WYNLEGAL

GUIDE · AS OF NOVEMBER 2026

Recovering claims in Germany

for foreign creditors

Default interest, final demand, payment order, lawsuit and enforcement: the steps, their order and the typical pitfalls when a German business partner does not pay.

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NOTE

This guide provides a general overview of the legal situation as of November 2026. It does not replace advice on an individual case. Laws, deadlines and administrative practice change; no liability is accepted for accuracy in a specific case.

Overview

If a German business partner does not pay, German law gives foreign creditors efficient tools: statutory default interest, a fixed lump sum for recovery costs and a fast, fully electronic court payment order. They only work if you act in the right order and before the limitation period runs out.

This guide is for companies outside Germany that sell goods or services to German businesses. It does not replace advice on an individual case, but shows which steps are needed, in which order, and where time and money are typically lost.

> TIMEFRAME
>
> For undisputed claims, the German payment order procedure usually produces an enforceable title within **4 to 8 weeks**. If the debtor disputes the claim, court proceedings at first instance often take **6 to 15 months**.

The rules in this guide apply if German law governs the contract. If your contract chooses another law or the UN Convention on Contracts for the International Sale of Goods (CISG) applies, different rules on interest and default may apply (see "Deadlines and costs").

Checking your claim and the debtor

Before spending money on recovery, make sure you can prove the claim and that the debtor can pay. Most unsuccessful recovery attempts fail at this stage, not in court.

Documents you will need

- contract or order and order confirmation,
- delivery notes, CMR consignment notes or acceptance records,
- invoices and proof that the debtor received them (e.g. email),
- correspondence in which the debtor acknowledged the debt, asked for more time or raised complaints,
- your general terms and conditions, if they were validly agreed.

Identifying the right debtor

Check the exact company name, legal form (GmbH, UG, GmbH & Co. KG, AG) and registered address in the commercial register (handelsregister.de). A title against the wrong entity or with an incorrect name cannot be enforced.

> PRACTICAL TIP
>
> Check the insolvency register (insolvenzbekanntmachungen.de) before taking action. Once insolvency proceedings have been opened, you can no longer sue the debtor; you must file your claim with the insolvency administrator.

What you can claim on top

Between businesses, the debtor is in default no later than 30 days after receiving your invoice, even without a reminder (§ 286(3) German Civil Code, BGB). From then on, you can claim:

Item	Amount	Legal basis
Default interest	9 percentage points above the base rate published by the Deutsche Bundesbank	§ 288(2) BGB
Lump sum for recovery costs	€40 per claim; credited against later legal fees	§ 288(5) BGB
Lawyer's fees after default	Statutory fees under the German Lawyers' Remuneration Act (RVG)	§ 286 BGB (damages for default)
Costs of court proceedings	Borne by the losing party	§ 91 Code of Civil Procedure (ZPO)

Payment terms of more than 60 days are only valid between businesses if expressly agreed and not grossly unfair to the creditor (§ 271a BGB).

Sending a final demand

A short, firm demand letter often settles the matter. A letter on a German law firm's letterhead shows that you are prepared to go to court, and once the debtor is in default, the lawyer's fees for it can be claimed from the debtor.

- State the exact amount, the invoices it relates to, the interest and the €40 lump sum.
- Set a short deadline, usually 7 to 14 days.
- Announce court proceedings if payment is not made.
- Send it in a way you can prove (email with read receipt, courier, registered mail).

> **PRACTICAL TIP**
>
> If the debtor offers to pay in instalments, agree only against a written acknowledgement of the debt. It restarts the limitation period (§ 212 BGB) and makes later court proceedings much easier.

Choosing the right procedure

Which route is best depends on whether the debtor is likely to dispute the claim and where your company is based.

Procedure	Best for	Who can use it
German payment order (Mahnverfahren)	Undisputed claims of any amount; fully electronic, no hearing	Creditors from any country

Procedure	Best for	Who can use it
European Order for Payment	Undisputed claims in cross-border EU cases; enforceable in all EU states except Denmark	Creditors based in another EU state
European Small Claims Procedure	Claims up to €5,000, including disputed ones; mostly written procedure	Creditors based in another EU state
Lawsuit before a German court	Disputed claims and complex cases; for higher amounts a lawyer is mandatory	Creditors from any country

If you already expect objections, for example complaints about quality, filing a lawsuit straight away usually saves time. A payment order that is opposed turns into ordinary court proceedings anyway.

The German payment order step by step

The payment order procedure (Mahnverfahren) is the fastest route for undisputed claims. The court does not examine whether the claim is justified; it only checks the formal requirements.

01 **Filing the application**

Creditors without a place of business in Germany file with the Local Court (Amtsgericht) of Berlin-Wedding (§ 689(2) ZPO). Lawyers must file electronically (§ 702(2) ZPO). The court fee is advanced by the creditor and depends on the amount claimed.

02 **Service of the payment order**

The court serves the payment order (Mahnbescheid) on the debtor. The debtor has two weeks to object.

03 **Enforcement order**

If no objection is filed, you apply for an enforcement order (Vollstreckungsbescheid). The application must be made within six months of service, otherwise the payment order lapses (§ 701 ZPO).

04 **Final title**

The debtor can object to the enforcement order within two weeks. If not, it becomes final and can be enforced like a judgment.

05 **If the debtor objects**

The case is transferred to the competent court for ordinary proceedings. You must then substantiate the claim in writing and with evidence.

PRACTICAL TIP

Filing a payment order suspends the limitation period (§ 204 BGB). For claims at risk of becoming time-barred at the end of the year, it is often the quickest way to secure them.

Enforcing your title

A judgment or enforceable payment order does not pay itself. If the debtor still does not pay, German law offers several enforcement measures:

Measure	How it works	Note
Bank account garnishment	The court orders the debtor's bank to pay the balance to you	Often the fastest route; the account must be known
Bailiff (Gerichtsvollzieher)	Seizes assets and can require a sworn disclosure of assets (§ 802c ZPO)	The disclosure often reveals accounts and receivables
Garnishment of receivables	Payments owed to the debtor by its own customers are diverted to you	Requires knowledge of the third-party debtor
Register of debtors	Debtors who fail to disclose their assets or to pay are entered in a public register	Strong incentive to pay; affects creditworthiness

A German title is enforceable in other EU states without further formalities (Brussels Ia Regulation). Outside the EU, recognition depends on the law of the state concerned.

Deadlines and costs

Limitation period

Most commercial claims become time-barred three years after the end of the year in which they arose and the creditor learned of the relevant circumstances (§§ 195, 199 BGB). Filing a payment order or a lawsuit suspends the limitation period (§ 204 BGB); a reminder or demand letter does not.

ACT BEFORE 31 DECEMBER

Claims that arose in 2023 become time-barred at the end of **31 December 2026**. Court proceedings must be initiated before then; a demand letter is not enough.

Costs

In German proceedings, the losing party pays the court fees and the statutory lawyer's fees of both sides (§ 91 ZPO). You must, however, advance the court fees and your own lawyer's fees, and you bear them if the debtor turns out to have no assets.

Security for costs

Companies based outside the EU and the European Economic Area, for example in Brazil, may be required at the debtor's request to provide security for the debtor's legal costs before a lawsuit proceeds (§ 110 ZPO). Exceptions under international treaties must be checked individually. This does not apply to the payment order procedure itself.

Applicable law

The rules on interest and default described in this guide apply if German law governs the contract. If the contract chooses another law or the CISG applies, different rules may apply. Your general terms and conditions should clearly regulate the applicable law, the place of jurisdiction and retention of title.

Checklist and typical mistakes

The following order has proven effective for foreign creditors:

- ☐ Collect contract, order confirmation, delivery records and invoices
- ☐ Secure proof that the debtor received the invoice
- ☐ Check the debtor's exact name and legal form in the commercial register
- ☐ Check the insolvency register
- ☐ Calculate default interest and the €40 lump sum
- ☐ Send a final demand with a short deadline
- ☐ Note the limitation date of each claim
- ☐ Choose the procedure: payment order if undisputed, lawsuit if disputed
- ☐ Have documents in other languages translated where necessary
- ☐ Apply for the enforcement order within six months
- ☐ Initiate enforcement: bank account, bailiff, disclosure of assets

Typical mistakes in practice

- A payment order is filed for a claim the debtor has already disputed; the objection costs weeks.
- The debtor's name or legal form is wrong; the title cannot be enforced.
- Claims are pursued only in December, when the limitation period is about to expire.
- Instalments are agreed informally without a written acknowledgement of the debt.
- The debtor is sued even though insolvency proceedings have already been opened.
- The enforcement order is not applied for within six months and the payment order lapses.

How WYN LEGAL can help

WYN LEGAL represents foreign companies against German debtors, from the final demand through the payment order and court proceedings to enforcement, legally and from a tax perspective and in German, English, Portuguese and Hungarian. This includes reviewing your documents, calculating interest and costs, communicating with the debtor and coordinating with courts and bailiffs.

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