INCOTERMS® 2020

Quick Reference Guide — International Commercial Terms

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Incoterms 2020 rules define the transfer point of cost and risk between buyer and seller in international trade. Choosing the right term reduces transport time and cost.

RULES FOR ANY MODE OF TRANSPORT

EXW — **Ex Works**
Seller makes goods available at their premises. Buyer bears all costs and risks from that point.

FCA — **Free Carrier**
Seller delivers goods to a carrier named by the buyer at an agreed place.

CPT — **Carriage Paid To**
Seller pays for carriage to the named destination; risk transfers once goods are handed to the first carrier.

CIP — **Carriage and Insurance Paid To**
Like CPT, plus the seller must obtain insurance cover for the buyer.

DAP — **Delivered at Place**
Seller delivers when goods are ready for unloading at the named destination.

DPU — **Delivered at Place Unloaded**
Seller delivers once goods are unloaded at the named destination.

DDP — **Delivered Duty Paid**
Seller delivers goods cleared for import, ready for unloading, all costs and risks to destination.

RULES FOR SEA AND INLAND WATERWAY TRANSPORT

FAS — **Free Alongside Ship**
Seller delivers when goods are placed alongside the vessel at the named port.

FOB — **Free on Board**
Seller delivers when goods are loaded on board the vessel named by the buyer.

CFR — **Cost and Freight**
Seller pays cost and freight to destination port; risk transfers once loaded on board.

CIF — **Cost, Insurance and Freight**
Like CFR, plus the seller must obtain marine insurance for the buyer.