

## EUROPEAN STUDIES

# The Romanian road freight transport in 2020





# Comité national routier (CNR)

In cooperation with the Romanian National Union of Road  
Hauliers (UNTRR)



## EUROPEAN STUDIES

# Road freight transport in Romania in 2020

Following on from the study devoted to the Romanian RFT sector published in 2017, this survey, conducted between 2019 and 2020, is intended to provide updated statistics concerning the activity of this sector as well as about the typical operating conditions and costs for a 40-tonne heavy goods vehicle used for international long-distance transport.

Note: the exchange rate of the Romanian leu applied for 2020 is 4.7828 lei for 1 euro.

Comité national routier - Paris

[www.cnr.fr](http://www.cnr.fr) – [cnr@cnr.fr](mailto:cnr@cnr.fr)

The map on the cover comes from <https://commons.wikimedia.org/wiki/File:EU-Romania.svg>



## SUMMARY

This new study on the Romanian RFT sector in 2020 carried out in cooperation with the Romanian National Union of Road Hauliers, the UNTRR, attests to the significant development of the sector in the space of three years. The main changes are the doubling of the basic minimum wage, the transfer of social security contributions from the employer to employees and increases in travel allowances. As regards RFT activity, the Romanian sector is one of the most active sectors in the European Union when it comes to international long-distance transport. Operating mainly in western Europe, more than 30% of its activity involves transport between third countries, with cabotage accounting for 7% of the total.

In 2020, annual vehicle mileage fell sharply compared to 2017, down 8.5% to 136,700 km per year. This is due in particular to drivers returning to their base more frequently due to roadside checks and pressure exerted by Western European countries as part of the EU's Mobility Package.

Gross pay for Romanian drivers increased from less than 400€ to 565€ in three years, a direct consequence of the doubling of the minimum wage between 2016 and 2020. With travel allowances negotiated on an individual basis, the daily amount of travel allowances rose to 68€ per day over an average of 22 days per month. Driver mileage has fallen by 6% since the last study, while driver cost has increased by 31%. Overall, the cost of an hour of driving rose to 11.81€, an increase of more than 31% compared to 2017. Take-home pay for drivers increased from 15,227€ to 20,490€ per year (i.e. +34.6%).

There are other cost increases as well: tolls (+37%), maintenance-repairs (+16%) and the cost of vehicle ownership (+12%). The drop in fuel costs (-9%) and vehicle insurance (-12%) are not enough to neutralise the overall effect. At the time of writing, the cost per kilometre of a 40-tonne Romanian heavy goods vehicle operating internationally, excluding fixed costs, was 0.76€ compared with 0.64€ in 2017, an increase of 19%. When fixed costs (estimated at around 8% of the total cost) are factored in, the total cost rises to 0.83€ per kilometre in 2020, under the conditions prevailing before the Covid crisis.



# CONTENTS

<b>SUMMARY</b>	<b>5</b>
<b>CONTENTS</b>	<b>7</b>
<b>1. OVERVIEW OF ROMANIAN ROAD FREIGHT TRANSPORT</b>	<b>9</b>
<b>1.1. ECONOMIC BACKGROUND</b>	<b>9</b>
ROMANIA IN BRIEF	9
NOTE ON THE CONDITIONS UNDER WHICH THE STUDY WAS CARRIED OUT	9
<b>1.2. OVERVIEW OF ROMANIAN ROAD FREIGHT TRANSPORT</b>	<b>10</b>
TRANSPORT AND INFRASTRUCTURE POLICY	10
ROAD FREIGHT TRANSPORT OPERATORS	12
THE ROMANIAN RFT SECTOR IN 2019 – KEY DATA	14
<b>1.3. OVERVIEW OF FISCAL AND LABOUR REGULATIONS APPLICABLE TO ROAD FREIGHT TRANSPORT IN ROMANIA</b>	<b>18</b>
ROAD FREIGHT TRANSPORT TAXES	18
LABOUR REGULATIONS APPLICABLE TO ROAD FREIGHT TRANSPORT	22
<b>2. STUDY OF THE OPERATING CONDITIONS AND COSTS FOR A 40-TONNE ROMANIAN HGV OPERATING INTERNATIONALLY</b>	<b>26</b>
<b>2.1. OPERATING CONDITIONS AND COSTS FOR COMPANIES</b>	<b>26</b>
TRANSPORT EQUIPMENT – Use	27
TRANSPORT EQUIPMENT – Financing	27
FUEL	28
MAINTENANCE & REPAIRS	29
TYRES	29
TOLLS	30
INSURANCE	30
AXLE TAX	30
FIXED COSTS	31
<b>2.2. EMPLOYMENT CONDITIONS AND DRIVER EMPLOYMENT COSTS</b>	<b>31</b>
EMPLOYMENT CONDITIONS	31
NOTE ON DRIVING PERSONNEL COST FORMATION	33
<b>2.3. OVERVIEW OF THE OPERATING CONDITIONS AND COSTS OF A “TYPICAL” INTERNATIONAL HGV</b>	<b>35</b>
<b>3. BIBLIOGRAPHY</b>	<b>37</b>



# 1. OVERVIEW OF ROMANIAN ROAD FREIGHT TRANSPORT

## 1.1. ECONOMIC BACKGROUND

### ROMANIA IN BRIEF

Capital	Bucharest
Area	238,398 km <sup>2</sup>
Population	19,731,648 inhabitants
Official EU language(s)	Romanian
Political system	Parliamentary Republic
President of the Republic	Klaus Iohannis
Prime Minister	Florin Citu
Minister of Transport	Catalin Drula, since 23 December 2020
Date of EU membership	1 January 2007
Date of adoption of the euro	Currently not a member. Earliest possible adoption of the euro is 2027/2028, according to the Prime Minister
Seats in the European Parliament	33 seats
European Commissioner	Adina-Ioana Valesan, Transport Commissioner
GDP growth (%)	+ 4.1% (Eurostat, 2019)
Inflation (%)	+ 2.3% (Eurostat, 2020)
Unemployment rate (% of active population)	5.0% (Eurostat, end 2020)
Trade balance	-18.7 billion euros (2020)
Gross monthly minimum wage	2 300 lei, i.e. 481€ per month (as of 13 January 2021)

### NOTE ON THE CONDITIONS UNDER WHICH THE STUDY WAS CARRIED OUT

This study on the Romanian RFT sector was carried out in early 2020 under the economic conditions prevailing before the Covid-19 crisis. Data and operating conditions are in keeping with other previously published RFT studies carried out by CNR in European Union countries.

Due to the exceptional conditions brought about by the Covid crisis, the Romanian sector most likely suffered a sharp fall in its volume of activity in the period between March-May 2020, especially the international segment. This significant decline, which was endured by all European sectors, appears to have been offset by a sustained recovery in activity during the summer of 2020, thereby reducing the overall annual decline in activity of the Romanian sector. At the end of 2020, the difficulties associated with international travel continued to hamper RFT operations, but the competitiveness of the Romanian sector as well as the willingness of its drivers to undertake months-long trips in Europe appear to have enabled the sector to end 2020 on a relatively upbeat note.

## 1.2. OVERVIEW OF ROMANIAN ROAD FREIGHT TRANSPORT

### TRANSPORT AND INFRASTRUCTURE POLICY

#### Transport policy<sup>1</sup>

The latest periodic “Strategic Transport Plan” published by the Ministry of Transport and Infrastructure covers the period 2014-2020. It provides for:

- improving the connectivity of trans-European transport networks through the development of the TEN-T transport infrastructure network,
- the establishment of a comprehensive and efficient transport system (cost-effective, sustainable, safe and with a reduced impact on the environment),
- the modernisation of existing infrastructures,
- the 45.45€ billion investment in all-mode and intermodal transport projects.

With regard to road transport, the Ministry is working on a number of projects, in particular motorways, in order to link the country's major economic hubs. The priority areas are Sibiu-Pitesti, Sibiu-Brasov, Brasov-Bacau, Targu Neamt-Pascani-Iasi-Ungheni, Brasov-Comarnic, Pitesti-Craiova and Suplacu de Barcau-Bors. These motorway projects represent nearly 1,095 km of new construction, including 118 km in mountainous areas, with a budget of nearly 10 billion euros.

A major reform is also set to change the face of rail transport in Romania. The main challenge facing the sector is the modernisation of the existing network to improve speed and punctuality in order to restore the attractiveness of rail transport for both passengers and freight. The “National Rail Package” includes the construction of certain missing sections of the network and the electrification of the majority of the existing network by 2029.

The development of maritime transport is an important part of the strategic plan, which aims to modernise the maritime infrastructure at the country's main ports (Constanta, Galati, Giurgiu, etc.) and to improve links between the Danube river network and the Black Sea. The plan also provides for the establishment of multimodal services in the country's main airports and the development of regional airports to ensure improved accessibility to rural areas.

The development of joint projects with Bulgaria, particularly in the maritime and fluvial sectors, as well as the construction of motorways linking Romania to the rest of Europe, are

---

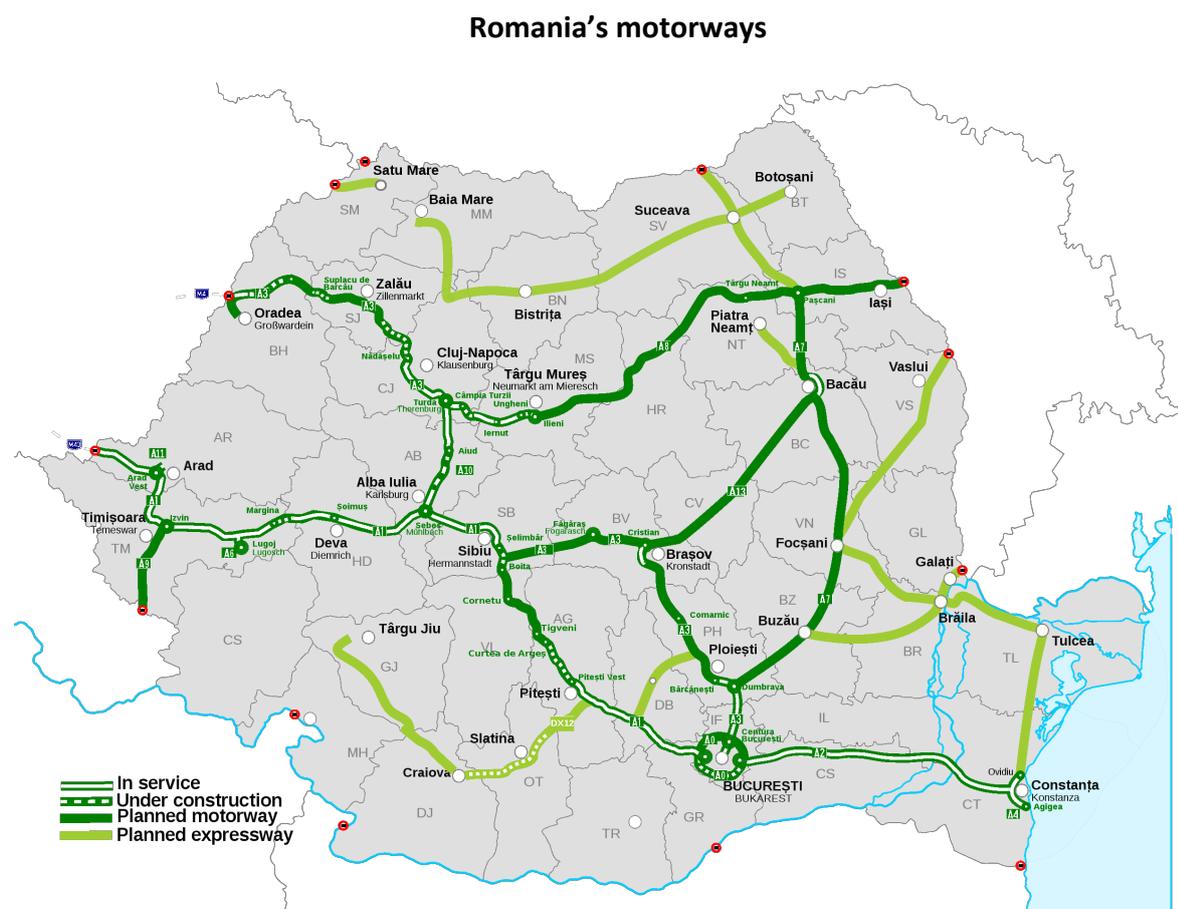
<sup>1</sup> Ministry of Transport and Infrastructure, Master Plan 2019-2020

<http://www.mt.gov.ro/web14/strategia-in-transporturi/master-plan-general-transport/documente-master-plan1/613-documente-master-plan-general-de-transport>

among the country's priorities. To this end, Romania is counting on EU aid should cover almost 40% of the budget for these projects between 2014 and 2020.

### *Transport infrastructure and use*

Romania's road infrastructure is patchy and congested. As the cost of building new motorways is rather high due to the country's challenging geography, the development of the network is progressing slowly. Numerous motorway projects are underway, with the priority being to link the port of Constanta and the capital Bucharest to Western Europe via Hungary.



A legacy of the communist era, the Romanian rail network is ageing and now requires large-scale investment. Nevertheless, it accounts for almost 30% of freight transport.

A striking feature of the situation in Romania is the importance of fluvial transport, which accounts for nearly 30% of the country's freight transport. It plays a very important role in national as well as international transport, especially in terms of Romania's trade with its neighbours in Central and Eastern Europe.

Evolution of modal split of inland freight transport in Romania (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Road transport	37%	37%	39%	40%	41%	38%	40%	42%	44%	45%
Rail transport	29%	35%	31%	31%	30%	32%	30%	30%	29%	27%
Inland waterways transport	34%	27%	29%	29%	29%	30%	29%	27%	27%	28%

Source : Eurostat

Transport infrastructures in Romania

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Length of roads	16,552 km	16,690 km	16,887 km	17,110 km	16,589 km	16,859 km	16,865 km	16,891 km	16,917 km	17,007 km
of which paved roads	332 km	350 km	550 km	644 km	683 km	747 km	747 km	763 km	823 km	866 km
Length of rail network	10,785 km	10,777 km	10,777 km	10,768 km	10,777 km	10,770 km	10,774 km	10,774 km	10,765 km	10,759 km
of which electrified	4,020 km	4,020 km	4,020 km	4,029 km	4,029 km	4,030 km	4,030 km	4,030 km	4,029 km	4,029 km
Length of inland natural waterways	1,647 km	2,453 km								
Length of inland waterway channels	132 km	182 km								

Source : INSSE - Romanian statistics institute

## ROAD FREIGHT TRANSPORT OPERATORS

### *Professional RFT organisations*

#### *Romanian National Federation of Road Hauliers (UNTRR)<sup>2</sup>*

Founded in 1990, UNTRR is the leading professional road haulage organisation in Romania. According to its spokesperson, it is a “non-governmental, independent, apolitical and democratic” organisation. UNTRR’s mission is to support the sector and protect the interests of Romanian road hauliers at national and international level.

The organisation has more than 13,000 members operating in the RFT and road passenger transport markets. It is very active in the European negotiations. UNTRR helps its members with their international activities and also has a TRM cost calculation tool based on CNR methodologies. Its general secretary is active on the European scene and enjoys a close relationship with Romanian authorities.

---

<sup>2</sup> Source: <https://www.untrr.ro/about/about-us.html>

### *ARTRI – Romanian International Road Transport Association*

ARTRI is a professional organisation that mainly includes small and medium-sized international RFT companies. As a member of the IRU, it ensures the implementation and application of international regulations (e.g. the TIR Convention). Through the IRU, it liaises with organisations in 74 countries and aims to protect the interests of Romanian road hauliers. It supports carriers in terms of their organisation, management, development and procedures, including those related to special activities. It offers financial, administrative and logistical assistance.

### *FORT – Federation of Romanian Transport Operators*

FORT is an association of small transport companies operating mainly at the national level. It helps entrepreneurs with their technical, legal and administrative procedures and handles their relations with public authorities. FORT sees itself "the voice of Romanian transporters whose shared aim is to bring order and a sense of discipline to transport companies and to win the respect of Romanian and international authorities". It also campaigns for the modernisation of the fleet of RFT and passenger transport vehicles operating domestically and for the reorganisation of the sector in order to better meet the needs of the country.

### *Supervisory bodies*

#### *Registrul Auto Român (RAR) – Romanian Automobile Register*<sup>3</sup>

RAR is a technical body, established by the Ministry of Transport as the authority responsible for matters related to road vehicles, road safety, environmental protection and transport quality assurance.

Under current law, RAR has the following responsibilities:

- issuing national certification for road vehicles, spare parts and on-board systems,
- granting certificates of conformity in the same areas,
- granting specific individual certifications for road vehicles,
- carrying out periodic technical inspection of certain types of vehicles,
- granting licences to roadworthiness testing stations,
- applying European regulations on specific technical matters,
- granting licences to vehicle repair workshops for vehicles and certifying the "quality management system",
- participating in the work of the Global Forum for the Harmonization of Vehicle Regulations, under the auspices of UN Economic Commission.

The RAR is based in Bucharest but has branches in all regions of Romania.

---

<sup>3</sup> Source: [www.rarom.ro](http://www.rarom.ro)

### ARR – Romanian Road Authority

ARR is another public body that reports to the Ministry of Transport. Its mission is to:

- grant transport licences for Romanian freight and passenger transporters,
- grant permits to driving schools and their instructors,
- maintain the register of transporters and road haulage organisations,
- issue certificates and diplomas to road transport professionals,
- implement technical standards and ensure the application of regulations issued by the Ministry of Transport,
- issue tachograph cards,
- assess the various factors impacting road safety.

### ISCTR - State Road Transport Inspection Authority (ISCTR)

ISCTR is a technical body that reports to the Ministry of Transport and monitors national regulations and their compliance with international regulations. It mainly handles driving licences and the implementation and control of the technical specifications of vehicles (weight, size, etc.)

ISCTR is the authority responsible for carrying out inspections and imposing penalties in accordance with the provisions of EU Regulations EC/1071/2009, EC/1072/2009, EC/1073/2009 and EC/561/2006.

## THE ROMANIAN RFT SECTOR IN 2019 – KEY DATA

### Structure of the Romanian RFT sector in 2019

**Structure of the Romanian RFT sector in 2019**

2019	Goods transported	Tonne-kilometers achieved		Average distance	Vehicle.kilometres achieved
	thousand tonnes	million t.km	%	km	million of vehicle.km
<b>TOTAL</b>	<b>256,641</b>	<b>61,041</b>	<b>100.0%</b>	<b>238</b>	<b>4,202</b>
Domestic transport	200,198	16,675	27.3%	83	1,210
International transport	56,443	44,367	72.7%	786	2,993
<i>International transport of goods loaded in Romania</i>	8,720	11,308	18.5%	1,297	780
<i>International transport of goods unloaded in Romania</i>	6,989	9,103	14.9%	1,302	614
<i>Cross-trade</i>	27,418	19,872	32.6%	725	1,312
<i>Cabotage</i>	13,315	4,083	6.7%	307	286

Source : Eurostat

Accounting for more than 70% of total activity, the Romanian sector has one of the highest international activity rates in Europe. The average trip distance of 1,300 km in the case of bilateral activity can be explained by the fact that the main markets served by the Romanian sector are located in the western part of the European Union. Transport between third countries is the sector's leading activity, accounting for almost a third of the overall total. Representing 6.7% of total business in 2019, Romanian cabotage is no longer a sideline activity but constitutes a genuine market in its own right.

### Evolution of the Romanian RFT sector

Evolution of the Romanian RFT sector in million tonne-kilometres

In million t-km	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	AAGR*
<b>TOTAL</b>	<b>34,269</b>	<b>25,889</b>	<b>26,349</b>	<b>29,662</b>	<b>34,026</b>	<b>35,136</b>	<b>39,023</b>	<b>48,176</b>	<b>54,704</b>	<b>58,762</b>	<b>61,041</b>	5.94%
Domestic transport	20,879	12,096	11,858	12,673	12,505	12,136	12,068	13,140	13,548	14,358	16,675	-2.22%
International transport	13,390	13,793	14,491	16,989	21,522	23,000	26,955	35,036	41,156	44,404	44,367	12.73%

Source : Eurostat

\*Average annual growth rate

The activity of the Romanian sector has increased significantly since the end of the 2008 economic crisis. Over the last ten years, international activity has posted an average growth rate of 12.73%, while domestic activity is struggling to reach its pre-crisis level, with an average fall of 2.22%/year over the same period.

### Cabotage

Cabotage under Romanian flag in the 3 main "cabotaged" countries

In million tonne-kilometres	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	AAGR*
<b>Cabotage under Romanian flag</b>	<b>93</b>	<b>66</b>	<b>207</b>	<b>505</b>	<b>1,008</b>	<b>1,403</b>	<b>1,755</b>	<b>3,038</b>	<b>3,921</b>	<b>3,725</b>	<b>4,083</b>	46.03%
<i>in Allemagne</i>	20	19	59	152	332	472	582	1,139	1,264	1,185	1,119	49.80%
<i>in France</i>	23	9	34	178	323	431	481	807	1,196	1,036	1,171	48.09%
<i>en Italie</i>	30	17	40	66	148	208	155	294	413	282	305	26.10%
<b>Share of cabotage in Romanian transport %</b>	<b>0.3</b>	<b>0.3</b>	<b>0.8</b>	<b>1.7</b>	<b>3.0</b>	<b>4.0</b>	<b>4.5</b>	<b>6.3</b>	<b>7.2</b>	<b>6.3</b>	<b>6.7</b>	-

\*AAGR : average annual growth rate

Source: Eurostat

Romanian cabotage is on the rise, with an average annual growth rate of 46%/year over ten years. It has increased 44-fold over this period. Its main markets are Germany and France, where Romanian cabotage is growing by 50% annually.

The Romanian sector ranks second in Europe after Poland in terms of cabotage activity. It represents 6.7% of the sector's overall activity. Overall has remained virtually unchanged since 2016.

### Cabotage in Romania

In million tonne-kilometres	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	AAGR*
Cabotage in Romania	122	31	31	124	49	57	74	64	108	64	79	-4,25%
Penetration rate of cabotage*	0.58%	0.26%	0.26%	0.97%	0.39%	0.47%	0.61%	0.48%	0.79%	0.45%	0.47%	-
Market share cabotage**	1.87%	0.52%	0.54%	1.98%	0.78%	0.89%	1.13%	0.88%	1.50%	0.79%	0.85%	-

AAGR : Average annual growth rate

\*cabotage foreign flag / (total domestic transport + cabotage under foreign flag)

\*\*cabotage foreign flag / (domestic transport for hire and reward + cabotage under foreign flag)

Source : Eurostat

Cabotage in Romania remains rare and is declining, with a negative average annual growth rate of -4%/year over 10 years. Cabotage represents less than 1% of the Romanian market.

### RFT companies

There are nearly 30,000 transport companies in Romania, compared to 20,000 in the early 2010s.

Three quarters of these companies are small, with between 1 and 5 vehicles. 80% of Romanian companies are specialised in international transport, with the vast majority focused on Western European countries. Almost a quarter of international firms reportedly operate in neighbouring non-European countries such as Serbia, Moldova, Ukraine and Turkey.

### RFT\* Business Statistics in Romania (Latest available data in 2018)

	2018
Number of enterprises	31,574
Number of persons employed	130,496
Number of employees	156,711
Net sales	10,470,600 k€
Costs	
Total amount of purchased goods and services	8,231,700 k€
of which merchandise	401,700 k€
of which materials, supplies and intermediate goods	100 k€
Personnal expenses	935,900 k€
of which wages and salaries	907,900 k€
of which social security costs	28,000 k€
Gross operating profit	1,232,100 k€

\* Entreprises de TRM selon la nomenclature européenne NACE Rev2 - Classe H4941

Source : Eurostat

## Vehicle fleet

There is very little data available on RFT vehicles in Romania. The only data available comes from Eurostat. According to this data, there are almost 150,000 tractor units and 130,000 semi-trailers in the country. The number of 40-tonne articulated vehicles per company is between 4 and 5 (i.e. Companies are relatively small on average). This is in line with information provided on-site by those running such companies.

Vehicle Statistics in Romania						
		2015	2016	2017	2018	2019
Road tractors	Total	105,760	118,212	128,728	138,881	146,646
	Less than 2 years	10,695	14,003	13,633	12,225	11,532
	2 to 5 years	13,157	13,569	16,160	19,911	20,921
	5 to 10 years	34,726	37,700	34,227	31,644	36,756
	10 to 20 years	47,182	52,940	64,708	63,050	64,400
	More than 20 years	n/a	n/a	n/a	12,051	13,337
Lorries > 3.5 tonnes	Total	n/a	n/a	n/a	142,414	145,927
	Less than 2 years	n/a	n/a	n/a	2,346	3,070
	2 to 5 years	n/a	n/a	n/a	3,271	3,665
	5 to 10 years	n/a	n/a	n/a	7,513	7,068
	10 to 20 years	n/a	n/a	n/a	57,309	56,707
	More than 20 years	n/a	n/a	n/a	71,975	75,417
Lorries <= 3.5 tonnes	Total	n/a	n/a	n/a	753,029	797,135
	Less than 2 years	n/a	n/a	n/a	34,140	35,347
	2 to 5 years	n/a	n/a	n/a	39,662	46,311
	5 to 10 years	n/a	n/a	n/a	77,650	76,287
	10 to 20 years	n/a	n/a	n/a	453,386	461,843
	More than 20 years	n/a	n/a	n/a	148,191	177,343
Semi-trailers	Total	96,645	105,951	113,548	121,688	129,862

Source : Eurostat

## 1.3. OVERVIEW OF FISCAL AND LABOUR REGULATIONS APPLICABLE TO ROAD FREIGHT TRANSPORT IN ROMANIA

### ROAD FREIGHT TRANSPORT TAXES

#### *Corporate tax*

As regards corporate tax, there has been no significant change since the last Romanian RFT study, in 2017. As a reminder, the corporate tax rate in Romania fell from 38% to 16% between 1995 and mid-2005. The rate has remained unchanged since then.

On 1 February 2013, a special tax scheme, known as the “special microenterprise scheme” was introduced. Under this scheme, small companies whose turnover does not exceed 1€ million are taxed at a rate of 1% of their revenue if they have at least one employee. Otherwise, the rate is 3%. The tax rate is applicable regardless of profits made.

Companies wishing to be taxed on profits must have a minimum share capital of 45,000 lei, i.e. just under 1,000€ and at least 2 employees. All new companies, regardless of their size, are subject to the microenterprise scheme during their first fiscal year.

#### *VAT*

The standard VAT rate in Romania is 19%. A reduced rate of 9% is applied to certain food products, medicines, medical equipment, as well as agricultural intermediate products. A second reduced rate of 5% applies to most food products, passenger transport, the press, cultural and sporting products, amusement parks, social housing, as well as hotels and restaurants.

#### *Axle tax or Vehicle Tax (Impozitul pe mijloacele de transport)*

Any person who has a vehicle (including motor vehicles and trailers) registered in Romania must pay an annual tax on this vehicle, with certain exceptions. The vehicle tax is paid to the local regional authority where the company has its headquarters. If a vehicle is subject to a leasing contract, the tax is payable by the lessee throughout the term of the lease.

The vehicle tax is paid annually, in two equal instalments, the first payable before 31 March and the second before 30 September inclusive.

**Heavy goods vehicle tax for lorries in Romania - 2020**

Number of axles	Maximum authorised weight (kg)	Annual tax rate according to type de suspension of driving axle (in RON)		Annual tax rate according to type de suspension of driving axle (in €)	
		Air suspension or equivalent suspension	Other type of suspension	Air suspension or equivalent suspension	Other type of suspension
2 axles	12,000 – 12,999	- RON	133 RON	- €	27.81 €
	13,000 – 13,999	133 RON	367 RON	27.81 €	76.73 €
	14,000 – 14,999	367 RON	517 RON	76.73 €	108.10 €
	15,000 and more	517 RON	1,169 RON	108.10 €	244.42 €
3 axles	15,000 – 16,999	133 RON	231 RON	27.81 €	48.30 €
	17,000 – 18,999	231 RON	474 RON	48.30 €	99.11 €
	19,000 – 20,999	474 RON	615 RON	99.11 €	128.59 €
	21,000 – 22,999	615 RON	947 RON	128.59 €	198.00 €
	23,000 – 24,999	947 RON	1,472 RON	198.00 €	307.77 €
4 axles	25,000 and more	947 RON	1,472 RON	198.00 €	307.77 €
	23,000 – 24,999	615 RON	623 RON	128.59 €	130.26 €
	25,000 – 26,999	623 RON	973 RON	130.26 €	203.44 €
	27,000 – 28,999	973 RON	1,545 RON	203.44 €	323.03 €
	29,000 – 30,999	1,545 RON	2,291 RON	323.03 €	479.01 €
	31,000 and more	1,545 RON	2,291 RON	323.03 €	479.01 €

**Heavy goods vehicle tax for road trains (tractor + semi-trailer) in Romania - 2020**

Number of axles	Maximum authorised weight (kg)	Annual tax rate according to type de suspension of driving axle (in RON)		Annual tax rate according to type de suspension of driving axle (in €)	
		Air suspension or equivalent suspension	Other type of suspension	Air suspension or equivalent suspension	Other type of suspension
2+1 axles	12,000 – 13,999	- RON	- RON	- €	- €
	14,000 – 15,999	- RON	- RON	- €	- €
	16,000 – 17,999	- RON	60 RON	- €	12.54 €
	18,000 – 19,999	60 RON	137 RON	12.54 €	28.64 €
	20,000 – 21,999	137 RON	320 RON	28.64 €	66.91 €
	22 000 – 22 999	320 RON	414 RON	66.91 €	86.56 €
	23,000 – 24,999	414 RON	747 RON	86.56 €	156.18 €
2+2 axles	25,000 and more	747 RON	128 RON	156.18 €	26.76 €
	23,000 – 24,999	128 RON	299 RON	26.76 €	62.52 €
	25,000 – 25,999	299 RON	491 RON	62.52 €	102.66 €
	26,000 – 27,999	491 RON	721 RON	102.66 €	150.75 €
	28,000 – 28,999	721 RON	871 RON	150.75 €	182.11 €
	29,000 – 30,999	871 RON	1,429 RON	182.11 €	298.78 €
	31,000 – 32,999	1,429 RON	1,984 RON	298.78 €	414.82 €
2+3 axles	33,000 – 35,999	1,984 RON	3,012 RON	414.82 €	629.76 €
	36,000 and more	1,984 RON	3,012 RON	414.82 €	629.76 €
	36,000 – 37,999	1,579 RON	2,197 RON	330.14 €	459.35 €
3+2 axles	38,000 and more	2,197 RON	2,986 RON	459.35 €	624.32 €
	36,000 – 37,999	1,395 RON	1,937 RON	291.67 €	404.99 €
3+3 axles or more	38,000 – 39,999	1,937 RON	2,679 RON	404.99 €	560.13 €
	40,000 – 43,999	2,679 RON	3,963 RON	560.13 €	828.59 €
	44,000 and more	2,679 RON	3,963 RON	560.13 €	828.59 €
	36,000 – 37,999	794 RON	960 RON	166.01 €	200.72 €
	38,000 – 39,999	960 RON	1,434 RON	200.72 €	299.82 €
	40,000 – 43,999	1,434 RON	2,283 RON	299.82 €	477.34 €
	44,000 and more	1,434 RON	2,283 RON	299.82 €	477.34 €

Source : Romanian Tax Code available on [www.noulcodfiscal.ro](http://www.noulcodfiscal.ro)

## Tolls – Vinieta rutiera

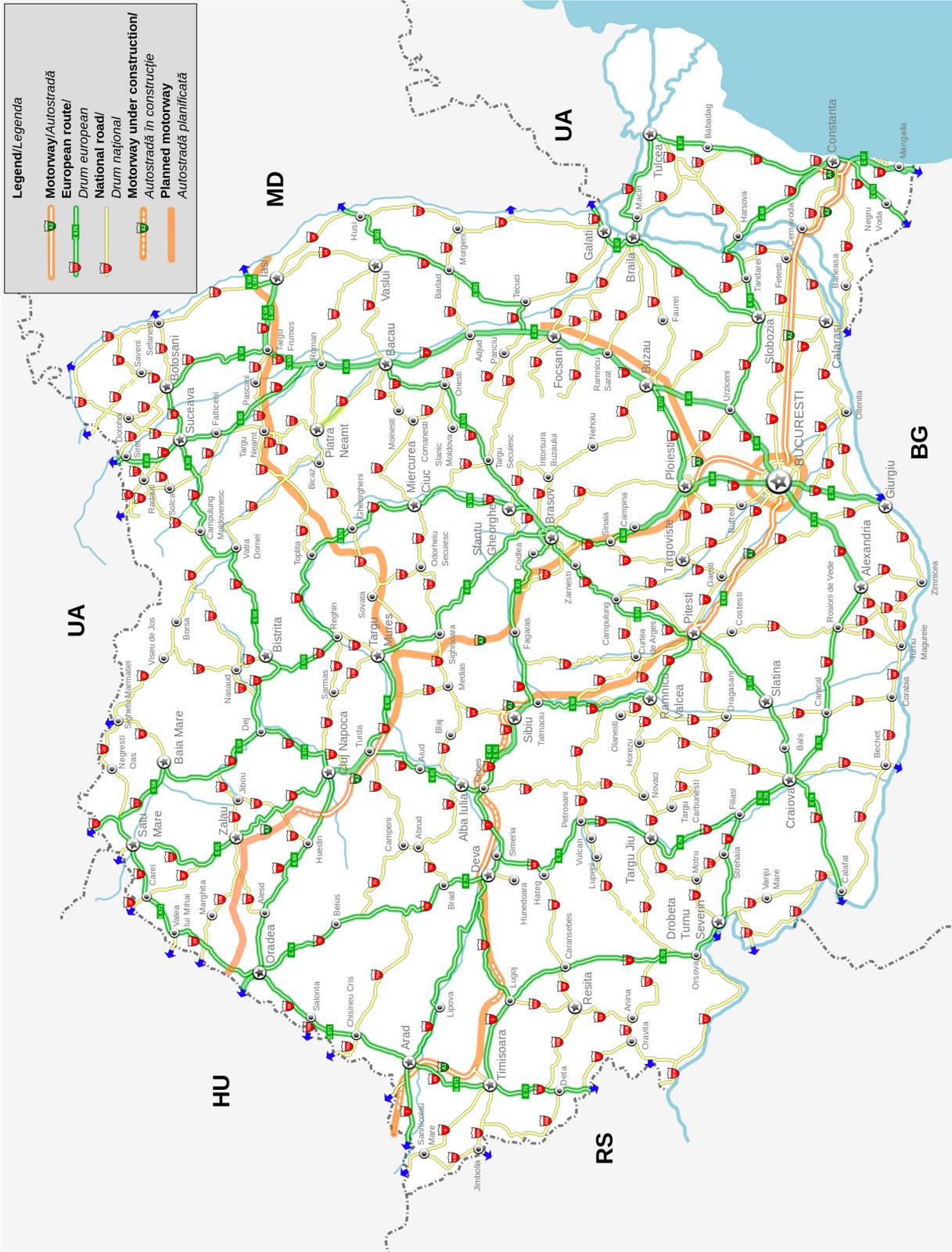
In Romania, the “toll sticker” is mandatory not only on motorways but also on a large portion of national roads, except those managed by municipalities, i.e. over 4,200 km of roads in total. The sticker is purchased electronically on the Internet or at approved points of sale; it is widely available at service stations. The following table shows the prices of the vignettes by vehicle type and period of validity. No refund is granted for unused or partially used toll stickers, but an application can be made to change the number plate registered for the annual sticker.

Tolls - Romania - 2020					
<b>Vehicles with maximum authorised weight between 0 and 3,500 kg</b>					
Number of axles	1 day	7 days	30 days	90 days	365 days
All	-	6.00 €	16.00 €	36.00 €	96.00 €
<b>Vehicles with maximum authorised weight between 3,501 and 7,500 kg</b>					
Number of axles	1 day	7 days	30 days	90 days	365 days
All	4.00 €	16.00 €	32.00 €	92.00 €	320.00 €
<b>Vehicles with maximum authorised weight between 7,501 and 12,000 kg</b>					
Number of axles	1 day	7 days	30 days	90 days	365 days
All	7.00 €	28.00 €	56.00 €	160.00 €	560.00 €
<b>Vehicles with maximum authorised weight over 12,000 kg</b>					
Number of axles	1 day	7 days	30 days	90 days	365 days
Until 3 axles included	9.00 €	36.00 €	72.00 €	206.00 €	720.00 €
4 axles or more	11.00 €	55.00 €	121.00 €	345.00 €	1,210.00 €

Source : Roviniete.ro

Some bridges are subject to special tolls. For heavy goods vehicles, these are the Calafat-Vidin and Giurgiu-Rousse border bridges between Romania and Bulgaria, as well as the Fetesti-Cernavoda and Giurgeni-Vadui Oii motorway bridges. Rates change frequently and the current charges can be found on the UNTRR website: <https://www.untrr.ro/road-transport-information/bridge-tolls.html#.YDvJOV1Kjt0>

The following map represents the Hungarian road and motorway network where the toll sticker is required. Source: [www.rovinieta.ro](http://www.rovinieta.ro)



### *Excise duty on commercial diesel fuel*

In accordance with Directive 92/12/EC and 2008/118/EC, Romania has instituted an excise duty system, based on the minimum rate of 33€/hl. This amount is converted to the local currency once a year by the European Commission at the time of publication of the annual report. Over the following year, the exchange rate used to ensure compliance with the Community minimum does not change even if the local currency loses value over the same period. This can sometimes create a situation where a Member State seems not to be in compliance with the regulations in force due to the devaluation of its currency, and this was the case for Romania in 2019.

Since 2014, transport companies have benefited from a rebate system for excise duties. In accordance with a government decision of 17 July 2018, this rebate is currently 183.62 lei/1,000 litres, i.e. 3.84€/hl. The rebate is not capped in terms of volume. This rebate is only triggered if the net excise duties applied to diesel for private use are higher than the European minimum rate (33€/hl).

In the first quarter of 2020, when this study was carried out, excise duty amounted to 33.79€/hl, an amount too low to trigger partial reimbursement in 2020.

The net rate of excise duties on commercial diesel in 2020 was thus 33.79€/hl.

## LABOUR REGULATIONS APPLICABLE TO ROAD FREIGHT TRANSPORT

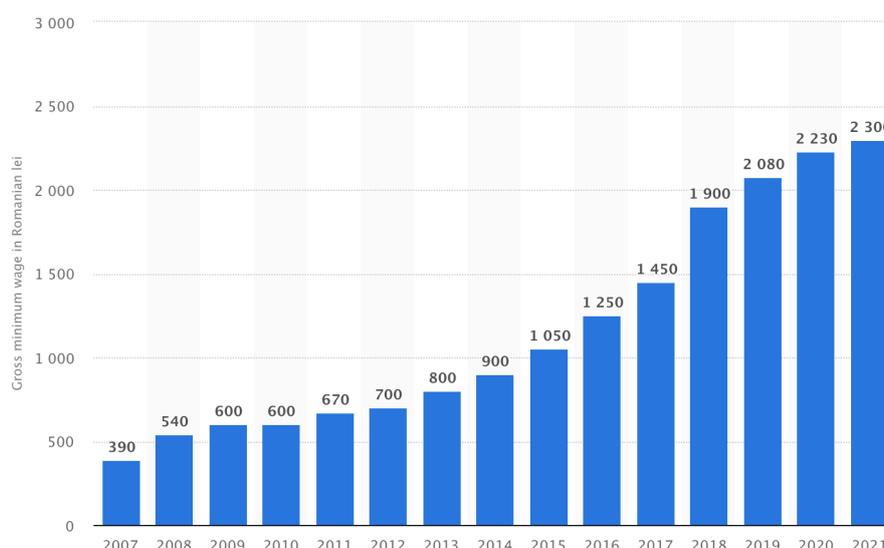
### *Remuneration*

As regards the change in the basic minimum wage, Romania is something of a unique case. In 2016, the country had a minimum wage of approximately 232€ gross per month. At the time, the employer social security contribution rate was 22.84% and the employee contribution rate was 16.50%. Thus, the total cost for the employer of an employee hired at the minimum wage in 2016 was 285€/month (inclusive of social security contributions), with the net cost amounting to 194€.

As a result of major reforms, a large proportion of employer social security contributions were transferred to employees as of January 2018. As a result, the employers' social security contribution rate dropped to 2.25% while the rate for employees rose to 35%. To offset this change, the government has significantly increased the minimum wage: by early 2020 it had topped 466€ per month, i.e. an increase of more than 100% in 4 years, in addition to approximately 10€ in employer social security contributions. Overall, this basic salary represents a cost for the company of 476.50€, with the employee taking home 303€.

While it is true that the minimum wage in Romania is in the process of being brought up to date, in reality the minimum wage has not doubled. The 2018 reforms mean that the cost to the employer of hiring someone has risen sharply (i.e. by 67%), whereas the take-home pay for the employee has risen by 56%. This is a striking increase, nonetheless.

## Increase in the Romanian minimum wage between 2007 and 2021



Source: Statista

Evolution of minimum wage in Romania				
Date	Monthly amount in RON	Yearly evolution in RON	Monthly amount in €	Yearly evolution in €
01.01.2021	2,300 RON	3.1%	472.18 €	1.3%
01.01.2020	2,230 RON	7.2%	466.23 €	4.5%
01.01.2019	2,080 RON	9.5%	446.02 €	9.4%
01.01.2018	1,900 RON	52.0%	407.86 €	48.1%
01.07.2017	1,450 RON		318.52 €	
01.01.2017	1,250 RON	19.0%	275.39 €	18.7%
01.07.2016	1,250 RON		276.34 €	
01.01.2016	1,050 RON	7.7%	232.10 €	6.7%
01.07.2015	1,050 RON		234.77 €	
01.01.2015	975 RON	14.7%	217.50 €	14.4%
01.07.2014	900 RON		205.34 €	
01.01.2014	850 RON	21.4%	190.11 €	20.7%
01.07.2013	800 RON		179.36 €	
01.01.2013	700 RON	0.0%	157.50 €	-2.7%
01.01.2012	700 RON	4.5%	161.91 €	3.0%
01.01.2011	670 RON	11.7%	157.20 €	11.0%
01.01.2010	600 RON	0.0%	141.63 €	-5.0%
01.01.2009	600 RON	20.0%	149.16 €	7.6%
01.01.2008	500 RON	28.2%	138.59 €	20.2%
01.01.2007	390 RON	18.2%	115.27 €	28.5%
01.01.2006	330 RON	6.5%	89.67 €	13.9%
01.01.2005	310 RON	10.7%	78.70 €	15.7%
01.01.2004	280 RON	12.0%	68.03 €	-4.4%
01.01.2003	250 RON	78.6%	71.15 €	41.4%
01.07.2002	175 RON		52.38 €	
01.01.2002	140 RON	40.0%	50.33 €	21.5%
01.07.2001	140 RON		56.64 €	
01.01.2001	100 RON	42.9%	41.42 €	68.9%
01.01.2000	70 RON		24.53 €	

\*Converted to euros using the official exchange rate on the date indicated

Source : Eurostat

A further minimum wage level has been in force in Romania since 2019 for employees with a university degree (equivalent to 4 years of higher education) and for those with at least 15 years' professional experience in the same field. People in these two categories receive a minimum wage of 2,350 lei. This rate was not increased in 2020.

#### *Paid leave*

People are entitled to 20 days' paid leave in Romania. In addition, 14 days are granted for national and religious holidays.

Some sectors of activity grant between 1 and 4 days of additional paid leave based on the difficulty of the work involved, but this is not yet in place in the RFT sector.

#### *Travel allowances (Diurna)*

Officially, there are two types of allowances in Romania: the first type, known as the "subsistence allowance" or "category 1 allowance", covers local food and transport costs. Decree 518/1995 (amended in 2014, and again in 2015) sets the minimum international daily allowance at 35€. In terms of domestic trips, employees are entitled to 17 lei per day, i.e. approximately 3.75€.

Private companies can increase the type 1 travel allowance to up to 2.5 times the minimum amount without having to pay any associated social security contributions. Beyond that limit, social security contributions apply. Again, travel allowances are not subject to income tax as long as they do not exceed this limit (i.e. 2.5 times the minimum amount).

The second type of travel allowance is known as "accommodation allowance" or "category 2 allowance". These allowances cover documented accommodation expenses in the event that the employer has not paid them directly. In such cases, there is a country-specific scale for public sector employees. Private sector employees can receive accommodation allowances amounting to up to 2.5 times the public sector scale without social security contributions and income tax being applied.

In the case of lorry drivers, they are entitled to the subsistence allowance, but not to the accommodation allowance, since their employer provides them with the tractor cab, which is considered as "accommodation". An international driver can thus receive an allowance of between 35€ to 87.50€ per day, untaxed.

## Social security contributions

### Social contributions in Romania

Social contributions applicable to driving staff in 2020	Employer	Employee
Health insurance - cash benefits	2.25%	-
Health insurance - benefits in kind	-	10.0%
Pension contribution	-	25.0%
Exceptional contribution - work in difficult situation	4.0%	-
Exceptional contribution - work in special situation	8.0%	-
<b>Total (withour exceptions)</b>	<b>2.25%</b>	<b>35.0%</b>

Source: Romanian Customs and Tax Office

In 2016, the Romanian government undertook an overhaul of the social security system, resulting in contributions being transferred from employers to employees. After the reform, the employer's social security contributions fell from 22.84% to 2.25% and those of the employee from 16.50% to 35%; in exchange, the minimum wage was raised.

There are two exceptions to the general contributory scheme. So-called “arduous work” (such as regular night work), entitle the holder to an enhanced pension funded by an exceptional 4% rate of social security contribution paid by the employer. In the case of jobs involving “special circumstances”, such as miners or health sector workers, this exceptional rate rises to 8%. Drivers fall into neither category.

## Personal income tax

An amendment to the Romanian Tax Code (no. 227/2015, dated 10 September 2015) brought about a significant reduction in the income tax rate for individuals by introducing a flat rate of 10%, regardless of income level. Applicable since 1 January 2017, the new personal income tax system applies to disposable income (term used to indicate income after deduction of social security contributions and a personal exemption, called the *personal deduction* or DP). This *personal deduction* is applied monthly based on both income and the number of dependents according to a table published at the beginning of the year by the Ministry of Finance. The rates in effect in 2020 are available at the following link: <http://prcontrol.ro/blog/deducerea-personala-in-2020/>

A Romanian driver without dependents, earning nearly 2,720 lei per month (as per the standard driver profile provided at the end of this study) is entitled to a personal tax free allowance of 270 lei.

## 2. STUDY OF THE OPERATING CONDITIONS AND COSTS FOR A 40-TONNE ROMANIAN HGV OPERATING INTERNATIONALLY

This part of the study describes the economic and social conditions prevailing at the beginning of 2020, at the time this updated study was conducted. In carrying out this study, the CNR has drawn on research focused primarily on the fiscal and social aspects of the RFT sector, as well as on previous CNR studies of the country and feedback from the experts with whom the CNR collaborates. These different sources provide an overview of the Romanian RFT sector internationally and highlight the main developments observed since the last study. This research and process of dialogue are further backed up by interviews with Romanian hauliers and lorry drivers.

All the figures eventually adopted by the CNR in order to construct the typical profile represent the best expert appraisal of this set of data sources.

### 2.1. OPERATING CONDITIONS AND COSTS FOR COMPANIES

This section is mainly based on face-to-face interviews with 15 Romanian road freight transport companies involved in long-distance transport operations, mainly internationally. Of the companies visited, 13 provided usable information. Thus, the 13 companies selected for this study have the following characteristics:

	Number of tractors	Number of semi-trailers	Main markets	Number of drivers	Turnover
Company 1	32	32	DE, BE	44	6,000,000 €
Company 2	38	45	BE	40	nd
Company 3	63	63	DE	63	5,300,000 €
Company 4	35	35	SK, PL, FR, IT	32	6,500,000 €
Company 5	7	8	AT, DE, NL, CH, NO	9	1,400,000 €
Company 6	16	19	DE, FR, Benelux, IT	20	1,157,000 €
Company 7	46	53	SK, PL, CZ, FR, Benelux	44	3,600,000 €
Company 8	64	94	PL, SK, CZ, GR, DE	73	5,500,000 €
Company 9	300	340	UK, DE, FR, NL, BE, CZ	330	75,789,474 €
Company 10	45	55	GR, IT, FR	45	10,500,000 €
Company 11	32	40	DE, UK, FR, IT	33	3,370,000 €
Company 12	300	320	PL, CZ, SK, HU, DE, IT, ES, TR	300	48,000,000 €
Company 13	14	12	UK, DE	18	1,700,000 €

The companies visited for this study are extremely diverse in terms of their size and structure. They are all specialised in international RFT, and most are subcontractors or subsidiaries of foreign companies, often based in western EU countries. Small companies are often subcontracted by companies who are themselves subcontractors of larger foreign and Romanian companies.

To enable a comparison with the data from other CNR country studies, only companies whose main activity is international long-distance freight transport have been selected.

The CNR is hereby reporting the results of these interviews, which have no statistical value. However, they do shed light on figures and information obtained elsewhere. Ultimately, the CNR uses figures based on expert opinion to establish the costs and operating conditions that pertain for a “typical” HGV operating internationally.

#### TRANSPORT EQUIPMENT – Operations

In Romania, vehicles are operated intensively. The number of days vehicles are operated varies between 242 and 280 days, with a clustering around 257 days per year.

The average annual mileage travelled by the vehicles of the hauliers we met with is between 100,000 km and 143,000 km. According to its calculations (which are consistent with driver mileage) and based on expert opinion, CNR has arrived at an estimated mileage figure of 136,700 km per year per vehicle, a sharp drop of 8.5% compared to 2017. This is due, in particular, to drivers returning to their base more frequently due to checks and pressure exerted by Western European countries as part of the recently adopted EU’s Mobility Package.

The length of time the vehicles are kept varies by brand, typical journey type and business strategy. Large companies that can negotiate advantageous leasing contracts tend to renew their tractor fleets every 3 to 5 years at the end of the lease without exercising the purchase option. Smaller companies use vehicles for up to 8 years on international routes and then sometimes for a further 2 years on domestic routes before selling them on.

Thus, to facilitate comparison with other countries, CNR has opted for an average estimated ownership period for road tractors of 7.5 years, i.e., 5 years of leasing and a further 2.5 years of full ownership.

As far as semi-trailers are concerned, Romanian TRM companies are very careful about having the right type and number of semi-trailers at hand, which allows them to be highly responsive to their customers’ needs without incurring higher costs. Romanian companies regard increasing the rate of fleet utilisation as an effective way of managing their fleets. Thus, the average 9-year ownership period in Romania is below the Eastern European average.

The tractor/semi-trailer ratio observed in company surveys is 1.13, a figure slightly below that seen in Central European countries.

#### TRANSPORT EQUIPMENT – Financing

The average purchase price of a Euro VI tractor established based on interviews with Romanian hauliers is just over 80,000€, i.e., over 10% lower than prices in neighbouring countries. This relatively low average is explained by the purchase of inexpensive models and the use of recent used models from Western European markets. The purchase price of a semi-trailer is estimated at 24,000€.

The financing method used is typically leasing. Contract length varies between 3 and 5 years, with 5 years being the most typical period. Leasing contract interest rates are well above those typically found in Western European markets. The rates paid by some carriers seldom exceed 3%, with the average being 2.8%, which is almost 2 percentage points higher than those in Western Europe. Larger, more powerful companies have managed to secure lower rates of under 2%. In most cases, an initial down payment of 10-15% of the purchase price of the vehicle is required. For the purposes of its typical profile, CNR has opted for a down payment figure of 13%. Unlike other countries, the conditions of the vehicle purchase option in Romanian contracts are not very advantageous, with purchase prices often amounting to between 22%-25% of the new vehicle price; this is arguably reflective of a still underdeveloped leasing system.

Despite the difficulties experienced by small companies, some larger companies have nevertheless managed to negotiate leasing contracts in line with Western European standards. This is apparently made possible because of the support of parent companies (usually based in a Western European country) or thanks to financial guarantees provided by Western European partners. Consequently, some of the companies we interviewed have benefited from 3-year leasing contracts with a reduced down payment and only a token payment required to avail of the purchase option. As a result, these companies renew their fleet every three years and retain a certain flexibility in terms of their ability to modify their offering in response to market developments.

These data regarding purchasing practices, interest rates (estimated at 2.8% for tractors and 3% for semi-trailers) and leasing contract conditions allow the annual cost of owning a 40-tonne articulated rig to be calculated: the figure that emerges is approximately 12,481€, with a ratio of semi-trailer/tractor ownership of 1.13. This cost is up sharply (+12%) compared to our 2017 study but remains 17% below the figures observed in Central Europe (compared with an annual vehicle ownership cost of 14,600€ in neighbouring Hungary).

## FUEL

The average unit cost of fuel at the pump in Romania in 2020 was 0.8114€ per litre according to official figures published in the European Commission's Oil Bulletin, a figure which takes into account the discontinuation in 2020 of the partial reimbursement of excise duties.

Romanian companies purchase only a quarter of their fuel in Romania, of which almost 15% is wholesale fuel at a cost of approximately 0.7664€, while 10% is purchased at the pump.

With the high frequency of their European trips, which are often over a month long, hauliers often need to purchase their fuel abroad. Consequently, they tend to buy fuel in Luxembourg (15% of total fuel purchases, at 0.8300€/litre excluding VAT), Austria (15% of total purchases, at 0.8750€/litre excluding VAT), Belgium (15% of total purchases, at 0.8194€/litre excluding VAT after partial recovery of excise duties), as well as in France, Germany and Hungary (an estimated 10% of total purchases being made in each of these countries).

The average unit price of a Romanian haulier's fuel shopping basket is thus estimated at 0.8333€.

Average fuel consumption is estimated at 29.9 litres per 100 km, virtually unchanged from an average of 29.8 litres in 2017.

#### MAINTENANCE & REPAIRS

The cost of maintenance and repairs in the Romanian sector is difficult to calculate due to the widely varying costs and approaches reported by the companies surveyed.

This cost item amounts to approximately 1,000€ for a tractor in large companies with 3-year leasing contracts that allow them to renew their fleet with the same frequency (i.e., every 3 years). This applies to 15% of the companies surveyed.

The same cost item amounts to between 4,500€ and 5,000€ for companies whose vehicle purchasing policy matches the typical profile, but which have an in-house garage allowing them to carry out a portion of repairs more cheaply. In companies without an in-house garage, these costs rise to approximately 5,800€ per year per rig. This applies to more than 60% of the companies surveyed.

A figure of over 8,000€ was reported by almost a quarter of the companies that use second-hand vehicles or that operate their vehicles for longer than the average period estimated by CNR.

In the final analysis, the estimated figure arrived at in our 2020 study is 5,600€ per year per vehicle, a sharp increase of 16% compared to the estimated figure of 4,830€ in 2017.

#### TYRES

Due to varying tyre purchasing practices and price differences between manufacturers (with the most expensive tyres costing up to 3 times more than the cheapest), it is frequently difficult to calculate this cost item in the Romanian sector, as is often the case in other European sectors, too. Based on information provided by hauliers, for the 15% of companies that renew their fleet every 3 years, the cost of tyres is approximately 1,000€ per rig. For the 70% of companies that more or less match the typical company profile, the cost ranges between 2,800€ and 4,300€. For the remaining companies, it amounted to approximately 5,000€.

Based on information provided by Romanian hauliers (with all profiles and approaches taken into account), the annual cost of tyres for a 40-tonne articulated rig is estimated at approximately 4,000€. This represents a drop compared with the 2017 figure of 4,480€. This fall is explained by lower average mileage and lower tyre prices due to increased competition from low-cost brands, the downside of which appears to be higher fuel consumption.

Tyre contracts from major tyre brands (with a cost per kilometre of between 5 and 7 euro cents) are not yet being offered on the Romanian market, except for one company we interviewed which is participating in a cost evaluation trial involving a portion of its fleet.

## TOLLS

As far as tolls are concerned, almost all companies complain about the substantial increase in this cost item due to the widespread increases in motorway charges across Europe. As is the case for most Eastern European sectors, the trend is to directly re-invoice tolls to customers depending on the chosen route and the deadlines involved.

The annual cost of tolls ranges from 9,000€ to more than 29,000€.

Overall, this cost item is estimated at 19,115€ for a 40-tonne articulated rig covering approximately 137,000 km per year (85% of which on motorways and toll roads). Up by more than 36% compared to 2017, this estimated cost does not include the cost of the Eurovignette, the purchase of which is not widespread among Romanian hauliers.

## INSURANCE

Annual vehicle insurance figures obtained from the Romanian hauliers we surveyed are fairly consistent. With the exception of two companies in the sample, whose data was not included, the cost of vehicle insurance was:

- 1,350€ on average for mandatory (third party) insurance for the tractor, ranging between 1,100€ and 1,815€ per year.
- 1,750€ on average for comprehensive tractor insurance, ranging from 1,300€ to 2,000€ per year.
- 80€ on average for mandatory (third-party) semi-trailer insurance, ranging from 47€ to 100€ per year.
- 400€ on average for comprehensive semi-trailer insurance, ranging from 350€ to 600€ per year.

Based on the figures mentioned above, CNR estimates annual comprehensive insurance for a 40-tonne articulated rig at 3,580€. This cost item is down 12% compared to 2017.

## AXLE TAX

According to the table included in part 1.2 of this study, the annual amount of the axle tax in Romania is 2,197 lei (i.e., approximately 459€) in the case of a 40-tonne vehicle with 2+3 axles and pneumatic suspension.

## FIXED COSTS

The interviews conducted in Romania with the help of the local UNTRR federation provided a clearer and more detailed picture of the fixed costs of Romanian RFT companies. Thanks to these interviews, a variety of information was collected, such as the costs of renting premises, of employing administrative staff, as well as those associated with telecommunications and advertising, energy and taxes. Interviewees also provided information about their company's fixed costs, as a percentage of total costs.

Based on the analysis of the data provided by operators interviewed on-site, this cost was estimated at between 5.2% and 9% of the total cost of the vehicle, with a clustering around 8%.

## 2.2. EMPLOYMENT CONDITIONS AND DRIVER EMPLOYMENT COSTS

Employment conditions and driver pay in Romania were surveyed during two rounds of interviews: a first phase in companies with employers; and a second phase, involving face-to-face interviews with drivers in car parks and rest stops in Spain. During this second phase, around twenty drivers, employees with Romanian contracts, volunteered to be interviewed about their working conditions and pay.

Based on an analysis of these sources and a review of the literature, the CNR has produced a typical profile (in terms of employment conditions and pay) of an RFT driver with a Romanian contract working internationally.

### EMPLOYMENT CONDITIONS

Permanent contracts are the most widespread form of employment contract in the sector. New drivers are hired directly on permanent contracts. Some large RFT companies hire seasonal drivers on fixed-term contracts with a more attractive salary than those offered on permanent contracts, but this remains an exception in the sector.

Romanian drivers report working between 210 and 232 hours per month. Based on these data, average working hours are estimated at 215 hours per month spread over 11 months of full-time work. Driving hours often total over 190 hours per month according to drivers, but the companies we met seem to be in compliance with European regulations and report that they never exceed 190 hours per month (four weeks and two days) or 1,980 hours per year on average. The number of working days per year is 243 days, ranging from 223 days to 250 days. The number of working weeks in the Romanian sector could not be determined due to the fact that the interviewees misinterpreted the question.

The number of days of leave reported by the drivers surveyed is 21 days per year for drivers with an average length of service of 6.5 years. As a reminder, Romanian employees are entitled to a minimum of 21 working days of paid leave per year. This is sometimes supplemented by additional paid leave days granted by company contracts (or on a case-by-case basis) in order to retain more experienced drivers.

In terms of their schedule, Romanian drivers assigned to international duties generally spend approximately 22 nights away from home per month. The working patterns reported by the drivers varied greatly. Romanian drivers used to spend up to three months travelling in Western Europe. Following the adoption of new European regulations, limiting trips to one month, drivers' work patterns have recently been modified. Companies and drivers are trying to find a way to adapt to the new regulations and the range of working patterns is broadening as a result. Based on a review of all the various scenarios mentioned in the interviews, CNR has chosen to use the following as a typical profile: a driver working for a full month who then returns home for a week's rest. The final week of rest before the paid summer holidays is often deducted from paid leave.

Lastly, with regard to average driver mileage, it emerges from company surveys that it is between 125,000 km and 130,000 km per year. Meanwhile, drivers report driving approximately 129,500 km annually, which is at the upper end of the range. The average used for this latest 2020 study of the Romanian RFT sector is thus 129,000 km per year, down 6% compared to 2017. The majority of drivers assigned mainly to international duties reported that they drive the maximum number of hours permitted by law, i.e., 90 hours per fortnight.

When it comes to the driver labour market, companies report shortages. Moldova, which is viewed by Romanians as a source of low-cost labour, is no longer capable of providing enough drivers for the Romanian sector. As a result, during its interviews, CNR encountered employers who had already hired, or were planning to hire, drivers from the Ukraine, India or Indonesia.

Based on interviews with companies, the driver/tractor ratio is 1.06.

## NOTE ON DRIVING PERSONNEL COST FORMATION

### *International driver pay*

Drivers on Romanian contracts receive a fixed monthly salary close to the minimum wage, i.e., around 530€. This amount is often supplemented by small eco-friendly driving bonuses and Christmas bonuses, which add up to approximately 35€ per month.

In addition to their monthly salary, Romanian drivers receive international travel allowances. The daily allowance rates reported by drivers vary greatly. The destination country does not affect the rates reported. Romanian companies are required to pay a minimum daily travel allowance of 35€ and can pay up to 2.5 times this amount (i.e., 87.50€) without it being included as income liable for social security contributions.

In practice, the daily travel allowance rated is negotiated on an individual basis at the time of hiring, depending on the intensity of the work schedule and the routes being offered by the employer. The make of the tractor and its level of specifications can also affect allowance rates. The Romanian drivers interviewed report receiving between 55€ and 80€ in daily allowances, with the average being 68€ per day spread over 22 days per month.

## TYPICAL PROFILE OF A DRIVER WITH A ROMANIAN CONTRACT WORKING INTERNATIONALLY AND BREAKDOWN OF THEIR COST

Standard profile of an international driver - Romania - 2020					
Characteristics	<ul style="list-style-type: none"> <li>- 90% of driver's work realized on international routes.</li> <li>- Long distance international itineraries (France, Germany, Spain, Benelux, Austria, Italy)</li> <li>- Monthly rounds, one full week afterwards spent at home. Important : this profile is the adapted to the new european regulations. Before, the typical romanian driver used to drive outside of its country for about 3 months in a row.</li> <li>- 21 paid holidays, all taken mostly in summer season. However, the weekly break after the last monthly round is usually deducted from the official paid leave.</li> <li>- Income composed of a fixed salary close to the national minimum wage, completed by a variable part composed of travel allowances which is negotiated on individual level and often officialized in the working contract.</li> <li>- Travel allowances usually reflect the reality and their amounts are respected.</li> <li>- Monthly working time often over 215 hours, and driving time about 180 hours and more. Information absent on payslips.</li> </ul>				
Annual mileage achieved	129,000 km				
Number of actual working days per year	243				
Number of working weeks per year	nd				
Number of driving hours per year	1,980				
Cost breakdown of a standard Romanian international driver in 2020					
Presentation of a standard pay slip					
EMPLOYER			EMPLOYEE		
Gross salary	€/month	565.00 €	Salaire Brut	€/month	565,00 €
Fixed gross salary	€/month	530.00 €	Fixed gross salary	€/month	530,00 €
Other bonuses and extras (on monthly basis)	€/month	35.00 €	Other bonuses and extras (on monthly basis)	€/month	35,00 €
Cotisations sociales	2.25%	12.71 €	Cotisations sociales	35.00%	197,75 €
Health insurance - cash benefits	2.25%	12.71 €	Health insurance - cash benefits	0.00%	0.00 €
Health insurance - benefits in kind	0.00%	0.00 €	Health insurance - benefits in kind	10.00%	56.50 €
Pension contribution	0.00%	0.00 €	Pension contribution	25.00%	141.25 €
			Income tax after deductions	10.00%	31.10 €
Monthly salary after payment of contributions		577.71 €	Net salary after social contributions and income tax		336.15 €
Travel allowances for a full working month (11 months in a year)		1,496.00 €	Travel allowances for a full working month (11 months in a year)		1,496.00 €
Monthly cost of a driver for a month of full activity		2,073.71 €	Net income of a driver for a month of full activity		1,832.15 €
Breakdown of annual cost of a standard Romanian driver in 2020					
Fixed gross salary + bonuses * 12 months		6,780.00 €	Fixed gross salary + bonuses * 12 months		6,780.00 €
Employer's social contributions * 12 months		152.55 €	Employee's contributions and income tax * 12 months		2,746.20 €
Salary cost after payment of contributions * 12 months		6,932.55 €	Net fixed income after income tax * 12 months		4,033.80 €
Travel allowances * 11 months		16,456.00 €	Travel allowances * 11 months		16,456.00 €
<b>Total annual cost</b>		<b>23,388.55 €</b>	<b>Annual net income</b>		<b>20,489.80 €</b>
Cost of one hour of driving in €		11.81 €	Average monthly net income		1,707.48 €
Cost per kilometre in €		0.18 €			

Source : CNR European studies

Since the last CNR study on the Romanian RFT sector in 2017, driver costs have increased by 31% following the sharp increase in the national minimum wage, notwithstanding the reduction in mileage and number of working days. Take-home pay for drivers increased from 15,227€ to 20,490€, up 34.6% largely due to the general increase in travel allowances. Overall, the cost of an hour of driving rose to 11.81€, an increase of more than 31% compared to 2017.

## 2.3. OVERVIEW OF THE OPERATING CONDITIONS AND COSTS OF A “TYPICAL” INTERNATIONAL HGV

Operating conditions and costs for a 40-tonne HGV operated on long distance international routes, 2019 values 		
	unit	Roumanie Simulation
Yearly mileage of a vehicle	km	136,700
Number of operating days	days/year	257
Semitrailer/tractor ratio		1.13
Cost of one driver	€/year	23,389
Driver/tractor ratio		1.06
Yearly cost of vehicle financing and possession	€/year	12
Average consumption per 100 km	litres	29.9
unit fuel price, 2020 average	€/litre	0.8333
Yearly fuel cost	€/year	34,061
Maintenance-repair	€/year	5,600
Tyres	€/year	4,000
Tolls and vignettes	€/year	19,115
Insurance (vehicle)	€/year	3,580
Axle tax and other vehicle taxes	€/year	459
<b>Synthesis - cost price (excluding overhead costs)</b>		<b>104,076</b>
Cost/mileage ratio per annum	€/km	0.76
Overhead costs	€/year	9,050
<b>Synthesis - complete cost price</b>		<b>113,126</b>
Complete cost per kilometer	€/km	0,83

Source : CNR European studies

According to CNR calculations, the cost per kilometre of a Romanian 40-tonne heavy goods vehicle used for international long-distance transport, excluding fixed costs, is 0.76€ (as opposed to 0.64€ in 2017), an increase of more than 19% compared with the last study. This increase was largely due to a significant increase in driver costs, tolls (+37%), maintenance and repairs (+16%) and the cost of vehicle ownership (+12%). The drop in fuel costs (-9%) and vehicle insurance (-12%) are not enough to neutralise the overall effect. The sharp drop in mileage has necessarily led to an increase in per kilometre costs.

In conclusion, when fixed costs (estimated at approximately 8% of the total costs) are factored in, total costs amounted to 0.83€ per kilometre in 2020, under the conditions prevailing before the Covid crisis.



### 3. BIBLIOGRAPHY

Eurostat

<https://ec.europa.eu/eurostat>

Cleiss

<https://www.cleiss.fr/docs/cotisations/roumanie.html>

Ministry of Transport and Infrastructure, Master Plan 2019-2020

<http://www.mt.gov.ro/web14/strategia-in-transporturi/master-plan-general-transport/documente-master-plan1/613-documente-master-plan-general-de-transport>

UNTRR, Romanian National Union of Road Hauliers

<https://www.untrr.ro/>

Romanian General Tax Code (NCF)

<https://www.noulcodfiscal.ro/>

Romanian Road Authority (ARR)

<https://www.arr.ro/>

ARTRI, regulations on travel allowances in Romania

[http://www.artri.net/diurna-in-transporturi\\_115.html](http://www.artri.net/diurna-in-transporturi_115.html)

Statista, changes to the minimum wage in Romania

<https://www.statista.com/statistics/1197444/romania-net-minimum-wage/>

PR Consulting, regulations regarding personal allowances in relation to the calculation of income tax

<http://prcontrol.ro/blog/deducerea-personala-in-2020/>

Accace Consulting

<https://accace.com/tax-guideline-for-romania/>

Income tax simulator

<https://www.calculatorvenituri.ro/impozitul-pe-venituri-din-salarii-si-asimilate-salariilor-reglementare-legala-si-modalitate-de-calc#>