

INCOTERMS 2020 RESPONSIBILITY & COST ALLOCATION GUIDE

Contractual Risk Transfer, Ocean Freight, Marine Insurance & Port Terminal Operations

INTERNATIONAL CHAMBER OF COMMERCE (ICC) MARITIME FREIGHT RULES

Incoterms 2020 define the exact point of risk transfer, cost division, customs obligations and insurance between Buyer and Seller.

FCB Trading standard export contracts are structured primarily under FOB, CFR and CIF for bulk and containerized commodities.

LAYTIME, DEMURRAGE & SHIPPING DOCUMENTATION

Notice of Readiness (NOR) is tendered upon vessel arrival; standard bulk loading guarantee is based on weather working days (WWD).

Commercial release requires presentation of 3/3 Full Set Clean on Board Bills of Lading, SGS Certificates and Certificate of Origin.

MATRIX OF OBLIGATIONS & RISK TRANSFER (INCOTERMS 2020)

Operational Step / Logistics Stage	FOB (Free on Board)	CFR (Cost & Freight)	CIF (Cost, Ins, Freight)	DAP (Delivered at Place)
Export Packaging & Product Labeling	SELLER	SELLER	SELLER	SELLER
Pre-Carriage / Inland Freight to Port	SELLER	SELLER	SELLER	SELLER
Export Customs Clearance & Export Taxes	SELLER	SELLER	SELLER	SELLER
Terminal Handling at Origin Port (THC)	SELLER	SELLER	SELLER	SELLER
Vessel Loading (Across Ship's Rail)	SELLER (Risk to Buyer)	SELLER (Risk to Buyer)	SELLER (Risk to Buyer)	SELLER
Main International Ocean Freight	BUYER	SELLER	SELLER	SELLER
Marine Cargo Insurance (Institute Cargo)	BUYER	BUYER (Optional)	SELLER (Clause A 110%)	SELLER
Discharge at Destination Port (THC)	BUYER	BUYER (unless liner)	BUYER (unless liner)	SELLER
Import Customs Clearance & Duties	BUYER	BUYER	BUYER	BUYER
On-Carriage Delivery to Buyer Warehouse	BUYER	BUYER	BUYER	SELLER