

CFR

Cost and Freight (CFR) means that the seller must pay the costs and freight in order to transport the goods to the port of destination in question, but the risk of the loss of or damage to the goods, as well as any additional costs as a result of events after the goods are delivered onboard the vessel, transfers from the seller to the buyer when the goods pass the ship's railing in the shipping port. The term CFR obliges the seller to clear the goods. This term can only be used for transport by sea and inland shipping traffic.

CIF

Cost, Insurance and Freight (CIF) means that the seller has the same obligations as those under CFR. The seller must pay the costs and freight in order to transport the goods to the port of destination in question, but the risk of the loss of or damage to the goods, as well as any additional costs as a result of events after the goods are delivered onboard the vessel, transfers from the seller to the buyer when the goods pass the ship's railing in the shipping port. An additional obligation is that the seller must take out insurance for transport by sea, which covers the buyers risk of loss of or damage to the goods during transport. The seller takes out an insurance contract and pays the insurance premium. The buyer must be aware of the fact that the CIF delivery condition only obliges the seller to take out insurance with minimum cover. The term CIF obliges the seller to clear the goods. This term can only be used for transport by sea and inland shipping traffic. This Incoterm is often applied in practice, as it is an extremely efficient way of distributing the costs and risks between the different parties

CIP

Carriage and Insurance Paid to (CIP) means that the seller has the same obligations as those under CPT. That means the seller pays the freight rate for the transport of the goods to the designated destination. The risk of the loss of or damage to the goods, as well as any additional costs as a result of events after the goods are delivered to the carrier, transfers from the seller to the buyer when the goods are transferred to the first carrier. An additional obligation is that the seller must take out freight insurance, which covers the buyers risk of loss of or damage to the goods during transport. The seller takes out an insurance contract and pays the insurance premium. The buyer must be aware of the fact that CIP only obliges the seller to take out insurance with minimum cover. The term CIP obliges the seller to clear the goods.

CPT

Carriage Paid to (CPT) means that the seller pays the freight rate for the transport of the goods to the designated destination. The risk of the loss of or damage to the goods, as well as any additional costs as a result of events after the goods are delivered to the carrier, transfers from the seller to the buyer when the goods are transferred to the first carrier. If successive carriers are used for the transport to the agreed destination, the risk transfers when the goods have been delivered to the first carrier. The term CPT obliges the seller to clear the goods. This term can be used for any method of transport, including multi-standard transport.

DAP

Delivered at Place, applies to any mode of transport. The vendor delivers at the agreed place of destination and takes all risks till destination and takes care of the export Custom Clearance. The consignee is responsible for the discharging of the goods and for the import Custom clearance.

DAT

Delivered at Terminal, applies for any mode of transport. The vendor delivers in the agreed terminal in said port or place of destination. The seller takes all risks till delivery into the terminal and is responsible for unloading the goods and export Custom Clearance. The consignee is responsible for Custom Clearance at imports. Terminal: every place such as the wharf, warehouse, container-, road-, rail- or air terminal.

DDP

Delivered Duty Paid (DDP) means that the seller fulfils his delivery obligation when the goods have been delivered at the designated location in the importing country. The seller bears the risks and costs, including duties, taxes and other levies in connection with the local delivery of the cleared goods. While the EXW term refers to the minimum obligations of the seller, the DDP condition refers to his maximum obligation. If the parties want the buyer to clear the goods and pay the duties, DDU must be applied. If the parties wish to exclude some of the costs payable for the import of goods (such as value added tax (VAT)) from the seller's obligations, this must be made perfectly clear by using words to that effect: delivered duty paid, excluding VAT, etc. (designated destination). The seller has maximum obligations in this case: the transfer of risks and costs occurs upon delivery to the buyer, and he also guarantees the unloading of the goods, unless stipulated otherwise.

EXW

EX Works (EXW). The seller supplies the goods by making them available to the buyer at his business premises (workshop, storage facility, depot, factory, etc.). Under this Incoterm, the seller has the least responsibility. He arranges goods with an invoice (or EDI message) and minimum packaging. The buyer is liable for the loading or clearance (the procedures with Customs). In practice, the seller has more experience with the goods when it comes to the expert loading thereof, while the carrier has experience with his vehicle. The seller therefore supervises the goods and is responsible for the loading of goods onto the buyers vehicle, on the condition that the terms and conditions stipulate EXW Loaded. The buyer remains responsible for all costs and risks attached to the transport from the sellers business premises to the final destination.

FAS

Free Along side Ship (FAS). The seller arranges goods with invoice, packaging and costs up to alongside the (sea-going or inland navigation) vessel, plus any export licences at the request, costs and risks of the

buyer. The seller delivers the goods in the designated transit port, alongside the (sea-going or inland navigation) vessel, placed on the quay or lighters, with the buyer being obliged to clear the goods.

FCA

Free Carrier (FCA). The seller arranges goods with invoice, packaging, export licence, customs formalities when exporting and costs up to delivery of the goods to the carrier (the transport company), as stipulated by the buyer and in accordance with the mode of transport. The seller delivers the cleared goods and transfers them to the carrier appointed by the buyer, in the location or place agreed on. If no exact place has been agreed on, the seller may select where within the stipulated location or area liability is transferred.

FOB

Free On Board. The seller arranges goods with invoice, packaging, export licence, customs formalities for export (clearance, etc.) and costs over the ship's railing. Once the goods have passed the ship's railing in the designated transit port, the buyer bears all costs and risks of loss of or damage to the goods. This means that the seller fulfils his delivery obligation when the goods have passed the ship's railing in the designated transit port. From this point onwards, the buyer bears all costs and risks of loss of or damage to the goods.