


INCOTERMS



Incoterms or trade terms are used to define the obligations of seller and buyer in the movement of goods from one person to another. The term is used to explain which party is responsible for the costs and risks at each stage of the goods movement.

Description		COSTS		Freight/Risk	Extra Detail
All transport		RISK			
Sea		INSURANCE			
EXW Ex Works	SELLER	BUYER		Freight - Seller's premises Risk - Seller's premises	Seller is responsible for making the goods available at the seller's premises. Buyer bears the full risk from there to destination.
	SELLER	BUYER			
	SELLER	BUYER			
FCA Free Carrier	SELLER	BUYER		Freight - Freight handler Risk - Freight handler	Seller is responsible for delivery to the custody of carrier, identified by the buyer. Risk is transferred when loading has taken place.
	SELLER	BUYER			
	SELLER	BUYER			
CPT Carriage Paid to	SELLER	BUYER		Freight - Destination Risk - First freight handler	Seller delivers goods to the carrier at the agreed place of delivery and pays transport to the named destination. Risk is transferred at the place of delivery, whereas seller pays for transport to the destination.
	SELLER	BUYER			
	SELLER	BUYER			
CIP Carriage and Insurance Paid to	SELLER	BUYER		Freight - Destination Risk - First freight handler	Seller delivers goods to carrier at agreed place of delivery and pays for transport and insurance to named destination. Risk is transferred at the place of delivery, whereas seller pays for transport and insurance to the destination.
	SELLER	BUYER			
	SELLER	BUYER			
DAT Delivered at Terminal	SELLER	BUYER		Freight - Destination Risk - Destination	Seller delivers goods unloaded at a specified place inside agreed terminal. Risk is transferred as soon as goods have been unloaded.
	SELLER	BUYER			
	SELLER	BUYER			
DAP Delivered at Place	SELLER	BUYER		Freight - Place of Destination Risk - Arriving means of transport at destination	Seller delivers goods to disposal of buyer on arriving means of transport, at agreed place. Seller assumes risk until goods are made ready for unloading from the arriving means of transport.
	SELLER	BUYER			
	SELLER	BUYER			
DDP Delivered Duty Paid	SELLER	BUYER		Freight - Destination Risk - Destination	Seller is responsible for bringing goods to the destination, paying any duty and making the goods available to buyer. Risk transfers as soon as buyer has access to goods ready for uploading at agreed destination.
	SELLER	BUYER			
	SELLER	BUYER			
FAS Free Alongside Ship	SELLER	BUYER		Freight - Shipment in port of departure Risk - Shipment in port of departure	Seller is responsible for delivery of goods at quay alongside the ship. From this point onwards the risk lies with the buyer.
	SELLER	BUYER			
	SELLER	BUYER			
FOB Free on Board	SELLER	BUYER		Freight - On board ship Risk - On board ship	Seller is responsible for delivery of goods loaded onboard the ship. Risk is transferred as soon as the goods have been set down inside the ship.
	SELLER	BUYER			
	SELLER	BUYER			
CFR Cost and Freight	SELLER	BUYER		Freight - Port of destination Risk - On board ship	Seller covers cost of freight, duty unpaid, to named port of destination. Risk is transferred as soon as the goods have been set down inside the ship.
	SELLER	BUYER			
	SELLER	BUYER			
CIF Cost, Insurance and Freight	SELLER	BUYER		Freight - Port of destination Risk - Port of destination	Seller covers cost of insurance and freight, duty paid, to the named port of destination. Risk is transferred as soon as the goods have been set down inside the ship.
	SELLER	BUYER			
	SELLER	BUYER			