

INCOTERMS 2020 quick reference sheet

Incoterms are the international rules for the interpretation of trade terms used in international trade, formulated by the International Chamber of Commerce.

TERM	Recommended for sea freight only					Recommended for all modes of transport					
	FOB	FAS	CFR	CIF	DPU	EXW	FCA	CPT	CIP	DAP	DDP
Packing costs	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Commercial documents	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Inland delivery to first carrier	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Inland delivery to vessel/aircraft	✓	✓	✓	✓	✓			✓	✓	✓	✓
Wharfage (THC, BSR, LO/LO)	✓	✓	✓	✓	✓			✓	✓	✓	✓
Export Customs	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
International freight			✓	✓	✓			✓	✓	✓	✓
Insurance				✓	✓				✓	✓	✓
Delivery at destination										✓	✓
Import Customs & duty paid											✓

✓ Included in the selling price of the goods

FOB (Free On Board) should be calculated by adding the items that appear above the thick line and subtracting those that appear below the thick line. For example, if calculating FOB from CIF (cost, insurance and freight) you would need to subtract the cost of freight and insurance from CIF to reach FOB.

For further information regarding Incoterms refer to the International Chamber of Commerce's website www.iccbbooks.com

Incoterms acronyms

CFR – Cost and freight	EXW – Ex works
CIF – Cost, insurance and freight	FAS – Free alongside ship
CIP – Carriage and insurance paid to	FCA – Free carrier
CPT – Carriage paid to	FOB – Free on board
DPU – Delivered at place unload	
DDP – Delivered duty paid	
DAP – Delivered at place	

For more information contact the Customs Information Centre on 1300 363 263, visit the website at www.customs.gov.au or email information@customs.gov.au

or

Contact Paul Watson at Tomax Logistics on 1300 186 629.