International Debt Collection Playbook

B2B companies that sell overseas face the challenge of cross border payments. Unfortunately, this sometimes includes chasing unpaid invoices across borders.

This playbook brings all of our international debt collection expertise into one document, making it easy for you to find solutions if you've not been paid for work or goods delivered. The document is organised into four sections:

Prevention

How to organise your client relationships so that you anticipate issues before they arise and guard against them

Action

What to do at the first sign of trouble with an international client

Escalation

The options available to you and which ones are most likely to yield a result

Breakdown

Some specifics related to certain countries

Our goal is to make sure businesses are paid what they are owed, which is why we offer a free claim review. If you need support, don't hesitate to contact us.

Our International Debt Collection Experience

Safe Collections has been helping UK businesses to manage their cash flow by collecting unpaid invoices and recovering undisputed B2B debt.

The company was incorporated way back in May of 1984 with a very simple vision: to use our knowledge and experience to provide businesses with honest, straight forward credit management and debt collection support and advice.

After more than forty years in the business, we have stayed true to our founder's vision.

Excellent service with full resolution. ⭐⭐⭐⭐⭐

Adam and the team at Safe Collections were very helpful in assisting us with a significant international debt collection. The Safe Collections team worked diligently, efficiently and on an on going persistent basis to fully resolve the matter over the course of several months of instalments. Excellent communication and updates throughout. Highly recommended.

Brand Eyewear Ltd (**Trustpilot**)

Successful collection of international debt. ⭐⭐⭐⭐⭐

The team at Safe Collections did a great job of successfully tracking down and collecting a complicated international debt that we were thinking of writing off. We were kept informed of progress along the way and the team were easy to work with. Recommended.

BtwoB Consultancy Services Ltd (**Trustpilot**)

International Debt Recovery - Great Success. ⭐⭐⭐

We approached Safe Collections from the UK to assist us with recovering an unpaid debt from a US client. Safe Collections were extremely responsive, very clear communication and absolutely skilled in the process of international debt recovery.

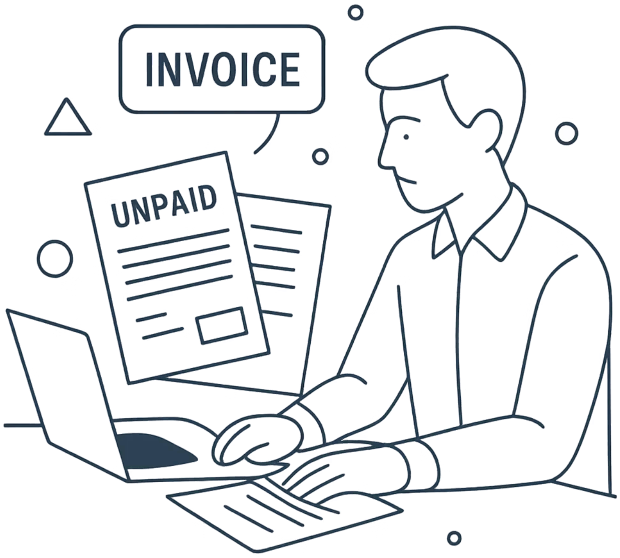
In total we spoke to 3 - 4 members of their team, with extremely responsive & informative replies. We recovered the majority of the debt with a very reasonable and well deserved commission to Safe Collections.

In some ways, we hope to not have to use their services again in the future, but of course, should we ever be in a situation where a client doesn't pay - we would without a doubt use Safe Collections services and highly recommend them to others.

Accelerate Commerce Ltd (**Trustpilot**)

How Difficult Is It to Recover Debts From an International Client?

Research suggests that up to **half of invoices in the Americas become bad debt**, so there are a huge number of businesses dealing with the problem .



Many debts racked up by overseas clients are recoverable, but recovering debts across borders is challenging if you try to do it yourself.

There's a lot to navigate: translation, business culture, and law, not to mention the fact that your client may do the bulk of their work while you're asleep.

When we recover debts for clients, we don't try to navigate the legal and cultural complexities of every country we deal with. Instead, we have a network of debt collection agents and debt recovery lawyers in each of the countries we recover debts from, and that's the main reason we're successful in recovering debts.

You don't necessarily need to be owed a lot of money to take advantage of international debt collection services. You just need to be able to provide evidence of the amount and the fact that the debt is not disputed.

There will always be a degree of effort involved. But the cost of inaction (or acting too late) can be much greater.

Your rights: UK, EU, and non-EU business debts

UK Laws on Business Debts

You have rights to compensation if your customer doesn't pay their invoices.

The UK legislation is called the Late Payment of Commercial Debts Act and is fairly well-known. If your client is in the UK, you can charge interest and penalties.

- Up to £999.99: £40
- £1,000 to £9,999.99: £70
- £10,000 or more: £100

You can use our **late payment and interest calculator** to work out what you're owed right now - and for free.

EU Laws on Business Debts

Many UK entrepreneurs don't realise that they have rights under EU law as well.

If your client is in the EU and you're in the UK, the law is very similar to the law that applies to UK-UK client relationships.

The law that applies here is the **Late Payment Directive, 2011/7/EU**.

Under the directive, businesses can charge a fixed late fee of €40 plus interest.

Debts from International Clients Outside the EU

For clients outside the EU and the UK, your business doesn't have the same right to charge interest and fees. But even without interest and fees, it's your right to be paid, and collection is often successful. So we strongly recommend that you **contact us for a free review of your claim**.

We work with agents in different countries who can put pressure on your client to pay. In some cases they can take the matter to court, if you want to proceed with legal action.

The Two-Stage Agent Approach

1

Phase One

The first phase of international debt collection is designed to be amicable, but firm. Our agent will liaise with the debtor to let them know that you have local leverage if they don't pay.

2

Phase Two

This phase usually involves some kind of legal action in the debtor's jurisdiction. Many claims never reach this stage, and we will always advise you of the cost, complexities, and likelihood of success before we ask you to commit.

Before You Export: Preventing Non-Payment

When you work with a company in the same country, you have a common legal framework that links you, and it's a relatively simple process to track down errant debtors if payment problems occur.

Dealing with clients overseas is more hazardous, and the risks can catch out many small businesses. That's why we recommend toughening up payment terms when clients are based overseas.

You may be concerned that you won't sign on a client if you tighten this up too much. However, a client that won't commit to your terms may be a red flag in itself.

Here are our recommendations:

1. **Do Some Research on New Clients. Check LinkedIn, verify their website has contact details, and always pull a credit report.**
2. **Get Their Contact Information. Collect office, mobile, and accounts department number Have details for more than one person.**
3. **Be Cautious When Providing Credit. Apply stricter credit terms for overseas clients. Ask for upfront payment or a 50% deposit with staged payments.**
4. **Get a Contract. Always send a contract, even across borders. Without one, you lose leverage if the client doesn't pay.**
5. **Invoice in the Agreed Currency. Invoice in the client's local currency where possible, and offer multiple payment options (Wise, PayPal, bank transfer).**
6. **Invoice Accurately and On Time. Issue accurate, timely invoices with all payment details included: IBAN, BIC, or payment links**
7. **Set a Maximum Credit Limit AND a Minimum Limit. Low-value overseas invoices are uneconomical to pursue if they're unpaid.**
8. **Take Prompt Action to Recover Unpaid Invoices. The sooner an unpaid invoice is escalated to collection, the better your chances of recovery. Don't delay.**

Get a Free Claim Review

Safe Collections works with debt collection companies all over the world.

We have **more than three decades of experience in recovering unpaid invoices from export clients**.

If you've got a problem debtor overseas and you're not sure how to recover what you're owed, we can help.

With no upfront fees, and no fees if the invoice is unpaid, our international debt collection service is a risk-free option for you.

Contact us today to find out how we can help you recover what is owed.

First steps when an export invoice goes unpaid

When your debtor is based overseas, getting paid can be a long and drawn-out process if you approach it the wrong way. Here are four proven strategies that can significantly improve your chances of successful international debt collection.

1. Always Work With Local Collection Partners

You must choose a debt collection agency that uses local agents in your debtor's own country. Using a local agent is the single most effective way to improve your chances of collecting international debt.

If you try to chase a debt in another country by yourself, you'll automatically be at a disadvantage. Your debtor knows you're thousands of miles away. You're not going to show up at their door or take them to their local court. And let's face it: you don't know the law as well as they do.

Local collection agents have local knowledge, understanding of the law, and the ability to communicate with the debtor more efficiently. They give you leverage in multiple areas:

1. **They speak the debtor's language**
2. **The agent understands the business culture in their region or country**
3. **The agent operates in their timezone, meaning they can chase up more directly.**

Debtors can't hide behind language barriers or claim confusion about foreign payment systems. They know a local agent understands exactly how their market works and what options are available for enforcement.

If your claim has to go to court, a local agent will know the process and continue to assist you through to enforcement.

> At Safe Collections, we've built a network of trusted debt collection partners across Europe and internationally. When we receive an international claim, we instruct a local agent while remaining in control of the process. This approach consistently delivers results for our clients.

2. Act Quickly to Get What You're Owed

Time is your enemy in any debt collection scenario, but it's particularly critical when dealing with international debtors. Your chances of successful recovery drop significantly over time.

The longer you wait, the more likely the debtor's financial situation will worsen. A company that's struggling to pay you today may be in administration or liquidation in three months' time.

People leave companies, email addresses change, and business relationships fade. This can make a simple claim turn into a drawn-out mission.

Currency fluctuations can work against you. If you're owed €50,000 and the euro weakens against the pound while you're delaying action, you're losing money even if you eventually collect the full amount. Similarly, if the debtor's local currency is unstable, waiting can mean there's simply less value to recover.

In our experience, the only reason to delay is when you believe there's a genuine reason, or a valid emergency, that is preventing the debtor from paying you. Unless you have cold, hard evidence, act quickly to recover the debt to increase your chances.

3. Get Your Documentation Right

International debt collection can fail when you don't have documentation to back up your claim.

Every email, every purchase order, every proof of delivery, every communication about payment delays: keep them on file. Print them out and keep them somewhere safe. When we handle your international debt collection case, we'll ask you for copies.

Have your contract and payment terms to hand, even if your documentation is an email you've sent that they've replied to. If these terms were accepted in writing, you have a significantly better chance of recovery.

International debtors know you're disadvantaged simply because you're working with an unfamiliar legal system. Some will try to exploit that by disputing terms, claiming they never received goods, or insisting they've already paid. Contemporary documentation is your best defence.

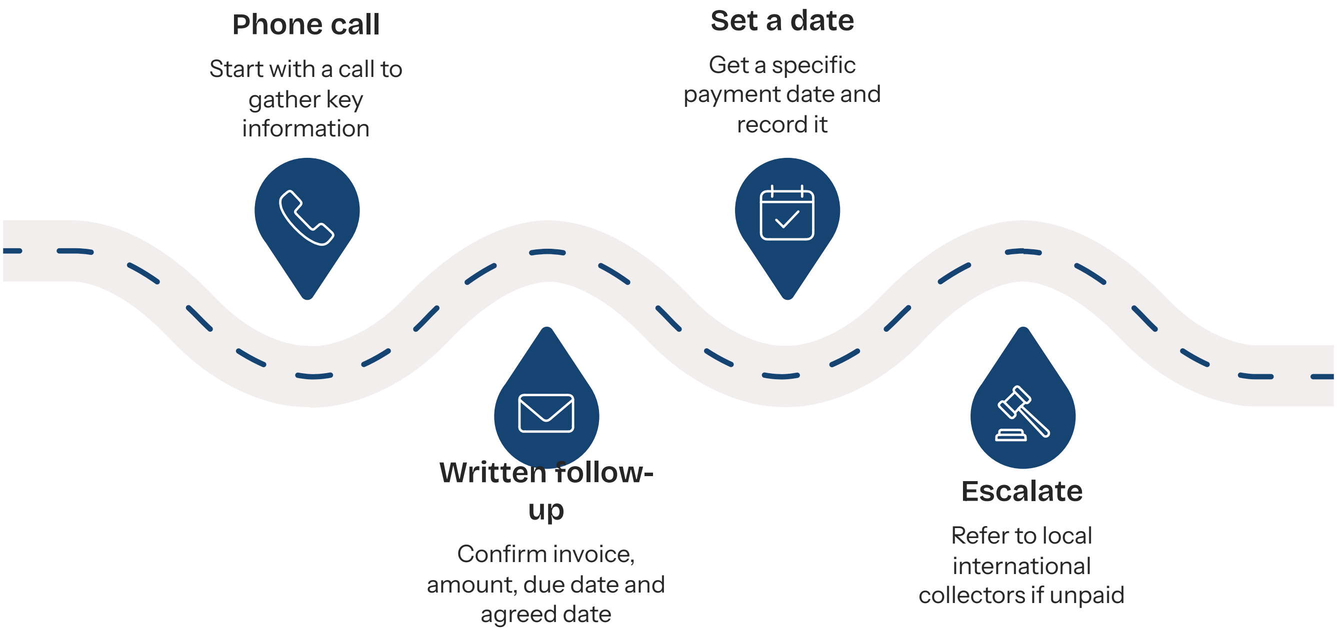
4. Communicate Proactively With the Debtor and Debt Collection Agency

Once an international invoice goes overdue, many businesses make the mistake of naming and shaming their debtor on social media in a desperate attempt to get a response. It's better to tackle the issue in a way that makes your intentions clear.

Start with a phone call, not an email. Many of our clients are afraid to do this, but this step is particularly important for international debt. Emails are easy to ignore. More importantly, a single call can provide valuable information about the root of the problem. Are they disputing something? Having cash flow problems? Simply ignoring you? The debtor's response, or lack of one, will help you to move forward.

Follow up with written communications that detail the invoice number, amount, original due date, and how many days overdue it is. Ask when payment will be made and get a specific date. Your email should summarize what was discussed on the phone, including any dates you were given.

If the person doesn't respond or fails to keep their payment promise, escalate to our international debt collectors in the debtor's country. You've given the client a chance to resolve the issue, and that's all you need to do. Don't let them take advantage by delaying until collection is difficult.



Once you've established the debt is undisputed, you have a paper trail showing the debtor is avoiding payment, and continuing to chase directly is simply wasting your time.

This is when a local collection agent changes the dynamic entirely. In our experience, a local agent often produces payment within days, even from debtors who've been ignoring our client for months.

The Safe Collections approach

Safe Collections has been successfully collecting international debts since 1984, with success rates backed by 5-star reviews on Trustpilot and Google. We've been working with our US agent since 1986, and we operate a network of trusted partners across a wide range of jurisdictions to support overseas recovery cases.

Safe Collections offers no collection, no commission arrangements for international B2B debts. With no upfront fees, and no fees if the invoice is unpaid, our international debt collection service is a risk-free option. When we receive an international claim, we immediately instruct a local agent in the debtor's country while remaining in control of the process.

Escalating to legal action abroad

What Legal Action Can I Take Against an Overseas Client Who Won't Pay?

Your legal options against an international debtor depend on where the debtor is based (each country has its own debt recovery procedures, limitation periods, and court systems), whether you have a written contract and critically which country's law governs it, and the value of the debt (smaller debts may not be economically viable to pursue through local courts given translation, travel, and legal costs).

In practice, the most effective route for most UK businesses with international debtors is a formal demand letter from a local agent or law firm in the debtor's country, followed by pre-legal collection by a local specialist, and then local court proceedings. Many countries also have a statutory demand equivalent — mechanisms similar to a UK statutory demand or winding-up petition for company debtors.

Can I Recover International Debt Without Going to Court?

Yes. Many international debt claims are resolved without court involvement. A formal demand from a specialist local agent in the debtor's country is often sufficient to prompt payment, particularly where the debtor is a trading company that values its commercial reputation.

Court action is typically considered only when the debtor explicitly refuses to pay, the debt is large enough to justify local legal costs, and the debtor is known to be solvent and has assets worth pursuing.

Costs, timescales & what to expect

If you're owed money by an overseas business, one of the first questions you'll likely ask is whether you can pursue the debt without paying upfront. The short answer is yes, but with important caveats that are worth understanding before you instruct an agency.

Not All Agencies Offer No Win No Fee for International Debts

No win no fee (or, as we call it, "no collection, no commission") is a well-established model in UK debt recovery. Many businesses have come to expect it as standard. But when it comes to international B2B debts, the picture is more complicated.

International debt recovery is significantly more complex than chasing a domestic debt. Different legal systems, languages, local enforcement procedures, and the practicalities of working with overseas agents all add layers of difficulty and cost that agencies need to account for. As a result, a number of agencies that offer no win no fee for UK debts either exclude international cases entirely, or apply different terms. It's always worth checking the small print.

Safe Collections Offers International Debt Collection On A No Win No Fee Basis

Safe Collections offers no collection, no commission arrangements for international B2B debts. We've been working with our US agent since 1986, and we operate a network of trusted partners across a wide range of jurisdictions to support overseas recovery cases.

That said, there's an important distinction to be aware of: our no win no fee terms relate specifically to our own fees. International debt recovery can involve costs outside what we charge, like local tracing fees, court filing costs, or other jurisdiction-specific expenses.

These may be incurred in the process of progressing your case, regardless of the outcome — however these costs must always be agreed by you, in advance of us incurring them in your claim.

This isn't unusual, and it doesn't mean you'll face large or unexpected bills if a case is unsuccessful. But it does mean you should be clear on exactly what's covered before you sign anything, and we will make sure you are always advised of your options. If you choose to go with another agency, we'd always recommend that you ask them to explain precisely which fees fall under their no win no fee terms and which don't. Get those terms in writing.

What Affects the Likelihood of Success in International Debt Collection?

Even though you don't pay a fee if you aren't successful, the main goal is to recover the debt.

Several factors influence how recoverable an international debt is likely to be:

- the debtor's location (some jurisdictions are considerably harder to pursue in than others, and recovery rates and timescales vary significantly)
- the size of the debt (smaller debts may not be economical to pursue once local costs are factored in)
- the strength of your documentation (clear contracts, invoices, and evidence of delivery significantly improve your position)
- how long the debt has been outstanding (older debts are generally harder to recover, and some jurisdictions have limitation periods that affect your options).

What's the True Cost of International Collection?

To collect unpaid invoices on an amicable, pre-legal basis there are fees to pay. But if you pursue an unpaid invoice with Safe Collections, these fees are only payable in the event you actually receive a payment from the debtor.

For your business, the initial attempt to collect the balance owed is risk free. As you only pay our fee if the debtor makes payment and we do not have any hidden or abortive charges.

We strongly recommend that you get advice on your specific situation.

Talk to Safe Collections Before You Commit

If you're considering instructing an agency for an international debt, it's worth having a conversation with us first. There is no charge for this.

We can advise you on the likelihood of success in a given jurisdiction, explain exactly what our no win no fee terms cover, and help you decide whether pursuing the debt makes commercial sense.

We're happy to give you an honest and free assessment. If we think a case is unlikely to be worth pursuing, we will say that directly at the start.