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Managing risk, enabling trade

Atradius Payment Practices Barometer

B2B payment practices trends United Arab Emirates 2026

In this report

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 the **United Arab Emirates**.

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

Delayed B2B payments and bad debts strain working capital across the market

As survey data shows, businesses in the United Arab Emirates conduct an average of 47% of business-to-business (B2B) sales on credit terms, with the remainder paid upfront. Large services firms are more likely to extend credit than other segments. Nearly half of businesses surveyed in the market report an increase in credit-based B2B sales in recent months. Mid-sized firms are leading this shift, selling on credit more actively to support growth and strengthen customer relationships.

About three in five companies in the United Arab Emirates report offering B2B customers payment terms of up to one month from invoicing. Around one in three firms offer terms between one to two months. Longer terms are most often seen the construction sector. Recent trends point to a clear shift towards longer payment terms. Suppliers are offering greater flexibility to support customer demand. This pattern is most evident among mid-sized industrial firms, which report a stronger move towards extended terms.

Within this context, and reflecting the widespread flexibility in payment policies across the market, delayed payments from B2B customers are reported by almost all companies surveyed in the United Arab Emirates. This translates into roughly two in five invoices being settled late, pointing to significant payment risk and ongoing pressure on cash flow across the market. Businesses in the industrial and construction sectors appear to be the most affected, reflecting their longer and more complex payment cycles. Recent trend data point to a deterioration in B2B payment behaviour in the past months, with more than twice as many firms experiencing rising delays than falling ones. Nearly half of companies across the market, particularly large industrial firms, report that B2B customers delay payments most often due to cash flow constraints.

Once B2B invoices become overdue, collection cycles lengthen significantly in the United Arab Emirates. This is reflected in Days Sales Outstanding trends, with more companies reporting longer rather than shorter cycles. Recent data show that this has increased the risk of receivables turning into bad debt write offs, which now account for just over 2% of B2B receivables. Credit losses are higher among certain segments, particularly larger firms with greater exposure to trade credit. Businesses consistently link write-offs to the ageing of receivables and, increasingly, to customer default, which remains a key driver of deteriorating customer payment behaviour.

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B2B payment practices trends

Across the United Arab Emirates, delayed payments and bad debts are placing significant strain on working capital, as survey data show. Businesses are increasingly forced to rely on external financing and operate with reduced liquidity, while uncertainty around payment timing disrupts cash flow planning. The impact extends beyond internal operations, with delays cascading through supply chains and limiting firms' ability to invest and respond to financial needs.

To mitigate the impact of customer payment risk, companies in the United Arab Emirates most often rely on internal buffers such as building bad debt reserves, which involves setting aside funds to cover potential losses, although it ties up liquidity that could otherwise support operations. This is closely followed by active credit management, including credit checks, monitoring and collections, alongside the use of credit insurance to transfer part of the risk. The use of credit insurance is most often reported by larger industrial players. Companies also adopt commercial measures to limit exposure, including requesting upfront payment, offering early payment incentives and tightening payment terms. Customer diversification and receivables financing play a supporting role, helping businesses protect cash flow while maintaining commercial flexibility.

Key insights on the next page

Key insights

United Arab Emirates

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
9%
Respondents

1% - 30%
B2B invoices paid late
17%
Respondents

31% - 60%
B2B invoices paid late
54%
Respondents

61% - 100%
B2B invoices paid late
20%
Respondents

Sample: all survey respondents

Source: Atradius Payment Practices Barometer United Arab Emirates – 2026

Top 4 reasons B2B customers pay invoices late

% of respondents - multiple response

Customer cash flow issues
49%

Banking delays
27%

Internal approval delays
17%

Goods/services not as agreed
17%

Sample: all survey respondents

Source: Atradius Payment Practices Barometer United Arab Emirates – 2026

Breakdown of past due payments

% of past due invoices by payment timing

<30 days
43%
Respondents

31-60 days
26%
Respondents

61-90 days
17%
Respondents

> 90 days
15%
Respondents

Sample: all survey respondents

Source: Atradius Payment Practices Barometer United Arab Emirates – 2026

Reported bad debts

% of respondents - bad debts levels

<1% bad debts
59%
Respondents

1% - 2% bad debts
14%
Respondents

2% - 5% bad debts
12%
Respondents

> 5% bad debts
15%
Respondents

Sample: all survey respondents

Source: Atradius Payment Practices Barometer United Arab Emirates – 2026

Top 4 impacts of customer payment risk on working capital

% of respondents - multiple response

Higher financing needs
47%

Reduced liquidity headroom
46%

Struggle with cash flow planning
38%

Delay payments to suplliers
29%

Sample: all survey respondents

Source: Atradius Payment Practices Barometer United Arab Emirates – 2026

Looking ahead

Default risk expected to rise in the months ahead

Most businesses in the United Arab Emirates anticipate that customers will pay invoices more promptly in the months ahead, reflecting increased confidence in B2B payment behaviour and the prospect of easing liquidity pressures. This suggests expectations of more stable cash flow and a gradual improvement in payment discipline.

At the same time, significant concerns about underlying risk remain. More companies expect customer default levels to increase than to decrease, reflecting continued pressure on the financial resilience of a more vulnerable group of customers. A notable share remains uncertain, pointing to a cautious and divided outlook. Taken together, this highlights a widening gap between stronger customers, who are expected to pay more promptly, and weaker ones, where the risk of default continues to build.

Against this backdrop, profitability expectations appear more resilient. A strong majority of businesses report rising profit margins, indicating that despite ongoing payment risks and elevated credit pressures, many firms are managing to protect or even strengthen their financial performance. This suggests that companies are actively adjusting pricing, cost structures or commercial strategies to absorb risk, reinforcing a widening gap between stronger, more resilient firms and those more exposed to financial strain across the market.

When asked about their view on the factors they expect to disrupt B2B payment behavior in the months ahead, businesses in the United Arab Emirates most often point to an economic slowdown, highlighting concerns about weakening demand and tighter liquidity across the market. Inflation and rising cost pressures are also cited quite often, alongside higher interest rates, both of which are expected to further strain cash flow and delay payments. Geopolitical instability, cybersecurity threats and fraud risk are cited by a significant share of firms, underscoring a complex and uncertain operating environment.

Taken together, these risks suggest that B2B payment behaviour is likely to remain closely linked to broader economic conditions, with liquidity pressures continuing to drive delays and increase the risk of default across the market in the month ahead.

Key insights on the next page

Key insights

United Arab Emirates

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

% of respondents - multiple response

#1 Economic slowdown	#2 Inflation and cost pressures	#3 Interest rates increases

Sample: all survey respondents

Source: Atradius Payment Practices Barometer United Arab Emirates – 2026

Expected default risk outlook (next 12 months)

% of respondents

Stay elevated	Rise further	Not sure
39%	46%	15%

Sample: all survey respondents

Source: Atradius Payment Practices Barometer United Arab Emirates – 2026

B2B trade credit in the United Arab Emirates continues to expand, reflecting strong commercial activity. As a result, businesses are operating in a more complex risk environment, where expanding trade opportunities must be carefully balanced against shifts in payment behaviour, putting pressure on cash flow and heightening liquidity risks across supply chains

Survey design

Sample overview – Total interviews = 240	
Business sector	**% of respondents**
Industry	18%
Construction	38%
Trade	12%
Services	32%
TOTAL	**100%**
Business size	**% of respondents**
Micro <10 employees	64%
SME 10-49 employees	31%
SME 50-249 employees	4%
Large 250 or more employees	1%
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 the United Arab Emirates were surveyed, with interviews conducted with the appropriate contacts responsible for accounts receivable management.

Sample design: The Strategic Sampling Plan enabled analysis of the United Arab Emirate data by sector and company size. A total of 240 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.

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Please visit the Atradius website to access our latest 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 the United Arab Emirates and worldwide, please visit atradiuscollections.com.

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