

## INCOTERMS FCA - FREE CARRIER: THE MOST USED INCOTERMS

Incoterms FCA - Free Carrier is the most used of the 11 Incoterms 2020. According to data provided by the International Chamber of Commerce (ICC), FCA represents approximately 30% of foreign trade operations, followed by CIF (22%) and FOB (20%), which are the Incoterms that have traditionally been used in the recent past.

### REASONS FOR USING FCA

The justification for the widespread use of FCA among exporting companies is explained by the following reasons:

- FCA is a very flexible Incoterms because it allows the delivery of the goods, both at the premises of the seller and at various points such as transports centers, ports, airports, container terminals, etc., which are located in the country of the seller. Therefore, when using this Incoterms, it is very important to specify clearly the place of delivery
- FCA can be used for any type of cargo (general cargo, full load, groupage) and with different methods of payment (open account, bank transfer, letter of credit, etc.).
- The seller ensures that the goods are shipped from his country to the buyer's country as agreed. The seller must complete and bear the costs of export clearance and, therefore, is responsible for obtaining the necessary documents for it.

### ALTERNATIVES FOR USING FCA

There are several alternatives for using FCA, whose choice depends on the place of delivery:

- FCA factory or warehouse: it is recommended using this option to full load (truck or container) as an alternative to EXW. Delivery takes place once the goods have been loaded onto the truck, in the seller's premises, and at his own risk.
- FCA transport center: it is use mainly for groupage. The seller pays the inland transportation (pre-carriage) until the goods are delivered to the carrier that has been designated by the buyer at a terminal or transport center. Delivery of goods occurs when the truck is located in the loading dock of the international carrier designated by the buyer.
- FCA port or port terminal: it is the most suitable Incoterms, substituting FOB, when using full containers. The seller is responsible for the transport of the container from its premises to the container terminal at the designated port. The delivery takes place when the truck carrying the goods arrive at the port's container terminal. All handling operations at the terminal, which are known as THC (Terminal Handling Charges) are borne by the buyer.

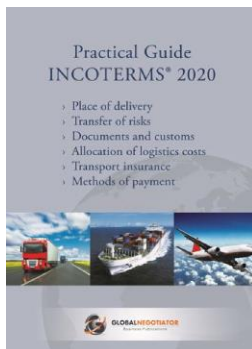
- FCA airport: the seller bears the cost of transport from his premises to the airport that has been designated to deliver the goods. It is understood that the goods have been delivered when the vehicle is parked in the loading dock of the assigned terminal. Any further handling will be paid by the buyer.
- FCA railroad: the delivery of goods occurs when the inland carrier that has been hired by the seller puts the truck in the loading dock of the rail terminal.

## TYPES OF TRADE OPERATIONS FOR USING FCA

Incoterms FCA is useful for the following types of export and import operations:

- Companies that do not have too much experience in foreign markets and do not want to manage international logistics to deliver the goods in the destination country.
- Exports of full loads (trucks, containers) in which it is preferable that the seller carry out the loading onto the first carrier (usually truck) in its own facilities.
- Exports in groupage for which the seller uses their own transport vehicles to deliver the goods somewhere (transport center, port, airport) in their own country, usually near their premises.
- Sales in a integrated economic area (e.g. the EU), where there is a free movement of goods and therefore is not necessary clear the goods for export.
- Sales to customers in EU countries, but in which the goods will be sent to a third country (a country outside the EU) so it is advisable, for tax purposes, that the seller obtains the documents that verify the exit of goods from the EU.

In conclusion, FCA is a very flexible Incoterms, increasingly used, that will probably replace EXW for most exports in which the seller delivers the goods in his own country and prefers not to manage international logistics.



-----  
To obtain a complete Information of Incoterms 2020, click here  
[Practical Guide to the Incoterms 2020](#)

# NEGOTIATION AND ETIQUETTE GUIDES IN 70 COUNTRIES



*Negotiation and Etiquette in Brazil*



*Negotiation and Etiquette in China*



*Negotiation and Etiquette in Russia*



*Negotiation and Etiquette in Australia*

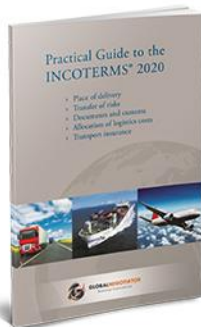


*Negotiation and Etiquette in Germany*



*Negotiation and Etiquette in Japan*

## BOOKS & EBOOKS



*Practical Guide to the Incoterms 2020*



*How to negotiate successfully in 50 countries*



*Professional Wine Dictionary*

Buy Online  
[www.globalnegotiator.com](http://www.globalnegotiator.com)  
[marketing@globalmarketing.es](mailto:marketing@globalmarketing.es)