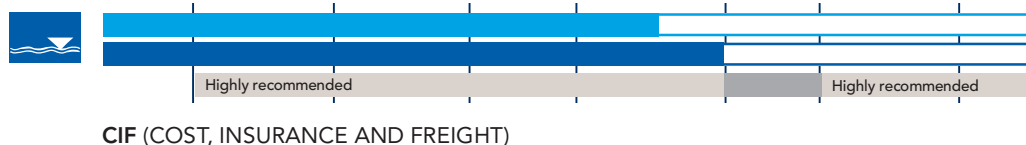
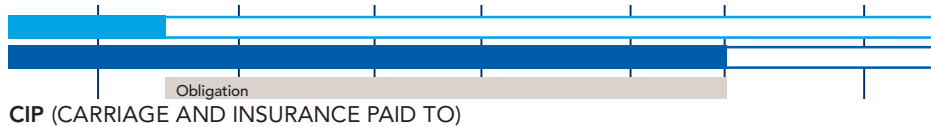
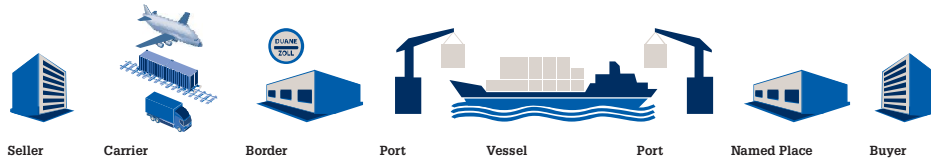


# Where insurance, risks, and costs are transferred according to the new Incoterms® 2010



 Risk borne by seller	 Risk is borne by buyer
 Costs borne by seller	 Costs are borne by buyer
 Seller is obliged to insure transport	 Clauses for water transport (sea and inland waterway)

## INCOTERMS 2010

On January 1<sup>st</sup>, 2010, Incoterms® 2000 (6<sup>th</sup> revision) were replaced by Incoterms® 2010 (7<sup>th</sup> revision). With this new, complete revision of the Incoterms®, a set of delivery terms that is accepted worldwide, the International Chamber of Commerce, ICC, headquartered in Paris, France, aims at keeping abreast with the present developments in trading practices and in transportation.

### The facts at a glance:

- **Eleven instead of thirteen rules**

The Incoterms® 2010 rules now have been reduced from thirteen to eleven. Four clauses have been cancelled (DAF, DES, DEQ, and DDU), two new rules that can be applied irrespective of the mode(s) of transport have been formulated instead: DAP (Delivered At Place) and DAT (Delivered at Terminal).

- **New use: national and international**

Whereas all previous versions of the Incoterms® applied only to international goods transports, the ICC declared that the Incoterms® 2010 are to be used both as national and international trading rules.

- **Two distinct classes of Incoterms® 2010 rules**

The eleven Incoterms® rules are classified as follows: Seven terms that can be used irrespective of the mode of transport selected and irrespective of whether one or more than one mode of transport is employed:

EXW, FCA, CPT, CIP, DAP, DAT, DDP

and four terms for sea or inland waterway transport:

FAS, FOB, CFR, CIF.

- **New regulation of transfer of costs and risks with FOB, CFR, and CIF**

With the FOB, CFR, and CIF clauses, the transfer of costs and risks has been newly defined. So far, when these three rules applied, risk transfer occurred at the ship's rail. With Incoterms® 2010, the risk transfer now occurs after the goods have been loaded on board the vessel.

Seller's obligations											
	EXW	FCA	CPT	CIP	DAP	DAT	DDP	FAS	FOB	CFR	CIF
Insurance	no	no	no	yes	yes	yes	yes	no	no	no	yes
Export duty	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Loading onto truck	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Transport to port of export	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Unloading truck at port of export	no	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Loading charges at port of export	no	no	yes	yes	yes	yes	yes	no	yes	yes	yes
Transport to port of import	no	no	yes	yes	yes	yes	yes	no	no	yes	yes
Unloading charges at port of import	no	no	yes	yes	yes	yes	yes	no	no	no	no
Loading onto truck at port of import	no	no	yes	yes	yes	no	yes	no	no	no	no
Transport to named place	no	no	yes	yes	yes	no	yes	no	no	no	no
Import duty	no	no	no	no	no	no	yes	no	no	no	no
Import taxes	no	no	no	no	no	no	yes	no	no	no	no