

Incoterms 2020

Transport obligations, costs and risks

SELLER

BUYER

RULES FOR ANY MODE OR MODES OF TRANSPORT

Departure

Main carriage not paid by seller

EXW
EX Works
(...named place of delivery)



The seller minimizes its risk by only making the goods available at its own premises.

FCA
Free Carrier
(...named place of delivery)



Unless otherwise agreed, the seller arranges and pays for any pre-carriage up to the point of delivery.

Main carriage paid by seller

CPT
Carriage Paid To
(...named place of destination)



Seller contracts for main carriage up to named place/point of destination.

CIP
Carriage and Insurance Paid To
(...named place of destination)



In addition to the obligations under CPT, the seller also contracts for insurance up to the named place/point of destination.

Arrival

DPU
Delivered at Place Unloaded
(...named place of destination)



Seller undertakes to place the goods at the disposal of the buyer unloaded from the arriving means of transport at the agreed place/point of destination.

DAP
Delivered at Place
(...named place of destination)



Seller undertakes to place the goods at the disposal of the buyer ready for unloading by the buyer at the agreed place/point of destination.

DDP
Delivered Duty Paid
(...named place of destination)



Seller undertakes to place the goods at the disposal of the buyer ready for unloading by the buyer at the agreed place/point of destination and to clear the goods for import and pay duty and other official charges (unless otherwise agreed).

RULES FOR SEA AND INLAND WATERWAY TRANSPORT

Main carriage not paid by seller

FAS
Free Alongside Ship
(...named port of shipment)



Seller undertakes to place the goods alongside the ship nominated by the buyer.

FOB
Free on Board
(...named port of shipment)



Seller undertakes to place the goods on board the ship nominated by the buyer.

Main carriage paid by seller

CFR
Cost and Freight
(...named port of destination)



Seller arranges and pays for the contract of carriage to the named port of destination.

CIF
Cost, Insurance and Freight
(...named port of destination)



In addition to obligations under CFR, the seller also contracts for insurance up to the named port of destination.

Note: Delivery point signifies transfer of risk and cost. In CPT, CIP, CFR and CIF rules, the seller also has to pay for the contract of carriage and, in CIP and CIF, contract of insurance as well.