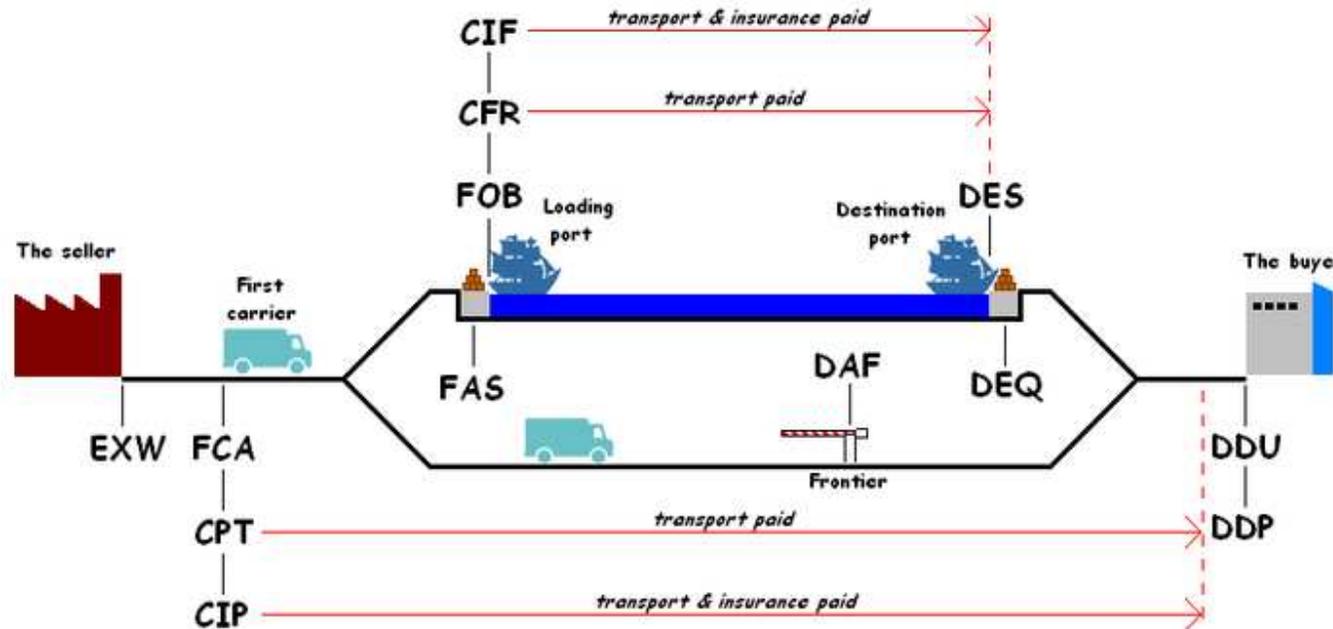


## INCOTERMS 2011

Incoterms 2000: Transfer of risk from the seller to the buyer



### Departure

EXW – Ex Works (named place)

The seller makes the goods available at his premises. The buyer is responsible for all charges. This trade term places the greatest responsibility on the buyer and minimum obligations on the seller. The Ex Works term is often used when making an initial quotation for the sale of goods without any costs included. EXW means that a seller has the goods ready for collection at his premises (Works, factory, warehouse, plant) on the date agreed upon. The buyer pays all transportation costs and also bears the risks for bringing the goods to their final destination.

### Main carriage unpaid

FCA – Free Carrier (named places)

The seller hands over the goods, cleared for export, into the custody of the first carrier (named by the buyer) at the named place. This term is suitable for all modes of transport, including carriage by air, rail, road, and containerised / multi-modal sea transport. This is the correct "freight collect" term to use for sea shipments in containers, whether LCL (less than container load) or FCL (full container load).

FAS – Free Alongside Ship (named loading port)

The seller must place the goods alongside the ship at the named port. The seller must clear the goods for export. Suitable only for maritime transport only but NOT for multimodal sea transport in containers (see Incoterms 2010, ICC publication 715). This term is typically used for heavy-lift or bulk cargo.

FOB – Free on board (named loading port)

The seller must themselves load the goods on board the ship nominated by the buyer, cost and risk being divided at ship's rail. The seller must clear the goods for export. Maritime transport only but NOT for multimodal sea transport in containers (see Incoterms 2010, ICC publication 715). The buyer must instruct the seller the details of the vessel and port where the goods are to be loaded, and there is no reference to, or provision for, the use of a carrier or forwarder. It **does not** include Air transport. This term has been greatly misused over the last three decades ever since Incoterms 1980 explained that FCA should be used for container shipments.

### **Main carriage paid**

CFR or CNF – Cost and Freight (named destination port)

Seller must pay the costs and freight to bring the goods to the port of destination. However, risk is transferred to the buyer once the goods have crossed the ship's rail. Maritime transport only and Insurance for the goods is NOT included. Insurance is at the Cost of the Buyer.

CIF – Cost, Insurance and Freight (named destination port)

Exactly the same as CFR except that the seller must in addition procure and pay for insurance for the buyer. Maritime transport only.

CPT – Carriage Paid To (named place of destination)

The general/containerized/multimodal equivalent of CFR. The seller pays for carriage to the named point of destination, but risk passes when the goods are handed over to the first carrier.

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

The containerized transport/multimodal equivalent of CIF. Seller pays for carriage and insurance to the named destination point, but risk passes when the goods are handed over to the first carrier.

### **Arrival**

DAT – Delivered at terminal (**NEW!**)

DAT should now be used wherever DEQ was previously used. Delivery takes place once the goods have been unloaded at the named terminal.

DAP - Delivered at place (**NEW!**)

DAP should now be used wherever DAF, DES and DDU were previously used. Delivery takes place once the seller has left the good unloaded for the buyer at the named place.

DDP – Delivered Duty Paid (named destination place)

This term means that the seller pays for all transportation costs and bears all risk until the goods have been delivered and pays the duty. Also used interchangeably with the term "Free Domicile". The most comprehensive term for the buyer. In most of the importing countries, taxes such as (but not limited to) VAT and excises should not be considered prepaid being handled as a "refundable" tax. Therefore VAT and excises usually are not representing a direct cost for the importer since they will be recovered against the sales on the local (domestic) market.

NOTE: The following information refers to Incoterms 2000 and is now replaced with different information in Incoterms 2010. For a given term, "**Yes**" indicates that the **seller** has the responsibility to provide the service included in the price. "**No**" indicates it is the **buyer's** responsibility. If insurance is not included in the term (for example, CFR) then insurance for transport is the responsibility of the buyer or the seller depending on who owns the cargo at time of transport. In the case of CFR terms, it would be the buyer while in the case of CIF or CIP terms, it would be the seller.

Incoterms	Load to truck	Export- duty payment	Transport to exporter's port	Unload from truck at port of origin	Landing charges at port of origin	Transport to importer's port	Landing charges at importer's port	Unload onto trucks from the importers' port	Transport to destination	Insurance	Entry - Customs clearance	Entry - Duties and Taxes
EXW	No	No	No	No	No	No	No	No	No	No	No	No
FCA	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No
FAS	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No
FOB	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No
CFR	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No
CIF	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	No	No
CPT	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
CIP	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
DAF	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No
DES	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No
DEQ	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No
DDU	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
DDP	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes

INCOTERMS	
<b>CFR:</b>	CFR: Costes y flete
<b>CIF:</b>	CIF: Costes, seguro y flete
<b>CIFO:</b>	CIFO: CIFO
<b>CIP:</b>	CIP: Porte pagado y seguro
<b>CPT:</b>	CPT: Porte pagado
<b>DDP:</b>	DDP: Entrega con aduana
<b>EXW:</b>	EXW: En fábrica
<b>FAS:</b>	FAS: Franco al costado del buque
<b>FCA:</b>	FCA: Franco transportista
<b>FH:</b>	FH: Franco domicilio
<b>FOB:</b>	FOB: FREE ON BOARD
<b>NAC:</b>	NAC: Nacional
<b>UN:</b>	UN: Sin franquear

MODALIDAD DE CONTRATACIÓN DE BUQUE	
CODE	DESCRIPTION
<b>FCL</b>	FULL CONTAINER LOAD
<b>FILO</b>	FREE IN LINER OUT
<b>LCL</b>	LESS THAN CONTAINER LOAD
<b>FIOS</b>	FREE IN/OUT
<b>FOD</b>	FREE ON DUCK
<b>FOT</b>	FREE ON TRUCK
<b>LANDED</b>	LANDED
<b>LIFO</b>	LINER IN FREE OUT
<b>LINER TERMS</b>	LINER TERMS
<b>ST</b>	STOWED
<b>THC INCLUDE</b>	TERMINAL HANDLING CHARGES INCLUDE

#### CFR\* Cost and Freight (Costo y Flete)

La abreviatura va seguida del nombre del puerto de destino, El precio comprende la mercancía puesta en el puerto de destino con el flete pagado pero no cubre el seguro. El vendedor debe despachar la mercancía en Aduana y solamente puede usarse en el caso de transporte marítimo o vías navegables interiores.

#### CIF\* Cost, Insurance and Freight (Costo, Seguro y Flete)

La abreviatura va seguida del nombre del puerto de destino y el precio incluye la mercancía puesta en puerto de destino con flete pagado y seguro cubierto. El vendedor contrata el seguro y paga la prima correspondiente. El vendedor sólo esta obligado a conseguir un seguro de cobertura mínima.