

## INCOTERMS

Incoterms are standardized international delivery clauses that serve as a contract between seller and buyer. They cover all tasks, risks and costs associated with the worldwide movement of goods and are considered the most important trading terms. Choosing the right Incoterms for international shipping is therefore indispensable!

Code	Meaning	location to be indicated	Description
<b>EXW</b>	Ex Works	Plant location	The seller must give the buyer access to goods at an agreed place. From that point on, the buyer bears almost all costs and risks throughout the shipping process.
<b>FCA</b>	Free Carrier	Location of the agreed carrier	The seller must make the goods available at his own risk and at his own expense on his premises or at an agreed place. In both cases the seller is responsible for releasing the goods for export. It may also be agreed that the buyer must instruct the carrier to deliver a "Bill of Lading (BL)" to the seller with a note on board.
<b>CPT</b>	Carriage Paid To	Agreed destination	The seller has the same obligations as with FCA, but in this case he also bears the shipping costs.
<b>CIP</b>	Carriage and Insurance Paid to	Agreed destination	The same obligations of the seller as for CPT, only in this case the seller is obliged to pay the insurance with high coverage. However, the parties may also agree on limited coverage.
<b>DAP</b>	Delivered At Place	Agreed destination	The seller bears the costs and risks of transporting the goods to an agreed address. As soon as the goods arrive there and are cleared for unloading, possible risks are transferred to the buyer.
<b>DPU</b>	Delivered at Place Unloaded	Agreed destination	The seller bears the costs and risks of delivering the goods to an agreed destination where the goods can be unloaded for further transport. The seller arranges for customs clearance and unloads the goods at the agreed place. The buyer arranges for customs clearance and all related rights.
<b>DDP</b>	Delivered Duty	Agreed place of delivery in	The seller bears the costs and risks of transport, is responsible for import

	Paid	the importing country	and export and pays any import duties. As soon as the goods arrive at the agreed address and are released for unloading, possible risks are transferred to the buyer.
<b>FAS</b>	Free Alongside Ship	Agreed port of loading	(Only for sea freight) The seller bears all costs and risks until the goods are delivered near the ship. From then on, the risk is transferred to the buyer, who also takes over customs clearance for export and import.
<b>FOB</b>	Free On Board	Agreed port of loading	(Only for sea freight) The seller bears all costs and risks until the goods are on board the ship and is also responsible for the export licence. Once the goods are on board the ship, the responsibility for the shipment is transferred to the buyer.
<b>CFR</b>	Cost and Freight	Agreed port of destination	(Only for sea freight) The same conditions apply for seller and buyer as for FOB. However, in this case the seller must pay for the transport of the goods to the port of import.
<b>CIF</b>	Cost, Insurance and Freight	Agreed port of destination	(Only for sea freight) The seller has the same obligations as with CFR, but also bears the (minimum) insurance costs. Any additional insurance must be paid for by the buyer.

## Overview

Obligations of the **Seller** and **Buyer**

	Any means of transport							Sea freight & inland navigation			
	EXW	FCA	CPT	CIP	DAP	DPU	DDP	FAS	FOB	CFR	CIF
Packaging	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Loading charges (loading on means of transport)	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Transport to export location/ export port	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Export customs declaration: Export duties, taxes and customs clearance,	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Unloading of the means of transport (e.g. truck) in the export port	✗	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓
Loading onto the transport/loading charges at the port of export	✗	✗	✓	✓	✓	✓	✓	✗	✓	✓	✓
Transport costs (to port of import)	✗	✗	✓	✓	✓	✓	✓	✗	✗	✓	✓
Terminal costs Destination/unloading charges at import port	✗	✗	✓	✓	✓	✓	✓	✗	✗	✗	✗
Transport to destination	✗	✗	✓	✓	✓	✓	✓	✗	✗	✗	✗
Unloading charges at destination	✗	✗	✓	✓	✗	✓	✓	✗	✗	✗	✗
Import duties, taxes and customs clearance	✗	✗	✗	✗	✗	✓ Initiate ✗ Handling	✓	✗	✗	✗	✗
Insurance	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓