2020 INCOTERMS®

A Desk Reference

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For a full guide describing the details of each of the Incoterms® rules, visit the official ICC website at http://store.iccwwbo.org/

Incoterms® Desk Reference
Table of Contents

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Introduction to Incoterms® Rules
What are Incoterms® Rules?

Incoterms® stands for International Commercial Terms and they are a series of pre-defined commercial terms published by the International Chamber of Commerce (ICC). These terms inform sales contracts by defining respective obligations, costs, and risks involved in the delivery of goods from seller to buyer.

The eleven Incoterms® rules are internationally recognized and accepted by governments, legal authorities, and practitioners worldwide. They are primarily intended to clearly communicate the tasks, costs, and risks associated with the transportation and delivery of goods.

INCOTERMS® 2020

The International Chamber of Commerce (ICC) amends Incoterms® rules about every ten years. The current iteration are *Incoterms® 2020* which replaced the previous set of terms from 2010. The 2020 version was released in September 2019 and took effect on January 1st, 2020.

This guide will be focusing on the 11 terms and definitions outlined in *Incoterms® 2020*.

INCOTERMS® IDENTIFIERS

When identifying the terms of sale on a sales contract, the selected Incoterms rules should include certain language to ensure clarity on behalf of both parties. This is referred to as the Incoterms® Identifier. This identifier includes specifics that inform where certain responsibilities and risks transfer during the journey of the goods such as 'Port of Origin' or the 'City of Destination'.

In this guide, the suggested wording for the Incoterms® Identifier will be included for each Incoterms® rules. The text found within the brackets [] should be replaced with the specifics for your particular shipment.

INCOTERMS® IDENTIFIER

XXX [named **Port/Place** of Shipment/Delivery/Destination] Incoterms® 2020

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Introduction to Incoterms® Rules
Examining the 2020 Changes

The following is a summary of the primary changes seen in the release of Incoterms® rules.

1. ONBOARD BILLS OF LADING IN FCA

Under previous Incoterms® rules, parties and financiers require a bill of lading with onboard notation, but because FCA terms were technically fulfilled before goods were loaded onto a vessel, it was difficult for the seller to obtain an onboard bill of lading. Under Incoterms® 2020, buyers must instruct the carrier to provide an onboard bill of lading to the seller once goods are loaded. Sellers will then issue the bill of lading to the buyer without taking on an additional obligation to the buyer within the terms of the contract.

2. DIFFERING INSURANCE LEVELS BETWEEN CIF and CIP

Previous iterations of CIF and CIP mandated a minimum insurance coverage at a Clause (C) level of the Institute Cargo Clauses. In the new version, *CIF remains at the same level of minimum insurance* and allows parties to pursue higher levels of coverage, but for CIP deliveries, sellers must obtain insurance coverage at Clause (A) level, meaning the insurance level has increased to benefit the buyer. However, both parties may agree to lower levels of insurance coverage.

3. ALLOWING FOR PARTIES TO UTILIZE THEIR OWN TRANSPORTATION IN FCA, DAP, DPU, & DDP SHIPMENTS

Under 2010 rules, the assumption was that a third-party carrier would be responsible for transporting goods between the buyer and seller. In the 2020 guidelines, the rules allow for transportation owned by either the buyer or seller.

4. ADDITION OF SECURITY REQUIREMENTS WITHIN CARRIAGE RESPONSIBILITIES AND ASSOCIATED COSTS

Incoterms® 2020 establishes stronger security requirements in accordance with changes made by Customs officials and major international traders. These obligations will come into effect in the carriage and export/import clearance sections of each rule, but costs for these obligations will be featured in the allocation of costs between buyer and seller of each rule.

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Introduction to Incoterms® Rules
Examining the 2020 Changes

5. ARRANGEMENT OF PROVISIONS RELATED TO COSTS

In Incoterms® 2020, all costs related to a sale are listed in the allocation of costs under each of the specific guidelines and under each relevant article to which they pertain.

By including these within both the guidelines and articles themselves, users can see a complete list in a single place and help both buyers and sellers minimize confusion.

6. CHANGING DAT TO DPU

Probably the most significant change for Incoterms® 2020 is changing DAT to DPU. DAT (Delivery at Terminal) has been changed to DPU (Delivered at Place Unloaded) to provide a broader understanding of where goods have been placed. While goods could still certainly be delivered to a terminal, not every place is referred to as a terminal.

DO COMPANIES HAVE TO CHANGE INCOTERMS® BY JANUARY 1ST?

Yes and no – while the ICC recommends any contracts entered into after September 2019 should adhere to Incoterms® 2020, it is more important for both parties to stipulate which set of Incoterms® rules applies to their agreement. If your partnership wants to continue using Incoterms® 2010 (or even 2000 standards), you are free to do so as long as both parties are on the same page and it is noted in the sales contract.

The most consequential change to standard forms for new contracts deal with the change between the DAT (Delivered at Terminal) designation to the new acronym DPU (Delivered at Place Unloaded). Be sure to contact all parties involved of the changes to your contract documentation.

Should arbitration or court proceedings take place, however, most officials expect to see Incoterms® 2020 for agreements made after January 1, 2020.

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Introduction to Incoterms® Rules
Knowing Your Incoterms® Rules

The Incoterms® rules selected on a sale can affect many aspects of the transaction. Aside from defining which party is responsible for certain parts of the journey of the goods, the selected Incoterms® rules can greatly affect the cost associated with the transportation of commodities. A business can see a change in the individual unit price of the goods, the total end cost of the transaction, and the payout on a claim under a marine cargo insurance policy depending on the terms specified in the sale.

HOW THESE RULES AFFECT MARINE CARGO INSURANCE

Marine cargo insurance can only legally pay on goods that the policy holder has an insurable interest in. If the Incoterms® rule specified on your sales contract says that the other person owns and is responsible for insuring the goods, then your marine cargo insurance policy cannot pay that claim.

Knowing your selected Incoterms® rule and using it correctly reduces the likelihood of disputes, misunderstandings, or hedging on either side. If an agreement of responsibilities is not in writing, it is harder to substantiate a claim on a marine cargo insurance policy.

Although many of the Incoterms® rules do not obligate either party to purchase insurance, they define who has insurable interest up to a certain point in the transfer of goods. However, there are two Incoterms rules that require one of the parties to provide insurance: CIF and CIP.

WHAT IS INSURABLE INTEREST?

An insurable interest is a stake in the value of an entity or event for which an insurance policy is purchased. Entities not subject to financial loss from an event do not have an insurable interest and cannot purchase an insurance policy to cover that event. Whether or not an entity stands to suffer a financial loss depends on who owns the goods, or 'bears the risk'.

The purpose of Incoterms® rules is to define responsibilities and insurable risk at certain points in the journey of the goods, this is typically the Incoterms® Identifier. Therefore, the term named on the sales document/contract defines who has insurable interest at what point of the transportation of goods and can greatly effect whether or not an insurance policy can pay a claim.

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INCOTERMS®

Definitions

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INCOTERMS® IDENTIFIER

CFR [named **Port** of Destination] Incoterms® 2020

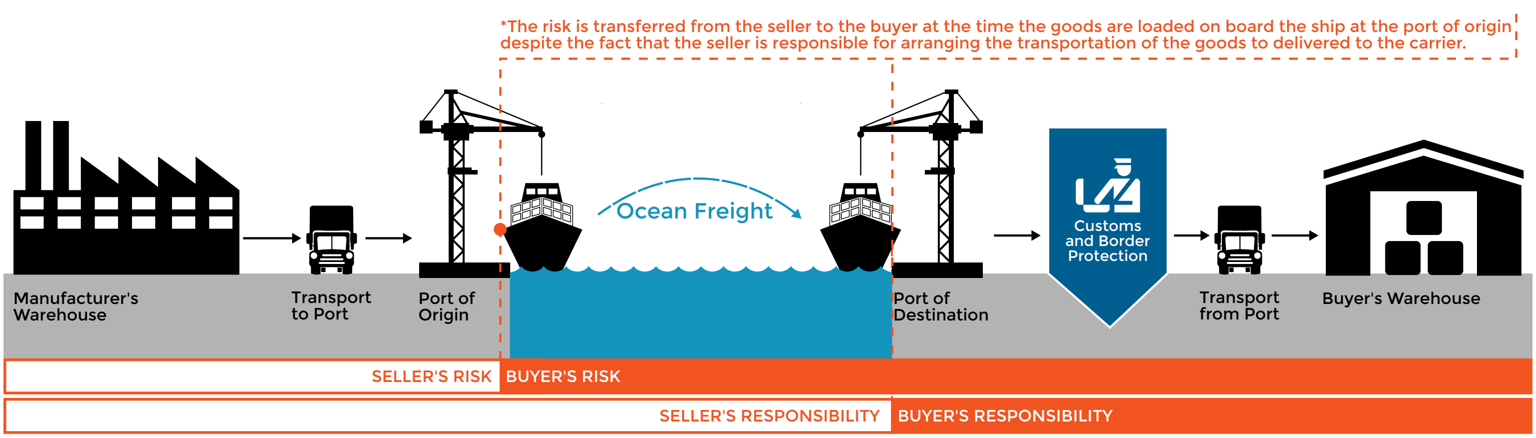
CFR
Cost And Freight

The CFR Incoterms® rule (Cost and Freight) is specific to shipping and states that the seller is responsible for delivering the goods to the port specified by the buyer and is responsible for the cost of transporting the goods to the destination port. However, the cost of insuring the goods throughout that journey is the responsibility of the buyer.

When this Incoterms® rule is used the risk is NOT transferred to the buyer at the same time as the cost. The risk is transferred from the seller to the buyer at the time the goods are loaded on board the ship at the port of origin despite the fact that the seller is responsible for arranging the transportation of the goods to the destination port.

"The seller delivers the goods on board the vessel or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel. the seller must contract for and pay the costs and freight necessary to bring the goods to the named port of destination."

*- Official ICC Definition**



SELLER'S RESPONSIBILITIES

Delivery of goods and documents required
Packaging and wrapping
Inland transport in the country of origin
Customs at origin
Exit charge
International freight

BUYER'S RESPONSIBILITIES

Payment of the goods
Insurance from risk transfer point
Arrival expenditures
Customs on arrival
Inland transport at the destination country
Payment of fees

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/

CIF [named **Port** of Destination] Incoterms® 2020

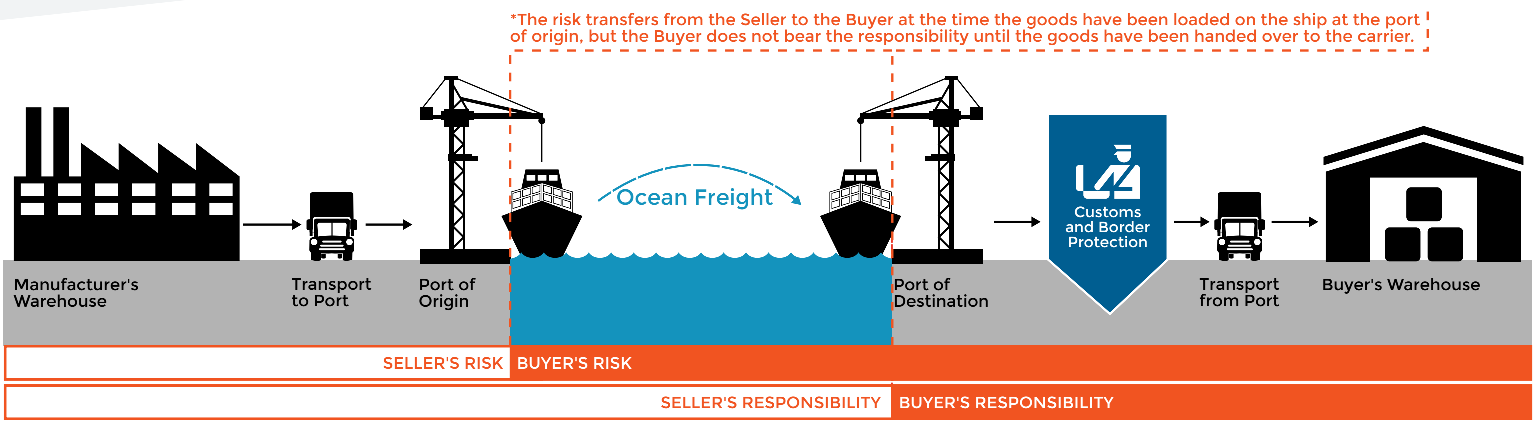
CIF
Cost, Insurance, Freight

The CIF (Cost, Insurance, Freight) Incoterms rule indicates that the seller is responsible for providing the cost and freight of bringing the goods to the port of destination specified by the buyer. Under these terms, the seller is also required to obtain insurance for the goods while they are in transit to the named port of destination. Once the goods arrive at the port of destination, the responsibility for the goods transfers over to the buyer and the seller's responsibilities under the contract are concluded.

Although CIF may seem like the easiest option for importers and often seems like the cheapest since the price quoted or invoiced by the seller includes insurance and all charges up to the named port of destination, it is important to understand the transfer of risk and how this effects each side of the transaction since the risk and cost transfer at different points.

"The seller delivers the goods on board the vessel or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel. The seller must contract for and pay the costs and freight necessary to bring the goods to the named port of destination"

*- Official ICC Definition**



SELLER'S RESPONSIBILITIES

Delivery of goods and documents required
Packaging and wrapping
Inland transport in the country of origin
Customs at origin
Exit charge
International freight
Purchasing insurance to the Buyers' benefit

BUYER'S RESPONSIBILITIES

Payment of the goods
Arrival expenditures
Customs on arrival
Inland transport at the destination country
Payment of fees

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwbo.org/

CIP [named **Place** of Destination] Incoterms® 2020

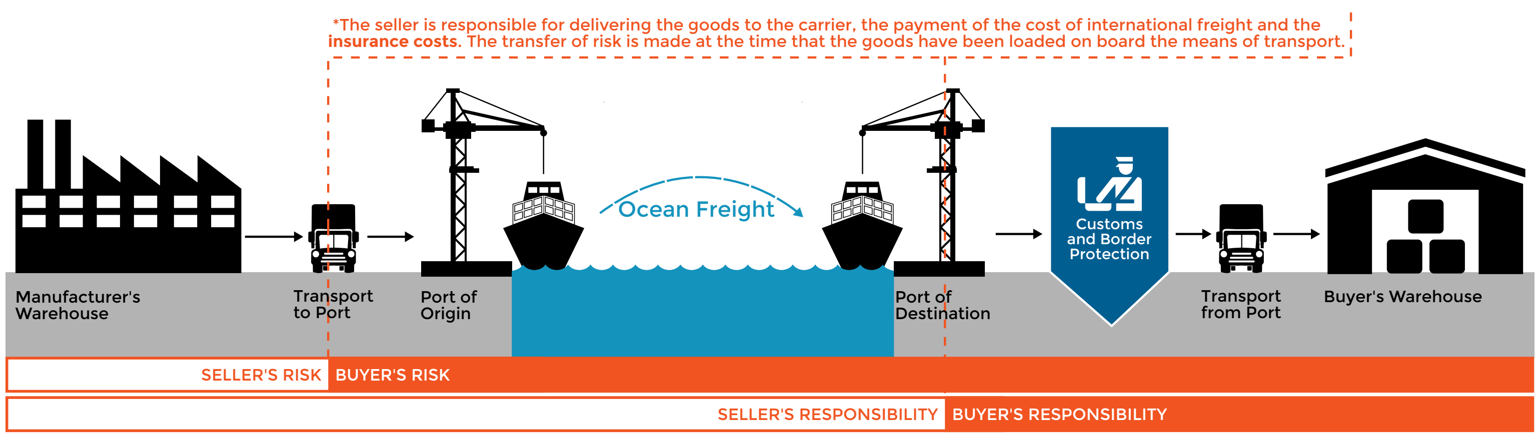
CIP
Carriage And Insurance Paid To

The CIP Incoterms® rule (Carriage and Insurance Paid to) states that the seller is responsible for bringing the goods to destination and for the payment of the cost of international freight as well as insurance costs. When using the CIP Incoterms® rule, the default transfer of risk is at the time that the goods have been delivered to the first carrier. It is important to specifically identify the place of delivery/risk transfer if it should be later i.e. ocean port.

"The seller delivers the goods to the carrier or another person nominated by the seller at an agreed place (if any such place is agreed between parties) and that the seller must contract for and pay the costs of carriage necessary to bring the goods to the named place of destination.

The seller also contracts for insurance cover against the buyer's risk of loss of or damage to the goods during the carriage. The buyer should note that under CIP the seller is required to obtain insurance only on minimum cover. Should the buyer wish to have more insurance protection, it will need either to agree as much expressly with the seller or to make its own extra insurance arrangements."

*- Official ICC Definition**



SELLER'S RESPONSIBILITIES

Delivery of goods and documents required
Packaging and wrapping
Inland transport in the country of origin
Customs at origin
Exit charge
International freight
Insurance from risk transfer point on buyer's behalf to place of destination

BUYER'S RESPONSIBILITIES

Payment of the goods
Arrival expenditures
Customs on arrival
Inland transport at the destination country
Payment of fees

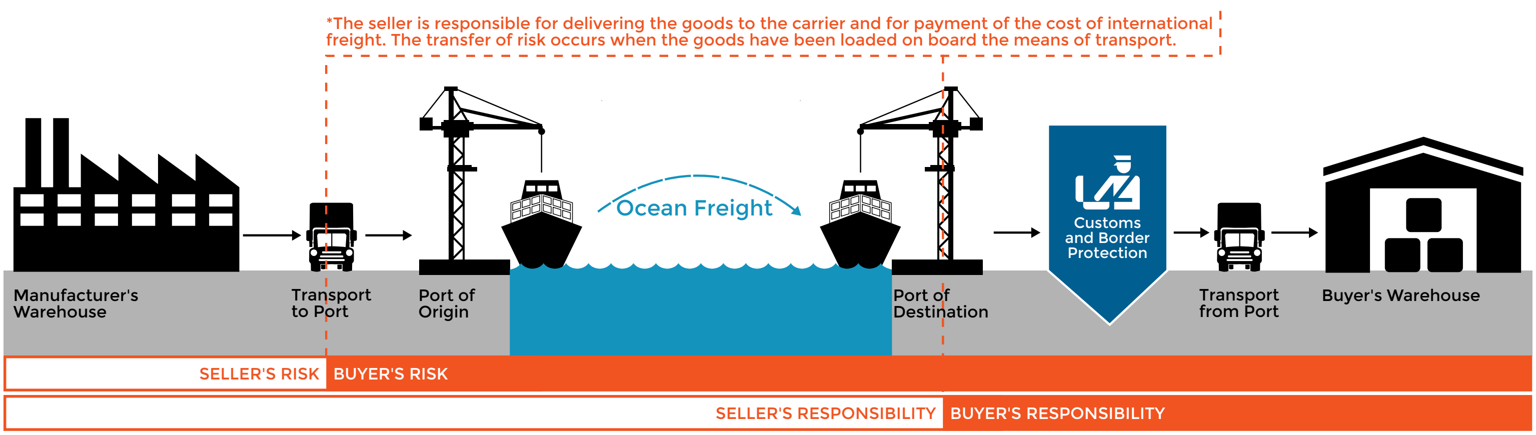
*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/

CPT [named **Place** of Destination] Incoterms® 2020

CPT
Carriage Paid To

The CPT Incoterms rule stands for Carriage Paid to and it states that the seller is responsible for bringing the goods to their destination and for payment of the cost of international freight. When using this Incoterms rule, the transfer of risk occurs when the goods have been loaded on board the means of transport. Unless specified otherwise in the contract of sale, the default transfer of risk is upon delivery to the first carrier contracted by the seller.

> ***"The seller delivers the goods to the carrier or another person nominated by the seller at an agreed place (if any such place is agreed between parties) and that the seller must contract for and pay the costs of carriage necessary to bring the goods to the named place of destination."***
>
> *- Official ICC Definition**



SELLER'S RESPONSIBILITIES

Delivery of goods and documents required
Packaging and wrapping
Inland transport in the country of origin
Customs at origin
Exit charge
International freight

BUYER'S RESPONSIBILITIES

Payment of the goods
Arrival expenditures
Customs on arrival
Inland transport at the destination country
Payment of fees
Insurance from point of risk transfer

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/

INCOTERMS® IDENTIFIER

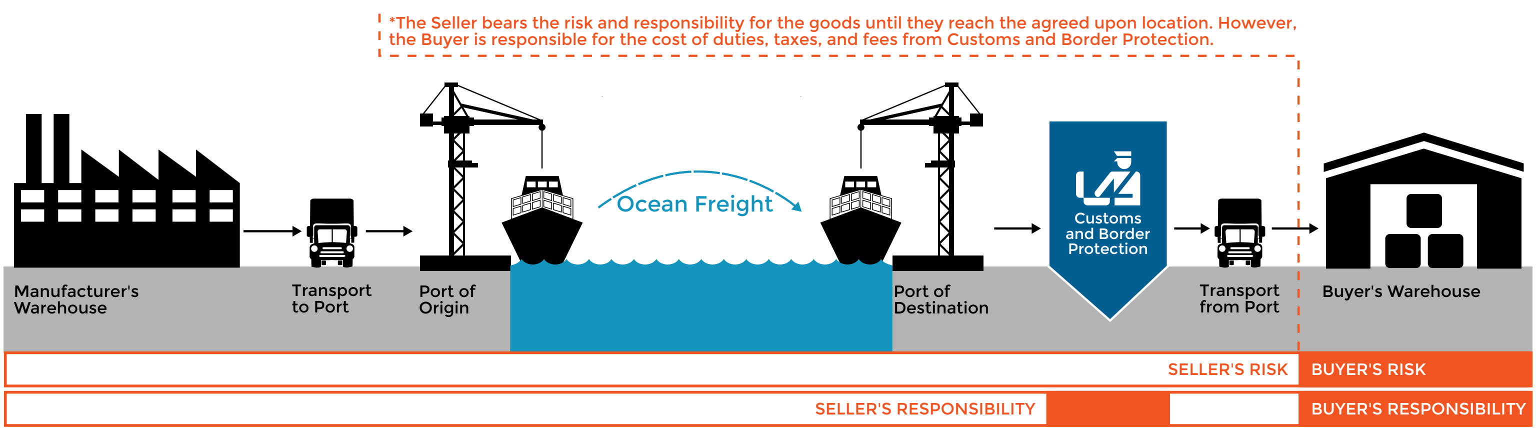
DAP [named **Place** of Destination] Incoterms® 2020

DAP
Delivered At Place

The DAP Incoterms® rule stands for Delivered At Place and it states that the seller must make the goods available to the buyer at the buyers chosen location. However, with this Incoterms® rule, the seller is not responsible for unloading the goods from the carrier at the destination. The seller is also not responsible for the cost of any duties, tariffs, or taxes from Customs that may apply during the delivery of the goods.

Therefore, the buyer is responsible for all the risk involved with processing the clearance of the imported goods with Customs.

> ***"The seller delivers when the goods are placed at the disposal of the buyer on the arriving means of transport ready for unloading at the named place of destination. The seller bears all risks involved in bringing the goods to the named place."***
>
> *- Official ICC Definition**



SELLER'S RESPONSIBILITIES

Delivery of goods and documents required
Packaging and wrapping
Inland transport in the country of origin
Customs at origin
Exit charge
International freight
Insurance to risk transfer point
Arrival expenditures
Inland transport at the destination country

BUYER'S RESPONSIBILITIES

Payment of the goods
Customs on arrival (depending on arrival location)
Payment of fees

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwbo.org/

DPU [named **Place** of Destination] Incoterms® 2020

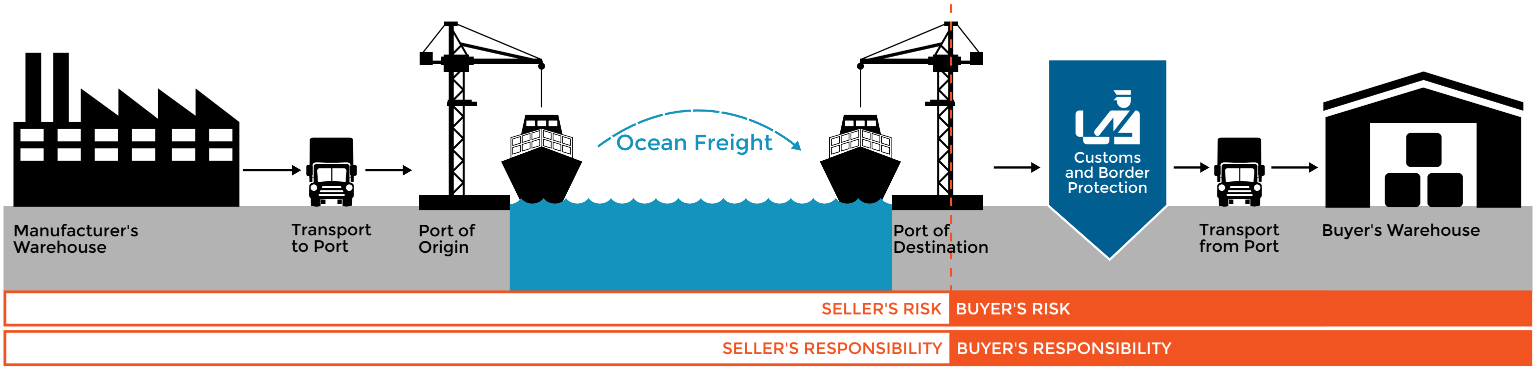
DPU
Delivered At Place Unloaded

The DPU Incoterms® rule stands for ‘Delivered at Place Unloaded’ and it states that the seller may make the goods available in the cargo terminal. Therefore, the seller must deliver the goods at the destination countries terminal, port or airport unloaded from the carrier but not yet cleared for import.

When using the DPU Incoterms® rule the seller is responsible for the cost and risk up until the point that the goods have been unloaded at the terminal and the buyer is responsible for processing the clearance of the imported goods and any duties, taxes, and other charges that may be added during the import process.

> ***“The seller delivers when the goods, once unloaded from the arriving means of transport, are placed at the disposal of the buyer at a named terminal at the named port or place of destination. “Place” includes a place, whether covered or not, such as a quay, warehouse, container yard or road, rail or air cargo terminal. The seller bears all risks involved in bringing the goods to and unloading them at the terminal at the named port or place of destination.”***
>
> *- Official ICC Definition**

*The seller is responsible for the cost and risk up until the goods have been unloaded at the terminal. The buyer is responsible for the clearance of the imported goods and any duties, taxes, and other charges that may be added during the import process.



SELLER’S RESPONSIBILITIES

Delivery of goods and documents required
Packaging and wrapping
Inland transport in the country of origin
Customs at origin
Exit charge
International freight
Insurable Interest
Arrival expenditures
Inland transport at the destination country

BUYER’S RESPONSIBILITIES

Payment of the goods
Customs on arrival (depending on arrival location)
Payment of fees

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwbo.org/

INCOTERMS® IDENTIFIER

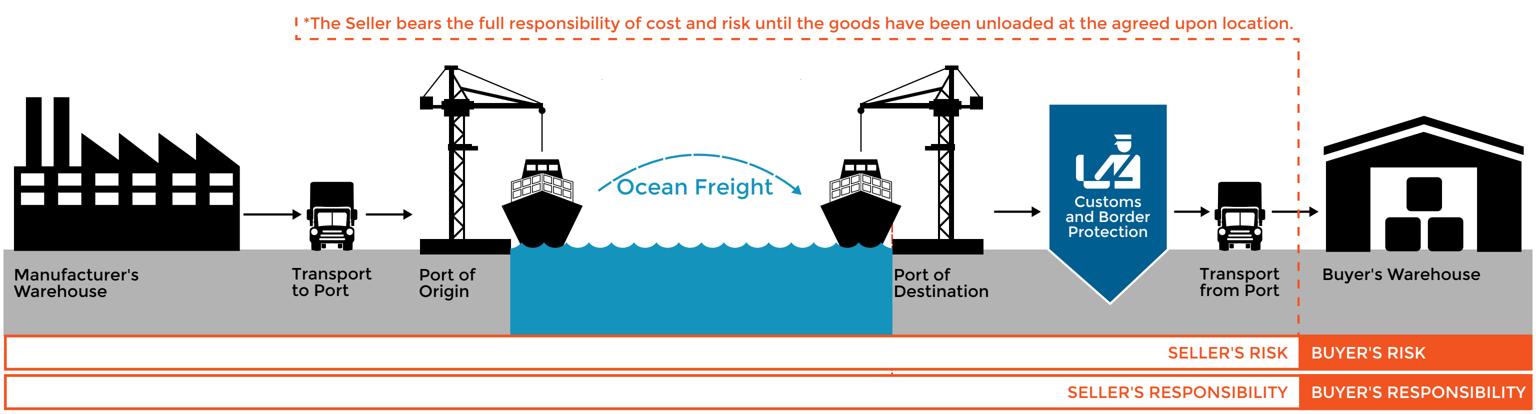
DDP [named **Place** of Destination] Incoterms® 2020

DDP
Delivered Duty Paid

The DDP Incoterms® rule stands for Delivered Duty Paid which states that the seller must make the goods available to the buyer at a prearranged location, typically the buyer's warehouse, factory, or office. The seller is to cover all expenses associated with getting the goods to the agreed upon location. This includes any expenses incurred when unloading the goods from the carrier and any procedure or tariff costs that may apply from Customs.

When using this Incoterms® rule, the seller bears the full responsibility of cost and risk until the goods have been unloaded at the agreed upon location. However, it does give the buyer full control over the mode and cost of the transportation used to deliver the goods. This term of sale represents maximum obligations for the seller.

> ***"The seller delivers the goods when the goods are placed at the disposal of the buyer, cleared for import on the arriving means of transport ready for unloading at the named place of destination. The seller bears all the costs and risks involved in bringing the goods to the place of destination and has an obligation to clear the goods not only for export but also for import, to pay any duty for both export and import and to carry out all customs formalities."***
>
> *- Official ICC Definition**



SELLER'S RESPONSIBILITIES

Inland transport at the destination country (depending on agreed location)
Delivery of goods and documents required
Inland transport in the country of origin
Insurance to risk transfer point
Packaging and wrapping
Customs at origin
Exit charge
International freight
Arrival expenditures
Customs on arrival
Payment of fees

BUYER'S RESPONSIBILITIES

Inland transport at the destination country (depending on agreed location)
Payment of the goods

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/

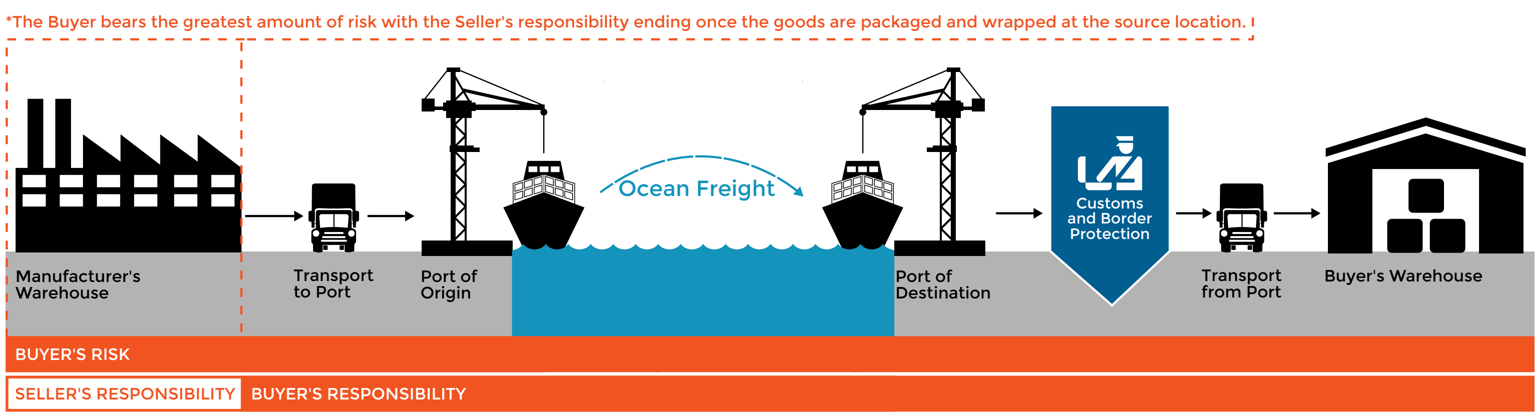
EXW [named **Place** of Delivery] Incoterms® 2020

EXW
Ex Works

The EXW (ExWorks) Incoterms® rule states that the seller must prepare the goods for collection at his premises to be collected by the buyer. This Incoterms® rule can be used regardless of the mode of transportation selected by the buyer. However, if the buyer is unable to directly (or indirectly) complete the import procedures associated with bringing goods into the destination country, ExWorks may not be the best choice.

This Incoterms® rule puts the greatest amount of risk on the buyer with very minimal obligation on the part of the seller. Although the responsibility of packaging and wrapping the goods lies with the seller, the responsibility of loading the goods at the source location on the buyer. However, this process has to be supervised and coordinated by the seller for logistical reasons leading to an ambiguous transfer of responsibility if an incident occurs during the loading process. To avoid this ambiguity, it is important to clearly define which party is responsible in the event an incident occurs.

> ***"The seller delivers when it places the goods at the disposal of the buyer at the seller's premises or at another named place (i.e.,works, factory, warehouse, etc.). The seller does not need to load the goods on any collecting vehicle, nor does it need to clear the goods for export, where such clearance is applicable."***
>
> *- Official ICC Definition**



SELLER'S RESPONSIBILITIES

Delivery of goods and documents required

Packaging and wrapping

BUYER'S RESPONSIBILITIES

Inland transportation in the country of origin

Inland transportation in the destination country

Insurance from place of delivery

Customs at place of origin

Payment of the goods

Arrival expenditures

Customs upon arrival

International freight

Payment of fees

Exit charge

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwbo.org/

INCOTERMS® IDENTIFIER

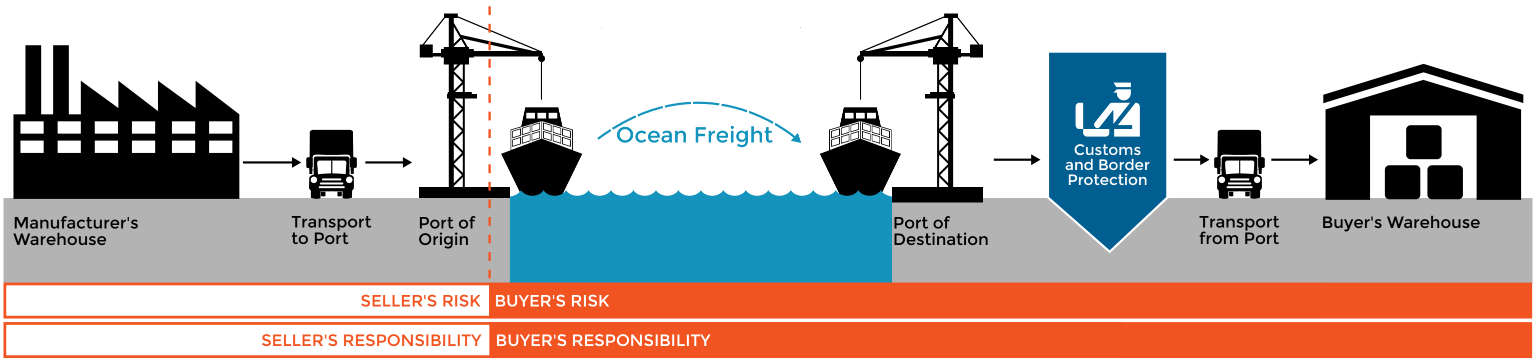
FAS [named **Port** of Shipment] Incoterms® 2020

FAS
Free Alongside Ship

The FAS Incoterms® rule stands for 'Free Alongside Ship' and it states that the seller must deliver the goods alongside the ship, at the port dock. When FAS is used, the seller is responsible for the cost and risk until the goods have been placed at the dock/ this includes clearing the goods for export. From that point the buyer takes of the responsibility for the cost and risk.

> ***"The seller delivers when the goods are placed alongside the vessel (e.g., on a quay or a barge) nominated by the buyer at the named port of shipment. The risk of loss of or damage to the goods passes when the goods are alongside the ship, and the buyer bears all costs from that moment onwards."***
>
> *- Official ICC Definition**

*The seller is responsible for the cost and risk until the goods have been placed at the dock, this **includes clearing the goods for export.** From that point the buyer takes of the responsibility for the cost and risk.



SELLER'S RESPONSIBILITIES

Delivery of goods and documents required

Packaging and wrapping

Inland transport in the country of origin

Customs at origin

BUYER'S RESPONSIBILITIES

Cost of the goods

Exit charge

International freight

Insurance from port of shipment

Arrival expenditures

Customs on arrival

Inland transport at the destination country

Payment of fees

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/

INCOTERMS® IDENTIFIER

FCA [named **Place** of Delivery] Incoterms® 2020

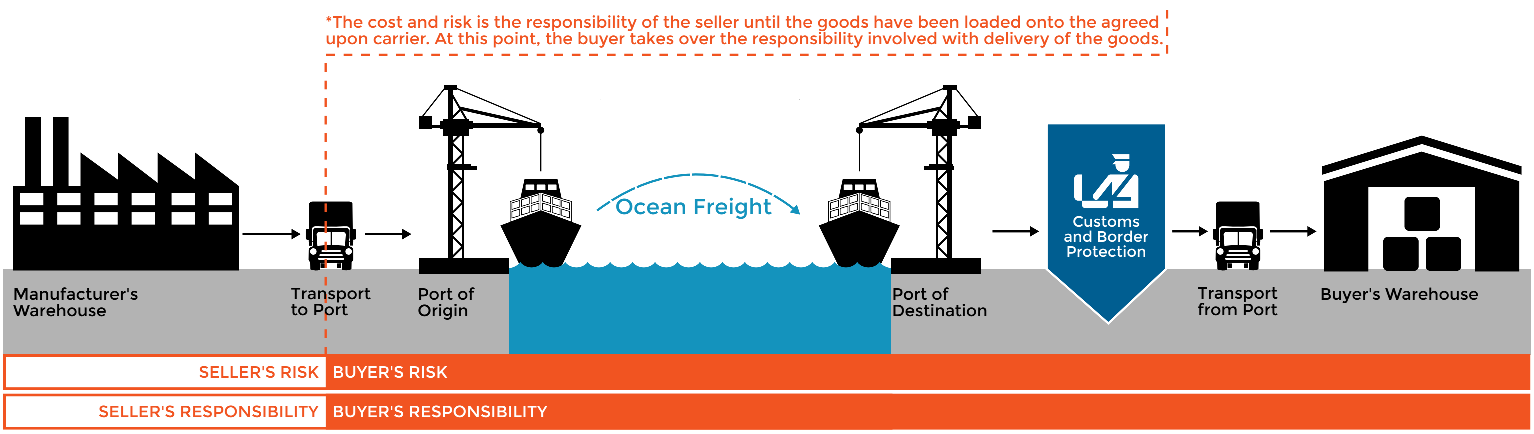
FCA
Free Carrier

The FCA, or Free Carrier, Incoterms® rule states that the seller must deliver the goods, ready for export, to the buyer's chosen carrier at an agreed upon location. This location is specified in the sales contract and can be a particular port or a carrier's hub.

When FCA is used, the cost and risk is the responsibility of the seller until the goods have been delivered to the agreed upon carrier. At this point, the buyer takes over the responsibility involved with transport of the goods.

"The seller delivers the goods to the carrier or another person nominated by the buyer at the seller's premises or another named place. The parties are well advised to specify as clearly as possible the point within the named place of delivery, as the risk passes to the buyer at that point."

*- Official ICC Definition**



SELLER'S RESPONSIBILITIES

Delivery of goods and documents required

Packaging and wrapping

Inland transportation in the country of origin

Customs at origin

Exit charge

BUYER'S RESPONSIBILITIES

Cost of the goods

International freight

Insurance from place of delivery

Arrival expenditures

Customs upon arrival

Inland transportation in the destination country

Payment of fees

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/

INCOTERMS® IDENTIFIER

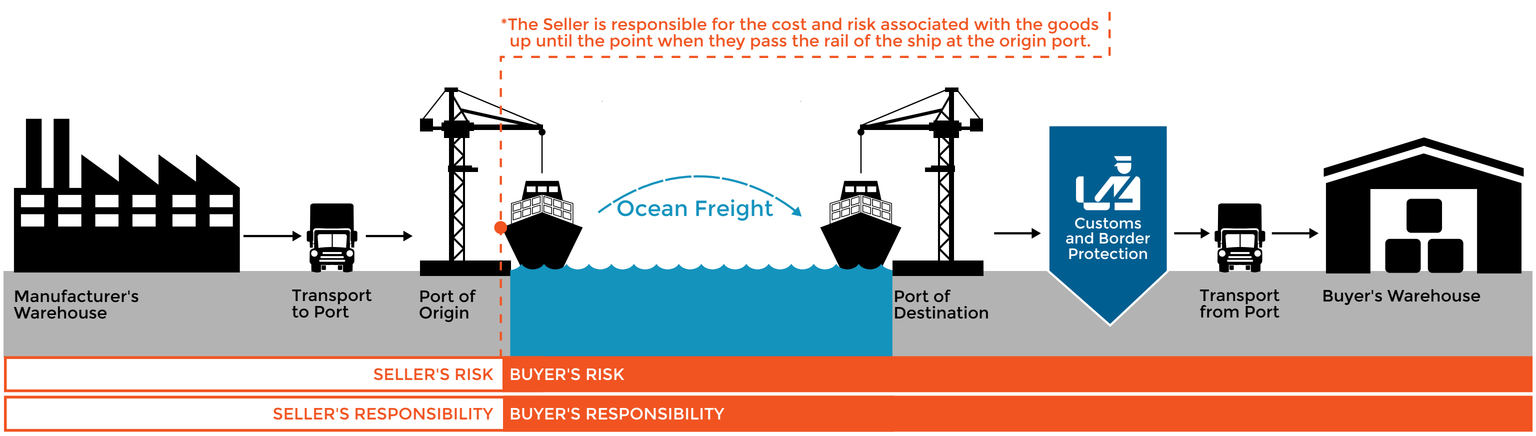
FOB [named **Port** of Shipment] Incoterms® 2020

FOB
Freight On Board

The FOB Incoterms® rules stands for Freight on Board and it is only applicable to shipping via an ocean vessel. FOB states that the seller must load the goods onto vessel chosen by the buyer. The seller is responsible for the cost and risk associated with the goods up until the point when they pass the rail of the ship at the origin port.

"The seller delivers the goods on board the vessel nominated by the buyer at the named port of shipment or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel, and the buyer bears all costs from that moment onwards."

*- Official ICC Definition**



SELLER'S RESPONSIBILITIES

Delivery of goods and documents required
Packaging and wrapping
Inland transportation in the country of origin
Customs at origin
Exit charge

BUYER'S RESPONSIBILITIES

Cost of the goods
International freight
Insurance from loading in named port
Arrival expenditures
Customs upon arrival
Inland transportation in the destination country
Payment of fees

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/

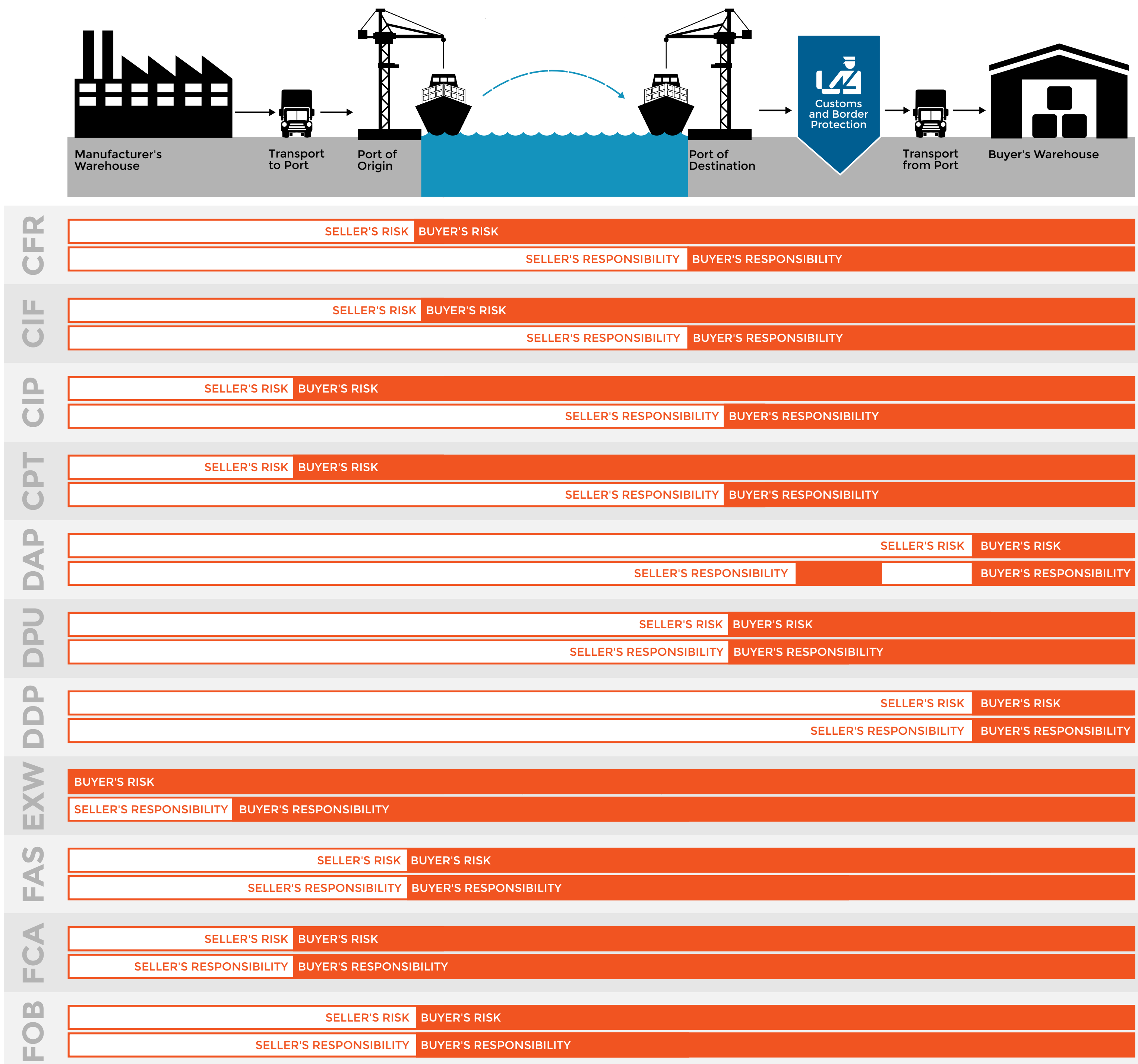
INCOTERMS®

Comparisons

For a full guide describing the details of each of the Incoterms® rules, visit the official ICC website at http://store.iccwwbo.org/

Incoterms® Rules Comparisons
Import Process Comparison

Comparing where the risk and responsibilty transfers in each of the defined terms of sale can help identify the differences and aid in selecting the correct one for your business practices.



*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/

Incoterms® Rules Comparisons
Responsibility Chart

S/B Indicates the responsible party for arranging and/or paying for a responsibility must be defined within the individual contract.

		Any Mode of Transport							Water Vessals Only			
		DAP	DPU	DDP	CIP	CPT	FCA	EXW	CIF	CFR	FAS	FOB
PACKAGING FOR EXPORT	Arrange	S	S	S	S	S	S	S	S	S	S	S
	Pay	S	S	S	S	S	S	S	S	S	S	S
TRANSIT INSURANCE*	Arrange	S	S	S	S	B	B	B	S	B	B	B
	Pay	S	S	S	S	B	B	B	S	B	B	B
EXPORT CLEARANCE LICENSES & AUTHORIZATIONS	Arrange	S	S	S	S	S	S	B	S	S	S	S
	Pay	S	S	S	S	S	S	B	S	S	S	S
EXPORT FEES	Arrange	S	S	S	S	S	S	B	S	S	S	S
	Pay	S	S	S	S	S	S	B	S	S	S	S
MAIN CARRIER FREIGHT	Arrange	S	S	S	S	S	B	B	S	S	B	B
	Pay	S	S	S	S	S	B	B	S	S	B	B
INLAND FREIGHT TO MAIN CARRIER	Arrange	S	S	S	S	S	S/B	B	S	S	S	S
	Pay	S	S	S	S	S	S/B	B	S	S	S	S
LOAD INLAND FREIGHT	Arrange	S	S	S	S	S	S	B	S	S	S	S
	Pay	S	S	S	S	S	S	B	S	S	S	S
ORIGIN TERMINAL FEES	Arrange	S	S	S	S	S	B	B	S	S	B	S
	Pay	S	S	S	S	S	B	B	S	S	B	S
LOAD MAIN CARRIER	Arrange	S	S	S	S	S	B	B	S	S	B	S
	Pay	S	S	S	S	S	B	B	S	S	B	S
STOW MAIN CARRIER	Arrange	S	S	S	B	B	B	B	B	B	B	B
	Pay	S	S	S	B	B	B	B	B	B	B	B
UNLOAD MAIN CARRIER	Arrange	S	S	S	B	B	B	B	B	B	B	B
	Pay	S	S	S	B	B	B	B	B	B	B	B
DESTINATION TERMINAL FEES	Arrange	S	S/B	S	B	B	B	B	S/B	S/B	B	B
	Pay	S	S/B	S	B	B	B	B	S/B	S/B	B	B
IMPORT FEES, DUTIES, & TAXES	Arrange	B	B	S	B	B	B	B	B	B	B	B
	Pay	B	B	S	B	B	B	B	B	B	B	B
IMPORT CLEARANCE LICENSES & AUTHORIZATIONS	Arrange	B	B	S	B	B	B	B	B	B	B	B
	Pay	B	B	S	B	B	B	B	B	B	B	B
INLAND FREIGHT TO FINAL DESTINATION	Arrange	S	B	S	B	S/B	B	B	B	B	B	B
	Pay	S/B	B	S	S/B	S/B	B	B	B	B	B	B
UNLOAD INLAND FREIGHT	Arrange	B	B	B	B	B	B	B	B	B	B	B
	Pay	B	B	B	B	B	B	B	B	B	B	B

*Except for CIF and CIP (which require the purchase of Insurance), this chart only indicates the insurable interest for the buyer seller during the transit of goods.

*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/

ABOUT

Trade Risk Guaranty

For a full guide describing the details of each of the Incoterms® rules, visit the official ICC website at http://store.iccwwbo.org/

ABOUT TRADE RISK GUARANTY

Trade Risk Guaranty (TRG) is an international surety agency providing Customs bonds, marine cargo insurance, and other trade-related products direct to companies that import into the United States. Current managing partner, John Michel, founded TRG in 1991 and, through his experience, he realized that certain products and services that were traditionally provided by Customs brokers could be provided directly from the insurance agency, resulting in lower prices and higher levels of expert customer service.

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*Source: ICC Website. The full text of the 2020 edition of the Incoterms rules is available at http://store.iccwwbo.org/