

BASIC OVERVIEW OF THE INCOTERMS® 2020 RULES

RULES FOR ANY MODE OR MODES OF TRANSPORT

		SELLER	BUYER
<h3>EXW</h3> <p>Ex Works (Insert named place of delivery)* Incoterms® 2020</p>		<p>COSTS →</p> <p>RISKS →</p> <p>Export Formalities</p>	<p>→ COSTS</p> <p>→ RISKS</p> <p>Import Formalities</p>
<h3>FCA</h3> <p>Free Carrier (Insert named place of delivery)* Incoterms® 2020</p>		<p>A)</p> <p>COSTS →</p> <p>RISKS →</p> <p>Export Formalities</p>	<p>→ COSTS</p> <p>→ RISKS</p> <p>Import Formalities</p>
		<p>B)</p> <p>COSTS →</p> <p>RISKS →</p> <p>Export Formalities</p>	<p>→ COSTS</p> <p>→ RISKS</p> <p>Import Formalities</p>
<h3>CPT</h3> <p>Carriage Paid To (Insert named place of destination)* Incoterms® 2020</p>		<p>COSTS →</p> <p>RISKS →</p> <p>Export Formalities</p>	<p>→ COSTS</p> <p>→ RISKS</p> <p>Import Formalities</p>
<h3>CIP</h3> <p>Carriage and Insurance Paid To (Insert named place of destination)* Incoterms® 2020</p>		<p>COSTS →</p> <p>RISKS →</p> <p>INSURANCE →</p> <p>Export Formalities</p>	<p>→ COSTS</p> <p>→ RISKS</p> <p>Import Formalities</p>
<h3>DAP</h3> <p>Delivered at Place (Insert named place of destination)* Incoterms® 2020</p>		<p>COSTS →</p> <p>RISKS →</p> <p>Export Formalities</p>	<p>→ COSTS</p> <p>→ RISKS</p> <p>Import Formalities</p>
<h3>DPU</h3> <p>Delivered at Place Unloaded (Insert named place of destination)* Incoterms® 2020</p>		<p>COSTS →</p> <p>RISKS →</p> <p>Export Formalities</p>	<p>→ COSTS</p> <p>→ RISKS</p> <p>Import Formalities</p>
<h3>DDP</h3> <p>Delivered Duty Paid (Insert named place of destination)* Incoterms® 2020</p>		<p>COSTS →</p> <p>RISKS →</p> <p>Export Formalities</p>	<p>→ COSTS</p> <p>→ RISKS</p> <p>Import Formalities</p>

*As per the Incoterms® rulebook: If parties want the Incoterms® 2020 rules to apply to their contract, the safest way to ensure this is to make that intention clear in their contract, through words such as: «(the chosen Incoterms® rule)(named port, place or point) Incoterms® 2020»

RULES FOR SEA AND INLAND WATERWAY TRANSPORT

FAS

Free Alongside Ship

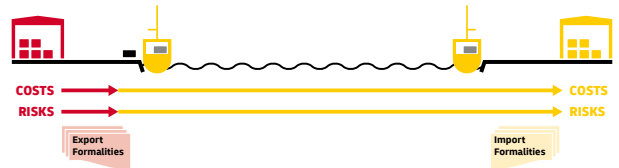
(Insert named port of shipment)*

Incoterms® 2020



SELLER

BUYER

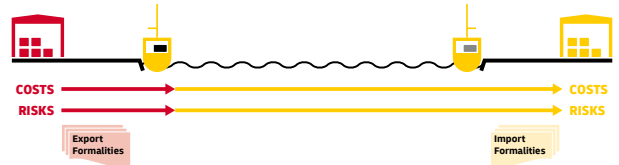


FOB

Free on Board

(Insert named port of shipment)*

Incoterms® 2020

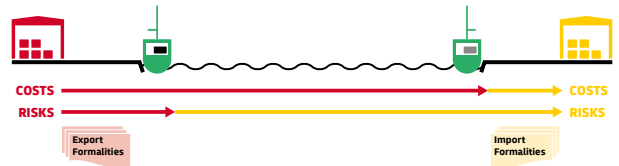


CFR

Cost and Freight

(Insert named port of destination)*

Incoterms® 2020

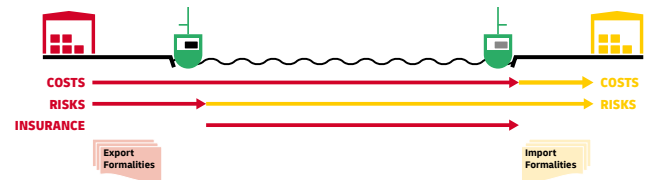


CIF

Cost, Insurance and Freight

(Insert named port of destination)*

Incoterms® 2020



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This chart is not intended to be used alone, but always in conjunction with the Incoterms® 2020 rule book.

TRANSPORT OBLIGATIONS, COSTS AND RISKS

RED indicates seller's

YELLOW indicates buyer's

GREEN indicates mixed or shared

THERE ARE TWO KEY CHANGES IN INCOTERMS® 2020 COMPARED TO THE 2010 EDITION:

- DAT (Delivered at Terminal) is renamed Delivered at Place Unloaded (DPU)
- FCA (Free Carrier) now allows for Bills of Lading to be issued after loading

OTHER CHANGES INCLUDE:

- CIF (Cost, Insurance and Freight) and CIP (Carriage and Insurance Paid To) set out new standard insurance arrangements, but the level of insurance continues to be negotiable between buyer and seller.
- Where listed, cost allocation between buyer and seller is stated more precisely - one article lists all costs the seller and the buyer are responsible for.
- FCA (Free Carrier), DAP (Delivered at Place), DPU (Delivered at Place Unloaded) and DDP (Delivered Duty Paid) now take account of buyer and seller arranging their own transport rather than using a third party.
- Security-related obligations are now more prominent.
- "Explanatory Notes for Users" for each Incoterm® have replaced the 2010 edition's Guidance Notes, and are designed to be easier for users.
- CIP now requires as default insurance coverage ICC A or equivalent. It was ICC C under Incoterms® 2010. Required insurance coverage under CIF remains.