

WHITEPAPER

# How to Keep Exporting in 2025

and not Expose Your Business





## Executive Summary

There's a lot of uncertainty in the world right now.

Exporters face growing risks in 2025, from economic and policy uncertainty to trade restrictions and supply chain disruptions.

And it's hard to plan for. Global trade is becoming more unpredictable with 52% of economists bracing themselves for an unsettling two years, 31% predicting turbulence and 5% believing a major crisis is coming, according to the [World Economic Forum's Global Risks Report 2025](#).

You only need to glance at the headlines to see the turmoil. In early April 2025, the U.S. government escalated trade tensions by announcing 'reciprocal' tariffs of at least 10% on all trading partners, with higher rates for specific countries: 34% on China, 20% the European Union, and 24% on Japanese imports. While the EU and China, among others, have already indicated their willingness to retaliate by taxing products imported from the United States.

Where is this headed? Mounting trade tension and retaliation feels inevitable. In the medium term, the reconfiguration of trade flows will affect all economies: Asian exporters, for example, will be forced to find new opportunities, which could intensify competition in other markets, particularly Europe (Source: [Coface](#)).

Even before Trump's announcements, we'd already seen the French wine industry drop 4% in foreign sales, mostly due to political tensions between France and key buyers. The EU put duties on Chinese electric cars and, in return, China put tariffs on EU brandy. The result? Cognac and Armagnac exports dropped 10.9% and 15.4% of their value respectively last year ([Le Monde](#)). Gabriel Picard, President of the Wine and Spirits Exports Federation, said: "This is an absolute emergency".



All eyes are on the US right now. With everyone wondering not only which countries will be hardest hit, but which sectors:

**“The sectors most likely to be targeted by Donald Trump's trade policy will be those that have a trade deficit for the American economy. In Europe, the metals sector - steel and aluminium in the lead - would be particularly affected, as would emblematic sectors: automotive in Germany, wines & spirits in France, cheese production in Italy. Pharmaceuticals could also be affected, as European exports of this sector to the United States have increased since 2018. This could at the same time meet a strategic objective of the Trump administration aimed at repatriating the production of medicines to American soil.”**

- Ruben Nizard, head of sector research and geopolitical risk at the Coface group.

Right now, you need to have a good grasp and tight control of commercial and political risk, especially if you are planning to grow your business.

It's crucial for companies that trade internationally to assess risks early and make informed decisions before they face serious financial and operational trouble. It's time to anticipate risk and act proactively to make sure your business partners are reliable.

**Exposure to the US market by product**  
(exports to the US as % of exports to the world)

	China	Mexico	Canada	India	Indonesia	Japan	Malaysia	Thailand	Vietnam	UK	Cambodia	South Africa	Israel	Philippines	Pakistan	Taiwan	Bangladesh
Beverages	4,0	85,4	89,4	3,8	0,2	18,8	1,0	2,1	13,2	19,0	5,3	4,4	67,9	9,3	0,1	15,8	1,3
Food	10,2	82,1	61,7	10,7	10,6	18,2	2,6	9,4	11,3	6,7	2,1	4,1	19,4	18,6	2,7	18,7	5,9
Energy	2,0	14,3	89,4	7,3	0,0	1,7	0,7	0,1	1,2	3,0	0,0	1,1	1,0	0,0	0,0	2,9	0,0
Chemicals	8,6	57,3	70,8	13,3	6,7	11,8	3,7	5,4	9,4	17,9	13,2	9,0	16,8	8,7	2,3	7,7	0,8
Pharmaceutical Products	21,6	43,2	76,8	35,4	0,0	32,9	14,5	4,7	3,0	23,2	0,0	4,7	65,6	2,1	0,3	50,7	11,4
Plastics	16,8	80,6	90,7	19,4	9,0	9,7	5,5	8,4	32,2	9,4	84,6	2,6	25,6	8,7	22,4	14,4	14,5
Rubber	8,1	86,5	90,1	19,3	30,7	22,7	22,8	27,4	23,9	11,8	37,6	4,5	30,7	38,6	29,5	25,6	4,7
Leather	17,3	92,7	81,0	27,7	56,3	8,9	6,1	34,2	39,2	10,0	73,5	6,1	41,4	66,2	25,0	47,8	17,0
Wood	18,0	95,5	86,2	31,4	18,5	10,5	11,4	4,7	14,1	3,1	96,1	2,1	22,2	3,4	0,3	33,0	0,3
Paper	12,8	81,2	87,7	12,8	9,6	7,2	5,0	5,0	24,8	10,6	78,1	1,4	38,7	15,5	7,8	16,7	8,3
Clothing	22,6	93,3	66,3	32,1	55,4	8,3	20,3	36,0	47,5	11,6	32,6	2,0	54,3	65,6	32,1	29,9	14,6
Footwear	19,4	90,5	80,9	15,5	33,8	3,1	23,1	16,0	34,7	5,8	29,9	2,0	61,8	29,6	8,1	16,1	15,9
Non-metallic minerals	14,1	84,7	93,6	22,4	15,6	16,9	7,6	18,8	30,3	12,4	72,9	8,0	29,2	17,6	8,8	18,5	12,1
Metals	10,5	78,1	84,6	14,4	1,4	7,9	5,9	15,4	18,2	8,3	13,1	10,4	24,2	3,9	5,6	24,2	1,5
Machinery	16,3	88,1	78,8	20,4	14,6	25,4	20,3	25,3	29,9	17,2	12,2	6,0	31,4	17,2	10,2	43,2	7,4
Electric Machinery, electronics	13,6	88,9	78,0	30,6	27,8	14,9	16,3	33,2	27,1	15,2	69,7	6,8	29,8	16,2	8,9	8,6	13,0
Automotive (vehicles)	3,1	82,3	93,8	3,5	0,8	34,5	2,8	3,7	46,1	26,7	0,0	11,5	3,5	0,6	0,1	11,2	0,0
Automotive (parts)	20,4	88,8	90,9	29,2	5,5	30,9	7,5	13,7	21,0	11,9	7,3	9,4	33,2	7,9	19,2	53,8	41,5
Furniture	25,1	94,2	96,3	45,7	59,1	27,4	43,2	47,4	73,4	22,9	92,3	1,9	22,0	54,8	50,6	58,2	30,9
Plastics and rubber	15,0	82,3	90,6	19,3	23,4	13,4	12,1	19,1	28,4	9,8	49,9	3,1	25,8	18,8	24,0	15,7	13,9

SOURCE: Coface Economic Team.

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# 1

## Risks On The Horizon For Exporters

Volatility is the new normal.  
But what can we say for certain?

### 1. Uncertainty is the only certainty

We've touched on it already. Across the world, politics is changing. And that means trade is changing too.

It can be fast and unexpected - government policies and global events can suddenly alter the cost or ease of doing business overseas. Tariffs, sanctions, trade restrictions, and logistical disruptions can drive up your costs and cause shipping delays, sometimes with no notice at all. That's exactly what happened in the Red Sea crisis last year when Houthi attacked ships in the region, in response to the ongoing conflict in Gaza. The number of ships going through the Suez Canal chokepoint plummeted by more than 60% in the last quarter of 2024 compared to the same period in 2022 ([Coface news](#)).

Market conditions are challenging, and uncertainty is intensifying.

It's tough out there. But for exporters who invest in due diligence and risk visibility, opportunities remain strong. One key thing to keep in mind is to work with more than one partner and, when possible, make sure they're in a number of different countries. Because if you spread your connections, then you reduce your risk.

If you're a sourcing manager or procurement specialist, it's critical to monitor country risks so you can anticipate disruptions and plan around them. When you see the early warning signs, you can reassess your suppliers and explore alternative markets to keep continuity in your business.

### 2. It's hard to check the financial health of your partners

How well do you know your business partners around the world? Some companies hide the fact that they're struggling financially, while others might be too new or unstable to pay you or deliver products at the promised time. In some cases, there's fraudulent activity. So you need to know exactly who you're dealing with. For procurement and compliance teams, a robust financial assessment and due diligence of your potential partners before you enter an agreement is simply non-negotiable.



But how do you check the financial stability and reliability of international partners across jurisdictions? There are complicated cross-border payment risks, different regulatory standards and you've got limited visibility into local conditions. That can all disrupt trade flow.

### 3. Late payments and defaults are causing pain

When businesses let customers pay for goods after delivery, they're taking a risk—what if the customer doesn't pay on time? Or at all? That can happen when demand falters - and then payments do too. Debt quickly follows. This issue is particularly serious for small and medium exporters who rely on regular payments to keep running.

But it's a problem for big exporters too.

Sinochem and Beximco Group faced bankruptcy in 2024. They are both an essential part of global supply chains, so when trouble hits them, it hits hard.

China's Sinochem, a key player in China's oil, chemical, and agricultural industries saw two of its refineries—Shandong Huaxing Petrochemical Group and Zhenghe Group—go bankrupt in 2024 after creditors failed to agree on restructuring plans. The two plants had a combined crude oil processing capacity of 220,000 barrels a day. They shut down because of high crude oil costs and weak demand ([The Business Times](#)).

Similarly, Beximco Group—one of South Asia's largest textile and clothes exporters—fell into a deep financial crisis, with company debt hitting Tk 500.98 billion ([Financial Express](#)). The group, whose pharmaceutical division trades in 55 countries and was famously the first to formulate the Covid 19 vaccine Remdesivir ([World Economic Forum](#)), couldn't meet its financial obligations. It's now facing court intervention and the potential seizure of its assets. Bangladesh Bank has also raised concerns about possible loan irregularities, undisclosed beneficial ownerships and overdue export payments ([Financial Express](#)).

The collapse of these companies shows that state-backed and private companies alike are vulnerable to market volatility and financial problems. And it shows that 'too big to fail' isn't advice you can rely on when you choose your trading partners.

Business bankruptcy shot up by 40.3% in the US, in the 12-month period ending 30 June 2024 (from 15,724 filings to 22,060 – [Congressional Research Service](#)). There's a high risk of bankruptcy for businesses this year too.

And when one business goes bankrupt, the ripple effect can be significant. For financial, credit and risk analysts it's not enough to financially check your customers once. Monitoring your customers every day is essential, so you know the instant their circumstances are changing. And you can act accordingly.



# 2

## The Four Most Exposed Industries

### Some industries are more at risk than others.

These four are more vulnerable to supply chain disruptions, political changes, and financial risk and need to be extra vigilant. Let's look at what's happening in these sectors and, more importantly, what you can do if you're working in one of them:

#### 1. Manufacturing (automotive & semiconductors)

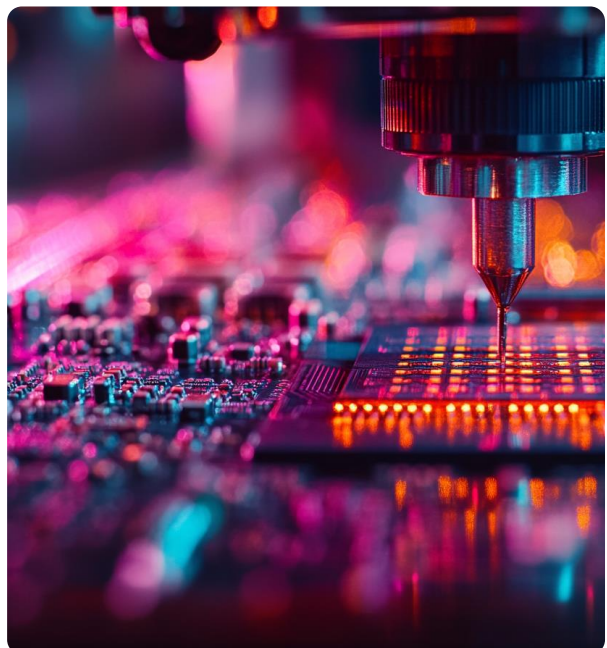
Trade tensions and new tariffs have made raw materials more expensive, and supply chains less predictable. It's easy to get caught out by high costs and delays if you don't have robust supplier and pricing strategies.

When the U.S. raised tariffs on Chinese steel, aluminium, and semiconductors, it caused Chinese manufacturers to look for new buyers elsewhere, which flooded other markets with lower-priced goods and made it difficult for exporters to stay competitive ([Reuters/Le Monde](#)). The United States and China are in a strategic race to dominate the global electronics sector, especially in semiconductors, electric vehicles, and artificial intelligence. This rivalry is driving protectionist policies and reshaping trade flows.

Our experts anticipate rising risks for businesses as supply chains shift and regulatory pressures grow through to 2035. (Source: [Coface](#)).

While some manufacturers are relocating production to avoid tariffs, others are outright struggling to keep prices low. And Reuters has put automotive on its list of sectors to watch for bankruptcy in 2025 ([Reuters](#)).

It'll be critical to look for early warning signs of trouble.

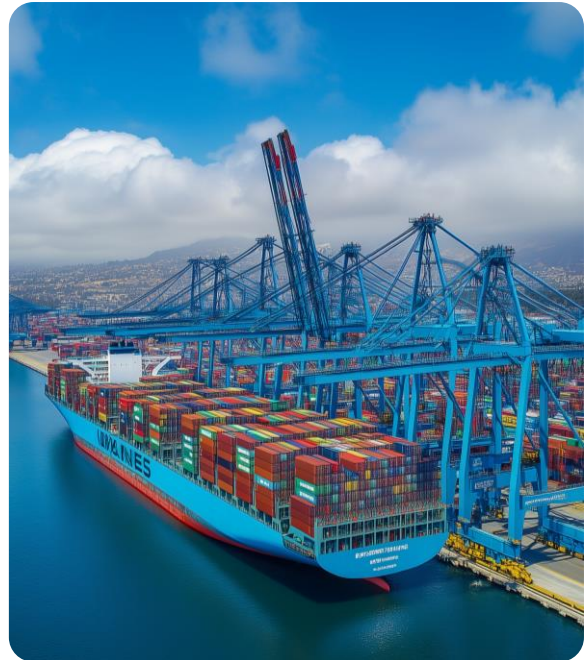


## 2. Energy and natural resources

The global energy sector is highly dependent on political agreements and production policies. When things change with energy, they change fast.

The U.S. became the world's largest energy exporter in 2024, partly because the ten major oil producing companies (known as OPEC+) reduced oil production. But then European trade restrictions on U.S. energy exports caused a 15% decline in U.S. LNG sales ([Reuters](#)). And everything changed.

These policy shifts are hard to keep up with. You have to keep reassessing your global strategies. And protect yourself from price volatility.



## 3. Agriculture and food production

Food exporters have the same tariff and payment delay problems as everyone else. But they also have to worry about the weather.

And legislation can be crippling. [The Food and Drink Federation](#) reported a 6.1% drop in UK exports in the first half of 2024 as businesses struggled to cut through post-Brexit red tape and a glut of other regulations.

There's no room for supply chain errors when stock can spoil in just a matter of hours.

A European fruit exporter narrowly avoided a €500,000 loss when a large distributor declared bankruptcy. [SW3] Stoli Group USA, the owner of the namesake vodka, filed for bankruptcy in December 2024 ([CNN](#)).

It's critical to spot any sign of disruption and be sure of your suppliers.

## 4. Transport and Logistics

Fluctuating freight rates and customer demand can be tricky to predict.

Kalypso Shipping was making 50% less revenue per shipment on U.S. export routes, when container freight rates collapsed from \$5,000 to \$2,500 ([Shipping Italy](#)).

Conflicts in Ukraine, the Middle East and Sudan are keeping constant pressure on the safety of trade. The Red Sea and the Suez Canal have become critical points of tension. Maritime traffic through this canal fell by more than 50% in the last quarter of 2024 compared to the same period the previous year, with carriers preferring to take the Cape of Good Hope route. (Source: [Coface](#)).

**When things move this fast, your risk management strategy needs to adapt and react with it.**



# 3

## How To Assess Risks Before You Take Them

### Here's what you can do to reduce your risk:

Apply a consistent, data-driven methodology to assess your current and future partners around the world.

- ✓ Continuously monitor the financial health of your partners, using reliable data sources.
- ✓ Strengthen your credit risk assessment before expanding.
- ✓ Diversify your supplier and customer base to avoid relying too much on a single market or partner.
- ✓ Set up clear credit control measures and define strict payment terms to minimise defaults.
- ✓ Track real-time political and economic changes with precision.
- ✓ Set up early warning systems to detect signs of financial distress promptly.

### The best solution is to predict if trouble is coming.

And there's a way to do that. Urba360 by Coface Business Information is a risk management platform which provides business insights on millions of companies, across 200 markets. The insights are accurate, up-to-date and actionable. And you get global reach with local impact, thanks to our over 700 expert underwriters and risk analysts.



# 4

## Strengthen credit strategy and supply chain resilience with Urba360

For exporters extending credit terms or relying on external suppliers, financial visibility is critical. Credit risk is rising – driven by fast-changing market conditions and increased default rates. But many businesses are still relying on outdated or manual credit assessment processes.

Urba360 changes that. It delivers real-time insights to help you monitor customer and suppliers behaviour, assess sector trends and adjust credit strategies proactively. Urba360 also supports procurement teams who are facing growing supplier risk, especially when they start working with new partners or suppliers. Financial instability, delayed deliveries and regulatory gaps are common. But Urba 360 helps at every stage – from screening vendors during onboarding to identifying at-risk suppliers and building a more resilient, diversified base. This all-in-one platform gives exporters the oversight they need to secure supply chains, reduce credit exposure, and maintain continuity in a volatile trading environment.

With Urba360, you'll be able to:

- ✓ Evaluate business partners uniformly across 200 markets - all partners get a score between 1 and 10, so you can easily compare risks and opportunities globally
- ✓ Stay informed on political and economic risks - use country and sector risk assessments to navigate geopolitical and economic challenges
- ✓ Base your decisions on the same top-quality data and insights Coface uses itself
- ✓ Benchmark counterparties globally with a unified score
- ✓ Evaluate payment behaviour trends to predict potential defaults
- ✓ Understand vendors' creditworthiness
- ✓ Analyse international partner's positioning in the market





## Successes

### GEODIS – keeping a world leader at the front of the pack

Geodis, a global leader in transport and logistics, shows how essential it is to access and use international data effectively.

They rely on Coface's insights to gather detailed information from various countries, which lets them pinpoint risks early, avoid supply chain disruptions, and safeguard profits.

In today's interconnected market, having a clear view across borders is vital for making informed decisions, fast.

**“Data quality at international level, with harmonisation between countries, is essential for a group like ours, which is seeking to centralise and structure its operations.”**

**- Venceslas Fedolliere, Director of Treasury, Financing and Credit Management at GEODIS**





**Our goal is to enable our teams to access information online via Urba360. It's important that this information is presented in a user-friendly, graphical format. The wheel interface is highly visual, and the indicators are displayed in a way that, with one click, gives us immediate access to the historical score, credit opinion, and a displayed amount.**

**Treasury, Financing & Credit Management Director, Geodis|**  
Venceslas Fedolliere



## Are You Ready To Look Ahead?

Exporters need early insights to make informed decisions and take preventative action. Urba360 is a tool created by Coface Business Information to help you track the financial stability of your business partners. You'll get early warnings of financial risks, like late payments. And you can track businesses by both country and sector - but we use one global score, so you're always comparing like with like. Get in touch to find out how we can help you.

**CONTACT US**

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