

WHAT IS EX-WORKS (EXW)

The seller is only responsible for making the goods available at their loading area, not for any cost or risk associated with the transportation.

The buyer is responsible for completing the shipment, in other words, for arranging and paying for transportation and additional costs associated with getting the goods to the destination (loading, primary transportation, origin THC, freight, cargo clearance, etc.).

SELLER



BUYER

Let's get in touch!

contact@asi-logistics.asia
www.asi-logistics.asia

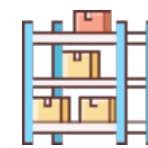


WHAT IS FREE CARRIER (FCA)

The seller is responsible for handing over and loading the goods onto the carrier (the buyer's nominated person or company) at its premises or another agreed place. The costs and risks associated with the transportation then transfer to the buyer.

The buyer is responsible for completing the shipment. They arrange and pay for transportation and the additional costs associated with getting the goods to the destination once they have been loaded (primary transportation, origin THC, freight, cargo clearance, etc.).

SELLER



BUYER



Let's get in touch!

contact@asi-logistics.asia
www.asi-logistics.asia

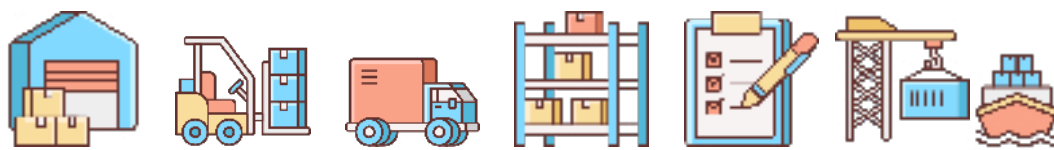


WHAT IS FREE ON BOARD (FOB)

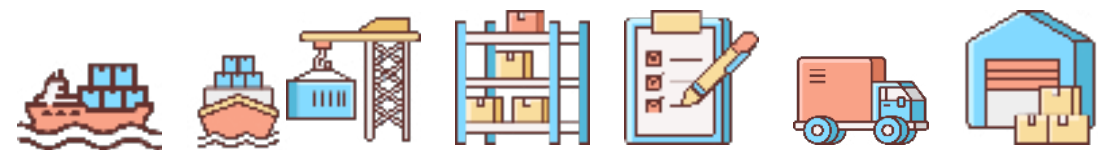
The seller handles the goods until they are loaded onto the shipment vessel, including customs clearance at the port of origin. The risks and costs then transfer from the seller to the buyer.

The buyer is responsible for completing the shipment, including booking the container, insuring the cargo, and receiving it at POD. Ocean freight, handling charges at POD, import clearance charges & duty, if any, are in the buyer's/consignee's account.

SELLER



BUYER



Let's get in touch!

contact@asi-logistics.asia
www.asi-logistics.asia

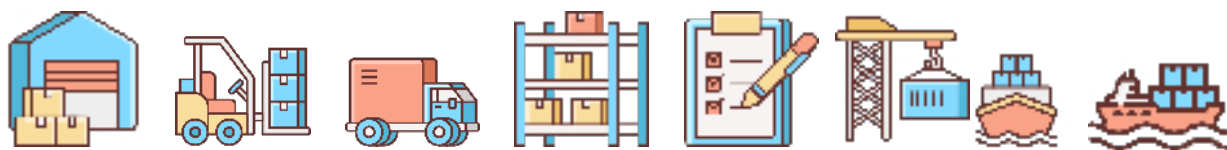


WHAT IS COST INSURANCE & FREIGHT (CIF)

The seller is responsible for handling the goods, the freight charges, and the insurance until the port of destination, including clearing the cargo delivery at the vessel, export customs clearance at origin, if any, booking containers, paying for the freight, and insuring the cargo. Thereafter, the goods are the buyer's responsibility.

The buyer is responsible for handling the goods and charges, including unloading at the destination port and clearing customs at arrival.

SELLER



BUYER



Let's get in touch!

contact@asi-logistics.asia
www.asi-logistics.asia



THE DIFFERENCE FOB VERSUS CIF

Under **FOB**, the buyer is responsible for the costs and liabilities of transporting the goods once they are shipped.



Under **CIF**, the seller is responsible for the costs and liabilities of transporting the goods until the buyer receives them.



Let's get in touch!

contact@asi-logistics.asia
www.asi-logistics.asia



WHY BEING FAMILIAR WITH INCOTERMS MATTER?

Incoterms help to **clarify the responsibilities and obligations of both the buyer and the seller** in international trade transactions. Using them ensures that both parties clearly understand who is responsible for the goods or tasks, such as arranging transportation, providing insurance, or paying customs or import duties. This can help to avoid misunderstandings and disputes between the buyer and seller.

In addition, being familiar with the implications of a given incoterm used in a contract ensures that the buyer and seller **more accurately estimate the transaction cost** and make informed decisions about their purchasing and selling activities. For example, if the seller is responsible for arranging transportation, this will impact the overall cost of the goods.

Let's get in touch!

contact@asi-logistics.asia
www.asi-logistics.asia



WHAT ARE INCOTERMS

Incoterms, or **International Commercial Terms**, are a series of internationally recognized trade terms that define the responsibilities of buyers and sellers in international transactions.

They are published by the **International Chamber of Commerce (ICC)** and specify the responsibilities of both parties in the delivery of goods, including tasks such as transportation, insurance, and the transfer of risks. Incoterms are widely used in international trade and are a key part of any international sales contract.

Let's get in touch!

contact@asi-logistics.asia
www.asi-logistics.asia

