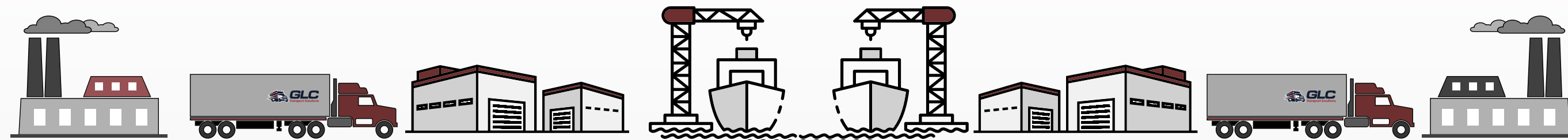


INCOTERMS® 2020 RULES

The Incoterms® are a set of 11 individual rules issued by the International Chamber of Commerce (ICC) which define the responsibilities of sellers and buyers for the sale of goods in international transactions. Of primary importance is that each Incoterms rule clarifies the tasks, costs, and risks to be borne by buyers and sellers in these transactions. Familiarizing yourself with Incoterms will help improve smoother transactions by clearly defining who is responsible for what and each step of the transaction.

The Incoterms® 2020 rules are updated and grouped into two categories reflecting modes of transport. Of the 11 rules, there are seven for ANY mode(s) of transport and four for SEA or LAND or INLAND WATERWAY transport.*



DESCRIPTION

FREIGHT/RISK

MORE DETAILS

INCOTERM	ALL MODES OF TRANSPORT	SEA AND INLAND WATERWAYS	MODES OF TRANSPORT	RESPONSIBILITY	FREIGHT/RISK	MORE DETAILS
EXW Ex Works	SELLER			BUYER	Freight Seller's premises. Risk Seller's premises.	Seller responsible for making the goods available at the seller's premises. Buyer bears the full risk from there to destination
	SELLER			BUYER		
	SELLER			BUYER		
FCA Free Carrier	SELLER			BUYER	Freight Freight handler. Risk Freight handler.	Seller responsible for delivery to the custody of carrier, identified by the buyer. Risk is transferred when loading has taken place
	SELLER			BUYER		
	SELLER			BUYER		
CPT Carriage Paid to			SELLER	BUYER	Freight Destination. Risk First freight handler.	Seller delivers goods to the carrier at agreed place of delivery and pays transport to the named destination, Risk is transferred at place of delivery, whereas seller pays for transport to destination.
	SELLER			BUYER		
	SELLER			BUYER		
CIP Carriage and Insurance Paid to			SELLER	BUYER	Freight Destination. Risk First freight handler.	Seller delivers goods to the carrier at agreed place of delivery and pays transport and insurance to named destination. Risk transfers at the place of delivery, whereas seller pays for transport and insurance to the destination.
	SELLER			BUYER		
	SELLER			BUYER		
DPU Delivered at Place Unloaded			SELLER	BUYER	Freight Destination. Risk Destination.	Seller delivers goods unloaded at a designated place at destination
	SELLER			BUYER		
	SELLER			BUYER		
DAP Delivered at Place			SELLER	BUYER	Freight Place of Destination. Risk Arriving means of transport at destination.	Seller delivers goods to disposal of buyer on arriving means of transport at agreed place. Seller assumes risk until goods are made ready for unloading from arriving means of transport.
	SELLER			BUYER		
	SELLER			BUYER		
DDP Delivered Duty Paid			SELLER	BUYER	Freight Destination. Risk Destination.	Seller responsible for bringing goods to the destination, paying any duty and making the goods available to buyer. Risk transfer as soon as buyer has access to goods ready for unloading at agreed destination.
	SELLER			BUYER		
	SELLER			BUYER		
FAS Free Alongside Ship		SELLER		BUYER	Freight Shipline in port of departure. Risk Shipline in port of departure.	Seller responsible for delivery of goods at quay alongside the ship. From this point onwards, risk lies with buyer.
	SELLER			BUYER		
	SELLER			BUYER		
FOB Free on Board		SELLER		BUYER	Freight On board ship. Risk On board ship.	Seller responsible for delivery of goods loaded on board the ship. Risk is transferred as soon as goods have been set down inside ship.
	SELLER			BUYER		
	SELLER			BUYER		
CFR Cost and Freight		SELLER		BUYER	Freight Port of destination. Risk On board ship	Seller covers cost freight, duty unpaid, to named port of destination, Risk is transferred as soon as the goods have been set down inside ship.
	SELLER			BUYER		
	SELLER			BUYER		
CIF Cost, Insurance and Freight		SELLER		BUYER	Freight Port of destination. Risk Port of destination.	Seller covers cost of insurance and freight, duty unpaid, to named port of destination. Risk is transferred as soon as the goods have been set down inside ship
	SELLER			BUYER		
	SELLER			BUYER		

 ALL MODES OF TRANSPORT
 SEA AND INLAND WATERWAYS
 COST
 RISK
 INSURANCE

* Taken From: <https://www.trade.gov/know-your-incoterms>