

Atradius Payment Practices Barometer

B2B payment practices trends China 2026



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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 **China**.

The survey was conducted during the second half of Q2 2026. Findings should therefore be viewed with this in mind.

All reports highlighting market-specific findings of the 2026 edition of the Atradius Payment Practices Barometer for Asia are available for download from the Atradius website [Knowledge and research](#).





B2B payment practices trends

Chinese firms keep tight control over B2B payment risk

China's trade credit landscape reflects a cautious response to a softer economic outlook and rising corporate liquidity strain. Survey data show that credit-based sales to business-to-business (B2B) customers account for under two in five transactions. This places China as the lowest user of B2B trade credit in Asia, broadly in line with Hong Kong and slightly below the average for Taiwan, while the other markets surveyed across the region report significantly higher shares. This pattern points to a more risk-averse stance among Chinese suppliers.

Although trade credit usage has edged up in recent months, the increase has been more contained than across Asia, underlining a continued focus on limiting exposure to customer payments risk amid a challenging operating environment. This caution is reflected in payment policies. China shows a stronger preference for shorter payment terms than the regional average, confirming a more cautious and risk-averse approach to lenient payment policies than that of regional peers. A higher share of payments falls due within one month, while terms of up to two months are less common than across the region. Longer terms remain broadly aligned with Asia but are granted more selectively, often reserved for well-established trade relationships.

Overall, Chinese suppliers support B2B trade through credit, but stand out for strict payment risk control, mirroring patterns seen in Japan. This leads to a clear priority, protecting cash flow rather than supporting sales through more lenient terms. The macroeconomic backdrop reinforces this stance. Slowing domestic demand, weaker external conditions and heightened geopolitical uncertainty continue to weigh on corporate confidence. This environment encourages firms to safeguard liquidity, tightening credit conditions despite competitive pressures.

Despite maintaining tighter payment terms and a more cautious approach to trade credit, far more companies in China than across the region report a deterioration in the payment behaviour of B2B customers in recent months. Fewer report no change, pointing to a more unsettled payment environment, while the remainder reports improvement, broadly in line with the regional pattern. This creates a more uneven landscape, where payment behaviour improves for some customers but worsens for others, reinforcing the fragmented picture already evident in the market.

Reflecting this, more than four in five Chinese suppliers, particularly in the construction sector, report delayed payments from business customers, with around one third of invoices overdue, above the regional average. Among the markets surveyed, China ranks among the most affected by delayed payments, with only Taiwan and India reporting higher levels. Trend data points to an upward trend in overdue B2B receivables in recent months, suggesting that payment delays are becoming more widespread in China, and highlighting a clear gap between payment terms offered by suppliers and actual payment behaviour.

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B2B payment practices trends

Days Sales Outstanding (DSO) data confirms this pattern. While most B2B invoices in China are still collected within one month, a meaningful share takes longer to settle, with more payments extending beyond two months than agreed payment terms would suggest. This indicates that once delays occur, they tend to significantly lengthen payment collection cycles. Unlike in other markets, payment delays in China are driven less by liquidity constraints and more by disputes over quality and delivery, which slow settlement. As a result, collection performance is uneven, with faster payments for some B2B customers alongside longer delays for others.

Strict credit management does not fully mitigate the risk of bad debt. A higher share of companies in China than across Asia reports credit losses above 5% of receivables, reflecting cases where long-overdue delayed payments turn into losses. Write-offs are most often linked to legal disputes, confirming that payment delays typically stem from disagreements over quality and delivery rather than financial distress. The relatively limited role of receivable ageing as a reason for write-offs suggests that losses tend to occur before invoices become very old. This aligns with the wider pattern, where payments are either resolved or quickly escalate into defaults.

The consequences for working capital are significant. Chinese businesses face similar pressure on cash flow as elsewhere in Asia, but they are less likely to rely on external financing or delay payments to suppliers. Instead, the main impact of customer payment risk on working capital is a strong constraint on investment and growth, suggesting that businesses tend to absorb financial strain internally rather than passing it through the supply chain. Tightly controlled liquidity management limits the impact of risk, but also highlights a clear trade-off, with financial stability achieved at the expense of business growth.

Risk mitigation strategies reflect this balance. Chinese businesses focus on payment risk prevention, tightening terms, offering early payment incentives and making greater use of credit insurance than their regional peers do. This combination allows firms to protect against unpredictable outcomes in a payment environment shaped by disputes and long-overdue payments.

China's trade credit system is therefore defined by credit control and a selective approach to trading on credit with B2B customers. Chinese suppliers maintain tight control over payment risk exposure, although ongoing payment delays and heightened non-payment risk appear to weigh heavily on profits and investment.

Key insights on the next page



Key insights

China

Payment behaviour of B2B customers (12 months)

Exposure clusters: reported level of B2B invoices paid late by percentage of respondents

0%
B2B invoices paid late
17%
Respondents

1% - 30%
B2B invoices paid late
43%
Respondents

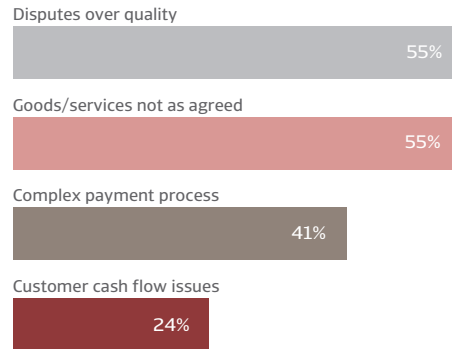
31% - 60%
B2B invoices paid late
38%
Respondents

61% - 100%
B2B invoices paid late
2%
Respondents

Sample: all respondents in the surveyed market
Source: Atradius Payment Practices Barometer China – 2026

Top 4 reasons B2B customers pay invoices late

% of respondents - multiple response



Sample: all respondents in the surveyed market
Source: Atradius Payment Practices Barometer China – 2026

Breakdown of past due payments

% of past due invoices by payment timing

<30 days
63%
Respondents

31-60 days
22%
Respondents

61-90 days
9%
Respondents

> 90 days
6%
Respondents

Sample: all respondents in the surveyed market
Source: Atradius Payment Practices Barometer China – 2026

Reported bad debts

% of respondents - bad debts levels

<1% bad debts
24%
Respondents

1% - 2% bad debts
34%
Respondents

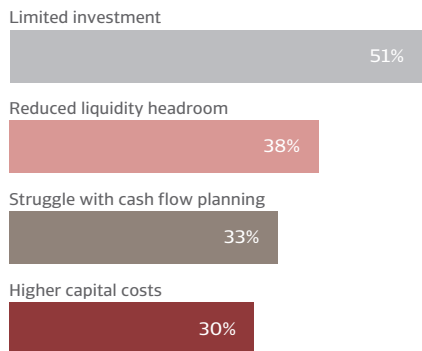
2% - 5% bad debts
21%
Respondents

> 5% bad debts
21%
Respondents

Sample: all respondents in the surveyed market
Source: Atradius Payment Practices Barometer China – 2026

Top 4 impacts of customer payment risk on working capital

% of respondents - multiple response



Sample: all respondents in the surveyed market
Source: Atradius Payment Practices Barometer China – 2026





Looking ahead

Chinese firms expect rising insolvencies ahead

Most businesses in China do not expect any meaningful change in B2B payment behaviour in the coming months. Among those anticipating a shift, more companies expect a slight improvement than deterioration, broadly in line with expectations across Asia. However, sentiment in China remains more guarded, reflecting uncertainty about the pace of any recovery. This caution stems from the recently observed payment patterns, where ongoing payment delays and bad debt write-offs continue to weigh on business confidence, suggesting that any improvement is likely to be gradual. The outlook therefore points to slower and less certain progress in China than across the wider region.

This uncertainty is reinforced by insolvency expectations. Across Asia, views are more evenly balanced between stability and further increases, while in China, more companies expect insolvencies to rise in the months ahead, pointing to a significantly weaker underlying payment environment. This helps explain why Chinese firms anticipate a more uneven recovery in B2B payment behaviour as the year unfolds, with improvements likely to occur alongside continued stress among more vulnerable B2B customers.

Profitability expectations mirror this opinion. Fewer firms in China expect profits to remain unchanged, indicating greater volatility in demand and payment conditions. While some businesses, particularly larger industrial firms, benefit from tighter credit control and relatively fast collections, supporting profit growth, a significant group of smaller companies faces elevated payment risk. This raises the likelihood of margin erosion and explains why more firms in China expect profitability to decline than across Asia.

When asked to indicate the risks they expect to severely disrupt B2B payment behaviour in the months ahead, companies across Asia tend to focus on macroeconomic threats such as economic slowdown and inflation. In contrast, Chinese firms place greater emphasis on operational and non-financial risks, most notably cybersecurity and fraud, which are cited far more frequently than in the region. Geopolitical instability also features more prominently in China, while supply chain disruptions and sector-specific downturns are seen as less critical.

This points to a significantly different payment risk environment. Disruption in China is driven less by broad economic conditions and more by practical, day-to-day problems in how business transactions are carried out. This leads Chinese firms to tighten credit control and focus on preventing risk, as challenges come more from operations than from the wider economy.

Key insights on the next page



Key insights

China

Top 3 risks businesses expect to shape B2B payments (next 12 months)

% of respondents - multiple response

#1 | Cybersecurity risk

#2 | Fraud risk

#3 | Geopolitical instability

Sample: all respondents in the surveyed market

Source: Atradius Payment Practices Barometer China – 2026



Expected insolvency risk outlook (next 12 months)

% of respondents

Stay elevated
38%

Rise further
56%

Not sure
6%

Sample: all respondents in the surveyed market

Source: Atradius Payment Practices Barometer China – 2026

B2B payment behaviour has worsened in China in recent months, with delays becoming more likely to escalate into credit losses. Payment risk is now increasingly concentrated in unpaid invoices rather than delays, putting pressure on profitability and limiting firms' ability to invest and grow



Survey design

Sample overview – Total interviews = 338

Business sector	% of respondents
Industry	19%
Construction	18%
Trade	18%
Services	45%
TOTAL	100%

Business size	% of respondents
Micro <10 employees	47%
SME 10-49 employees	24%
SME 50-249 employees	14%
Large 250 or more employees	15%
TOTAL	100%

Survey methodology

We updated our panel to better reflect the market structure across activities and size classes. Additional details on the survey sample design can be found in the statistical appendix. For this edition, comparisons with previous reports are not possible, with annual variation captured only through respondent feedback.

Survey scope

Population: Companies from China were surveyed, with interviews conducted with the appropriate contacts responsible for accounts receivable management.

Sample design: The Strategic Sampling Plan enabled analysis of China data by sector and company size. Across Asia, a total of 2,145 businesses participated, with quotas maintained across four company size categories. The sample covers businesses where trade credit is actively used, by business sectors and size. Results are reported as weighted percentages to reflect the economic weight of each sector and size class, and market.

Selection process: Companies were contacted via an international internet panel, and respondents were screened for role and quota control at the start of the interview.

Interview method: Computer-Assisted Web Interviews (CAWI), each lasting approximately 15 minutes.

Timing: The survey was conducted during the second half of Q2 2026.

This is part of the 2026 edition of the Atradius Payment Practices Barometer for Asia available at [Knowledge and research](#).



Interested in finding out more?

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

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