



INCOTERMS 2020

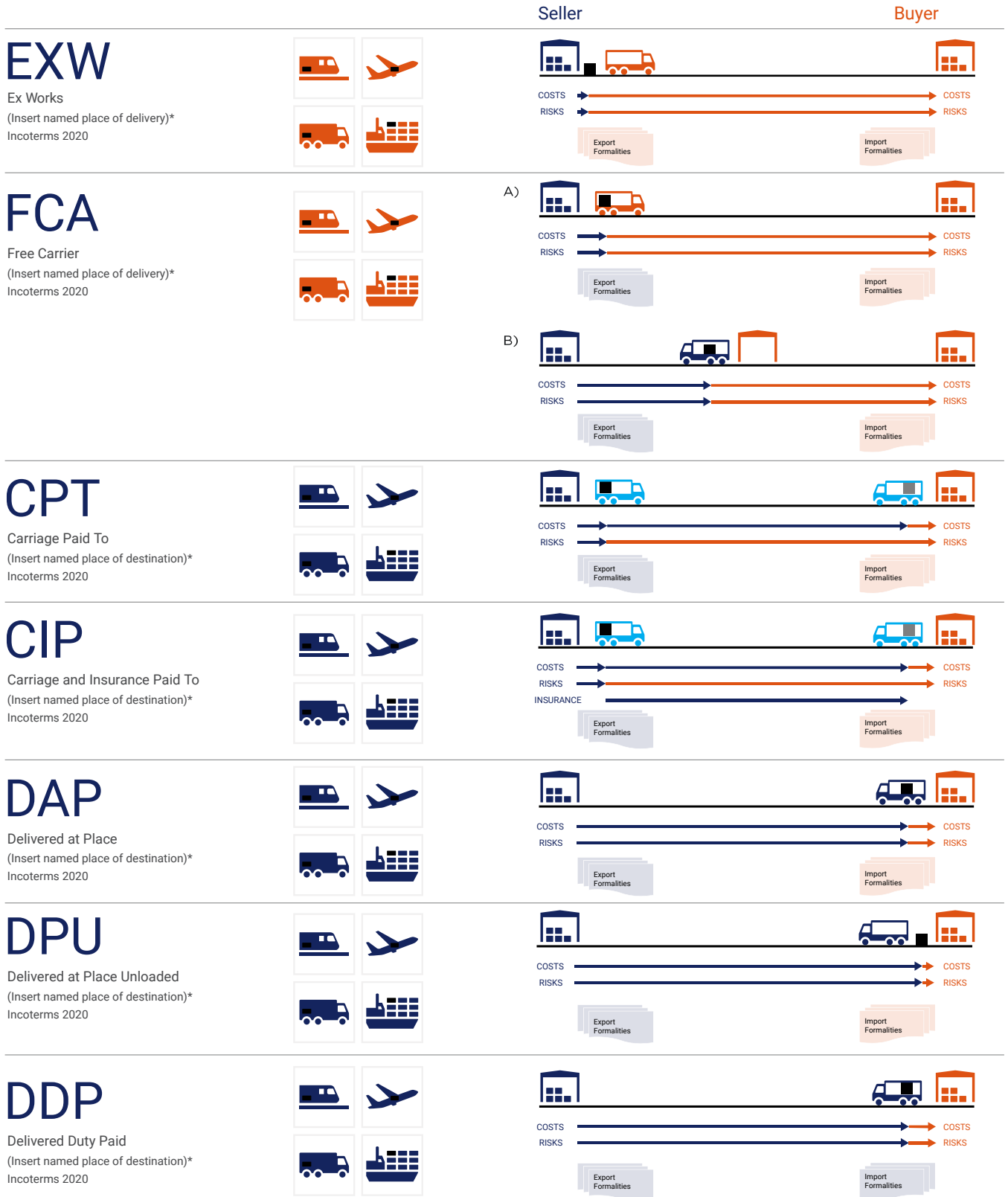
INTERNATIONAL TRADE RULES

International commercial operations have their origin in a purchase and sale contract between the importer and the exporter, which stipulates the clauses by which the respective commercial operation will be regulated. The INCOTERMS (International Commercial Terms) can be considered as a set of international rules of an optional nature that the International Chamber of Commerce has gathered and defined on the basis of practices more or less standardized by traders. The INCOTERMS basically define the place where the seller is responsible for the goods and what are the expenses to be borne by him and which, therefore, will be included in the price. "Incoterms" is a registered trademark of the International Chamber of Commerce (ICC).

Find out more about Incoterms® rules on the official website of the International Chamber of Commerce, where you can request the publication "Incoterms 2020". Register for online training on the Incoterms 2020 rules at icc.academy.

TRADE RULES INCOTERMS 2020

RULES FOR ANY MODE OR MODES OF TRANSPORT



BLUE Seller

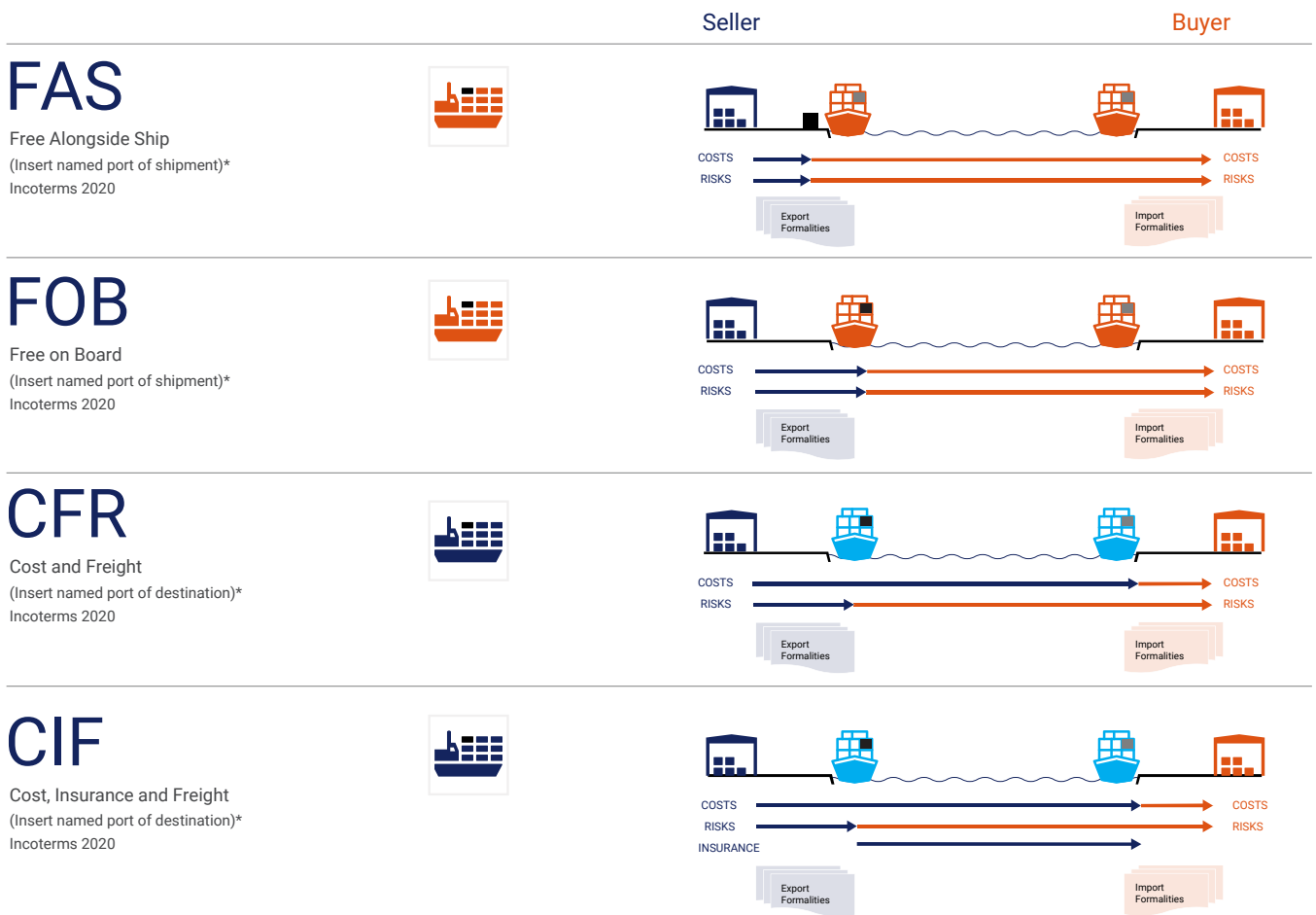
ORANGE Buyer

LIGHT BLUE indicates mixed or shared

*As per the Incoterms® rulebook: If parties want the Incoterms® 2020 rules to apply to their contract, the safest way to ensure this is to make that intention clear in their contract, through words such as: «(the chosen Incoterms® rule)(named port, place or point) Incoterms® 2020»

TRADE RULES INCOTERMS 2020

RULES FOR SEA AND INLAND WATERWAY TRANSPORT



OBLIGATIONS, COSTS AND TRANSPORT RISKS

BLUE Seller

ORANGE Buyer

LIGHT BLUE indicates mixed or shared

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This chart is not intended to be used alone, but always in conjunction with the Incoterms® 2020 rule book.

THERE ARE TWO KEY CHANGES IN INCOTERMS® 2020 COMPARED TO THE 2010 EDITION:

- **DAT** (Delivered at Terminal) is renamed Delivered at Place Unloaded (**DPU**)
- **FCA** (Free Carrier) now allows for Bills of Lading to be issued after loading

OTHER CHANGES INCLUDE:

- **CIF** (Cost, Insurance and Freight) and **CIP** (Carriage and Insurance Paid To) set out new standard insurance arrangements, but the level of insurance continues to be negotiable between buyer and seller.
- Where listed, cost allocation between buyer and seller is stated more precisely - one article lists all costs the seller and the buyer are responsible for.
- **FCA** (Free Carrier), **DAP** (Delivered at Place), **DPU** (Delivered at Place Unloaded) and **DDP** (Delivered Duty Paid) now take account of buyer and seller arranging their own transport rather than using a third party.
- Security-related obligations are now more prominent.
- "Explanatory Notes for Users" for each Incoterm® have replaced the 2010 edition's Guidance Notes, and are designed to be easier for users.
- **CIP** now requires as default insurance coverage ICC A or equivalent. It was ICC C under Incoterms® 2010. Required insurance coverage under **CIF** remains.