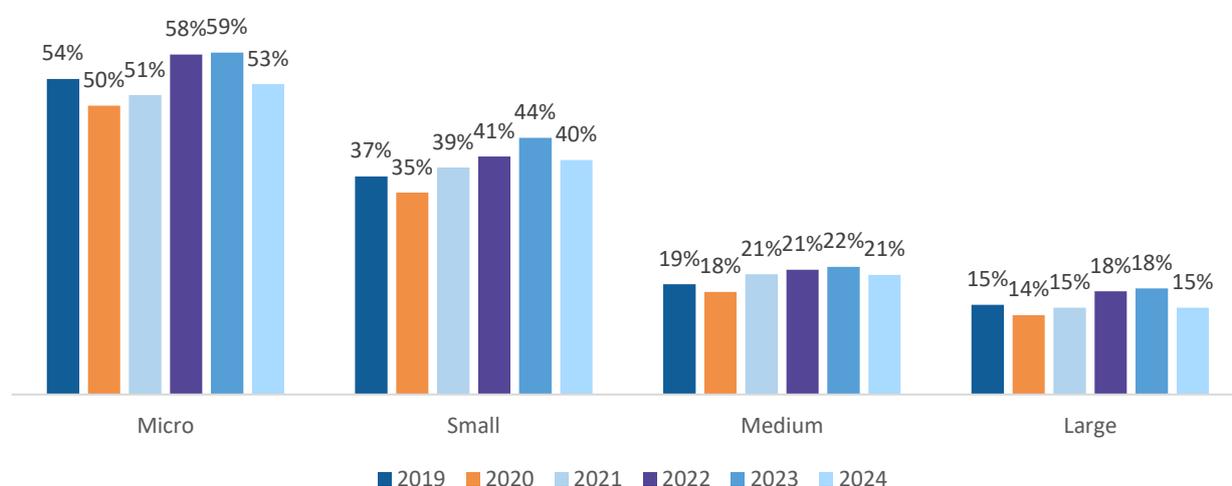
<sup>34</sup> Articles R. 2192-11 (marchés) et R. 3133-11 (concessions) du code de la commande publique.

Over the last years, French authorities have opted to introduce a range of solutions to combat late payments in the public sector. A first example is the deployment of financial management centres. Their introduction has allowed a reduction in administrative delays by removing redundant verifications. A second measure is the continued increased use of AI in controlling mechanisms. Its introduction increased the capacity to perform payment behaviour controls, allowing for more precise targeting and identification of payment requests for accountants to verify. Third, the French authorities have adopted a more modern system that simplifies the invoice payment process. Fourth, some targeted measures have been introduced to combat the specific issues of Overseas territories and reduce their public sector's longer payment periods. These measures mainly focus on setting up systems that facilitate the payment process.

When observing the payment behaviour of French companies based on their size, they follow the general EU trend where the smaller the company, the better it is at completing its payments by the due date. In the figure below it can be observed that micro companies are significantly better at paying their suppliers than any other group, with 53 % of payment made by the due date. They are followed by small companies with 40 %, and medium-sized companies with 21 %. Worst performing are large companies with 15 % of payments made on time.

All groups have experienced a reduction in the share of payment made by the due date in 2024, putting an end to the positive trends observed since 2020. The most significant decrease has been for micro companies, with a decrease from 2023 of 6 percentage points.

**Figure 71: Percentage of payments by due date across company sizes, 2019–2024, B2B**



Source: EU Payment observatory on Cribis – D&B.

Per sector, a more varied trend is showcased. In 2024, the 'Construction' had the highest share of payments made on time at 62 %. This represents a significant increase in the number of on-time payments made in comparison to 2023, but it is aligned with the payment rates observed in the industry between 2019 and 2022. Of the nine sectors available for France, 'Construction' is the only one that settles more than half its payments by the due date.

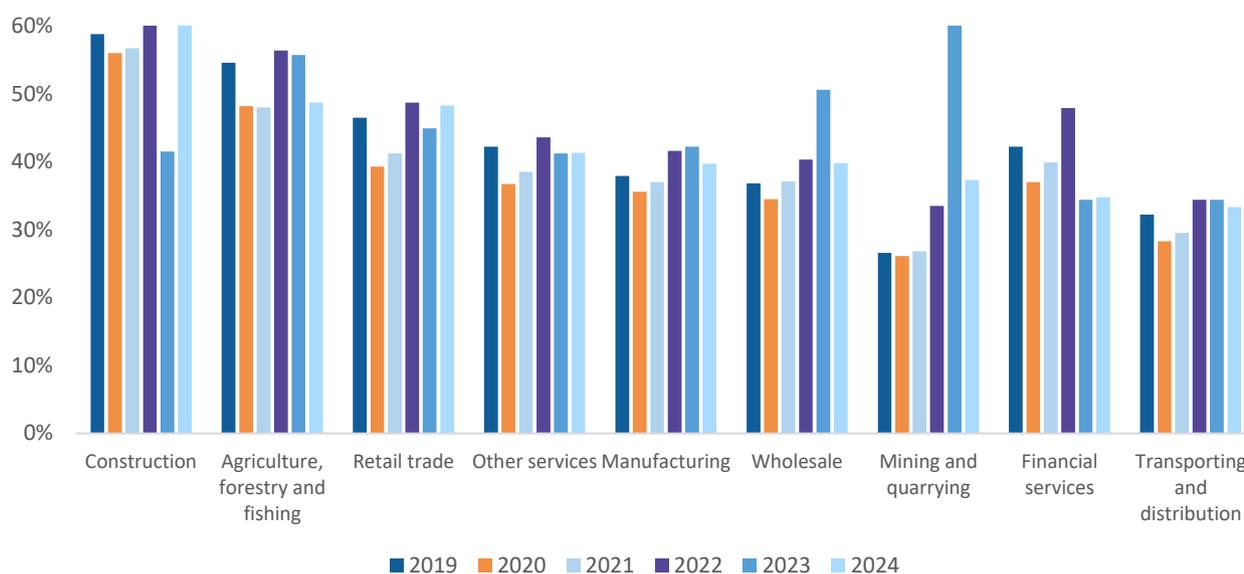
Despite showing the highest share of payment by the due date, the construction sector in France has been suffering from payment delays and related issues. In 2024, the status of late payment in this sector stabilised. However, they increased in the supply of construction materials and the effects of these delays are impacting the entire sector with smaller entities facing the biggest challenges.

The second-best sector is the 'Agriculture, forestry and mining' sector with 49 % of payments made on time. The worst performing sector is the 'Transporting and distribution' sector. In 2024, 33 % of payment were made by the due date, a decrease of one percentage points compared to 2023.

In total, five sectors reported decreases in the number of payments made by the due date. The most significant happened in the 'Mining and quarrying' sector, the best performer in 2023 with 62 % of on-time payments, which dropped to 37 % in 2024. While the decrease is significant,

the result registered for 2024 in the sector is more aligned with the one that the sector had in previous years.

**Figure 72: Percentage of payment by due date per sector, 2019-2024, B2B**



Source: EU Payment Observatory on Cribis – D&B.

France has Europe's longest-standing payment observatory, the French Late Payment Observatory which was created in 1991. This allows authorities to monitor payment behaviour of the private and public sector. The ambition of the Observatory is to identify bottlenecks and other points of friction and implement measures and provide tools to reduce both payment delays and its negative effects.

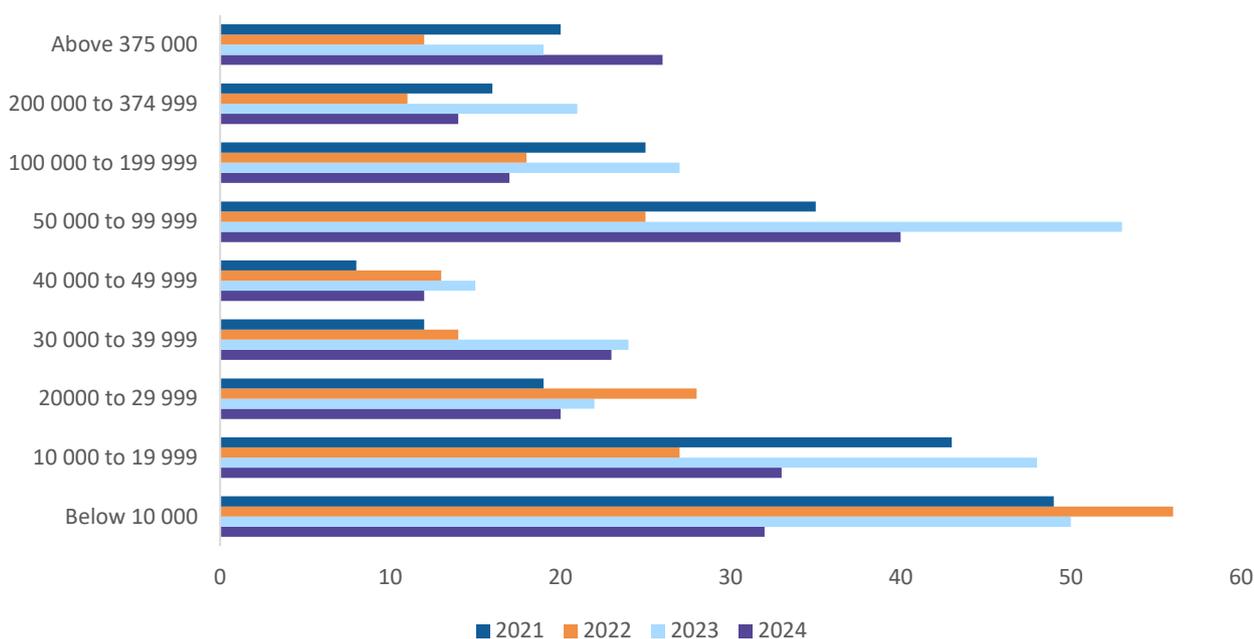
Moreover, France has established a sanctioning regime that goes beyond what is defined in the Late Payments Directive. It gives additional powers to the Direction Générale de la Concurrence, de la Consommation et de la Répression des Fraudes (DGCCRF), to impose fines on companies that are not paying their suppliers within the statutory terms<sup>35</sup>. The fee is relative to company size, reoccurrence of infringements, and size of the outstanding payment.

The total value of fines imposed by public authorities amounted to EUR 35.9 million spread between 217 fines in 2024, representing an increase from the EUR 33.7 million of 2023. There was, however, a decrease in the number of fines, which were 279 in 2023. The most common fine imposed on companies in 2024 were between EUR 50 000 and EUR 99 999. Looking more generally at how the supervisors imposed fines, most fines in 2024 were of smaller amounts, such as less than EUR 10 000 and between EUR 10 000 and EUR 19 999. They constitute more than a quarter of all fines. Fines above EUR 375 000 were imposed by national authorities 26 times in 2024, an increase from 19 in 2023.

The wholesale sector once more faced the greatest number of fines, accumulating 33 throughout the year, followed by the construction sector with 17. Expanding the analysis to total amounts, the wholesale sector is also leading, with fines valued at just below EUR 8 million followed by the automotive industry totalling just over EUR 4 million, which also had the largest fine of EUR 2 million.

Thus, in 2024, French authorities opted for imposing fewer but larger fines. At this stage it is not possible to mention whether this approach will succeed in incentivising firms to improve their payment behaviour, or whether they will consider the benefits of delayed payments to outweigh the scale of current fines.

<sup>35</sup> Observatoire des délais de paiement (2025), 'Rapport Annuel 2024', <https://www.banque-france.fr/fr/publications-et-statistiques/publications/rapport-de-lobservatoire-des-delais-de-paiement-2024>.

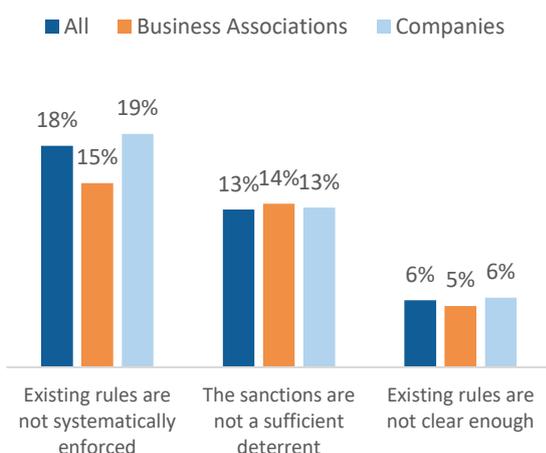
**Figure 73: Distribution of companies fined by the government, 2021-2024 (EUR)**

Source: EU Payment Observatory elaboration on French Payment Observatory Report.

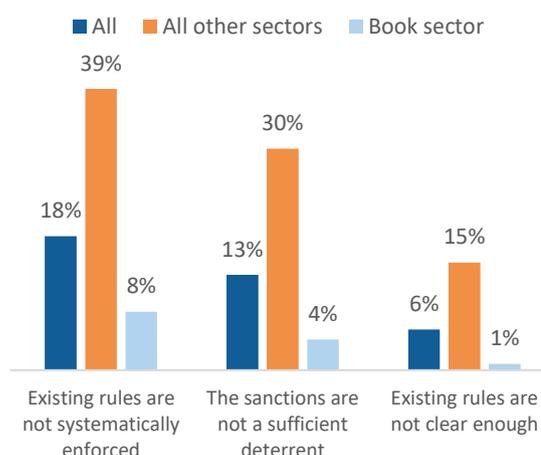
France is one of the Member States with the higher number of responses to the EU survey on late payments, with 360. However, of those 238, or 66 %, come from the book sector, while 122, or 33 %, come from other areas. That means that the book sector is disproportionately represented. As mentioned, this is sector appears to be particularly unaffected by late payment consequences. It also highly values the possibility to extend payment terms to accommodate the seasonality of book selling. Due to this bias, the results of the survey consistently indicate that late payments have a lower impact in France compared to the rest of the EU.

This also affects the perception on the effectiveness of the current legislative framework. Just 18 % of French respondents indicate that the current rules are not systematically enforced, while the EU average is 33 %. However, the French figure jumps to 39 % if the book sector is not considered. The same occurs when looking at the indicator on the effectiveness of sanctions. Some 13 % of French respondents think that they are not a sufficient deterrent to prevent late payments, in comparison to 37 % in the rest of the EU. However, that French percentage increases to 30 % when book sector responses are not considered. Furthermore, just 6 % of all French respondents think that the current rules are not clear enough, a share that increases to 15 % if books sector responses are not considered. That figure is above the EU average of 13 %. There is not much difference in the responses between business associations and companies in France with regards to the effectiveness of the regulatory framework.

**Figure 74: Percentage of business associations and companies indicating the following as causes of late payments, 2025**



**Figure 75: Percentage of book sector respondents indicating the following as causes of late payments**

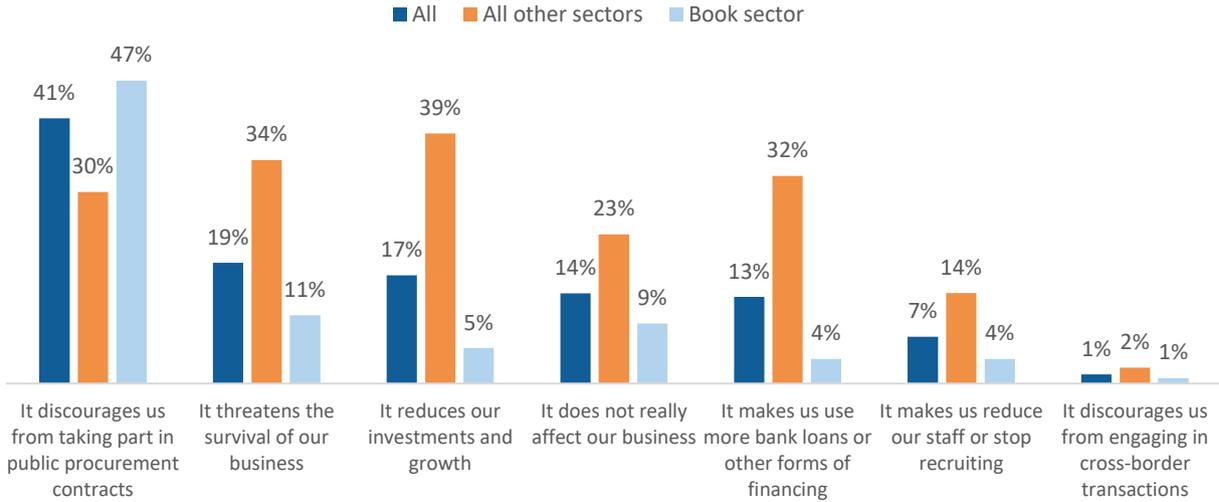


Source: EU Payment Observatory elaboration on the European Commission Survey.

The same biases observed in relation to the book sector are present when looking into the reported consequences of late payments. The book sector is systematically reporting lower impacts than other sectors. However, there is one exception with regards to engaging on public procurement. Almost half of the book sector respondents, 47 %, indicate that late payments discourage them from taking part in public contracting, a share that is 30 % for the other sectors, averaging 40 % for all respondents. In comparison, in the rest of the EU the average is 19 %. This may suggest that for the French book sector late payments are a particular deterrent with regards to public procurement. This might be due to the high number of late payments in G2B transactions, but it could also be because demonstrating that a company is a good payer is a requisite in some public procurement contracts.

Looking at the other late payments impacts, the next most commonly mentioned one is the threat to the survival of business, something indicated by 19 % of respondents, although the figure jumps to 34 % when not counting book sector answers. This is very close to the EU average of 31 %. Equally, 17 % of the respondents consider that late payments reduce investment and growth, which increases to 39 % without the book sector, similar to the EU average. In addition, 13 % of French respondents point to the impact of late payments in access to finance, which again is considerably higher, 32 %, if the book sector is not considered. Nevertheless, that number is seven percentage points lower than the EU average of 39 %. The consequences on employment are indicated by 7 % of respondents which doubles to 14 % if the book sector is not counted, very close to the EU average. Finally just 1 % of respondents consider that late payments discourages them from engaging in cross-border transactions, which is 2 % without the book sector. The EU average is 6 %. Surprisingly though, a lower number of book sector respondents, 9 %, indicate that late payments does not affect them in comparison with other sectors, 23 %. The French average for this indicator is 14 % while for the rest of the EU it is 17 %.

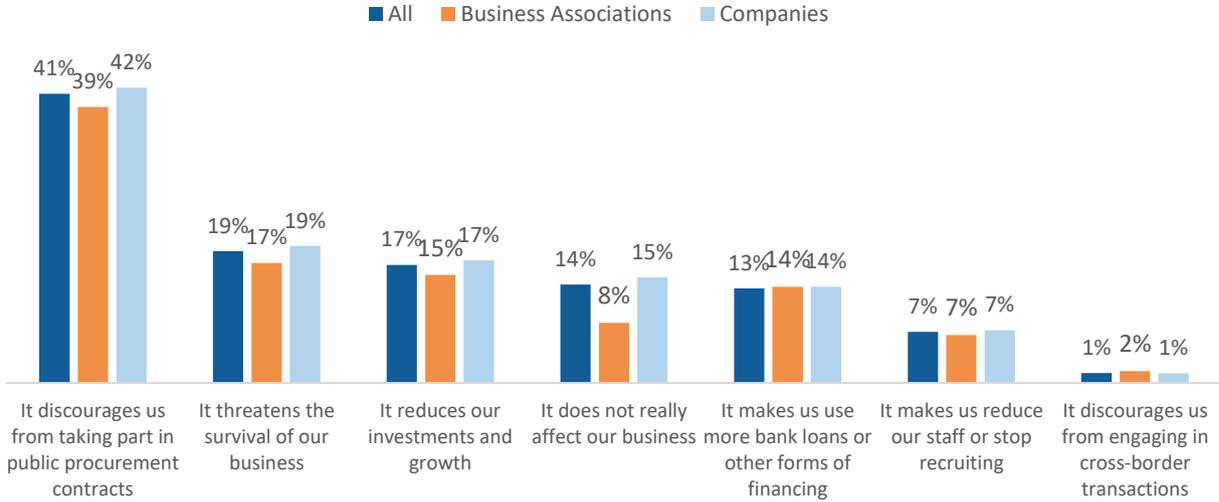
**Figure 76: Percentage of book sector respondents indicating the following consequences of late payments**



Source: EU Payment Observatory elaboration on the European Commission Survey.

The differences between the responses on the consequences of late payments of business associations and companies in France are again not very significant. The only exception is in the share of respondents indicating that delayed payments do not really affect them. Only 8 % of business associations say so, while that figure jumps to 15 % amongst companies. In all other categories the differences are less than 2 percentage points.

**Figure 77: Percentage of business associations and companies indicating the following consequences of late payments, 2025**



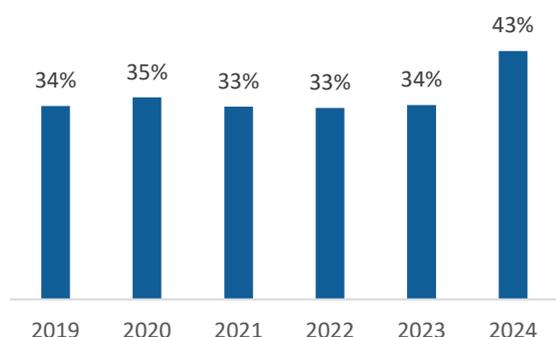
Source: EU Payment Observatory elaboration on the European Commission Survey.

## GERMANY

Germany experienced a significant deterioration in the number of companies suffering problems as a consequence of late payments in B2B and G2B transactions compared to previous years (see figure below). From 2019 to 2023, the trend remained relatively stable with around one third of the ECB/EC SAFE survey respondents indicating that they faced issues due to late payments. However, recent data indicate a 9 % decline in payment performance compared to 2023. Despite this deterioration, Germany is, once again<sup>36</sup>, in fourth position as the country with the lowest share of affected companies in the EU (43 %), nine percentage points below the EU average (52 %). In addition, at least one quarter of the surveyed companies in Germany indicated late payments to have affected payments to suppliers (29 %), investments or new recruitment (25 %), production or operations (25 %), as well as having to delay repayments of loans or using additional financing (25 %) in 2024.

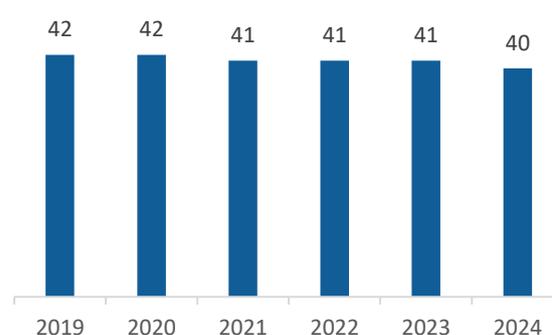
In B2B transactions, the average payment period from clients stood at 40 days in 2024 (see figure below), reflecting minimal variation compared to previous years and a marginal 1-day reduction compared to the 2021-2023 period. In this context, payment delays appear to be influenced by several factors such as clients' liquidity issues and operational constraints<sup>37</sup>. At macroeconomic level, the German economy has contracted over the past 2 years<sup>38</sup>, and current projections indicate a stagnation of economic activity in 2025. Political uncertainty and the escalating of geopolitical risks<sup>39</sup> are also exerting additional pressure on economic performance, which may in turn affect timely payments in Germany.

**Figure 78: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, and G2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 79: Average payment period from clients in number of days, 2019-2024, B2B**



Source: EU Payment Observatory elaboration on Creditreform Zahlungsindikator Deutschland.

Consequently, several German companies indicated<sup>40</sup> adopting invoice financing as a mean to enhance cash flow efficiency, as well as offering credit to clients to avoid damaging their relationship.

<sup>36</sup> In 2023, Germany was the fourth country with the lowest share of companies reporting having been affected by late payments.

<sup>37</sup> Atradius (2025), 'B2B Payment Practices trends Germany', <https://atradius.com.hk/dam/jcr:23dfad6a-43b9-429f-9e1d-cc09d25e640f/payment-practices-barometer-western-europe-2025-germany-en.pdf>.

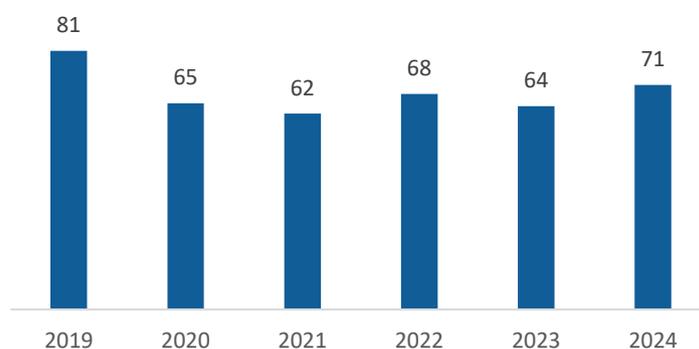
<sup>38</sup> European Commission (2025), 'Economic forecast for Germany', [https://economy-finance.ec.europa.eu/economic-surveillance-eu-member-states/country-pages/germany/economic-forecast-germany\\_en](https://economy-finance.ec.europa.eu/economic-surveillance-eu-member-states/country-pages/germany/economic-forecast-germany_en).

<sup>39</sup> Coface (2025), 'Payment Survey 2025', <https://www.coface.ch/news-publications-insights/payment-survey-2025-why-german-businesses-wait-longer-to-get-paid#:~:text=The%20proportion%20of%20companies%20experiencing,an%20average%20of%20%2B10.3%20days.>

<sup>40</sup> Atradius (2025), 'B2B Payment Practices trends Germany', <https://atradius.com.hk/dam/jcr:23dfad6a-43b9-429f-9e1d-cc09d25e640f/payment-practices-barometer-western-europe-2025-germany-en.pdf>.

In relation to G2B transactions, the average payment period from clients stands at 71 days (see figure below), representing an increase of 7 days compared to the previous year. This corresponds to a year-on-year rise of 10.41 % – the second highest increase after France. Moreover, the value recorded in 2024 is the second highest observed for German public authorities over the entire 2019-2024 period, standing marginally above the EU average (70 days). Contrary to patterns observed in previous years when Germany was identified as one of the earliest payers in the EU<sup>41</sup>, in 2024 the German public sector ranked fifth among EU Member States with the longest payment times in G2B transactions.

**Figure 80: Average payment period from clients in number of days, 2019-2024, G2B**

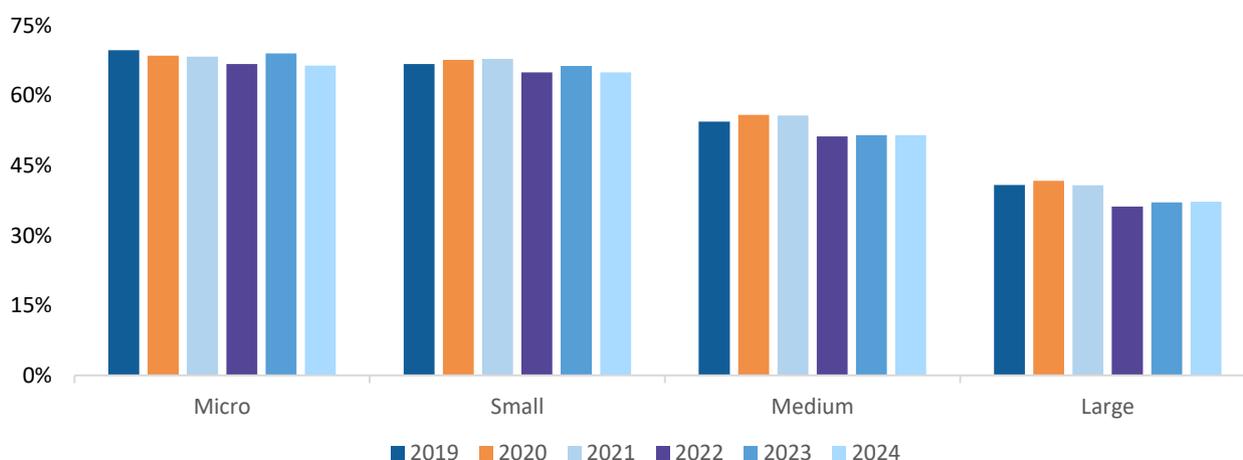


Source: EU Payment Observatory elaboration on Intrum European Payment Report.

In terms of payment punctuality, micro and small companies in Germany evidence one of the strongest performances in the EU over the last years (see figure below). Despite a small reduction of three percentage points in relation to the previous year, micro companies reached 66 % of on-time payments in 2024, whereas small companies reached 65 % in the same year. In this context, the gap between the proportion of payments made by due date by micro and small companies has been reduced in 2024, with only 1 % difference.

In addition, no significant changes have been observed in the payment performance of medium and large companies in 2024, maintaining the same values as in the previous year. Notably, micro companies outperformed large companies, as evidenced by an on-time payment rate 1.8 times higher than that of large companies in 2024.

**Figure 81: Percentage of on-time payments across company sizes, 2019-2024, B2B**

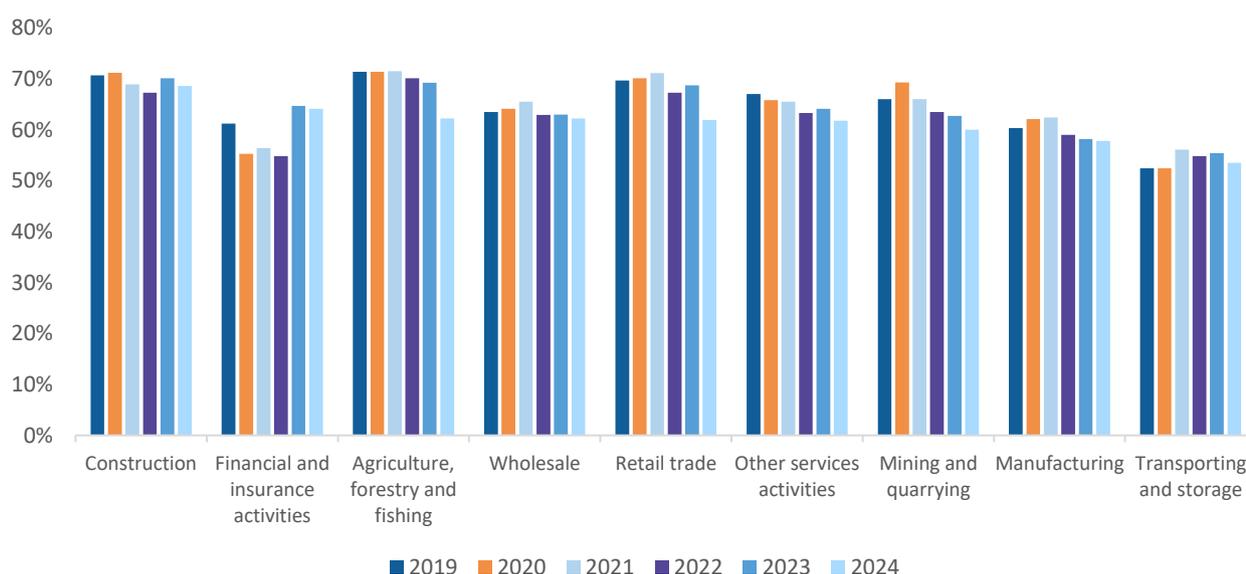


Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

<sup>41</sup> EU Payment Observatory (2024), 'G2B late payments', [fc9aec70-57f3-44f9-b568-202ad8333a8d\\_en](https://www.eu-payment-observatory.eu/en/publications/g2b-late-payments)

At sectoral level, payment punctuality remains relatively high, with more than half of the German companies from each sector meeting their payment obligations on time (see figure below). However, the share of payments made on time exhibits a deterioration across all sectors in relation to 2023 values. 'Construction' continues to take the lead with 69 % of on-time payments in 2024, followed by 'Financial and insurance' with 64 %. In addition, four German sectors registered 62 % of payments made on time during the same year. These are: 'Agriculture, forestry and fishing', 'Wholesale', 'Retail trade' and 'Other services'. Of the four, the largest deteriorations were found in 'Agriculture, forestry and fishing' and 'Retail trade', where the share of payments made on time has reduced by 7 % in each case in relation to 2023. Furthermore, in both cases, 2024 registered the lowest value of on-time payments for the whole period 2019-2024. On the other side, 'Transporting and storage' remains the sector with the poorest payment performance, accounting for 54 % of payments made on time in 2024.

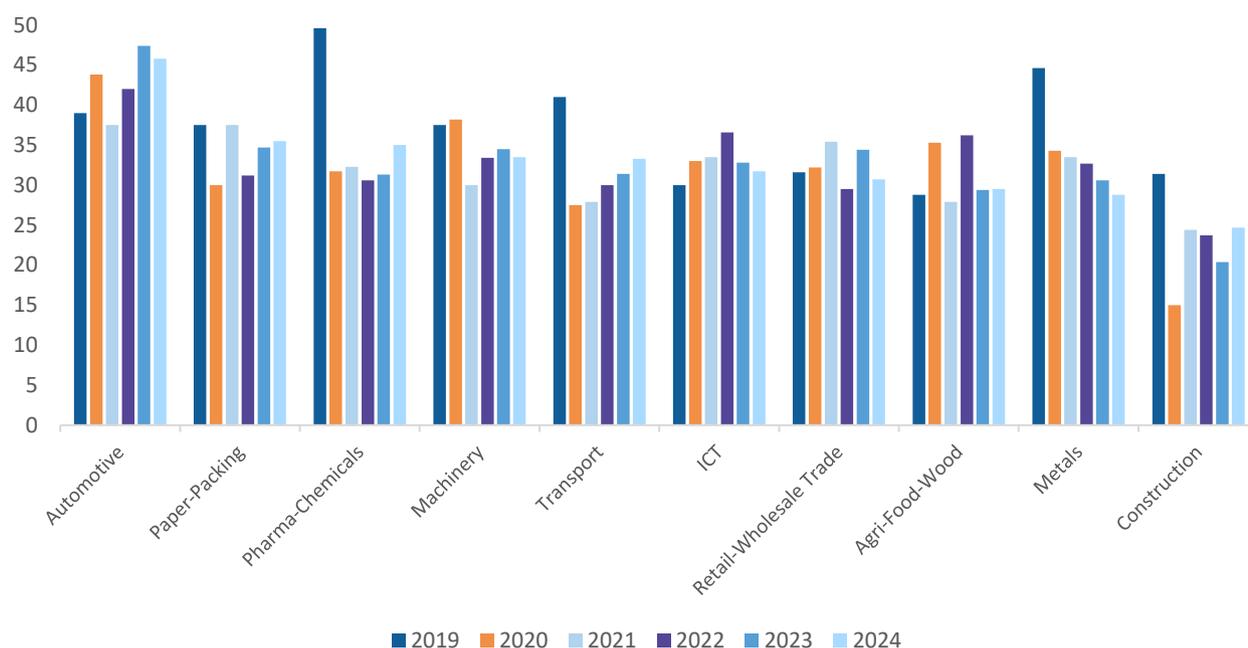
**Figure 82: Percentage of on-time payments by sector, 2019-2024, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

Continuing with the sectoral breakdown, average payment terms display meaningful variations across industries (see figure below). In particular, the 'Automotive' sector shows the longest average payment terms, reaching 45.8 days in 2024. This result is nearly twice as long as those in the 'Construction' sector, which recorded the shortest average payment terms (24.7 days). Moreover, most companies immersed in the 'Automotive' sector reported<sup>42</sup> maintaining payment terms without change to mitigate credit risk. The average payment terms for the remaining sector ranged from 28.8 in 'Metals' to 35.5 in 'Paper-Packing' in 2024.

<sup>42</sup> Atradius (2025), 'B2B Payment Practices trends Germany', <https://atradius.com.hk/dam/jcr:23dfad6a-43b9-429f-9e1d-cc09d25e640f/payment-practices-barometer-western-europe-2025-germany-en.pdf>.

**Figure 83: Average payment terms in number of days by sector, 2019–2024, B2B**

Source: EU Payment Observatory elaboration on Germany Corporate Payment Survey.

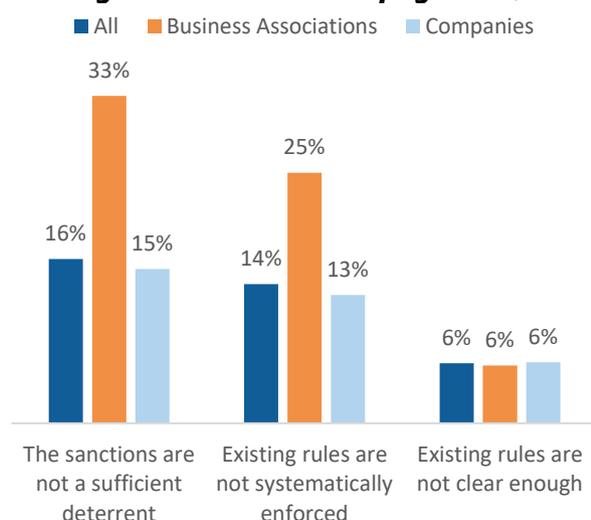
In total, 719 German respondents participated in the European Commission Survey conducted in 2025, representing the country with the largest number of responses in the sample. While companies account for most of the participants with 656 representatives (91 % of the German respondents), business associations account for 52 (7 % of the German respondents), while the remaining 11 respondents did not specify any category. At sectoral level, Germany is the country with the second largest proportion of bookshops participating in the survey, with a total of 333 respondents (46 % of the German respondents). This is translated into a sectoral overrepresentation in the country. As previously mentioned, the book sector is characterised by flexible and extended payment terms, as a mechanism to optimise stock rotation and maintain adequate liquidity. As a consequence of this predominance of responses from this sector in Germany, a separate analysis is carried out to examine the answers from this group.

German respondents identified different factors contributing to late payments (figure below). Importantly, all the survey responses from the German participants are below the EU average, with a particularly significant disparity for German companies. In the first place, most of the respondents consider that sanctions are not a sufficient deterrent, reported by 16 % of all German respondents, 33 % of business associations and 15 % of companies. Compared to the EU average, these values are less than half the EU average for two of the respondents' categories (EU: 37 % for all; EU: 36 % for companies). In addition, one quarter of business associations stated that existing rules are not systematically enforced (25 %), a view shared by a lower but still significant proportion of companies (13 %). Moreover, only 6 % of respondents in every category consider lack of clarity of existing rules as a cause for late payments. As for the previous cases, these values account for less than half of the reported EU average (EU: 13 % for all; EU: 18 % for business associations; EU: 11 % for companies). However, these results are particularly affected by the sample distribution, where almost half of the German respondents belong to the book sector which stands as largely unaffected by delayed payments.

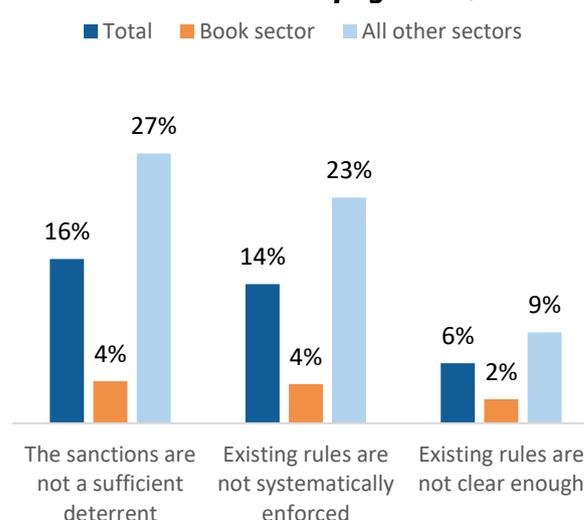
As expected, only a minority of bookshops identified factors contributing to late payments (see figure below). While 4 % indicated sanctions are not sufficient and that existing rules are not being systematically enforced, only 2 % reported that the existing rules not clear enough. In the first two cases, the values are below the EU average by 1 % and 3 %, respectively. When excluding the book sector responses, the proportion of participants reporting sanctions not being a sufficient deterrent reaches 27 %, while 23 % consider that existing rules not being

systematically enforced. Although both values are below the EU average (EU: 45 % and 39 %, respectively), they are still significant. Finally, the share of all other sector responses reporting lack of clarity in existing rules was 9 % of the respondents, almost half of the EU average (EU: 16 %).

**Figure 84: Percentage of business associations and companies indicating the following as causes of late payments, 2025**



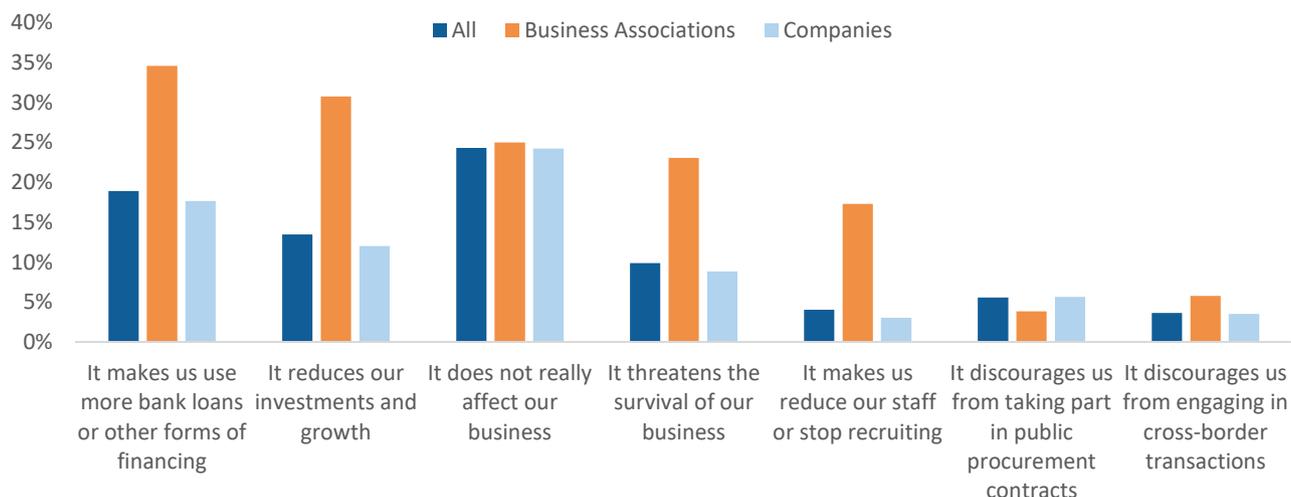
**Figure 85: Percentage of book sector respondents indicating the following as causes of late payments, 2025**



Source: EU Payment Observatory elaboration on the European Commission Survey.

The reported consequences of late payments vary according to respondent category (see figure below). Among business associations, the most significant impact concerns the use of additional bank loans or other forms of financing (35 %), a proportion that is roughly double that reported by companies (18 %). In both cases, these shares remain below the EU average (EU: 42 % for business associations; EU: 39 % for companies). Similarly, nearly one third of the German business associations (31 %) indicated that late payments negatively affect investments and growth, a figure that is 16 percentage points lower than the EU average (EU: 47 %) and more than twice the proportion reported by companies (12 %). Interestingly, nearly one quarter of the respondents across all categories reported late payments to have no effect on their businesses, – a result that appears to be influenced by the overrepresentation of bookstores, which are comparatively less affected by late payments. Finally, late payments threaten the survival of the business for 23 % of the business associations in Germany, only 9 % of the companies indicated the same. Moreover, while reducing staff or stopping recruitment appears to be a relevant impact of late payments for 17 % of the German business associations, only a very few companies agree on it (3 %).

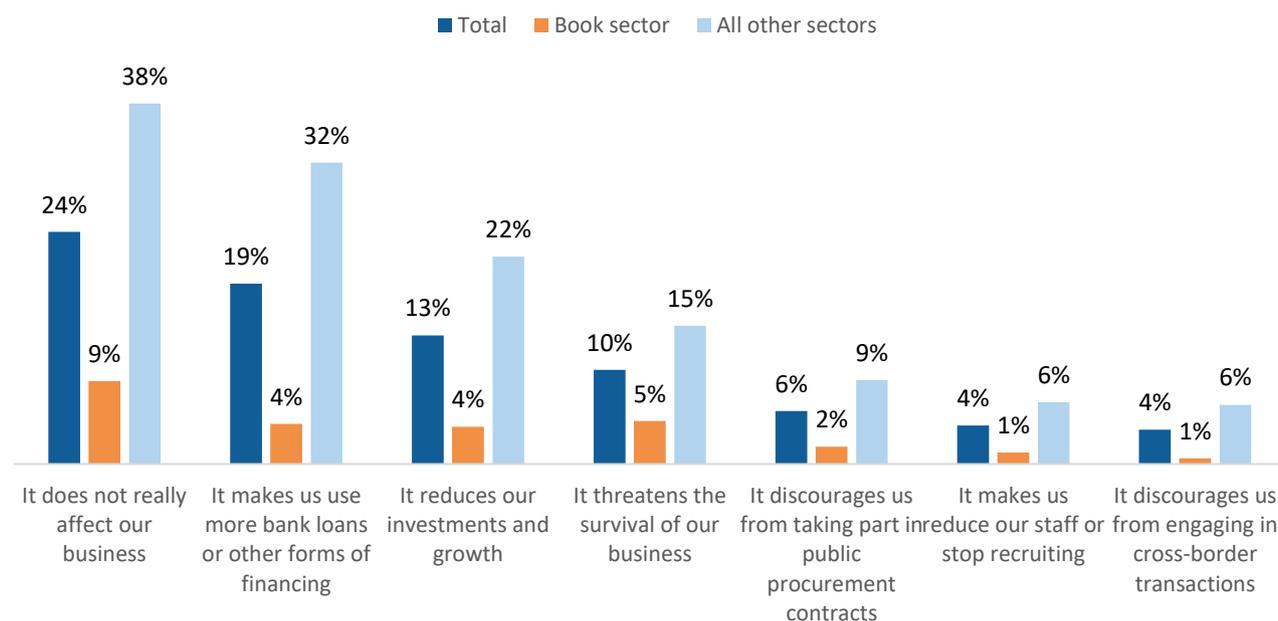
**Figure 86: Percentage of business associations and companies indicating the following as consequences of late payments, 2025**



Source: EU Payment Observatory elaboration on the European Commission Survey.

Overall, the results indicate that late payment impacts are lower in Germany than in other countries.

**Figure 87: Percentage of book sector respondents indicating the following as consequences of late payments**



Source: EU Payment Observatory elaboration on the European Commission Survey.

## GREECE

Payment performance indicators in Greece continue to lag behind the EU average. The share of companies that report having suffered from late payments issues has continued to increase, reaching 64 %, the sixth highest percentage in Europe. In addition, a significant proportion of Greek firms also state that late payments have negatively impacted their investments or hiring plans, 41 %, the second highest rate in the EU. Additionally, 27 % report that their production and operations have been affected, while 22 % say that payment delays have hindered loan repayments or forced them to seek additional financing.

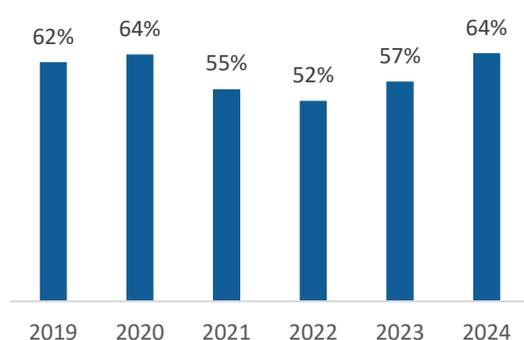
The situation seems particularly worrisome in G2B transactions. One third of Greek companies report facing problems due to late payments of public authorities. That is the highest percentage in the EU. This figure does not necessarily indicate that late payments in G2B transactions are more frequent in Greece. It may also reflect potential higher levels of engagement in public procurement compared with other Member States given that Greek government expenditure, particularly on general public services, is among the highest in the EU<sup>43</sup>. At the same time, however, suppliers are also indicating that public authorities in Greece had the second longest payment periods of all the EU, of 73 days in 2024, though this represents a slight improvement of 1 day compared to 2023.

In this context, the European Commission has initiated two infringement procedures against the Greek government, both concerning public hospitals. These procedures, address [first](#) excessive payment delays and [second](#) the use of unfair payment practices whereby some hospitals offered immediate payments in exchange for contractors waiving their rights to interest and compensation for recovery costs.

To address these issues, the Ministry of Economy of Greece recently established a special committee with the aim of conducting an in-depth analysis on the issue of late payments by public authorities. It will identify which entities have overdue obligations, their amounts and the underlying causes of payments delays<sup>44</sup>.

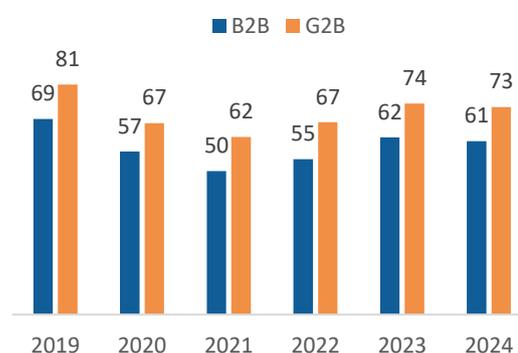
Greek business payment periods, meanwhile, are at 61 days, slightly above the EU average, although there was also a small reduction of 1 day in comparison with 2023.

**Figure 88: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 89: Average payment period in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

The percentage of on-time payments of Greek companies is quite low, regardless of their size. Small companies, which are the most punctual, only settled one third of their invoices on time in 2024. They are followed by medium-sized businesses with 28 % and micro companies with

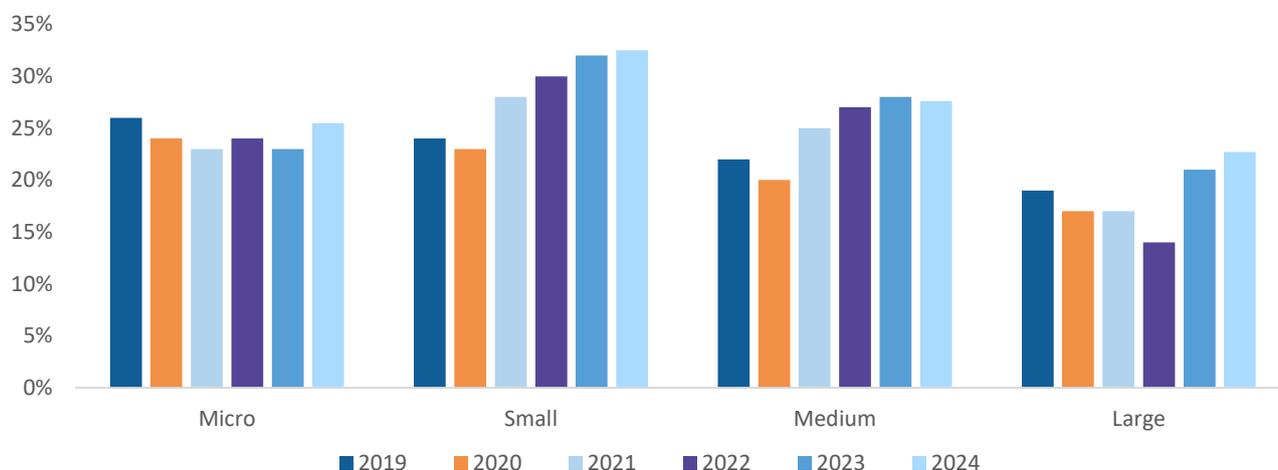
<sup>43</sup> Eurostat (2025), 'Government expenditure by function', [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Government\\_expenditure\\_by\\_function\\_%E2%80%93%93\\_COFOG#EU\\_general\\_government\\_expenditure\\_stood\\_at\\_49.6\\_25\\_of\\_GDP\\_in\\_2022](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Government_expenditure_by_function_%E2%80%93%93_COFOG#EU_general_government_expenditure_stood_at_49.6_25_of_GDP_in_2022).

<sup>44</sup> Parapolitika (2025), 'Greek government tackles overdue payments with new oversight', <https://en.parapolitika.gr/economy/79545/greek-government-tackles-overdue-payments-with-new-oversight/>.

26 %. Greek large businesses, meanwhile, only pay 23 % of their commercial transactions on time.

These percentages, however, are an improvement in comparison to 2023. Micro companies experienced the biggest increase, of three percentage points. For large companies, the improvement was two percentage points, a continuation of a positive trend already observed in 2023. In the case of small businesses the share has been rising since 2020 and this year it increased by one percentage point. Only medium-sized companies showed no improvement; the ratio remained stable.

**Figure 90: Percentage of payments by due date across company sizes, 2019-2024, B2B**



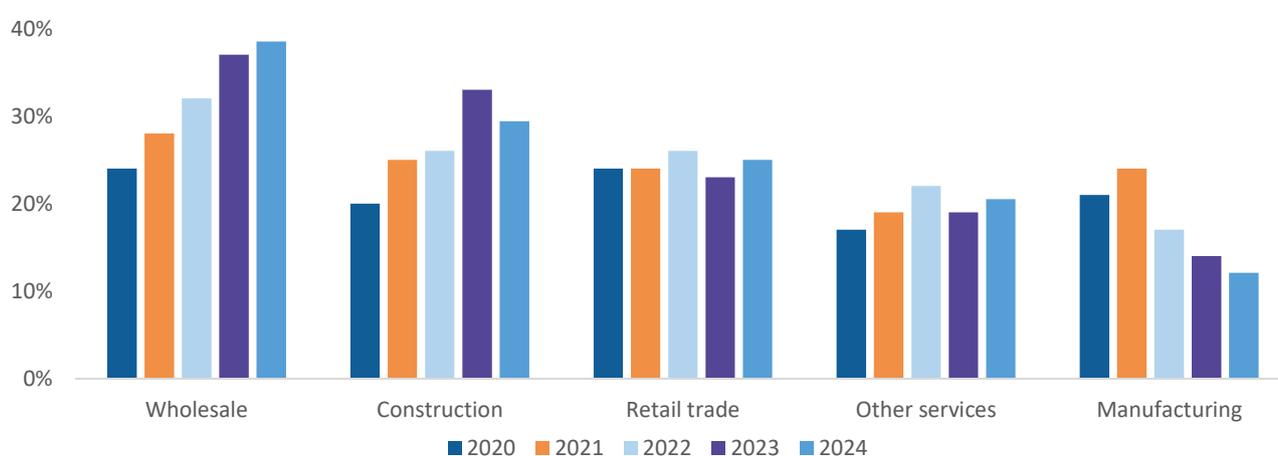
Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

The share of payments made on time per sector in Greece is also quite low. 'Wholesale' which was in 2024, like in past editions, the best performing sector settled 39 % of its invoices by the due date. The worst like in 2023 was 'Manufacturing', which paid only 12 % of its transactions on time.

In comparison with 2023, a two-percentage point improvement can be observed in 'Wholesale', 'Retail trade' and 'Other services'. Meanwhile, the situation particularly deteriorated for 'Construction' with a four-percentage point decline. The share of invoices paid on time by 'Manufacturing' in 2024 was also two percentage points lower than in 2023.

The sectoral data on Greece has reduced in 2024 as data for the transport sector is no longer available.

**Figure 91: Percentage of payments by due date per sector, 2019-2024, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

56 % of Greek companies claim to have accepted longer payment terms in 2024 than they are comfortable with, in order not to damage relationships with their clients. However, there has been a big drop, from 62 % to 41 % in the share of businesses that indicate that they are finding it increasingly difficult to agree on payment terms that are fair for them as well as for their customers in today's business environment. Nevertheless, half of Greek companies indicate to be more concerned than ever before about their customers' ability to pay them on time. A percentage that, although very high, is the second lowest across the EU.

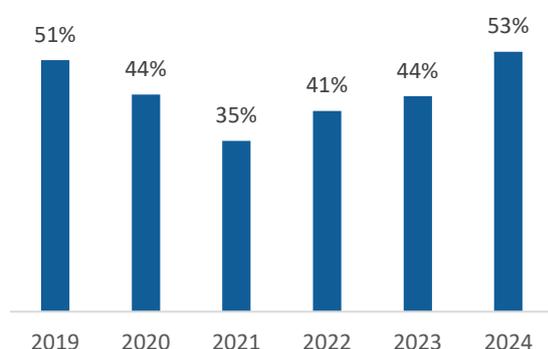
# HUNGARY

In 2024, three multi-country data sources provided information on the situation regarding late payments in Hungary: the ECB/EC SAFE survey, the Intrum survey, and the Cribis/D&B Payment Study. Unfortunately, no national source of data on this topic is currently available.

As shown in the left-hand panel of the figure below, the ECB/EC SAFE survey indicates that payment performance in Hungary deteriorated markedly in 2024, with 53 % of surveyed companies reporting problems with late payments from either private or public clients. This represents an increase of nine percentage points compared with the previous year, making 2024 the worst-performing year in terms of payment behaviour between 2019 and 2024. Moreover, consistent with the broader EU trend, the sharp rise in the incidence of late payments in 2024 extends an already concerning pattern: the share of Hungarian firms reporting late payments has grown steadily from a low of 35 % in 2021, increasing each year and reaching a new peak in the most recent survey – a rise of nearly 20 percentage points overall. While Hungary has mirrored the general EU trend of worsening payment performance in recent years, between 2021 and 2023 it recorded a lower incidence of late payments than the EU average. However, this changed in 2024, when Hungarian firms reported experiencing more payment difficulties than companies in the EU as a whole (53 % versus 52 % in the EU)

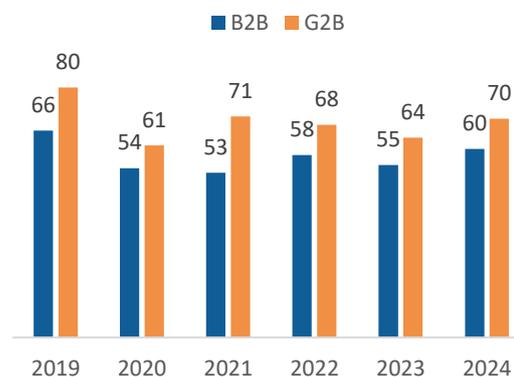
Consistent with the evidence from the SAFE survey indicating a rise in late payments in 2024, the Intrum survey also reports an increase in average payment times, both for B2B and G2B transactions. As shown in the right-hand panel of the figure below, B2B transactions in Hungary took an average of 60 days to settle in 2024 – 5 days longer than in 2023 – while G2B invoices were paid, on average, within 70 days, representing an increase of 6 days compared with the previous year. Despite 2024 figures are very close to the EU average, the trend in B2B payment periods in Hungary contrasts with the EU-wide trend that saw payment period decrease by almost 2 days between 2023 and 2024. Furthermore, as in most other countries, firms reported that public authorities have consistently taken longer to settle their payments than private businesses.

**Figure 92: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 93: Average payment period in number of days, 2019-2024, G2B and B2B**

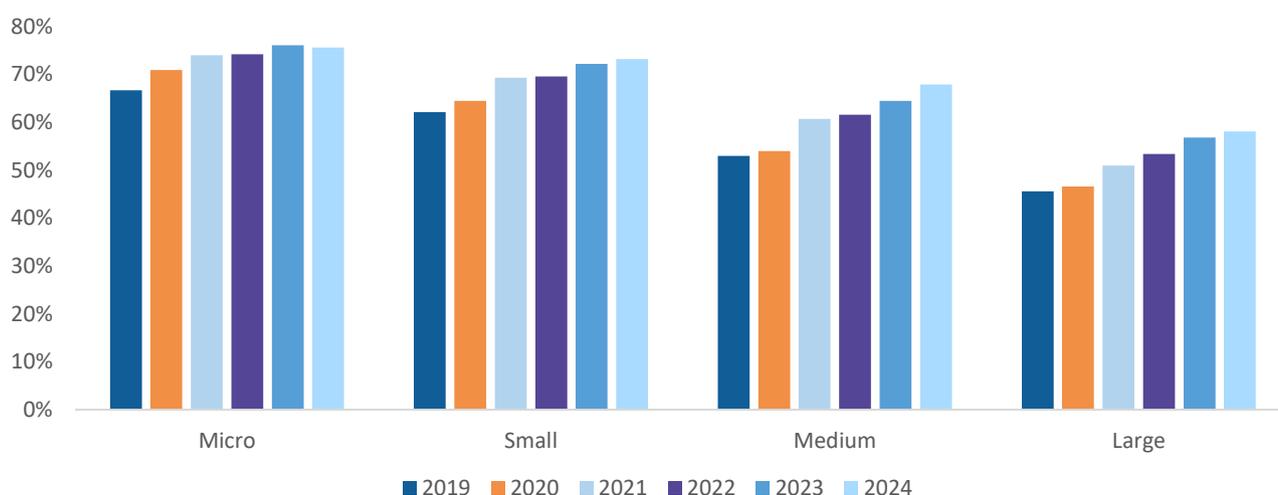


Source: EU Payment Observatory elaboration on Intrum European Payment Report.

Data from the Cribis/D&B Payment Study provide a breakdown of the share of payments made within the due date across company sizes. As shown in the figure below, the common pattern whereby company size is inversely proportional to the share of timely payments also holds true for Hungary across all years considered. In 2024, according to Cribis/D&B, 76 % of invoices issued by micro firms were paid before their due date, compared with 58 % for large firms – a notable difference of nearly 20 percentage points. Interestingly, this source indicates a positive trend, with payment performance improving steadily between 2019 and 2024 across all company sizes.

This evidence appears to contrast with the increase in the incidence and duration of late payments reported in the figures above, based on the SAFE and Intrum surveys. However, while those two sources capture firms' perceptions on the incidence of problems stemming from late payments, and on the number of days it takes on average to receive payments, the Cribis/D&B Payment Study relies on transactional invoice data and measures the share of invoices that are settled by the due date; thus, they measure related but distinct aspects of payment behaviour. In addition, differences in the samples of firms covered by each source may contribute to the discrepancies observed in the reported evidence.

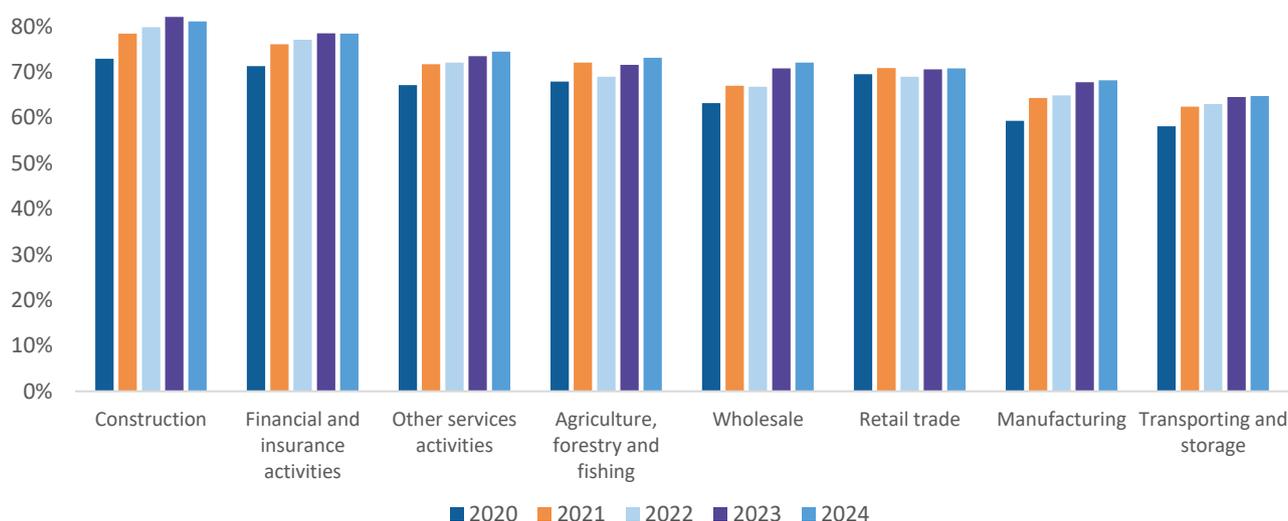
**Figure 94: Percentage of payments by due date across company sizes, 2019-2024, B2B**



Source: Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

Examining the distribution of timely payments across sectors shows that, in 2024, 'Construction' recorded the highest share of invoices settled on time (81%), followed by 'Financial and insurance activities' (78%). Although these sectors continued to display the strongest payment performance overall, they were the only ones to experience a slight decline in the share of on-time payments between 2023 and 2024, while all other sectors reported modest improvements. As in 2023, the sector that reported the lowest share of timely payments in 2024 was 'Transporting and storage' with 65% of invoices settled on time. Finally, the sector that registered the sharpest improvement in timely payments was 'Agriculture, forestry and fishing', with an increase of two percentage points compared to 2023.

**Figure 95: Percentage of payments by due date per sector, 2019-2024, B2B**



Source: Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

Regarding the measures adopted to prevent or mitigate the negative consequences of late payments, data from the Intrum survey show that Hungarian firms are particularly proactive in managing payment risks. In 2024, 31 % of companies reported using bank guarantees to protect themselves against late payments – an increase of six percentage points compared with 2023 – making Hungary the EU country that relies most on this measure, alongside Croatia and Poland. Hungarian firms also stand out for their use of credit management software and payment records to assess clients' reliability, with 23 % reporting this practice in 2024, the highest share in the EU and up by five percentage points from the previous year. Another widely adopted measure is the request for pre-payments: half of Hungarian companies surveyed in 2024 reported using this approach, the second-highest rate in the EU after Czechia, representing a substantial 13-percentage-point increase relative to 2023.

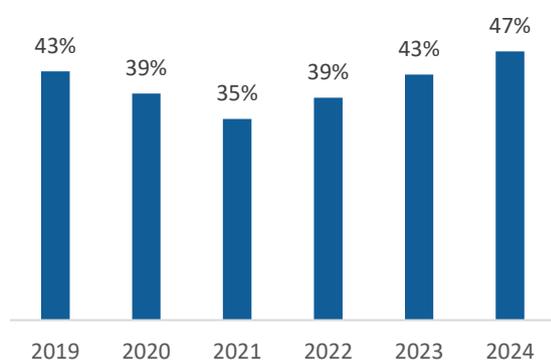
## IRELAND

Data on late payments in Ireland are available from three multi-country sources – the Intrum and SAFE surveys, and the Cribis/D&B Payment Study – as well as from two national sources: the Prompt Payment Report by the Irish SME Association and the Prompt Payment Returns by government departments published by the Department of Enterprise, Trade and Employment. This combination of sources enables an assessment of Ireland’s payment performance from different perspectives. Overall, however, the evidence they provide for 2024 is somewhat conflicting.

According to the ECB/EC SAFE survey, the share of Irish firms reporting problems with late payments followed a similar trend to that observed across the EU, showing steady improvement between 2019 and 2021 and a progressive deterioration thereafter. As shown in the left-hand panel of the figure below, 47 % of the 587 companies surveyed in 2024 reported experiencing delayed payments – the highest level recorded over the period analysed, and a rise of four percentage points compared to 2023. Although Ireland’s trajectory mirrors the EU-wide pattern, the overall incidence of late payments in Ireland has remained consistently lower than the European average by around five percentage points.

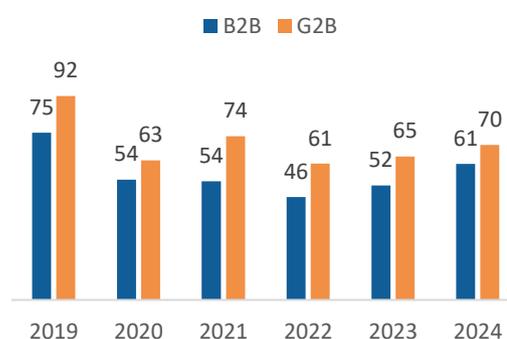
Evidence from the Intrum survey also indicates a deterioration in payment performance in 2024. As illustrated in the right-hand panel of the figure below, average payment periods increased to 61 days for B2B transactions and 70 days for G2B, representing rises of 9 and 5 days respectively compared to the previous year. A similar trend is observed in payment terms, which lengthened between 2023 and 2024 by 4 days in B2B and 9 days in G2B transactions, reaching 42 and 56 days respectively.

**Figure 96: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019–2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 97: Average payment period in number of days, 2019–2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

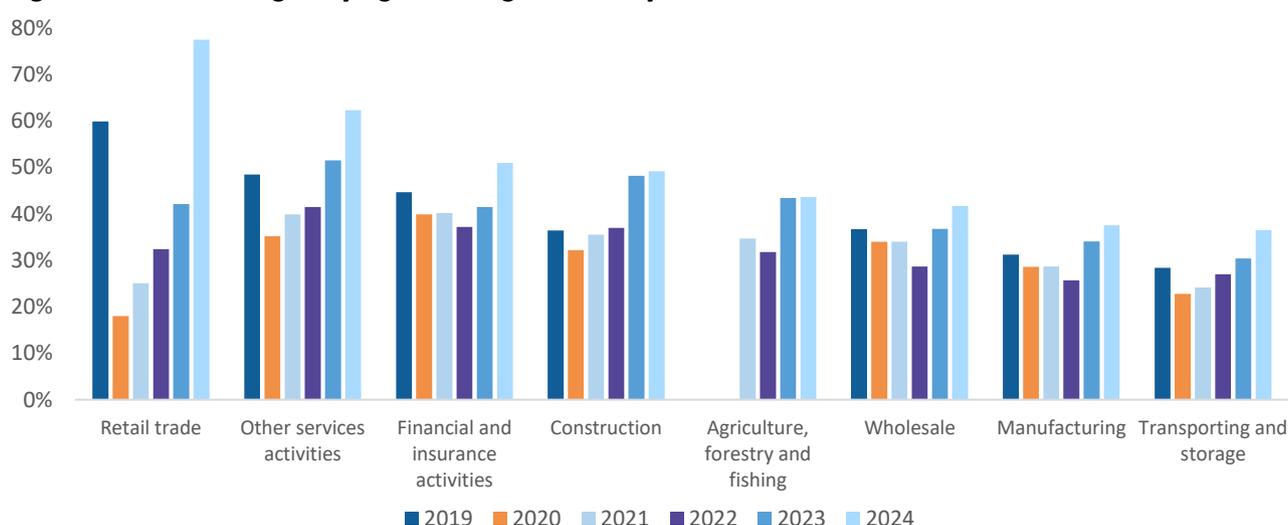
Within the framework of the [Prompt payment returns](#) initiative, Ireland also publishes data on the share of on-time payments by central government departments. According to this national source, in 2024, 97 % of the value of invoices was settled by central government within the agreed term – an improvement of three percentage points relative to 2023. This finding partially contradicts the Intrum survey, which reported an increase in average G2B payment periods. One possible explanation is that while the share of timely payments rose, the delays for invoices paid late may have become longer, reconciling the evidence reported by the two sources. However, due to the absence of more granular information, this cannot be confirmed, nor can the potential influence of methodological differences or response biases in the Intrum survey be ruled out. Furthermore, the Irish Government data cover only central government payments and excludes regional and local authorities, meaning it is not fully representative of payment practices across the wider public sector in Ireland.

Unfortunately, data on how payment performance varies by company size are not available for Ireland. However, the Cribis/D&B Payment Study provides a sectoral breakdown of the share of invoices settled on time.

As shown in the figure below, according to Cribis/D&B, all sectors in Ireland recorded a notable increase in timely payments in 2024. Overall, the share of invoices paid on time rose to 58 %, representing a 15-percentage-point improvement compared to 2023. Although this positive development was shared across all sectors, it was primarily driven by a sharp rise of over 35 percentage points in 'Retail trade', where the share of on-time payments increased from 42 % in 2023 to 78 % in 2024. Other significant improvements were observed in 'Other services activities' and 'Finance and insurance activities', which both recorded gains of around 10 percentage points. These developments extend a positive trend seen since 2022 of steady improvements in all sectors. The weakest performing sector in 2024 was 'Transporting and storage', where only 37 % of invoices were settled on time – less than half the rate observed in Retail trade.

This widespread improvement in payment practices across sectors contrasts with the deterioration reported by the SAFE and Intrum surveys. The findings could be reconciled if 2024 saw an increase in the severity and duration of late payments for some firms, alongside a growing share of invoices being paid on time overall by both private and public entities. Another explanation could be limitations in the sample as the Cribis/D&B Payment Study does not cover all sectors in Ireland and is therefore not representative of its entire economy. Finally, methodological differences between data sources and psychological biases inherent in survey responses are likely to have contributed to the observed discrepancies.

**Figure 98: Percentage of payments by due date per sector, 2019-2024, B2B**



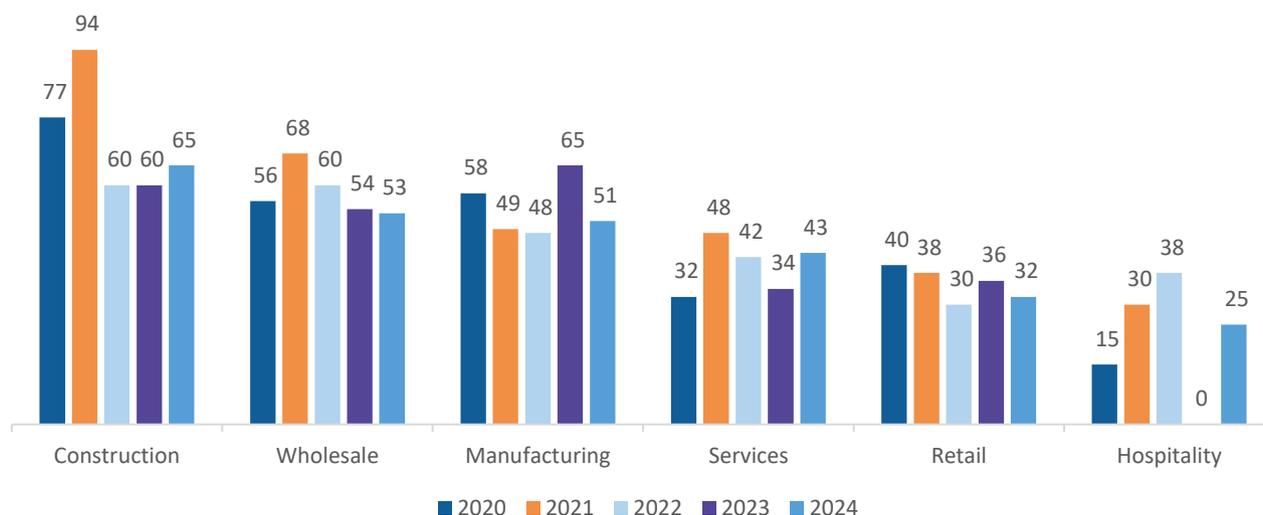
Source: Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

The [Irish SME Association](#) provides another key source of data on late payments in Ireland, producing a [Prompt Payment Report](#) that monitors developments in SME payment practices. Examining the sectoral distribution of payment times for SMEs, as shown in the figure below, reveals notable changes in payment behaviour across the different sectors represented. 'Manufacturing' has shown particularly volatile payment performance in recent years. After a steady decline in average payment periods between 2020 and 2022, these increased sharply by 17 days in 2023, making manufacturing the sector with the longest payment times of 65 days on average. In 2024, however, the average payment period is reported to have fallen by 14 days, resulting in 51 days on average, 10 days above the average across all sectors in that year. In contrast, 'Construction' recorded an increase of 5 days in 2024, reaching an average payment time of 65 days – the longest among all SME sectors in Ireland. Meanwhile, 'Wholesale' continued its steady improvement, with payment times decreasing each year between 2021 and 2024, whereas 'Services' reversed its previous downward trend with a 9-day increase in 2024. The 'Hospitality' sector instead reports 25 days of average payment periods in 2024. In 2023, there is a surprising figure, an average payment period of zero days, which could represent an

accounting error. However, importantly, the data shown in the figure refer to the fourth quarter of each year and in the third quarter of 2023 'Hospitality' reported an average payment time of 40 days. This would mean that the average payment period in the 'Hospitality' sector decreased in 2024

Interestingly, for SMEs one can see that the trend in payment performance between 2023 and 2024 was more heterogeneous than what reported in the figure above: three sectors shortened their payment times, while the other three increased them.

**Figure 99: Average payment period for SMEs and across sectors, 2019–2024, B2B**



Source: EU Late Payments Observatory elaboration on Irish SME Association (ISME), Prompt Payment Reports.

Regarding the measures adopted to mitigate the negative consequences of late payments, data from the Intrum survey show that in 2023, Ireland recorded the highest share of firms in the EU requesting compensation – including both the flat-rate recovery fee and interest charges – for late payments. In 2024, however, this share declined by four percentage points, from 62 % to 58 %. This decrease, combined with an increase in the EU average of firms requesting monetary compensation (from 52 % in 2023 to 58 % in 2024), meant that Ireland fell from first place to 13th among EU countries in terms of the frequency of compensation claims. Unfortunately, it is not possible to assess whether the decline in compensation requests was accompanied by an increase in firms taking legal action against late payments, as the Intrum survey no longer collects data on this aspect.

When asked about the effects of late payments, according to the SAFE survey, only 12 % of Irish companies in 2024 reported negative impacts on their ability to make new investments or recruit staff, compared with an EU average of 20 %. Similarly, the reported incidence of negative effects on production and operations, as well as on loan repayments or the need to seek additional financing, was lower in Ireland than in the EU overall. Specifically, 15 % of Irish firms reported adverse impacts on production and operations, and 9 % reported issues with loan repayments or the need for extra financing, compared with EU averages of 19 % and 16 %, respectively.

Regarding the drivers of late payments, Irish companies appear to have been particularly affected by the economic slowdown. According to the Intrum survey, when asked about the main causes of late payments, 59 % of Irish companies in 2024 indicated that they were finding it increasingly difficult to pay their suppliers on time due to the weakened economic environment. This represents the highest proportion across the EU, indicating that in 2024 Irish companies felt the impact of the economic slowdown on their liquidity – and consequently on their ability to settle invoices on time – more acutely than companies in any other Member State.



## ITALY

Italy ranks 19th in payment performance in Europe, with 48 % of companies reporting challenges caused by late payments, below the European average of 52 %. This marks a notable improvement from 2023, when Italy was in ninth place. Unlike the broader European trend, Italian businesses reported fewer problems stemming from late payments by both private and public entities in 2024. Italy is, in fact, one of only five EU countries where late payment performance improved in 2024.

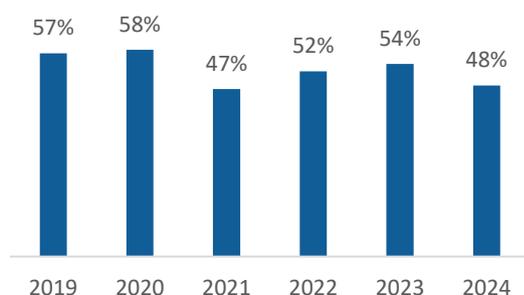
The share of companies reporting issues due to late payments represents (48 %) a six-percentage-point decrease compared to 2023 – the second largest decrease in the EU – and nearly returns to the 2021 low of 47 %. Overall, the data point to a sustained positive trajectory over the past 6 years (as shown in the figure below on the left), and a notable improvement from last year's results.

In 2024, Italian companies experienced shorter payment times from both private businesses and government entities, compared to 2023. Focusing on B2B transactions, the Italian average is closely in line with the European one, at 59.6 days versus 60.3 days. Figure 2 shows that payment periods for B2B transactions have increased consistently from 2019 to 2022, with a sharper rise in 2023. However, in 2024, they decreased by 2 days compared to 2023, signalling a slight but positive inversion of the trend of the past 6 years.

Regarding the drivers for late payments, 47 % of Italian companies indicated in 2024 that they needed to accept longer payment terms to avoid the risk of clients going bankrupt. While this represents a slight improvement from 49 % in 2023, this factor seems to be still greatly at play. On a more positive note, the percentage of businesses finding it increasingly difficult to agree on payment terms that are fair for both them and their customers decreased significantly, from 53 % in 2023 to 44 % in 2024.

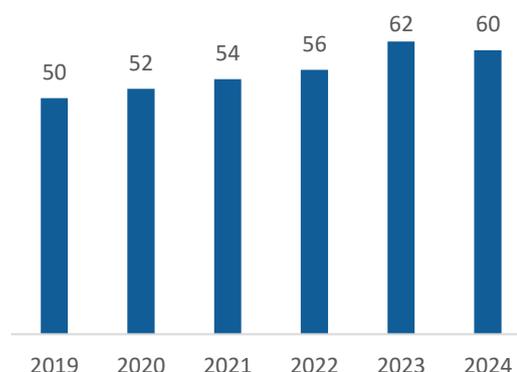
However, the share of companies extending payment terms to preserve client relationships continues to rise – from 46 % in 2020 to 56 % in 2023, and now 58 % in 2024. While still below the 2019 level of 61 %, this factor is becoming increasingly significant in the perception of Italian companies. This suggests that while agreeing on fairer payment terms seems to have become easier for Italian companies, many still feel compelled to extend payment terms to maintain client relationships.

**Figure 100: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 101: Average payment period in number of days, 2019-2024, B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

Consistently with previous years, companies report that governments take longer to pay than businesses, with a gap of 10 days on average between B2B and G2B payment times in 2024. However, government payment times have been quite stable over the past 6 years (with a 2-day increase from 2019 to 2024) compared to payment times in B2B transactions (with a 10-day increase in the same period), according to Intrum data.

Data published by the national government portray a different picture, both in terms of the average number of days public administrations take to pay their invoices and in the overall trend in payment performance, as illustrated in figure below<sup>45</sup>. The gap between official data and supplier-reported figures widened compared to 2023.

In general, such gaps stem from several factors, including differences in measurement methodologies, the point at which payment periods are calculated, whether the data refer only to paid invoices or to all issued invoices, and the role of unfair payment practices. While supplier surveys rely on perceptions and sample-based evidence, government data are based on comprehensive transaction data and use the Days Sales Outstanding (DSO) indicator, allowing for a more systematic and supposedly reliable assessment.

According to data from the Italian Ministry of Economy and Finances (MEF), public administrations shortened their payment times by 3 days in 2024 compared to 2023, bringing the average settlement period down to 30 days, the threshold that defines late payments by public authorities. On average, therefore, Italian public administrations now pay within the legal limit. While some entities still exceed this threshold, according to government data, Italy has succeeded in reducing the overall average below it.

Italy has been subject to infringement proceedings by the European Commission. As a result, the country has taken extensive action over the years to address G2B late payments – becoming the first EU Member State to introduce mandatory eInvoicing, and more recently, incorporating stricter measures into its National Recovery and Resilience Plan (PNRR)<sup>46</sup>. By reducing payment periods from 43 days in 2019 to 30 days in 2024 and thus bringing them within the legal limit, Italy has met eight PNRR targets, covering both average payment times and late payments across national, regional, and local administrations, as well as within the healthcare sector (where the legal limit is 60 days and Italy's average stands at 35)<sup>47</sup>. It is worth noting that these 8 targets are part of the 40 objectives that Italy certified as completed on 30 June 2025 to request the disbursement of the eighth PNRR instalment, worth EUR 12.8 billion<sup>48, 49</sup>.

Although Italy's reported payment times appear to comply with legal limits, some argue that the data released by the MEF might underestimate the actual average payment times, as the current monitoring system allows for omissions that hide many delays. For example, some emphasise how the MEF's method (matching invoices issued in a given year with payments recorded by 31 March of the following year) might underestimate actual payment times<sup>50</sup>. Others argue that Italy's public administration strategically settle larger invoices within legal deadlines – keeping average payment times formally compliant – while intentionally delaying lower ones, usually coming from smaller businesses<sup>51</sup>.

Definitive conclusions on the payment performance of public authorities cannot be drawn due to lack of direct evidence. Although methodologically government-reported data are generally more reliable than survey-based data coming from suppliers, it remains evident that companies continue to perceive public administrations as paying late. Payment delays are also associated with unfair payment practices concerning the date of issuing of the invoice, the duration of the verification procedure, the payment term, the payment of interests<sup>52</sup>. This persistent perception highlights the need for deeper examination and continuous surveillance of G2B payment performance.

<sup>45</sup> EU Payment Observatory (2024), 'G2B late payments', [fc9aec70-57f3-44f9-b568-202ad8333a8d\\_en](https://www.eu-payment-observatory.com/en/g2b-late-payments)

<sup>46</sup> Ibid.

<sup>47</sup> Il Sole 24 Ore (2025), 'Svolta dopo 12 anni di ritardi: la Pa ora paga le imprese entro 30 giorni', <https://www.ilssole24ore.com/art/svolta-12-anni-ritardi-pa-ora-paga-imprese-entro-30-giorni-AHinOrPB>

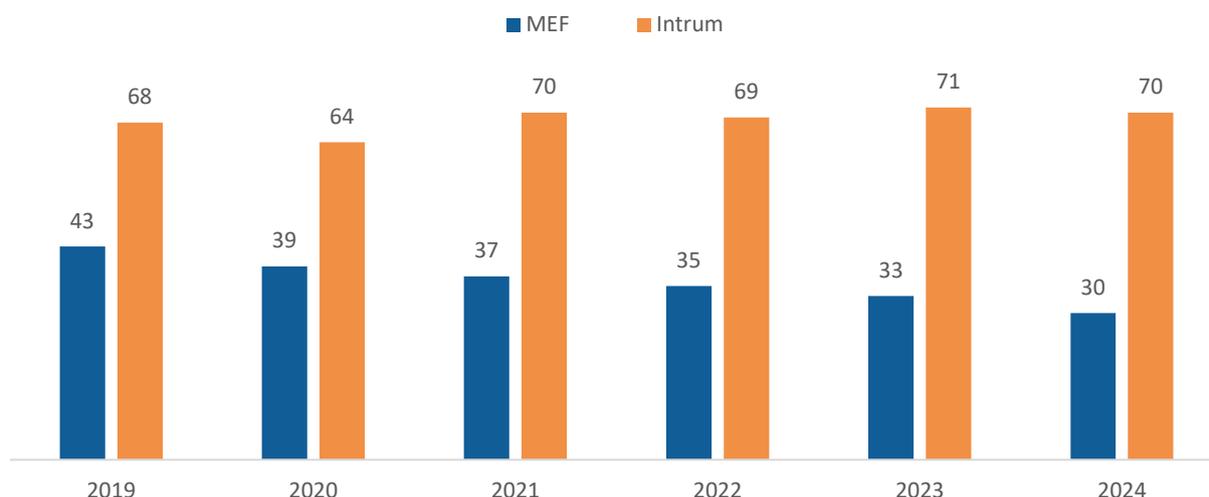
<sup>48</sup> Skytg24 (2025), 'Pubblica amministrazione, pagamenti alle imprese in 30 giorni. Obiettivo Pnrr raggiunto', <https://tg24.sky.it/economia/2025/06/28/pubblica-amministrazione-pagamenti-imprese-pnrr>

<sup>49</sup> Presidenza del Consiglio dei Ministri (2025), 'PNRR, trasmessa alla Commissione europea la richiesta di pagamento dell'ottava rata pari a 12.8 miliardi di euro', <https://www.strutturapnrr.gov.it/it/documenti/comunicati-stampa/pnrr-trasmessa-alla-commissione-europea-la-richiesta-di-pagamento-dell-ottava-rata-pari-a-12-8-miliardi-di-euro/>

<sup>50</sup> Osservatorio conti pubblici italiani (2025), 'I tempi di pagamento della PA migliorano ma sono sottostimati', <https://osservatoriocipi.unicatt.it/ocpi-pubblicazioni-i-tempi-di-pagamento-della-pa-migliorano-ma-sono-sottostimati>

<sup>51</sup> CGIA Mestre (2025), 'Nel 2024 la pa non ha pagato 8 miliardi ai propri fornitori', <https://www.cgiamestre.com/wp-content/uploads/2025/08/Debiti-PA-09.08.25.pdf>

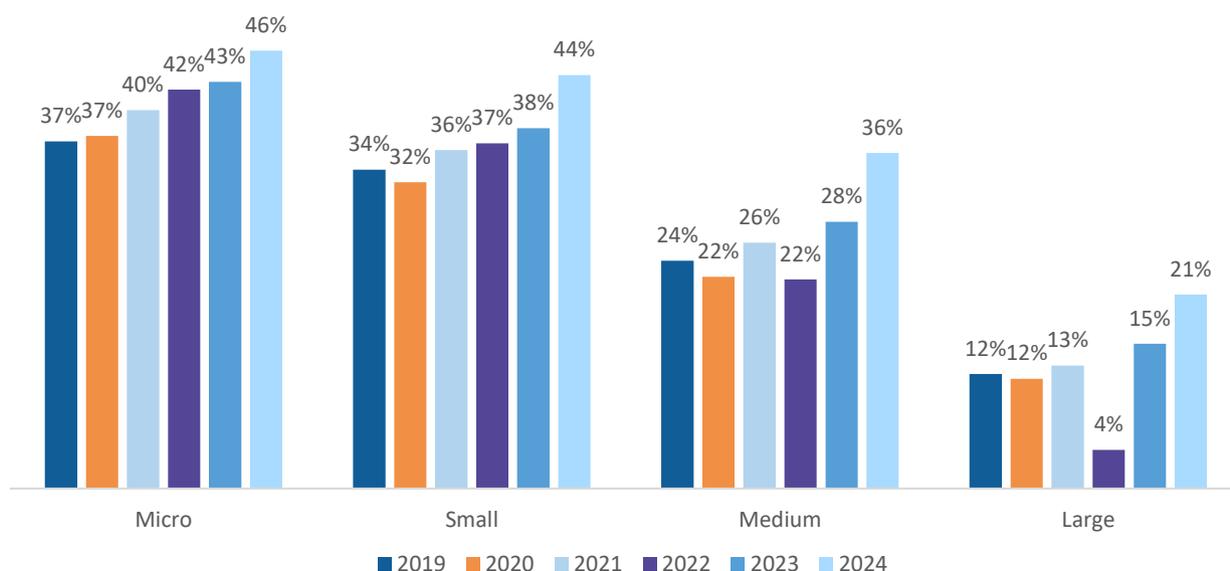
<sup>52</sup> Osservatorio conti pubblici italiani (2025), 'I tempi di pagamento della PA migliorano ma sono sottostimati', <https://osservatoriocipi.unicatt.it/ocpi-pubblicazioni-i-tempi-di-pagamento-della-pa-migliorano-ma-sono-sottostimati>

**Figure 102: Average payment time to suppliers by public administration, in days, G2B**

Source: EU Payment Observatory elaboration on data from the MEF and Intrum European Payment Report.

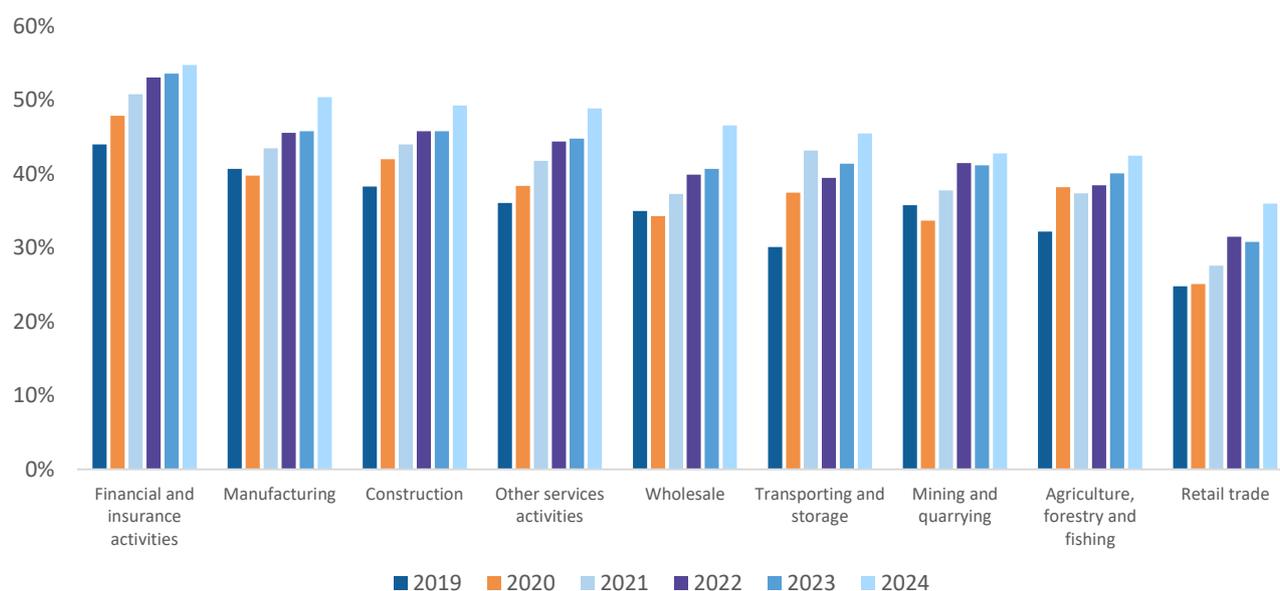
Looking at company size, the 2024 data continue to reveal an inverse relationship with payment performance. In 2024, micro-sized companies settled 46 % of their invoices on time, compared with just 21 % for large companies, as illustrated in the figure below. Compared to 2023, 2024 saw an increase in the number of invoices paid by the due date by all company size categories.

While the number for micro-enterprises increased moderately (three percentage points), the one for larger companies saw more substantial gains (six percentage points), with medium-sized companies recording the largest increase of eight percentage points. Nevertheless, micro-enterprises remain more than twice as likely to pay on time compared with large companies.

**Figure 103: Percentage of payments by due date across company sizes, 2019-2024, B2B**

Source: EU Late Payment Observatory elaboration on Cribis/D&B Payment Study.

Among the sectors with available data, 'Financial and insurance activities' leads in timely payments, with 55 % of invoices paid on time. 'Retail trade' ranks last, but shows an improvement in timely payments from 31 % in 2023 to 36 % in 2024. In 2024, all sectors improved their payment performance, with the most significant increase for 'Wholesale' (six percentage points).

**Figure 104: Percentage of payments by due date per sector, 2019–2024, B2B**

Source: EU Late Payment Observatory elaboration on Cribis/D&B Payment Study.

When it comes to the consequences of late payments for Italian companies, respondents to the Intrum survey indicated that late payments had less effect on investments or new recruitment in 2024 compared to 2023 (19 % vs 22 %), as well as production or operations (18 % vs 20 %), and delayed repayments of loans (11 % vs 16 %).

According to the same survey, Italy's most used preventive measures in 2024 were credit checks (32 %, stable), credit insurance (28 %, increased by six percentage points from 2023), and bank guarantees (27 %, also increased by six percentage points). This upward trend might suggest greater awareness and proactive management of credit risk among Italian companies.

However, other data stand out: in 2024, Italy ranks third in Europe for accepting longer payment terms with a surcharge (15 %), marking a five-percentage-point increase from 2023. The country is also ranked third for accepting extended terms unconditionally (11 %, down slightly from 12 % in 2023). While these figures show modest improvement, they continue to reflect a pattern identified in last year's report<sup>53</sup>: Italian companies tend to prioritise accommodating clients. This tendency toward compliance is further evidenced by their above-mentioned growing willingness to extend payment terms to preserve business relationships.

In Italy, 610 stakeholders took part in the European Commission's 2025 survey. Companies constituted the largest group, with 396 respondents (44 %), followed by 199 business associations (40 %). An additional 15 participants did not indicate their affiliation. With only 21 contributions from the book sector (5 % of all Italian replies), the sample is too small to support a dedicated sectoral analysis, and this category is therefore not examined separately.

The figure below illustrates how Italian respondents assess the factors contributing to late payments under the current legal framework. Overall, the most frequently mentioned issue at the Italian level (and at the EU one) is that sanctions are not an effective deterrent: 43 % of all respondents selected this option, a view shared consistently by both companies (44 %) and business associations (40 %).

Close behind is the perception that existing rules are not systematically enforced, indicated by 36 % of all respondents. This concern is slightly more pronounced among business associations (38 %) than among companies (35 %).

<sup>53</sup> EU Payment Observatory (2024), 'Annual Report 2024', [https://single-market-economy.ec.europa.eu/document/download/d3f9aa5a-c33e-40d0-a867-5c0198ee7a75\\_en?filename=EU%20Payment%20Observatory%20Annual%20Report%202024\\_EA-01-24-061-EN-C.pdf](https://single-market-economy.ec.europa.eu/document/download/d3f9aa5a-c33e-40d0-a867-5c0198ee7a75_en?filename=EU%20Payment%20Observatory%20Annual%20Report%202024_EA-01-24-061-EN-C.pdf).

By contrast, the clarity of existing rules appears to be a less significant source of late payments for Italian stakeholders. Only 16 % of all respondents consider the rules insufficiently clear, with business associations (19 %) somewhat more likely to hold this view than companies (14 %).

While the ranking of these factors mirrors the EU-wide pattern, the shares reported in Italy are slightly higher across all respondent categories.

**Figure 105: Percentage of business associations and companies indicating the following as causes of late payments, 2025**



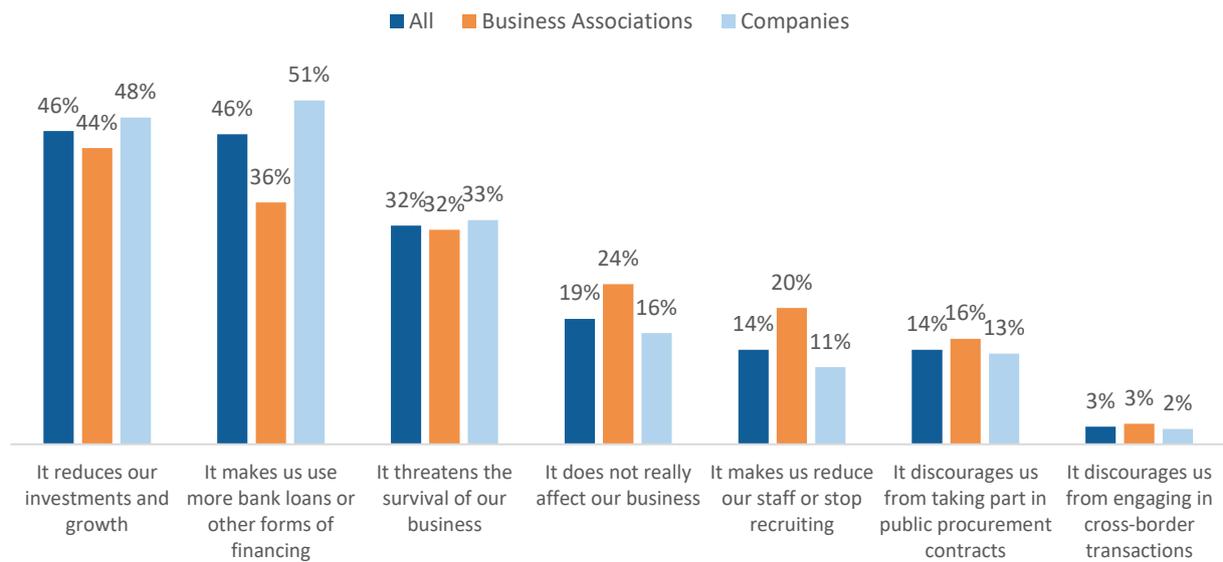
Source: EU Payment Observatory elaboration on the European Commission Survey.

For Italian respondents, the three most commonly reported consequences of late payments are reduced investments and growth (46 %), increased reliance on bank loans or other forms of financing (46 %), and threats to business survival (32 %).

This hierarchy mirrors the ranking observed at EU level. Compared with the EU averages, the Italian figures are higher for the first two consequences: reduced investments and growth (by six percentage points) and increased use of bank loans or other financing (by seven percentage points), and slightly higher for threat to survival (by one percentage point). A noteworthy difference from the EU pattern is that, while business associations usually report higher impacts EU-wide, in Italy, companies consistently register higher percentages for these three top consequences.

Less frequently reported consequences include having to reduce staff or halt recruitment (14 %), being discouraged from participating in public procurement (14 %), and being discouraged from engaging in cross-border transactions (3 %) – the latter also ranking last at EU level. Additionally, 16 % of Italian companies state that late payments do not affect their business, a slightly lower share than the EU average (17 %).

**Figure 106: Percentage of business associations and companies indicating the following as consequences of late payments, 2025**



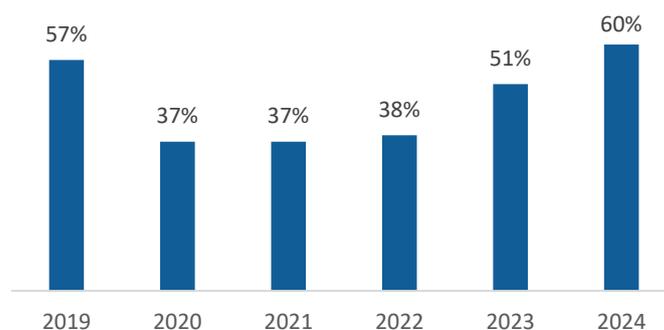
Source: EU Payment Observatory elaboration on the European Commission Survey.

## LATVIA

As was the case last year, the information available for Latvia is very scarce, with only a few data points available. This limits the depth of analysis.

Just under two thirds (60 %) of enterprises in Latvia reported facing issues caused by late payment in the last 6 months of 2024. This 9-percentage point increase compared to 2023, confirms an upward trend observed since 2020, highlighting a deterioration of payment behaviour in the country. In 2023, Latvian enterprises indicated suffering negative issues above those experienced on average in the EU. This remains the case in 2024, as the reported rate is 8 percentage points above that of the EU average.

**Figure 107: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**

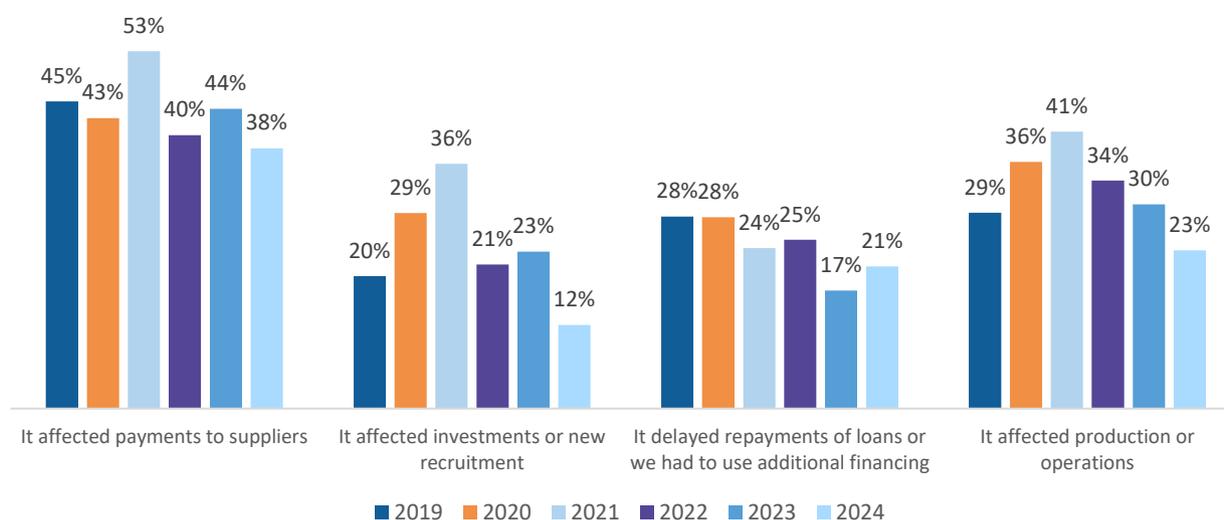


Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

The main consequences of late payments experienced by Latvian enterprises are indicated in the figure below. The figure highlights the trickle-down effect of late payments in the supply chain. In fact, 38 % of enterprises reported that they experienced negative effects on their capacity to pay suppliers in 2024 because they were paid late. This represents a 6-percentage point decrease compared to 2023.

There was also a very significant reduction in the effects of late payments in investments and new recruitment, down from 23 % in 2023 to 12 % in 2024. Suppliers also report a decrease in the late payments effects on production or operations, down from 30 % to 23 %. Only one category of negative consequences was reported as having increased in comparison to 2023, those on repayments of loans or the need for enterprises to use additional financing to pay their debt, up from 17 % in 2023 to 21 % in 2024.

**Figure 108: Percentage of enterprises indicating that late payment has negative consequences on the reported dimensions, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

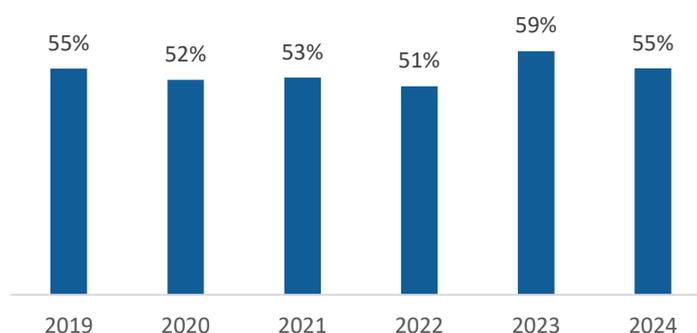
## LITHUANIA

As in 2023, data on late payments for Lithuania in 2024 come from a single source—the ECB/EC SAFE survey – with no country-specific dataset available. The survey is based on responses from 200 companies, mainly small (31 %) and medium-sized enterprises (35 %), followed by micro (25 %) and a few large firms (9 %). Regarding late payments, this source only provides information on whether firms experienced such problems and whether these had negative consequences on their operations. Consequently, data on average payment times, distinctions between B2B and G2B transactions, negotiated payment terms, and the underlying causes of late payments are unavailable.

In 2024, 55 % of surveyed firms reported experiencing problems due to late payments, as shown in the figure below. Although firms were still more likely to face late payments than not, this represents an improvement from 2023, when the share was 59 %. This positive trend contrasts with the EU average, where the proportion of firms affected by late payments rose from 47 % to 52 %. As a result, while Lithuania continued to record a higher incidence of late payments than the EU average in 2024, the gap narrowed significantly – from 12 percentage points in 2023 to just 3.

However, due to the limited availability of data, it is not possible to determine the factors behind this improvement or to assess other key dimensions of payment performance in Lithuania, such as average payment times and terms.

**Figure 109: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



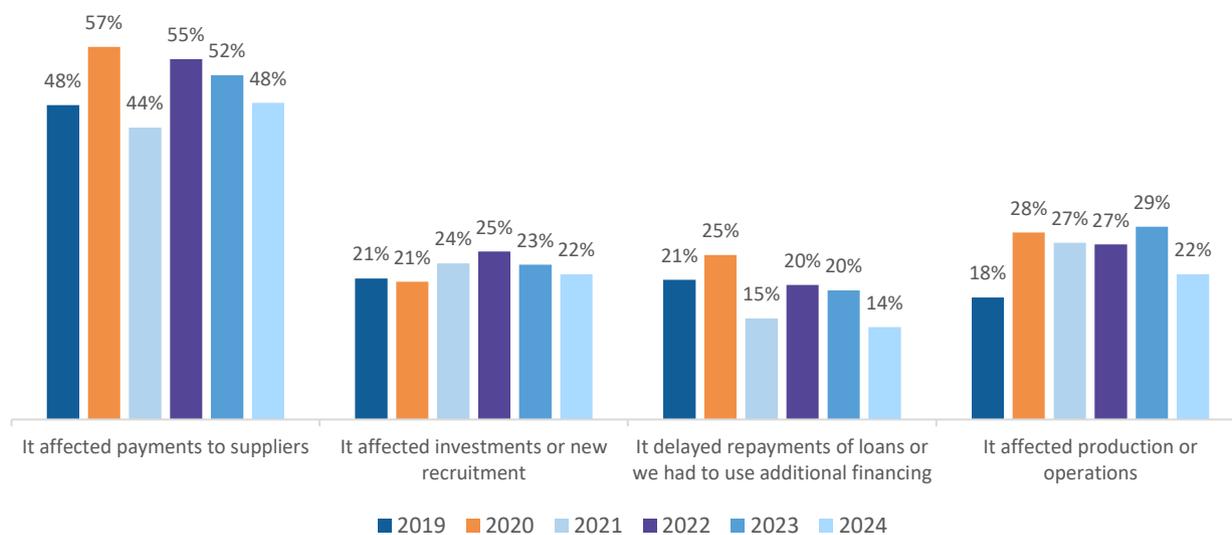
Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

Beyond the share of companies reporting issues with late payments, the ECB/EC SAFE survey also captures firms' views on how these delays affect different aspects of their business activities. As shown in the figure below, in 2024 (as in previous years), companies cited difficulties in paying their suppliers on time as the main consequence of late payments, with nearly half of respondents affected. This creates a domino effect: one firm's delay in settling invoices reduces the liquidity of its suppliers, in turn constraining their own ability to pay on time and spreading payment delays further through the supply chain. Notably, the impact of late payments on firms' ability to pay suppliers is significantly higher in Lithuania than in the EU overall (48 % in 2024 compared with an EU average of 31 %).

By contrast, the impact of late payments on other business dimensions aligns closely with the broader EU trend. In 2024, 22 % of Lithuanian companies reported that late payments affected their capacity to invest or hire new staff (compared with 20 % in the EU), 22 % reported an adverse effect on production and operations (19 % in the EU), and 14 % noted that it delayed loan repayments or required additional financing to meet them – slightly below the EU average of 16 %. Overall, across the years considered, late payments in Lithuania have had a particularly pronounced impact on the ability of firms to pay suppliers, while other effects remain smaller and broadly in line with those observed across Member States.

Examining trends over time, 2024 marked a notable improvement across all dimensions covered. The past 3 years show a clear downward trend in the incidence of late-payment impacts, making 2024 the year with the lowest reported effects on average.

**Figure 110: Percentage of enterprises indicating that late payments had negative consequences on the reported dimensions, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

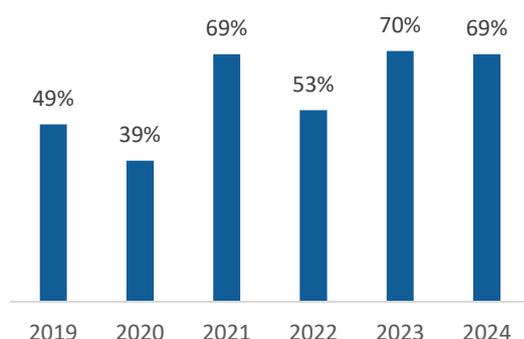
## LUXEMBOURG

As in 2023, data on late payments for Luxembourg remained extremely limited in 2024. Notably, only two relevant multi-country sources are available for payment performance in commercial transactions, and no national source. These are the ECB/EC SAFE survey, which is based on 97 companies' answers, and the Cribis/D&B Payment Study. Unfortunately, none of these sources provide information on payment times, nor on average negotiated payment periods, but only on whether the firms in the sample reported having been paid late.

The left-hand-panel of the figure below shows the share of companies that reported having experienced problems due to late payments from any public or private entity, according to the ECB/EC SAFE survey. Notably, in 2024, 69 % of companies in Luxembourg reported having experienced problems due to late payments from either public or private entities, in line with a share of 70 % in 2023. Despite the small improvement, this value is 17 percentage points higher than the EU average, positioning Luxembourg as the second worst performer (together with Czechia) after Poland (72 %). However, this result should be taken with a pinch of salt, given that it is based on only 97 companies' responses, which is not representative enough for the population of companies in Luxembourg.

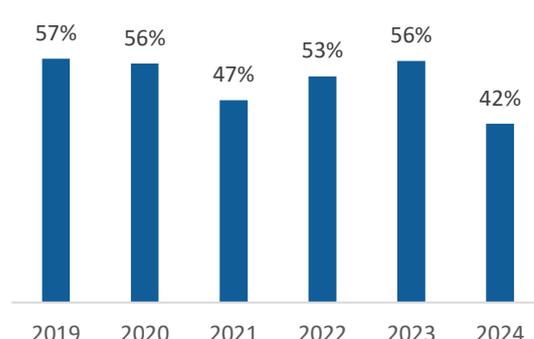
The right-hand-panel of the figure below instead reports the share of payments that were received by their due date in Luxembourg, according to transaction data provided by Cribis/D&B. According to this source, in 2024 only 42 % of invoices were settled within their payment terms. Notably, this marked a deterioration of 15 percentage points compared to 2023 when this share was 56 %, reversing a positive trend that saw the share of on-time payments increasing between 2021 and 2023. Consequently, 2024 was the worst year in terms of payment performance of the past 6 years. Compared to other Member States, the 2024 figure makes Luxembourg the sixth worst payer in the EU, after Romania, Portugal, Bulgaria, Greece, and Belgium.

**Figure 111: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



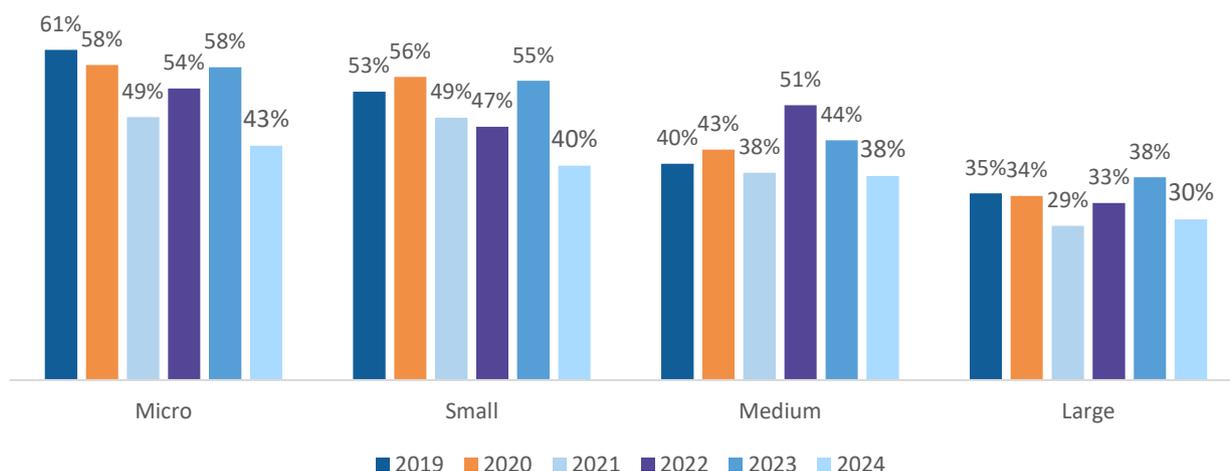
Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 112: Percentage of payments by due date, 2019-2024, B2B**



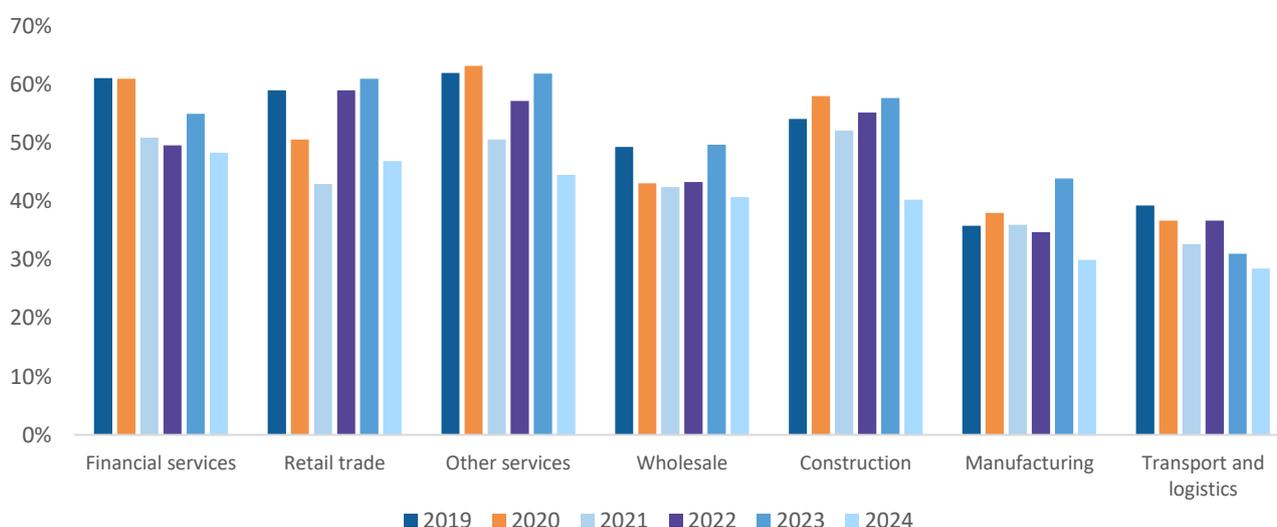
Source: Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

When comparing the share of on-time payments across company sizes, it appears that in 2024, as in previous years, smaller firms continued to settle their invoices more promptly than larger ones. However, the sharpest deterioration in payment performance in Luxembourg during 2024 was observed among micro and small enterprises, while medium-sized and large firms also experienced declines, though to a lesser extent. This indicates that the overall reduction in the share of invoices paid on time in 2024 affected companies of all sizes, but in different degrees. Notably, the performance gap between size categories narrowed significantly: whereas in 2023 small firms paid around 11 % more invoices on time than medium-sized firms, by 2024 this difference had fallen to just 2 %. Worryingly, 2024 was the year that registered the worst payment performance across all size categories, with only one exception for large companies that used to pay marginally worse in 2021 than in 2024.

**Figure 113: Percentage of payments by due date across company sizes, 2019-2024, B2B**

Source: Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

An analysis of on-time payments across industries shows that all sectors experienced a decline in timely payments in 2024 compared with 2023. The sharpest deterioration (17 percentage points) was recorded in the 'Other Services' and 'Construction' sectors, followed by 'Retail Trade' and 'Manufacturing', which both saw decreases of 14 percentage points. Although the 'Transport and logistics' sector registered the smallest drop in on-time payments, it continued to display the lowest overall share of invoices settled within agreed terms (29%), closely followed by 'Manufacturing' (30%). Conversely, despite notable declines, 'Financial Services' and 'Retail Trade' remained the best-performing sectors in Luxembourg in 2024, with just under half of invoices paid on time.

**Figure 114: Percentage of payments by due date per sector, 2019-2024, B2B**

Source: Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

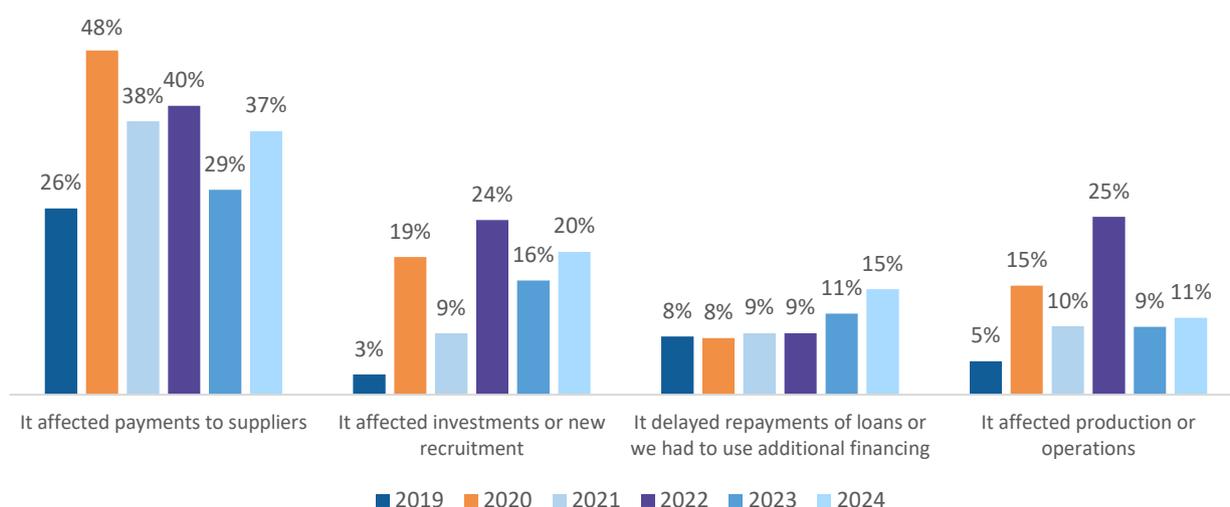
Among the two multi-country sources available for Luxembourg in 2024, the ECB/EC SAFE survey provides insights into companies' perceptions of the consequences of experiencing late payments. Unfortunately, these sources do not include information on the drivers behind such delays.

As shown in the figure below, the reported consequences of late payments reveal a concerning trend: companies indicated that the negative effects were more pronounced in 2024 than in 2023 across all dimensions covered. The most frequently cited consequence (37% of firms) was a reduced ability to pay suppliers on time, thereby creating a self-reinforcing cycle in which

companies affected by late payments are also more likely to delay their own payments. Compared with 2023, this share increased by eight percentage points, highlighting the growing severity of this issue. The second most common reported impact was on companies' ability to undertake new investments or recruit staff, with one fifth of companies identifying this as a key negative effect of late payments. Notably, an increasing proportion of firms over recent years have reported that late payments led to delays in repaying outstanding loans or required them to seek additional financing to meet such obligations.

When compared with the average magnitude of these effects across EU Member States, companies in Luxembourg appear to be more severely affected in terms of their ability to pay suppliers on time (37 % versus an EU average of 31 %). By contrast, the impact on investment and loan repayments aligns closely with the EU average, while the effect on production and operations is notably lower in Luxembourg (11 % compared with an EU average of 19 %).

**Figure 115: Percentage of enterprises indicating that late payments had negative consequences on the reported dimensions, 2019-2024, G2B and B2B**



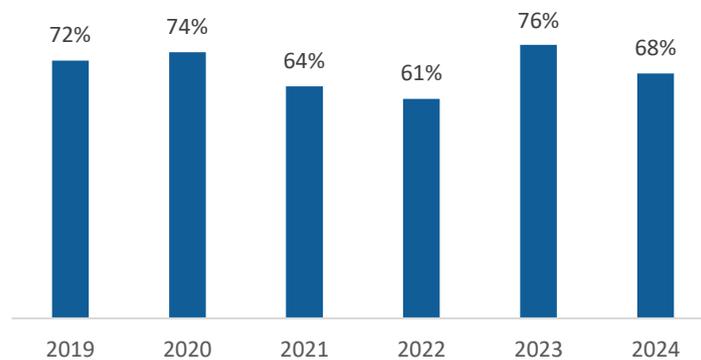
Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.



Like many small countries, Malta faces challenges related to the limited availability of data on payment behaviour, which reduces the number of variables that can be analysed. The only data sources available are the ECB/EC SAFE survey, which monitors payment behaviour, and the Malta Association of Credit Management, which focuses on payment periods.

In 2024, 68 % of companies in Malta reported experiencing issues related to late payments. The 2024 data show an 8 percentage points decrease compared to 2023, when 76 % of companies reported problems with late payments. Overall, the figures improved between 2020 and 2022 but worsened again in 2023. Despite this improvement in 2024, Malta continues to perform worse than the EU average in terms of late payment practices. Across the EU, 52 % of companies reported having faced such issues in 2024. However, these results should be interpreted with caution due to the limited size and representativeness of companies included in the sample.

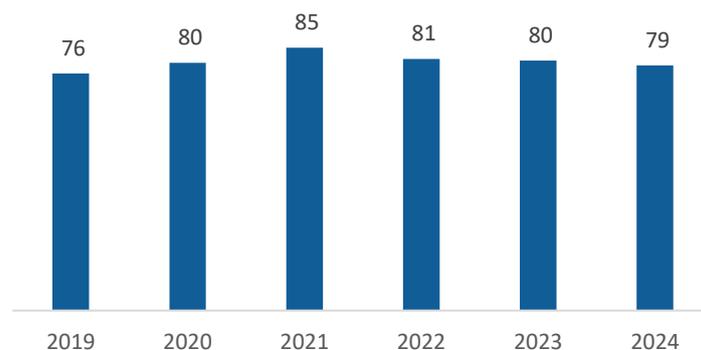
**Figure 116: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory on ECB/EC SAFE survey.

Average payment periods in Malta have decreased slightly over the past 3 years, reaching 79 days in 2024. Over the past 6 years, the peak occurred in 2021. Although there has been gradual improvement since then, payment periods have not yet returned to pre-2020 levels. These figures remain significantly above the threshold permitted by the Late Payments Directive.

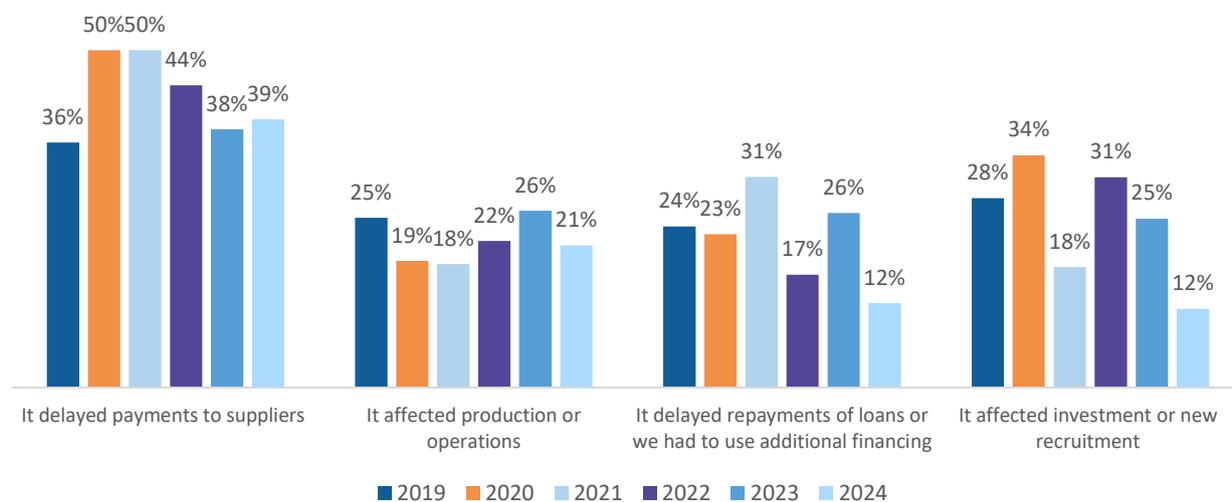
**Figure 117: Average payment period in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Malta Association of Credit Management.

Overall, the share of companies reporting that delayed payments have affected their payments to suppliers remains relatively stable at 39 %, which is higher than the EU average of 31 %. This notable figure highlights the trickle-down effect of late payments, making poor payment practices a problem that impacts the entire supply chain. On the other hand, the share of companies indicating that late payments have caused spillover effects on production (21 %), financing (12 %) and investment (12 %), has been decreasing in 2024 compared to 2023, in line with EU trends.

**Figure 118: Percentage of enterprises indicating that late payments have had the following consequences, 2019-2024, B2B and G2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

## NETHERLANDS

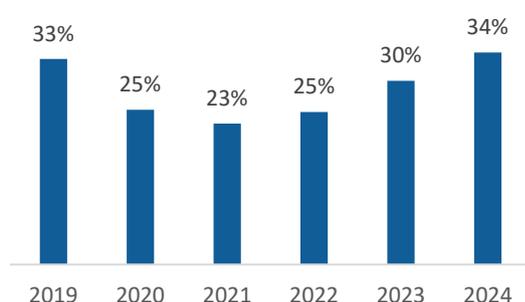
In 2024, information on the situation with late payments in the Netherlands was provided by three multi-country sources: the Intrum and SAFE surveys, and the Cribis/D&B Payment Study. However, no national sources were available.

In 2024, the Netherlands continued to perform better than most EU countries in managing late payments. As shown in the left-hand-panel of the figure below, only 34 % of surveyed companies by the SAFE survey reported having experienced problems due to late payments from public or private counterparts. This marks a deterioration of four percentage points compared to 2023; however, it still remains the lowest incidence in the EU. In fact, the Netherlands shares the same EU-wide trend that saw a decline in the share of companies affected by late payments issues between 2019 and 2021, and a steady increase thereafter. However, the rise in the incidence of late payments between 2023 and 2024 in the Netherlands (four percentage points) was lower than that of the EU as a whole (five percentage points). This resulted in an even wider gap between them, which increased from 17 percentage points in 2023 to 18 in 2024.

As regards the average payment period, the Netherlands displayed a very similar pattern to that of the EU between 2023 and 2024, with payment time for B2B transactions decreasing, and increasing for G2B ones. In fact, according to Intrum, in 2024 B2B invoices in the Netherlands was settled in 61 days, 1 day less than the preceding year, and 1 day more than the EU average. Instead, G2B invoices were settled in 71 days on average, an increase of 2 days compared to 2023, which is the same increase witnessed in the EU as a whole. However, given that on average G2B invoices were settled in 70 days in the EU, the Netherlands appears to have above-average payment periods for both B2B and G2B transactions. Comparing this insight with the evidence reported by the SAFE survey, one can conclude that albeit payment periods are marginally above average in the Netherlands, Dutch companies seem to be suffering the least from problems due to late payments.

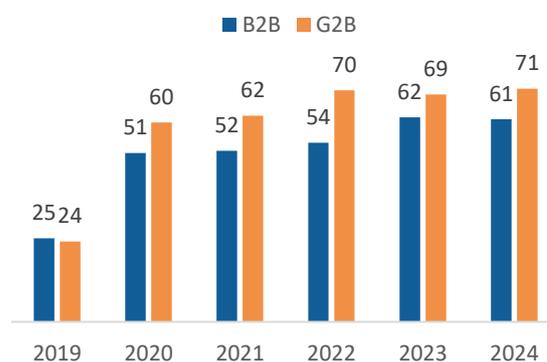
Interestingly, in 2022, the Netherlands introduced legislation reducing the statutory maximum payment term from 60 to 30 days for transactions between large companies and SMEs<sup>54</sup>. However, according to the Intrum survey, average payment terms in 2024 remained relatively long, at 44 days for B2B transactions – almost 2 days shorter than in 2023 – and 55 days for G2B transactions, unchanged from the previous year. The slight reduction in average B2B payment terms could reflect the impact of the new legislation. Nevertheless, this cannot be confirmed, as the Intrum survey does not provide a breakdown of the aggregate figure by company size. As a result, it is not possible to determine whether large companies are complying with the 30-day maximum payment term requirement.

**Figure 119: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 120: Average payment period in number of days, 2019-2024, G2B and B2B**



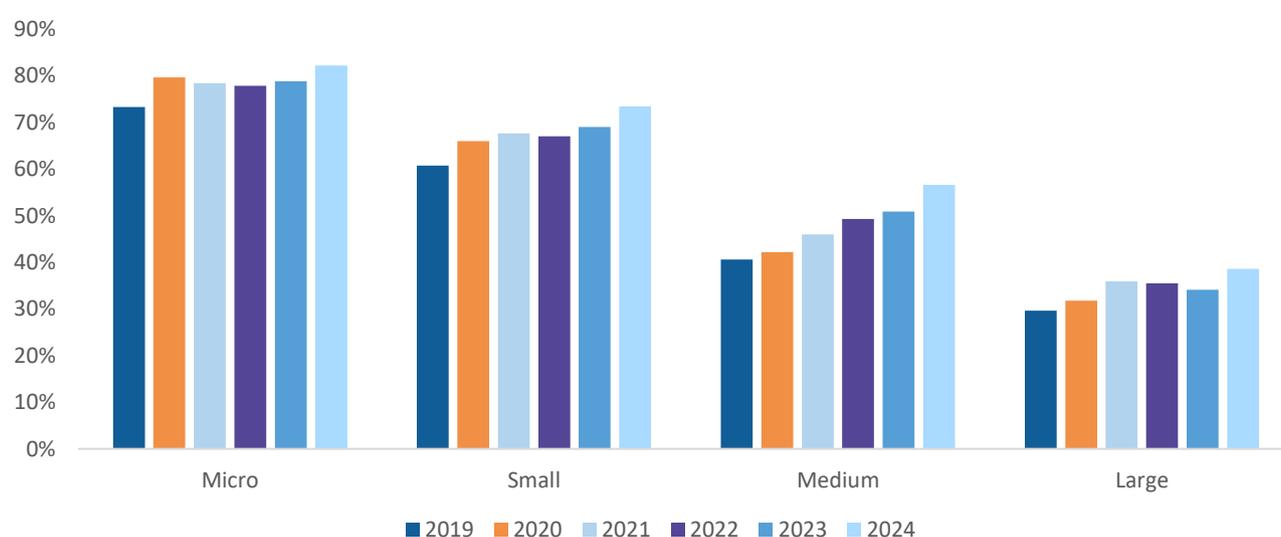
Source: EU Payment Observatory elaboration on Intrum European Payment Report.

<sup>54</sup> Marcel Willems, Elisabeth Bulder, 'Statutory Payment Term for Large Companies to SMEs: From 60 to 30 Days,' Fieldfisher, 1 August 2022. Available at: <https://www.fieldfisher.com/en/insights/statutory-payment-term-for-large-companies-to-smes>.

The Cribis/D&B payment study provides information on the share of invoices settled within their payment terms. The widespread pattern that the larger the firm the lower the share of timely payments is observed also in the Netherlands for every year in the period between 2019 and 2024.

As can be seen from the figure below, the gap in timely payments across different company sizes is substantial. On average throughout the 6 years covered, micro companies paid 11 % more invoices on time than small ones. Small companies settled 20 % more payments within their term than medium ones. And medium companies paid 13 % more invoices on time than large ones. Therefore, the gap in the share of invoices paid on time between micro and large companies amounts to a considerable 44 %, with a share of 82 % for the former, compared to only 39 % for the latter. Moreover, all size categories report a broad trend of improvement throughout time, with only a few exceptions. Between 2023 and 2024, all types of companies increased their share of timely payments, with medium companies reporting the biggest gain (six percentage points), followed by large (five percentage points), small (four percentage points), and finally micro (three percentage points).

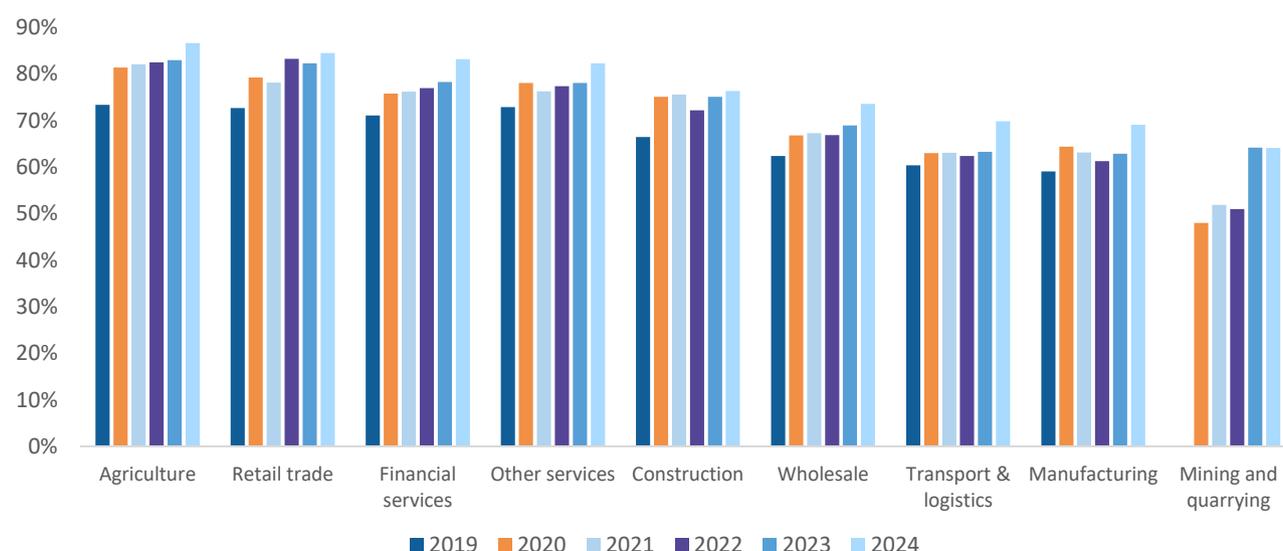
**Figure 121: Percentage of payments by due date across company sizes, 2019-2024, B2B**



Source: EU Payment Observatory elaboration on Cribis/D&B Payment Study.

The Cribis/D&B Payment Study also reports the distribution of timely payments across different sectors. As can be seen in the figure below, all sectors covered experienced an increase in timely payments between 2023 and 2024, with the only exception of 'Mining and quarrying' that remained unchanged. The largest gain was recorded in 'Transport & logistics', which increased its share of timely payments by seven percentage points, followed by 'Manufacturing' with an increase of six percentage points. Also 'Financial services' and 'Wholesale' reported notable improvements, both witnessing an increase of five percentage points.

Inspecting the ranking of the best and worst performers, the situation remained unchanged compared to 2023, with 'Agriculture' still leading the way with 87 % of invoices settled on time. 'Retail trade' remained the second-best paying sector in 2024, with a share of timely payments of 85 %, and also 'Financial services' was still, in 2024, the third best sector in terms of payment practices, with 83 % of invoices paid on time. However, 'Mining and quarrying' was reported as the worst paying sector, with 64 % of payments made by their due date in 2024, unchanged from its 2023-level.

**Figure 122: Percentage of payments by due date per sector, 2019–2024, B2B**

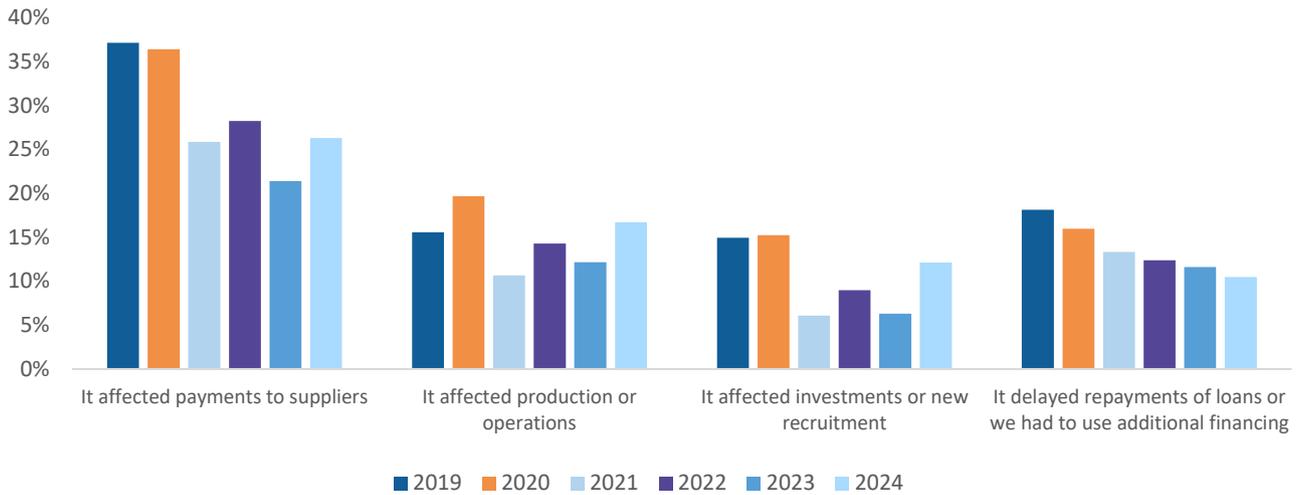
Source: EU Payment Observatory elaboration on Cribis/D&B Payment Study (2019 observation for Mining and quarrying sector is missing).

Examining companies' views on the effects of late payments shows that, although the Netherlands remains among the EU countries reporting the fewest negative impacts, these effects have increased between 2023 and 2024. As shown in the figure below, the most frequently cited consequence of late payments by Dutch companies continues to be the negative impact on their ability to pay their own suppliers on time. In 2024, 26 % of companies identified this as an issue – an increase of five percentage points compared with 2023. Despite this notable rise, the figure remains the sixth lowest among Member States, suggesting that late payments continue to have a relatively limited impact on Dutch companies' cash flows compared with those elsewhere in the EU.

Consistent with this finding, Dutch companies also reported a low incidence of late payments causing delays in loan repayments or creating a need for additional financing, with only 10 % citing this effect – two percentage points lower than in 2023 and the fifth lowest rate in the EU in 2024. Conversely, late payments appear to have had a somewhat greater impact on production and operations, as well as on companies' ability to invest and recruit. The share of companies reporting these effects rose by five and six percentage points respectively between 2023 and 2024. However, despite these increases, the overall incidence of such impacts in the Netherlands remains relatively low compared with the EU average.

A potential explanation for the below-average impact of late payments in the Netherlands lies in the fact that Dutch companies are the most active in the EU in the use of credit insurance, and the third most active in adopting fraud prevention measures. According to Intrum, in 2024, 30 % of Dutch companies reported using credit insurance – an increase of eight percentage points compared with 2023 – making the Netherlands the leading country in the EU in this regard. With respect to fraud prevention, although the share of companies adopting such measures decreased from 28 % in 2023 to 24 % in 2024, the Netherlands still ranked third in the EU for the use of this approach. These preventive and remedial measures help to shield Dutch companies, at least in part, from the negative effects of late payments, which may explain why the reported impacts are comparatively lower in the Netherlands than in the rest of the EU.

**Figure 123: Percentage of enterprises indicating that late payments have had the following consequences, 2019-2024, B2B and G2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

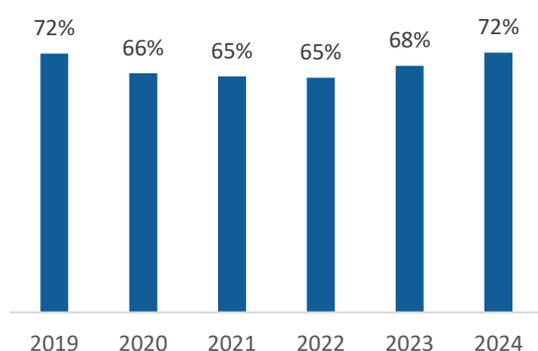
## POLAND

Poland is the Member State in which a higher share of enterprises, 72 %, say that they have issues as a consequence of late payments in 2024. It also led that ranking in 2022. The percentage of firms indicating being affected by late payments has been increasing since 2021 and it is back to 2019 levels. Poland was also the country in which the highest share of enterprises, 65 %, claim to be affected by B2B late payments. On G2B it is close to the EU average.

Equally, in 2024, Poland had the third highest average payment period in the EU in B2B transactions with 62 days and the second longest payment terms, of 47 days on average. The time taken to settle invoices by public authorities is like in all Member States longer, 69 days; however, it is below European average.

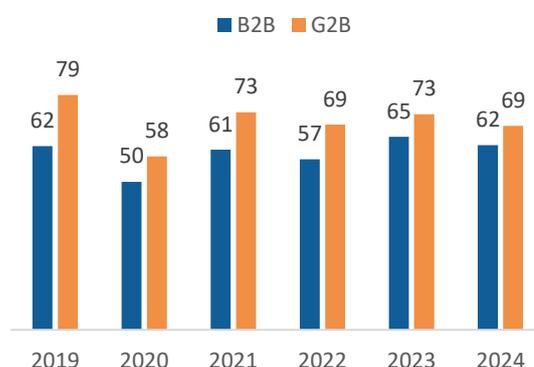
Despite Polish companies claiming to be increasingly affected by late payments, in general, the average time to settle invoices improved in the country in 2024. As in most EU Member States, payment periods shortened for B2B as they did on G2B, contrary to the trend observed in the rest of the EU. In fact, it was the third country with the greatest improvement in G2B payment periods. It is worth noting that the Polish government is one of the most active in addressing late payments, having adopted new measures to combat it in 2019 and 2022.

**Figure 124: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 125: Average payment period in number of days, 2019-2024, G2B and B2B**

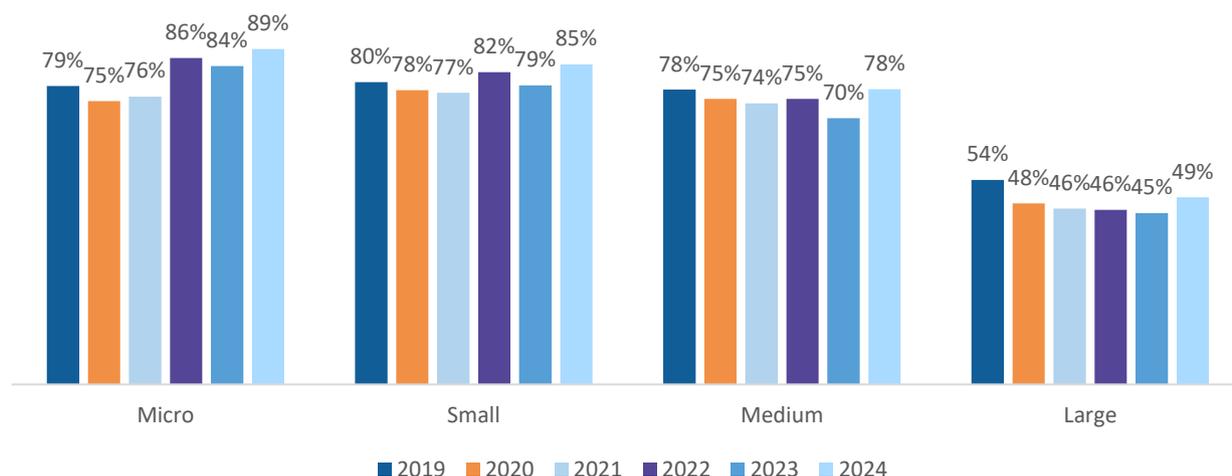


Source: EU Payment Observatory elaboration on Intrum European Payment Report.

In addition, the percentage of invoices paid on time improved across all company sizes in Poland in 2024. The biggest increase was observed in medium-sized enterprises which settled 78 % of their invoices by the due date in 2024 in comparison with 70 % in 2023. Small companies followed, with on-time payment increasing from 79 % to 85 %.

Nevertheless, in Poland, like in most Member States, the bigger the company the less likely it is that they pay on time. Micro companies have the highest percentage of invoices settled by the due date, 89 % in 2024 up from 84 % in 2023. Meanwhile, large businesses only paid on-time 49 % of the time. This represents a four-percentage point improvement over 2023, after 5 consecutive years of declining punctuality.

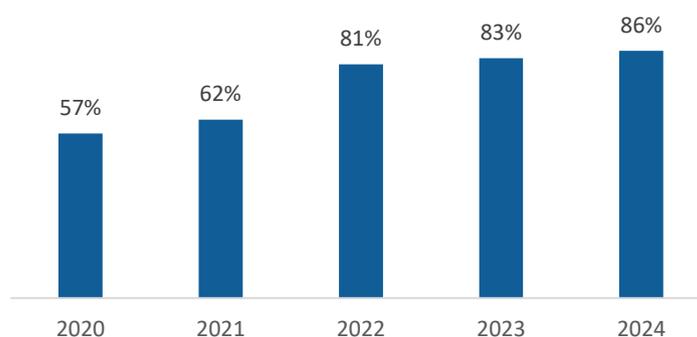
The differences on payment performance linked to size are probably the consequence of power imbalances in business relations. This may also lead to some unfair business practices. In that regard, 53 % of Polish companies say that they accept payment terms that they are not comfortable with in order not to damage relationships with their clients.

**Figure 126: Percentage of payments by due date across company sizes, 2019-2024, B2B**

Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

Further information exists about the payment performance of very large companies in Poland. Approximately the 3 000 biggest (defined as those whose income exceeds EUR 50 million annually or that belong to tax capital groups) are obliged to report on their payment practices to the Ministry of Development and Technology. Interestingly, in 2024 they indicated that they paid 86 % of the value of their invoices on time. They also report that this figure has been improving since 2020<sup>55</sup>.

The significant divergence between the data from Cribis/D&B and that from the Ministry of Development and Technology stems primarily from methodological differences, in addition to differences in company coverage. Cribis data come from transactions and is based on a sample, meanwhile the one from the Ministry is self-reported by companies.

**Figure 127: Percentage of value of invoices paid by due date by large companies, 2020-2024, B2B**

Source: EU Late Payments Observatory elaboration on the basis of data from the Polish Ministry of Development and Technology.

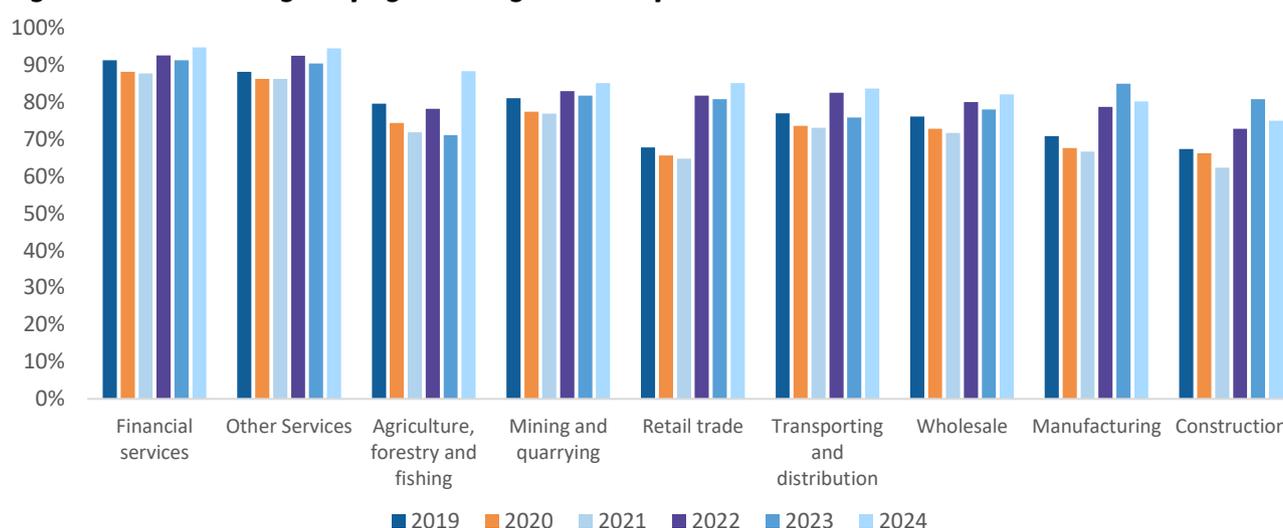
In 2024, the share of invoices settled by the due date improved in 7 out of 9 monitored sectors as can be observed in the figure below. The most significant improvement was seen in 'Agriculture, Forestry and Fishing', whose on-time payments rose from 71 % to 88 %. It thus went from being the worst performing sector in 2023 to ranking third. 'Transporting and distribution' also saw a significant improvement in the share of invoices settled by the due date from 76 % to 84 %. Conversely, 'Manufacturing' and 'Construction' were the only sectors to experience a decline in on-time payments, each seeing a drop of around five percentage points, reaching 80 % and 75 % respectively. They were also the worst-performing sectors in 2024. On

<sup>55</sup> The big difference in percentage between 2021 and 2022 could be the result of a methodological change. Until 2021 companies had to report on 'the percentage share in the total value of the cash benefits NOT paid on the date specified in the agreement'. From 2022 they had to report on 'the percentage share in the total value of the cash benefits paid on the date specified in the agreement'.

the other side of the ranking, 'Financial Services' and 'Other Services' were, as in every other year covered, the sectors with the highest percentage of invoices settled by the due date, 95 % in 2024.

Regarding the sectors most affected by late payments, over the last year several studies have warned about the worrying situation in the transport, forwarding and logistics sector in Poland. This is very relevant, particularly because Polish transport companies account for around 20 % of freight transport in the EU<sup>56</sup>. Late payments and liquidity issues have been cited as the biggest challenges the sector is facing<sup>57</sup>. Payment delays to SMEs in the sector are reported to be increasing. In addition, there are concerns about the presence of unfair payment practices that unduly delay the accepting of invoices such as unnecessarily requesting additional original documentation that needs to be shipped to other Member States. In response, the government has announced that it is considering new rules to address the issue, in particular further limiting payment terms<sup>58</sup>.

**Figure 128: Percentage of payments by due date per sector, 2019-2024, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

Poland is one of the Member States that provided a higher number of responses to the Commission extended SME Panel Survey with a total of 336 responses, of which 256 are companies and 77 are business associations. In Poland, unlike at the EU level, the book sector is not overrepresented, as only 2 responses were received from it.

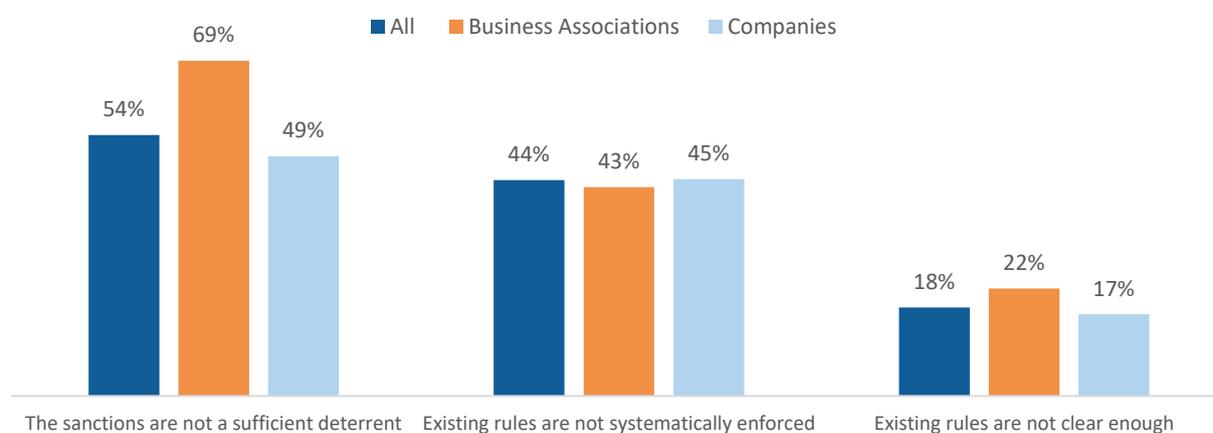
Analysing its results, it seems that Polish respondents consider the current regulatory framework more ineffective than its EU counterparts. This is very relevant as Poland has its own legislation with a more stringent enforcement regime than the one indicated in the Late Payments Directive. Some 54 % of Polish respondents consider that sanctions are not a sufficient deterrent, which increases to 69 % for business associations and reduces to 49 % for companies. The average at EU level is 37 %. Equally 44 % of Polish respondents indicate that the current rules are not systematically enforced in comparison with 33 % at EU level. These high levels are surprising given that Poland is the only Member State with France to have a national enforcement authority, the UOKiK, with a right to impose additional financial penalties to late payers. In addition, 18 % of respondents in Poland consider that existing rules are not clear enough in comparison to 13 % at EU level. That share increases to 22 % for business associations and decreases to 17 % for companies.

<sup>56</sup> Polish Ministry of Economic Development and Technology (2025), 'Poland – Europe's logistics leader', <https://www.trade.gov.pl/en/news/poland-europes-logistics-leader/>.

<sup>57</sup> Transcasheu (2025), 'The Financial Index of the TSL Industry', <https://transcasheu.eu/blog/raport/finansowy-indeks-branzy-tsl-2025/>.

<sup>58</sup> Polish Ministry of Economic Development and Technology (2024), 'Opóźnione płatności pogrążają transport – czy nowe prawo to zmieni?' <https://www.trade.gov.pl/wiedza/opoznione-platnosci-pograzaja-transport-czy-nowe-prawo-to-zmieni/>.

**Figure 129: Percentage of business associations and companies indicating the following as causes of late payments, 2025**



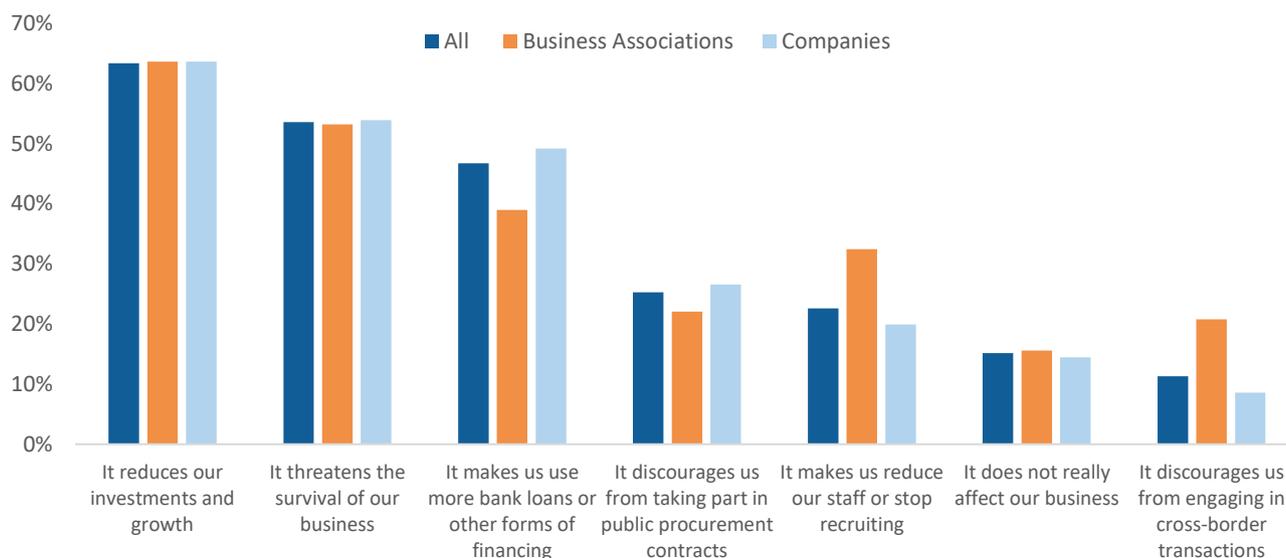
Source: EU Payment Observatory elaboration on the European Commission Survey.

The survey results show that Polish companies are particularly affected by the consequences of late payments. For every indicator measured, the share of Polish firms reporting negative impacts exceeds the European average. The most frequently cited consequence is reduced investment and growth, highlighted by 63 % of Polish respondents compared with an EU average of 40 %. In addition, very worryingly, 54 % of Polish businesses state that late payments threaten their very survival, far above the EU average of 31 %. This underscores the severity of the problem in Poland.

Other significant impacts include restricted access to finance, with 47 % of Polish respondents reporting they must resort to additional loans or other external funding due to late payments (compared to 39 % in the EU). Moreover, one in four Polish companies say late payments discourage them from participating in public procurement (EU average: 19 %), while 23 % report having to reduce staff or halt recruitment (EU average: 13 %). For 11 %, late payments deter engagement in cross-border transactions (EU average: 6 %).

Meanwhile, only 15 % of Polish respondents say that late payments have no impact on their business, slightly below the EU average of 17 %.

**Figure 130: Percentage of business associations and companies indicating the following as consequences of late payments, 2025**



Source: EU Payment Observatory elaboration on the European Commission Survey.

Polish companies resort to several different methods to prevent late payments. Some 47 % of them asked for a pre-payment at some point of 2024, while 31 % offered a discount to prevent a delayed payment. Requesting banking guarantees seems to be increasing in popularity, as it was a tool also used by 31 % of companies in 2024, up from 21 % in 2023. Meanwhile the percentages of companies using credit checks, 31 %, or reviewing their clients reliability using credit management software and payment records, 17 %, are among the lowest in the EU.

Looking to the future, Polish firms appear to be quite worried about the economic landscape. Half of them claim to be finding it increasingly difficult to pay their suppliers on time because of the economic situation, while 53 % are more concerned than ever about their clients ability to settle invoices by the due date.

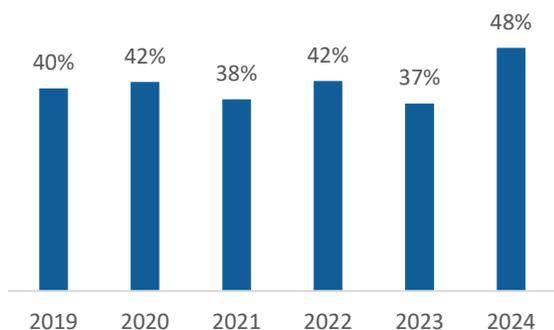
# PORTUGAL

According to the ECB/EC SAFE survey, the Portugal payment environment in 2024 evidences persistent challenges, with a significant number of companies reporting issues due to late payments in the past 6 months (48 %) (see below figure). This reflects a deterioration of more than 10 percentage points compared to 2023 – the lowest level recorded during the whole period considered – positioning the country slightly below the EU average (52 %). Furthermore, most Portuguese companies cited late payments to have negatively affected payments to suppliers (39 %), followed by investments or new recruitment (28 %). In this context, a vast majority of companies indicated, according to Intrum, finding it particularly difficult to pay their suppliers on time due to the economic slowdown (54 %).

Although these issues are significant, Portuguese companies also reported the lowest proportion of total revenues that are typically paid late by their customers (10.6 %), suggesting that for these entities their clients tend to settle invoices more promptly than in other EU countries. Nevertheless, Portugal also recorded in 2024 the second highest rate of acceptance of longer payment terms to avoid damaging relationships with clients/customers (60 %).

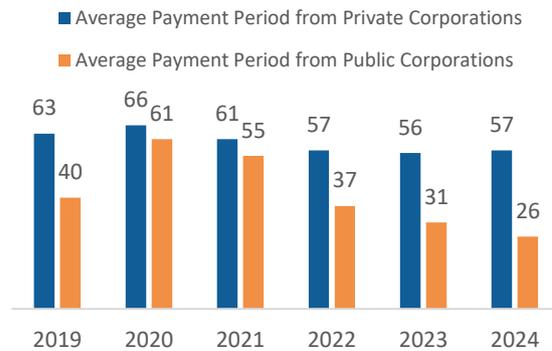
Data from Banco de Portugal make it possible to compare average payment periods from private and public corporations in Portugal. Government-owned enterprises settled their invoices in 2024 in 26 days on average, 31 days earlier than privately owned ones. Their average payment period seems to have improved, showing a decrease of 5 days compared to 2023 and thus recording the lowest value for the period 2019-2024. For private corporations, average payment periods have deteriorated by 1 day reaching 57. It is worth mentioning that BPSTAT data for private corporations differ from the figures presented by Intrum for other countries, primarily due to methodological differences in data collection and calculation. Notably, the former excludes certain categories of companies<sup>59</sup> and measures the indicator on a quarterly basis.

**Figure 131: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 132: Average payment period from private and public corporations in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on BPSTAT (Banco de Portugal).

Despite the good results of public companies, G2B payment performance in Portugal is a particular source of concern. In 2024, an [ECJ Court ruling](#) condemned the country for failing to ensure that local administrations between 2013 and 2018, as well as Portuguese public entities providing healthcare between 2013 and 2022, comply with payment deadlines. In June, 2025 the Commission [issued a warning](#) to Portugal claiming that the measures taken since the ECJ ruling have not delivered sufficient improvements. According to suppliers, G2B payment periods in Portugal reached 72.7 days in 2024 which is the fourth longest in the EU. This constitutes a significant 5-day increase compared to 2023.

While government-produced data exist, it does not, however, cover the entire public sector. Besides the already mentioned averages by public companies, municipalities are reporting<sup>60</sup> a

<sup>59</sup> Such as agriculture, forestry, and fishing companies.

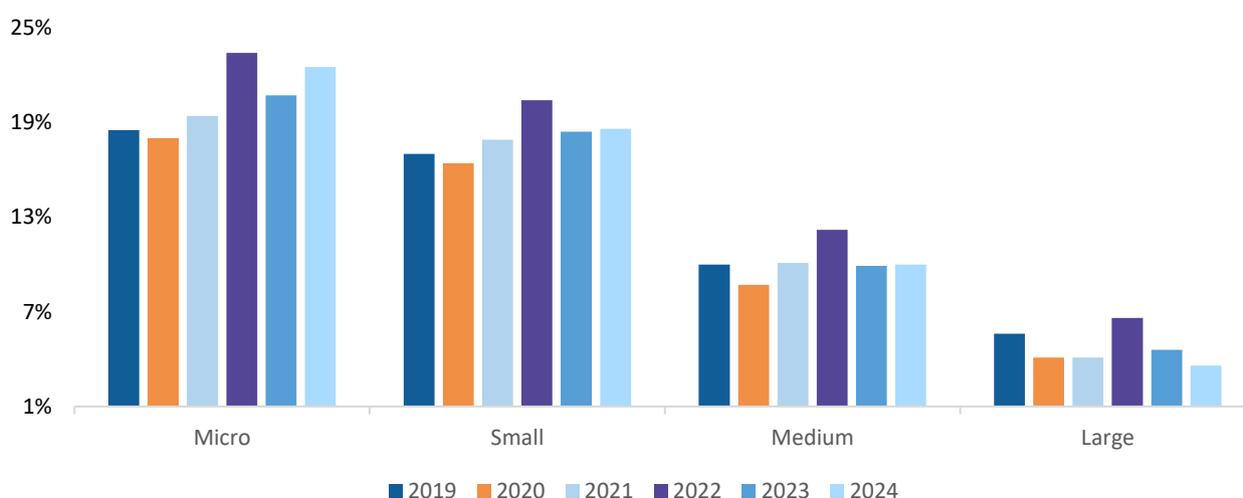
slight increase of payment periods from 17 to 18 days. Furthermore, the island regions continue to be particularly problematic as they are the only ones reporting that it took them more than 60 days on average to settle their invoices in G2B. At the end of 2024, Madeira reported a 74-day average while for Madeira it was a staggering 138<sup>61</sup>.

Equally, the healthcare industry in Portugal continues to be very concerning. In 2024, it had an average payment period of 85 days. Although this represents an improvement regarding previous years (37 days less than in 2023), it is still excessively long. In this context, with the aim of settling overdue payments of more than 90 days to external suppliers, the Portuguese Government allocated EUR 200 million<sup>62</sup> in additional funding for hospitals and health centres in July 2025. However, this financial help had only a limited effect. According to the Central Administration of the Health System (ACSS) data, late payments in the sector appear to have risen to over EUR 600 million in August 2025, recording the highest amount since 2018.

In terms of payment punctuality, Portuguese companies remain one of the weakest performers in B2B transactions in the EU (see figure below). Continuing the trend observed in 2023, Portugal once again exhibits the greatest disparity among EU countries between micro and large companies in 2024, with the former being nearly six times more likely to pay on time than the larger counterparts. Remarkably, large companies in Portugal recorded the lowest share of payments made on time in the EU, with only 4 % of payments made by due date in 2024, while it was 23 % for micro companies.

Compared to 2023, micro and small companies evidenced a slight improvement in the share of on-time payments in 2024. For micro companies, the increase reached 2 %, while for small it was only 1 %. In addition, the payment behaviour of Portuguese medium companies remained stable compared to the previous year (10 %); for large companies there was a deterioration of 1 % in the proportion of payments made on time.

**Figure 133: Percentage of payments by due date across company sizes, 2019–2024, B2B**

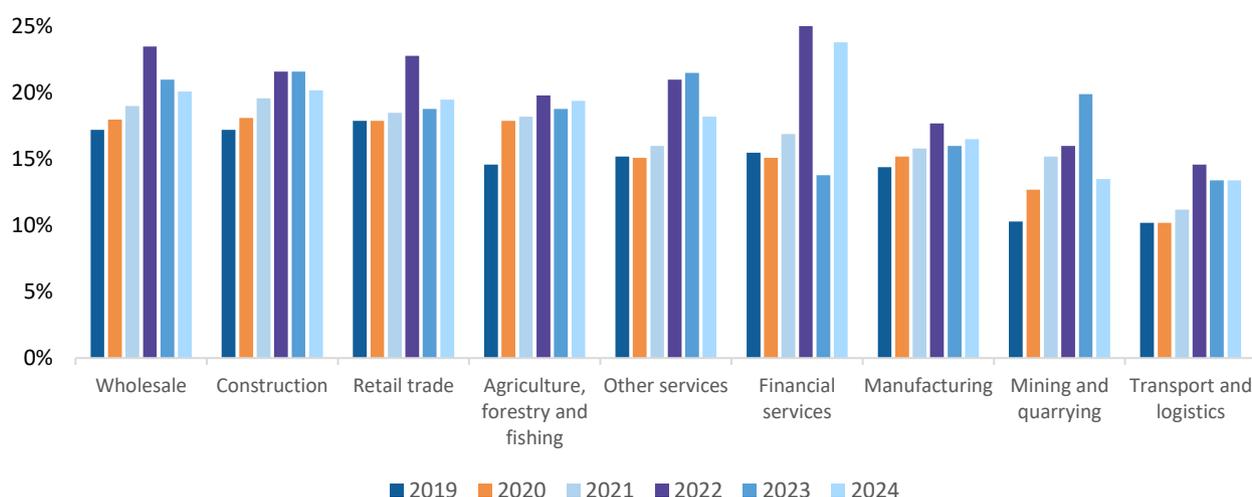


Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

At sectoral level, the payment behaviour of Portuguese companies exhibits persistent weaknesses, with less than one quarter of the total payments being made on time across all sectors in 2024 (see figure below). As is the case in other EU Member States such as Italy and Poland, 'Financial Services' ranks first in Portugal as the sector with the highest share of on-time payments (24 %), followed by 'Construction' (20 %). In contrast, 'Transports and logistics' and 'Mining and quarrying' stand out as the least compliant with timely payment practices, with only 13 % and 14 % of payments made on time in 2024, respectively. For the latter in particular, a significant deterioration of six percentage points was seen compared to 2023.

<sup>61</sup>Portuguese Budget Office (2025), 'Prazo médio de Pagamentos', [https://www.eo.gov.pt/execucaoorcamental/ProgramaPagarATempoEHoras/PMP60\\_2Trim2025\\_AC-AR.pdf](https://www.eo.gov.pt/execucaoorcamental/ProgramaPagarATempoEHoras/PMP60_2Trim2025_AC-AR.pdf).

<sup>62</sup>EFE (2025), 'El Gobierno de Portugal aprueba inyección de 200 millones de euros para sistema sanitario', <https://www.swissinfo.ch/spa/el-gobierno-de-portugal-aprueba-inyecci%C3%B3n-de-200-millones-de-euros-para-sistema-sanitario/89650073>.

**Figure 134: Percentage of on-time payments by sector, 2019-2024, B2B**

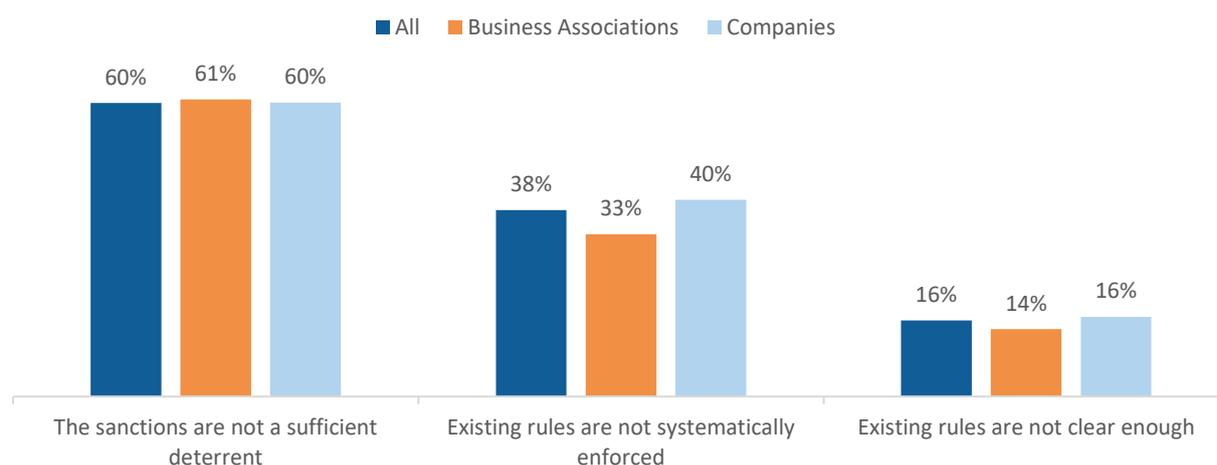
Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

A total of 556 Portuguese respondents participated in the European Commission Survey conducted in 2025, composed of 391 companies (70 % of the Portuguese respondents) and 159 business associations (29 % of the Portuguese respondents). The remaining 6 respondents did not specify any category. Interestingly, and contrary to other countries like France or Germany, only one bookshop in Portugal responded to the survey. Given this limited representation, no separate analysis for bookshops was carried out.

Portuguese respondents identified specific factors contributing to late payments in relation to current legislation (see figure below). Notably, the distribution of responses is highly consistent across the different categories of respondents, with similar proportions reported by each group. For 60 % of the respondents, sanctions are not a sufficient deterrent to prevent late payments, a view shared almost equally by business associations (61 %) and companies (60 %). Importantly, these shares are significantly above the EU average for all respondents (EU: 37 %), companies (EU: 36 %) and business associations (EU: 43 %). Looking at the first two categories, the share of Portuguese respondents reporting sanctions not being sufficient accounts for almost twice the EU average, suggesting that these are not particularly effective in Portugal.

In addition, for more than one third of the Portuguese respondents (38 %), the fact that existing rules are not systematically enforced appears to be another cause for late payments, a perspective shared by 33 % of Portuguese business associations and 40 % of companies. For companies in particular, the proportion of respondents indicating this is 8 percentage points above the EU average (EU: 32 %). Lastly, 16 % of Portuguese respondents attribute late payments to a lack of clarity in the existing rules, a view similarly held by 14 % of business associations and 16 % of companies in Portugal. Similar to previous cases, the share of companies indicating this is above the EU average by 8 percentage points.

**Figure 135: Percentage of business associations and companies indicating the following as causes of late payments, 2025**

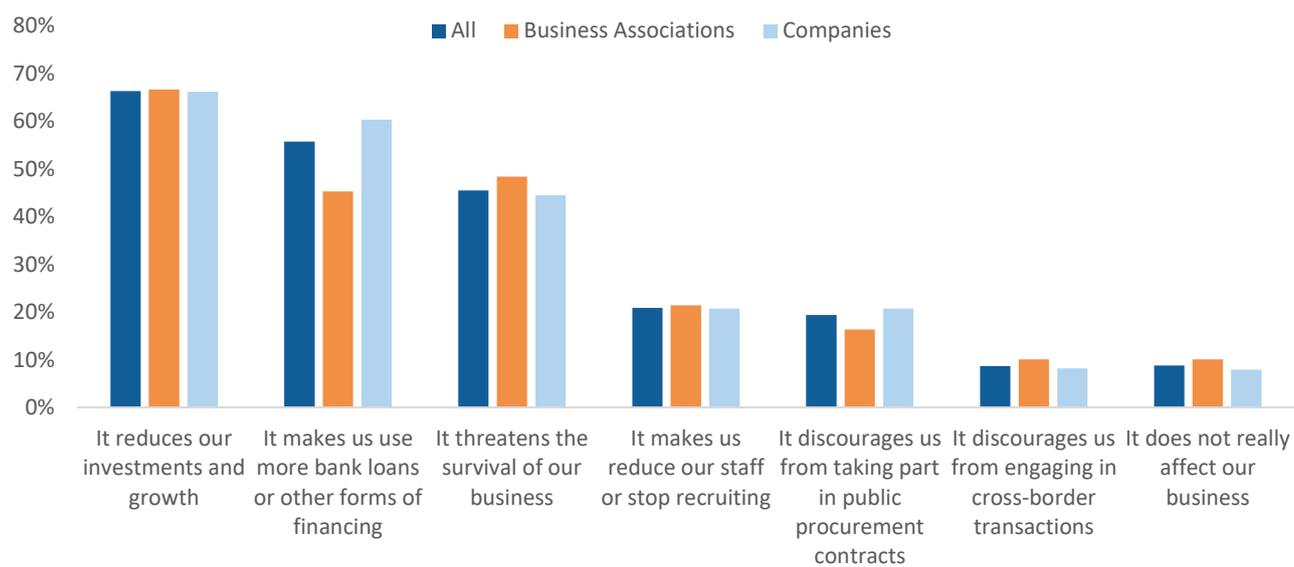


Source: EU Payment Observatory elaboration on the European Commission Survey.

Regarding the consequences of late payments, Portuguese respondents report a reduction in investments and growth as one of the most frequent challenges (see figure below), with this effect noted by roughly two thirds of the respondents across all categories. These values are above the EU average, which is especially pronounced for companies (EU: 38 %). In addition, delayed payments appear to significantly affect companies' reliance on additional bank loans or other forms of financing (60 %), whereas the impact reported by business associations is somewhat lower (45 %). Although for the latter the difference with the EU average is not very large (EU: 42 %), the situation varies for companies, which are 21 % above the EU average.

Similarly, 46 % of the Portuguese survey respondents indicate that late payments threaten the survival of their business, with the figure being slightly higher for business associations (48 %). As before, these responses are also above the EU average, particularly when considering all respondents (EU: 31 %) and companies (EU: 29 %). Finally, Portuguese respondents have also identified other consequences of late payments which were reported by a smaller proportion of participants. Its worth noting that 21 % of respondents in each category reported a reduction in staff or no recruitment, followed by a discouragement from taking part in public procurement contracts and from engaging in cross-border transactions. Lastly, the share of Portuguese respondents indicating that late payments do not affect their business ranges from 8 % for companies to 10 % for business associations, which appears to be notably below the EU average (EU: 17 % for all categories).

**Figure 136: Percentage of business associations and companies indicating the following as consequences of late payments, 2025**



Source: EU Payment Observatory elaboration on the European Commission Survey.

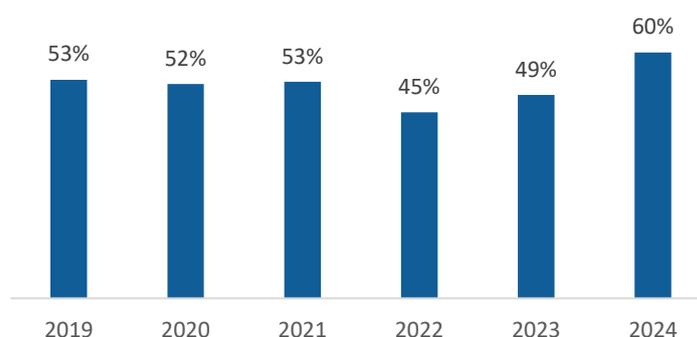


## ROMANIA

Last year, late payment issues in Romania appear to have deteriorated, evidenced by a significant increase in the number of companies who reported suffering from them as part of the ECB/EC SAFE survey (see figure below). This places Romanian companies among the most affected ones in the EU, exceeding the EU average (52 %) by eight percentage points. In addition, Romania ranks first in the EU in terms of the proportion of companies reporting that late payments have negatively affected payments to suppliers (55 %), investment or new recruitment activities (37 %) as well as in delaying repayments of loans or using additional financing (31 %) during 2024. Moreover, a significant number of companies also reported that late payments have affected their production or operations (35 %). Among other factors contributing to delayed payments, Romanian companies indicated<sup>63</sup> having persistent liquidity constraints, especially in relation to B2B transactions, as well as due to a slow turnover of inventory.

As in the previous edition, there is no existing data for 2024 in Romania concerning average payment periods in G2B and B2B transactions. In this context, and in relation to G2B concerns, it is worth mentioning that the European Commission initiated in April 2024 an infringement procedure against Romanian public health authorities for failing to implement EU late payments rules with pharmacies.

**Figure 137: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019–2024, G2B and B2B**

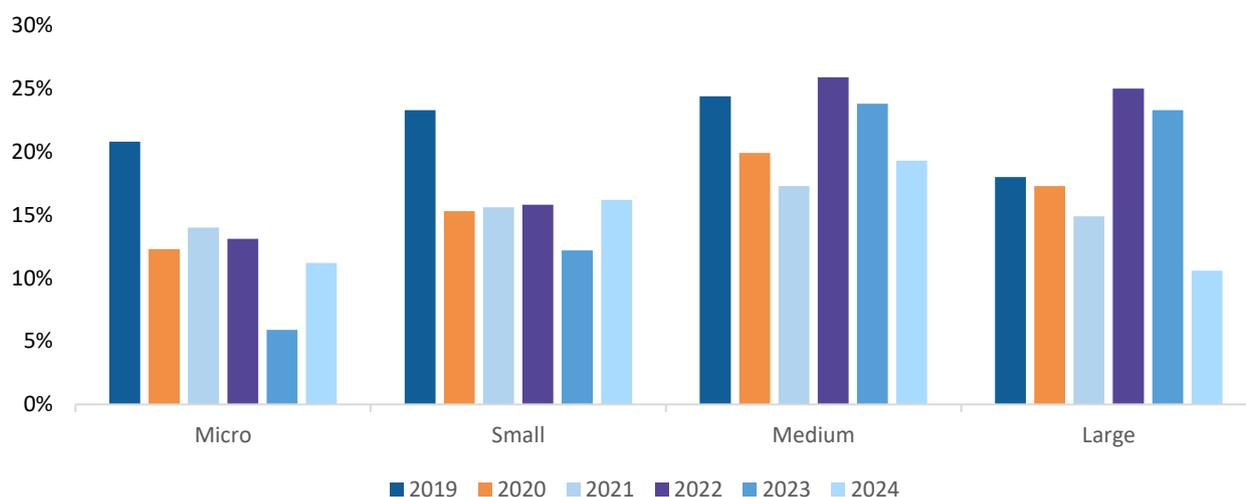


Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

In terms of payment punctuality, Romania shows one of the poorest payment performances within the EU with less than 20 % of payments made on time across all company sizes. In comparison with 2023, the data reveal divergent trends depending on the company size (see figure below). On the one hand, small and medium companies experienced a significant improvement in the share of on-time payments compared to 2023. Specifically, in 2024, micro-enterprises reported a 11 % rate of on-time payments, while small companies achieved a 16 % rate. This represents an increase of five and four percentage points compared to the previous year, respectively. Conversely, the share of on-time payments declined among medium and large companies, with a reduction of five and 13 percentage points compared to 2023, respectively.

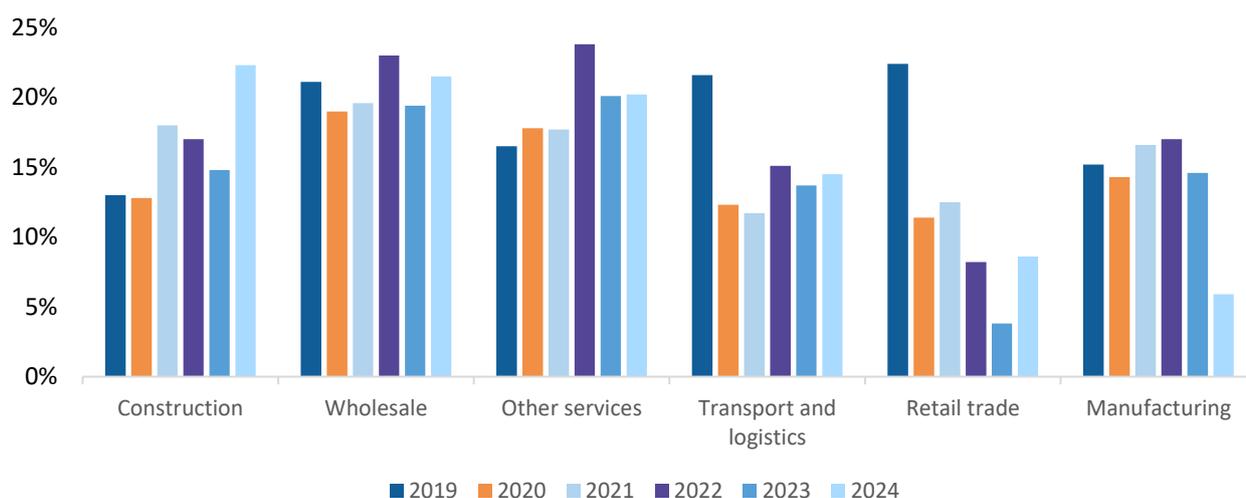
Unlike in previous years, and as a result of these changes, company size in Romania now reflects the pattern observed in most EU Member States, with larger firms showing the weakest payment performance in 2024. Nonetheless, medium-sized companies in Romania continue to lead in on-time payments.

<sup>63</sup> Atradius (2025), 'B2B Payment Practices trends Romania', <https://group.atradius.com/dam/jcr:8b433963-2012-4749-897e-e6a14ffe1092/payment-practices-barometer-central-and-eastern-europe-2025-romania-en.pdf>.

**Figure 138: Percentage of payments by due date across company sizes, 2019-2024, B2B**

Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

At sectoral level, Romania has the lowest on-time payment rates across the EU, with 'Manufacturing' recording the lowest share of on-time payments in 2024 (5.9 %) (see figure below). In particular, compared to 2023, the percentage of payments made by due date in such sector decreased by nine percentage points. On the other side, the other sectors covered appear to have improved payment compliance; this is reflected in an increase in the share of on-time payments in 2024 compared to the previous year. 'Construction' and 'Wholesale' continue to be the top performers with around 22 % of the payments made on time, while 'Other services' and 'Transport and logistics' follow with 20 % and 15 % of payments made by due date in 2024. Regarding 'Construction', a majority of Romanian companies reported<sup>64</sup> having extended payment terms as well as offering credit to B2B customers so as to maintain customer relationships.

**Figure 139: Percentage of on-time payments by sector, 2019-2024, B2B**

Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

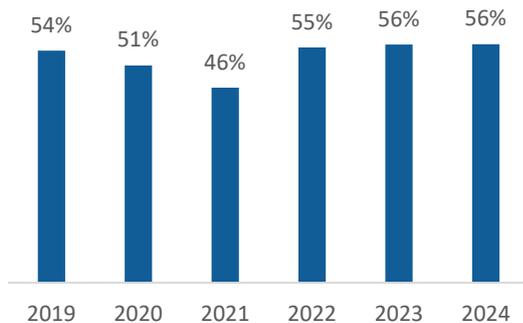
<sup>64</sup> Atradius (2025), 'B2B Payment Practices trends Romania', <https://group.atradius.com/dam/jcr:8b433963-2012-4749-897e-e6a14ffe1092/payment-practices-barometer-central-and-eastern-europe-2025-romania-en.pdf>.

Slovakia’s payment landscape in 2024 continues to face persistent challenges, with 56 % of businesses reporting issues related to late payments from both public and private entities – unchanged from 2023. At the European level, Slovakia ranks 11th, above the EU average of 52 %.

The average payment period for B2B transactions lengthened, from 60 days in 2023 to 62 days in 2024 – around 2 days longer than the EU average, while G2B transactions remained stable at 68 days for the third consecutive year, roughly 2 days below the EU average. This increase in B2B payment times points to growing pressures on Slovak companies.

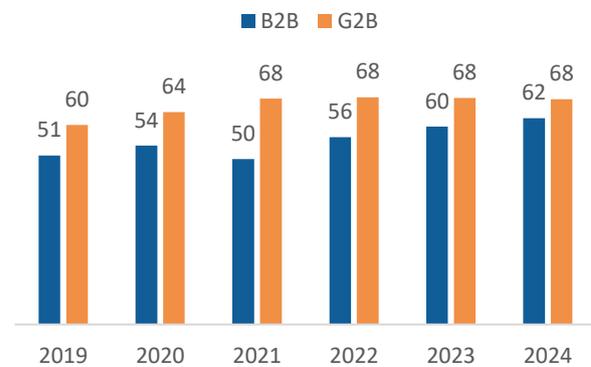
Focusing on payments from the Slovak government, in September 2024 the EU Court of Justice [ruled](#) that Slovakia had failed to ensure that its public healthcare entities effectively comply with the 60-day payment period established under the Late Payment Directive. The ruling concerned excessive payment delays by public hospitals to their suppliers – an issue that has persisted despite the infringement procedure first launched by the European Commission in 2017<sup>65</sup>. In June 2025, the Commission [sent](#) a letter of formal notice to Slovakia, as the measures announced following the ruling had not led to sufficient improvements. This situation requires close monitoring, as these chronic delays undermine the competitiveness and resilience of businesses operating in the health sector, particularly SMEs.

**Figure 140: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

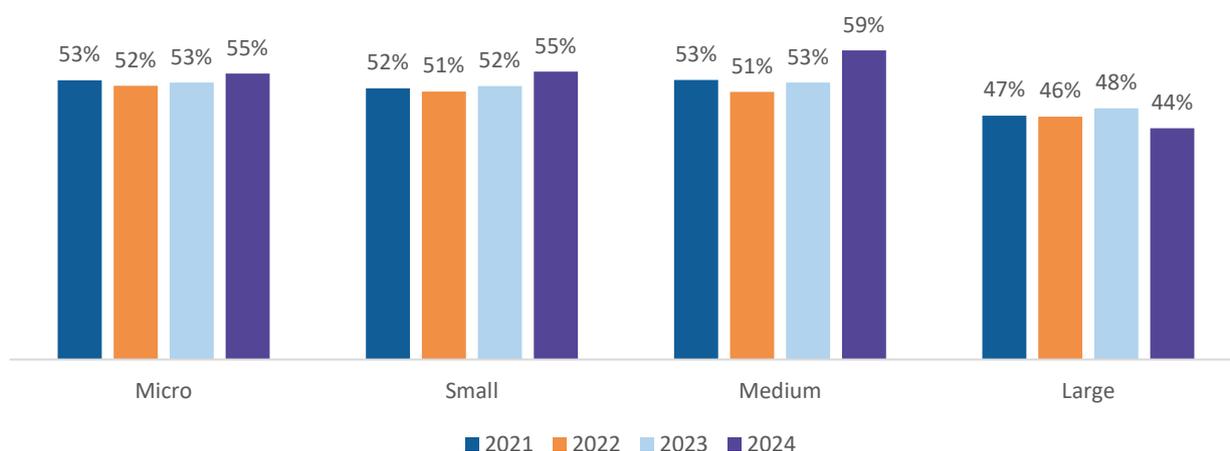
**Figure 141: Average payment period in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

In terms of payment punctuality, smaller Slovak businesses recorded improvements in 2024, while larger ones saw a decline. The punctuality rate for micro-enterprises rose from 53 % in 2023 to 55 % in 2024, and small companies followed a similar trend, improving from 52 % to 55 %. Medium-sized companies saw the strongest progress, with on-time payments increasing from 53 % to 59 %. In contrast, the share of payments made on time by large enterprises dropped from 48 % in 2023 to 44 % in 2024 – the lowest level among all size categories. This widening gap between large and smaller firms suggests a worsening of structural imbalances in Slovakia’s payment culture, where smaller companies continue to show greater reliability despite their more limited financial resources.

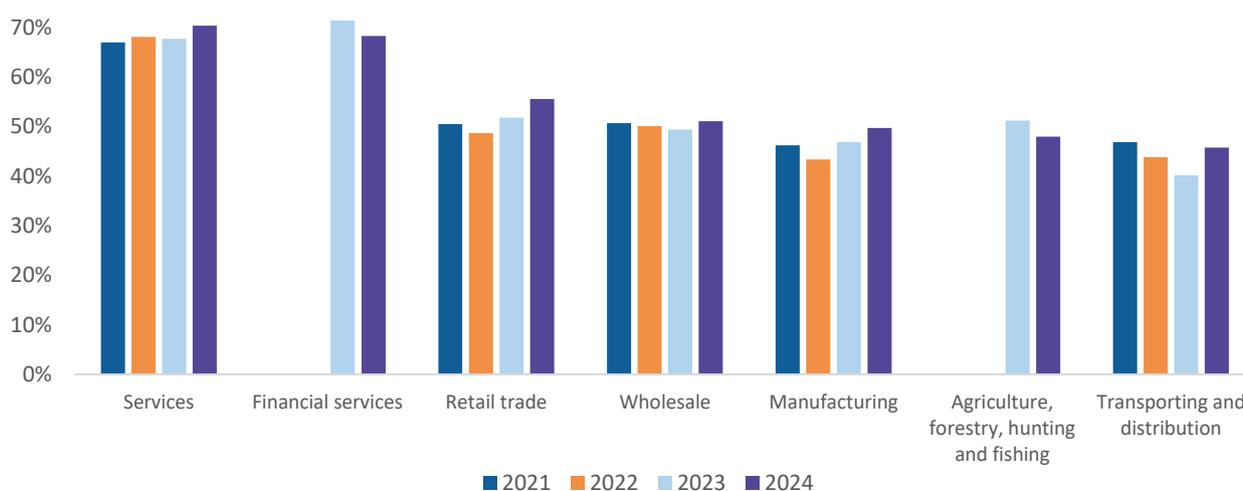
<sup>65</sup> European Commission (2023), ‘The European Commission decides to refer PORTUGAL and SLOVAKIA to the Court of Justice of the European Union for not paying for the delivery of goods and services businesses on time’, [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_23\\_2133](https://ec.europa.eu/commission/presscorner/detail/en/ip_23_2133).

**Figure 142: Percentage of payments by due date across company sizes, 2021–2024, B2B**

Source: EU Payment Observatory elaboration on Cribis/D&B Payment Study.

The sectoral analysis of payment punctuality in Slovakia in 2024 shows a generally positive trend across most industries. 'Services', the best performing sector, continued its gradual improvement, reaching 70 % of on-time payments, up from 68 % in 2023. 'Retail trade', 'Wholesale' and 'Manufacturing' also recorded gains. 'Transport and distribution' – despite being the sector with the worst performance – improved markedly, recovering from 40 % to 46 %, reversing the previous years' trend. In contrast, financial services – while still among the most reliable sectors – registered a decline, from 71 % to 68 %, though they continue to outperform all other industries by a wide margin. 'Agriculture, forestry, hunting and fishing' also saw a slight decline. Overall, the 2024 data suggest an improving payment culture in most sectors in Slovakia.

Sectoral data on Slovakia reduced in 2024, as information on the 'Construction' sector is no longer available

**Figure 143: Percentage of payments by due date per sector, 2021–2024, B2B**

Source: EU Payment Observatory elaboration on Cribis/D&B Payment Study (2021-2022 observations for 'Financial services' and 'Agriculture, forestry and fishing' sectors are missing).

Regarding the impact of late payments, all indicators analysed suggest that Slovak companies were less affected in 2024 than in 2023: the share of firms reporting that late payments affected investments or recruitment fell from 27 % to 23 %, those reporting effects on production or operations declined from 18 % to 14 %, and those experiencing delayed loan repayments or the need for additional financing decreased from 20 % to 17 %.

These trends, combined with the overall improvement in payment punctuality across sectors and company sizes, are encouraging. However, the perception of companies remains unchanged from 2023, and average payment periods for B2B transactions appear to have lengthened, possibly due to a drop in the share of large companies paying on time.

More Slovak companies are now taking preventive measures against late payments than in 2023, with most actions either rising or holding steady (notably, bank guarantees increased by four percentage points). One exception is the share of companies offering revised payment terms, which fell from 37 % to 25 %, suggesting that firms are now more conscious of credit risks and less willing to accommodate their clients' terms. However, pre-payments, while remaining a widely used measure (48 %), also declined significantly.

When it comes to remedial measures, Slovakia records the highest share of late payments collected by in-house teams in Europe (67 %). This suggests that many firms may lack access to or cannot afford external instruments, leaving them to spend substantial time and resources internally chasing overdue payments.



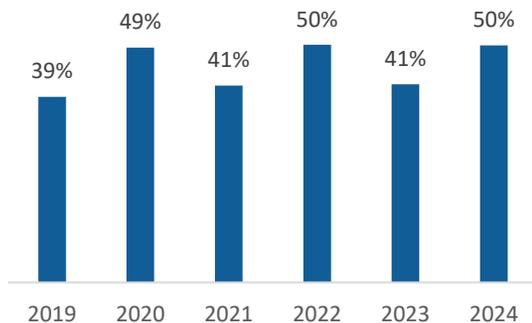
# SLOVENIA

In 2024, 50 % of Slovenian enterprises reported having faced challenges due to late payments in the past 6 months. This marks a turnaround, representing an increase of 9 percentage points compared with 2023, bringing the figure back to 2022 levels and confirming the oscillating trend observed since 2019. Despite this rise, Slovenia remains slightly below the EU average of 52 %, though the gap has narrowed.

In 2024, the average payment period increased for both B2B and G2B transactions in Slovenia, reaching 61 days and 69 days, respectively. The rise in the B2B payment period was particularly significant, as Slovenia recorded the second-largest annual increase (+10.1 %) among all EU countries. These figures remain broadly in line with the EU average.

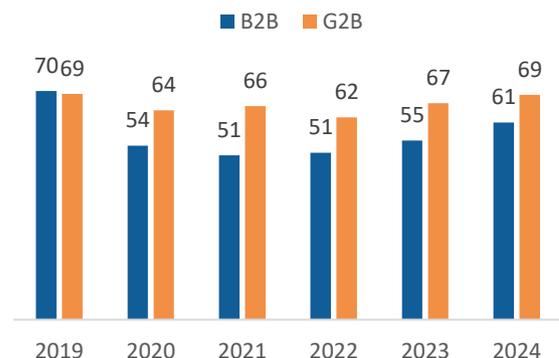
It is worth noting that the average payment period for G2B transactions has never fallen below 60 days in the years covered, and in 2024 it returned to the highest level reported, the 69 days observed in 2019. Conversely, the B2B payment period had remained below 60 days from 2020 until 2023, before exceeding it in 2024.

**Figure 144: Percentage of enterprises indicating they have faced issues due to late payments in the last 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

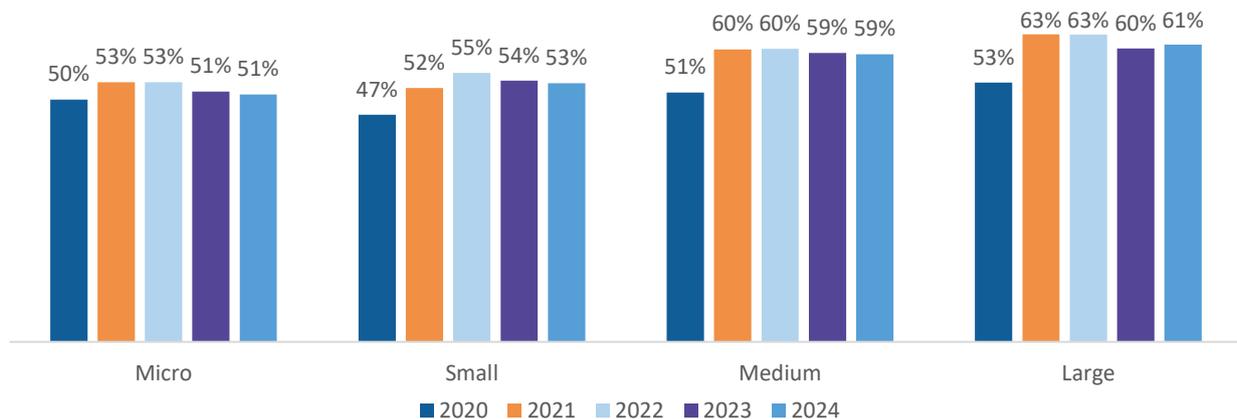
**Figure 145: Average payment period in number of days, 2019-2024, B2B and G2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

Interestingly, large companies continue to be the ones most likely to pay on time, a trend observed since 2020; this is in stark contrast with the behaviour of the great majority of EU countries. In 2024, 61 % of payments made by large businesses were completed on time, marking a slight increase compared with 2023. The share of on-time payments among medium and micro-enterprises remained stable at 59 % and 51 %, respectively. For small businesses, the percentage of on-time payments reached 53 % in 2024, showing a modest decrease of one percentage point compared with the previous year.

**Figure 146: Percentage of payments by due date across company size, 2020-2024, B2B**

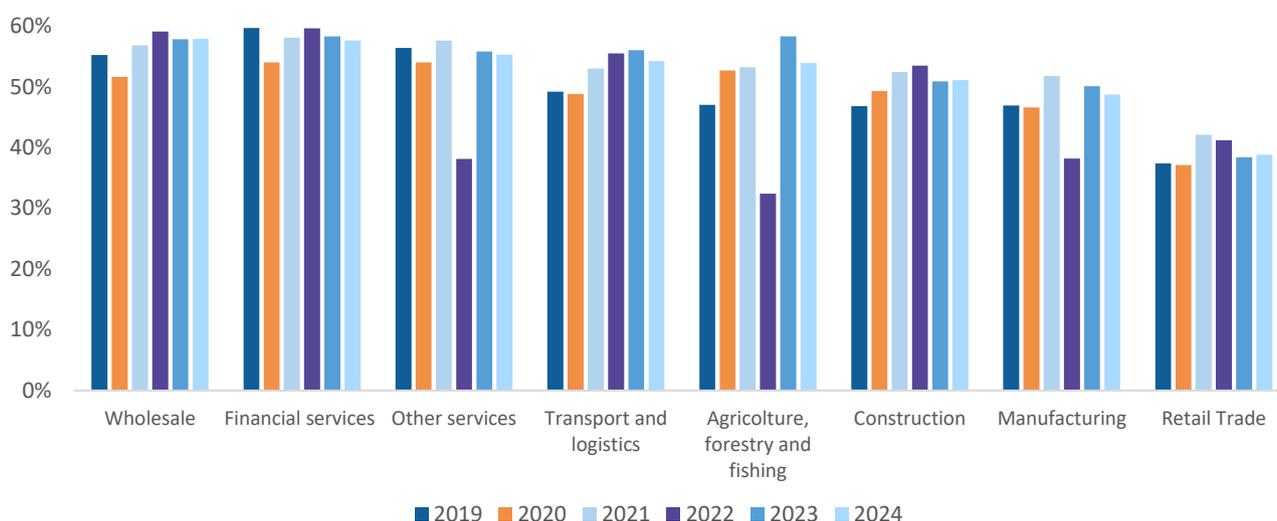


Source: EU Payment Observatory elaboration on CRIBIS/D&B Payment Study.

Regarding the sectoral analysis of payment behaviour, the 'Wholesale' and 'Financial services' sectors continue to record the highest shares of on-time payments, both standing at 58 % in 2024. The 'Other services' sector follows closely, with 55 % of payments made on time. The 'Transport and logistics' and 'Agriculture, forestry and fishing' sectors each registered 54 % of on-time payments. Among the sectors with the lowest shares of on-time payments are 'Construction' (51 %), 'Manufacturing' (49 %), and 'Retail trade' (39 %), whose figures have remained relatively stable since 2023.

When comparing sector performance in 2024 with 2023, it can be observed that 'Wholesale', 'Financial Services', and 'Construction' remained stable. The 'Retail Trade' sector slightly improved its performance, with an increase of 1 percentage point in on-time payments. In contrast, 'Other Services' and 'Manufacturing' showed a slight decline, each recording a 1 percentage point decrease. The most notable deteriorations occurred in the 'Transport and logistics' and 'Agriculture-related' sectors, which saw decreases of 2 and 4 percentage points, respectively, in 2024 compared to 2023.

**Figure 147: Percentage of payments by due date per sector, 2019-2024, B2B**

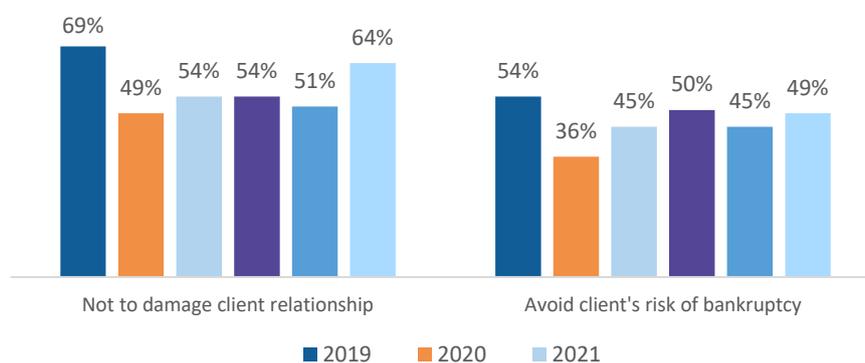


Source: EU Payment Observatory elaboration on CRIBIS/D&B Payment Study.

Looking at the drivers of late payments, in 2024, 64 % of Slovenian enterprises indicated that they allowed delayed payments in order to avoid damaging their relationship with clients. This represents a notable increase of 13 percentage points compared with 2023, making Slovenia the country with the highest share in this category across the EU, as was also the case in 2023. Furthermore, 49 % of companies reported that they tolerated late payments in 2024 to avoid the risk of a client's bankruptcy, a figure that has also increased compared with 2023.

Slovenia continues to face challenges in returning to pre-pandemic payment conditions: 40 % of businesses stated that their invoices now take longer to be settled than before the pandemic, the highest share among all EU countries.

**Figure 148: Percentage of respondents indicating the drivers of late payments, 2019-2024, B2B and G2B**

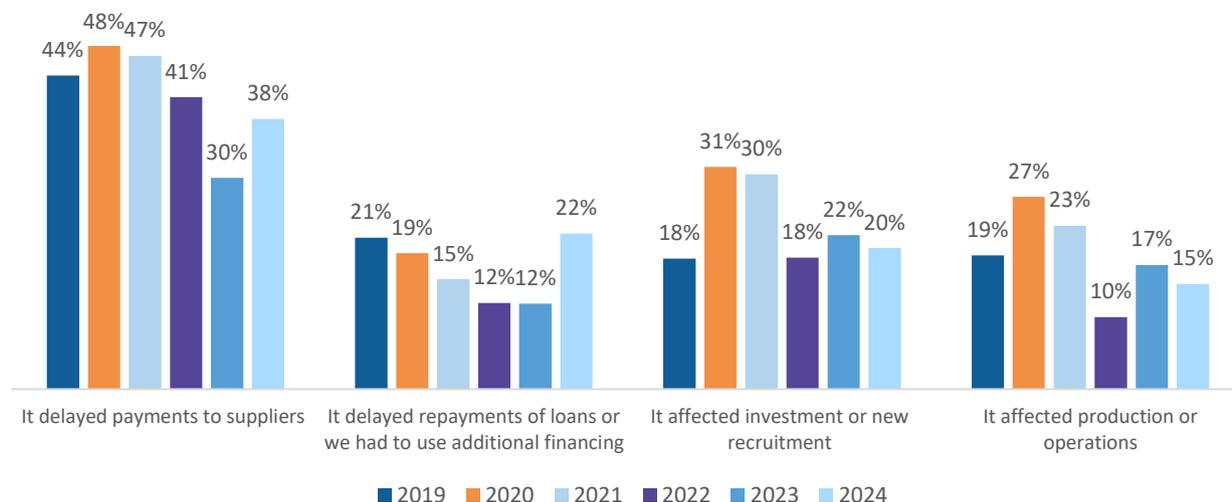


Source: EU Payment Observatory elaboration on Intrum European Payment Report.

In 2024, there was an increase in the number of respondents indicating that late payments were detrimental to their payments to suppliers, reaching 38 %. This marks a reversal of the previous trend, as the share had been declining since 2021 and reached its lowest point of 30 % in 2023. The share of businesses reporting difficulties in repaying loans or needing to seek additional financing also rose sharply in 2024, reaching 22 %, an increase of 10 percentage points compared with both 2023 and 2022, that goes against the European trend.

Conversely, fewer companies reported negative effects of late payments on investment and new recruitment (20 %) or on production and operations (15 %) in 2024.

**Figure 149: Percentage of enterprises indicating that late payments have had the following consequences, 2019–2024, B2B and G2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

Slovenia ranks as the second EU country where businesses most frequently use credit checks as a preventive measure, with 40 % reporting this practice in 2024. Slovenian companies also appear to maintain more open and communicative relationships with their costumers, with 34 % offering revised payment terms and 35 % providing discounts as an alternative, both the highest shares in the EU. Regarding remedial actions, 10 % of late payments in Slovenia are recovered through factoring, meaning debts are sold to collection agencies or third parties, again the highest proportion in the EU.

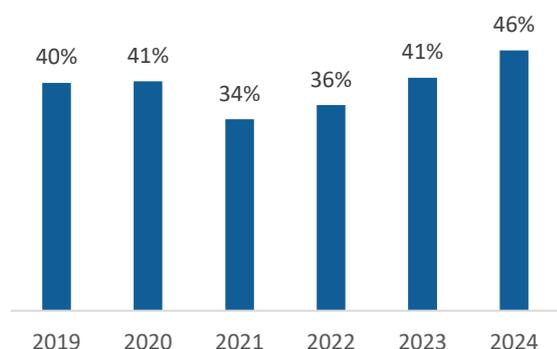
It is worth noting that Slovenia has made progress toward implementing mandatory eInvoicing for B2B transactions. A draft law was submitted in early 2025, setting the implementation date for 2027. Although eInvoicing is not a standalone measure to combat late payments, it serves as a complementary tool that enhances payment efficiency and transparency. This, in turn, can help shorten payment times among businesses already inclined to pay their suppliers promptly.

The situation of late payments in Spain seems to have deteriorated in 2024 relative to preceding years (see figure below). In fact, the number of Spanish companies indicating having experiencing issues due to delayed payments reached 46 %, recording the maximum value during the period 2019-2024. Furthermore, it exhibits a five-percentage point increase in comparison with 2023 (41 %), and a twelve-percentage points growth relative to the lowest value recorded in 2021 (34 %). Notwithstanding the negative trend, the share of Spanish companies affected by late payments remains below the EU average in 2024 (52 %). The most frequent effects caused by those delayed payments reported by the companies were payments to suppliers (24 %), followed by investments or new recruitments (19 %).

Average payment period in B2B transactions has remained stable at 80 days over the past 3 years (see figure below). Liquidity issues among customers, driven by economic uncertainties, emerge as one of the main causes for late payments in Spain, as well as delays in payment processes and disputes over invoices. Looking ahead, Spanish companies seem pessimistic about the future, despite the Spanish economy being the fastest growing economy in the EU. This is primarily due to potential disruptions in global trade. As a result, for a significant number of companies payment delays are likely to last, many of which also anticipate insolvency risks to increase in the next year<sup>66</sup>.

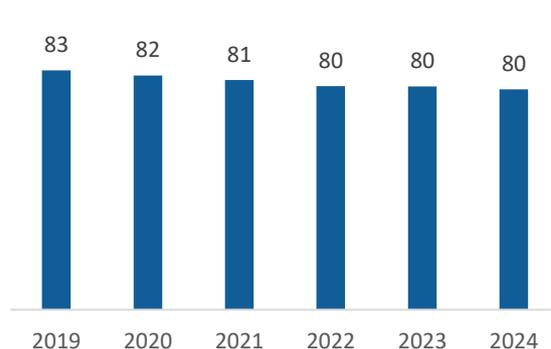
On G2B transactions, the [Spanish Treasury \(Ministerio de Hacienda\)](#) publishes data on average payment periods on a monthly basis (see figure below). As can be observed, central and local government administrations recorded in 2024 their most positive values, the lowest for the whole period 2019-2024. In particular, central administrations reached an average of 26 days, while local ones registered an average of 40 days. In both cases, this represents a reduction of 1 day on average compared to 2023. In contrast, the regional administrations in Spain deviated from this trend, showing a deterioration in the average payment period in 2024, reaching 31 days, which represents 6 days above the lowest value recorded in 2022 (25 days).

**Figure 150: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 151: Average payment period in number of days, 2019-2024, B2B**



Source: EU Payment Observatory elaboration on Cepyme.

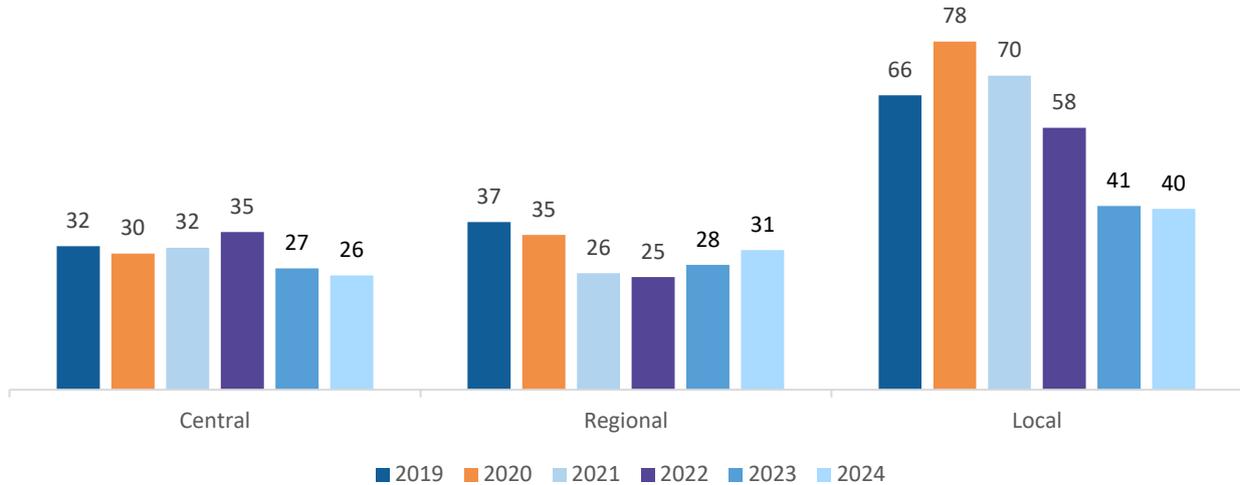
Aiming to monitor payment behaviour and evaluate compliance with late payments legislation, the Spanish Ministry of Industry and Tourism<sup>67</sup> established the State Observatory of Private Late Payments (Observatorio Estatal de Morosidad Privada) in 2025. This new instrument constitutes a significant step to foster a sound payment culture, encouraging discipline with payment deadlines, which will be particularly beneficial for SMEs. The Observatory's core activities include

<sup>66</sup> Atradius (2025), 'B2B Payment Practices trends Spain', <https://group.atradius.com/dam/jcr:b6c634fb-9f73-4a28-b8d4-0ded9ded9725/payment-practices-barometer-western-europe-2025-spain-en.pdf>.

<sup>67</sup> Ministerio de Industria y Turismo (2025), 'Constituido el Observatorio Estatal de Morosidad Privada', <https://www.mintur.gob.es/es-es/gabineteprensa/notasprensa/2025/paginas/observatorio-estatal-morosidad-privada.aspx>.

tracking late payment practices, drafting an annual report, promoting best practices and the disclosure of a list containing non-compliant companies that exceed payment deadlines.

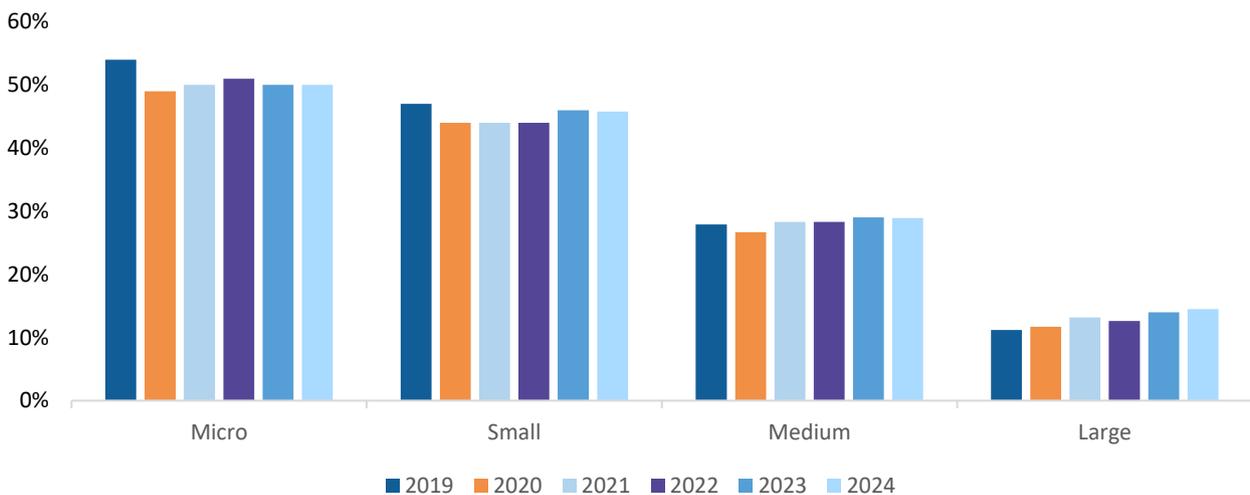
**Figure 152: Average payment period in the Spanish public sector in number of days, 2019-2024**



Source: EU Payment Observatory elaboration of Spanish Treasury data.

In terms of payment punctuality in B2B transactions, Spanish companies demonstrate a stable performance compared to 2023, with no change in the share of on-time payments among micro (50 %), small (46 %) and medium companies (29 %) (see figure below). The inversely proportional relationship remains, with large companies exhibiting the weakest payment behaviour, with only 15 % of the payments made on time. This represents a small increase by one percentage point compared to the previous year. Notably, Spain exhibits one of the widest gaps in terms of payment punctuality between micro and large companies, with the former performing over three times better than their larger counterparts.

**Figure 153: Percentage of on-time payments across company sizes, 2019-2024, B2B**

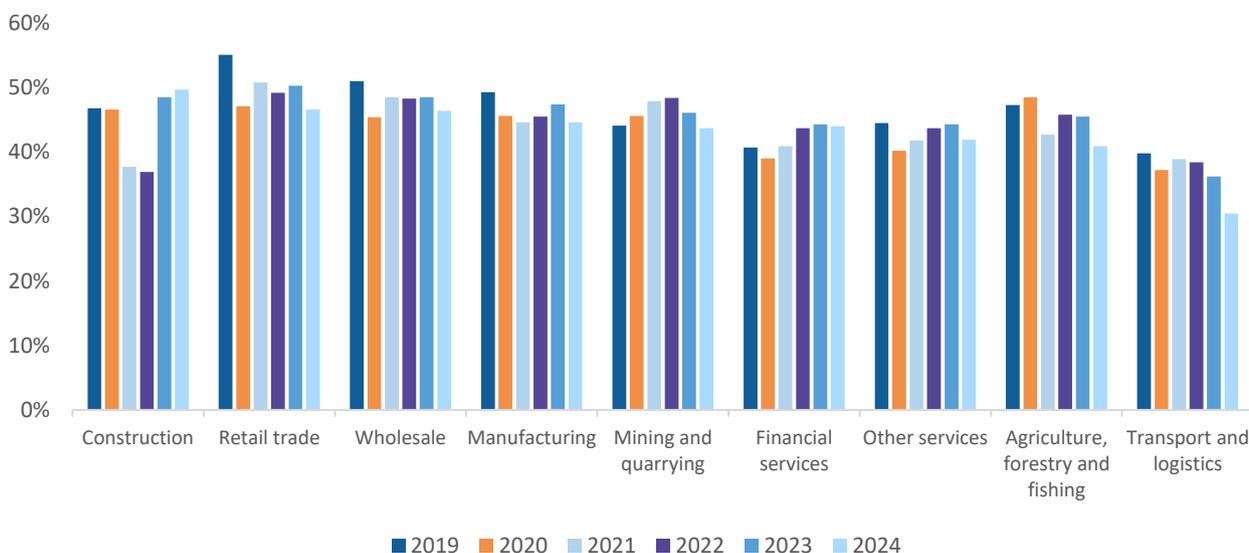


Source: EU Late Payments Observatory elaboration on Informa D&B. Values for 2023 belong to Q3 due to unavailability of data for Q4.

From a sectoral perspective, payment performance in the Spanish sectors covered exhibited a deterioration compared to 2023 (see figure below), with nearly all of them showing a reduction in the proportion of on-time payments during 2024. 'Construction' leads with 50 % of payments made on time, followed by 'Retail trade' with 47 % and 'Wholesale' with 46 % in 2024. As previously outlined, the 'Retail trade' sector in Spain is subject to specific legal frameworks with defined payment terms depending on the type of product involved.

Although specific measures have been implemented<sup>68</sup>, 'Transport and logistics' remained the sector with the poorest performance in terms of on-time payments. In particular, only 31 % of the payments were made by due date in 2024, which represents the largest decline among all Spanish sectors compared to the previous year (-6 %).

**Figure 154: Percentage of on-time payments by sector, 2019-2024, B2B**

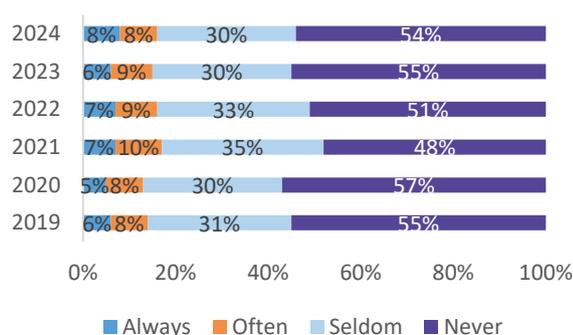


Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

The number of Spanish companies reporting to always claim interest in the event of late payments shows a slight increase, going from 6 % in 2023 to 8 % in 2024 (see figure below). In addition, a small reduction of 1 % is observed among those companies indicating often claiming interest (8 %) and those reporting never claiming it (54 %), while no variation has occurred for the companies who indicated doing it seldomly (30 %).

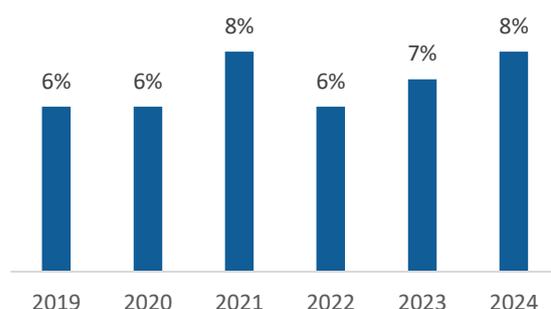
Moreover, the number of companies reporting to claim compensation for legal recovery costs seem to have slightly increased (see figure below), reaching 8 % thereby matching the highest level registered in 2021.

**Figure 155: Percentage of companies reporting to claim interest in case of payment delays or default, 2019-2024, G2B and B2B**



Source: EU Late Payments Observatory elaboration on Plataforma Multisectorial contra la Morosidad (PMCM).

**Figure 156: Share of companies reporting to claim compensation for legal recovery costs in case of payment delays or default**



Source: EU Late Payments Observatory elaboration on Plataforma Multisectorial contra la Morosidad (PMCM).

A total of 390 Spanish respondents participated in the European Commission Survey in 2025, composed of 267 companies (68 % of the Spanish respondents), followed by 116 business associations (30 % of the Spanish respondents). The remaining 7 respondents did not specify

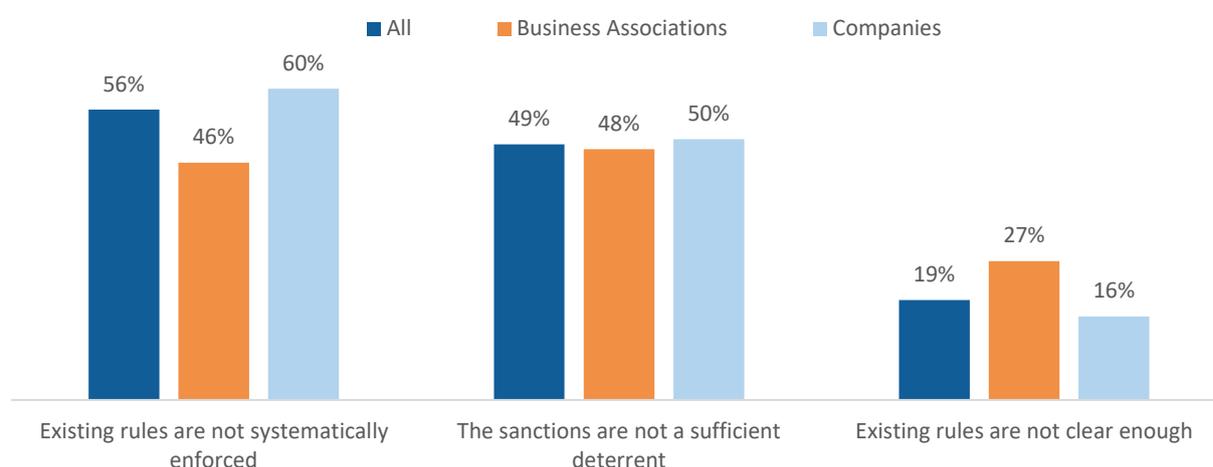
<sup>68</sup> E.g. Establishment of a sanctioning regime; Anonymous compliant mailbox; Arbitration boards; Public list with non-compliant companies.

any category. At sectoral level, given that bookshops account for only 32 responses in Spain (8 % of the Spanish respondents), no separate analysis will be carried out for this specific sector.

The figure below shows the percentage of business associations and companies reporting the different factors contributing to late payments in relation to current legislation. Firstly, a majority of respondents reported the fact that existing rules are not systematically enforced as a significant element (56 %), a view shared by a higher proportion of companies (60 %) as well as by a significant number of business associations (46 %). Remarkably, although this factor is particularly relevant at EU level where it ranks in second place (see EU analysis), it emerges as the most mentioned one for the Spanish respondents. Moreover, the share of companies in Spain reporting existing rules are not systematically enforced almost doubled the EU average (EU: 32 %), and accounts for 10 % more respondents than the EU average (EU: 36 %).

In addition, almost half of the Spanish respondents believe sanctions are not a sufficient deterrent for late payments (49 %), a view shared by business associations (48 %) and companies (50 %). Interestingly, these values are particularly above the EU average, especially for companies (EU: 36 %). Lastly, the fact that existing rules are not clear enough appears to affect a notably smaller proportion of respondents in Spain. In this sense, business associations account for the largest share with 27 % of the respondents indicating clarity of existing rules not being enough, followed by all respondents (19 %) and companies (16 %). These three values are above the EU average for every respondent category.

**Figure 157: Percentage of business associations and companies indicating the following as causes of late payments, 2025**



Source: EU Payment Observatory elaboration on the European Commission Survey.

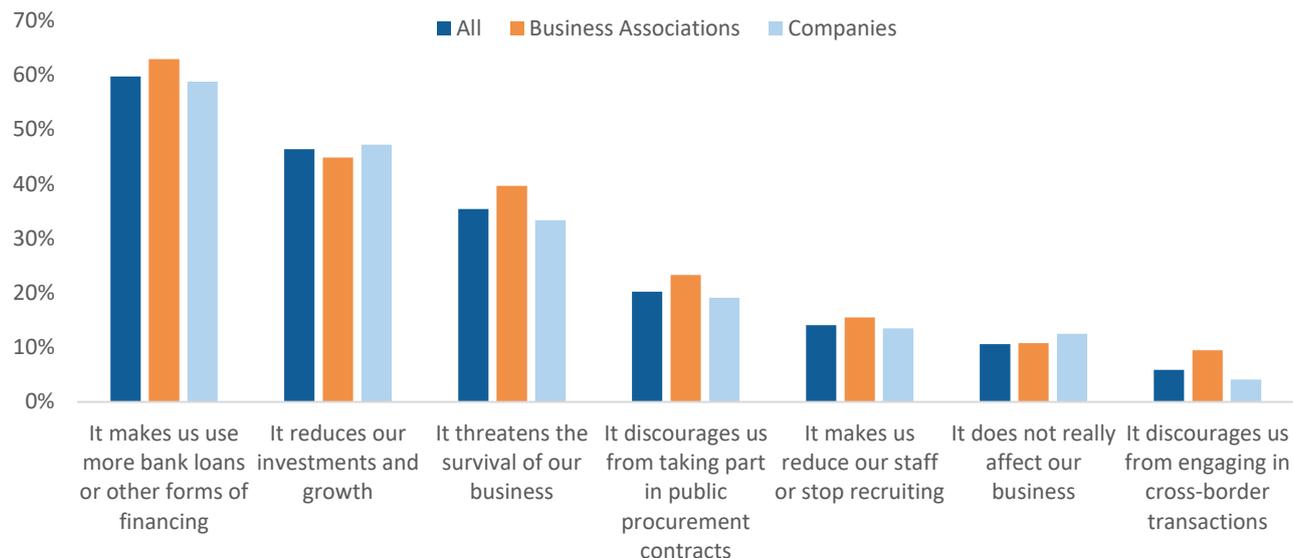
Interesting findings emerge when looking at the reported consequences of late payments by Spanish respondents (see figure below). In first place, the order of relevance of the most reported impacts of late payments differs from the EU average. The most mentioned consequence of late payments in Spain (60 %) is the use of additional bank loans or other forms of financing, a view that is shared by business associations (63 %) as well as companies (59 %). However this impact ranks second at EU level behind the consequences on investment. A possible explanation is the large use of “confirming” among Spanish companies.

Meanwhile, the reduction in investments and growth appears to be the second element most impacted by late payments in Spain, reported by 46 % of the respondents, including 47 % of companies and 45 % of business associations. These percentages are again above the EU average.

Furthermore, 35 % of respondents indicate that late payments threatens the survival of their business. Some 20 % report that delayed payments discourage them from taking part in public

procurement contracts. Finally, other consequences received fewer yet still substantial responses. For example, 14 % of all respondents indicate that late payments cause them to reduce staff or stop recruitment. In all these cases, a higher percentage of business associations report those late payments consequences in comparison with companies. Only 11 % of respondents consider that delayed payments do not affect them.

**Figure 158: Percentage of business associations and companies indicating the following as consequences of late payments, 2025**



Source: EU Payment Observatory elaboration on the European Commission Survey.

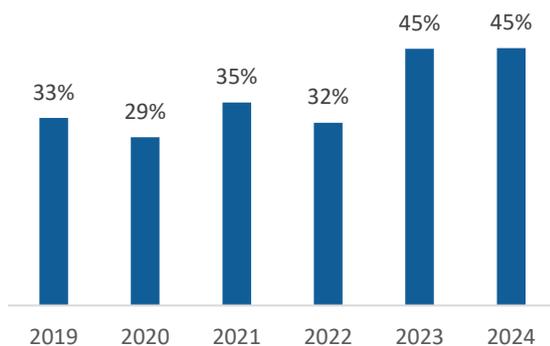
## SWEDEN

In 2024, 45 % of companies in Sweden indicated suffering issues caused by late payments. This is the same share as in 2023. Swedish companies continue to experience relatively low levels of issues related to late payments as they are persistently below or significantly below average EU rates.

This stable rate is not entirely aligned with the data on payment period, which has reportedly decreased. The average payment period for B2B transactions fell from 63 to 61 days, and the one for G2B transaction reduced from 75 to 69 days in 2024. The decline in G2B transactions represents the most significant improvement in the EU and puts Sweden below the EU average, having experienced the longest G2B payment periods in 2023.

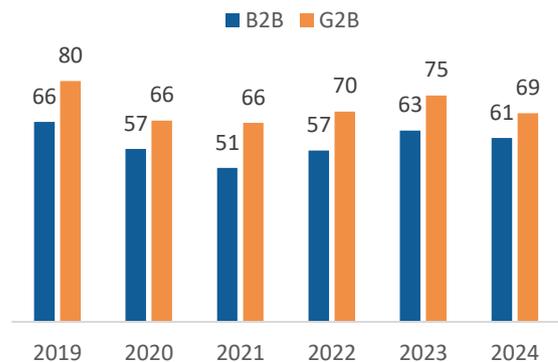
The data thus indicate that while payment periods decrease, issues experienced as a consequence of late payments remain the same in 2024. A possible explanation for the lack of improvement for on-time payments in B2B transactions is companies' liquidity issues. As the Swedish economy has been experiencing a slow down with increased rates of unemployment, companies are experiencing inventory build-up that requires them to delay their payments in order to maintain good cash flows. To counteract these liquidity issues, more than half of the respondents indicated that they turn to 'invoice financing' to support payment of invoices<sup>69</sup> which should help settle them on-time.

**Figure 159: Percentage of enterprises indicating they have faced issues due to late payments in the past 6 months, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on ECB/EC SAFE survey.

**Figure 160: Average payment period in number of days, 2019-2024, G2B and B2B**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

Since 2022, companies with more than 249 employees have been required to report their payment behaviour vis-à-vis their suppliers. Reported per size of the supplier, the categories are split between micro (0-9 employees), small (10-49), and medium-sized companies (50-249). According to the reports submitted by 813 companies for the period 1 July 2024-30 June 2025, the payment periods of large companies in Sweden remain stable for all sizes of suppliers. The number of reporting companies has decreased significantly compared to the same period last year, where 1 244 companies reported on how they pay their invoices.

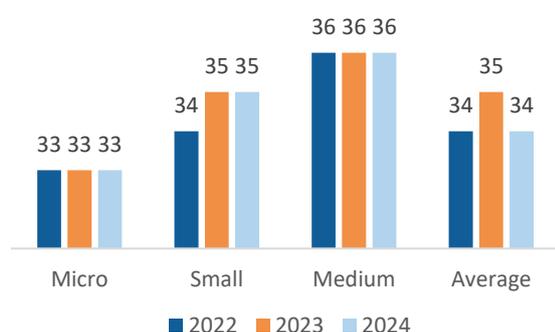
Comparing the payment periods reported by large companies to their SME providers with the average payment period reported by B2B companies in the Intrum survey shows (in the table above) significant discrepancies. The payment periods are significantly lower than what was reported by suppliers and are significantly more stable between the years observed. This could be explained by the use of a different methodology to calculate payment periods. Other reasons could be that the calculated starting date is defined differently between contractors and suppliers

<sup>69</sup> Atradius (2024), 'B2B payment practices trends Nordics 2025', <https://atradiusdutchstatebusiness.nl/dam/jcr:428c4706-261a-47a4-b626-39864deb3053/payment-practices-barometer-western-europe-2025-nordics-en.pdf>.

and that the data reported to the Swedish Companies Registration Office only includes payment times from large companies while Intrum data consider all sizes.

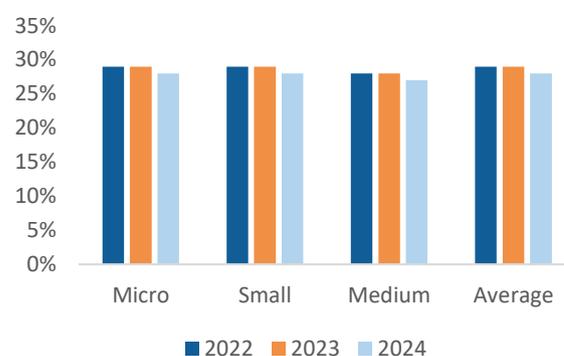
Large Swedish companies have also been required to report on the share of invoices that they paid after the due date. According to the data reported, more than a quarter (28 %) of invoices of large companies are paid late to suppliers. The situation is very similar irrespective of the size of the recipient. Micro and small companies are receiving 28 % of their payments from large companies after the expiry date, the figure is 27 % for medium-sized companies.

**Figure 161: Average payment period by large firm in number of days, per provider size, 2022-2024, B2b**



Source: EU Payment Observatory elaboration on Swedish Companies Registration Office.

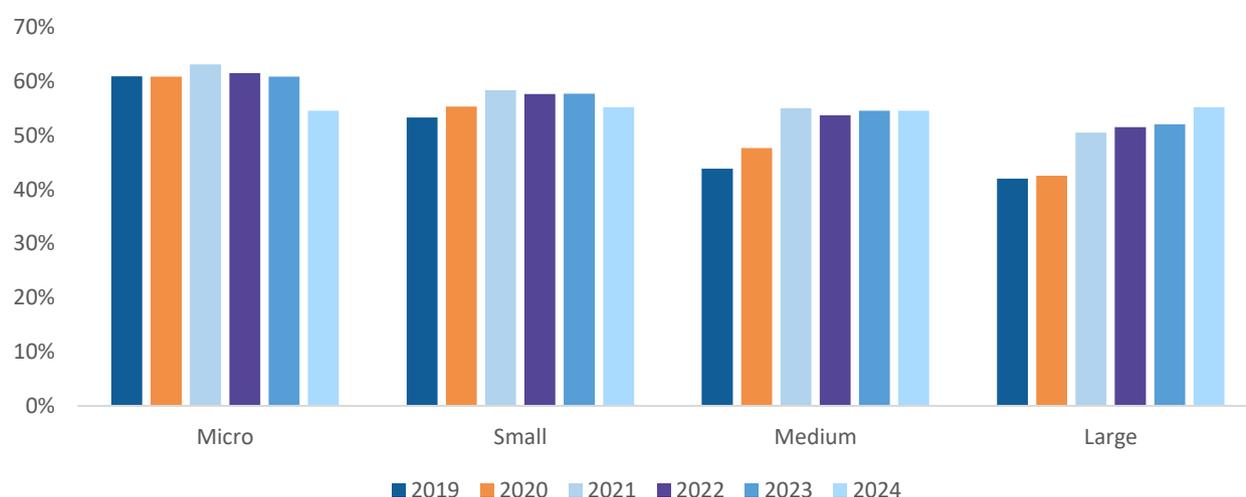
**Figure 162: Share of late payments to providers by large entities, per provider size, 2022-2024, B2B**



Source: EU Payment Observatory elaboration on Swedish Companies Registration Office.

The Swedish situation has in the past been very similar to the one found across Europe with regards to the share of on-time payments per company size. However, as can be observed in the figure below, while historically smaller companies have been better at paying their suppliers by due date, this is no longer the case in Sweden. In fact, in 2024, all company sizes have reported the exact same percentage of payments made on time, 55%. This represents an improvement for large companies, up from 52% in 2023. For medium-sized business the situation did not change. For small and micro firms, there was however, a deterioration in the situation. Small companies had over the last 3 years managed to make 58% of payments by the due date. Micro firms on the other hand have been experiencing a downward trend since 2021, when they settled 63% of their invoices by the due date. In 2024 there is a significant drop of six percentage points compared to 2023. This indicates that a company's size did not influence the share of payments made on time in Sweden in 2024.

**Figure 163: Percentage of payment by due date across company sizes, 2019-2024, B2B**

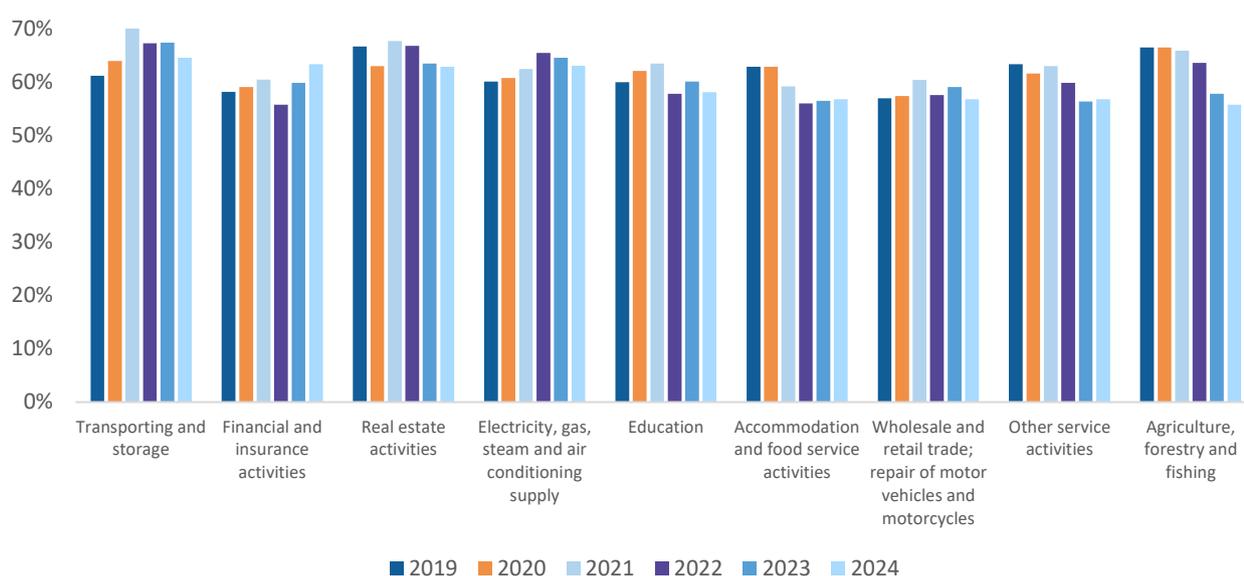


Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

All sectors in Sweden report having relatively similar shares of their invoices paid by the due date. The coverage for the Swedish market includes 17 sectors; along with Finland this is the widest range of sectors of all reporting countries. When observing the share of on-time payments per sector, 'Transport and storage' has the highest share of on-time payments with 65 % made by due date. The sector is followed by 'Financial and insurance activities', 'Real estate', and 'Electricity, gas, steam and air conditioning supply', all reporting a payment by due date rate of 63 %. The worst performing sector in Sweden for 2024 was the 'Arts, entertainment and recreation' sector, with just over half, or 52 %, of its invoices paid by due date. While there is a certain differentiation between the best and worst payers, in all 17 sectors observed more than half of payments are completed on time. Interestingly, this has been the case for all sectors throughout the entire observation period, 2019-2024.

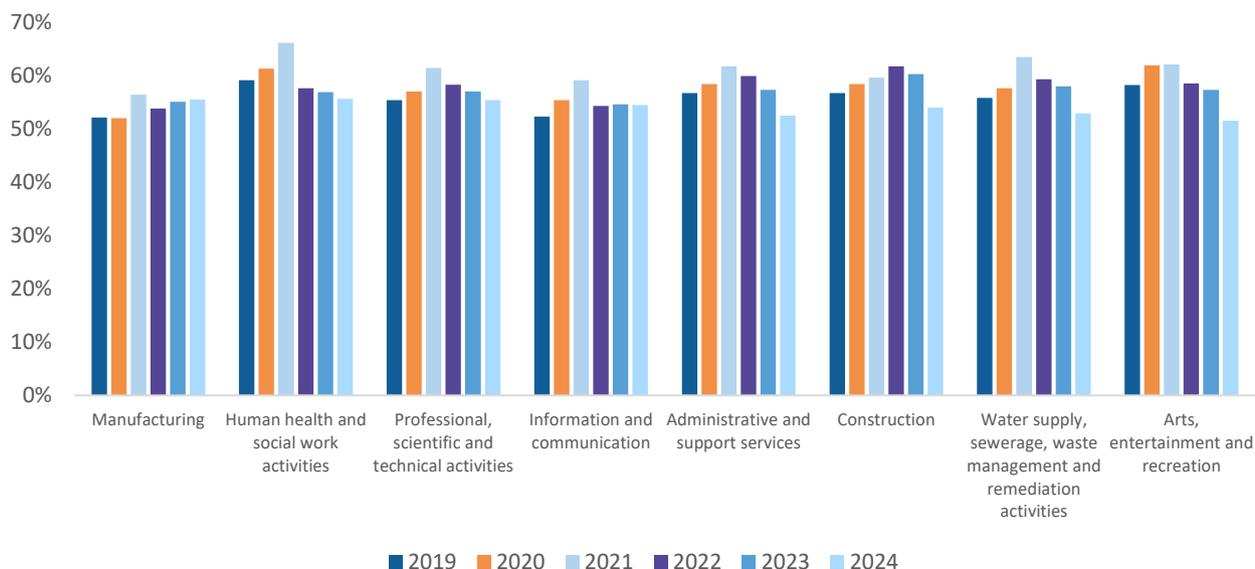
Swedish sectors are mostly experiencing a deterioration of their payment behaviour. Except for a few exemptions in which it improved ('Financial and insurance activities', 'Other services', and 'Manufacturing'), or remained stable ('Accommodation and food service activities', and 'Information and communication') a reduction in their share of on-time payments can be observed in 12 sectors. This could highlight Swedish companies increasing struggle with paying suppliers on time. While the deterioration is not drastic, the stable payment periods are likely maintained through the common use of credit for B2B payments allowing them to ensure invoices are paid while also helping them control their cashflows<sup>70</sup>.

**Figure 164: Percentage of payment by due date per sector, 2019-2024, B2B**



Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

<sup>70</sup> Atradius (2024), B2B payment practices trends Nordics 2025, Atradius Payment Practices Barometer. <https://atradiusdutchstatebusiness.nl/dam/jcr:428c4706-261a-47a4-b626-39864deb3053/payment-practices-barometer-western-europe-2025-nordics-en.pdf>

**Figure 165: Percentage of payment by due date per sector, 2019-2024, B2B**

Source: EU Late Payments Observatory elaboration on Cribis/D&B Payment Study.

The payment behaviour of Swedish companies seem to follow a relatively stable, but somewhat deteriorating, evolution in payment times. While this seem to indicate a stable business environment, firms in Sweden have expressed certain fears about future market conditions. Companies have in fact highlighted some challenges. The most commonly reported risk is related to technological evolutions and AI. Others include intensifying market competition, the unpredictable economic future and possible changes to the regulatory environment. The Swedish economy continues to struggle to get out of its current stagnant state. All these effects combined are putting pressure on companies to maintain reasonable liquidity levels<sup>71</sup>.

<sup>71</sup> Atradius (2024), 'B2B payment practices trends Nordics 2025', <https://atradiusdutchstatebusiness.nl/dam/jcr:428c4706-261a-47a4-b626-39864deb3053/payment-practices-barometer-western-europe-2025-nordics-en.pdf>.

# 4. HOW CAN EMERGING TECHNOLOGIES DRIVE ON-TIME PAYMENTS?

## INTRODUCTION

This chapter explores the role of emerging technologies, specifically instant payments, blockchain and artificial intelligence, in enhancing the efficiency and reliability of payment processes. It delves into how these technologies address the persistent issue of late payments, providing businesses with innovative solutions to ensure timely transactions. By examining the mechanisms, benefits and several real-world applications of each technology, this section aims to highlight the potential of emerging technologies to drive on-time payments across various sectors.

## INSTANT PAYMENTS

This section examines the impact of instant payments (IPs) in addressing the issue of late payments and driving on-time payments. It explores the underlying mechanisms of this technology and outlines the benefits for businesses adopting it. The section also provides selected examples of countries that have taken steps towards implementing instant payment systems (IPSs).

### Mechanisms of instant payments

In the dynamic and rapidly advancing realm of financial technology, IPs have emerged as a pivotal innovation, fundamentally transforming the global transaction landscape. These systems facilitate the immediate transfer of funds between parties, offering a level of speed and efficiency that stands in stark contrast to conventional payment methods, which are often encumbered by processing delays extending from several hours to multiple days.

Instant payments are **real-time credit transfers that move money from a payer to a payee in seconds, operating consistently (24 hours a day, 365 days a year)**; moreover, IPs are **final**, meaning that a completed transaction/payment cannot be cancelled after its execution. This distinguishes them from traditional credit transfers processed by payment service providers only during business hours, with funds typically credited no earlier than the end of the next business day. By freeing liquidity otherwise tied up in the system, IPs also offer opportunities for banks and financial technology companies (fintechs) to develop **new solutions for payments at the point of interaction (PoI)**. While in cases of B2C transactions (where instant payments have become widespread in recent years) the PoI can refer to physical points of sale or in e-commerce transactions (e.g. using mobile payment applications on smartphones)<sup>72</sup>, this can imply seamless payment options within digital procurement portals in G2B transactions and the embedding of instant payments directly into invoice settlement in B2B transactions. This can enable businesses to finalise payments as soon as goods are received or services are rendered. Such an approach can ensure sufficient cash flow and reduce the administrative burden, thereby potentially driving more on-time payments.

IPs rely on advanced infrastructures and digital innovations. Real-time payment (RTP) systems – such as, inter alia, Single Euro Payments Area (SEPA) Instant Credit Transfer<sup>73</sup> in Europe, the

<sup>72</sup> European Commission (2022), 'Commission staff working document impact assessment report accompanying the document proposal for a regulation of the European parliament and of the Council amending regulations (EU) No 260/2012 and (EU) No 2021/1230 as regards instant credit transfers in euro. Brussels, 26.10.2022 SWD(2022) 546 final'.

<sup>73</sup> Further information available at: <https://www.ecb.europa.eu/paym/integration/retail/sepa/html/index.en.html>.

Unified Payments Interface (UPI) platform<sup>74</sup> in India and the Clearing House RTP network<sup>75</sup> in the US – enable funds to move within seconds, operating 24/7. In addition, mobile payment options and open banking tools make instant payments easier and more widely accessible, allowing businesses to send and receive money quickly and conveniently. At the same time, **advanced safeguards such as automated fraud checks and secure digital records** help ensure transactions are safe and transparent. Combined, these innovations remove unnecessary delays, provide immediate confirmation, and enable smooth payments across borders, making the process faster, more reliable, and scalable for businesses of all sizes.

## Benefits of instant payments

Instant payments are transforming B2B transactions by eliminating **inefficiencies associated with traditional payment processes**, which can range from 30 to 90 days or more. Real-time settlement improves liquidity and enhances cash flow predictability. This is particularly crucial for SMEs, as they often face delays in receiving payment, as a result of which their liquidity and cash flow can be affected. By enabling funds to clear within seconds and providing immediate confirmation, IPSs remove delays caused by batch processing. **Settlement occurs at invoicing or upon delivery, reducing exposure to late payments, defaults, and the administrative burden of collections.** For buyers requiring flexibility, options such as “Buy Now, Pay Later” (BNPL) can be integrated, ensuring suppliers are paid instantly while financing providers manage extended terms, preserving liquidity without reintroducing delays<sup>76</sup>.

With instant payments, real-time confirmation eliminates uncertainty by providing verifiable proof of transaction. Both parties receive immediate confirmation, enabling automated processes such as order fulfilment, shipment scheduling, and inventory allocation without dependence on end-of-day reconciliations or banking cut-off times. This accelerates dispute resolution and removes the need for manual follow-ups, such as inquiries regarding payment receipt. **Accounts receivable by teams can match payments to invoices automatically**, i.e. teams responsible for managing accounts receivable can use IPSs to automatically match incoming payments with the correct invoices, which makes it quicker and easier to record when payments have been made. This approach can accelerate cash application and reduce the amount of time it takes for a business to receive payment after making a sale (‘days sales outstanding’), while credit risk teams transition from exhaustive pre-sale assessments to focused exception management<sup>77</sup>.

Modern instant payment platforms also **integrate seamlessly with treasury systems**, i.e. the internal financial management systems used by businesses to oversee, control and optimise their cash flow, liquidity, investments, as well as payments. As treasury systems typically handle functions of payment processing, when instant payment platforms are integrated into these systems, businesses can automate and streamline their payment and reconciliation processes, improving efficiency and enabling real-time visibility of their financial position. The inclusion of instant payments can thus enable straight-through processing and real-time liquidity forecasting. This connectivity supports automation across the cash cycle and provides businesses with accurate, up-to-the-minute visibility of their financial position. Additionally, these platforms generate **rich transaction data** that can be leveraged for predictive analytics, dynamic discounting, as well as AI-driven credit risk modelling, allowing companies to move from reactive to proactive financial strategies.

Furthermore, **advanced security protocols** underpin these systems. Strong customer authentication, including biometric verification, tokenisation, AI-driven anomaly detection<sup>78</sup>, and, where applicable, blockchain-based validation (also discussed in the next section),

<sup>74</sup> Further information available at: <https://upichalega.com/>.

<sup>75</sup> Further information available at: <https://www.theclearinghouse.org/payment-systems/rtp>.

<sup>76</sup> Further evidence on the rise of BNPL in the B2B landscape are available at: Lux, Marshall, and Bryan Epps (2022), ‘Grow Now, Regulate Later? Regulation urgently needed to support transparency and sustainable growth for Buy-Now, Pay-Later’, M-RCBG Associate Working Paper Series. See also ‘Buy Now, Pay Later Report 2025’, <https://thepayers.com/payments/reports/buy-now-pay-later-report-2025>.

<sup>77</sup> Faster Payments Council (2025), ‘Getting Paid Faster in B2B: How Instant Payments Help Reduce DSO and Improve Access to Capital’, <https://fasterpaymentscouncil.org/blog/15838/Getting-Paid-Faster-in-B2B-How-Instant-Payments-Help-Reduce-DSO-and-Improve-Access-to-Capital>.

<sup>78</sup> Manwani, Prakash (2025), ‘AI-Enhanced Customer Authentication and Onboarding’, International Journal of Trend in Scientific Research and Development, Volume 9 Issue 2.

collectively mitigate fraud and payment diversion risks far more effectively than paper-based invoicing or delayed transfers<sup>79</sup>. The outcome is a streamlined cash cycle that fosters trust between suppliers and buyers: suppliers can reinvest funds immediately, offer preferential pricing or early-payment discounts, and collaborate with greater confidence, while buyers benefit from predictable fulfilment supported by immediate payment confirmation. For businesses operating globally the expansion of RTP schemes (examples of which are discussed below) are paving the way for cross-border instant payments, reducing friction in international trade and strengthening global supply chains.

## Application in practice

Overall, the global real-time payments market continues to expand at a remarkable pace, recording an unprecedented 266.2 billion transactions in 2023, a year-on-year increase of 42.2 %<sup>80</sup>. Estimates indicate that nearly one fifth of all electronic payments worldwide were processed in real time during 2023, with projections suggesting this share will exceed 25 % by 2028. Instant payment infrastructures are now operational across most regions, from the Asia-Pacific – currently the global leader in adoption – to the Middle East, Europe, Africa, and both Latin and North America<sup>81</sup>.

In light of the adoption of instant payments in the financial sector in Europe, SEPA was created to integrate payments in euro across the continent, removing distinctions between domestic and cross-border transfers. Covering 36 countries – including all 27 EU countries; Iceland, Liechtenstein, and Norway (EEA); plus Switzerland, Monaco, San Marino, Andorra, Vatican City, and UK territories like Gibraltar – SEPA initially focused on standardising batch SEPA Credit Transfers (SCT). With this achieved, attention shifted under the EU’s 2020 Retail Payments Strategy to make instant payments “the new normal”.<sup>82</sup> SCT Inst) enables euro credit transfers to reach the payee’s account in under 10 seconds.

The table below displays the SCT Inst scheme adherence compared to SCT scheme adherence across SEPA and within the EU as of June 2025. These figures confirm compliance with SEPA Regulation – albeit with some variety in compliance percentages among the countries – which requires that euro-denominated (instant) payment schemes ensure: (a) participation by a majority of PSPs across the EU, and (b) representation of a majority of PSPs in a majority of EU Member States<sup>83</sup>.

**Table 3: SCT vs SCT Instant Participation**

Country	SCT Inst	SCT	% SCT Inst vs SCT
Euro	2 673	2 933	91 %
Austria	387	398	97 %
Belgium	30	39	77 %
Croatia	20	20	100 %
Cyprus	20	24	83 %
Estonia	10	12	83 %
Finland	11	11	100 %
France	199	246	81 %
Germany	1118	1191	94 %
Greece	16	23	70 %
Ireland	182	188	97 %
Italy	346	371	93 %

<sup>79</sup> Forbes Business Development Council (2025), ‘The Future of Authentication: Why AI and Biometrics Will Replace Passwords for Good’, Forbes, <https://www.forbes.com/councils/forbesbusinessdevelopmentcouncil/2025/06/05/the-future-of-authentication-why-ai-and-biometrics-will-replace-passwords-for-good/>.

<sup>80</sup> Górka, Jakub (2025), ‘The rise of instant payments: a cross-country comparison’, Central European Management Journal.

<sup>81</sup> Ibid.

<sup>82</sup> European Commission (2020), ‘The EU retail payments strategy’, [https://finance.ec.europa.eu/publications/digital-finance-package\\_en](https://finance.ec.europa.eu/publications/digital-finance-package_en).

<sup>83</sup> European Payments Council (2025), ‘Status Update on SCT Inst Scheme’, [https://www.ecb.europa.eu/paym/groups/erpb/shared/pdf/23th-ERPMeeting/Status\\_update\\_on\\_SCT\\_Inst\\_scheme\\_and\\_QR-code\\_standardisation.pdf](https://www.ecb.europa.eu/paym/groups/erpb/shared/pdf/23th-ERPMeeting/Status_update_on_SCT_Inst_scheme_and_QR-code_standardisation.pdf).

Latvia	14	15	93 %
Lithuania	56	86	65 %
Luxembourg	47	56	84 %
Malta	21	33	64 %
Netherlands	30	40	75 %
Portugal	33	34	97 %
Slovakia	11	14	79 %
Slovenia	13	13	100 %
Spain	109	119	92 %
Non-euro	34	157	22 %
Bulgaria	12	26	46 %
Czechia	5	14	36 %
Denmark	6	45	13 %
Hungary	1	20	5 %
Poland	3	23	13 %
Romania	2	19	11 %
Sweden	5	10	50 %
<b>Grand Total</b>	<b>2 707</b>	<b>3 090</b>	<b>70 %</b>

Source: EPC Status Update on SCT Inst Scheme June 2025<sup>84</sup>.

It should be noted that, despite the compliance with the Regulation and the uptake of SEPA transfers, data on the EU Payment Observatory indicate that no significant decrease in late payments has been recorded in the period following the adoption of SEPA Regulation.<sup>85</sup> Notably, while the percentage of enterprises experiencing problems due to late payments decreased between 2019 and 2021 (from 47 % in 2019 to 44 % in 2020 and 42 % in 2021), it has only been increasing since 2022.<sup>86</sup> This suggests that instant payments, while solving technical speed and settlement, may not be sufficient to address the deeper behavioural and structural issues underlying late payment practices within the EU.

Furthermore, the **Instant Payments Regulation (IPR)**, in force since 13 March 2024, was introduced to accelerate the adoption of instant payments across the EU, supporting the region's growing digital economy and the evolving needs of consumers and businesses. Its objective is to remove long-standing barriers such as security concerns, accessibility gaps, and operational inefficiencies that have hindered widespread uptake. By standardising instant payment capabilities, the EU aims to create a financial ecosystem that is fast, secure, and inclusive.

However, according to the EU Payment Observatory, 2023 recorded the sharpest increase in the share of enterprises reporting difficulties due to late payments in the past 5 years, rising from 43 % to 47 %<sup>87</sup>. This marks a return to 2019 levels and reverses the progress achieved during the pandemic years. In 2023, 21 out of 27 Member States reported a deterioration in the proportion of companies affected by late payments, and in 12 Member States, more than half of businesses experienced such issues. The average B2B payment period in the EU lengthened to 61.8 days – over 5 days longer than in 2022 – representing the steepest annual increase in 5 years. Government-to-business (G2B) transactions also saw a modest rise, with average payment times reaching 69 days. Notably, B2B payment times have now exceeded the 60-day threshold, which often marks the boundary between timely and delayed payments<sup>88</sup>.

<sup>84</sup> Available at: [https://www.ecb.europa.eu/paym/groups/erpb/shared/pdf/23th-ERPB-meeting/Status\\_update\\_on\\_SCT\\_Inst\\_scheme\\_and\\_QR-code\\_standardisation.pdf](https://www.ecb.europa.eu/paym/groups/erpb/shared/pdf/23th-ERPB-meeting/Status_update_on_SCT_Inst_scheme_and_QR-code_standardisation.pdf).

<sup>85</sup> EU Payment Observatory, Indicators' Mapper, [https://single-market-economy.ec.europa.eu/smes/challenges-and-resilience/late-payment/eu-payment-observatory/eu-payment-observatory-indicators-mapper\\_en](https://single-market-economy.ec.europa.eu/smes/challenges-and-resilience/late-payment/eu-payment-observatory/eu-payment-observatory-indicators-mapper_en).

<sup>86</sup> Ibid.

<sup>87</sup> European Commission (2024), 'EU Payment Observatory Annual Report 2024', [https://single-market-economy.ec.europa.eu/document/download/d3f9aa5a-c33e-40d0-a867-5c0198ee7a75\\_en?filename=EU%20Payment%20Observatory%20Annual%20Report%202024\\_EA-01-24-061-EN-C.pdf](https://single-market-economy.ec.europa.eu/document/download/d3f9aa5a-c33e-40d0-a867-5c0198ee7a75_en?filename=EU%20Payment%20Observatory%20Annual%20Report%202024_EA-01-24-061-EN-C.pdf).

<sup>88</sup> Ibid.

The overall decline in payment performance across the EU last year was driven primarily by B2B transactions. Eighteen Member States experienced longer B2B payment times in 2023, with the most pronounced deteriorations observed in Croatia (+26.3 %), the Netherlands (+14.2 %), Finland, and Poland (+13.2 %). The ripple effect of late payments remains significant: 31 % of companies reported in 2023 that delays caused them to postpone payments to their own suppliers, a slight improvement from 32 % in 2022. The impact on investment is also considerable: 59 % of businesses indicated that late payments posed a major obstacle to expanding product and service offerings, while 56 % reported negative effects on sustainability initiatives<sup>89</sup>.

Despite the rapid expansion of instant payment infrastructure, which is demonstrated by record transaction volumes and the increasingly robust infrastructures, a significant reduction in late payment volumes has yet to be realised. While instant payments offer the technical means for immediate settlement, payment behaviour remains influenced by contractual terms, power imbalances, as well as broader macroeconomic factors. The withdrawal of pandemic-related government support, ongoing inflation, and prevailing economic uncertainty have all contributed to a recent decline in payment performance. Overall, the ongoing prevalence of late payments in B2B and G2B transactions suggests that while technological advancements may provide some benefits, additional measures such as regulatory actions are necessary to resolve entrenched payment behaviours and systemic inefficiencies.

## PAYMENTS ON BLOCKCHAIN

### Introduction to blockchain technology

In recent years, blockchain technology has become a significant driver of innovation across multiple sectors, especially within finance and payment systems. A key characteristic of the technology lies in **its decentralised nature**, which allows for a distributed ledger that is maintained across a network of computers, ensuring that no single entity has control over the entire system. This decentralisation can be particularly beneficial for payment systems, as it mitigates the risks associated with central points of failure, such as fraud or system outages. Crucially, blockchain enables direct transactions between parties, thereby eliminating the need for intermediaries, which can often slow down processes and increase costs.

**The relevance of blockchain in payment systems extends beyond mere transaction processing.** It arguably offers **a framework for creating trust among participants who may not have established relationships**<sup>90</sup>. In traditional payment systems, trust is often built through intermediaries like banks or payment processors, which carry out the tasks of transaction verification. However, blockchain's inherent characteristics, immutability and transparency, **allow participants to verify transactions independently**<sup>91</sup>. This shift streamlines transactions and increases their speed.

Moreover, as businesses nowadays operate in a global marketplace, the need for efficient cross-border payment solutions has become vital. In this regard, traditional international payment methods can be cumbersome, involving multiple currencies, conversion fees and lengthy settlement times. Blockchain is able to address these challenges by facilitating **seamless cross-border transactions with lower fees and faster processing times**. Research indicates that 'blockchain-based smart contracts significantly lower cross-border transaction costs, reduce settlement times from days to minutes, and enhance auditability for regulators'<sup>92</sup>. Moreover, it

<sup>89</sup> Ibid.

<sup>90</sup> Risius, M., and Spohrer, K. (2017), 'A Blockchain Research Framework: What We (Do not) Know, Where We Go from Here, and How We Will Get There', *Business & Information Systems Engineering* (59:6).

<sup>91</sup> Almarri, S.; Aljughaiman, A. (2024), 'Blockchain Technology for IoT Security and Trust: A Comprehensive SLR', <https://doi.org/10.3390/su162310177>.

<sup>92</sup> Emmanuel Ayodele, Micheal Aduraseyi Oye, Bukola Christianah Alimi and Samuel Bolade Obitolu (2025), 'Investigating blockchain-based smart contracts for cross-border payment settlement, regulatory compliance and risk reduction in international finance', *International Journal of Science and Research Archive*, <https://doi.org/10.30574/ijsra.2025.16.2.2290>.

can reduce cross-border payment time to seconds and reduce costs by more than 90 %<sup>93</sup>. This functionality may offer significant benefits to enterprises conducting business within the EU internal market, enabling them to improve operational efficiency and enhance their competitiveness in a coherent economic environment.

## Smart contracts and transaction automation

In the realm of blockchain technology, the use of smart contracts can be of particular interest and relevance. Smart contracts represent a significant advancement in how commercial contracts are executed and enforced. Unlike traditional contracts, which require manual oversight and intervention, **smart contracts operate on blockchain technology, automatically executing actions when specific conditions are met**. For instance, in the context of invoice settlement, a smart contract can be programmed to release payment once the delivery of goods is confirmed through a tracking system<sup>94</sup>. The added value of this automation primarily lies in the speeding up of the payment process. However, in addition, it can also minimise the potential for disputes that often arise from miscommunication or differing interpretations of contract terms (including payment terms).

Furthermore, smart contracts can streamline the entire invoicing process, from issuance to payment confirmation. Specifically, **businesses can automate invoice generation based on predefined triggers**, such as the completion of a milestone agreed in advance. This reduces administrative burdens and allows companies to focus on core business activities rather than manual invoicing tasks, which can require substantial investment of human resources. It is significant that the use of smart contracts can also enhance compliance by ensuring that all contractual obligations are met before payments are processed, thereby reducing the risk of non-compliance penalties.

Furthermore, the integration of smart contracts with other technologies, such as the **Internet of Things (IoT)**, can further enhance automation in payment processes. For instance, IoT devices can provide real-time data on the status of goods in transit, which can trigger smart contracts to execute payments automatically upon delivery confirmation<sup>95</sup>. This synergy between smart contracts and IoT provides greater visibility into the supply chain, allowing businesses to make informed decisions based on real-time information.

## Advantages of blockchain in payment processing

The adoption of blockchain technology for payments offers a number of benefits that can significantly enhance the efficiency and reliability of financial transactions. One of the most compelling advantages is **increased transparency**. Every transaction recorded on the blockchain is visible to all participants in the network, creating an auditable trail that can be accessed in real-time<sup>96</sup>. This transparency helps to build trust among parties, as they can independently verify the status of transactions without relying on third-party intermediaries. It also facilitates better compliance with regulatory requirements, as all transactional records are tamper-proof<sup>97</sup>.

Another key advantage that blockchain brings to payment processing is **improved efficiency**. By eliminating intermediaries and automating processes through smart contracts, blockchain

<sup>93</sup> Liu, K. (2025), 'Research on the Efficiency Enhancement and Risk Prevention in Cross-Border Payments Through Blockchain Technology', *Advances in Economics, Management and Political Sciences*, 171, 170-179.

<sup>94</sup> Balfaqih, M.; Balfagih, Z.; Lytras, M.D.; Alfawaz, K.M.; Alshdadi, A.A.; Alsolami, E. (2023), 'A Blockchain-Enabled IoT Logistics System for Efficient Tracking and Management of High-Price Shipments: A Resilient, Scalable and Sustainable Approach to Smart Cities', <https://doi.org/10.3390/su151813971>.

<sup>95</sup> Yamaguti, R.; Ferreira, L.C.B.C.; Lui Motta, L.; Montali Assumpção, R.; Branquinho, O.C.; Iervolino, G.; Cardieri, P. (2025), 'IoT and Blockchain for Support for Smart Contracts Through TPM', <https://doi.org/10.3390/s25165001>.

<sup>96</sup> Regueiro, C.; Seco, I.; Gutiérrez-Agüero, I.; Urquiza, B.; Mansell, J. (2021), 'A Blockchain-Based Audit Trail Mechanism: Design and Implementation', <https://doi.org/10.3390/a14120341>.

<sup>97</sup> Emmanuel Damilare Balogun, Kolade Olusola Ogunisola, Adebajji Samuel Ogunmokon (2023), 'Blockchain-Enabled Auditing: A Conceptual Model for Financial Transparency, Regulatory Compliance, and Security'.

can significantly reduce transaction times and costs. Invoices that often take significant time to settle can be completed in real-time. This can lead to substantial improvements in overall cash flow for businesses. This efficiency is particularly beneficial for companies that operate in fast-paced environments where timely payments are critical to maintaining operational continuity. However, it can be beneficial also for sectors that are traditionally slow in payment processing, as the automation and transparency offered by blockchain can accelerate settlement times and reduce administrative delays.

Notably, improvement in efficiency concerns not only time but also in the overall allocation and utilisation of resources across business operations. More specifically, the potential reduction in transaction fees associated with blockchain payments can lead to substantial cost savings for businesses, allowing them to allocate resources more effectively. Furthermore, by streamlining manual processes and reducing paperwork, blockchain-based payment systems can free up staff to focus on higher-value activities and strategic tasks. The automation and reliability offered by blockchain technology can help minimise errors and accelerate settlement cycles, thereby enhancing cash flow predictability in the long run. Over time, these benefits can contribute to stronger financial performance and improved competitive positioning for companies adopting blockchain in their payment workflows.

In addition to these advantages, blockchain technology also fosters **financial inclusion**. By enabling **peer-to-peer transactions without the need for traditional banking infrastructure**, blockchain can provide access to financial services for businesses who lack adequate access to conventional banking. This democratisation of payment systems can be particularly beneficial for SMEs, allowing them to participate in the broader economy.

## Real-world applications

As the adoption of blockchain technology becomes widespread across industries, businesses are utilising blockchain's unique features to improve payment processes. To better understand the tangible benefits and potential of blockchain-enabled payment systems, it is useful to explore real-world examples and case studies of businesses that have integrated this technology into their operations.

Research identifies several organisations that have successfully adopted blockchain technology for payment processing. One notable example is **Ripple**, a blockchain-based payment protocol designed to facilitate real-time cross-border transactions. Ripple has gained traction among financial institutions seeking to streamline their international payment processes. By utilising Ripple's network, banks can settle transactions in seconds rather than the days typically required by traditional methods<sup>98</sup>. This efficiency reduces operational costs and enhances liquidity, allowing banks to offer better services to their clients.

# ARTIFICIAL INTELLIGENCE (AI) IN PAYMENT PROCESSING

## Role of AI in payment processing

AI is increasingly shaping the financial sector, with payment processing standing out as one of its most significant areas of impact. The application of AI and machine learning has progressed well beyond basic automation, introducing systems capable of real-time, data-driven decision-making. These technologies enable fraud detection within milliseconds of a transaction, using advanced algorithms to analyse behavioural patterns and contextual data<sup>99</sup>. This approach has substantially improved detection accuracy compared to traditional rule-based methods, reducing false positives while protecting billions of transactions across global networks<sup>100</sup>.

<sup>98</sup> See, e.g. R. Sundar (2025), 'Ripple', <https://research.contrary.com/company/ripple>.

<sup>99</sup> Manta Otilia, Valentina Vasile, and Elena Rusu (2025), 'Banking Transformation Through FinTech and the Integration of Artificial Intelligence in Payments'.

<sup>100</sup> Yadav, Sandeep (2023), 'AI-Powered Fraud Detection in Financial Transactions', *IJSAT-International Journal on Science and Technology* 14, no. 4.

**Fraud detection and risk management** remain among the most impactful applications of AI in payment systems. AI algorithms are able to process vast volumes of transactional data in real time, identifying anomalies and suspicious patterns that may indicate fraudulent activity. AI-powered fraud detection has become integral to digital payment platforms, offering both speed and precision in threat identification<sup>101</sup>.

AI also plays a crucial role in transaction routing and optimisation. By leveraging predictive analytics and real-time data, AI systems can dynamically determine the most efficient payment pathways, thereby minimising transaction failures and reducing operational costs. Moreover, AI enhances personalisation and customer experience. Through the analysis of user behaviour and preferences, financial institutions are able to deliver tailored payment solutions, adaptive user interfaces, and proactive customer support.<sup>102</sup>

## Benefits of AI in payment management

Overall, the growing integration of AI into payment processes can generate several benefits, ranging from support in generating predictive analysis to improve the accuracy of fraud detection while generally streamlining the payment process.

AI can assist organisations in predicting late payments by **analysing historical transaction data and identifying behavioural patterns**. Machine learning models evaluate factors such as previous payment habits, invoice amounts, and customer profiles to detect signals that may indicate a risk of delay. These systems can process large datasets efficiently and uncover subtle trends that might be either overlooked by human analysis or require substantial human resources, as well as a significantly long time. Research shows that prior invoice history is one of the strongest predictors of payment behaviour<sup>103</sup>. By integrating internal data with external indicators, such as economic conditions or sector-specific trends, AI-driven predictive analytics enables organisations to take proactive measures – such as issuing reminders or adjusting credit terms – to reduce financial risk and maintain healthy cash flow<sup>104</sup>.

In terms of detecting fraudulent transactions, AI strengthens payment security by detecting these in real time through **advanced pattern recognition and anomaly detection**. Unlike traditional rule-based systems, which rely on static conditions, AI models learn from large volumes of historical and live transaction data to identify unusual behaviours that may indicate fraud. Research highlights that predictive analytics powered by machine learning can anticipate suspicious behaviour by continuously learning from historical and live data, ensuring rapid intervention before the fraudulent activity is completed<sup>105</sup>. Furthermore, as AI-driven models process transaction flows within milliseconds, this allows financial institutions to act instantly while reducing false positives and improving customer trust<sup>106</sup>.

Moreover, artificial intelligence is transforming the management of invoicing and payment reminders by introducing automation that greatly reduces manual effort and administrative overhead. AI systems are able to extract and process invoice data with a high level of accuracy, which minimises the need for manual data entry and helps to prevent errors that might otherwise lead to payment delays or disputes<sup>107</sup>. These systems can also automatically verify invoices against supporting documents, flagging any inconsistencies for review and thereby reducing the risk of mistakes or fraudulent payments<sup>108</sup>. In addition to streamlining data processing, AI can monitor payment schedules and send out reminders automatically, ensuring that payments are made on time and reducing the need for staff to manually check outstanding invoices. AI's ability

<sup>101</sup> Ibid.

<sup>102</sup> Bas, Merve Ozkurt (2025), 'AI-driven payment systems: From innovation to market success', *International Journal of Science and Research Archive* 14, no. 3: 656-659.

<sup>103</sup> Martikainen, Matti (2023), Predicting Late Payment of Sales Invoices with Statistical Learning Methods. Lappeenranta-Lahti University of Technology, [https://lutpub.lut.fi/bitstream/handle/10024/166112/Matti\\_Martikainen\\_Predicting\\_late\\_payment\\_of\\_sales\\_invoices.pdf?sequence=1](https://lutpub.lut.fi/bitstream/handle/10024/166112/Matti_Martikainen_Predicting_late_payment_of_sales_invoices.pdf?sequence=1).

<sup>104</sup> Shamugasamy, K. (2024), 'Harnessing Predictive Analytics: Transforming Payment Behaviour in the Digital Age', *International Journal for Multidisciplinary Research (IJFMR)*, <https://www.ijfmr.com/papers/2024/6/31019.pdf>.

<sup>105</sup> Ibid.

<sup>106</sup> Kashinath, A., R. Agarwal, and D. J. Mithun (2022), 'Prediction of Delays in Invoice Payments Using Machine Learning', REVA University, <https://race.reva.edu.in/race-lab/prediction-of-delays-in-invoice-payments-using-ml>.

<sup>107</sup> Onteddu, Koti Reddy (2025), 'AI-Powered Invoice Automation in ERP Systems: Revolutionising Accounts Payable', *Journal of Computer Science and Technology Studies* 7, no. 5, p. 588-597.

<sup>108</sup> Ibid., p. 590.

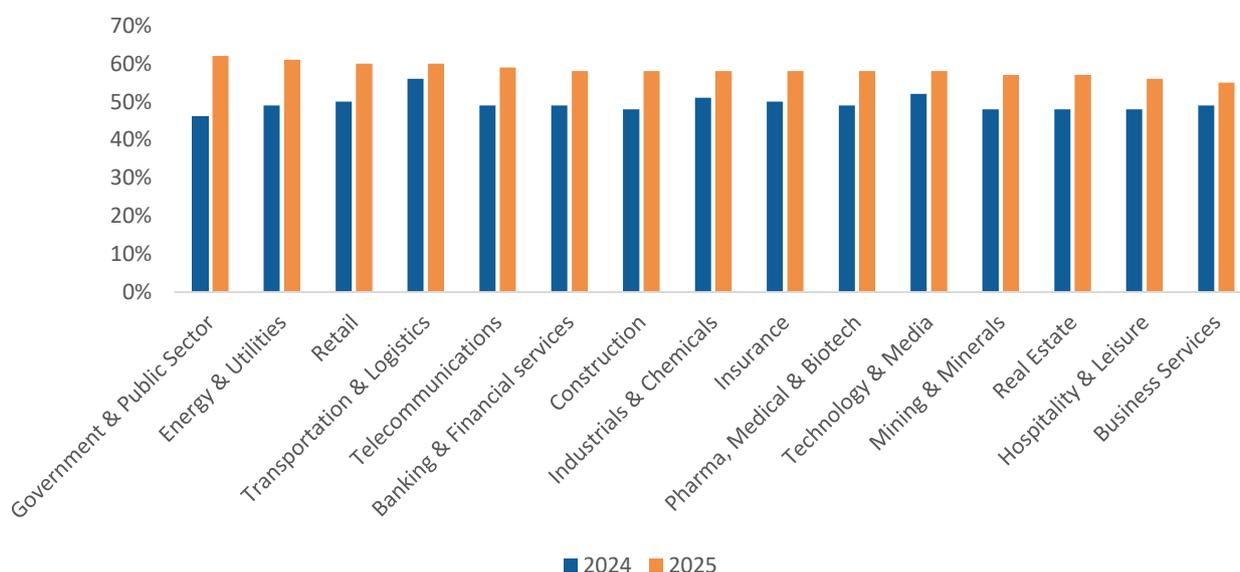
to analyse payment patterns and forecast cash flow requirements enables organisations to plan their finances more effectively, take advantage of early payment discounts, and avoid penalties for late payments<sup>109</sup>.

## Real-world applications and perceptions

Overall, the following examples of real-world application of AI employment in payment process were gathered through the European Payment Report (EPR) survey conducted by Intrum in 2025, relying on data from 2024–2025<sup>110</sup>. Emerging evidence displays an increasing acknowledgement of AI's potential across sectoral industries in Europe to improve payment management<sup>111</sup>. In particular, from 2024 to 2025 an increase can be observed in the number of companies that expect to use the technology to make their payments management more effective emerged<sup>112</sup>.

The Figure below illustrates how perceptions across industry sectors have evolved regarding the extent to which advances in AI will enhance the ability to manage late payments between 2024 and 2025. The data reveal a clear and consistent **upward trend in confidence in AI across all sectors**. The Government and Public Sector stand out, rising from 46 % in 2024 to 62 % in 2025, representing the most significant increase. The Energy and Utilities sector follows closely at 61 %, up from 49 %. Retail and Transportation, as well as Logistics have both reached 60 % in 2025, reflecting notable gains from 50 and 56 % respectively. A broad cluster of sectors – including Telecommunications, Banking and Financial Services, Construction, Insurance, Technology and Media, and Pharmaceuticals, Medical and Biotech – have registered between 55 % and 59 % in 2025, all showing steady improvement on the previous year. At the lower end, the sectors of Hospitality and Leisure, and Business Services have recorded 56 and 55 % respectively, though both demonstrate progress from 48 % and 49 %.

**Figure 166: Advances in AI will significantly enhance the ability to manage late payments (agree) - Industry sector (N=9 150)**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

Moreover, among the businesses already relying on AI in payments management, **enhanced efficiency gains** emerge as the most frequently cited advantage, mentioned by 25 % of businesses. This is followed by a reduction in late payments at 20 %, while improved analysis and better engagement with customers are both perceived as benefits by 15 % of the

<sup>109</sup> Ibid., pp. 591-592.

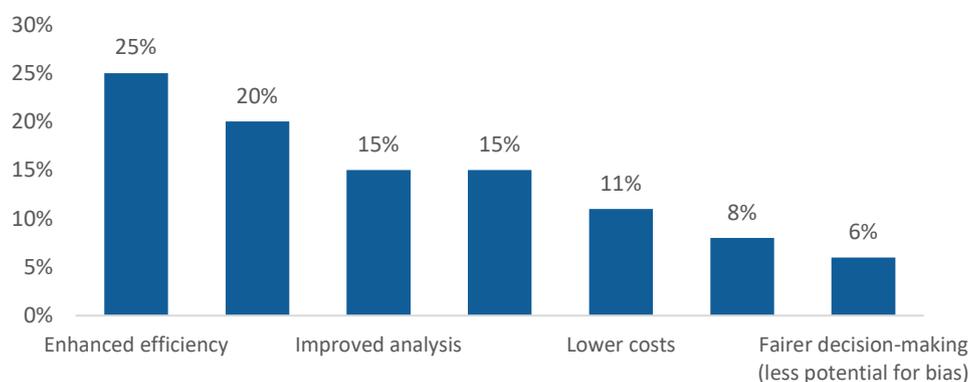
<sup>110</sup> Further information available at: <https://www.intrum.com/media/caqod3qr/intrum-epr-2025.pdf>

<sup>111</sup> The countries covered in the Intrum EPR 2025 survey were respectively: Austria, Belgium, Bosnia & Herzegovina, Bulgaria, Croatia, Czechia, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Norway, Poland, Portugal, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, The Netherlands and the United Kingdom.

<sup>112</sup> Intrum (2025), 'European Payment Report 2025', <https://www.intrum.com/media/caqod3qr/intrum-epr-2025.pdf>.

respondents. Lower costs are identified by 11 % of respondents, whereas greater accuracy and reduced human error are mentioned by 8 %. Fairer decision-making, associated with reduced bias, is the least cited benefit at 6 %.

**Figure 167: Benefits of AI in payments management (N=5 379)**

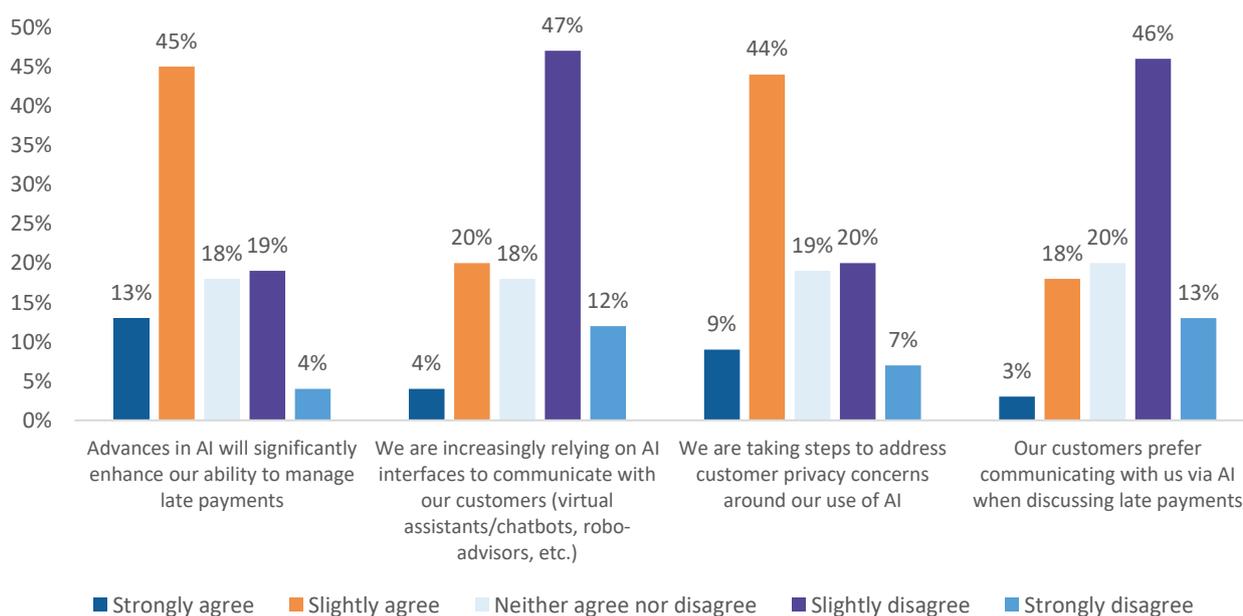


Source: EU Payment Observatory elaboration on Intrum European Payment Report.

In addition, as displayed in Figure 168, business sentiment toward the adoption of artificial intelligence in payment management continues to trend positively. A majority of respondents (58 %) at least slightly agreed that advances in AI will significantly strengthen their ability to manage late payments. Against this background, the adoption of AI interfaces for customer communication appears far less advanced. More than half of respondents (59 %) at least 'slightly disagree' that their organisation increasingly relies on such tools, and only a small minority (4 %) 'strongly agree' that such a reliance has been increasing, suggesting that human interaction continues to dominate in this area.

Efforts to address customer privacy concerns receive a more positive response. A total of 53 % of respondents agree that their organisation is taking steps to mitigate these issues, although 20 % neither 'agree' nor 'disagree' and a further 27 % express some level of disagreement, indicating that confidence in privacy safeguards is not universal. Finally, customer preference for AI-driven communication in discussions about late payments is met with marked scepticism. Nearly half of respondents (46 %) 'strongly disagree' with this statement, while only 21 % express agreement, underscoring the enduring importance of personal engagement in sensitive financial interactions.

**Figure 168: Level of agreement with statements about our organisation's use of AI in payments management (N=9 150)**



Source: EU Payment Observatory elaboration on Intrum European Payment Report.

The adoption of AI in payment management is steadily transforming business practices across Europe. Evidence indicates growing confidence among organisations in AI's ability to enhance efficiency, reduce late payments, and improve analytical capabilities. While efficiency gains and reductions in late payments remain the most frequently cited benefits, companies also report improvements in customer engagement, cost savings, and accuracy. However, data suggest that few businesses employ AI for customer interactions – despite a shift in preferences among younger consumers, many of whom favour the neutrality of bots over human agents when discussing payment issues. Indeed, personal interaction remains essential for sensitive financial communications, and privacy concerns must continue to be addressed. Overall, integrating AI into payment processes is not only streamlining operations but also enabling a more proactive, data-driven approach to managing payments – positioning businesses to better navigate late-payment challenges within the digital economy.

Several notable AI tools are now widely adopted across the EU. **Adyen**<sup>113</sup>, headquartered in the Netherlands, integrates AI-driven risk management and authentication into its unified commerce platform, helping merchants optimise authorisation rates and reduce fraud. **Revolut**<sup>114</sup> employs AI for fraud prevention and personalised financial services. **Wero**<sup>115</sup>, developed under the European Payments Initiative, leverages AI for secure peer-to-peer and e-commerce transactions. Global players like Mastercard and Visa are introducing agentic AI systems for autonomous payment processing and predictive purchasing, signalling a shift towards intelligent transaction ecosystems. Adding to this landscape, **Mollie**, a leading Dutch fintech, has launched its Model Context Protocol (MCP) Server<sup>116</sup>, enabling merchants to use natural language commands for tasks such as generating payment links, checking transaction statuses, and managing recurring mandates.

In terms of pricing, this varies significantly across providers. For instance, Mollie stands out for its pay-as-you-go model with no setup or monthly fees, charging only for successful transactions. Standard card processing fees start at 1.8 % plus EUR 0.25 per transaction for EEA consumer cards, while SEPA Direct Debit costs EUR 0.25 per transaction. For in-person payments, Mollie offers a free tier for occasional sellers and a Pro plan at EUR 20 per month for lower transaction rates, plus hardware terminals priced from EUR 95 for Tap devices to EUR 350 for mobile or fixed terminals<sup>117</sup>. Adyen uses an Interchange pricing model, which is transparent but typically suited for higher-volume merchants; SMEs pay a fixed processing fee of EUR 0.11 plus interchange and scheme fees, with markups starting at 0.60 %<sup>118</sup>. Revolut Business offers tiered plans starting at £10 per month for Basic, £30 for Grow, and £90 for Scale, with features such as bulk payments, API integrations, and fraud prevention included in higher tiers<sup>119</sup>.

## CONCLUSION

The findings indicate that **instant payments** significantly reduce the time taken for transactions, thereby improving cash flow and liquidity for businesses. By facilitating real-time transfers, instant payment systems minimise the risks associated with delayed payments, particularly for SMEs. However, it should be borne in mind that it would be beneficial to combine this innovative technology with other measures, including regulatory actions. Another beneficial example is the **blockchain technology**, which can enhance payment processes by providing a secure, transparent and decentralised framework that eliminates intermediaries, reduces transaction costs and accelerates cross-border payments. Additionally, the integration of **artificial intelligence** into payment processing enables predictive analytics, fraud detection, and automation, streamlining invoicing and enhancing overall payment management. The section concludes that these emerging technologies can lead to timely payments and promote

<sup>113</sup> Further information available at: <https://fintechmagazine.com/articles/adyen-launches-ai-payment-suite-with-6-conversion-boost>.

<sup>114</sup> Further information available at:

<https://www.revolut.com/news/revolut-launches-ai-feature-to-protect-customers-from-card-scams-and-break-the-scammers-spell/>.

<sup>115</sup> Further information available at: <https://www.europeanpaymentscouncil.eu/news-insights/insight/wero-shaping-future-european-payments>.

<sup>116</sup> Further information available at: <https://www.mollie.com/news/mollie-launches-ai-ready-mcp-server>.

<sup>117</sup> Further information available at: <https://www.mollie.com/pricing>.

<sup>118</sup> Further information available at: [https://www.adyen.com/en\\_GB/pricing](https://www.adyen.com/en_GB/pricing).

<sup>119</sup> Further information available at: <https://www.revolut.com/business/business-account-plans/>.

financial operational efficiency, positioning businesses for success in an increasingly digital economy and enhancing their competitive abilities.

## 5. ACTIVITIES OF THE EU PAYMENT OBSERVATORY IN 2025

In 2025, the EU Payment Observatory continued monitoring trends on payment performance in the EU and mapping initiatives and regulatory interventions addressing late payments. The results can be consulted in the Observatory's website:

- [Indicator's mapper](#): An interactive dashboard providing a detailed and comprehensive picture of payment performance in commercial transactions across all EU Member States, encompassing different key dimensions of payment practices. The dashboard was revamped in 2025 to make it more user-friendly and is regularly updated.
- [Repository](#): A resource library of relevant initiatives and policy documents on payment performance and behaviour in commercial transactions in the European Economic Area and the UK. It is regularly updated.

In addition, the Observatory published two reports in 2025 on the new payment practices reporting under CSRD and on late payment practices and policies in selected non-EU countries. It also conducted numerous dissemination activities. All the activities of the Observatory can be consulted in its [website](#).

### THEMATIC REPORT ON PAYMENT PRACTICES REPORTING UNDER CSRD

Companies' payment practices are often opaque, with little data available on the payment behaviour of EU businesses. The inclusion of payment practices in the CSRD is expected to bring more transparency to payment performance, potentially improving payment culture in Europe and delivering benefits for both suppliers and reporting companies.

CSRD requires in-scope large companies to report on their payment practices, subject to a materiality assessment. The first set of disclosures started in 2025, with more firms having to report in the future. A pilot assessment of 136 CSRD reports from the first wave (based on FY2024 data) provides the first evidence of how companies are implementing these new requirements. Encouragingly, 68 % of companies included at least one non-mandatory disclosure related to payment practices, and 49 % deemed the quantitative indicators on payment times to be material to their business. This high rate of materiality, particularly in sectors prone to late payments such as construction and transport, suggests that companies recognise the financial and social relevance of having a good payment behaviour.

However, the study also identified significant heterogeneity in reporting approaches. Companies adopted differing methodologies, formats, and levels of detail when disclosing payment data, leading to inconsistencies that limit the comparability and usefulness of the information for regulators, investors, and other stakeholders. These challenges can be addressed by enhancing standardisation and data accessibility. Clarifying definitions – such as when the payment period begins – and introducing machine-readable templates via the upcoming European Single Access Point (ESAP) would improve data comparability and enable larger-scale analysis.

International experience, particularly from the United Kingdom, shows that disclosure requirements can lead to measurable improvements in payment behaviour. Public transparency generates reputational pressure, encourages better internal monitoring, and strengthens the bargaining position of suppliers. Similarly, the transition to electronic invoicing (eInvoicing) – a

development also driven by the EU's VAT in the Digital Age (ViDA) initiative – can further reduce payment delays by accelerating invoice processing and improving traceability, ultimately facilitating reporting on the topic.

Despite its promise, regulatory uncertainty on the CSRD disclosures persists, driven by the new Omnibus proposals, which aim to amend the CSRD and ease compliance burdens for companies, particularly regarding reporting obligations. Until the proposals are adopted and the European Sustainability Reporting Standards are reviewed, the scope of affected companies and the extent of their disclosure obligations remain uncertain. This may also undermine the expected impacts of the payment practices reporting, given proposals to remove key indicators, including average payment times and qualitative disclosures on policies to prevent late payments to SMEs, and to significantly limit the number of companies under scope. Such changes would significantly reduce the effectiveness of payment disclosures, eliminating crucial benchmarks for comparability and depriving stakeholders of key insights into companies' proactive management of payment risks.

Overall, the CSRD's payment practice disclosures constitute a landmark step towards greater transparency and accountability in corporate payment behaviour. Early evidence suggests strong potential to improve payment culture across the EU, if the current simplification proposals and future implementation focus on harmonisation, data quality, and long-term consistency.

The report can be accessed [here](#).

## **THEMATIC REPORT ON LATE PAYMENT PRACTICES AND POLICIES IN SELECTED NON-EU COUNTRIES**

The thematic report 'Late payment practices and policies in selected non-EU countries' examines late payment practices and policies in selected non-EU countries: Australia, Canada, the United States, and the United Kingdom. The aim is to examine the prevalence of late payments and to analyse the measures taken to address them in the selected non-EU countries, as well as to compare these dynamics with those within the EU, highlighting both similarities and differences in approaches, while identifying effective practices from outside the EU.

The research scope includes an examination of both legislative and non-legislative actions aimed at enhancing payment practices and protecting businesses, particularly SMEs. The research also utilises available qualitative and quantitative data on the late payment landscape to assess the prevalence and impact of late payments in these jurisdictions. The comparative analysis identifies common challenges and unique factors that influence late payment practices in the selected non-EU countries and the EU.

The geographic scope of the research encompasses advanced economies outside the EU, specifically Australia, Canada, the US, and the UK. These countries were chosen based on several criteria, particularly their significant trade relations with the EU. In addition, each selected country has enacted both legislative and non-legislative measures to address late payment issues, providing a solid foundation for assessment.

The findings reveal that late payments are a systemic issue in both the EU and the selected non-EU countries, disproportionately affecting SMEs and causing significant cash flow problems. Despite various legislative and non-legislative measures, such as reporting requirements, transparency initiatives and sector-specific regulations, the prevalence of late payments remains high. The report highlights that late payments often originate from larger companies and have a domino effect throughout supply chains, leading to increased borrowing costs, delayed investments, and even business closures.

The report can be accessed [here](#).

# DISSEMINATION ACTIVITIES

One of the main objectives of the Observatory is to raise awareness and increase visibility on payment performance issues.

The main outlet of the Observatory is its [website](#), which underwent updates in 2025 to improve user experience.

The Observatory also regularly publishes a [newsletter](#).

## Events organised

In 2025, the Observatory hosted a dedicated session at the 2025 SME Assembly in Copenhagen and organised three webinars:

- *Ending the wait: Securing fair payment conditions for SMEs.* 12 November 2025 9:45-10:45 (CEST) Copenhagen

During this session, the results of the European analysis of the 2025 were presented. The event kick started with a video message by MEP Laura Ballarin and included a panel discussion on how to create a culture of fair payment practices in the EU.

- *Addressing late payments: Insights and strategies from non-EU perspectives.* 10 July 2025 12:00-13:00 (CEST) Zoom

This webinar explored the prevalence of late payments and the measures aimed at addressing them in selected non-EU countries. It included the presentation of a dedicated thematic report and a panel discussion.

The recording is available [here](#).

- *Leadership through action: Tackling late payments in EU G2B transactions.* 11 March 2025 11:00-12:00 (CET) Zoom

Many EU governments fail to meet their payment deadlines. This session discussion on the issue of delayed G2B payments, the challenges in assessing the full scope of the problem due to insufficient data, the key drivers behind these delays, and best practices that can help improve G2B payment performance across the EU. It included the presentation of a dedicated thematic report and a panel discussion.

The recording is available [here](#).

- *The surge in late payments: An increasing barrier for EU companies.* 5 February 2025 10:00-11:00 (CET) Zoom

During this webinar, the EU Payment Observatory presented the key findings from its 2024 Annual Report. The presentation was followed by a panel debate, bringing together experts to discuss the implications of late payments and explore strategies to address this growing challenge for the competitiveness of the EU and its businesses.

The recording is available [here](#).

## Presentation of results in external events:

- *Portfolio Future of Finance Conference 2025.* 18 September, Budapest
- *10th European Factoring Summit.* 11 April, Copenhagen
- *Meeting of the EESC MSMEs, Crafts and Family Business Category.* 3 March, Brussels.

## 6. CONCLUSION

Payment performance in the EU continues to show very worrying signs in 2024. Late payments seem to be an increasing problem for companies, with more than half of European businesses reporting suffering issues as a consequence.

However, late payments are not the only indicator of a bad payment culture. Often, having long payment periods, regardless of whether there is a delay, signals the presence of unfair situations. These are often characterised by a supplier, normally smaller, feeling compelled to accept being paid later in order not to damage the relationship with its clients, which tend to be bigger.

According to suppliers, payment periods in the EU remain excessively long, exceeding 60 days for both B2B and G2B transactions. In 2024, they slightly increased for public administrations and decreased marginally for businesses. Governments continue to pay later than private companies in every Member State, a persistent and troubling pattern.

These long payment periods correlate with long payment terms. It is not surprising, thus, that payment terms, as reported by suppliers, follow the same tendencies as payment periods. For instance, the ones set in G2B transactions are longer than B2B ones and also lengthier than the 30 days stipulated in the Late Payments Directive, despite it containing some exemptions. This highlights the persistent challenges in improving payment performance, as even the public authorities responsible for setting the rules often fail to comply with them, despite their interest in promoting a sound payment culture.

The 2024 evidence also reaffirms the importance of size on commercial payments, hinting at the prevalence of unfair dynamics that penalise smaller businesses. Micro companies continue to be the most punctual, yet they are also the ones that perceive late payments as a greater challenge due to their limited liquidity and weaker bargaining power. Meanwhile as company size grows, the percentage of invoices settled on-time decreases, with large companies, those with more liquidity but also more power in a business relationship, 1 year more being the worst payers.

Behavioural aspects explain the widespread presence of bad payment practices alongside liquidity issues. In addition, in an interconnected economy payment delays drive other late payments, creating a vicious circle. In 2024, cyclical elements are also a particular concern, with more than half the companies indicating that elements like the economic slowdown and the current business environment are impacting payment performance. Enterprises also seem to be increasingly pessimistic about the future, with over half of them indicating that they are more concerned than ever about their client's ability to pay on time.

The results of this report also reveal big disparities in payment culture across Member States. This can be observed in the national analysis, but it is also very evident in sectoral data, which shows greater variation in payment performance between countries than within Member States.

Meanwhile, the consequences of bad payment practices remain widespread and severe. Companies most frequently report negative effects on investment and growth, while up to one third view late payments as a threat to their survival. Access to finance is also constrained for firms suffering from payment delays. Chasing overdue invoices constitutes a significant burden for companies, particularly SMEs. Overall, it is estimated that without late payments, micro companies, SME and intermediate-sized enterprises could benefit from over EUR 100 billion a year in additional cash flow.

Also important to note, are the increasing data limitations that hinder the analysis on payment performance in the EU. The greatest challenge to this Observatory's mission continues to be the scarcity of comprehensive, harmonised and systematised data. Despite the use of multiple sources and ad hoc surveys to compensate for data gaps, the available information, especially for smaller Member States, remains limited. In many cases, only approximate assessments are possible.

Taken together, the increasing prevalence of late payments, persistently long settlement periods, mounting concerns about future payment performance, and the lack of evidence of behavioural change in an environment where large firms continue to exploit their bargaining power to delay payments to suppliers, paint a particularly troubling picture.

However, there have never been so many tools to help change course. The arrival of eInvoicing and the emergence of new technologies such as instant payments and AI can reduce payment processing time and facilitate payment performance monitoring. Wider adoption of these tools could therefore play a key role in reducing payment delays.

However, technological progress alone is not enough. It must be accompanied by greater awareness of the importance of prompt payments and a genuine shift in attitudes across business and public administrations. Ultimately, a poor payment culture is not only a result of inefficient systems but also of entrenched behaviours. Without a real shift in attitudes, any lasting improvement in payment performance will remain out of reach.

# ANNEX 1 – STAKEHOLDER FORUM MEMBERS

Country	Type	Organisation
DE	Data Provider	Allianz SE
PT	Business Association	Associação Cristã de Empresários e Gestores (ACEGE)
FR	Business Association	Association Française des Credits Managers et Conseils (AFDCC)
FR	Business Association	Association Française des Entreprises Privées (AFEP)
FR	Business Association	Association Française des Sociétés Financières (ASF)
IT	Construction Association	Associazione Nazionale Costruttori Edili (ANCE)
IT	Business Association	Assonime
EU	Data Provider	Atradius
FR	Central Bank	Banque de France (BdF) - Observatoire des délais de paiement
IT	Company	BFF Banking Group
EU	Business Association	BusinessEurope
RO	Agrifood Association	Clustero
FR	Data Provider	Comité de défense et d'information (CODINF)
IE	Business Association	Credit Management Institute of Ireland (CMII)
IE	National Ministry	Department of Enterprise, Trade and Employment (DETE)
FR	National Ministry	DGCCRF - Ministère de l'Économie
ES	National Ministry	Directorate-General for the Industry and SMEs - Ministry of Industry, Commerce and Tourism
EU	Others	Early Warning Europe
EU	Business Association	Eurochambres
EU	Retail Association	Eurocommerce
EU	Construction Association	European Builders Confederation (EBC)
EU	Central Bank	European Central Bank (ECB) - SAFE
EU	Construction Association	European Construction Industry Federation (FIEC)
EU	Business Association	EU Federation for the Factoring and Commercial Finance Industry
EU	Mobility/Transport/Automotive Association	European Road Haulers Association (UETR)

EU	Business Association	Fair Trade Advocacy Office
EU	Business Association	Federation of European Credit Management Associations (FECMA)
EU	Business Association	International Credit Insurance & Surety Association (ICISA)
BE	National Ministry	Federal Public Service of Economy
EU	Business Association	Federation of Business Information Services (FEBIS)
FI	Business Association	Federation of Finnish Enterprises
BE	Data Provider	Graydon
EL	National Ministry	Hellenic Ministry of Finance
ES	Data Provider	Informa
BE	Business Association	Instituut voor Kredietmanagement
EU	Data Provider	Intrum
MT	Data Provider	Malta Association of Credit Management (MACM)
EU	Health Association	MedTech Europe
NL	National Ministry	Ministerie van Economische Zaken en Klimaat (MEZK)
PL	National Ministry	Ministry of Economy
IT	National Ministry	Ministry of Economy and Finance
HR	National Ministry	Ministry of Finance
IE	National Ministry	Ministry of Finance
LT	National Ministry	Ministry of Finance
SI	National Ministry	Ministry of Finance
CZ	National Ministry	Ministry of Justice
EE	National Ministry	Ministry of Justice
FI	National Ministry	Ministry of Justice
DE	National Ministry	Ministry of Justice and Consumer Protection
IT	Others	Osservatorio conti pubblici
ES	Data Provider	Plataforma Multisectorial contra la Morosidad (PMcM)
UK	Data Provider	Sage
EU	SME Association	SME United

UK	Others	University of Edinburgh Business School
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# ANNEX 2 - DATA SOURCES USED IN THE PRODUCTION OF THIS REPORT

Name of source/publication	Link to latest publication
Intrum European Payment Reports 2020-2025	<a href="https://www.intrum.com/insights/publications/epr-2025/">https://www.intrum.com/insights/publications/epr-2025/</a>
D&B Network/Cribis Payment Study	<a href="https://hello.dnb.com/rs/145-JUC-481/images/RP_Payment_Study_2025_EN.pdf?utm_source=mkto&amp;utm_medium=email&amp;utm_campaign=WC-FS-CE-2025-04-report-payment-study-2025&amp;utm_content=&amp;mkt_tok=MTQ1LUUpVQy00ODEAAAGbYhT7iejbm1oZRP6sxyjD7OyZRZ1Ynt6qVo8JBWJXY1ZYtvrEsuFnXzLAmbPx5FqOdIkTDHG8OGqihRa75CDM7mTZMj7Yi6PWO4oldYc9mki3XVcZ">https://hello.dnb.com/rs/145-JUC-481/images/RP_Payment_Study_2025_EN.pdf?utm_source=mkto&amp;utm_medium=email&amp;utm_campaign=WC-FS-CE-2025-04-report-payment-study-2025&amp;utm_content=&amp;mkt_tok=MTQ1LUUpVQy00ODEAAAGbYhT7iejbm1oZRP6sxyjD7OyZRZ1Ynt6qVo8JBWJXY1ZYtvrEsuFnXzLAmbPx5FqOdIkTDHG8OGqihRa75CDM7mTZMj7Yi6PWO4oldYc9mki3XVcZ</a>
EC/ECB Survey on the Access to Finance of Enterprises (SAFE)	<a href="https://www.ecb.europa.eu/stats/ecb_surveys/safe/html/data.en.html">https://www.ecb.europa.eu/stats/ecb_surveys/safe/html/data.en.html</a>
EC SME Panel Survey on Late Payments	Non-Published data. Main results here: <a href="https://single-market-economy.ec.europa.eu/document/download/06c1431c-76e1-46e8-baa9-abde0e519434_en?filename=Presentation%20EU%20Survey_final_rev%20S%20rev%20BS.pdf">https://single-market-economy.ec.europa.eu/document/download/06c1431c-76e1-46e8-baa9-abde0e519434_en?filename=Presentation %20EU %20Survey_final_rev %20S %20rev %20BS.pdf</a>
EC Eurobarometer on Startups, scaleups and entrepreneurship	<a href="https://europa.eu/eurobarometer/surveys/detail/3359">https://europa.eu/eurobarometer/surveys/detail/3359</a>
Creditreform Zahlungsindikator Deutschland	<a href="https://www.creditreform.de/fileadmin/user_upload/central_files/News/News_Wirtschaftsforschung/2025/Zahlungsverhalten/2025-02-03_AY_OE_Newsletter_Zahlungsindikator_Deutschland_-_Winter_2024-25.pdf">https://www.creditreform.de/fileadmin/user_upload/central_files/News/News_Wirtschaftsforschung/2025/Zahlungsverhalten/2025-02-03_AY_OE_Newsletter_Zahlungsindikator_Deutschland_-_Winter_2024-25.pdf</a>
Cepyme Observatorio de la Morosidad	<a href="https://cepyme.es/categorias/morosidad/">https://cepyme.es/categorias/morosidad/</a>
Plataforma Multisectorial contra la Morosidad	<a href="https://pmcm.es/documentacion/">https://pmcm.es/documentacion/</a>
Ministero dell'Economia e delle Finanze of Italy	<a href="https://www.rgs.mef.gov.it/VERSIONE-I/tempi_di_pagamento_e_debiti_commerciali_delle_pubbliche_amministrazioni/index.html">https://www.rgs.mef.gov.it/VERSIONE-I/tempi_di_pagamento_e_debiti_commerciali_delle_pubbliche_amministrazioni/index.html</a>
Banco de Portugal	<a href="https://bpstat.bportugal.pt/conteudos/quadros/1214">https://bpstat.bportugal.pt/conteudos/quadros/1214</a>
DG for Local Administrations of Portugal	<a href="https://portalautarquico.dgal.gov.pt/pt-PT/financas-locais/endividamento/municipios/prazo-medio-de-pagamentos/">https://portalautarquico.dgal.gov.pt/pt-PT/financas-locais/endividamento/municipios/prazo-medio-de-pagamentos/</a>
Transparency portal of the National Health Care System of Portugal	<a href="https://transparencia.sns.gov.pt/explore/dataset/tempo-medio-de-pagamento-das-instituicoes-do-sns-a-fornecedores/information/?sort=tempo&amp;dataChart=eyJxdWVyaWVzIjpbeyJjaGFydHMiOlt7InR5cGUiOiJjb2x1bW4iLCJmdW5jIjoiQVZHIiwieUF4aXMiOiJwcmF6b19tZWVpb19kZV9wYWdhbWVudG8iLCJjb2xvciI6ImM2NmMyYTUiLCJyY2IibnRpZml">https://transparencia.sns.gov.pt/explore/dataset/tempo-medio-de-pagamento-das-instituicoes-do-sns-a-fornecedores/information/?sort=tempo&amp;dataChart=eyJxdWVyaWVzIjpbeyJjaGFydHMiOlt7InR5cGUiOiJjb2x1bW4iLCJmdW5jIjoiQVZHIiwieUF4aXMiOiJwcmF6b19tZWVpb19kZV9wYWdhbWVudG8iLCJjb2xvciI6ImM2NmMyYTUiLCJyY2IibnRpZml</a>

	jRGlzcGxheSI6dHJ1ZX1dLCJ4QXhpcyI6InRlbXBvIiwibWF4cG9pbmRzIjoiIiwidGltZXNjYWxlIjoieWVhciIsInNvcnQiOiIiLCJzZXJpZXNcCmVha2Rvd24iOiIiLCJzZXJpZXNcCmVha2Rvd25UaW1lc2NhbgUiOiIiLCJjb25maWciOnsiZGF0YXNldCI6InRlbXBvLW1lZGlVLWRILXBhZ2FtZW50by1kYXMTaW5zdGI0dWljb2VzLWRvLXNucy1hLWZvcn5lY2Vkb3JlcyIsIm9wdGlbnMiOnsic29ydCI6InRlbXBvIn19fV0sInRpbWVzY2FsZSI6IiIsImRpc3BsYXIMZWdlbmQiOnRydWUUsImFsaWduTW9udGgiOnRydWV9
Budget Office of Portugal	<a href="https://www.eo.gov.pt/execucaoorcamental/Paginas/PrazoMedioPagamentos.aspx?Ano=2025&amp;Trimestre=2.%c2%ba%20Trimestre">https://www.eo.gov.pt/execucaoorcamental/Paginas/PrazoMedioPagamentos.aspx?Ano=2025&amp;Trimestre=2.%c2%ba%20Trimestre</a>
Rapport de l'Observatoire des délais de paiement	<a href="https://www.banque-france.fr/fr/publications-et-statistiques/publications/rapport-de-lobservatoire-des-delais-de-paiement-2024">https://www.banque-france.fr/fr/publications-et-statistiques/publications/rapport-de-lobservatoire-des-delais-de-paiement-2024</a>
Austrian Business Check – Zahlungsmoral	<a href="https://www.ksv.at/webform/ab_check_zahlungsmoral_2024">https://www.ksv.at/webform/ab_check_zahlungsmoral_2024</a>
Irish SME Association (ISME): Prompt Payment Reports (Ireland)	<a href="https://isme.ie/report/">https://isme.ie/report/</a>
Ministry of Industry and Technology of Cyprus	Non-Published data
Ministry of Development and Technology of Poland	<a href="https://www.gov.pl/web/rozwoj-technologia/sprawozdania-o-stosowanych-terminach-zaplaty">https://www.gov.pl/web/rozwoj-technologia/sprawozdania-o-stosowanych-terminach-zaplaty</a>
Swedish Companies Registration Office	<a href="https://invoier.com/betaltidsindex/#:~:text=Om%20Invoiers%20Betaltidsindex%20(BTI),utvecklingen%20ser%20ut%20%C3%B6ver%20tid">https://invoier.com/betaltidsindex/#:~:text=Om%20Invoiers%20Betaltidsindex%20(BTI),utvecklingen%20ser%20ut%20%C3%B6ver%20tid</a>
Farmindustria: indagine tempi di pagamento	<a href="https://www.farmindustria.it/documenticategory/tempi-di-pagamento-p.a/">https://www.farmindustria.it/documenticategory/tempi-di-pagamento-p.a/</a>
FPS BOSA Belgium	<a href="https://bosa.belgium.be/nl/themas/begroting-en-boekhouding/overheidsboekhouding/opvolging-betaaltermijnen">https://bosa.belgium.be/nl/themas/begroting-en-boekhouding/overheidsboekhouding/opvolging-betaaltermijnen</a>
Confindustria - Dispositivi Medici: Tempi di Pagamento	<a href="https://www.confindustriadm.it/tempi-di-pagamento/#:~:text=Con%20l'acronimo%20DSO%20si,essere%20superati%20i%2060%20giorni.">https://www.confindustriadm.it/tempi-di-pagamento/#:~:text=Con%20l'acronimo%20DSO%20si,essere%20superati%20i%2060%20giorni.</a>
Irish Prompt Payment Returns by Government Departments	<a href="https://enterprise.gov.ie/en/publications/#!t=Late%20Payments#!y=#!s=#!ty=#!k=">https://enterprise.gov.ie/en/publications/#!t=Late%20Payments#!y=#!s=#!ty=#!k=</a>
Finnish Yrittäjägallup survey	<a href="https://www.yrittajat.fi/wp-content/uploads/2024/02/sy_pk_barometri_kevat2024.pdf">https://www.yrittajat.fi/wp-content/uploads/2024/02/sy_pk_barometri_kevat2024.pdf</a>

# ANNEX 3 – FULL LIST OF VALUES OF THE COMPOSITE INDICATOR ON PAYMENT CULTURE, 2019-2024

Country	Year	Fit	Standard Error	Confidence Interval Lower Bound	Confidence Interval Upper Bound
AT	2019	0.338	0.012	0.314	0.362
AT	2020	0.340	0.011	0.319	0.361
AT	2022	0.345	0.010	0.325	0.364
AT	2023	0.347	0.010	0.326	0.367
AT	2024	0.349	0.012	0.326	0.372
BE	2019	0.379	0.012	0.356	0.403
BE	2020	0.385	0.009	0.367	0.402
BE	2022	0.395	0.007	0.382	0.408
BE	2023	0.401	0.009	0.384	0.418
BE	2024	0.406	0.012	0.383	0.429
BG	2019	0.439	0.012	0.416	0.462
BG	2020	0.440	0.009	0.422	0.457
BG	2022	0.441	0.007	0.428	0.454
BG	2023	0.441	0.009	0.424	0.459
BG	2024	0.442	0.012	0.418	0.465
CY	2019	0.455	0.063	0.331	0.579
CY	2020	0.451	0.051	0.352	0.550
CY	2022	0.442	0.043	0.358	0.525
CY	2023	0.437	0.051	0.338	0.536
CY	2024	0.432	0.063	0.308	0.557
CZ	2019	0.360	0.021	0.318	0.401
CZ	2020	0.353	0.015	0.323	0.383
CZ	2022	0.341	0.008	0.326	0.356
CZ	2023	0.334	0.009	0.317	0.352
CZ	2024	0.328	0.013	0.302	0.354
DE	2019	0.285	0.009	0.267	0.303
DE	2020	0.285	0.007	0.271	0.299
DE	2022	0.285	0.006	0.274	0.297
DE	2023	0.286	0.007	0.272	0.299
DE	2024	0.286	0.009	0.269	0.303
DK	2019	0.223	0.013	0.199	0.248
DK	2020	0.227	0.009	0.209	0.245

DK	2022	0.233	0.007	0.220	0.247
DK	2023	0.237	0.009	0.220	0.254
DK	2024	0.240	0.012	0.217	0.264
EE	2019	0.349	0.033	0.285	0.412
EE	2020	0.354	0.021	0.313	0.396
EE	2022	0.366	0.018	0.332	0.401
EE	2023	0.372	0.028	0.317	0.427
EE	2024	0.378	0.040	0.299	0.457
ES	2019	0.386	0.010	0.366	0.406
ES	2020	0.385	0.008	0.369	0.401
ES	2022	0.383	0.006	0.371	0.396
ES	2023	0.382	0.008	0.367	0.398
ES	2024	0.382	0.010	0.362	0.401
EU	2019	0.335	0.073	0.192	0.478
EU	2020	0.345	0.055	0.237	0.452
EU	2022	0.364	0.043	0.279	0.449
EU	2023	0.373	0.055	0.266	0.481
EU	2024	0.383	0.073	0.240	0.526
FI	2019	0.362	0.013	0.337	0.387
FI	2020	0.362	0.010	0.343	0.381
FI	2022	0.363	0.006	0.351	0.375
FI	2023	0.363	0.007	0.349	0.378
FI	2024	0.363	0.010	0.344	0.383
FR	2019	0.407	0.012	0.385	0.430
FR	2020	0.403	0.009	0.386	0.420
FR	2022	0.394	0.007	0.381	0.407
FR	2023	0.390	0.008	0.373	0.406
FR	2024	0.385	0.011	0.363	0.407
GR	2019	0.457	0.014	0.429	0.484
GR	2020	0.461	0.010	0.440	0.481
GR	2022	0.468	0.007	0.454	0.483
GR	2023	0.472	0.010	0.454	0.491
GR	2024	0.476	0.013	0.451	0.502
HR	2019	0.434	0.014	0.407	0.461
HR	2020	0.421	0.010	0.401	0.441
HR	2022	0.395	0.007	0.381	0.409
HR	2023	0.382	0.009	0.364	0.400
HR	2024	0.369	0.012	0.345	0.394

HU	2019	0.302	0.015	0.273	0.331
HU	2020	0.298	0.011	0.277	0.319
HU	2022	0.289	0.007	0.275	0.302
HU	2023	0.284	0.009	0.267	0.302
HU	2024	0.280	0.012	0.256	0.304
IE	2019	0.404	0.012	0.380	0.428
IE	2020	0.395	0.009	0.377	0.413
IE	2022	0.377	0.007	0.363	0.392
IE	2023	0.368	0.009	0.350	0.387
IE	2024	0.359	0.013	0.335	0.384
IT	2019	0.424	0.010	0.404	0.444
IT	2020	0.416	0.008	0.400	0.431
IT	2022	0.399	0.006	0.386	0.411
IT	2023	0.390	0.008	0.375	0.405
IT	2024	0.382	0.010	0.363	0.401
LT	2019	0.368	0.033	0.304	0.432
LT	2020	0.369	0.021	0.327	0.410
LT	2022	0.370	0.018	0.335	0.405
LT	2023	0.371	0.028	0.316	0.425
LT	2024	0.371	0.040	0.292	0.450
LU	2019	0.345	0.015	0.316	0.374
LU	2020	0.352	0.011	0.330	0.374
LU	2022	0.366	0.009	0.349	0.383
LU	2023	0.373	0.011	0.351	0.395
LU	2024	0.380	0.015	0.350	0.409
LV	2019	0.354	0.033	0.290	0.418
LV	2020	0.356	0.021	0.314	0.397
LV	2022	0.358	0.018	0.324	0.393
LV	2023	0.360	0.028	0.305	0.415
LV	2024	0.361	0.040	0.282	0.440
MT	2019	0.594	0.059	0.478	0.710
MT	2020	0.593	0.049	0.497	0.689
MT	2022	0.591	0.042	0.508	0.674
MT	2023	0.590	0.049	0.495	0.686
MT	2024	0.589	0.059	0.473	0.706
NL	2019	0.286	0.012	0.262	0.310
NL	2020	0.288	0.009	0.270	0.305
NL	2022	0.291	0.007	0.279	0.304

NL	2023	0.293	0.009	0.276	0.310
NL	2024	0.295	0.012	0.272	0.318
PL	2019	0.314	0.010	0.295	0.333
PL	2020	0.309	0.007	0.294	0.324
PL	2022	0.298	0.006	0.286	0.310
PL	2023	0.293	0.008	0.278	0.308
PL	2024	0.288	0.010	0.268	0.307
PT	2019	0.519	0.010	0.499	0.540
PT	2020	0.506	0.008	0.490	0.522
PT	2022	0.480	0.007	0.467	0.493
PT	2023	0.467	0.008	0.452	0.483
PT	2024	0.454	0.010	0.434	0.474
RO	2019	0.494	0.013	0.468	0.520
RO	2020	0.501	0.010	0.483	0.520
RO	2022	0.516	0.008	0.500	0.531
RO	2023	0.523	0.010	0.502	0.543
RO	2024	0.530	0.014	0.502	0.558
SE	2019	0.302	0.010	0.283	0.321
SE	2020	0.306	0.007	0.291	0.320
SE	2022	0.312	0.006	0.301	0.323
SE	2023	0.315	0.007	0.301	0.330
SE	2024	0.319	0.010	0.300	0.337
SI	2019	0.342	0.014	0.315	0.368
SI	2020	0.341	0.010	0.321	0.361
SI	2022	0.339	0.007	0.326	0.353
SI	2023	0.339	0.009	0.321	0.356
SI	2024	0.338	0.012	0.313	0.362
SK	2019	0.333	0.022	0.291	0.376
SK	2020	0.335	0.016	0.304	0.367
SK	2022	0.339	0.008	0.324	0.355
SK	2023	0.341	0.009	0.323	0.359
SK	2024	0.343	0.014	0.317	0.370

A detailed methodology of the composite indicator was constructed can be found in the Annual Report 2024.

# ANNEX 4 – ANALYSIS OF THE RELATIONSHIP BETWEEN PAYMENT TERMS AND TIMES

Although longer payment terms do not necessarily cause more late payments, an ad hoc analysis reveals that they are positively correlated with longer payment periods. Combining all available data on payment terms and times across countries, years, and data sources, it is found that extended payment terms are associated with longer payment periods in 87 % of cases. This positive relationship is visually evident in the figure below, which presents a scatterplot of payment terms and periods for all observations (defined by a unique combination of country, year, and data source). The figure clearly shows that instances with long payment terms mostly display long payment periods as well. It also includes the regression line obtained by estimating payment periods as a function of payment terms using Ordinary Least Squares (OLS). The positive slope of the regression line confirms the existence of a positive association between the two variables. Moreover, the estimated coefficient of 1.07 on payment terms indicates that a 1-day increase in the agreed payment term corresponds, on average, to an increase of more than 1 day in the payment period – suggesting that longer terms may also contribute to greater payment delays. However, due to the absence of detailed microdata linking payment terms and payment delays at the firm level, it is not possible to investigate this relationship further.

**Figure 169: Scatterplot of the relationship between payment terms and payment periods, 2019–2024**

