INCOTERMS 2020

EXW – Ex Works: The seller's responsibility is to make the goods available for pickup at the warehouse or factory. From that point forward, the buyer assumes responsibility for all costs and risks. For importers and exporters, this means working with a freight forwarder that arranges the entire shipment, starting at pickup from the factory.

Used in: Air freight / Sea Freight / Road Freight

FCA – Free Carrier: The seller is responsible for delivering the goods to the carrier at a named place, which is usually the terminal or a warehouse. Once the goods are handed over to the carrier, the risk transfers to the buyer.

Used in: Airfreight / Sea Freight / Road Freight

CPT – Carriage Paid To: The seller is responsible for the costs of transporting the goods to a named destination. Responsibility transfers to the buyer once the goods are delivered to the agreed-upon destination.

Used in: Airfreight / Sea Freight / Road Freight

CIP – Carriage and Insurance Paid To: This incoterm is the same as CPT except that with CIP, the seller much also arranges and pay for insurance coverage in case of loss or damage to the goods during transit to the agreed-upon destination.

Used in: Airfreight / Sea Freight / Road Freight

DAP – Delivered at Place: The seller is responsible for arranging the entire shipment up to delivering the goods to a named place. Risk transfers to the buyer upon delivery. The seller is responsible for clearing goods for export, but the buyer assumes responsibility for import customs duties, fees, and taxes.

Used in: Airfreight / Sea Freight / Road Freight

DPU – Delivered at Place Unloaded: The seller is responsible arranging the shipment and delivering the goods to a named place. They are also responsible for unloading them. Risk transfers to the buyer once the goods are unloaded.

Used in: Airfreight / Sea Freight / Road Freight

DDP – Delivered Duty Paid: The seller is responsible for entire shipment, including customs clearance and fees, and delivering the goods to the buyer's premises. This incoterm places the maximum responsibility on the seller.

Used in: Airfreight / Sea Freight / Road Freight

FAS – Free Alongside Ship: The seller is responsible for picking up the goods at the factory, clearing them for export, and delivering them to a departure location, usually the ship loading dock. Risk transfers to the buyer when the goods are placed alongside the ship; they are responsible for the main leg of transit and every other step in delivery.

Used in: Sea Freight ONLY

FOB – Free on Board: The seller is responsible for packaging, pickup, and delivery of goods onto a vessel at the port of shipment. Liability transfers to the buyer once the goods are on board the vessel; the buyer is responsible for every other step of the journey.

Used in: Sea Freight ONLY

CFR – Cost and Freight: The seller is responsible for transportation to the port of origin and for loading the goods onto the vessel. They are also responsible for transportation to the destination port – but they are not liable for that portion of the journey. Instead, risk transfers to the buyer when the goods are on boarded at the origin port.

Used in: Sea Freight ONLY

CIF – Cost, Insurance, and Freight: Similar to CFR, but the seller also arranges and pays for insurance coverage for the goods during transit to the port of destination.

Used in: Sea Freight ONLY