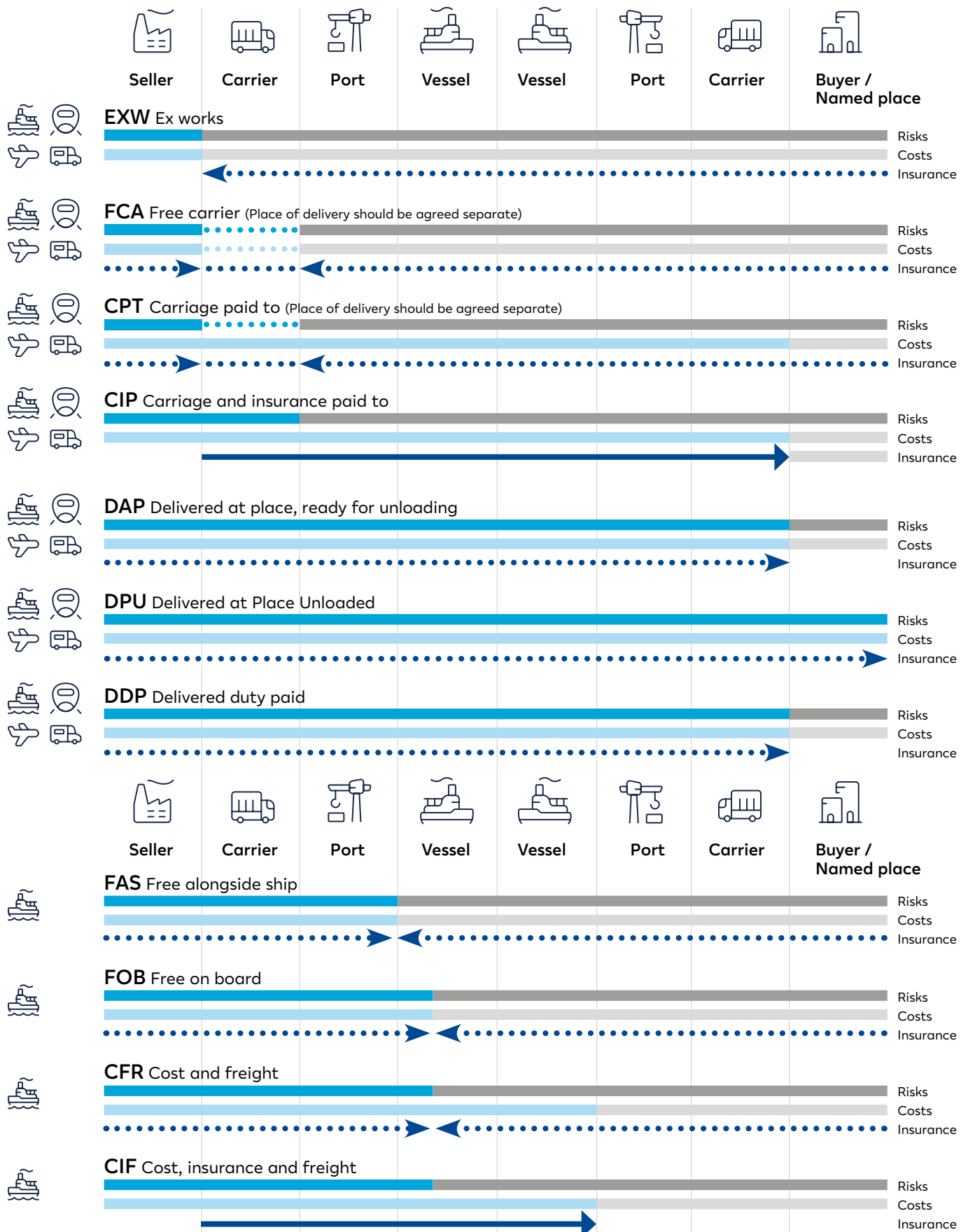




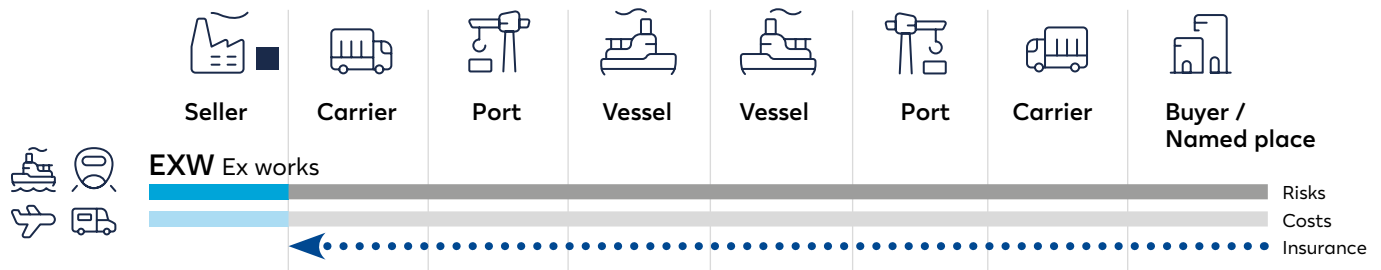
# Incoterms® 2020

# Overview according to Incoterms® 2020



# Incoterms in detail

## EXW Ex works | Named place of delivery



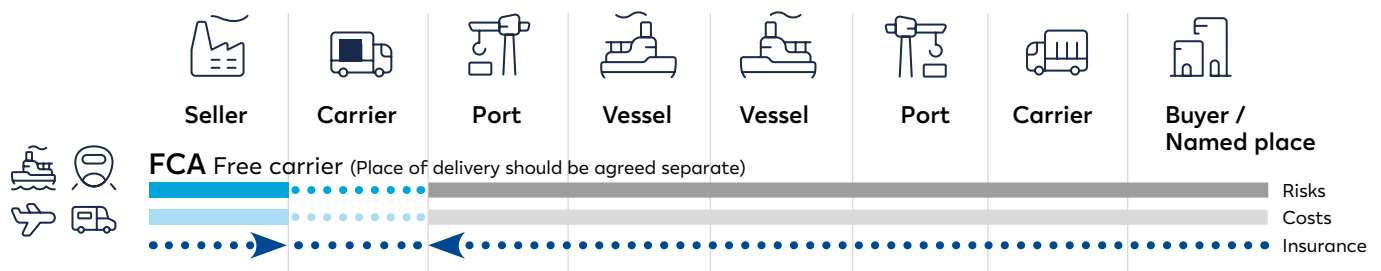
### Remarks for seller

- The seller is responsible for the loss of and damage to the goods and pays all costs associated with the goods up to the point of delivery.
- The parties are advised to specify the point of delivery within the named place of delivery.

### Remarks for buyer

- The risk of the goods is transferred to the buyer as soon as the goods are made available to him at the premises of the seller.
- The buyer should make sure that their insurance is in force during the storage in case of delayed pick-up.

## FCA Free Carrier | Named place of delivery



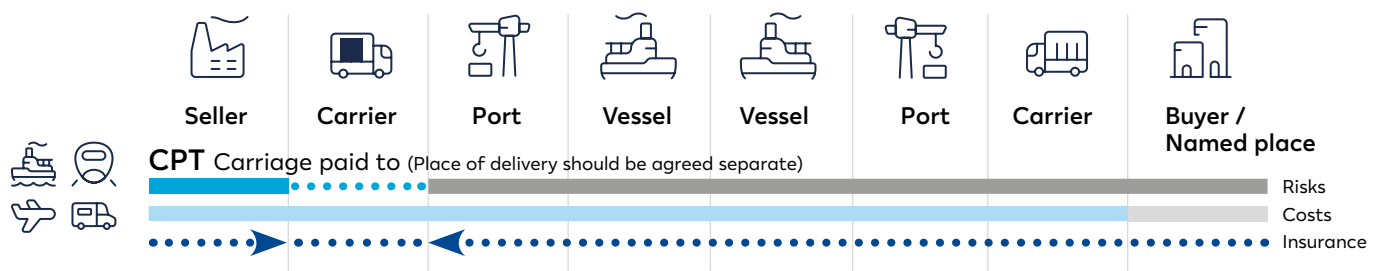
### Remarks for seller

- The seller should designate the location within the named place of delivery as precisely as possible, as this is where the risk is transferred to the buyer.
- If the delivery point is at seller's premises, loading is on seller's risk and expense

### Remarks for buyer

- The buyer carries the risk from the named place of delivery.
- In case delivery point is a logistics center / terminal unloading risk and expense on the buyer and the buyer should make sure that their insurance is in force during the storage at the warehouse/terminal prior to transit.

## CPT Carriage paid to | Named place of destination



### Remarks for seller

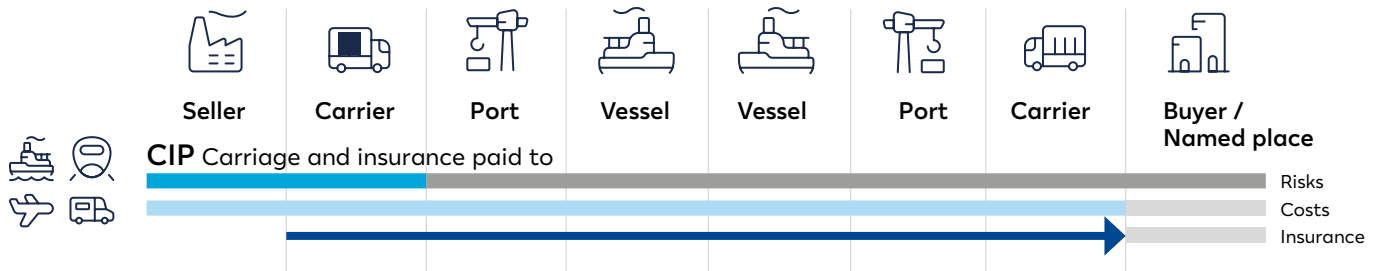
- The seller should designate the location within the named place of delivery as precisely as possible, as this is where the risk is transferred to the buyer.

### Remarks for buyer

- The buyer carries the risk from the named place of delivery.
- The buyer should make sure that transport arranged by the seller will comply with buyers insurance.

# Incoterms in detail

**CIP** Carriage and insurance paid to | Conveyance: all



## Remarks for seller

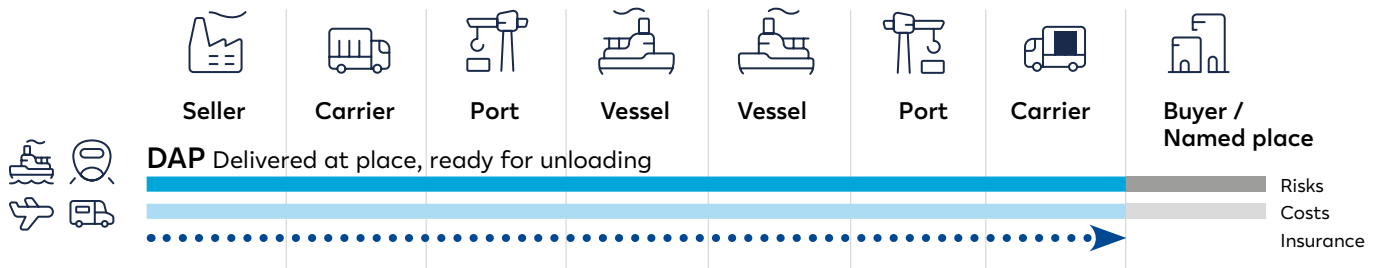
- The seller should designate the location within the named place of delivery as precisely as possible, as this is where the risk is transferred to the buyer.
- The seller is under the obligation to take out uninterrupted insurance cover for the benefit of the buyer complying with Institute Cargo Clauses (A) or similar (unless otherwise agreed) for the entire route.

- Sum insured should be at least 110% of the invoice value.

## Remarks for buyer

- The buyer carries the risk from the named place of delivery.

**DAP** Delivered at place (ready for unloading) | Named place of destination



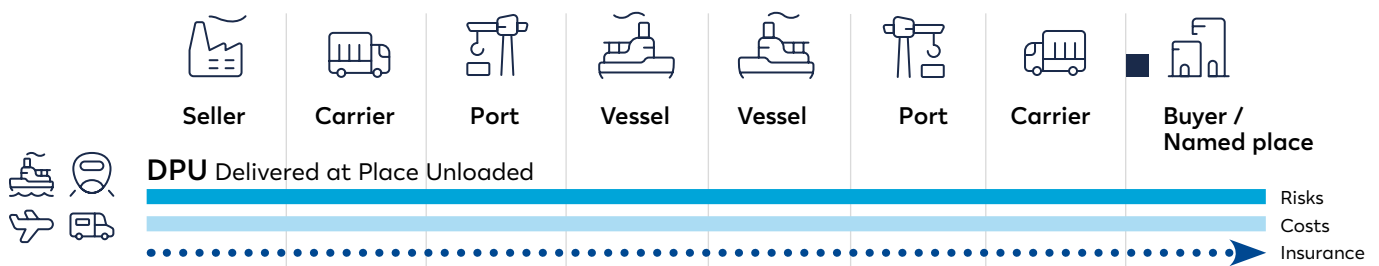
## Remarks for seller

- The seller bears all risks in connection with the transport to the named place (ready for unloading).
- Place of delivery can be either at buyers premises or eg. terminal, logistics center, customs.
- Insurance to be covered by the seller up to the point of delivery

## Remarks for buyer

- Buyer arranges the unloading and bears the costs of it.
- Buyer should notice that the cargo insurance rarely covers only unloading risks without insured transport. Is the property insurance in force at the place of delivery?

**DPU** Delivered at Place Unloaded | Named place of destination



## Remarks for seller

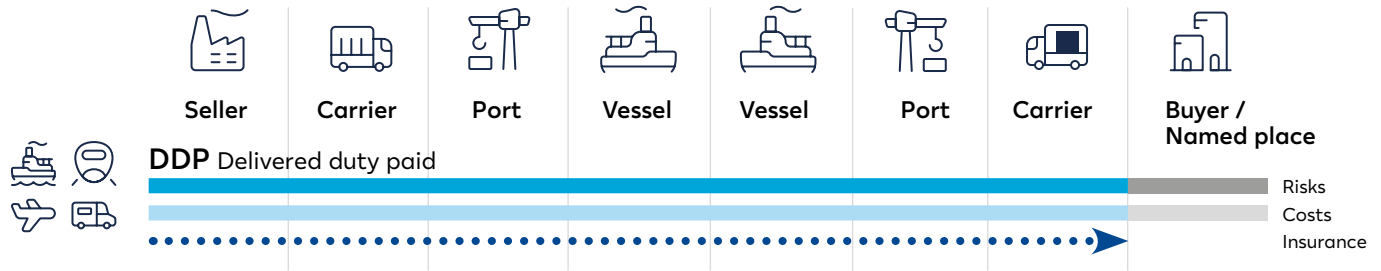
- The seller bears all risks arising from the transport of the goods to the unloading in the named port or place of destination.
- Insurance to be covered by the seller until the goods have been unloaded.

## Remarks for buyer

- Is responsible for the loss of and damage to the goods after the point of delivery.
- Point of delivery can be either at buyers premises or eg. terminal, logistics center, customs

# Incoterms in detail

## DDP Delivered duty paid | Named place of destination



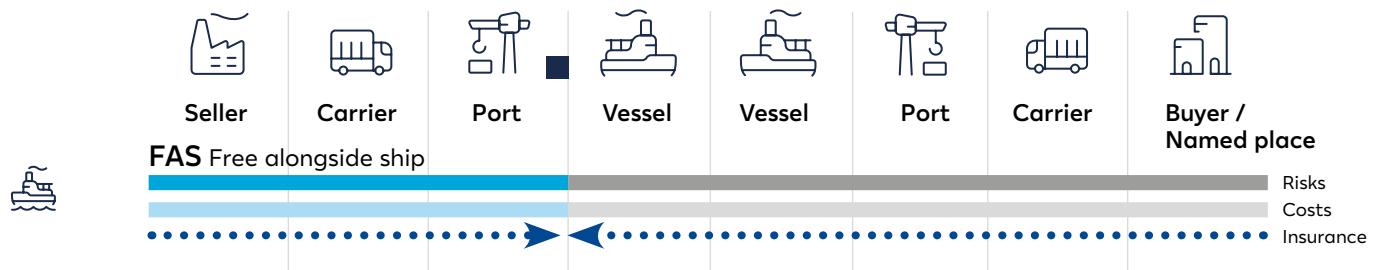
### Remarks for seller

- Insurance to be covered by the seller up to the place of destination.
- Place of destination can be either buyers premises or eg. terminal, logistics center, customs

### Remarks for buyer

- The buyer is at risk when the goods have been placed at his disposal at agreed place of destination.

## FAS Free alongside ship | Named port of shipment



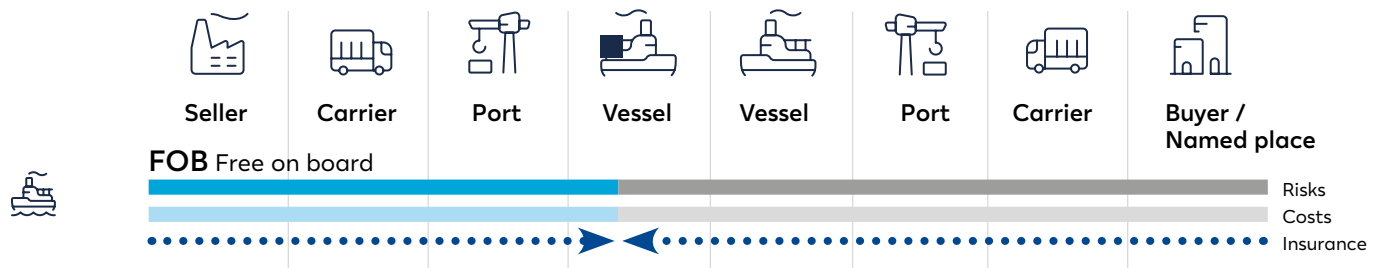
### Remarks for seller

- The seller is responsible for the loss of and damage to the goods up to the point of delivery alongside the ship
- The point of delivery should be agreed as precisely as possible, as this is where the risk is transferred to the buyer

### Remarks for buyer

- The buyer bears all costs and risks after taking over the goods alongside the vessel.
- Insurance to be covered by the buyer (the seller up to alongside the ship)

## FOB Free on board | Named port of Shipment



### Remarks for seller

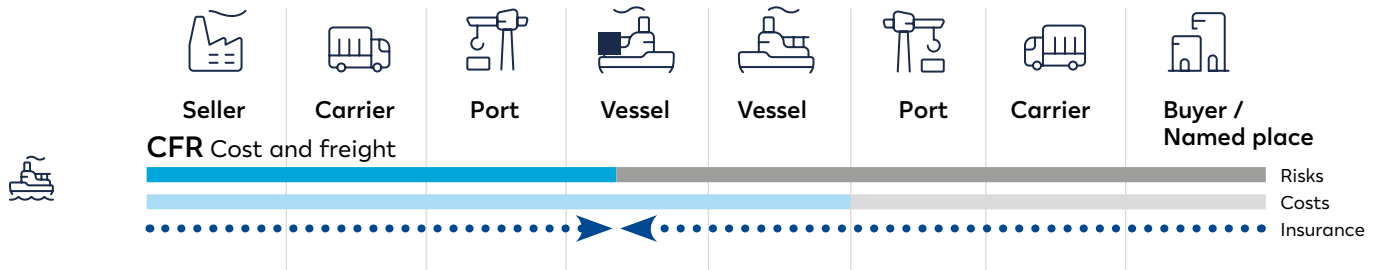
- The seller bears all risks until the goods are on board the vessel.

### Remarks for buyer

- The risk of loss or damage of the goods is transferred to the buyer as soon as the goods are on board the vessel.
- Insurance to be covered by the buyer (seller up to the delivered point onboard the ship).

# Incoterms in detail

## CFR Cost and freight | Named port of destination



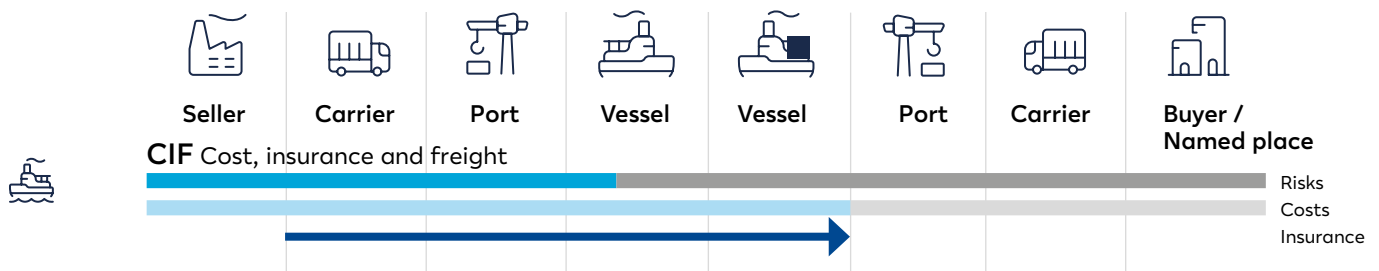
### Remarks for seller

- The seller only bears the risk until loading onto the ship.

### Remarks for buyer

- Insurance to be covered by the buyer ( seller up to the delivered point onboard the ship).
- The buyer should make sure that transport arranged by the seller will comply with buyers insurance.

## CIF Cost, insurance and freight | Named port of destination



### Remarks for seller

- The seller is responsible for the loss of and damage to the goods up to the point of delivery
- The seller takes out cargo insurance that is valid up to the named port of destination for the benefit of the buyer with at least the minimum cover specified in Institute Cargo Clauses (C) or similar (unless otherwise agreed).
- Sum insured should be at least 110% of the invoice value

### Remarks for buyer

- It should be agreed separately with the seller if the buyer requires wider coverage than ICC (C)
- The buyer should make sure that the inland transit from port to final destination is insured in their own insurance contract.



# Cost allocation

Cost Allocation						
B=Buyer S=Seller TBA= To be agreed						
Incoterm	Export Clearance	Loading	(Main) Transport	Transshipment Clearance	Import Clearance	Unloading at named place
EXW	B	B	B	B	B	B
FCA	S	B	B	B	B	B
CPT	S	S	S	B	B	B
CIP	S	S	S	TBA	B	B
DAP	S	S	S	TBA	B	B
DPU	S	S	S	TBA	B	S
DDP	S	S	S	TBA	S	B
FAS	S	B	B	B	B	B
FOB	S	S	B	B	B	B
CFR	S	S	S	B	B	S
CIF	S	S	S	B	B	S

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