

**KU LEUVEN**

**HIVA**



**RESEARCH INSTITUTE FOR  
WORK AND SOCIETY**

TransFair receives funding from the European Commission, DG Employment, within the EU Programme for Employment and Social Innovation (EaSI) – GA-Nr VS/2019/0401

# Cross-border road transport in the EU

## *Some facts and figures*

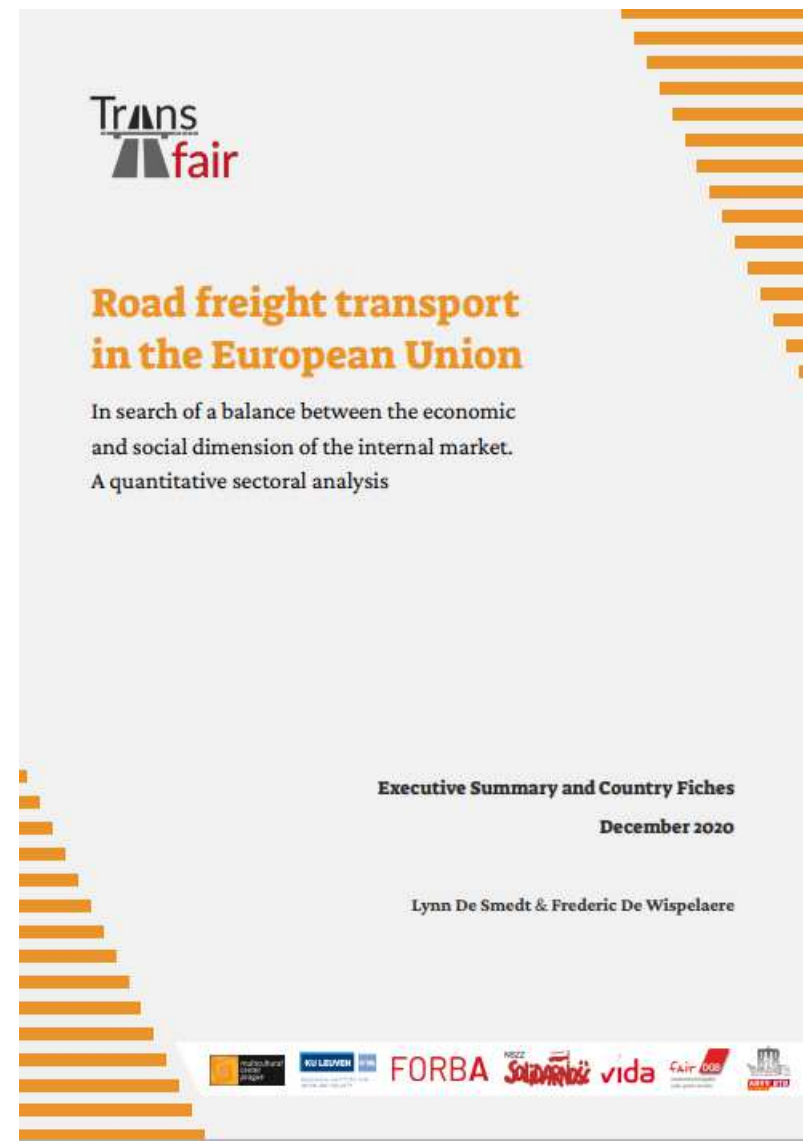
**Lynn De Smedt**

TransFair Final Conference – 31 March 2022

# Road freight transport in the European Union



[Complete report](#)



[Executive summary](#)

# Content

- Context and annual road freight transport
- Posted work or not?
- Companies flagging out
- Wages
- Letterbox companies
- Labour shortages
- Third country nationals

# Context and annual road freight transport

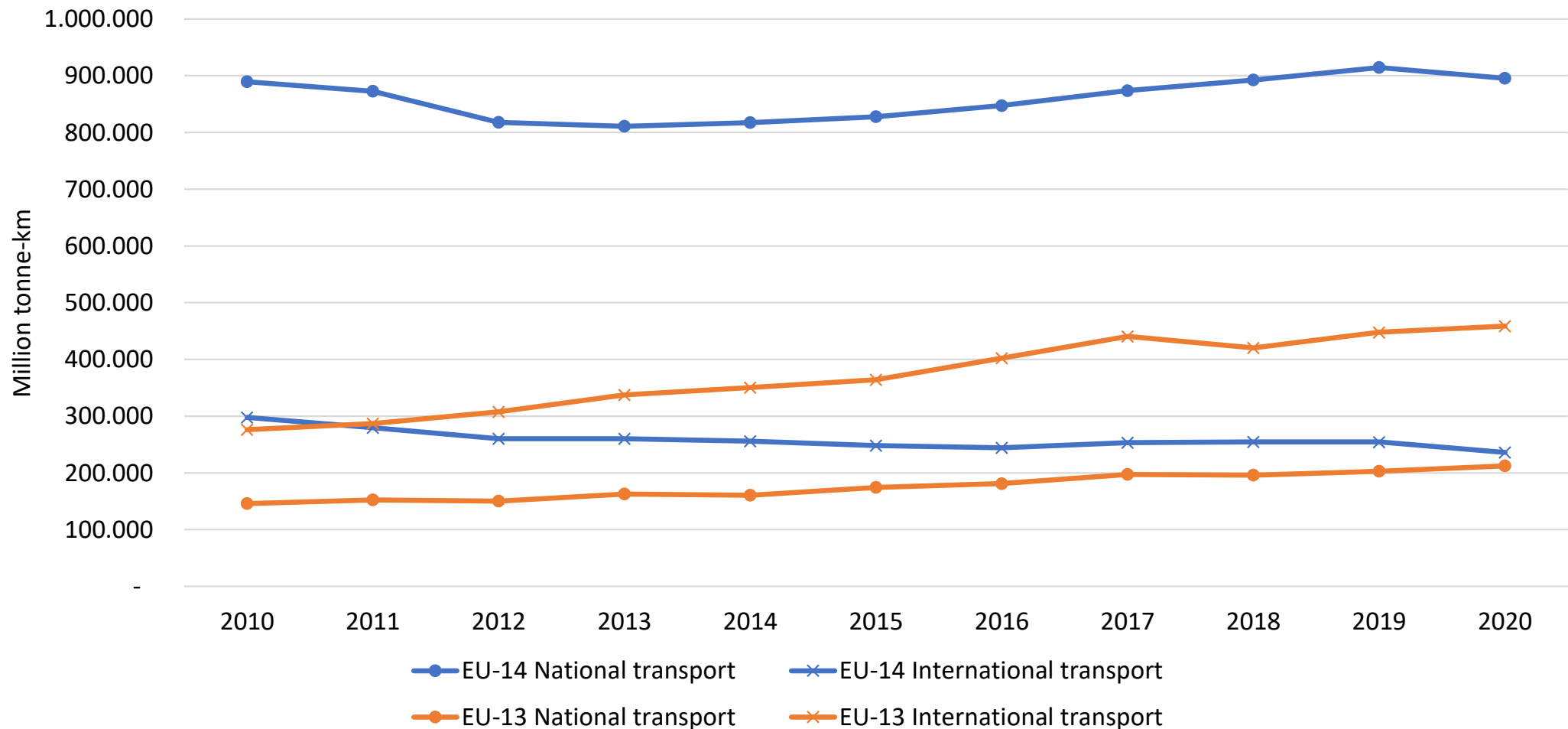
# Context: disentangling the complexity of the road freight transport sector in the EU

- One of the **key sectors** of activity in the EU;
- Confronted with several **problems and challenges**, which became even more visible during the COVID-19 pandemic;
- Competition is strongly based on cost factors, so there is **price competition**. Its price sensitivity and labour-intensive nature brings with it certain undesired effects such as **cross-border fraud**;
- This led to **tensions** between employers' and workers' organisations as well as between EU-13 and EU-14 Member States;
- Political and public discussions demonstrate that efforts should be made to **better understand the complexity** of the road freight transport sector.

# Context: disentangling the complexity of the road freight transport sector in the EU

- Ensure that several concerns are based on **facts and figures** and not on myths;
- Such an approach should **create balance** in the public and political debate and support evidence-based policy;
- Focus on the **most important issues** which came forward from our quantitative analysis;
- Data from **Eurostat** (statistical office of the EU) and **Orbis** (private company database).

# Annual road freight transport, in million tonne-km, 2010-2020, EU-14 vs EU-13

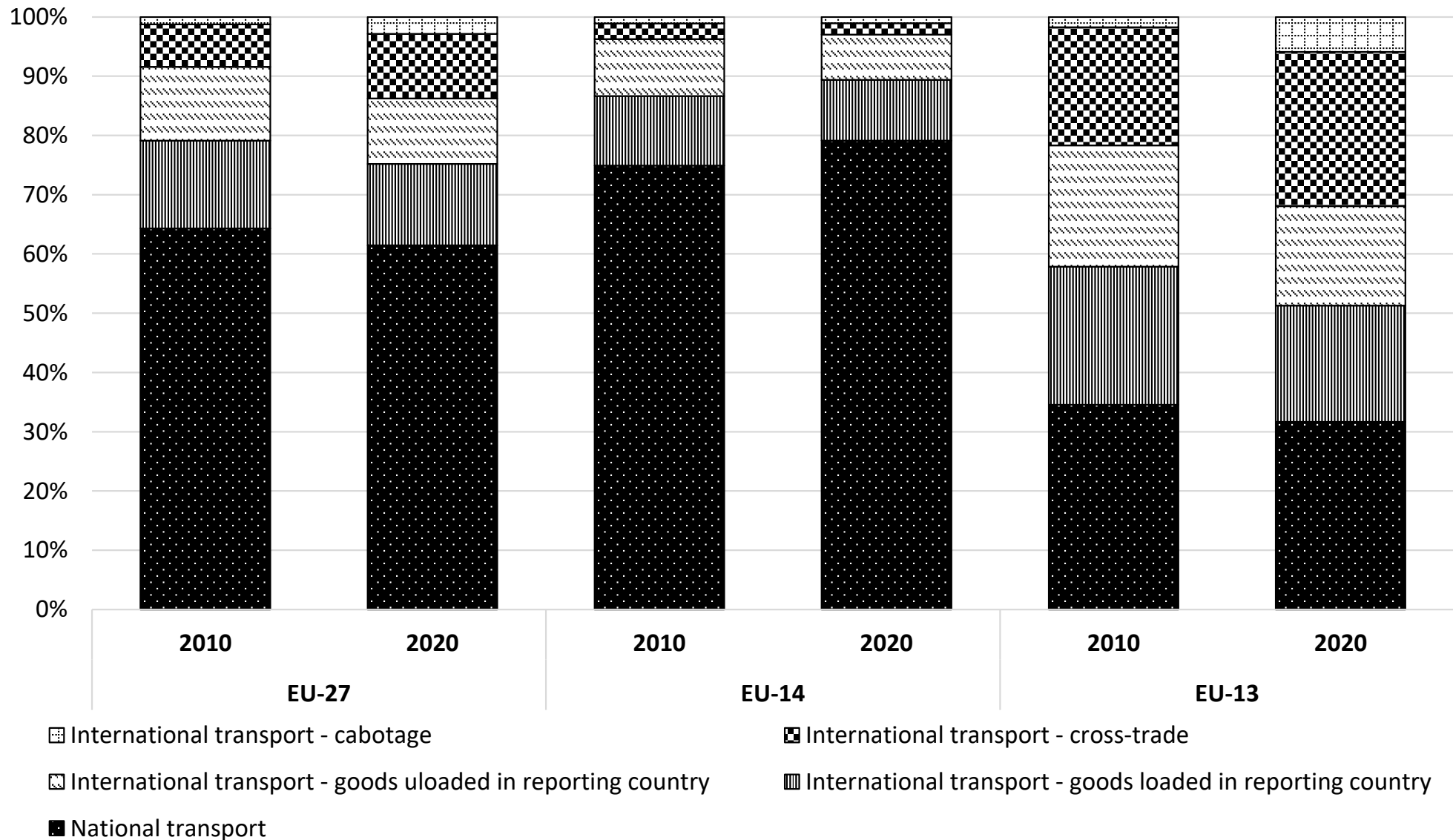


Source: Eurostat [road\_go\_ta\_tott]

**EU-14:** national transport is of much higher importance than international

**EU-13:** from 2011, EU-13 international transport overtook EU-14 international transport

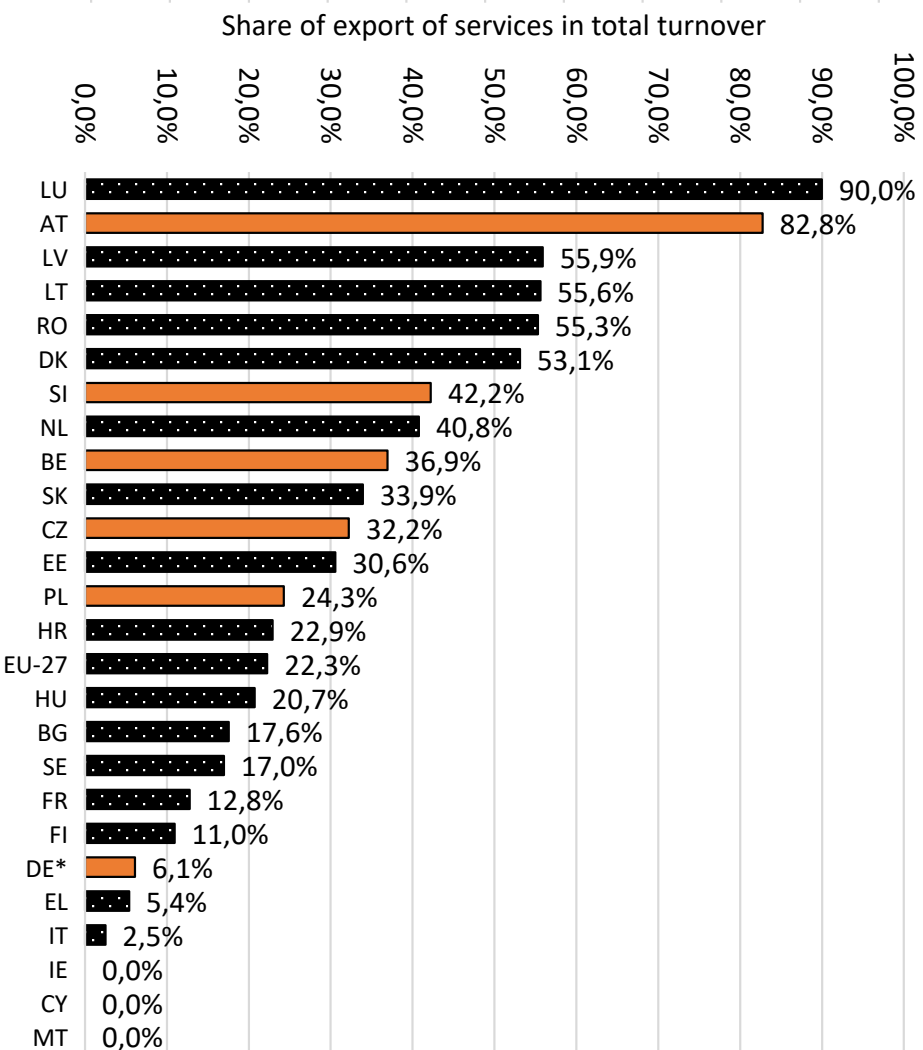
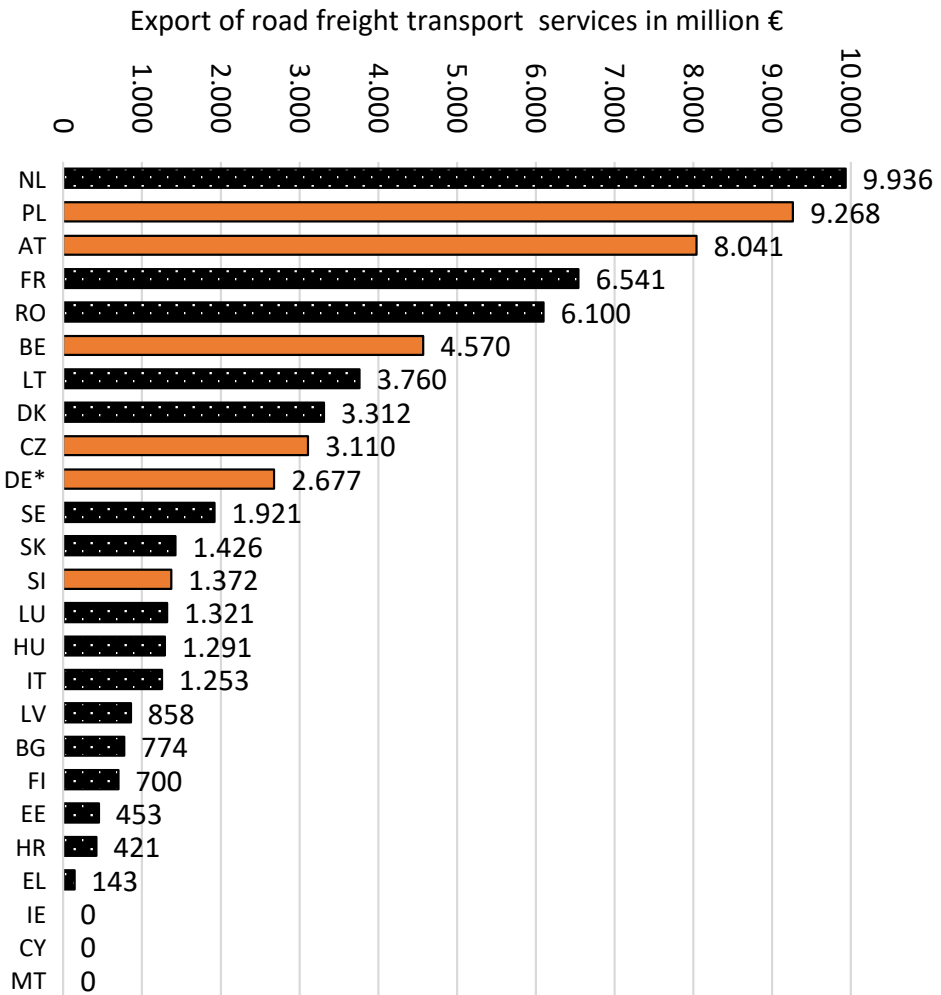
# Road freight transport by type of transport, share in total tonne-km, 2010 and 2020, EU-27, EU-14 and EU-13



Source: Eurostat [road\_go\_ta\_tott]



# Export of services of road freight transport, in million € and share in total turnover created, 2019, EU-27

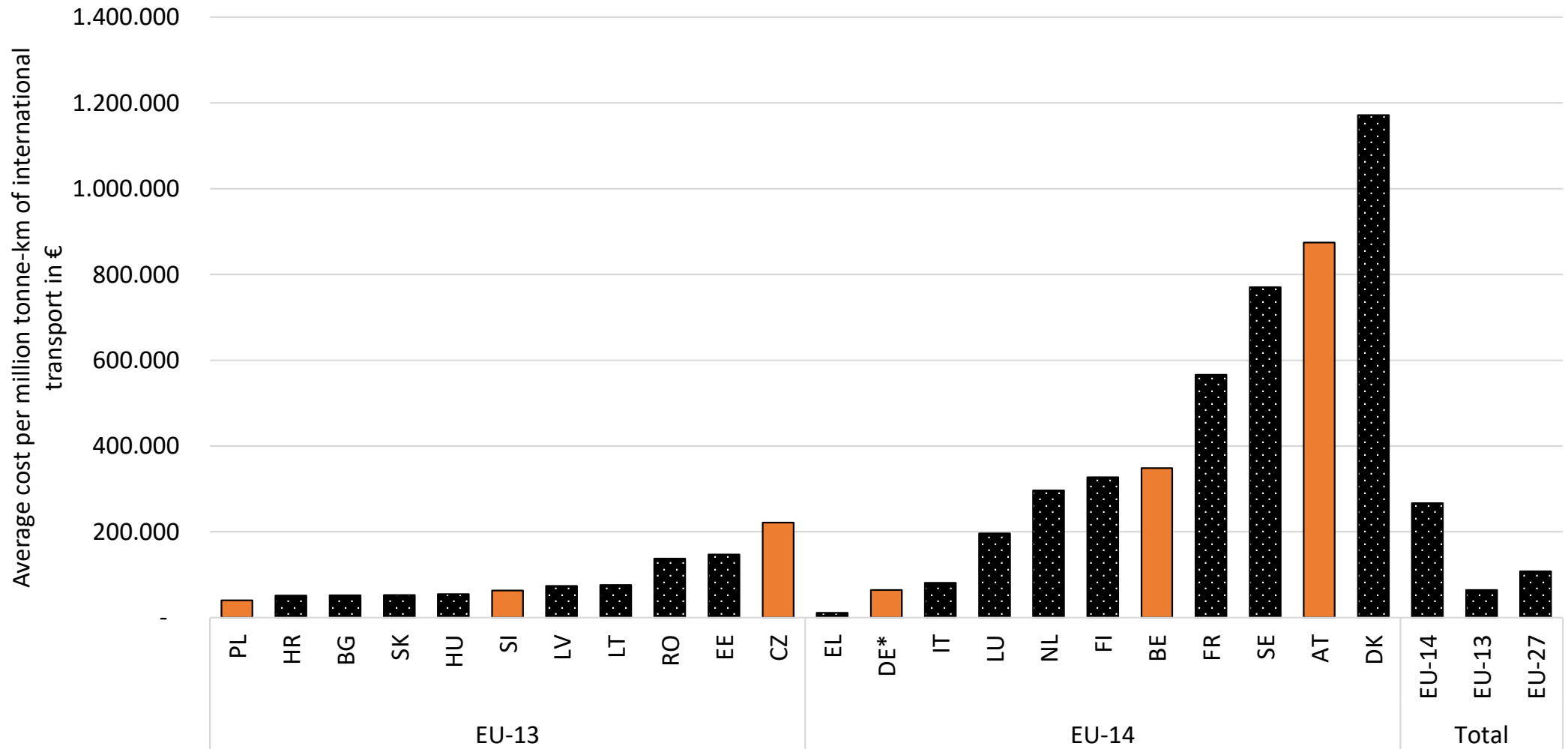


\* Data for DE concern reference year 2017, no data for ES and PT  
 Source: Eurostat [bop\_its6\_det] and [sbs\_na\_1a\_se\_r2]

**Absolute numbers: NL, PL and AT stand out**

**Relative numbers: LU and AT stand out**

# Average charged cost of services per million tonne-km of international transport in €, 2018



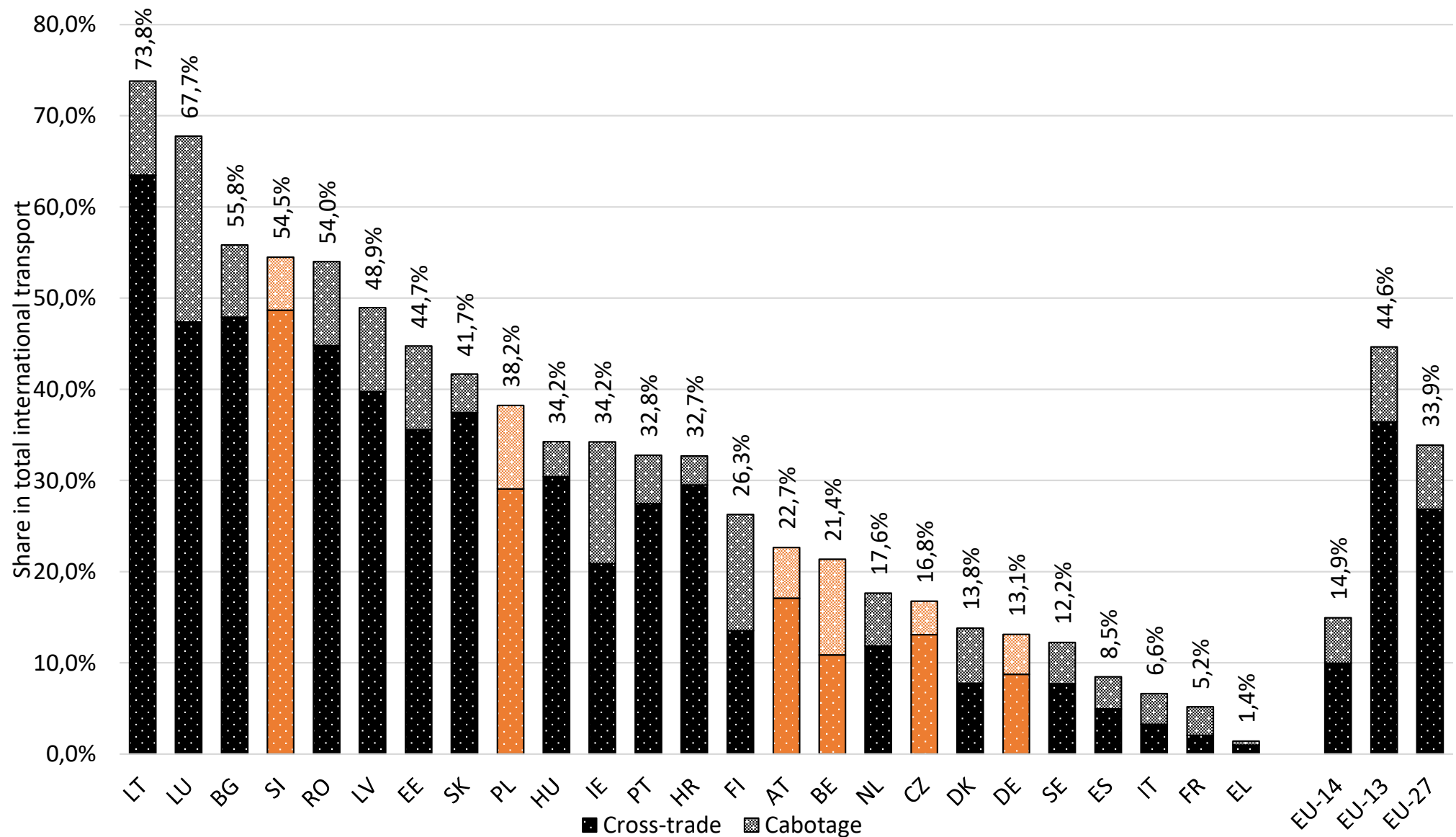
\* Data for DE concern reference year 2017, no data for IE, ES, CY, MT, and PT

Source: Eurostat [bop\_its6\_det] and [road\_go\_ta\_tott]

Some Member States are able to offer cheaper services for international transport than others

# Posted work or not?

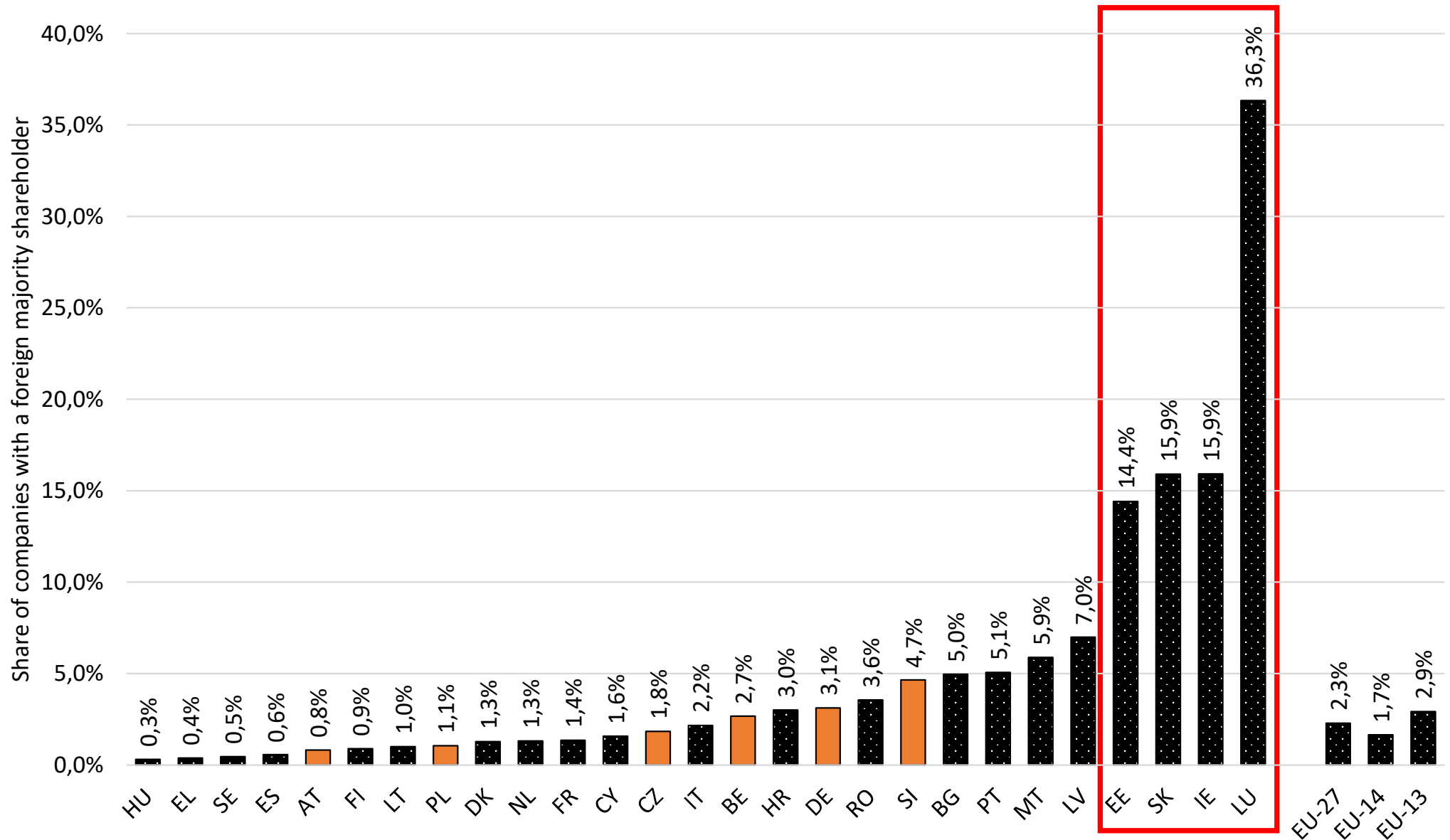
# Application of Directive 96/71/EC to international road transport operations in the EU-27, estimated share in total, 2019



Source: Eurostat [road\_go\_ta\_tott]

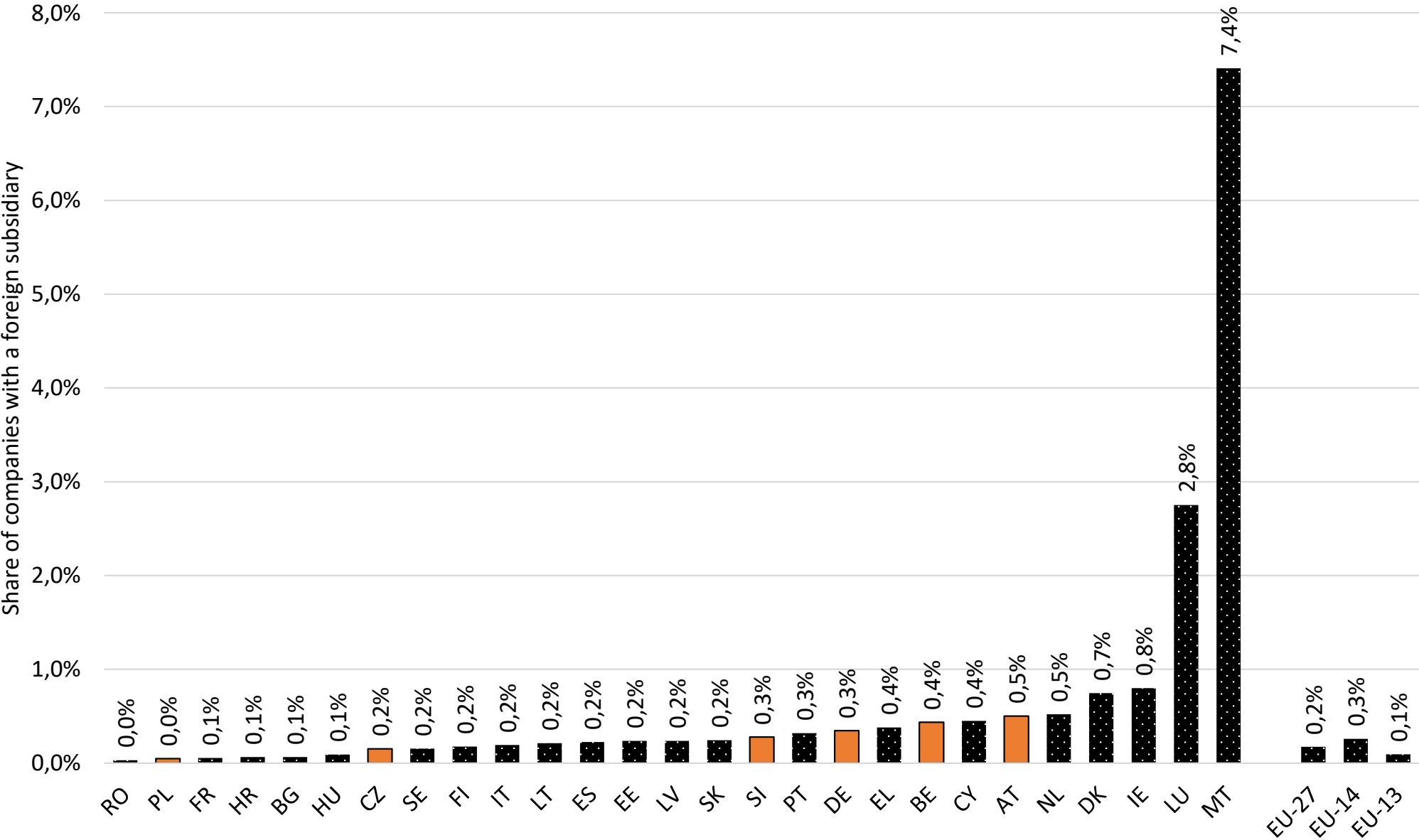
# Companies flagging out

# 'Flagging out' - Estimation of share of companies with a foreign majority shareholder in total number of companies active in freight transport by road



Source: Own elaborations based on Orbis (last data update 19/03/2022)

# 'Flagging out' - Estimation of share of companies with a foreign subsidiary in total number of companies active in freight transport by road



Source: Own elaborations based on Orbis (last data update 19/03/2022)

## Especially large companies are 'flagging out'

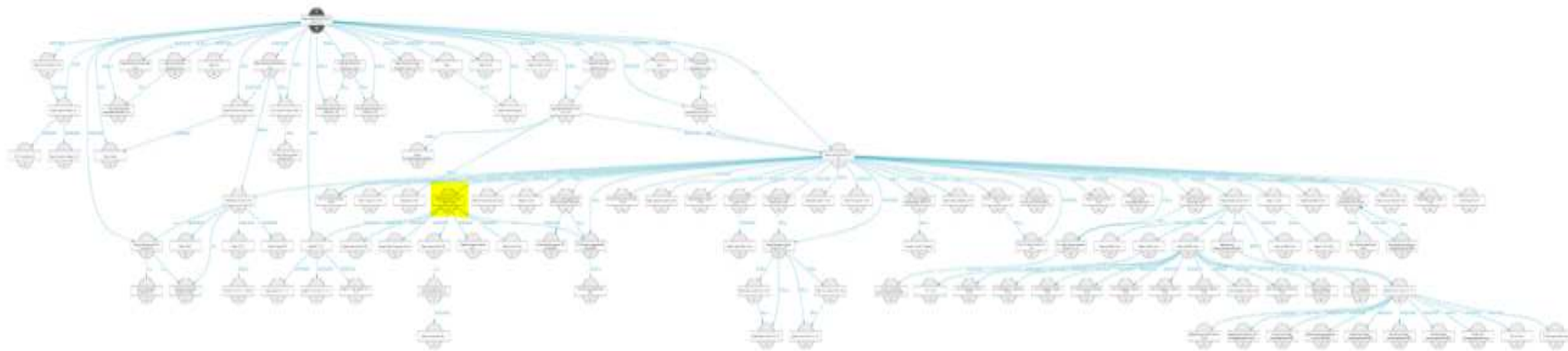
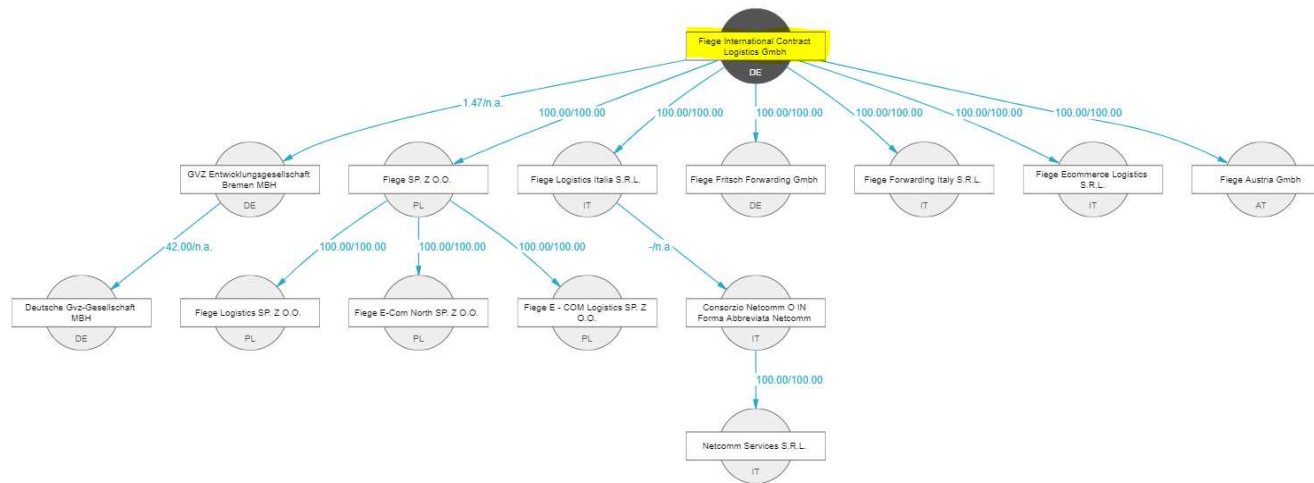
	Share of companies with a <u>foreign majority shareholder</u> concerning...			Share of companies with a <u>foreign subsidiary</u> concerning...		
	Number of companies	Turnover	Number of employees	Number of companies	Turnover	Number of employees
<b>EU-27</b>	2.3%	17.5%	10.2%	0.2%	15.5%	8.6%
<b>EU-14</b>	1.7%	16.9%	10.5%	0.3%	18.9%	12.9%
<b>EU-13</b>	2.9%	19.2%	9.8%	0.1%	5.8%	2.8%

Source: Own elaborations based on Orbis (last data update 19/03/2022)



*'Flagging out' - transport companies are often interwoven in a complex network of companies established in different countries and sectors*

## Corporate group of Fiege International Contract Logistics GmbH, Germany



Source: Own elaborations based on Orbis (data extracted 17/06/2020)

# Wages

# Cross-table average hourly wages (€) in NACE H Transportation and storage: factor by which average wage is multiplied when posted to another Member State, 2020

Hourly wages	Host Member State	Member State of origin																										
		BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	HR	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE
26.7	BE		5.2	2.9	0.7	1.2	2.6	1.0	1.3	1.7	1.1	3.1	1.4		3.4	3.0	0.8	3.4	1.8	1.0	1.1	3.6	1.7	5.7	1.9	3.1	1.0	1.2
5.1	BG	0.2		0.5	0.1	0.2	0.5	0.2	0.2	0.3	0.2	0.6	0.3		0.6	0.6	0.2	0.6	0.3	0.2	0.2	0.7	0.3	1.1	0.4	0.6	0.2	0.2
9.3	CZ	0.3	1.8		0.2	0.4	0.9	0.4	0.4	0.6	0.4	1.1	0.5		1.2	1.0	0.3	1.2	0.6	0.4	0.4	1.2	0.6	2.0	0.7	1.1	0.4	0.4
38.1	DK	1.4	7.5	4.1		1.7	3.8	1.5	1.8	2.4	1.6	4.5	2.0		4.8	4.2	1.2	4.8	2.6	1.5	1.5	5.1	2.5	8.1	2.7	4.5	1.4	1.7
22.2	DE	0.8	4.4	2.4	0.6		2.2	0.9	1.1	1.4	0.9	2.6	1.2		2.8	2.5	0.7	2.8	1.5	0.8	0.9	3.0	1.5	4.7	1.6	2.6	0.8	1.0
10.1	EE	0.4	2.0	1.1	0.3	0.5		0.4	0.5	0.6	0.4	1.2	0.5		1.3	1.1	0.3	1.3	0.7	0.4	0.4	1.3	0.7	2.1	0.7	1.2	0.4	0.5
25.6	IE	1.0	5.0	2.8	0.7	1.2	2.5		1.2	1.6	1.1	3.0	1.3		3.2	2.8	0.8	3.2	1.8	1.0	1.0	3.4	1.7	5.4	1.8	3.0	1.0	1.2
21.0	EL	0.8	4.1	2.3	0.6	0.9	2.1	0.8		1.3	0.9	2.5	1.1		2.7	2.3	0.7	2.7	1.4	0.8	0.8	2.8	1.4	4.5	1.5	2.5	0.8	1.0
16.0	ES	0.6	3.1	1.7	0.4	0.7	1.6	0.6	0.8		0.7	1.9	0.8		2.0	1.8	0.5	2.0	1.1	0.6	0.6	2.1	1.0	3.4	1.1	1.9	0.6	0.7
23.7	FR	0.9	4.6	2.5	0.6	1.1	2.3	0.9	1.1	1.5		2.8	1.2		3.0	2.6	0.7	3.0	1.6	0.9	0.9	3.2	1.5	5.0	1.7	2.8	0.9	1.1
8.5	HR	0.3	1.7	0.9	0.2	0.4	0.8	0.3	0.4	0.5	0.4		0.4		1.1	0.9	0.3	1.1	0.6	0.3	0.3	1.1	0.6	1.8	0.6	1.0	0.3	0.4
19.3	IT	0.7	3.8	2.1	0.5	0.9	1.9	0.8	0.9	1.2	0.8	2.3			2.4	2.1	0.6	2.4	1.3	0.7	0.8	2.6	1.3	4.1	1.3	2.3	0.7	0.9
	CY																											
7.9	LV	0.3	1.5	0.8	0.2	0.4	0.8	0.3	0.4	0.5	0.3	0.9	0.4			0.9	0.2	1.0	0.5	0.3	0.3	1.1	0.5	1.7	0.6	0.9	0.3	0.4
9.0	LT	0.3	1.8	1.0	0.2	0.4	0.9	0.4	0.4	0.6	0.4	1.1	0.5		1.1		0.3	1.1	0.6	0.3	0.4	1.2	0.6	1.9	0.6	1.1	0.3	0.4
32.3	LU	1.2	6.3	3.5	0.8	1.5	3.2	1.3	1.5	2.0	1.4	3.8	1.7		4.1	3.6		4.1	2.2	1.2	1.3	4.3	2.1	6.9	2.3	3.8	1.2	1.5
7.9	HU	0.3	1.5	0.8	0.2	0.4	0.8	0.3	0.4	0.5	0.3	0.9	0.4		1.0	0.9	0.2		0.5	0.3	0.3	1.1	0.5	1.7	0.6	0.9	0.3	0.4
14.6	MT	0.5	2.9	1.6	0.4	0.7	1.4	0.6	0.7	0.9	0.6	1.7	0.8		1.8	1.6	0.5	1.8		0.6	0.6	1.9	1.0	3.1	1.0	1.7	0.6	0.7
26.2	NL	1.0	5.1	2.8	0.7	1.2	2.6	1.0	1.2	1.6	1.1	3.1	1.4		3.3	2.9	0.8	3.3	1.8		1.0	3.5	1.7	5.6	1.8	3.1	1.0	1.2
25.2	AT	0.9	4.9	2.7	0.7	1.1	2.5	1.0	1.2	1.6	1.1	3.0	1.3		3.2	2.8	0.8	3.2	1.7	1.0		3.4	1.6	5.4	1.8	3.0	1.0	1.2
7.5	PL	0.3	1.5	0.8	0.2	0.3	0.7	0.3	0.4	0.5	0.3	0.9	0.4		0.9	0.8	0.2	0.9	0.5	0.3	0.3		0.5	1.6	0.5	0.9	0.3	0.3
15.3	PT	0.6	3.0	1.6	0.4	0.7	1.5	0.6	0.7	1.0	0.6	1.8	0.8		1.9	1.7	0.5	1.9	1.0	0.6	0.6	2.0		3.3	1.1	1.8	0.6	0.7
4.7	RO	0.2	0.9	0.5	0.1	0.2	0.5	0.2	0.2	0.3	0.2	0.6	0.2		0.6	0.5	0.1	0.6	0.3	0.2	0.2	0.6	0.3		0.3	0.6	0.2	0.2
14.3	SI	0.5	2.8	1.5	0.4	0.6	1.4	0.6	0.7	0.9	0.6	1.7	0.7		1.8	1.6	0.4	1.8	1.0	0.5	0.6	1.9	0.9	3.0		1.7	0.5	0.7
8.5	SK	0.3	1.7	0.9	0.2	0.4	0.8	0.3	0.4	0.5	0.4	1.0	0.4		1.1	0.9	0.3	1.1	0.6	0.3	0.3	1.1	0.6	1.8	0.6		0.3	0.4
26.4	FI	1.0	5.2	2.8	0.7	1.2	2.6	1.0	1.3	1.7	1.1	3.1	1.4		3.3	2.9	0.8	3.3	1.8	1.0	1.0	3.5	1.7	5.6	1.8	3.1		1.2
21.9	SE	0.8	4.3	2.4	0.6	1.0	2.2	0.9	1.0	1.4	0.9	2.6	1.1		2.8	2.4	0.7	2.8	1.5	0.8	0.9	2.9	1.4	4.7	1.5	2.6	0.8	

\* Data for NL concern reference year 2019, data for RO concern reference year 2017, no data for CY

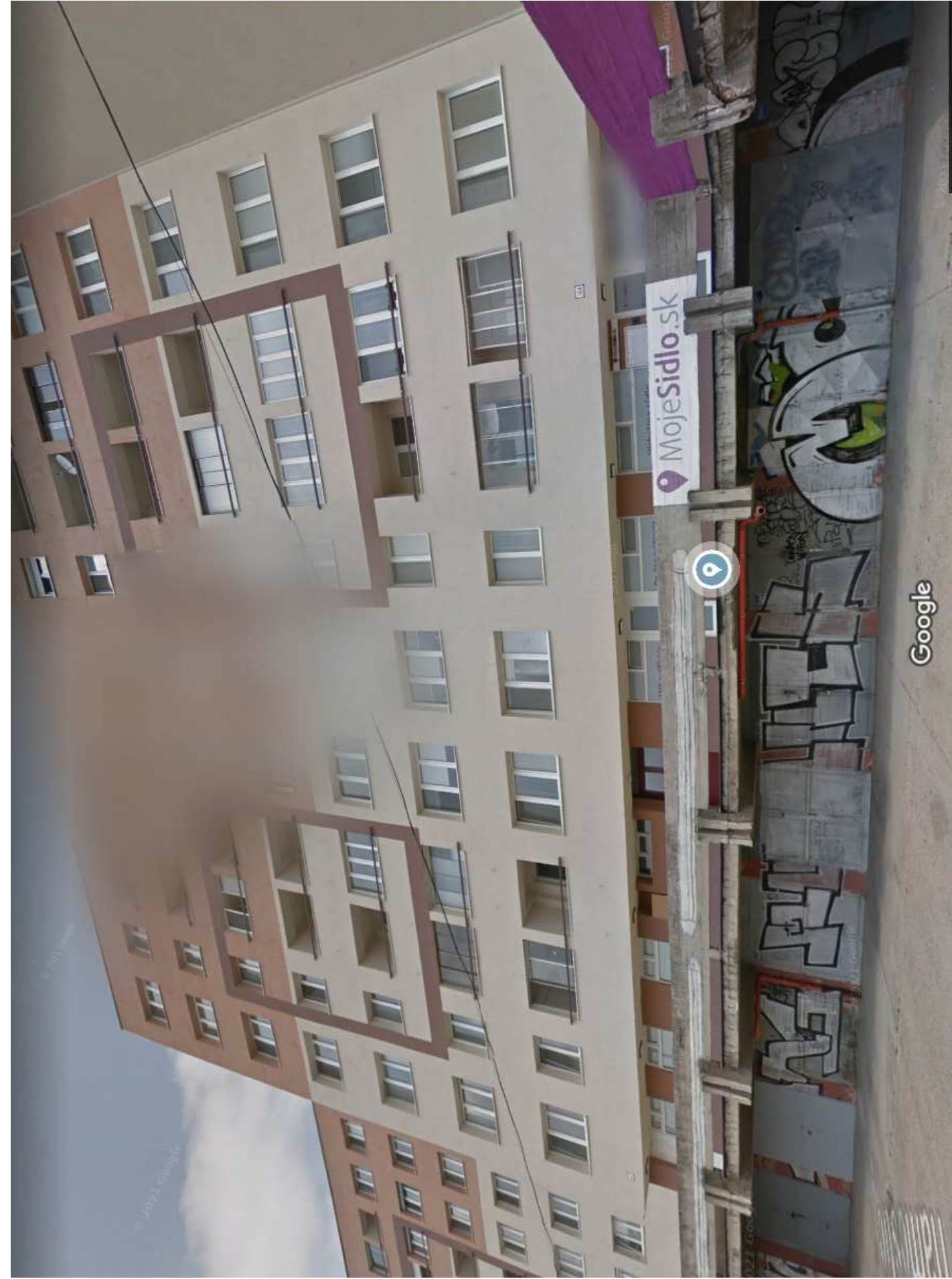
Source: Eurostat [lc\_lci\_lev]

# Letterbox companies

## *Letterbox companies*

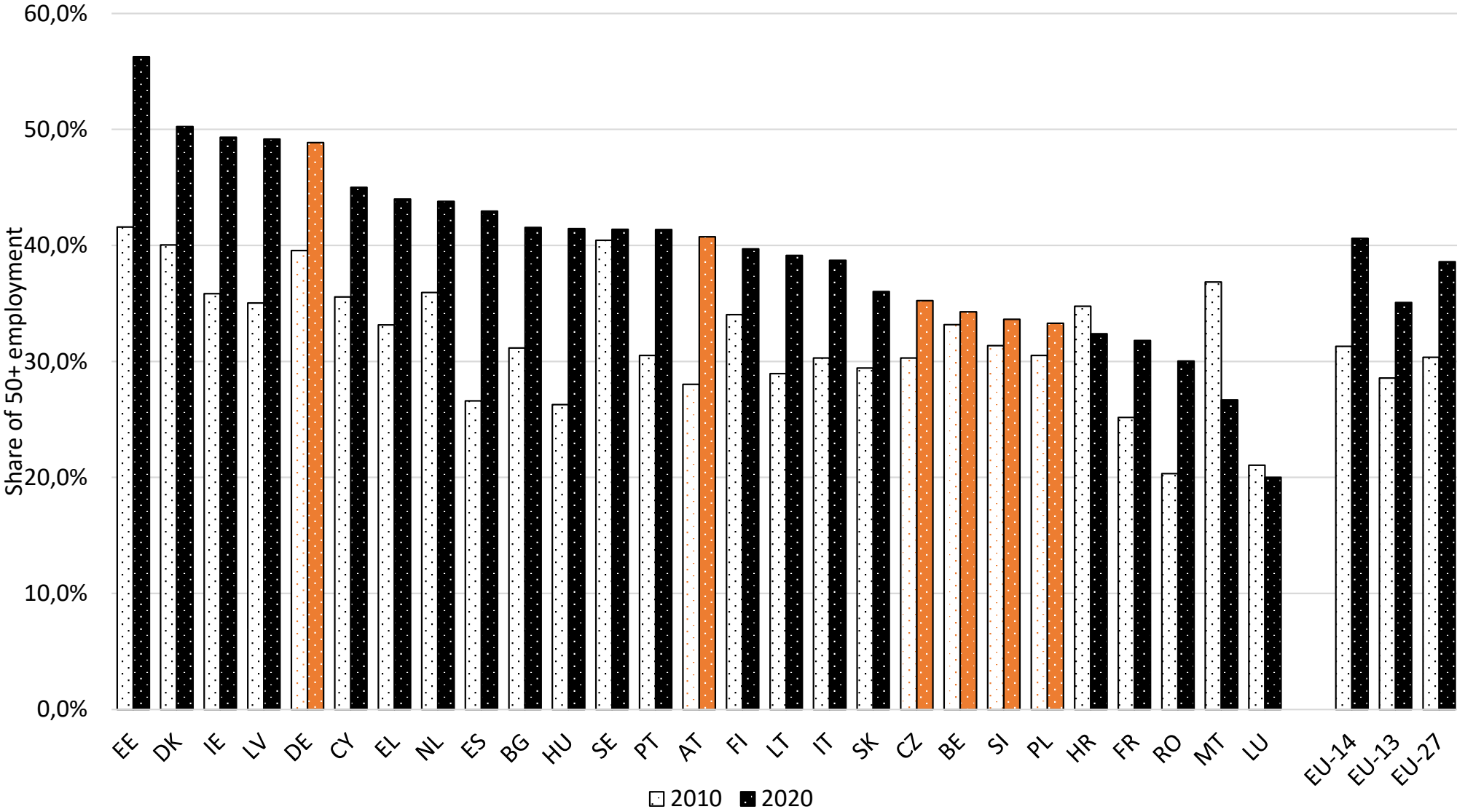
- Article 3 of Regulation 1071/2009;
- ‘Red flag’: when multiple companies are located at the same address, it is possible that no substantial activities are going on at this location;
- In seven EU-27 Member States, addresses where more than 50 transport companies are located;
- The highest number of transport companies located at one address amounts to 130 in Slovakia, 113 in Bulgaria, 101 in Poland, and 83 in France.

Source: Own elaborations based on Orbis (data extracted 07/07/2020)



# Labour shortages

# Share of employees above 50 years old in NACE H49 Land transport and transport via pipelines, 2010 vs 2020, EU-27

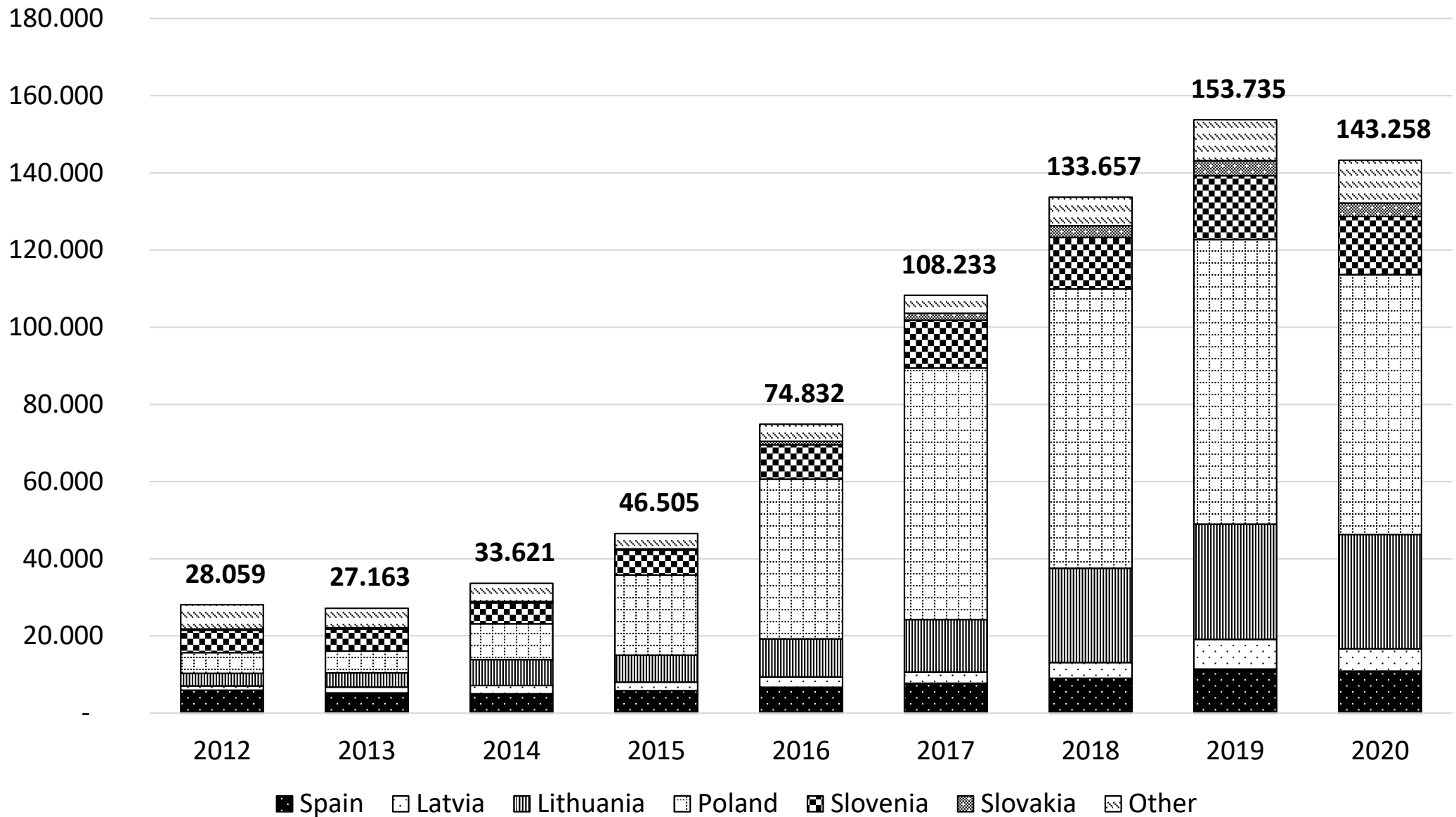


Source: Eurostat [lfsa\_egan22d]



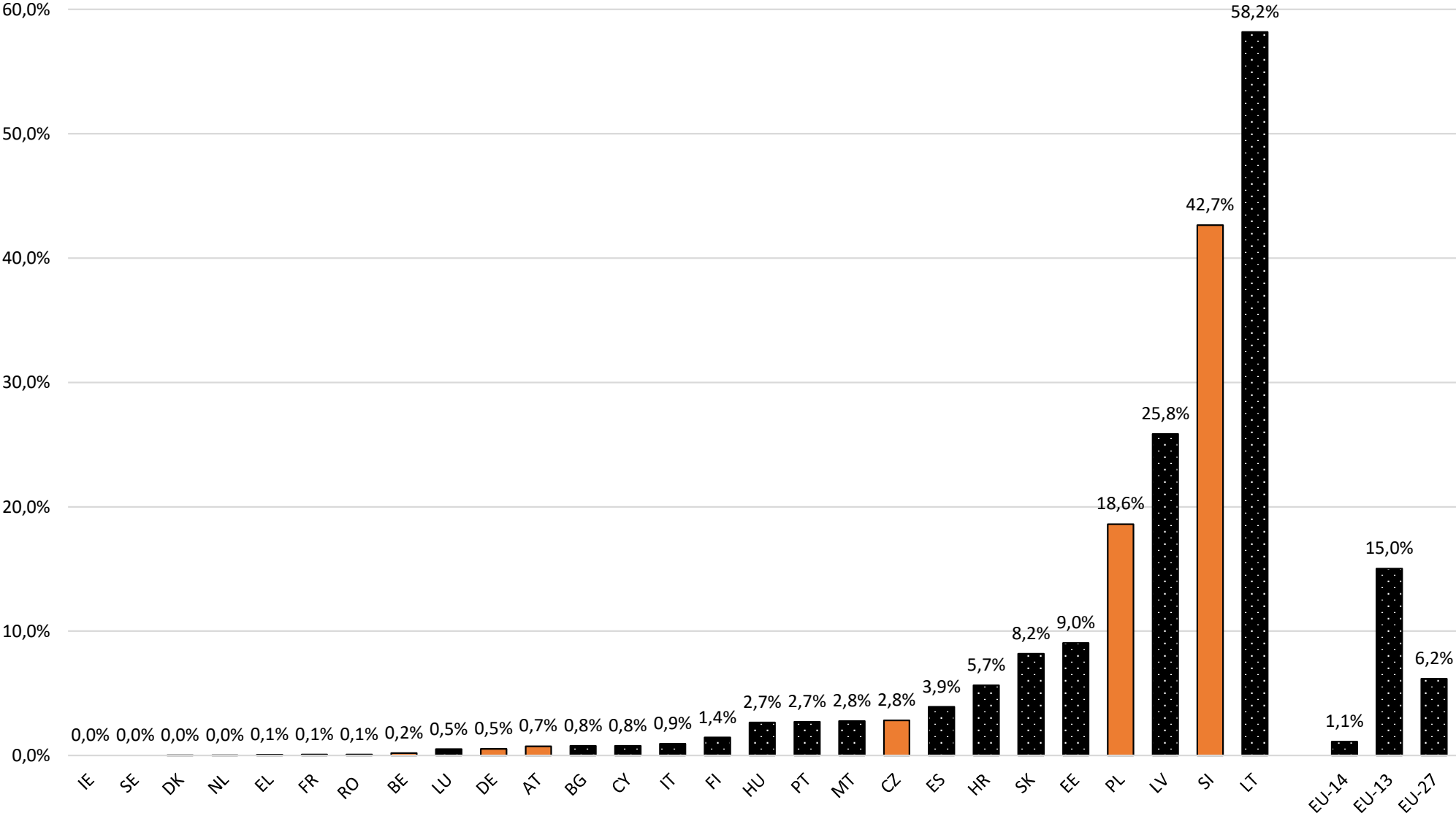
# Third country nationals

## Driver attestations issued, EU-27, 2012-2020



Source: European Commission – Mobility and Transport

# Share of driver attestations in circulation on total number of persons employed in NACE 4941 Freight transport by road, EU-27, 2019



Source: European Commission – Mobility and Transport and Eurostat [sbs\_na\_1a\_se\_r2]

# Poland

## *Driver attestations issued and in circulation, Poland, 2012-2020*

	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Number of driver attestations issued</b>	5,353	5,641	9,255	20,765	41,391	65,192	72,390	73,694	67,359
<b>Share in total driver attestations issued by the EU-27</b>	19.1%	20.8%	27.5%	44.7%	55.3%	60.2%	54.2%	47.9%	47.0%
<b>Number of driver attestations in circulation</b>	4,221	4,771	6,809	13,238	26,624	46,138	67,891	89,093	103,154
<b>Share in total number of persons employed in NACE 4941 'Freight transport by road'</b>	1.5%	1.6%	2.3%	4.1%	7.5%	12.1%	14.9%	18.6%	21.5%*

\* Estimation based on number of persons employed in NACE 4941 in 2019

**Source:** European Commission – Mobility and Transport and Eurostat [sbs\_na\_1a\_se\_r2]

# Slovenia

## *Driver attestations issued and in circulation, Slovenia, 2012-2020*

	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Number of driver attestations issued</b>	5,876	5,755	5,461	6,418	8,973	12,332	13,345	16,533	15,072
<b>Share in total driver attestations issued by the EU-27</b>	20.98%	21.2%	16.2%	13.8%	12.0%	11.4%	10.0%	10.8%	10.5%
<b>Number of driver attestations in circulation</b>	5,776	5,254	6,056	7,169	9,212	11,234	8,638	12,489	12,802
<b>Share in total number of persons employed in NACE 4941 'Freight transport by road'</b>	27.9%	25.8%	28.7%	32.0%	38.8%	43.8%	31.4%	42.7%	43.7%*

\* Estimation based on number of persons employed in NACE 4941 in 2019

Source: European Commission – Mobility and Transport and Eurostat [sbs\_na\_1a\_se\_r2]

# Questions?

lynn.desmedt@kuleuven.be