

Delivery at Terminal

What is DAT?

DAT, or, Delivery at Terminal, is where the seller clears goods for export and is fully responsible for the goods until they have arrived at a named terminal at the end destination. The goods must be unloaded at the terminal. DAT can be used with any transportation mode. It is recommended that the seller's contract with their forwarding company mirrors the contract of sale.

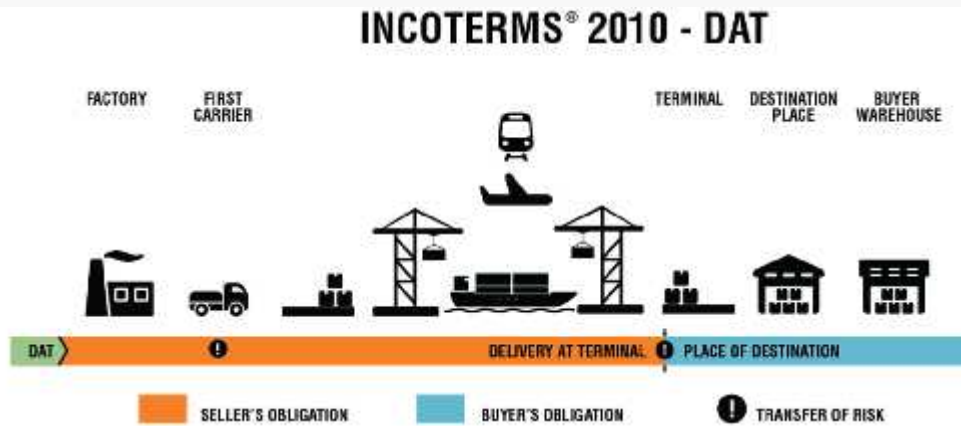


Diagram: DAT – obligations from the seller and buyer, and where the transfer of risk between each party is transferred. Source: J Montezuma, Creative Commons BY-SA CC 4.0

Transport Modes:

Rail, Sea, Air, Road

How does DAT work?

Delivery at Terminal is used when the seller's responsibility includes the full delivery of goods up until the end terminal or port of destination, as well as the unloading of the goods. The seller pays for all of the expenses incurred until the place of delivery and the buyer pays for customs clearance and taxes at destination.

'Terminal' means a quay, warehouse, container yard or any road for rail, air or road.

As with all of the 'D' incoterms, the risks and responsibility of goods gets transferred from the seller to the buyer at the same point – the end destination. DAT was specifically designed to meet airport and port deliveries.

For ocean cargo and shipping goods by sea, any discharged containers are then moved to a container yards (CY), which is where containers are stored before they are moved to their final destination. Sellers are responsible for any destination terminal handling charges and the buyer only pays for customs clearance, duties and taxes.

DAT



Diagram: DAT involves the seller delivering the goods up to the destination terminal or port, to then be off-loaded, at which point the liability of goods passes from seller to buyer. Source:

Buyer and Seller Obligations of DAT

THE SELLER'S OBLIGATIONS	THE BUYER'S OBLIGATIONS
<p>1. Provision of goods The seller must deliver the goods to the buyer as agreed, providing the necessary invoice or equivalent electronic document, as well as proof of delivery</p>	<p>1. Payment The buyer must pay for the price of the goods as quoted in the contract of sale</p>
<p>2. Licenses The seller must provide the export licenses or local authorizations for exporting the goods from their factory / country of origin</p>	<p>2. Licenses, authorizations and formalities The buyer must get any export license and import permit for the export of goods</p>
<p>3. Shipping and Insurance Contract of carriage (transport of goods) is the seller's responsibility, and so is insurance</p>	<p>3. Shipping and Insurance Contract of carriage – no obligation, this is the seller's responsibility to cover costs and risk</p> <p>Contract of insurance – no obligation, this is the seller's responsibility to cover costs and risk</p>
<p>4. Delivery of the goods</p>	<p>4. Taking delivery</p>

<p>The seller must deliver the goods and unload them at the agreed destination point and time</p>	<p>The buyer must take the goods which are delivered at the agreed destination point and time</p>
<p>5. Transfer of risks The seller is responsible for the goods until they are available to connect at the end destination port or terminal as agreed</p>	<p>5. Transfer of risks The buyer must bear all risks of loss or damage of their goods once they have been offloaded at the agreed place of delivery</p>
<p>6. Costs The seller must pay for:</p> <ul style="list-style-type: none"> ▪ the cost of transport (contract of carriage) ▪ loading of goods at the place of origin ▪ export clearance at origin ▪ unloading the goods at place of destination 	<p>6. Costs The buyer pays for all cost relating once the goods are made available, as well as <i>import</i> customs duties and taxes</p>
<p>7. Notice to the buyer The seller must notify the buyer that the goods have been delivered at the place of destination</p>	<p>7. Notice to the seller The buyer must provide a clear time of shipment and the port of destination</p>
<p>8. Proof of delivery The seller must obtain proof of delivery at their own expense, which is a document that allows the buyer to pick up the goods</p>	<p>8. Proof of delivery Must accept the seller's delivery document</p>
<p>9. Checking The seller must bear the cost of checking the goods, quality control, measuring, weighing, counting, packing of goods and marking.</p> <p>If a special package (e.g. fragile goods) is being shipped, the seller must inform the</p>	<p>9. Inspection Unless it's a mandatory at origin, the buyer needs to pay any pre-shipment inspection</p>

<p>buyer and have them agree any extra expenses</p>	
<p>10. Other The seller must help in obtaining additional information required by the seller</p>	<p>10. Other Assist obtaining additional information required by the seller</p>

Benefits of DAT

The key advantages of Delivery at Terminal are around convenience and reduced risk to the importer:

1. The supplier delivers goods to the destination place (importer doesn't need to cover these costs)
2. The risk is transferred from the supplier to the importer once the goods have been dispatched and unloaded at a defined place at destination
3. The supplier bears the responsibility for most of the carriage / transport of the goods from the origin to the destination
4. Less hassle and organization for the buyer of goods