

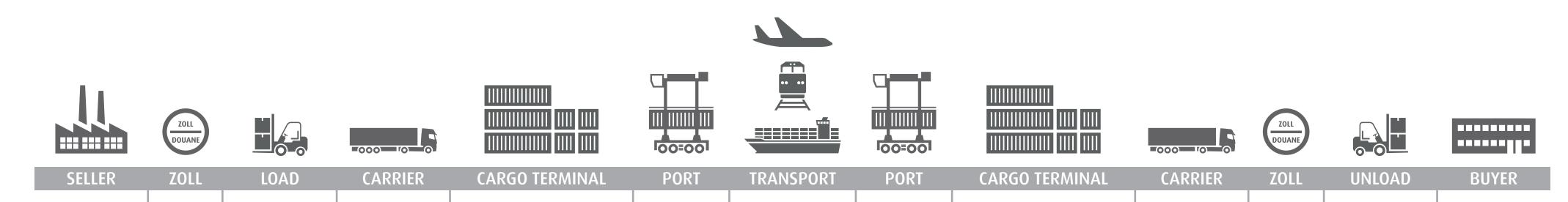
# INCOTERMS® 2020 RULES

Rules for multimodal or modal transport and for maritime and national inland navigation

Incoterms® define the responsibilities of buyers and sellers in the international trading system. They are thus the definitive rules for the allocation of costs and risks among the parties involved. The Incoterms® clauses are regularly a part of contracts for the worldwide sale of goods and are part of the daily language of trade.

The International Chamber of Commerce (ICC) has published an Incoterms® 2020 rulebook that identifies and explains 11 Incoterms® trade terms and explains them. It takes into account the latest developments in business practice and updates the existing rules to make them more accessible and user-friendly.

The Incoterms® 2020 clauses came into force on 1 January 2020.



	COSTS												COSTS
EXW	RISK												RISK
	Ex factory					•							
FCA	COSTS or another											COSTS	
	RISK			agreed delivery	point								RISK
	Free carrier			5 1									
	COSTS								or at any other delivery poi	nt			COSTS
CPT	RISK		or another agreed delivery point									RISK	
	Freight free until												
	COSTS								or at any other delivery poin	nt			COSTS
CIP	RISK			or another agree	ad delivery point								RISK
	Insured freight paid	until		INSURANCE									NUM
	inserve neight pere			INSUKAINCE									
DAP	COSTS										or another	agreed	COSTS
DAP	RISK										designate	d place	RISK
	Delivered designate	ed place											
	COSTS									or another agre	ed		COSTS
DPU	RISK									designated plac	.e		RISK
	Delivered designate	ed place unic	oaded										
000	COSTS												COSTS
DDP	RISK												RISK
	Delivered duty paid												
	COSTS												COSTS
FAS	RISK												RISK
	Free alongside ship												
FOB CRF													COSTS
FOB	RISK												RISK
	Free on board												
	COSTS												COSTS
CRF	RISK												RISK
	Cost and freight												NIJK
	COSTS												COSTS
CIF	DICK												RISK
	Cost, insurance and	freight					INSURANCE						ЛСІЛ
INSURAINCE													
													0.111/170
	SELLER	ZOLL	LOAD	CARRIER	CARGO TERMINAL	PORT	TRANSPORT	PORT	CARGO TERMINAL	CARRIER	ZOLL	UNLOAD	BUYER

Seller is obliged to take out insurance

## **RISKS**

The possibility that an event occurs that could lead to the loss of or damage to the goods. Buyer and/or seller can protect themselves against risks by taking out transport insurance.

### COSTS

All costs, except for the cost of documents. Purchase and insurance contracts should clearly indicate which costs are to be borne by the buyer and/or seller upon delivery of the goods. **INSURANCE** The transport insurance is the responsibility of the seller.

## DIFFERENCES BETWEEN INCOTERMS® 2010 AND 2020:

- + For the Incoterms® clause FCA (Free Carrier), there is now the possibility to put an "on-poard" note on the bill of lading (Bill of Lading) before loading onto a ship.
- + Costs now appear bundled in A9/B9 of each Incoterms® clause.
- + CIP now requires insurance with the minimum protection as per Institute Cargo clause (A) (All risks, subject to the listed exclusions).
- + CIF now requires insurance with the minimum protection as per Institute Cargo clause (C) (Listed risks, subject to listed exclusions).
- + The Incoterms® clauses Free Carrier (FCA), Delivered at Place (DAP), Delivered at Place Unloaded (DPU) and Delivered Duty Paid (DDP). now take into account that the goods can be transported by own means of transport, without contracting third parties.
- + The Delivered at Terminal (DAT) clause has been changed to Delivered at Place Unloaded (DPU) to highlight that the destination can be any place and not just a "terminal".
- + Incoterms® 2020 now explicitly shifts responsibility for security-related requirements and ancillary costs to the seller.

#### **USEFUL INFORMATION**

The Incoterms<sup>®</sup> do not constitute a complete purchase contract, but become part of it.

For its application, the following structure should be used: "[Selected Incoterm® clause] [Named Port or Place] Incoterms® 2020". Example: "CIF Shanghai Incoterms® 2020" or "DAP 10 Downing Street, London, United Kingdom Incoterms® 2020".

If no year is specified for the Incoterms<sup>®</sup>, the following applies:

Incoterms® 2010 shall apply until December 31, 2019, and Incoterms® 2020 shall apply as of January 1, 2020.

If another year is specified, e.g. Incoterms® 1980, the corresponding rules apply.

Note: This page is for information purposes. For a detailed explanation, please refer to the International Chamber of Commerce (ICC) publication INCOTERMS® 2020. For a complete and detailed description of all rights and obligations arising from the use of the above Incoterms®, please refer to the official text of the ICC (https://iccwbo.org).