

Securing Your Business: The Essential Role of Trade Credit Insurance

In the aftermath of last year's upheavals, businesses still grapple with uncertainties and pressures such as the war in Ukraine, global supply chain disruptions, inflation, rising interest rates, and industrial disputes. These challenges continue to strain finances, prompting concerns about [trade credit risks](#).

To navigate these turbulent times, consider the following strategies to safeguard your business and promote growth, with insights from Coface:

Here are 10 ways to reduce trade credit risks (H1 Tag)

1. Revise Your Business Terms

Review and clarify your standard contracts and payment terms with a contract lawyer. Ensure clarity in your contracts, including the late interest payment that you will charge to determine if it is excessive or enforceable under the law.

2. Enhance Customer Due Diligence

Conduct thorough due diligence on customers, beyond surface-level indicators. Even long term, seemingly reliable customers can pose risks. Utilize tools like [Coface Business Information](#), offering real-time financial, trading, payment, and fraud information on millions of companies globally.

3. Evaluate Supplier Financial Health

[Assess the financial stability of suppliers](#), as their insolvency could impact your operations. Some Coface policies provide advance payments to suppliers' coverage, protecting you in case of supplier failures.

4. Address Persistent Late Payments

Identify and address persistent late payers promptly. Coface can help determine if poor payment behavior indicates financial distress or a reluctance to pay, aiding in [risk assessment](#).

5. Proactive Credit Control

Go beyond routine invoicing and collection efforts. Stay vigilant for deviations in customer behavior and communicate relevant information to account managers. Make **credit management** a company-wide concern.

6. Leverage Business Intelligence

Tap into Coface's [Debtor Risk Assessment \(DRA\)](#) and Coface's [Credit Opinion](#), providing a 12-month outlook on payment default probabilities. Utilize the [URBA online risk management tool](#) for a comprehensive view of changing trade risks.

7. Protect Sales with Credit Insurance

Consider [Trade Credit Insurance](#), such as [Coface's TradeLiner](#), to indemnify against non-payment losses without tying up working capital. Unlike self-insurance or factoring, credit insurance allows the recoupment of up to 90% of the invoice amount.

8. Outsource Collection Challenges

Outsource collection battles, especially with challenging customers. [Coface International Debt Collection](#) offers a global network of offices and professionals, saving time and money.

9. Pursue Business Goals with Confidence

Having credit insurance strengthens your case with investors, demonstrating prudent risk management. This can boost confidence and attract investors when pursuing growth opportunities.

10. Stay Informed with Economic Reports

Monitor market developments with Coface's economic reports, assessing social, economic, and political risk factors. Access detailed reports for 160 countries and 13 industry sectors at [Coface Economic Studies](#).

Why Choose Coface Trade Credit Insurance? (H2 Tag)

Coface has decades of experience around the globe. Our advantages include:

- Extensive and up-to-date business information, including exclusive insights sourced from our internal claims records.
- Straightforward intelligence that is ready to use and easy to read.
- Multiple service options, so you can find the solution that fits your needs.

Explore how [Coface Trade Credit Insurance](#) can empower your business to navigate challenges, seize opportunities, and foster growth.

