

Incoterms 2020 Rules & Global Trade Delivery Matrix

Published by the International Chamber of Commerce (ICC), Incoterms 2020 defines the standard allocation of obligations, costs, freight, cargo insurance, and risks between seller and buyer in international merchandise contracts.

1. Rules for Any Mode or Modes of Transport (Multimodal)

Rule	Term Name	Point of Risk Transfer	Main Freight	Insurance	Customs (Export / Import)
EXW	Ex Works	At seller's premises / warehouse	Buyer	Buyer	Buyer / Buyer
FCA	Free Carrier	When delivered to the named carrier	Buyer	Buyer	Seller / Buyer
CPT	Carriage Paid To	Upon handover to the first carrier	Seller	Buyer	Seller / Buyer
CIP	Carriage and Insurance Paid To	Upon handover to the first carrier	Seller	Seller (Institute Clauses A - All Risks)	Seller / Buyer
DAP	Delivered at Place	At named destination ready for unloading	Seller	Optional	Seller / Buyer
DPU	Delivered at Place Unloaded	Unloaded at named terminal/destination	Seller	Optional	Seller / Buyer
DDP	Delivered Duty Paid	At destination with all duties paid	Seller	Seller	Seller / Seller

2. Rules for Sea and Inland Waterway Transport

Rule	Term Name	Point of Risk Transfer	Main Freight	Insurance	Customs (Export / Import)
FAS	Free Alongside Ship	Alongside the vessel at loading port	Buyer	Buyer	Seller / Buyer
FOB	Free on Board	When goods are safely loaded on board	Buyer	Buyer	Seller / Buyer
CFR	Cost and Freight	When goods are on board at origin port	Seller	Buyer	Seller / Buyer
CIF	Cost, Insurance and Freight	When goods are on board at origin port	Seller	Seller (Institute Clauses C - Minimum)	Seller / Buyer

Arionex Strategic Advisory: For containerized maritime shipping, the ICC strongly recommends utilizing **FCA** rather than **FOB**, as seller custody ceases upon handover at the container yard (CY).