

2 – DAY MASTERING INCOTERMS 2020



Introduction

International Chamber of Commerce (ICC) has launched International Commercial Terms (Incoterms) 2020, the newest edition of the renowned trade terms for the delivery of goods, providing certainty and clarity to business and traders everywhere. The new rules become effective from 1 January 2020. Incoterms are "Terms of Sale" which define the obligations, risks, and costs of the seller and buyer for delivery. They are authoritative rules for determining how costs and risks are allocated to the parties and can significantly reduce misunderstandings among traders, thereby minimize trade disputes and litigation.

Since Incoterms define the obligations of the seller and the buyer regarding delivery, transfer of risk, loading of the goods, export or import clearance, conclusion of transport contracts, Incoterms rules are an essential tool in the negotiation of international contracts. The choice of an Incoterms has a direct impact on the allocation of cost and risk. This course will suit both beginners and those who have more than a basic understanding of Incoterms 2020.

Course Objectives

By the end of this course, you will be able to:

- Knowing international trade terms and their rules.
- Understand the responsibilities of the Seller & Buyer under Incoterms.
- Develop knowledge and skills to evaluate current Shipping Term practiced by own organization.
- Negotiate on international contract based on risk and cost of Shipping.
- Understand the difference: Incoterms 2010 vs Incoterms 2020.

Methodology

- Lectures
- Presentation
- Group discussions/interactions
- Case studies

Who Should Attend?

- Logistics, Sales, Procurement, Planning Managers
- Logistics, Sales, Procurement, Planning Executives/ Officers/ Supervisors
- Logistics, Sales, Procurement, Planning Team Leaders and Clerical staff

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Course Outline

MODULE 1: INTERNATIONAL TRADE

- Issues in International Trade
- Shipping Risks
- Letter of Credit

MODULE 2: INTERNATIONAL TRADE SUPPORT

- Sales/Purchase Contract
- Buyer & Seller Obligations
- Cargo Insurance

MODULE 3: INTRODUCTION TO INCOTERMS 2020

- Purpose & Scope of Incoterms
- The importance of Incoterms
- Risk Transfer Points

MODULE 4: INCOTERMS 2020 OVERVIEW

- Group 1: EXW, FCA, CPT, CIP, DPU, DAP, DDP
- Group 2: FAS, FOB, CFR & CIF
- Incoterms Quick Reference Chart

MODULE 5: INCOTERMS 2010 VS INCOTERMS 2020

- Purpose of revision
- Key points of Change
- Other revisions

MODULE 6: TEXT OF RULES BY ARTICLE (DETAILED NOTES)

- Group 1: EXW, FCA, CPT, CIP, DPU, DAP, DDP
- Group 2: FAS, FOB, CFR & CIF

MODULE 7: INCOTERMS PRACTICES & DECISIONS

- Factors to consider for choosing Incoterms
- Common mistakes in using Incoterms
- How to use Incoterms 2020

MODULE 8: CASE STUDIES & GROUP DISCUSSION

