

INCOTERMS 2000 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	DES	DEQ	EXW	FCA	CPT	CIP	DAF	DDU	DDP
Packing costs	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Commercial documents	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Inland delivery to first carrier	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
Inland delivery to vessel/aircraft	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓
Wharfage (THC, BSR, LO/LO)	✓		✓	✓	✓	✓			✓	✓	✓	✓	✓
Export Customs	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
Transport documentation*			✓	✓	✓	✓			✓	✓	✓	✓	✓
Carriage and freight			✓	✓	✓	✓			✓	✓	✓	✓	✓
Insurance				✓	✓	✓				✓	✓	✓	✓
Delivery at destination												✓	✓
Import Customs													✓

✓ Included in the price of goods.

* The cost of obtaining an air waybill or bill of lading should still be included in the FOB value, as they are an essential element of getting the goods on board.

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 overseas freight and overseas insurance from CIF to reach FOB.

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

Incoterms acronyms

BSR - Basic service rate	DEQ - Delivered ex quay
CFR - Cost and freight	DES - Delivered ex ship
CIF - Cost, insurance and freight	EXW - Ex works
CIP - Carriage and insurance paid to	FAS - Free alongside ship
CPT - Carriage paid to	FCA - Free carrier
DAF - Delivered at frontier	FOB - Free on board
DDP - Delivered duty paid	LO/LO - Lift on/Lift off
DDU - Delivered duty unpaid	THC - Terminal handling charge

Please note this fact sheet is a general guide only. 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.