



**Latest update of the FVL Cost Index for Q1 and Q2 2024 announced. Drop in shipping time charter rates masks continued cost increases across the board in headline number says ECG - the Association of European Vehicle Logistics, which publishes the update in partnership with PwC Austria.**

Brussels, 02 October, 2024

The European Finished Vehicle Logistics (FVL) Cost Index was first published in 2022 in a partnership between ECG and PwC Austria. Its purpose was to provide better transparency on industry-specific cost developments. The index is differentiated into four logistics segments: road, sea, rail, and compounds. Eight countries were selected to represent the market. The methodology uses a hybrid data model with consolidated data processed anonymously.

Behind every number is a reality. Fuel costs partly drive the cost index for the logistics segment of roads; when the transformation to electric vehicles is ongoing, governments introduce different subsidies and policies that affect fuel prices. Sweden is an example of a country where diesel prices have decreased significantly in the last year.

The cost index is also affected by labour wages. Poland is an example where the national minimum wage increased by nearly 20% in July 2024 compared to the year

before. As for the logistics segment of sea transport, the cost index is affected by shipping companies trying to avoid attacks in the Red Sea and reroute their transports around the southern tip of Africa.

**Wolfgang Göbel, ECG President commented:**

*“The overall cost level in FVL, as analysed by PwC, has stabilised in the first half year of 2024 at a high level.*

*At the same time, we are dealing with a difficult market environment and transformational challenges for the automotive industry and finished vehicle logistics. To cope with these ECG already offers a ‘toolbox’ of industry standards and continues to foster intense collaboration with all industry stakeholders. Collaboration is also the theme of our annual conference 24./25 October in Hamburg.”*

**Thomas Windhager, Partner, PwC Austria added:**

*“At PwC, we are very proud of the professional collaboration and long-term partnership with ECG. PwC, as the independent developer of the FVL Cost Index since 2022, sees this quality assured index now accepted throughout the industry, confirming its importance as a barometer of the market, evidenced by the continued strong demand from all market participants involved for the latest updates.”*

Here is a summary of the updated version:

The Finished Vehicle Logistics (FVL) Cost Index for Q2 2024 stands at 160.7, indicating an overall cost increase of 60.7% from January 2019 to June 2024. For Q4 2023, the index stood at 161.7. Hence, the index decreased by 1.0 index points since the last index update. The decrease in the FVL Sea Cost Index significantly drives this development. For the four segments following results were derived:

- **Logistics segment road:** The FVL Road Cost Index reached 127.7 for Q2 2024, showing an overall cost increase of 27.7% between January 2019 and June 2024. For Q4 2023 the index stood at 126.7, hence, the index increased by just 1.0 index-points since the last update. This slight cost increase is mainly based on further increases in labour and asset costs as well as toll increases in some of the eight countries.
- **Logistics segment sea:** The FVL Sea Cost Index dropped to 242.0 for Q2 2024 but still shows an overall cost increase of 142.0% between January 2019 and June 2024. As of Q4 2023 the index stood at 249.1, hence, the index decreased by 7.1 index-points since the last update. The substantial decrease in the prior all-time high pure car and truck carrier (PCTC) vessel time charter rates primarily drives this index development.
- **Logistics segment rail:** The FVL Rail Cost Index stands at 125.8 for Q2 2024 which shows an overall cost increase of 25.8% between January 2019 and June 2024. For Q4 2023 the index stood at 125.4, hence, the index only increased by 0.4 index-points since the last update. This slight cost increase is mainly driven by some increases in labour costs.

- **Logistics segment compounds:** The FVL Compounds Cost Index amounts to 121.0 for Q2 2024 which shows an overall cost increase of 21.0% between January 2019 and June 2024. For Q4 2023 the index stood at 117.8, hence, the index increased by 3.2 index-points since the last index update. This development is primarily caused by further increases in labour and land costs.

The full version of the updated figures for Q1 and Q2 2024, differentiated by segments and countries, is available as an appendix to the study released in March 2023 [here](#).

Further index updates will be provided biannually. Should you have any questions about the FVL Cost Index, or would like to be involved in future index updates, please feel free to contact [PwC Austria](#) or the ECG secretariat.

#### **Note to editors:**

ECG is the established European platform for the outbound automotive logistics sector bringing together logistics service providers, manufacturer logistics managers and suppliers to the sector. ECG aims to facilitate non-commercial collaboration between member companies and assist them in sharing best practices in many operational areas, especially the harmonisation of operational standards.

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#### **About ECG**

ECG, the Association of European Vehicle Logistics, has been the voice of the Finished Vehicle Logistics industry in Europe since 1997. ECG represents the interests of more than 200 member companies and partners, from family owned SMEs to multi-nationals, and is the major champion of the European vehicle logistics sector.

ECG represents all transport models at EU level- road, rail, maritime and fluvial. ECG members provide transport, distribution, storage, preparation, and post-production services to manufacturers, importers, car rental companies, and vehicle leasing operators in the 27 Member States of the European Union as well as Norway, Switzerland, Turkey, the United Kingdom, and beyond. They own or operate more than 470 car-carrying ships, 14,000 purpose-built railway wagons, 23 river barges, and 26,000 road transporters. As a major employer, the finished vehicle logistics sector plays an important role in contributing to the economic success of the European Union. Today, ECG members have an aggregate turnover of €21.3 bn and their economic impact on companies associated with the sector is estimated at €56bn. **More than 210,000 Europeans are employed directly by our members.**

## About PwC

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 152 countries with nearly 328,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at [www.pwc.com](http://www.pwc.com)

