**Choice of delivery terms**

In modern transport systems, goods are not always inspected at points where the risk is transferred according to Incoterms® 2020. To avoid dispute concerning where loss or damage has incurred along the transport chain, it is advisable to agree on terms of delivery where one party bears the risk for the goods during the entire transport.

**State incoterms® 2020**

When making an agreement based on Incoterms, it is advisable to state the terms of delivery agreed on in the contract of sale and commercial invoices e.g. "FOB Gothenburg". Incoterms® 2020. This prevents problems with interpretation which may arise in countries having their own definitions of delivery terms. It recommends the use of Incoterms® 2020 for international shipments and strongly advises against forming own delivery terms.

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**Notice of claim, periods of limitation and limitation of liability in international transports**

<table>
<thead>
<tr>
<th>Applicable rules</th>
<th>Notice of claim Apparent loss or damage</th>
<th>Notice of claim Not apparent loss or damage</th>
<th>Period of limitation</th>
<th>Limitation of liability for loss or damage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Carriage by Sea</strong></td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>3 days</td>
<td>SDR 667/package/ SDR 2/kg</td>
</tr>
<tr>
<td>Haag-Visby Rules</td>
<td>7 days</td>
<td>2 years</td>
<td>SDR 667/package/ SDR 2/kg</td>
<td></td>
</tr>
<tr>
<td>The Rotterdam Rules</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. Carriage by air</strong></td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>14 days (in the event of delay 21 days)</td>
<td>SDR 22/kg</td>
</tr>
<tr>
<td>The Montreal Convention</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3. Carriage by rail</strong></td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td>SDR 8.33/kg</td>
</tr>
<tr>
<td>CIM Convention</td>
<td>7 days</td>
<td>1 year</td>
<td>SDR 8.33/kg</td>
<td></td>
</tr>
<tr>
<td>Denmark Railway Act (Lov om jernbaneselskaberne) LBK nr. 967 af 08.11.2001</td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>10 days</td>
<td>DKK 175/kg</td>
</tr>
<tr>
<td>Finland Railway Transport Act 2000</td>
<td>Upon receipt of goods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norway CIM Rules Standard Conditions of Carriage for Domestic rail</td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td>SDR 17/kg</td>
</tr>
<tr>
<td>Sweden Rail Domestic (JTL), The most important conditions is St Cargo Normal Conditions for Railway</td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td>SEK 150/kg</td>
</tr>
<tr>
<td><strong>4. Carriage by road</strong></td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days (without delays)</td>
<td>SEK 150/kg</td>
</tr>
<tr>
<td>CMR Convention</td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td>5 years (1908 loven)</td>
</tr>
<tr>
<td>Denmark Road Traffic Act (Færdselsloven LBK nr. 712 af 02.08.2001)</td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td>No limitation</td>
</tr>
<tr>
<td>Finland Act of Parliament governing the domestic and international transport of goods by road 1979</td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td>EUR 20/kg, Delay: cost of freight</td>
</tr>
<tr>
<td>Norway The CMR Convention</td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td>SDR 17/kg</td>
</tr>
<tr>
<td>Sweden Swedish Road Transport Act</td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td>SEK 150/kg</td>
</tr>
<tr>
<td><strong>5. Nordic Forwarding</strong></td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td>SDR 8.33/kg</td>
</tr>
<tr>
<td>NSAB (when liability as carrier)</td>
<td>Upon receipt of goods</td>
<td>Upon receipt of goods</td>
<td>7 days</td>
<td></td>
</tr>
</tbody>
</table>

*1 SDR is at the moment approximately 13 SEK.

Please observe limitation of liability for carriers above and thus the need for cargo insurance. If P&C Insurance Ltd (publ) is your professional guide both on this as well as on Incoterms® 2020.

Incoterms® are internationally recognized rules describing who is responsible for goods in transit and for how long. By using Incoterms can sellers and buyers avoid unnecessary misunderstandings. Incoterms® 2020 are recognized by the authorities and courts around the world.

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More info on if-insurance.com
INCOTERMS®
Delivery terms

**EXW - Ex Works**
(named place)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been placed at his disposal at agreed time and place.

**FCA - Free Carrier**
(named place)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been delivered to the first carrier or terminal at agreed time and place.

**FAS (only by sea)**
Free alongside ship
(named port of shipment)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been delivered alongside the ship at the port of shipment.

**FOB (only by sea)**
Free on board
(named port of shipment)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been delivered onboard the ship at the port of shipment.

**CFR (only by sea)**
Cost and freight
(named port of destination)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been delivered onboard the ship at the port of destination.

**CIF (only by sea)**
Cost, insurance and freight
(named port of destination)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been delivered onboard the ship at the port of destination.

**CPT - Carriage paid to**
(named place of destination)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been delivered to the first carrier.

**CIP - Carriage and insurance paid to**
(named place of destination)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been delivered to the first carrier.

**DAP - Delivered at place**
(named place of destination)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been placed at his disposal at agreed place of destination ready for unloading.

**DPU - Delivered at place unloaded**
(named place of destination)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been unloaded at the agreed place of destination.

**DDP - Delivered duty paid**
(named place of destination)
- **Risk**
- **Costs**
- **Documents**
- The buyer is at risk when the goods have been placed at his disposal at agreed place of destination cleared for import and with duties paid ready for unloading.

**Insurance to be covered by the buyer**
- The buyer bears the risk during the whole transport.

**Insurance to be covered by the seller**
- The seller bears the risk from the agreed point.

**Insurance to be covered by the seller until**
- The seller bears the risk during the whole transport.

**Insurance must be covered by the buyer**
- The buyer bears the risk during the whole transport.

**Insurance must be covered by the seller**
- The seller bears the risk during the whole transport.

**As agreed**

**Buyer’s duties**

**Seller’s duties**

**Documents**