

Research finds road transportation costs have risen noticeably more than rail & sea freight

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The first ever European Finished Vehicle Logistics Cost Index, produced by the European Association of Vehicle Logistics (ECG) and PwC Austria, has shown that the cost of transporting goods by road in Europe has increased noticeably more than by sea or rail.



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The authors of the index say their aim is to provide transparency on industry-specific cost developments, and facilitate the development of a standard for the wider logistics industry in Europe.

The research is differentiated into four logistics segments (road, sea, rail, and compounds) across eight representative European countries (Belgium, France, Germany, Italy, Poland, Spain, Sweden, and the United Kingdom).

Based on FVL relevant cost factors per logistics segment, selected countries, and representative data sources, the FVL Cost Index stands at 153.9.

This indicates that costs have increased by 53.9% from January 2019 to September 2022.

For the four segments, the following results were derived:

Logistics segment road: The FVL Road Cost Index amounts to 132.8 which shows an overall increase of costs by 32.8% between January 2019 and

across Europe, increasing driver wages and the dramatic spike in diesel prices – increasing by an average of 69% within the first seven months of 2022 – significantly impacted cost developments.

Logistics segment sea: The FVL Sea Cost Index amounts to 213.7 which shows an overall increase of costs by 113.7% between January 2019 and September 2022. This significant rise in costs within the sea segment is predominantly caused by the tight pure car and truck carrier (PCTC) supply-demand market situation driving PCTC vessel time charter rates to an all-time high as well as continuously increasing asset values for PCTC vessel newbuilds.

Logistics segment rail: The FVL Rail Cost Index amounts to 124.2 which shows an overall increase of costs by 24.2% between January 2019 and September 2022. Amongst other factors labour, fuel, and FVL rail asset costs have strongly impacted rail cost developments.

Logistics segment compounds: The FVL Compounds Cost Index amounts to 121.4 which shows an overall increase of costs by 21.4% between January 2019 and September 2022. These cost developments are largely tied to compound land and labour costs, which are among the factors often linked to the Consumer Price Index (CPI), and hence represented high volatility levels during the examined period.

As the bullet points above show, the cost of road freight has increased by more than double that of sea freight, and 9.6% more than rail.

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