



Australian Customs Cargo Advice

Number 2010/13

Incoterms 2010

This notice is to advise that the International Chamber of Commerce (ICC) has revised Incoterms 2000 to reflect changes in international and domestic trade. Incoterms 2010 comes into effect on 1 January 2011.

Background

Incoterms are a series of international sales terms, published by the ICC and widely used in international commercial transactions. These terms are accepted by governments, legal authorities and practitioners worldwide and facilitate commerce by promoting understanding of the specific, respective tasks of trading parties. They define the roles of buyers and sellers in the arrangement of transportation; they also outline when transfer of risk of merchandise takes place.

The ICC has reduced the number of Incoterms from 13 to 11 by replacing four existing terms with two new terms.

The two new Incoterms are:

- *Delivered at Place (DAP)*; and
- *Delivered at Terminal (DAT)*.

On 1 January 2011, these new Incoterms will replace:

- *Delivered Ex Ship (DES)*;
- *Delivered Ex Quay (DEQ)*;
- *Delivered Duty Unpaid (DDU)*; and
- *Delivered at Frontier (DAF – Not applicable in Australia)*.

Delivered at Place means that the seller delivers when the goods are placed at the disposal of the buyer on the arriving means of transport ready for unloading at the named place of destination.

Delivered at Terminal means that the seller delivers when the goods, once unloaded from the arriving means of transport, are placed at the disposal of the buyer at a named terminal at the named port or place of destination. Terminal includes any place, whether covered or not, such as quay, warehouse, container yard or road, rail or air cargo terminal.

DAT and DAP may be used irrespective of transport and are a substitute for Incoterms 2000 DES, DEQ and DDU.

Implementation

Customs and Border Protection will have the new Incoterms in the Integrated Cargo System (ICS) from 15 December 2010, but ICS users will not be able to draw on those terms until 1 January 2011.

Incoterms 2000 DES, DEQ and DDU will remain in the ICS and will be available for use. A warning message will be produced when one of these Incoterms has been selected advising that the incoterm is not applicable after 1 January 2011. This warning message will not stop processing of an import declaration. The warning message will be displayed for both Electronic Data Interchange and Customs Interactive users.

Further information

For further information on the Incoterms 2010 or to purchase reference material please go to the ICC website:

<http://www.iccwbo.org/incoterms/>

For queries concerning the incoterm implementation, please email the Customs Information and Support Centre at cargosupport@customs.gov.au.

Australian Customs and Border Protection Service
Client Engagement and Cargo Systems
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