



Export Financing & Payment Terms

Standard = An artisan enterprise has the ability to finance production of export orders and offers export payment terms that are appropriate for target customer.

Common payment terms for exporting global handmade products:

Paid in Advance:

Paid for in-full at time order is placed.

Deposit:

A deposit is paid when order is placed (25% or 50%) and the balance is due when order is received by buyer.

At Export:

Paid in full at export (when commercial invoice and air waybill/bill of lading is presented to buyer)

COD or Payable on Receipt:

Payment due when order is received by buyer.

Net 15, 30 or 60:

Payment due 15, 30 or 60 days after order is received by buyer

Common payment methods for global handmade products:

Credit Card:

Paid by credit card either through online ordering portal or by providing credit card information.

Wire Transfer:

International bank wire transfer (fees associated with both sending and receiving)

PayPal:

Payment sent business-to-business via PayPal

Other wire transfer services: there are an increasing number of regional and international money transfer platforms (Zelle, etc)

Activity

1

What payment terms are you offering customers? What payment methods do you prefer?

2

Please refer to your production plan; how will you finance the time it takes to fulfill an export order.