**INCOTERMS 2010: ICC OFFICIAL RULES FOR THE INTERPRETATION OF TRADE TERMS**



**FAS**

**FOB**

**CFR**

**CIF**

**EXW**

**FCA**

**CPT**

**CIP**

**DAT**

**DAP**

**DDP**

# EXW - EX Works ( ... named place)

«Ex works» means that the seller delivers when he places the goods at the disposal of the buyer at the seller's premises or another named place (i.e. works, factory, warehouse, etc.) not cleared for export and not loaded on any collecting vehicle.

This term thus represents the minimum obligation for the seller, and the buyer has to bear all costs and risks involved in taking the goods from the seller's premises However, if the parties wish the seller to be responsible for the loading of the goods on departure and to bear the risks and all the costs of such loading, this should be made clear by adding explicit wording to this effect in the contract of sale (Refer to Introduction paragraph 11.) .This term should not be used when the buyer cannot carry out the export formalities directly or indirectly. In such circumstances, the [FCA](https://www.searates.com/reference/incoterms/fca/) term should be used, provided the seller agrees that he will load at his cost and risk.

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| **A. THE SELLER'S OBLIGATIONS** | **B. THE BUYER'S OBLIGATIONS** |
| **A1 Provision of goods in conformity with the contract** The seller must provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract. | **B1 Payment of the price**  The buyer must pay the price as provided in the contract of sale. |
| **A2 Licences, authorisations and formalities** The seller must render the buyer, at the latter's request, risk and expense, every assistance in obtaining, where applicable, (Refer to Introduction paragraph 14.), any export licence or other official authorisation necessary for the export of the goods. | **B2 Licences, authorisations and formalities** The buyer must obtain at his own risk and expense any export and import licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14.) , all customs formalities for the export of the goods. |
| **A3 Contracts of carriage and insurance** Contract of carriage No obligation(Refer to Introduction paragraph 10).   * Contract of insurance No obligation(Refer to Introduction paragraph 10) | **B3 Contracts of carriage and insurance** Contract of carriage No obligation(Refer to Introduction paragraph 10).   * Contract of insurance No obligation(Refer to Introduction paragraph 10). |
| **A4 Delivery** The seller must place the goods at the disposal of the buyer at the named place of delivery, not loaded on any collecting vehicle, on the date or within the period agreed or, if no such time is agreed, at the usual time for delivery of such goods. If no specific point has been agreed within the named place, and if there are several points available, the seller may select the point at the place of delivery which best suits his purpose. | **B4 Taking delivery** The buyer must take delivery of the goods when they have been delivered in accordance with A4 and A7/B7. |
| **A5 Transfer of risks** The seller must, subject to the provisions of B5, bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A4. | **B5 Transfer of risks** The buyer must bear all risks of loss of or damage to the goods   * from the time they have been delivered in accordance with A4; and * from the agreed date or the expiry date of any period fixed for taking delivery which arise because he fails to give notice in accordance with B7, provided, however, that the goods have been duly appropriated to the contract, that is to say clearly set aside or otherwise identified as the contract goods. |
| **A6 Division of costs**   The seller must, subject to the provisions of B6, pay all costs relating to the goods until such time as they have been delivered in accordance with A4. 4. | **B6 Division of costs** The buyer must pay   * all costs relating to the goods from the time they have been delivered in accordance with A4; and * any additional costs incurred by failing either to take delivery of the goods when they have been placed at his disposal, or to give appropriate notice in accordance with B7 provided, however, that the goods have been duly appropriated to the contract, that is to sa, y, clearly set aside or otherwise identified as the contract goods; and * where applicable (Refer to Introduction paragraph 10), all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon export.   The buyer must reimburse all costs and charges incurred by the seller in rendering assistance in accordance with A2. |
| **A7 Notice to the buyer** The seller must give the buyer sufficient notice as to when and where the goods will be placed at his disposal. | **B7 Notice to the seller** The buyer must, whenever he is entitled to determine the time within an agreed period and/or the place of taking delivery, give the seller sufficient notice thereof. |
| **A8 Proof of delivery, transport document or equivalent electronic message** No obligation (Refer to Introduction paragraph 10) | **B8 Proof of delivery, transport document or equivalent electronic message** The buyer must provide the seller with appropriate evidence of having taken delivery. |
| **A9 Checking - packaging - marking** The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of placing the goods at the buyer's disposal. The seller must provide at his own expense packaging (unless it is usual for the particular trade to make the goods of the contract description available unpacked) which is required for the transport of the goods, to the extent that the circumstances relating to the transport (for example modalities, destination) are made known to the seller before the contract of sale is concluded. Packaging is to be marked appropriately. | **B9 Inspection of goods** The buyer must pay the costs of any pre-shipment inspection, including inspection mandated by the authorities of the country of export. |
| **A10 Other obligations')?>**  The seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages issued or transmitted in the country of delivery and/or of origin which the buyer may require for the export and/or import of the goods and, where necessary, for their transit through any country. The seller must provide the buyer, upon request, with the necessary information for procuring insurance. | **B10 Other obligations**  The buyer must pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A10 and reimburse those incurred by the seller in rendering his assistance in accordance therewith. |

FCA - Free Carrier (...named place)

«Free Carrier» means that the seller delivers the goods, cleared for export, to the carrier nominated by the buyer at the named place. It should be noted that the chosen place of delivery has an impact on the obligations of loading and unloading the goods at that place. If delivery occurs at the seller's premises, the seller is responsible for loading. If delivery occurs at any other place, the seller is not responsible for unloading.

This term may be used irrespective of the mode of transport, including multimodal transport.

«Carrier» means any person who, in a contract of carriage, undertakes to perform or to procure the performance of transport by rail, road, air, sea, inland waterway or by a combination of such modes.

If the buyer nominates a person other than a carrier to receive the goods, the seller is deemed to have fulfilled his obligation to deliver the goods when they are delivered to that person.

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| **A. THE SELLER'S OBLIGATIONS** | **B. THE BUYER'S OBLIGATIONS** |
| **A1 Provision of goods in conformity with the contract**  The seller must provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract. | **B1 Payment of the price**  The buyer must pay the price as provided in the contract of sale. |
| **A2 Payment of the price**  The buyer must pay the price as provided in the contract of sale. | **B2 Licences, authorisations and formalities**  The buyer must obtain at his own risk and expense any import licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14), all customs formalities for the import of the goods and for their transit through any country. |
| **A3 Contracts of carriage and insurance**   * Contract of carriage No obligation (Refer to Introduction paragraph 10 ). However, if requested by the buyer or if it the seller may contract for carriage on usual terms at the buyer's risk and expense. In either case, the seller may decline to make the contract and, if he does, shall promptly notify the buyer accordingly. * Contract of insurance No obligation (Refer to Introduction paragraph 10 ) | **B3 Contracts of carriage and insurance**   * Contract of carriage The buyer must contract at his own expense for the carriage of the goods from the named place, except when the contract of carriage is made by the seller as provided for in A3 a). * Contract of insurance No obligation (Refer to Introduction paragraph 10 ). |
| **A4 Delivery**  The seller must deliver the goods to the carrier or another person nominated by the buyer, or chosen by the seller in accordance with A3 a), at the named place on the date or within the period agreed for delivery. Delivery is completed;   * If the named place is the seller's premises, when the goods have been loaded on the means of transport provided by the carrier nominated by the buyer or another person acting on his behalf. * If the named place is anywhere other than a), when the goods are placed at the disposal of the carrier or another person nominated by the buyer, or chosen by the seller in accordance with A3 a) on the seller's means of transport not unloaded.   If no specific point has been agreed within the named place, and if there are several points available, the seller may select the point at the place of delivery which best suits his purpose. Failing precise instructions from the buyer, the seller may deliver the goods for carriage in such a manner as the transport mode and/or the quantity and/or nature of the goods may require. | **B4 Taking delivery**  The buyer must take delivery of the goods when they have been delivered in accordance with A4. |
| **A5 Transfer of risks**  The seller must, subject to the provisions of B5, bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A4. | **B5 Transfer of risks**  The buyer must bear all risks of loss of or damage to the goods   * from the time they have been delivered in accordance with A4; and * from the agreed date or the expiry date of any agreed period for delivery which arise either because he fails to nominate the carrier or another person in accordance with A4, or because the carrier or the party nominated by the buyer fails to take the goods into his charge at the agreed time, or because the buyer fails to give appropriate notice in accordance with B7, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods. |
| **A6 Division of costs**  The seller must, subject to the provisions of B6, pay   * all costs relating to the goods until such time as they have been delivered in accordance with A4; and * where applicable (Refer to Introduction paragraph 14 ), the costs of customs formalities as well as all duties, taxes, and other charges payable upon export. | **B6 Division of costs**  The buyer must pay   * all costs relating to the goods from the time they have been delivered in accordance with A4; and * any additional costs incurred, either because he fails to nominate the carrier or another person in accordance with A4 or because the party nominated by the buyer fails to take the goods into his charge at the agreed time, or because he has failed to give appropriate notice in accordance with B7, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods; and * where applicable (Refer to Introduction paragraph 14), all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon import of the goods and for their transit through any country. |
| **A7 Notice to the buyer**  The seller must give the buyer sufficient notice that the goods have been delivered in accordance with A4. Should the carrier fail to take delivery in accordance with A4 at the time agreed, the seller must notify the buyer accordingly. | **B7 Notice to the seller**  The buyer must give the seller sufficient notice of the name of the party designated in A4 and, where necessary, specify the mode of transport, as well as the date or period for delivering the goods to him and, as the case may be, the point within the place where the goods should be delivered to that party. |
| **A8 Proof of delivery, transport document or equivalent electronic message**  The seller must provide the buyer at the seller's expense with the usual proof of delivery of the goods in accordance with A4. Unless the document referred to in the preceding paragraph is the transport document, the seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining a transport document for the contract of carriage (for example a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, an air waybill, a railway consignment note, a road consignment note, or a multimodal transport document). When the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message. | **B8 Proof of delivery, transport document or equivalent electronic message**  The buyer must accept the proof of delivery in accordance with A8. |
| **A9 Checking - packaging - marking**  The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A4. The seller must provide at his own expense packaging (unless it is usual for the particular trade to send the goods of the contract description unpacked) which is required for the transport of the goods, to the extent that the circumstances relating to the transport (for example modalities, destination) are made known to the seller before the contract of sale is concluded. Packaging is to be marked appropriately. | **B9 Inspection of goods**  The buyer must pay the costs of any pre-shipment inspection except when such inspection is mandated by the authorities of the country of export. |
| **A10 Other obligations**  The seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A8) issued or transmitted in the country of delivery and/or of origin which the buyer may require for the import of the goods and, where necessary, for their transit through any country. The seller must provide the buyer, upon request, with the necessary information for procuring insurance. | **B10 Other obligations**  The buyer must pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A10 and reimburse those incurred by the seller in rendering his assistance in accordance therewith and in contracting for carriage in accordance with A3 a). The buyer must give the seller appropriate instructions whenever the seller's assistance in contracting for carriage is required in accordance with A3 a). |

CPT - Carriage Paid To (... named place of destination)

«Carriage paid to...» means that the seller delivers the goods to the carrier nominated by him but the seller must in addition pay the cost of carriage necessary to bring the goods to the named destination. This means that the buyer bears all risks and any other costs occurring after the goods have been so delivered.

«Carrier» means any person who, in a contract of carriage, undertakes to perform or to procure the performance of transport, by rail, road, air, sea, inland waterway or by a combination of such modes. If subsequent carriers are used for the carriage to the agreed destination, the risk passes when the goods have been delivered to the first carrier.

The CPT term requires the seller to clear the goods for export. This term may be used irrespective of the mode of transport including multimodal transport.

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| **THE SELLER'S OBLIGATIONS** | **THE BUYER'S OBLIGATIONS** |
| **A1 Provision of goods in conformity with the contract**  The seller must provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract. | **B1 Payment of the price**  The buyer must pay the price as provided in the contract of sale. |
| **A2 Licences, authorisations and formalities**  The seller must obtain at his own risk and expense any export licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14), all customs formalities necessary for the export of the goods. | **B2 Licences, authorisations and formalities**  The buyer must obtain at his own risk and expense any import licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14), all customs formalities for the import of the goods and for their transit through any country. |
| **A3 Contracts of carriage and insurance** Contract of carriage The seller must contract on usual terms at his own expense for the carriage of the goods to the agreed point at the named place of destination by a usual route and in a customary manner. If a point is not agreed or is not determined by practice, the seller may select the point at the named place of destination which best suits his purpose.   * Contract of insurance No obligation (Refer to Introduction paragraph 10). | **B3 Contracts of carriage and insurance**   * Contract of carriage No obligation (Refer to Introduction paragraph 10). * Contract of insurance No obligation (Refer to Introduction paragraph 10). |
| **A4 Delivery**  The seller must deliver the goods to the carrier contracted in accordance with A3 or, if there are subsequent carriers to the first carrier, for transport to the agreed point at the named place on the date or within the agreed period. | **B4 Taking delivery**  The buyer must accept delivery of the goods when they have been delivered in accordance with A4 and receive them from the carrier at the named place. |
| **A5 Transfer of risks**  The seller must, subject to the provisions of B5, bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A4. | **B5 Transfer of risks**  The buyer must bear all risks of loss of or damage to the goods from the time they have been delivered in accordance with A4. The buyer must, should he fail to give notice in accordance with B7, bear all risks of the goods from the agreed date or the expiry date of the period fixed for delivery provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods. |
| **A6 Division of costs**  The seller must, subject to the provisions of B6, pay   * all costs relating to the goods until such time as they have been delivered in accordance with A4 as well as the freight and all other costs resulting from A3 a), including the costs of loading the goods and any charges for unloading at the place of destination which were for the seller's account under the contract of carriage; and * where applicable (Refer to Introduction paragraph 14), the costs of customs formalities necessary for export as well as all duties, taxes or other charges payable upon export, and for their transit through any country if they were for the seller's account under the contract of carriage. | **B6 Division of costs**  The buyer must, subject to the provisions of A3 a), pay   * all costs relating to the goods from the time they have been delivered in accordance with A4; and * all costs and charges relating to the goods whilst in transit until their arrival at the agreed place of destination, unless such costs and charges were for the seller's account under the contract of carriage; and * unloading costs unless such costs and charges were for the seller's account under the contract of carriage; and * all additional costs incurred if he fails to give notice in accordance with B7, for the goods from the agreed date or the expiry date of the period fixed for dispatch, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods; and * where applicable (Refer to Introduction paragraph 14), all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon import of the goods and for their transit through any country unless included within the cost of the contract of carriage. |
| **A7 Notice to the buyer**  The seller must give the buyer sufficient notice that the goods have been delivered in accordance with A4 as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods. | **B7 Notice to the seller**  The buyer must, whenever he is entitled to determine the time for dispatching the goods and/or the destination, give the seller sufficient notice thereof. |
| **A8 Proof of delivery, transport document or equivalent electronic message')?>**  The seller must provide the buyer at the seller's expense, if customary, with the usual transport document or documents (for example a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, an air waybill, a railway consignment note, a road consignment note, or a multimodal transport document) for the transport contracted in accordance with A3. Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message. | **B8 Proof of delivery, transport document or equivalent electronic message**  The buyer must accept the transport document in accordance with A8 if it is in conformity with the contract. |
| **A9 Checking - packaging - marking**  The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A4. The seller must provide at his own expense packaging (unless it is usual for the particular trade to send the goods of the contract description unpacked) which is required for the transport of the goods arranged by him. Packaging is to be marked appropriately. | **B9 Inspection of goods**  The buyer must pay the costs of any pre-shipment inspection except when such inspection is mandated by the authorities of the country of export. |
| **A10 Other obligations**  The seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A8) issued or transmitted in the country of dispatch and/or of origin which the buyer may require for the import of the goods and for their transit through any country. The seller must provide the buyer, upon request, with the necessary information for procuring insurance. | **B10 Other obligations**  The buyer must pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A10 and reimburse those incurred by the seller in rendering his assistance in accordance therewith. |

CIP - Carriage and Insurance Paid Тo (... named place of destination)

Carriage and Insurance paid to... means that the seller delivers the goods to the carrier nominated by him but the seller must in addition pay the cost of carriage necessary to bring the goods to the named destination. This means that the buyer bears all risks and any additional costs occurring after the goods have been so delivered. However, in CIP the seller also has to procure insurance against the buyer's risk of loss of or damage to the goods during the carriage. Consequently, the seller contracts for insurance and pays the insurance premium. The buyer should note that under the CIP term the seller is required to obtain insurance only on minimum cover (Refer to Introduction paragraph 9.3).

The buyer wish to have the protection of greater cover, he would either need to agree as much expressly with the seller or to make his own extra insurance arrangements.

«Carrier» means any person who, in a contract of carriage, undertakes to perform or to procure the performance of transport, by rail, road, air, sea, inland waterway or by a combination of such modes.

If subsequent carriers are used for the carriage to the agreed destination, the risk passes when the goods have been delivered to the first carrier.

The CIP term requires the seller to clear the goods for export. This term may be used irrespective of the mode of transport including multimodal transport.

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| **THE SELLER'S OBLIGATIONS** | **THE BUYER'S OBLIGATIONS** |
| **A1 Provision of goods in conformity with the contract**  The seller must provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract. | **B1 Payment of the price**  The buyer must pay the price as provided in the contract of sale. |
| **A2 Licences, authorisations and formalities**  The seller must obtain at his own risk and expense any export licence or other official authorisation and carry out, where applicable (54, all customs formalities necessary for the export of the goods. | **B2 Licences, authorisations and formalities**  The buyer must obtain at his own risk and expense any import licence or other official authorisation and carry out, where applicable(Refer to Introduction paragraph 10) , all customs formalities for the import of the goods and for their transit through any country. |
| **A3 Contracts of carriage and insurance**   * Contract of carriage The seller must contract on usual terms at his own expense for the carriage of the goods to the agreed point at the named place of destination by a usual route and in a customary manner. If a point is not agreed or is not determined by practice, the seller may select the point at the named place of destination which best suits his purpose. * Contract of insurance The seller must obtain at his own expense cargo insurance as agreed in the contract, such that the buyer, or any other person having an insurable interest in the goods, shall be entitled to claim directly from the insurer and provide the buyer with the insurance policy or other evidence of insurance cover. The insurance shall be contracted with underwriters or an insurance company of good repute and, failing express agreement to the contrary, be in accordance with minimum cover of the Institute Cargo Clauses (Institute of London Underwriters) or any similar set of clauses. The duration of insurance cover shall be in accordance with B5 and B4. When required by the buyer, the seller shall provide at the buyer's expense war, strikes, riots and civil commotion risk insurances if procurable. The minimum insurance shall cover the price provided in the contract plus ten per cent (i.e. 110 %) and shall be provided in the currency of the contract. | **B3 Contracts of carriage and insurance**   * Contract of carriage No obligation (Refer to Introduction paragraph 10). * Contract of insurance No obligation(Refer to Introduction paragraph 10). |
| **A4 Delivery**  The seller must deliver the goods to the carrier contracted in accordance with A3 or, if there are subsequent carriers to the first carrier, for transport to the agreed point at the named place on the date or within the agreed period. | **B4 Taking delivery**  The buyer must accept delivery of the goods when they have been delivered in accordance with A4 and receive them from the carrier at the named place. |
| **A5 Transfer of risks**  The seller must, subject to the provisions of B5, bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A4. | **B5 Transfer of risks**  The buyer must bear all risks of loss of or damage to the goods from the time they have been delivered in accordance with A4. The buyer must, should he fail to give notice in accordance with B7, bear all risks of the goods from the agreed date or the expiry date of the period fixed for delivery provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods. |
| **A6 Division of costs**  The seller must, subject to the provisions of B6, pay   * all costs r, elating to the goods until such time as they have been delivered in accordance with A4 as well as the freight and all other costs resulting from A3 a), including the costs of loading the goods and any charges for unloading at the place of destination which were for the seller's account under the contract of carriage; and * the costs of insurance resulting from A3 b); and * where applicable (58, the costs of customs formalities necessary for export as well as all duties, taxes or other charges payable upon export, and for their transit through any country if they were for the seller's account under the contract of carriage. | **B6 Division of costs**  The buyer must, subject to the provisions of A3 a), pay   * all costs relating to the goods from the time they have been delivered in accordance with A4; and * all costs and charges relating to the goods whilst in transit until their arrival at the agreed place of destination, unless such costs and charges were for the seller's account under the contract of carriage; and * unloading costs unless such costs and charges were for the seller's account under the contract of carriage; and * all additional costs incurred if he fails to give notice in accordance with B7, for the goods from the agreed date or the expiry date of the period fixed for dispatch, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods; and * where applicable (Refer to Introduction paragraph 14), all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon import of the goods and for their transit through any country unless included within the cost of the contract of carriage. |
| **A7 Notice to the buyer**  The seller must give the buyer sufficient notice that the goods have been delivered in accordance with A4 as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods. | **B7 Notice to the seller**  The buyer must, whenever he is entitled to determine the time for dispatching the goods and/or the destination, give the seller sufficient notice thereof. |
| **A8 Proof of delivery, transport document or equivalent electronic message**  The seller must provide the buyer at the seller's expense, if customary, with the usual transport document or documents (for example a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, an air waybill, a railway consignment note, a road consignment note, or a multimodal transport document) for the transport contracted in accordance with A3. Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message. | **B8 Proof of delivery, transport document or equivalent electronic message**  The buyer must accept the transport document in accordance with A8 if it is in conformity with the contract. |
| **A9 Checking - packaging - marking**  The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A4. The seller must provide at his own expense packaging (unless it is usual for the particular trade to send the goods of the contract description unpacked) which is required for the transport of the goods arranged by him. Packaging is to be marked appropriately. | **B9 Inspection of goods**  The buyer must pay the costs of any pre-shipment inspection except when such inspection is mandated by the authorities of the country of export. |
| **A10 Other obligations**  The seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A8) issued or transmitted in the country of dispatch and/or of origin which the buyer may require for the import of the goods and for their transit through any country. The seller must provide the buyer, upon request, with the necessary information for procuring any additional insurance. | **B10 Other obligations**  The buyer must pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A10 and reimburse those incurred by the seller in rendering his assistance in accordance therewith. The buyer must provide the seller, upon request, with the necessary information for procuring any additional insurance. |

DAT - Delivered at Terminal (...named terminal at port or place of destination)

New Term - May be used for all transport modes  
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. "Terminal" includes quay, warehouse, container yard or road, rail or air terminal.  
Both parties should agree the terminal and if possible a point within the terminal at which point the risks will transfer from the seller to the buyer of the goods. If it is intended that the seller is to bear all the costs and responsibilities from the terminal to another point, DAP or DDP may apply.

**Responsibilities**

* Seller is responsible for the costs and risks to bring the goods to the point specified in the contract
* Seller should ensure that their forwarding contract mirrors the contract of sale
* Seller is responsible for the export clearance procedures
* Importer is responsible to clear the goods for import, arrange import customs formalities, and pay import duty
* If the parties intend the seller to bear the risks and costs of taking the goods from the terminal to another place then the DAP term may apply

DAP - Delivered at Place (...named place of destination)

New Term - May be used for all transport modes

Seller delivers the goods when they are placed at the disposal of the buyer on the arriving means of transport ready for unloading at the named place of destination. Parties are advised to specify as clearly as possible the point within the agreed place of destination, because risks transfer at this point from seller to buyer. If the seller is responsible for clearing the goods, paying duties etc., consideration should be given to using the DDP term.

**Responsibilities**

* Seller bears the responsibility and risks to deliver the goods to the named place
* Seller is advised to obtain contracts of carriage that match the contract of sale
* Seller is required to clear the goods for export
* If the seller incurs unloading costs at place of destination, unless previously agreed they are not entitled to recover any such costs
* Importer is responsible for effecting customs clearance, and paying any customs duties

DDP - Delivered Duty Paid (... named place of destination)

Delivered duty paid» means that the seller delivers the goods to the buyer, cleared for import, and not unloaded from any arriving means of transport at the named place of destination. The seller has to bear all the costs and risks involved in bringing the goods thereto including, where applicable (Refer to Introduction paragraph 14), any «duty» (which term includes the responsibility for and the risk of the carrying out of customs formalities and the payment of formalities, customs duties, taxes and other charges) for import in the country of destination.

Whilst the [EXW](https://www.searates.com/reference/incoterms/exw/) term represents the minimum obligation for the seller, DDP represents the maximum obligation. This term should not be used if the seller is unable directly or indirectly to obtain the import licence.

However, if the parties wish to exclude from the seller's obligations some of the costs payable upon import of the goods (such as value-added tax: VAT), this should be made clear by adding explicit wording to this effect in the contract of sale (Refer to Introduction paragraph 11).

If the parties wish the buyer to bear all risks and costs of the import, the [DDU](https://www.searates.com/reference/incoterms/ddu/) term should be used. This term may be used irrespective of the mode of transport but when delivery is to take place in the port of destination on board the vessel or on the quay (wharf), the [DES](https://www.searates.com/reference/incoterms/des/) or [DEQ](https://www.searates.com/reference/incoterms/deq/) terms should be used.

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| **THE SELLER'S OBLIGATIONS** | **THE BUYER'S OBLIGATIONS** |
| **A1 Provision of goods in conformity with the contract**  The seller must provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract. | **B1 Payment of the price**  The buyer must pay the price as provided in the contract of sale. |
| **A2 Licences, authorisations and formalities**  The seller must obtain at his own risk and expense any export and import licence and other official authorisation or other documents and carry out, where applicable (Refer to Introduction paragraph 14), all customs formalities necessary for the export of the goods, for their transit through any country and for their import. | **B2 Licences, authorisations and formalities**  The buyer must render the seller at the latter's request, risk and expense, every assistance in obtaining, where applicable (Refer to Introduction paragraph 14), any import licence or other official authorisation necessary for the import of the goods. |
| **A3 Contracts of carriage and insurance**   * Contract of carriage The seller must contract at his own expense for the carriage of the goods to the named place of destination. If a specific point is not agreed or is not determined by practice, the seller may select the point at the named place of destination which best suits his purpose. * Contract of insurance No obligation (Refer to Introduction paragraph 10). | **B3 Contracts of carriage and insurance**   * Contract of carriage No obligation (Refer to Introduction paragraph 10). * Contract of insurance No obligation (Refer to Introduction paragraph 10) |
| **A4 Delivery**  The seller must place the goods at the disposal of the buyer, or at that of another person named by the buyer, on any arriving means of transport not unloaded at the named place of destination on the date or within the period agreed for delivery. | **B4 Taking delivery**  The buyer must take delivery of the goods when they have been delivered in accordance with A4. |
| **A5 Transfer of risks**  The seller must, subject to the provisions of B5, bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A4. | **B5 Transfer of risks**  The buyer must bear all risks of loss of or damage to the goods from the time they have been delivered in accordance with A4. The buyer must, should he fail to fulfil his obligations in accordance with B2, bear all additional risks of loss of or damage to the goods incurred thereby. The buyer must, should he fail to give notice in accordance with B7, bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the agreed period for delivery provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods. |
| **A6 Division of costs**  The seller must, subject to the provisions of B6, pay   * in addition to costs resulting from A3 a), all costs relating to the goods until such time as they have been delivered in accordance with A4; and * where applicable (Refer to Introduction paragraph 14), the costs of customs formalities necessary for export and import as well as all duties, taxes and other charges payable upon export and import of the goods, and for their transit through any country prior to delivery in accordance with A4. | **B6 Division of costs**  The buyer must pay   * all costs relating to the goods from the time they have been delivered in accordance with A4; and * all additional costs incurred if he fails to fulfil his obligations in accordance with B2, or to give notice in accordance with B7, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods. |
| **A7 Notice to the buyer**  The seller must give the buyer sufficient notice of the dispatch of the goods as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take delivery of the goods. | **B7 Notice to the seller**  The buyer must, whenever he is entitled to determine the time within an agreed period and/or the point of taking delivery at the named place, give the seller sufficient notice thereof. |
| **A8 Proof of delivery, transport document or equivalent electronic message**  The seller must provide the buyer at the seller's expense with the delivery order and/or the usual transport document (for example a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, an air waybill, a railway consignment note, a road consignment note, or a multimodal transport document) which the buyer may require to take delivery of the goods in accordance with A4/B4. Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message. | **B8 Proof of delivery, transport document or equivalent electronic message**  The buyer must accept the appropriate delivery order or transport document in accordance with A8. |
| **A9 Checking - packaging - marking**  The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A4. The seller must provide at his own expense packaging (unless it is usual for the particular trade to deliver the goods of the contract description unpacked) which is required for the delivery of the goods. Packaging is to be marked appropriately. | **B9 Inspection of goods**  The buyer must pay the costs of any pre-shipment inspection except when such inspection is mandated by the authorities of the country of export. |
| **A10 Other obligations**  The seller must pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in B10 and reimburse those incurred by the buyer in rendering his assistance herewith. The seller must provide the buyer, upon request, with the necessary information for procuring insurance. | **B10 Other obligations**  The buyer must render the seller, at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages issued or transmitted in the country of import which the seller may require for the purpose of making the goods available to the buyer in accordance therewith. |

FAS - Free Alongside Ship (... named port of shipment)

«Free Alongside Ship» means that the seller delivers when the goods are placed alongside the vessel at the named port of shipment. This means that the buyer has to bear all costs and risks of loss of or damage to the goods from that moment. The FAS term requires the seller to clear the goods for export. THIS IS A REVERSAL FROM PREVIOUS INCOTERMSVERSIONS WHICH REQUIRED THE BUYER TO ARRANGE FOR EXPORT CLEARANCE. However, if the parties wish the buyer to clear the goods for export, this should be made clear by adding explicit wording to this effect in the contract of sale.

This term can be used only for sea or inland waterway transport.

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| **THE SELLER'S OBLIGATIONS** | **THE BUYER'S OBLIGATIONS** |
| **A1 Provision of goods in conformity with the contract**  The seller must provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract. | **B1 Payment of the price**  The buyer must pay the price as provided in the contract of sale. |
| **A2 Licences, authorisations and formalities**  The seller must obtain at his own risk and expense any export licence or other official authorisation and carry out, where applicable(Refer to Introduction paragraph 14.), all customs formalities necessary for the export of the goods. | **B2 Licences, authorisations and formalities**  The buyer must obtain at his own risk and expense any import licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14), all customs formalities for the import of the goods and for their transit through any country. |
| **A3 Contracts of carriage and insurance')?>**   * Contract of carriage No obligation (Refer to Introduction paragraph 10). * Contract of insurance No obligation (Refer to Introduction paragraph 10). | **B3 Contracts of carriage and insurance**   * Contract of carriage The buyer must contract at his own expense for the carriage of the goods from the named port of shipment. * Contract of insurance No obligation (Refer to Introduction paragraph 10). |
| **A4 Delivery**  The seller must place the goods alongside the vessel nominated by the buyer at the loading place named by the buyer at the named port of shipment on the date or within the agreed period and in the manner customary at the port. | **B4 Taking delivery**  The buyer must take delivery of the goods when they have been delivered in accordance with A4. |
| **A5 Transfer of risks**  The seller must, subject to the provisions of B5, bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A4. | **B5 Transfer of risks**  The buyer must bear all risks of loss of or damage to the goods   * from the time they have been delivered in accordance with A4; and * from the agreed date or the expiry date of the agreed period for delivery which arise because he fails to give notice in accordance with B7, or because the vessel nominated by him fails to arrive on time, or is unable to take the goods, or closes for cargo earlier than the time notified in accordance with B7, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods. |
| **A6 Division of costs**  The seller must, subject to the provisions of B6, pay   * all costs relating to the goods until such time as they have been delivered in accordance with A4; and * where applicable(Refer to Introduction paragraph 14), the costs of customs formalities as well as all duties, taxes, and other charges payable upon export. | **B6 Division of costs**  The buyer must pay   * all costs relating to the goods from the time they have been delivered in accordance with A4; and * any additional costs incurred, either because the vessel nominated by him has failed to arrive on time, or is unable to take the goods, or closes for cargo earlier than the time notified in accordance with B7, or because the buyer has failed to give appropriate notice in accordance with B7 provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods; and * where applicable (Refer to Introduction paragraph 14), all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon import of the goods and for their transit through any country. |
| **A7 Notice to the buyer**  The seller must give the buyer sufficient notice that the goods have been delivered alongside the nominated vessel. | **B7 Notice to the seller**  The buyer must give the seller sufficient notice of the vessel name, loading point and required delivery time. |
| **A8 Proof of delivery, transport document or equivalent electronic message')?>**  The seller must provide the buyer at the seller's expense with the usual proof of delivery of the goods in accordance with A4. Unless the document referred to in the preceding paragraph is the transport document, the seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining a transport document (for example a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document). When the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraphs may be replaced by an equivalent electronic data interchange (EDI) message. | **B8 Proof of delivery, transport document or equivalent electronic message**  The buyer must accept the proof of delivery in accordance with A8. |
| **A9 Checking - packaging - marking**  The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A4. The seller must provide at his own expense packaging (unless it is usual for the particular trade to ship the goods of the contract description unpacked) which is required for the transport of the goods, to the extent that the circumstances relating to the transport (for example modalities, destination) are made known to the seller before the contract of sale is concluded. Packaging is to be marked appropriately. | **9 Inspection of goods**  The buyer must pay the costs of any pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export. |
| **A10 Other obligations**  The seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A8) issued or transmitted in the country of shipment and/or of origin which the buyer may require for the import of the goods and, where necessary, for their transit through any country. The seller must provide the buyer, upon request, with the necessary information for procuring insurance. | **B10 Other obligations**  The buyer must pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A10 and reimburse those incurred by the seller in rendering his assistance in accordance therewith. |

FOB - Free On Board (... named port of shipment)

«Free on Board» means that the seller delivers when the goods pass the ship's rail at the named port of shipment. This means that the buyer has to bear all costs and risks of loss of or damage to the goods from that point. The FOB term requires the seller to clear the goods for export. This term can be used only for sea or inland waterway transport. If the parties do not intend to deliver the goods across the ship's rail, the [FCA](https://www.searates.com/reference/incoterms/fca/) term should be used.

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| **THE SELLER'S OBLIGATIONS** | **THE BUYER'S OBLIGATIONS** |
| **A1 Provision of goods in conformity with the contract**  The seller must provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract. | **B1 Payment of the price**  The buyer must pay the price as provided in the contract of sale. |
| **A2 Licences, authorisations and formalities**  The seller must obtain at his own risk and expense any export licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14) , all customs formalities necessary for the export of the goods. | **B2 Licences, authorisations and formalities**  The buyer must obtain at his own risk and expense any import licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14), all customs formalities for the import of the goods and, where necessary, for their transit through any country. |
| **A3 Contracts of carriage and insurance**   * Contract of carriage No obligation (Refer to Introduction paragraph 10) * Contract of insurance No obligation (Refer to Introduction paragraph 10) | **B3 Contracts of carriage and insurance**   * Contract of carriage The buyer must contract at his own expense for the carriage of the goods from the named port of shipment. * Contract of insurance No obligation (Refer to Introduction paragraph 10). |
| **A4 Delivery**  The seller must deliver the goods on the date or within the agreed period at the named port of shipment and in the manner customary at the port on board the vessel nominated by the buyer. | **B4 Taking delivery**  The buyer must take delivery of the goods when they have been delivered in accordance with A4. |
| **A5 Transfer of risks**  The seller must, subject to the provisions of B5, bear all risks of loss of or damage to the goods until such time as they have passed the ship's rail at the named port of shipment. | **B5 Transfer of risks**  The buyer must bear all risks of loss of or damage to the goods   * from the time they have passed the ship's rail at the named port of shipment; and * from the agreed date or the expiry date of the agreed period for delivery which arise because he fails to give notice in accordance with B7, or because the vessel nominated by him fails to arrive on time, or is unable to take the goods, or closes for cargo earlier than the time notified in accordance with B7, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods. |
| **A6 Division of costs**  The seller must, subject to the provisions of B6, pay   * all costs relating to the goods until such time as they have passed the ship's rail at the named port of shipment; and * where applicable (Refer to Introduction paragraph 14) , the costs of customs formalities necessary for export as well as all duties, taxes and other charges payable upon export. | **B6 Division of costs**  The buyer must pay   * all costs relating to the goods from the time they have passed the ship's rail at the named port of shipment; and * any additional costs incurred, either because the vessel nominated by him fails to arrive on time, or is unable to take the goods, or closes for cargo earlier than the time notified in accordance with B7, or because the buyer has failed to give appropriate notice in accordance with B7, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods; and * where applicable (Refer to Introduction paragraph 14), all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon import of the goods and for their transit through any country. |
| **A7 Notice to the buyer**  The seller must give the buyer sufficient notice that the goods have been delivered in accordance with A4. | **B7 Notice to the seller**  The buyer must give the seller sufficient notice of the vessel name, loading point and required delivery time. |
| **A8 Proof of delivery, transport document or equivalent electronic message**  The seller must provide the buyer at the seller's expense with the usual proof of delivery in accordance with A4. Unless the document referred to in the preceding paragraph is the transport document, the seller must render the buyer, at the latter's request, risk and expense, every assistance in obtaining a transport document for the contract of carriage (for example, a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, or a multimodal transport document). Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message. | **B8 Proof of delivery, transport document or equivalent electronic message**  The buyer must accept the proof of delivery in accordance with A8. |
| **A9 Checking - packaging - marking**  The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A4. The seller must provide at his own expense packaging (unless it is usual for the particular trade to ship the goods of the contract description unpacked) which is required for the transport of the goods, to the extent that the circumstances relating to the transport (for example modalities, destination) are made known to the seller before the contract of sale is concluded. Packaging is to be marked appropriately. | **B9 Inspection of goods**  The buyer must pay the costs of any pre-shipment inspection except when such inspection is mandated by the authorities of the country of export. |
| **A10 Other obligations**  The seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A8) issued or transmitted in the country of shipment and/or of origin which the buyer may require for the import of the goods and, where necessary, for their transit through any country. The seller must provide the buyer, upon request, with the necessary information for procuring insurance. | **B10 Other obligations**  The buyer must pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A10 and reimburse those incurred by the seller in rendering his assistance in accordance therewith. |

CFR - Cost and Freight (... named port of destination)

«Cost and Freight» means that the seller delivers when the goods pass the ship's rail in the port of shipment. The seller must pay the costs and freight necessary to bring the goods to the named port of destination BUT the risk of loss of or damage to the goods, as well as any additional costs due to events occurring after the time of delivery, are transferred from the seller to the buyer.

The CFR term requires the seller to clear the goods for export. This term can be used only for sea and inland waterway transport. If the parties do not intend to deliver the goods across the ship's rail, the [CPT](https://www.searates.com/reference/incoterms/cpt/) term should be used.

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| **THE SELLER'S OBLIGATIONS** | **THE BUYER'S OBLIGATIONS** |
| **A1 Provision of goods in conformity with the contract**  The seller must provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract. | **B1 Payment of the price**  The buyer must pay the price as provided in the contract of sale. |
| **A2 Licences, authorisations and formalities**  The seller must obtain at his own risk and expense any export licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14) , all customs formalities necessary for the export of the goods. | **B2 Licences, authorisations and formalities**  The buyer must obtain at his own risk and expense any import licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14), , all customs formalities for the import of the goods and for their transit through any country. |
| **A3 Contracts of carriage and insurance**  a) Contract of carriage The seller must contract on usual terms at his own expense for the carriage of the goods to the named port of destination by the usual route in a seagoing vessel (or inland waterway vessel as the case may be) of the type normally used for the transport of goods of the contract description. b) Contract of insurance No obligation (Refer to Introduction paragraph 10) | **B3 Contracts of carriage and insurance**  a) Contract of carriage No obligation (Refer to Introduction paragraph 10) b) Contract of insurance No obligation (Refer to Introduction paragraph 10). |
| **A4 Delivery**  The seller must deliver the goods on board the vessel at the port of shipment on the date or within the agreed period. | **B4 Taking delivery**  The buyer must accept delivery of the goods when they have been delivered in accordance with A4 and receive them from the carrier at the named port of destination. |
| **A5 Transfer of risks**  The seller must, subject to the provisions of B5, bear all risks of loss of or damage to the goods until such time as they have passed the ship's rail at the port of shipment. | **B5 Transfer of risks**  The buyer must bear all risks of loss of or damage to the goods from the time they have passed the ship's rail at the port of shipment. The buyer must, should he fail to give notice in accordance with B7, bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period fixed for shipment provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods. |
| **A6 Division of costs**  The seller must, subject to the provisions of B6, pay   * all costs relating to the goods until such time as they have been delivered in accordance with A4; and * the freight and all other costs resulting from A3 a), including the costs of loading the goods on board and any charges for unloading at the agreed port of discharge which were for the seller's account under the contract of carriage; and * where applicable (Refer to Introduction paragraph 14), the costs of customs formalities necessary for export as well as all duties, taxes and other charges payable upon export, and for their transit through any country if they were for the seller's account under the contract of carriage. | **B6 Division of costs**  The buyer must, subject to the provisions of A3 a), pay   * all costs relating to the goods from the time they have been delivered in accordance with A4; and * all costs and charges relating to the goods whilst in transit until their arrival at the port of destination, unless such costs and charges were for the seller's account under the contract of carriage; and * unloading costs including lighterage and wharfage charges, unless such costs and charges were for the seller's account under the contract of carriage; and * all additional costs incurred if he fails to give notice in accordance with B7, for the goods from the agreed date or the expiry date of the period fixed for shipment, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods; and * where applicable (Refer to Introduction paragraph 14) , all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon import of the goods and, where necessary, for their transit through any country unless included within the cost of the contract of carriage. |
| **A7 Notice to the buyer**  The seller must give the buyer sufficient notice that the goods have been delivered in accordance with A4 as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods. | **B7 Notice to the seller**  The buyer must, whenever he is entitled to determine the time for shipping the goods and/or the port of destination, give the seller sufficient notice thereof. |
| **A8 Proof of delivery, transport document or equivalent electronic message**  The seller must at his own expense provide the buyer without delay with the usual transport document for the agreed port of destination. This document (for example a negotiable bill of lading, a non-negotiable sea waybill or an inland waterway document) must cover the contract goods, be dated within the period agreed for shipment, enable the buyer to claim the goods from the carrier at the port of destination and, unless otherwise agreed, enable the buyer to sell the goods in transit by the transfer of the document to a subsequent buyer (the negotiable bill of lading) or by notification to the carrier. When such a transport document is issued in several originals, a full set of originals must be presented to the buyer. Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraphs may be replaced by an equivalent electronic data interchange (EDI) message. | **B8 Proof of delivery, transport document or equivalent electronic message**  The buyer must accept the transport document in accordance with A8 if it is in conformity with the contract. |
| **A9 Checking - packaging - marking**  The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A4. The seller must provide at his own expense packaging (unless it is usual for the particular trade to ship the goods of the contract description unpacked) which is required for the transport of the goods arranged by him. Packaging is to be marked appropriately. | **B9 Inspection of goods**  The buyer must pay the costs of any pre-shipment inspection except when such inspection is mandated by the authorities of the country of export. |
| **A10 Other obligations**  The seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A8) issued or transmitted in the country of shipment and/or of origin which the buyer may require for the import of the goods and, where necessary, for their transit through any country. The seller must provide the buyer, upon request, with the necessary information for procuring insurance. | **B10 Other obligations**  The buyer must pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A10 and reimburse those incurred by the seller in rendering his assistance in accordance therewith. |

CIF - Cost, Insurance and Freight (... named port of destination)

"Cost, Insurance and Freight" means that the seller delivers when the goods pass the ship's rail in the port of shipment. The seller must pay the costs and freight necessary to bring the goods to the named port of destination BUT the risk of loss of or damage to the goods, as well as any additional costs due to events occurring after the time of delivery, are transferred from the seller to the buyer.

CIF the seller also has to procure marine insurance against the buyer's risk of loss of or damage to the goods during the carriage.

Consequently, the seller contracts for insurance and pays the insurance premium. The buyer should note that under the CIF term the seller is required to obtain insurance only on minimum cover (Refer to Introduction paragraph 9.3). Should the buyer wish to have the protection of greater cover, he would either need to agree as much expressly with the seller or to make his own extra insurance arrangements.

The CIF term requires the seller to clear the goods for export. This term can be used only for sea and inland waterway transport. If the parties do not intend to deliver the goods across the ship's rail, the [CIP](https://www.searates.com/reference/incoterms/cip/) term should be used.

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| **THE SELLER'S OBLIGATIONS** | **THE BUYER'S OBLIGATIONS** |
| **A1 Provision of goods in conformity with the contract**  The seller must provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract. | **B1 Payment of the price**  The buyer must pay the price as provided in the contract of sale. |
| **A2 Licences, authorisations and formalities**  The seller must obtain at his own risk and expense any export licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14) , all customs formalities necessary for the export of the goods. | **B2 Licences, authorisations and formalities**  The buyer must obtain at his own risk and expense any import licence or other official authorisation and carry out, where applicable (Refer to Introduction paragraph 14), , all customs formalities for the import of the goods and for their transit through any country. |
| **A3 Contracts of carriage and insurance**   * Contract of carriage The seller must contract on usual terms at his own expense for the carriage of the goods to the named port of destination by the usual route in a seagoing vessel (or inland waterway vessel as the case may be) of the type normally used for the transport of goods of the contract description. * Contract of insurance No obligation (Refer to Introduction paragraph 10) | **B3 Contracts of carriage and insurance**   * Contract of carriage No obligation (Refer to Introduction paragraph 10) * Contract of insurance No obligation (Refer to Introduction paragraph 10). |
| **A4 Delivery**  The seller must deliver the goods on board the vessel at the port of shipment on the date or within the agreed period. | **B4 Taking delivery**  The buyer must accept delivery of the goods when they have been delivered in accordance with A4 and receive them from the carrier at the named port of destination. |
| **A5 Transfer of risks**  The seller must, subject to the provisions of B5, bear all risks of loss of or damage to the goods until such time as they have passed the ship's rail at the port of shipment. | **B5 Transfer of risks**  The buyer must bear all risks of loss of or damage to the goods from the time they have passed the ship's rail at the port of shipment. The buyer must, should he fail to give notice in accordance with B7, bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period fixed for shipment provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods. |
| **A6 Division of costs**  The seller must, subject to the provisions of B6, pay   * all costs relating to the goods until such time as they have been delivered in accordance with A4; and * the freight and all other costs resulting from A3 a), including the costs of loading the goods on board; and * the costs of insurance resulting from A3 b); and * any charges for unloading at the agreed port of discharge which were for the seller's account under the contract of carriage; and * where applicable (Refer to Introduction paragraph 14), the costs of customs formalities necessary for export as well as all duties, taxes and other charges payable upon export, and for their transit through any country if they were for the seller's account under the contract of carriage. | **B6 Division of costs**  The buyer must, subject to the provisions of A3, pay   * all costs relating to the goods from the time they have been delivered in accordance with A4; and * all costs and charges relating to the goods whilst in transit until their arrival at the port of destination, unless such costs and charges were for the seller's account under the contract of carriage; and * unloading costs including lighterage and wharfage charges, unless such costs and charges were for the seller's account under the contract of carriage; and * all additional costs incurred if he fails to give notice in accordance with B7, for the goods from the agreed date or the expiry date of the period fixed for shipment, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods; and * where applicable (Refer to Introduction paragraph 14), all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon import of the goods and, where necessary, for their transit through any country unless included within the cost of the contract of carriage. |
| **A7 Notice to the buyer**  The seller must give the buyer sufficient notice that the goods have been delivered in accordance with A4 as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods. | **B7 Notice to the seller**  The buyer must, whenever he is entitled to determine the time for shipping the goods and/or the port of destination, give the seller sufficient notice thereof. |
| **A8 Proof of delivery, transport document or equivalent electronic message**  The seller must, at his own expense, provide the buyer without delay with the usual transport document for the agreed port of destination. This document (for example a negotiable bill of lading, a non-negotiable sea waybill or an inland waterway document) must cover the contract goods, be dated within the period agreed for shipment, enable the buyer to claim the goods from the carrier at the port of destination and, unless otherwise agreed, enable the buyer to sell the goods in transit by the transfer of the document to a subsequent buyer (the negotiable bill of lading) or by notification to the carrier. When such a transport document is issued in several originals, a full set of originals must be presented to the buyer. Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraphs may be replaced by an equivalent electronic data interchange (EDI) message. | **B8 Proof of delivery, transport document or equivalent electronic message**  The buyer must accept the transport document in accordance with A8 if it is in conformity with the contract. |
| **A9 Checking - packaging - marking**  The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A4. The seller must provide at his own expense packaging (unless it is usual for the particular trade to ship the goods of the contract description unpacked) which is required for the transport of the goods arranged by him. Packaging is to be marked appropriately. | **B9 Inspection of goods**  The buyer must pay the costs of any pre-shipment inspection except when such inspection is mandated by the authorities of the country of export. |
| **A10 Other obligations**  The seller must render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A8) issued or transmitted in the country of shipment and/or of origin which the buyer may require for the import of the goods and, where necessary, for their transit through any country. The seller must provide the buyer, upon request, with the necessary information for procuring any additional insurance. | **B10 Other obligations**  The buyer must pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A10 and reimburse those incurred by the seller in rendering his assistance in accordance therewith. The buyer must provide the seller, upon request, with the necessary information for procuring insurance. |