

Atradius Payment Practices Barometer

B2B payment practices trends Taiwan 2025



In this report

B2B payment practices trends	4
------------------------------	---

Looking ahead	6
---------------	---

Key industry insights	
Chemicals	7
Electronics and ICT	9
Machinery	11

Survey design	13
---------------	----

About the Atradius Payment Practices Barometer

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

Our survey gives you the opportunity to hear directly from businesses trading on credit with B2B customers about how they are coping with evolving trends in customer payment behaviour. Staying informed about these trends is vital because it helps to identify emerging shifts in customer payment habits, allowing businesses to address potential liquidity pressure and maintain smooth operations.

Businesses operating in – or planning to enter – the markets and industries covered by our survey can gain valuable insights from our reports, which also shed light on the challenges and risks companies anticipate in the coming months, as well as their expectations for future growth.

This report presents the survey results for **Taiwan**.

The survey was conducted during the second half of Q2 2025. Findings should therefore be viewed with this in mind.



B2B payment practices trends

Growing signs of cash flow strain amid grim insolvency outlook

Taiwan's business landscape remains cautiously stable, yet signs of financial strain are becoming more visible. 47% of companies in our survey report no major shift in B2B customer payment behaviour, but among the rest nearly as many report a deterioration, which points to a concerning trend in cash flow pressure. Overdue invoices currently affect an average 34% of all B2B sales on credit, the delays largely driven by cash flow issues. Bad debts remain relatively low, affecting just 2% of B2B invoices.

A striking 80% of companies in Taiwan's highly trade-dependent economy have relaxed their trade credit policies in recent months. Payment terms remain steady for most, averaging 41 days from invoicing, though many companies are leaning toward extending terms rather than tightening them. 51% of B2B sales are currently made on credit, highlighting the key role of deferred payment in maintaining competitiveness and customer loyalty. Our survey highlights that businesses are carefully monitoring cash flow while being adaptive in how they manage liquidity needed to run day-to-day operations.

Days Sales Outstanding (DSO) is steady for nearly 60% of businesses, but a significant number report slower collection, suggesting growing strain on cash flow. Inventory turnover shows a mixed picture, with companies split between steady movement and stock build-up, which can further tie up liquidity. Days Payable Outstanding (DPO) remains unchanged for most, but among those reporting changes the majority delay supplier payments to preserve cash.

To bridge gaps in liquidity companies rely heavily on internal funds, although this may limit financial flexibility. Invoice financing is the least used option. More than 80% of firms adopt a combined strategy of internal provisioning and outsourced credit risk management involving insurance to mitigate payment risk. Amid growing signs of financial strain among businesses in Taiwan, and given that US tariffs could disrupt regional supply chains and global trade activities for this market's economy, resilience will depend on flexible credit management.

Key figures and charts on the next page



Key figures and charts

Taiwan

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

(change vs. 2024)



Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan – 2025

Taiwan

What are the top 4 reasons your B2B customers pay invoices late?

(% of respondents - multiple response)



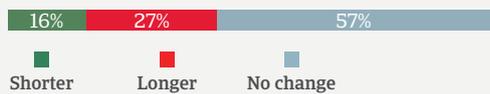
Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan – 2025

Taiwan

% of respondents reporting changes in Days Sales Outstanding (DSO)* over the past 12 months

(% of respondents)



*average amount of time to collect payment after a sale

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan – 2025

Taiwan

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

(% of respondents - multiple response)

- 60% Bank loans
- 57% Trade credit
- 53% Internal funds
- 31% Invoice financing

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan – 2025





Looking ahead

Insolvency outlook grim as majority of businesses brace for challenges

Our survey finds that companies in Taiwan are bracing for a challenging financial period ahead as concern about a rising trend in B2B customer insolvencies weighs heavily on business confidence. 66% of firms expect insolvencies to surge in the coming months, more than double the number of companies that anticipate no change. This signals deep unease about the near-term economic outlook, especially as uncertainty about global trade and U.S. tariff policies continue to cloud business planning.

These worries extend into working capital management as companies look toward the second half of the year and beyond. Nearly two-thirds of businesses expect Days Sales Outstanding (DSO) to worsen, and this anticipated slower collection from customers is likely to restrict the inflow of operating cash. A similar concern surrounds inventory, with 50% of companies expecting inventory levels to build up, which could further tie up liquidity that might otherwise be used to respond to shifting market needs.

Despite these pressures most businesses in our survey tell us they expect supplier payment terms, reflected in Days Payable Outstanding (DPO), to remain consistent. This indicates that while companies aim to preserve cash, many also want to maintain good relationships with suppliers and minimise supply chain disruptions. Adding to the mood of caution is a cloudy outlook for profitability. While sales projections vary by sector, there is broader doubt over profit margins due to uncertainties surrounding production input costs.

Adaptability to a volatile economic landscape is becoming a crucial survival trait for companies in Taiwan, not least with the threat of new U.S. tariffs and a potential escalation in the coming months. Geopolitical pressures that could prompt supply chain shifts are another concern, and firms are increasingly aware that being responsive to changing economic and market conditions is key not just for growth but also for resilience. Taiwan's broader financial performance could be further tested by rising costs, slower cash cycles, and external trade shocks.



Key industry insights

Chemicals

35% of B2B sales in the chemicals industry are transacted on credit, reflecting not only a preference for upfront payments but also reduced trade volumes in recent months. Some segments report a more lenient credit stance, underscoring a mixed and fragmented landscape. Payment terms are longer for most businesses, now averaging around 30 days from invoicing. Overdue payments currently affect 31% of B2B invoices, primarily driven by customer liquidity constraints. Despite this, bad debts remain minimal. Most businesses report no significant shift in DSO, indicating stable but slow collection patterns that limit the ability to unlock working capital from receivables.

Inventory build-up is another common issue, resulting in more capital being tied up in stock. DPO has slowed as businesses prioritise preserving liquidity. To finance operations companies rely mainly on internal funds and bank credit. Risk mitigation is typically approached through a mix of internal provisioning and external tools such as trade credit insurance. 83% of firms expect a rise in insolvencies, which will further strain working capital. While there is cautious optimism about future sales, there is far less confidence about profitability. Geopolitical uncertainties and environmental pressures loom large, posing risks to supply chains.

Taiwan - Chemicals

Top 5 challenges companies face when offering credit to B2B customers

(% of respondents - multiple response)

Handling economic shifts impact on customer payment

45%

Balancing customer terms with financial stability

45%

Preventing credit fraud

39%

Assessing customer creditworthiness

35%

Cash flow disruptions

33%

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan – 2025



Taiwan - Chemicals

Key industry figures

Main sources of financing used by the industry over the past 12 months

(% of industry respondents)

70%
Bank loans

65%
Internal funds

50%
Trade credit

48%
Invoice financing

Expected change in insolvency risk of B2B customers over the next 12 months

(% of industry respondents)

83%
Increase

16%
Remains as current

1%
Do not know

Top 3 challenges businesses in the industry expect to face over the next 12 months

(% of industry respondents - multiple response)

56%
Environmental concerns

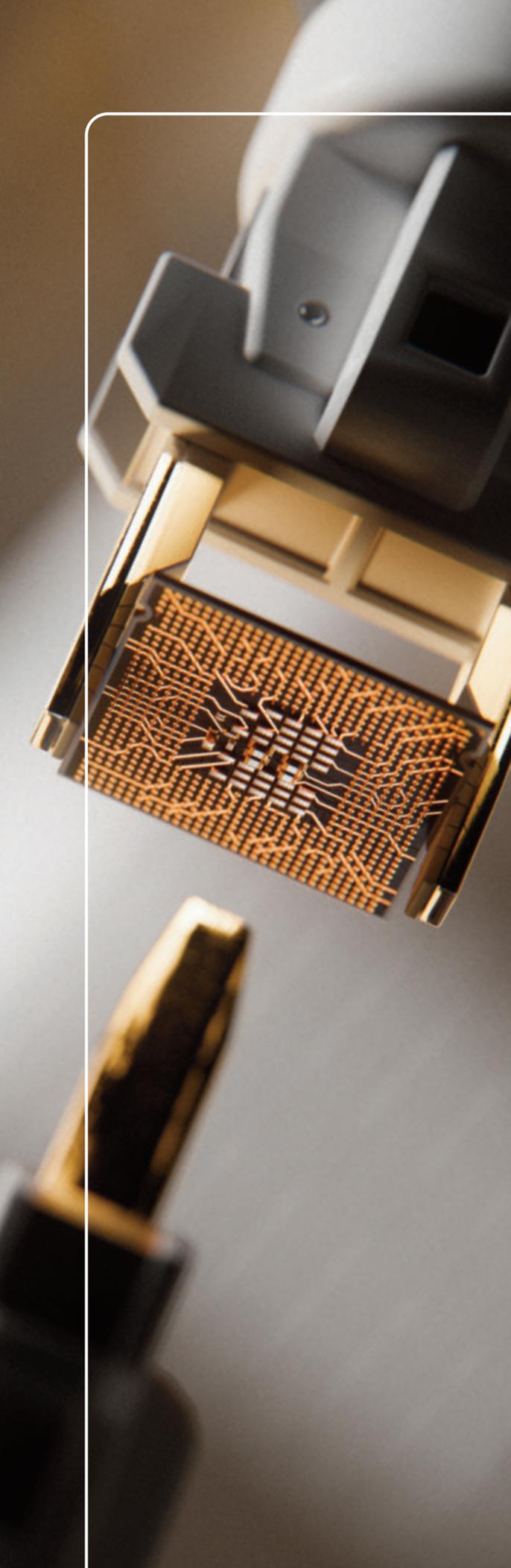
53%
Geopolitical trade-related developments

48%
Increasing regulations

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan - 2025





Key industry insights

Electronics and ICT

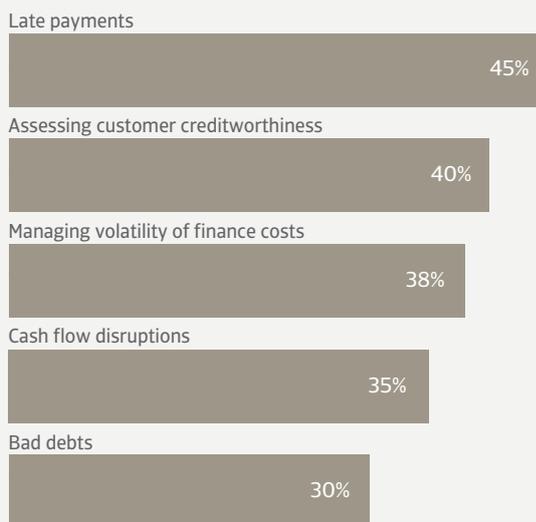
The electronics and ICT sector operates in a climate of cautious confidence, with 59% of B2B transactions currently conducted on credit. This reflects increased trade flows in recent months and a growing preference among customers for deferred payments. While most suppliers have held invoice payment terms steady, a notable share of companies offer more relaxed conditions, averaging nearly 50 days from invoicing. Overdue payments affect 37% of B2B invoices, with many customers taking an extra month to settle past-due bills, mainly due to liquidity constraints. Bad debts currently average 4% of all B2B sales on credit.

DSO is stable for most, although offering limited scope to speed up release of working capital from receivables. There is a mixed picture on inventory turnover with 50% of companies reporting stock build-up and the rest no change. DPO remains steady as companies prioritise avoiding disruption of supplier relationships. Internal funds and supplier credit are the industry's go-to financing sources, reflecting both accessibility and cost considerations. Risk mitigation relies on a balanced approach, internal provisioning combined with outsourced tools such as trade credit insurance. 56% of companies anticipate a rise in customer insolvencies, while expectations are cautious over sales and profitability.

Taiwan - Electronics and ICT

Top 5 challenges companies face when offering credit to B2B customers

(% of respondents - multiple response)



Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan – 2025



Taiwan - Electronics and ICT

Key industry figures

Main sources of financing used by the industry over the past 12 months

(% of industry respondents)

60%

Trade credit

56%

Internal funds

51%

Invoice financing

50%

Bank loans

Expected change in insolvency risk of B2B customers over the next 12 months

(% of industry respondents)

56%

Increase

43%

Remains as current

1%

Do not know

Top 3 challenges businesses in the industry expect to face over the next 12 months

(% of industry respondents - multiple response)

45%

Increasing regulations

44%

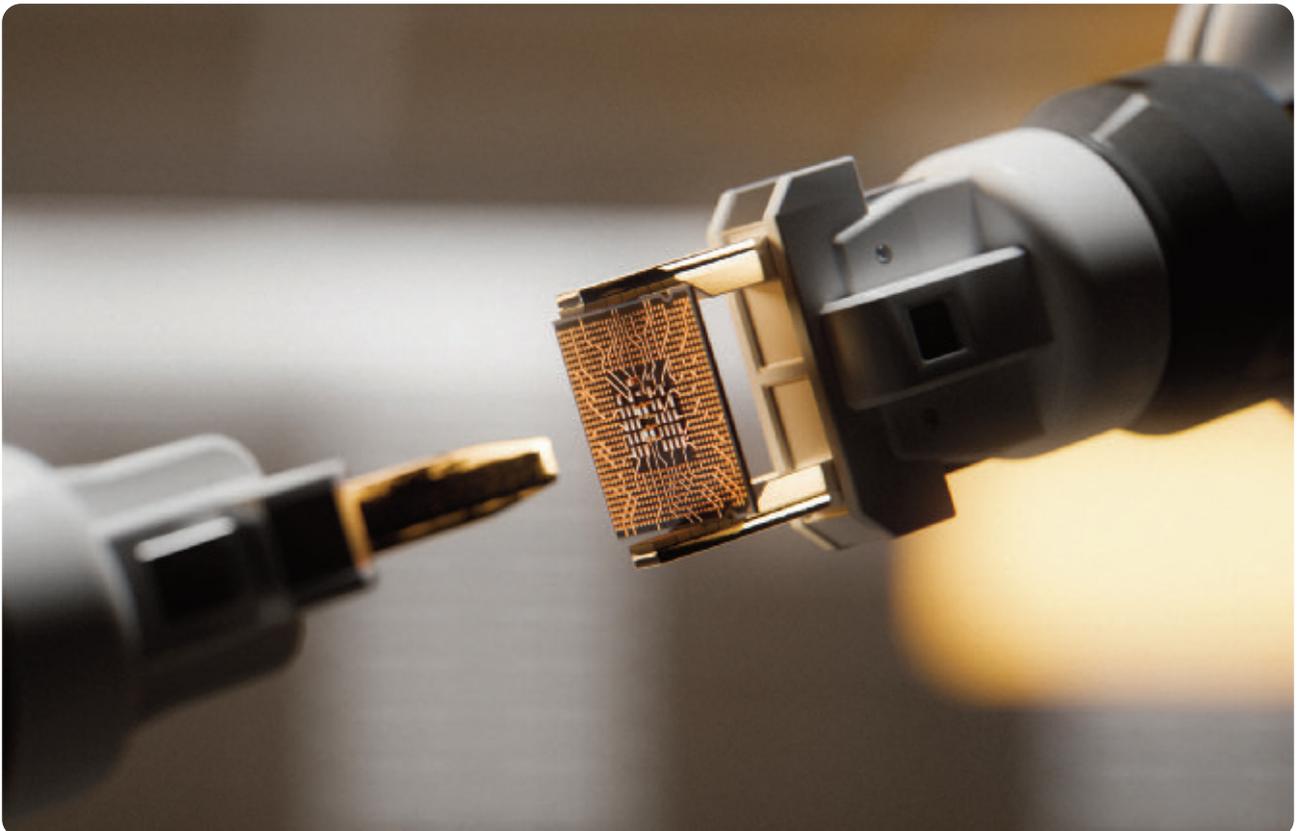
Environmental concerns

43%

Being responsive to market shifts

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan - 2025





Key industry insights

Machinery

57% of B2B transactions in the machinery industry are currently made on credit, reflecting sustained trade flows accompanied by a widespread use of supplier credit. While most B2B payment terms are unchanged, some companies offer more relaxed conditions, with average terms now approaching 42 days from invoicing. Overdue invoices currently average 35% of all B2B sales on credit, with business customers typically taking an additional month to settle past-due payments. These delays are largely attributed to customer liquidity issues. Despite this, bad debts remain minimal, probably due to careful credit screening and proactive risk management.

DSO shows no major change, limiting opportunity to unlock cash from receivables. Inventory levels are also largely unchanged, tying up working capital, while DPO is steady. Internal funds and supplier credit remain the primary financing sources, offering affordable liquidity without overexposure to debt markets. Customer payment risk is mainly managed through a combination of internal credit provisioning and outsourced insurance-based solutions. 59% of firms anticipate a surge in B2B customer insolvencies, while the outlook for sales and profits are uncertain. As companies look to the second half of the year and beyond there is worry about environmental concerns, tighter regulations, and unpredictable market shifts.

Taiwan - Machinery

Top 5 challenges companies face when offering credit to B2B customers

(% of respondents - multiple response)

Handling economic shifts impact on customer payment

54%

Balancing customer terms with financial stability

39%

Maintaining customer relationships

38%

Late payments and bad debts

38%

Assessing customer creditworthiness

36%

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan – 2025



Taiwan - Machinery

Key industry figures

Main sources of financing used by the industry over the past 12 months

(% of industry respondents)

76%

Trade credit

71%

Internal funds

56%

Bank loans

40%

Invoice financing

Expected change in insolvency risk of B2B customers over the next 12 months

(% of industry respondents)

59%

Increase

41%

Remains as current

0%

Do not know

Top 3 challenges businesses in the industry expect to face over the next 12 months

(% of industry respondents - multiple response)

53%

Environmental concerns

52%

Increasing regulations

51%

Being responsive to market shifts

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Taiwan - 2025





Survey design

Atradius conducts annual reviews of international corporate payment practices through a survey called the Atradius Payment Practices Barometer.

Sample overview – Total interviews = 240

Business sector	Interviews	%
Manufacturing	197	82
Wholesale trade	20	8
Retail trade/Distribution	12	5
Services	11	5
TOTAL	240	100
Business size	Interviews	%
SME: Small enterprises	40	17
SME: Medium enterprises	80	33
Medium Large enterprises	80	33
Large enterprises	40	17
TOTAL	240	100
Chemicals	80	33.3
Electronics and ICT	80	33.3
Machinery	80	33.3
TOTAL	240	100

Survey scope

- Basic population: Companies from Taiwan were surveyed and the appropriate contacts for accounts receivable management were interviewed.
- Sample design: The Strategic Sampling Plan enabled us to perform an analysis of country data crossed by sector and company size.
- Selection process: Companies were selected and contacted by use of an international Internet panel. A screening for the appropriate contact, and for quota control, was conducted at the beginning of the interview.
- Sample: N=240 people were interviewed in total. A quota was maintained according to four classes of company size.
- Interview: Computer Assisted Web Interviews (CAWI) of approximately 15 minutes duration.
- The survey was conducted during the second half of Q2 2025. Findings should therefore be viewed with this in mind.

This is part of the 2025 edition of the Atradius Payment Practices Barometer available at

<https://group.atradius.com/knowledge-and-research>



Interested in finding out more?

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

To find out more about B2B receivables collection practices in Taiwan and worldwide, please visit atradiuscollections.com.

Our solutions

- Credit Insurance
- Solutions for Multinationals
- Credit Specialties
- Debt collections
- Surety
- Reinsurance

Our presence across the globe

- Africa
- Asia
- Europe
- Middle East
- North America
- Oceania
- South America

For Taiwan please visit:

atradius.com.hk

Email: info.tw@atradius.com

On LinkedIn follow [Atradius Asia](#)



Connect with
Atradius on
social media
[youtube.com/
user/atradiusgroup](https://youtube.com/user/atradiusgroup)
[linkedin.com/
company/atradius](https://linkedin.com/company/atradius)



Copyright Atradius N.V. 2025

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

Atradius

David Ricardostraat
11066 JS Amsterdam
Postbus 8982
1006 JD Amsterdam
The Netherlands
Phone: +31 20 553 9111

info@atradius.com
atradius.com