

The logo for MOBIS features the word "MOBIS" in a bold, white, sans-serif font. The letter "O" is replaced by a stylized circular graphic composed of three overlapping, curved bands in green, yellow, and red. The background is a solid dark blue.

# MOBIS

INTRODUCTION TO  
INCOTERMS 2000



# INCOTERMS 2000

- WHAT ARE INCOTERMS?
- WHAT INCOTERMS CAN DO FOR ME?
- WHAT INCOTERMS CANNOT DO FOR ME?
- WHY ARE AS MANY AS 13 INCOTERMS REQUIRED?
- THE FOUR GROUPS OF INCOTERMS.
- THE INCOTERMS.
- THE ICC.

# INCOTERMS 2000

## WHAT ARE INCOTERMS?

**THE WORD "INCOTERMS" IS AN ABBREVIATION OF "INTERNATIONAL COMMERCIAL TERMS".**  
**INCOTERMS REFLECT GENERALLY RECOGNIZED PRINCIPLES AND PRACTICES OF THE TERMS OF THE CONTRACT OF SALES.**

# INCOTERMS 2000

## WHAT INCOTERMS CAN DO FOR ME?

INCOTERMS TELL US WHAT TO DO IN RESPECT TO:

1. CARRIAGE OF GOODS FROM SELLER TO BUYER.
2. EXPORT AND IMPORT CLEARANCE.

INCOTERMS ALSO EXPLAINS THE DIVISION OF COSTS AND RISKS BETWEEN THE SELLER AND BUYER.

# INCOTERMS 2000

## WHAT INCOTERMS CANNOT DO FOR ME?

### INCOTERMS DO NOT DEAL WITH:

1. TRANSFER OF PROPERTY RIGHTS OF GOODS.
2. RELIEF FROM OBLIGATIONS AND EXEMPTION FROM LIABILITIES IN CASE OF AN UNEXPECTED OR UNFORSEEABLE EVENTS.
3. CONSEQUENCES OF VARIOUS BREACHES OF CONTRACTS, EXCEPT THOSE RELATING TO THE PASSING OF RISKS AND COSTS .

# INCOTERMS 2000



## INCOTERMS AND CONTRACTING PRACTICE

**INCOTERMS STANDARDIZE CONTRACT PRACTICE BY ENABLING THE PARTIES TO:**

- 1. USE GENERALLY RECOGNIZED KEY WORDS.**
- 2. AGREE ON MOST COMMON UNDERSTANDING OF SUCH KEY WORDS.**
- 3. AVOID MISUNDERSTANDING IN THE USE OF THESE TERMS.**



# INCOTERMS 2000

## PROBLEMS REMAIN BECAUSE:

1. COMMERCIAL PRACTICE IS INCONSISTENT.
2. VARIATIONS OF THE BASIC KEY WORDS MAY BE NOT APPROPRIATE OR SUFFICIENTLY CLEAR.
3. THE INCOTERMS IS NOT SUFFICIENTLY PRECISE.
4. THE PARTIES INADVERTENTLY CHOOSE THE WRONG WORDS.

# INCOTERMS 2000

## WHY ARE AS MANY AS 13 INCOTERMS REQUIRED?

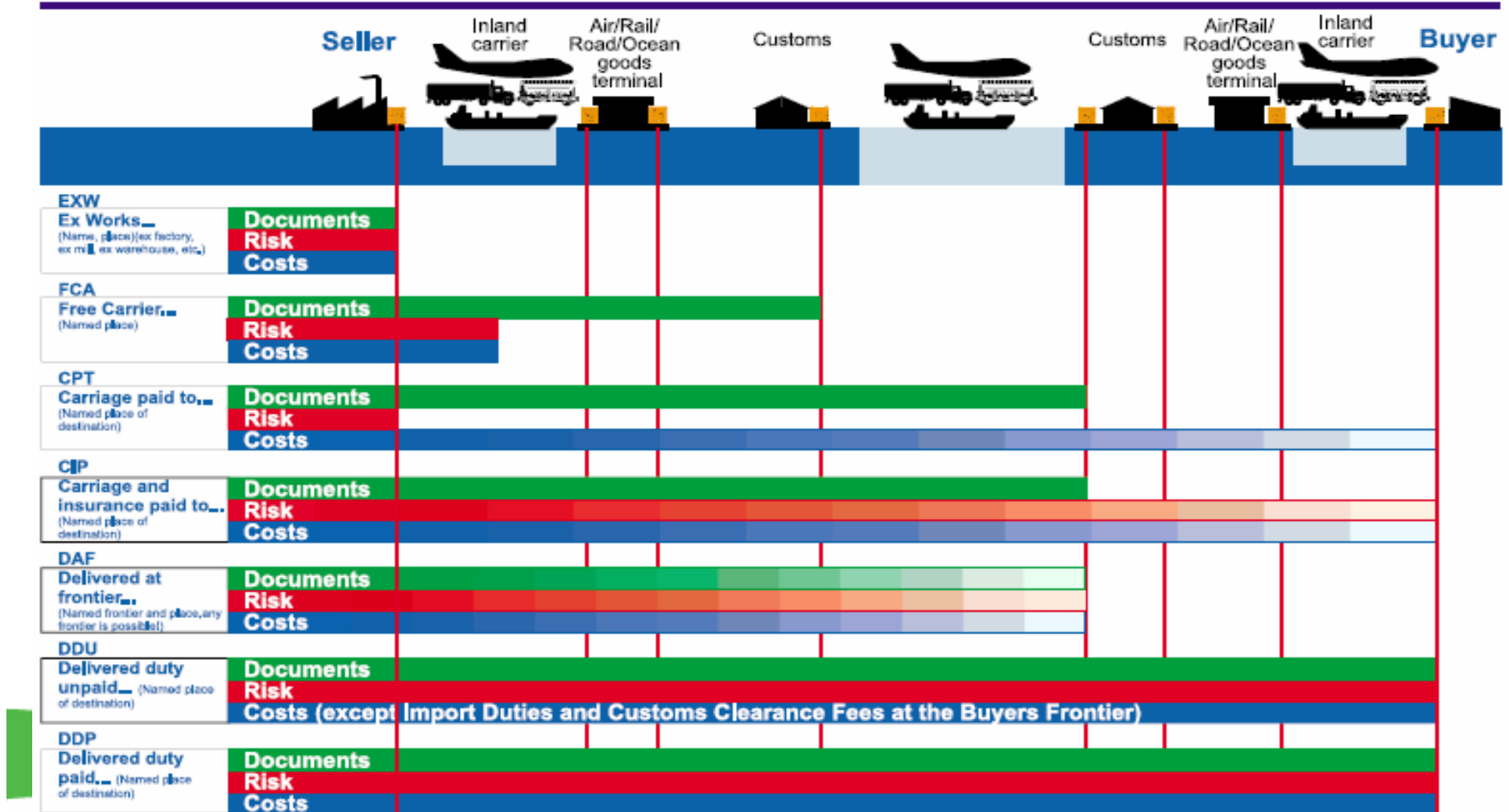
THE PURPOSE OF INCOTERMS IS TO REFLECT CONTEMPORARY COMMERCIAL PRACTICE AND TO OFFER THE PARTIES THE CHOICE AMONG:

1. THE SELLER'S MINIMUM OBLIGATION ONLY TO MAKE THE GOODS AVAILABLE FOR THE BUYER AT THE SELLER'S PREMISES (EXW).
2. THE SELLER'S EXTENDED OBLIGATION TO HAND OVER THE GOODS FOR CARRIAGE EITHER TO A CARRIER NOMINATED BY THE BUYER (FCA, FAS, FOB) OR TO A CARRIER CHOSEN AND PAID FOR BY THE SELLER (CFR, CPT) TOGETHER WITH INSURANCE AGAINST RISKS IN TRANSIT (CIF, CIP).
3. THE SELLER'S MAXIMUM OBLIGATION TO DELIVER THE GOODS AT DESTINATION (DAF, DES, DEQ, DDU, DDP).

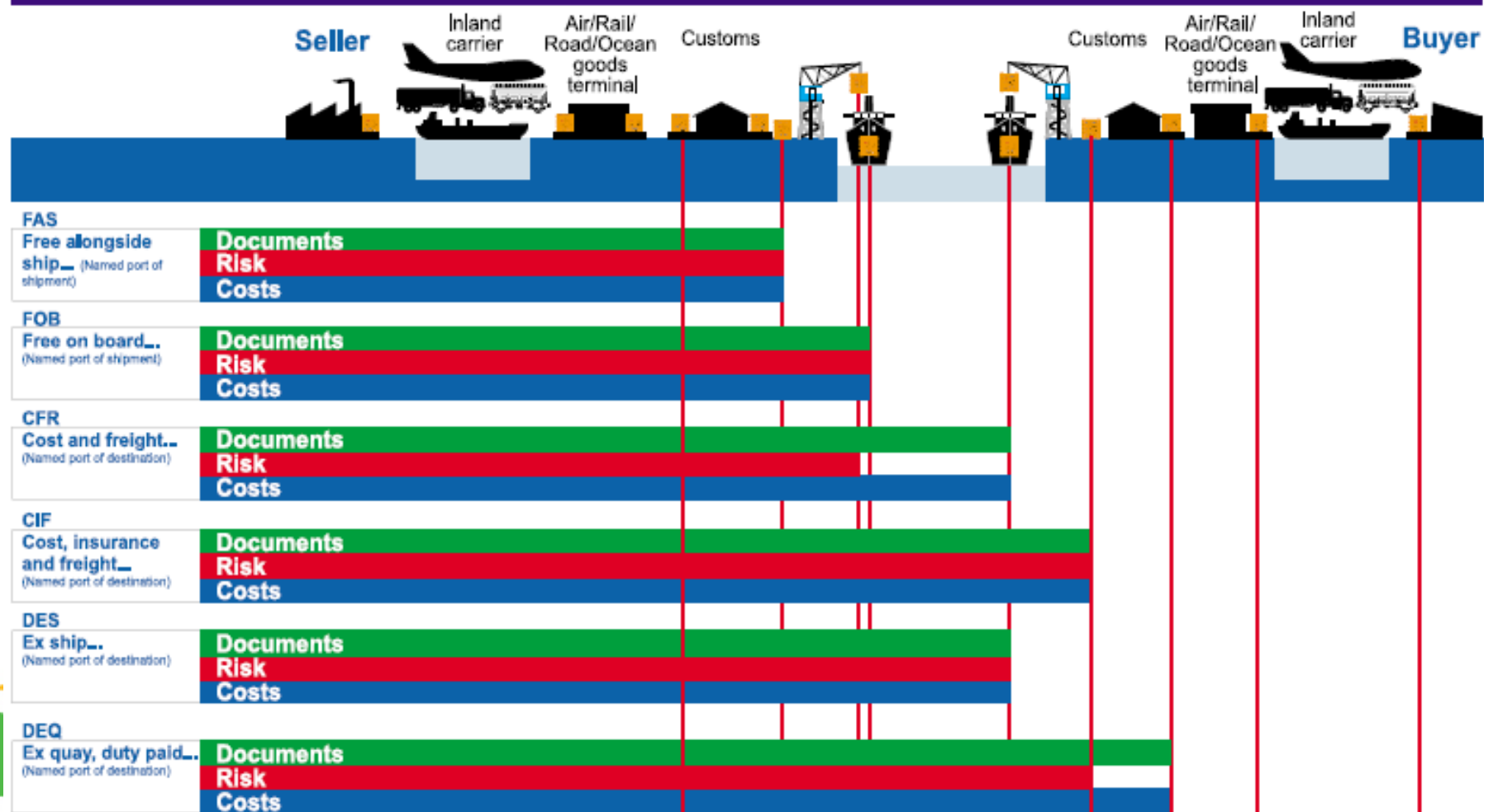
## THE FOUR GROUPS OF INCOTERMS

<b>GROUP E</b> DEPARTURE	<b>EXW</b>	EX WORKS.
<b>GROUP F</b> MAIN CARRIAGE UNPAID	<b>FCA</b> <b>FAS</b> <b>FOB</b>	FREE CARRIER. FREE ALONGSIDE SHIP. FREE ON BOARD
<b>GROUP C</b> MAIN CARRIAGE PAID	<b>CFR</b> <b>CIF</b> <b>CPT</b> <b>CIP</b>	COST AND FREIGHT. COST, INSURANCE AND FREIGHT. CARRIAGE PAID TO. CARRIAGE AND INSURANCE PAID TO.
<b>GROUP D</b> ARRIVAL	<b>DAF</b> <b>DES</b> <b>DEQ</b> <b>DDU</b> <b>DDP</b>	DELIVERED AT FRONTIER. DELIVERED EX SHIP. DELIVERED EX QUAY. DELIVERED DUTY UNPAID. DELIVERED DUTY PAID.

# Trade terms for all modes of transport (INCOTERMS 2000)



# Trade terms for ocean transport (INCOTERMS 2000)



# INCOTERMS 2000

## THE ICC

INTERNATIONAL CHAMBER OF COMMERCE.

### PURPOSE:

TO PROMOTE AN OPEN INTERNATIONAL TRADE AND INVESTMENT SYSTEM AND THE MARKET ECONOMY WORLD WIDE.

### ICC SERVICES INCLUDE:

1. THE ICC INTERNATIONAL COURT OF ARBITRATION.
2. THE ICC INTERNATIONAL CENTER OF EXPERTISE.
3. THE ICC INTERNATIONAL BUREAU OF CHAMBERS OF COMMERCE.
4. THE ICC INSTITUTE OF WORLD BUSINESS LAW.
5. THE ICC CENTER FOR MARITIME SERVICES.
6. ICC COMMERCIAL CRIME SERVICES.
7. THE ICC BUSINESS BOOKSTORE.