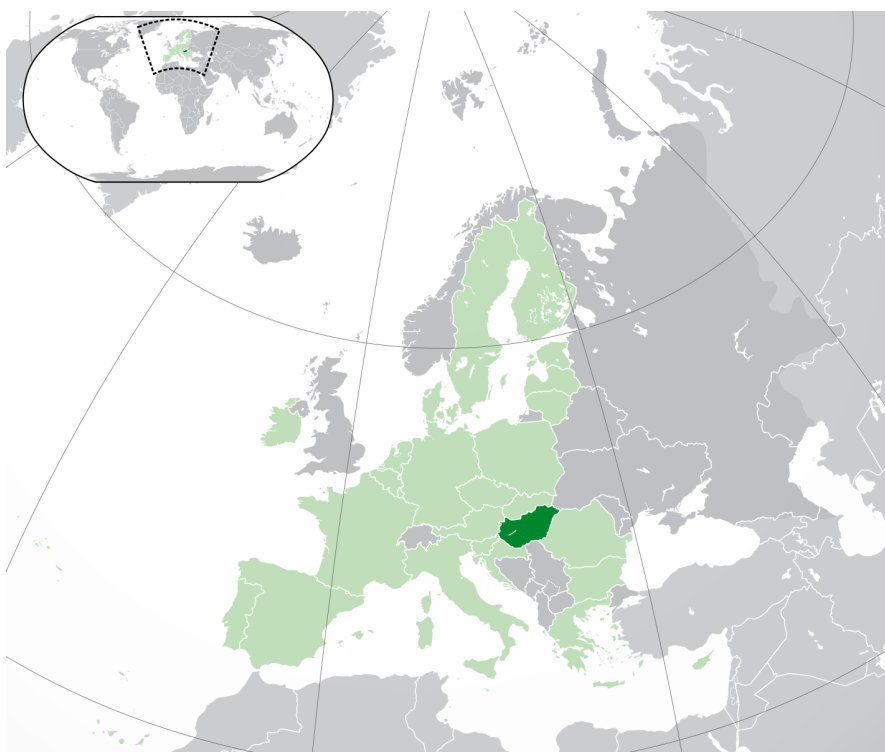


EUROPEAN STUDIES

Road freight transport in Hungary in 2022



Comité national routier (CNR)

EUROPEAN STUDIES

Road freight transport in Hungary

2022 study

Comité national routier – Paris

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

WARNING

Following on from the 2019 survey of the Hungarian RFT sector, this study, which was conducted in 2022, is intended to provide up-to-date figures on the sector's activities, as well as on the typical operating conditions and costs of a 40-tonne HGV operating internationally.

During the period of this study, the conversion rate for the Hungarian currency, the Forint, varied between 384 and 411 forints per 1€. For the sake of simplicity, the exchange rate used throughout the entire study will be the average rate in June 2022, i.e. 400 forints to the euro.

SUMMARY

Faced with competition from its Romanian and Slovakian neighbours, but also as a result of its domestic policy, Hungary began a series of reforms in 2019 to simplify its tax system and support its businesses.

A forerunner in the field of ecological regulations in Eastern Europe with the introduction of the eco-driving bonus more than 15 years ago, Hungary has struggled to modernise this scheme, which has fallen into disuse over the years. In 2022, it undertook an overhaul of its social regulations. From 2023, the eco-driving bonus was abolished and replaced by a substantial increase in travel allowances, with a floor set at 30% of fixed salary.

Over the same period, the interprofessional minimum wage rose sharply, by more than 50% over the last three years. Income tax was revised and simplified as far as possible, with a flat rate of 15% applied to gross salary. The lump-sum social security contribution for companies, which covers employers' contributions, was cut to 13% to mitigate the rise in labour costs.

Toll fees were also overhauled to differentiate fees for the most environmentally-friendly vehicles, in line with European Union requirements. Hungary is also becoming one of the first EU countries to introduce an “air, noise, CO₂” externalities component, which is added to the cost of the infrastructure, significantly increasing the total amount.

On the cost side, the total cost of a driver is up by 25% for a stable mileage compared with 2019. The cost per kilometre for a driver was 0.21€, in line with the average for the area. Operating costs have risen by 13% in 3 years, mainly due to higher driver and fuel costs, which now exceed 1€/km.

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1. ECONOMIC AND SOCIAL ENVIRONMENT OF THE HUNGARIAN SECTOR

1.1. HUNGARY IN BRIEF

Capital	Budapest
Area	93,012 km ²
Population	9,599,744 inhabitants
Official EU language(s)	Hungarian
Political system	Parliamentary Republic
President of the Republic	Tamás Sulyok
Prime Minister	Viktor Orbán, since 29 May 2010
Minister for Transport	János Lázár, since 24 May 2022
Date of EU membership	1 May 2004
Date of joining the euro	non-member
Seats in the European Parliament	21 seats
European Commissioner	Olivér Várhelyi, Commissioner for Neighbourhood and Enlargement
Real GDP growth (%)	0.5% (Eurostat, 2024)
Inflation (%)	+4.8% (Eurostat, December 2024)
Unemployment rate (% of working population)	4.5% (Eurostat, December 2024)
Balance of trade	7.7 billion euros (Eurostat, 2024)
Minimum monthly wage	266,800 HUF (667€) in 2024
Greenhouse gas emissions	4.27 tonnes/inhabitant (Eurostat, 2022)

1.2. ROAD FREIGHT TRANSPORT IN HUNGARY

TRANSPORT POLICY AND INFRASTRUCTURE

Transport policy

With its location at the heart of Central Europe, Hungary plays an important role in the development of European transport. As a transit country, Hungary is at the crossroads between Northern and Southern Europe, and between the more developed countries of the West and the newer members of the European Union in the East and the Balkans.

After an equitable modal split between road and rail until the early 1990s, Hungary focused on developing road transport over the following two decades. Since 2011, in line with European targets, the country has had to implement plans to revive the railways, as well as other more environmentally-friendly modes of transport such as inland waterway transport. Plans to better distribute transport between different modes quickly received political support and financial assistance from the EU. Between 2011 and 2022, Hungary updated its long-term development programme for motorways and main roads. The latest version takes into account the experience of previous plans and also focuses on the new challenges posed by successive global crises and ecological objectives.

Since the construction of the main trunk roads came to an end in the early 2000s, the pressure in favour of motorways has diminished considerably. Between 2000 and 2016, the total length of Hungarian motorways increased from 569 km to 1,480 km. In 2022, the actual density of the network, projected at one million inhabitants, exceeds both the average for the EU 28 and the average for the old Member States (EU 15). Nevertheless, the level of car ownership (around 300 cars per thousand inhabitants) remains among the lowest in the EU, where the average is almost 500 cars per thousand inhabitants. In terms of road infrastructure, a number of road links still need to be completed to improve European integration and relieve congestion in the Budapest region.

From now on, the country plans to massively develop passenger rail transport and integrate its network with those of its neighbours, notably Austria, to create a European transport corridor that extends ever further eastwards. Its commitment to the development of rail is part of the 2030 and 2050 objectives to decarbonise transport while offering improved operability, shorter journey times and greater safety.

At the urban level, Hungary's capital, Budapest, with over 1.75 million inhabitants and almost 2.6 million in the extended urban area, recently drew up Hungary's first urban transport development plan, taking into account the effects of the crisis and its implications for local habits.

The development of this plan, called the Balázs Mór Plan (BMT - named after a famous 19th century Hungarian transport engineer) identified 56 operational objectives and measures in accordance with SMART criteria (Specific, Measurable, Achievable, Realistic, Timely Based). It is important to note that one of the main objectives is to facilitate applications for EU funds. It has therefore been prepared in accordance with EU requirements and includes a public

communications plan and online response options, as well as a strategic environmental impact assessment.

In terms of decarbonising transport, Hungary is banking on the development of energy from hydrogen. This new strategy is presented in Hungary as the main means of achieving the EU's environmental objectives for 2030. The country announced a national hydrogen plan in May 2021. This highly engaging, well-argued document is available on the Ministry of Transport website.¹

Transport infrastructure and use

Modal split of freight transport in % (based on t-km)

2021	Road	Rail	Inland waterways
European Union	77.4%	17.0%	5.6%
Hungary	69.2%	26.4%	4.4%

Source : Eurostat

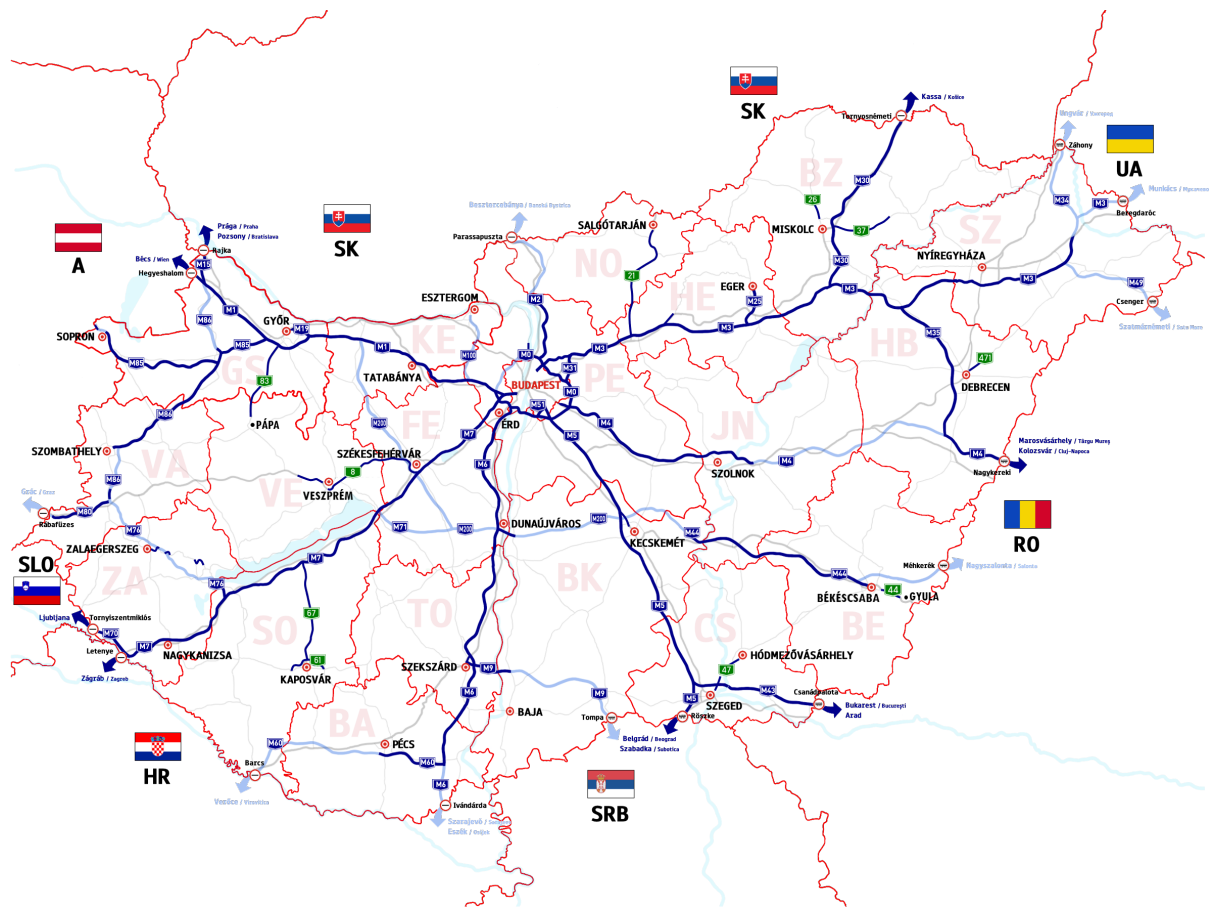
With a share of almost 45% at the end of the 1990s, rail was as important as road in the transport of passengers and goods. Massive investment in motorway construction since the early 2000s, as well as the equipping of private individuals and businesses with road rolling stock, has relegated rail to second place.

Hungary now has one of the most comprehensive road networks in the European Union, linking most large and medium-sized towns. Some sections of the border still need to be completed, but the country is no longer planning any major road investment in the coming years. Regular road maintenance ensures that the quality of the infrastructure remains high.

The Hungarian motorway network is built in a star configuration, with the Budapest ring road at its centre, the northern section of which needs to be widened. Most of the motorways are then linked by national roads, sometimes expressways to avoid congestion in the Budapest region for province-to-province journeys.

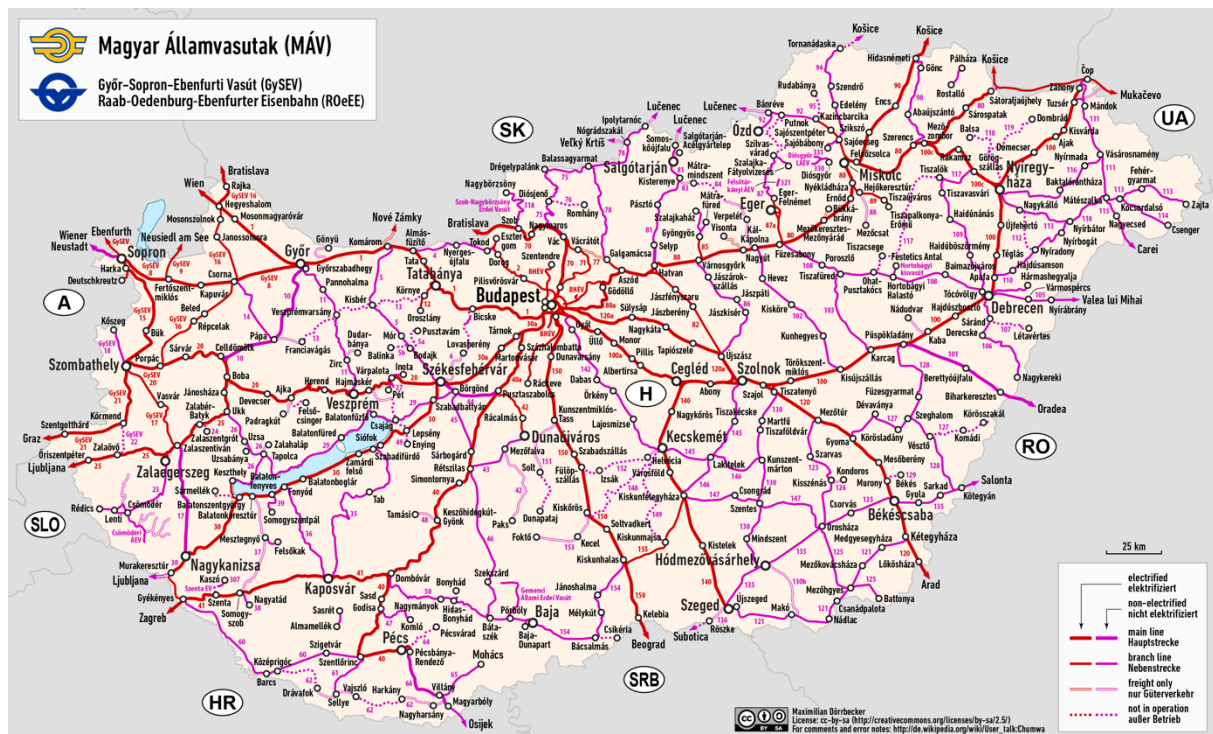
¹ <https://cdn.kormany.hu/uploads/document/a/a2/a2b/a2b2b7ed5179b17694659b8f050ba9648e75a0bf.pdf>

Hungary's motorway network



The rail network is also well-developed but ageing. There are currently no high-speed lines. Numerous rail track improvements are causing delays and affecting the reliability of this mode of transport. The main line linking Budapest to Vienna in Austria is saturated.

Hungarian rail network



Waterway network and main ports

Classification of Hungarian waterways



The Danube is Hungary's main waterway, linking the country with neighbouring Slovakia and Austria to the north-west, and Serbia to the south. The capital, Budapest, and the country's

second-largest city, Győr, are located on this river. The Sio River, which flows into the Danube, provides a seasonal link to Lake Balaton and the towns in the region. The River Tisza crosses the country from the Ukrainian border in the north to the Serbian border in the south, passing through the agricultural regions of Eger and Szeged.

Hungarian air transport is mainly developed in Budapest, where the Liszt Ferenc international airport is located. With the former national airline Malev having gone bankrupt in 2012, most flights are operated by low-cost airlines, in particular Wizzair, which is based in Budapest.

Two other international airports, Debrecen in the east and Pecs-Pogany in the south, offer just a few flights a day to European hubs such as London and Frankfurt. For the western part of Hungary, Vienna airport in Austria, located around a hundred kilometres from major cities such as Győr or Sopron, remains the main airport for passenger transport.

Transport Infrastructures of Hungary

	2021
Length of national routes	30,662 km
of which highways	1 860 km
Length of other secondary routes	183,989 km
Length of rail network	11,603 km
of which electrified	5,762 km
Length of inland water channels	173 km
Length of inland natural waterways	1 402 km

Source : Eurostat

ROAD FREIGHT TRANSPORT OPERATORS

Institutional stakeholders

Institute of Transport Sciences (KTI)

The Institute of Transport Sciences is a public institute founded in 1938. It is a major research centre which carries out its work on behalf of the national development ministry².

The aim of the institute is to carry out research to serve transport companies, provide a scientific view of the transport business, educate professionals, protect the environment and monitor service quality. The institute is also responsible for carrying out technical examinations of infrastructure projects, participating in their development and responding to any technical requests concerning roads, engineering structures, tunnels and other infrastructure.

In the field of road safety, KTI also collects the data needed to compile statistics. It is an active member of international traffic research, road safety, public transport, and road training organisations (FEHLR, FERSI, ECTRI, PIARC, CARE, IRTAD, UITP, EUROTRA) and maintains active relations with several European research institutes.

National Transport Authority (NKH)

The National Transport Authority was set up in 2007 by the Ministry of Transport. It is the only body that can carry out roadside checks on transport activities. The NKH, as the central flow management authority, regulates, supervises and controls the activity and operations of carriers. Its tasks are:

- Road protection;
- Road safety;
- The neutrality of competition;
- Protecting the environment;
- Maintaining transport equipment and infrastructure in good condition in accordance with current legislation.

The NKH carries out checks on site and on the road.³

² Source: <http://www.kti.hu/en>

³ Source: <http://kozutiszallitas.ertekesitesmegoldasok.hu/judasgepek.html>

Professional RFT organisations

MKFE - Hungarian Road Transport Association

The aim of this association, which has been in existence since 1965, is to bring together Hungarian transport companies in a single structure, in order to better represent and defend their interests. The association also offers advisory services on operating conditions, the rules governing the RFT market in the European Union, in particular on posting, preserving international competitiveness and compliance with social rules and the protection of professionals. It provides its members with continuously updated information on social networks and on its website.

Most members are for-hire carriers. There are almost 3,000 of them specialising in international markets, representing a total of 35,000 to 40,000 vehicles. The MKFE is a member of the IRU and is the only association in Hungary entitled to distribute TIR Carnets.

NiT Hungary - National Federation of Private Carriers

NiT Hungary is a professional organisation established in 1989 to protect the interests of the profession. The 3,061 members are hauliers and/or passenger carriers. NiT has been an active member of UETR since 2004.

Employee unions

In Hungary, drivers' interests are defended by the National Union of International and Professional Drivers (NeHGOSz).

The union leads initiatives to improve living and working conditions for drivers: it ensures that safety in the workplace is established and that drivers benefit unconditionally from their rights as employees.

HUNGARIAN RFT - KEY DATA

Structure of Hungarian-flagged Road Freight Transport in 2022

Structure of the Hungarian RFT sector in 2022

2022	Goods transported	Tonne-kilometers achieved		Average distance	Vehicle.kilometres achieved
	thousand tonnes	million t.km	%	km	million of vehicle.km
TOTAL	204,708	37,444	100.0%	183	3,285
Domestic transport	166,560	13,926	37.2%	84	1,056
International transport	38,148	23,518	62.8%	616	1,536
<i>International transport of goods loaded in Hungary</i>	12,218	8,015	21.4%	656	545
<i>International transport of goods unloaded in Hungary</i>	12,594	7,999	21.4%	635	514
<i>Cross-trade</i>	9,412	6,517	17.4%	692	409
<i>Cabotage</i>	3,924	987	2.6%	252	68

Source : Eurostat

Almost two-thirds of Hungarian road transport is international. Although very high, this rate is still below that of other countries to the east of Europe. Cabotage in Hungary is low, at 2.6% of the total. With an average distance of almost 650 km, Hungarian international transport is particularly active in Central Europe, with its western reach limited to southern Germany and the Benelux ports. The volume of national transport is particularly significant given the size of the country and the short average distance of 84 km.

Evolution of the Hungarian RFT sector

Evolution of the Hungarian RFT sector in million tonne-kilometres

In million t-km	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	AAGR*
TOTAL	33,736	35,818	37,517	38,352	40,001	39,684	37,948	36,951	32,224	37,101	37,444	1.05%
Domestic transport	9,181	9,246	9,630	10,356	11,720	11,940	12,979	13,382	12,860	14,778	13,926	4.25%
International transport	24,555	26,572	27,887	27,996	28,281	27,744	24,969	23,569	19,364	22,323	23,518	-0.43%

Source : Eurostat

*Average annual growth rate

Unlike other Eastern European countries, Hungary's business has stagnated over the last ten years. Over the same period, national transport grew by 4% a year, while international transport lost 0.4% a year.

Cabotage

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

In million tonne-kilometres	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	AAGR*
Cabotage under Hungarian flag	690	879	1 000	953	1 146	1,227	1,069	905	894	878	987	3.64%
<i>in Germany</i>	303	420	502	503	616	611	527	386	409	414	450	4.03%
<i>in Austria</i>	146	180	207	182	217	212	178	200	238	188	238	5.01%
<i>in Italia</i>	41	49	63	46	68	66	50	72	57	101	69	5.34%
Share of cabotage in Hungarian transport %	2,0	2,5	2,7	2,5	2,9	3,1	2,8	2,4	2,8	2,4	2,6	-

Source: Eurostat

*AAGR : average annual growth rate

Cabotage under the Hungarian flag is low. Its volume is stagnating. Hungarian cabotage is limited to a few operations in Germany and neighbouring Austria.

Cabotage in Hungary

In million tonne-kilometres	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	AAGR*
Cabotage in Hungary	50	47	61	56	65	61	79	118	74	85	80	4.81%
Penetration rate of cabotage*	0.54%	0.51%	0.63%	0.54%	0.55%	0.50%	0.61%	0.87%	0.57%	0.57%	0.57%	-
Market share cabotage**	0.72%	0.67%	0.83%	0.70%	0.74%	0.64%	0.79%	1.10%	0.74%	0.75%	0.73%	-

Source : Eurostat

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)

Cabotage under other European flags in Hungary is virtually non-existent. It represents just 0.6% of national transport volume.

RFT companies

There are now almost 15,000 road freight transport companies in Hungary, compared with more than 21,000 ten years ago. The vast majority of these companies are very small, with between 1 and 4 vehicles.

Those responsible for the sector put forward figures that are lower than the official statistics. The number of RFT companies in Hungary is likely to be closer to 7,000 to 8,000, compared with over 12,000 in the early 2010s. They explain this consolidation of the market by the disappearance of a large number of one-man businesses in favour of the larger companies that used to subcontract part of their transport to them. Some medium-sized companies are also joining forces to face up to international competition and the national leader, one of the largest transport companies in Eastern Europe.

RFT* Business Statistics in Hungary

	2020
Number of enterprises	15,611
Number of persons employed	80,506
Number of employees	69,200
Net sales	5 807 500 k€
Costs	
Total amount of purchased goods and services	4 048 100 k€
of which merchandise for resale	1 471 200 k€
of which materials, supplies and intermediate goods	10 200 k€
Personnal expenses	990 800 k€
of which wages and salaries	892 000 k€
of which social security costs	98 800 k€
Apparent social security contributions rate	11.1%
Gross operating profit	784 100 k€

* RFT companies as in European Nomenclature NACE Rev2 - Classe H4941

Source : Eurostat

Vehicle numbers

According to European statistics, some 15,000 companies share the 90,000 road tractors. In reality, there are fewer than 50,000 road tractors in Hungary.

Motor Vehicle Statistics in Hungary							
		2017	2018	2019	2020	2021	2022
Road tractors	Total	72,579	76,870	79,379	81,317	85,742	90,449
	Less than 2 years	17,799	18,659	18,129	16,626	15,601	18,127
	2 to 5 years	15,741	18,489	16,520	16,026	17,798	17,318
	5 to 10 years	17,955	17,010	17,052	19,565	22,286	22,660
	10 to 20 years	17,332	20,346	22,590	23,343	203	241
	More than 20 years	3,572	4,366	5,088	5,757	6,687	384
Lorries > 3.5 tonnes	Total	46,696	49,017	50,957	50,923	52,230	52,485
	Less than 2 years	2,309	3,946	4,421	3,513	2,834	2,350
	2 to 5 years	2,867	3,148	3,494	4,233	4,647	4,817
	5 to 10 years	6,296	7,028	6,494	6,584	7,391	7,217
	10 to 20 years	21,775	22,031	22,571	21,535	21,176	20,971
	More than 20 years	13,449	12,864	13,977	15,058	16,182	17,130
Lorries <= 3.5 tonnes	Total	423,252	444,588	468,274	483,463	499,641	508,806
	Less than 2 years	50,125	53,463	56,232	55,995	52,208	45,640
	2 to 5 years	41,795	49,504	59,089	60,396	64,452	63,898
	5 to 10 years	84,196	77,131	69,383	81,571	89,761	96,167
	10 to 20 years	211,635	220,926	228,419	216,518	208,803	206,169
	More than 20 years	35,501	43,564	55,151	68,983	84,417	96,932

n/a : not available

Source : Eurostat

Tracted Vehicle Statistics in Hungary						
		2016	2017	2018	2019	2020
Semi-trailers		n/a				
Trailers	Total	420,928	433,691	448,367	462,061	474,422
	750 kg or less	247,117	251,383	267,031	263,457	270,265
	between 751 and 3 500 kg	46,029	49,271	52,976	56,743	60,357
	between 3 501 and 10 000 kg	57,931	58,186	58,744	58,990	59,250
	over 10 000 kg	69,851	74,851	79,616	82,871	84,550

Source : Eurostat

1.3. FISCAL AND LABOUR REGULATIONS APPLICABLE TO ROAD FREIGHT TRANSPORT IN HUNGARY

COMPANY TYPES

Types of companies in Hungary and their main characteristics
Partnerships
Sole proprietorship (Egyéni vállalkozó)
Number of partners and associates: only one physical person
Minimum and/or maximum capital: no limitation
Liability of partners: the owner bears unlimited sole liability.
Partnership (Betéti Társaság - Bt.)
Number of partners: 2 or more partners, no maximum
Minimum and/or maximum capital: no limitation
Liability of partners: the partners bear unlimited joint liability, the liability of associates is limited to the amount of the contributions
Limited liability partnership (Közkereseti Társaság - Kkt.)
Number of partners and associates: 2 or more partners, no maximum
Minimum and/or maximum capital: no limitation
Liability of partners: the partners bear unlimited joint liability.
Capital companies
Limited liability company (Korlátolt Felelősségű Társaság - Kft.)
Number of partners and associates: 1 or more partners, no maximum
Minimum and/or maximum capital: 3,000,000 HUF minimum
Liability of shareholders: the liability of shareholders is limited to the amount of the contributions
Joint stock company - open (Részvénytársaság - Nyrt.) - can be listed on the stock exchange
Number of partners and associates: at least one person, no maximum
Minimum and/or maximum capital: 20,000,000 HUF minimum, of which 30% paid-up with a minimum of 10,000,000 HUF
Liability of shareholders: the liability of shareholders is limited to the amount of the contributions
Joint stock company - closed (Részvénytársaság - Zrt.) - can NOT be listed on the stock exchange
Number of partners and associates: at least one person, no maximum
Minimum and/or maximum capital: 5,000,000 HUF minimum, of which 30% paid-up
Liability of shareholders: the liability of shareholders is limited to the amount of the contributions

Source : mondaq.com

ROAD FREIGHT TRANSPORT TAXES

Corporation tax

Since 1 January 2017, Hungary has lowered the corporate tax rate to 9% for all income brackets. As a result, the country currently has the lowest tax rate on corporate profits in the European Union. Dividends are not taxed.

In 2020, Hungary introduced a local tax on commercial activities. The rate of this tax depends on the company's turnover and the municipality in which it is based. As a general rule, rates for small and medium-sized businesses are around 2%.

VAT

At 27%, Hungary has the highest VAT rate in the European Union since it was last increased in 2012. A reduced rate of 18% applies to certain food and cultural products, and a further super-reduced rate of 5% applies to basic foodstuffs, pharmaceuticals, medical equipment, books, newspapers, social accommodation, catering, internet services, hotel accommodation and seasonal lettings.

The 0% rate applies to international transport.

Axle tax (Teljesítményadó)

Initially called the "Motor Vehicle Performance Tax" and in force since 2013, this tax has applied since 2019 not only to motor vehicles but also to trailers. This tax is intended to finance the municipalities where the vehicle is registered, which are also responsible for collecting the tax.

Under current law, this tax must be paid on all vehicles registered in Hungary, including trailers, but also on vehicles registered abroad and used exclusively in Hungary. The tax is paid in one instalment, on 15 April of the year following registration of the vehicle. For the first year, it is calculated on a pro rata basis.

The amount of this tax is calculated on the basis of the vehicle's Euro class, maximum permissible weight and engine power (if applicable). It decreases with the age of the vehicle.

The method for calculating the tax is complex and is based on a rate per 100 kg of net vehicle weight.

In the case of semi-trailers and trailers, tax is calculated on the basis of the vehicle's unladen weight. The amount is set at 1,380 HUF per 100 kg. Various simulators help carriers calculate their tax.

E.g.: <https://gepjarmu-adasveteli-szerzodes.hu/teljesitmenyado-kalkulator/>

The figure used for a 40-tonne Euro VI, 5-axle truck with air suspension, the model and power most frequently encountered during the interviews in Hungary, is 190,000 HUF for a new road tractor and 110,000 HUF for the semi-trailer, i.e. almost 300,000 HUF or 750€.

Motorway tolls

The electronic toll system has replaced the old Hungarian road tax sticker since 1 July, 2013. The kilometre-based toll for commercial vehicles over 3.5 tonnes applies to a large proportion of motorways and main roads (see map on next page). Private cars and other categories of vehicle weighing 3.5 tonnes or more are still subject to payment of a road tax, the price of which varies according to the duration of the journey. The Hungarian road tax sticker is electronic and can be paid for at service station pay stations or by telephone on a dedicated application.

The kilometre toll for HGVs depends on the distance travelled, the category of vehicle according to the total number of axles and its Euro class.

In 2022, at the time of the company interviews, the toll rates in force were as follows:

Tolls in Hungary - gross price of road use, valid from 15th October 2022									
Expressways									
Emission class	Euro 0-I			Euro II-IV			Euro V et plus		
Number of axles	2	3	4 and more	2	3	4 and more	2	3	4 and more
Price HUF/km	83.06	116.52	188.23	72.23	101.32	156.86	61.40	86.12	133.33
Price €/km	0.208	0.291	0.471	0.181	0.253	0.392	0.154	0.215	0.333
Main Roads									
Emission class	Euro 0-I			Euro II-IV			Euro V et plus		
Number of axles	2	3	4 and more	2	3	4 and more	2	3	4 and more
Price HUF/km	35.32	61.18	117.40	30.71	53.20	97.83	26.10	45.22	83.16
Price €/km	0.088	0.153	0.294	0.077	0.133	0.245	0.065	0.113	0.208

Source : National Toll Payment Services PLC. Hungary

In early 2024, the toll calculation system was overhauled. The number of emission classes has been increased from 3 to 9 to differentiate the rates for EURO 6 class vehicles, low emission vehicles and zero emission vehicles. At the same time, the costs of externalities have been added to the infrastructure costs, significantly increasing the total.

From 1 January 2024, the cost of tolls for a 40-tonne Euro 6 vehicle will be 218.71 HUF/km (0.55€/km) on Hungarian motorways and 158.64 HUF/km (0.40 €/km) on main roads.

Toll tables in Hungary from 1 January 2024

3,5 T < HEAVY-DUTY VEHICLE TOLL CATEGORY	► INFRASTRUCTURE CHARGE			+	► EXTERNAL-COST CHARGE					ENVIRONMENTAL CLASSIFICATION
	MOTORWAY	OR	MAIN ROAD	PLUS	AIR POLLUTION + NOISE POLLUTION			+	CO ₂ EMISSIONS	
					SUBURBAN	PLUS	INTERURBAN	PLUS		
J2 2 AXLES	61,09	OR	33,40	+	91,80	+	48,86	+	22,21	EURO 0
					62,18		31,59		19,74	EURO I
					61,69		31,09			EURO II
					47,38		23,69			EURO III
					36,03		16,78			EURO IV
					21,71		8,88			EURO V
					11,35		2,47			EURO VI
					9,87		1,48		9,87	LOW-EMISSION
									0,00	ZERO-EMISSION
					J3 3 AXLES		97,66		OR	55,25
77,98	41,46	25,66	EURO I							
61,69	32,57		EURO II							
45,40	22,21		EURO III							
27,64	13,33	24,68	EURO IV							
13,82	3,45		EURO V							
11,35	1,48		EURO VI							
		12,34	LOW-EMISSION							
		0,00	ZERO-EMISSION							
J4 4 AXLES	151,38	OR	94,62	+		137,20		+		
					100,68	55,77	34,05		EURO I	
						55,27			EURO II	
					80,44	43,92			EURO III	
					58,24	29,61	33,07		EURO IV	
					32,57	16,78			EURO V	
					15,30	3,95			EURO VI	
					12,34	1,48	16,78		LOW-EMISSION	
							0,00		ZERO-EMISSION	
					J5 5 OR MORE AXLES	158,50	OR		98,43	+
123,38	69,59	39,98	EURO I							
122,89	68,60		EURO II							
99,20	54,78		EURO III							
70,08	37,01	39,48	EURO IV							
37,51	18,75		EURO V							
16,78	3,95		EURO VI							
13,82	1,48	19,74	LOW-EMISSION							
		0,00	ZERO-EMISSION							

Valid from 1 January 2024. All rates shown in the table are inclusive of VAT and given in HUF/km.

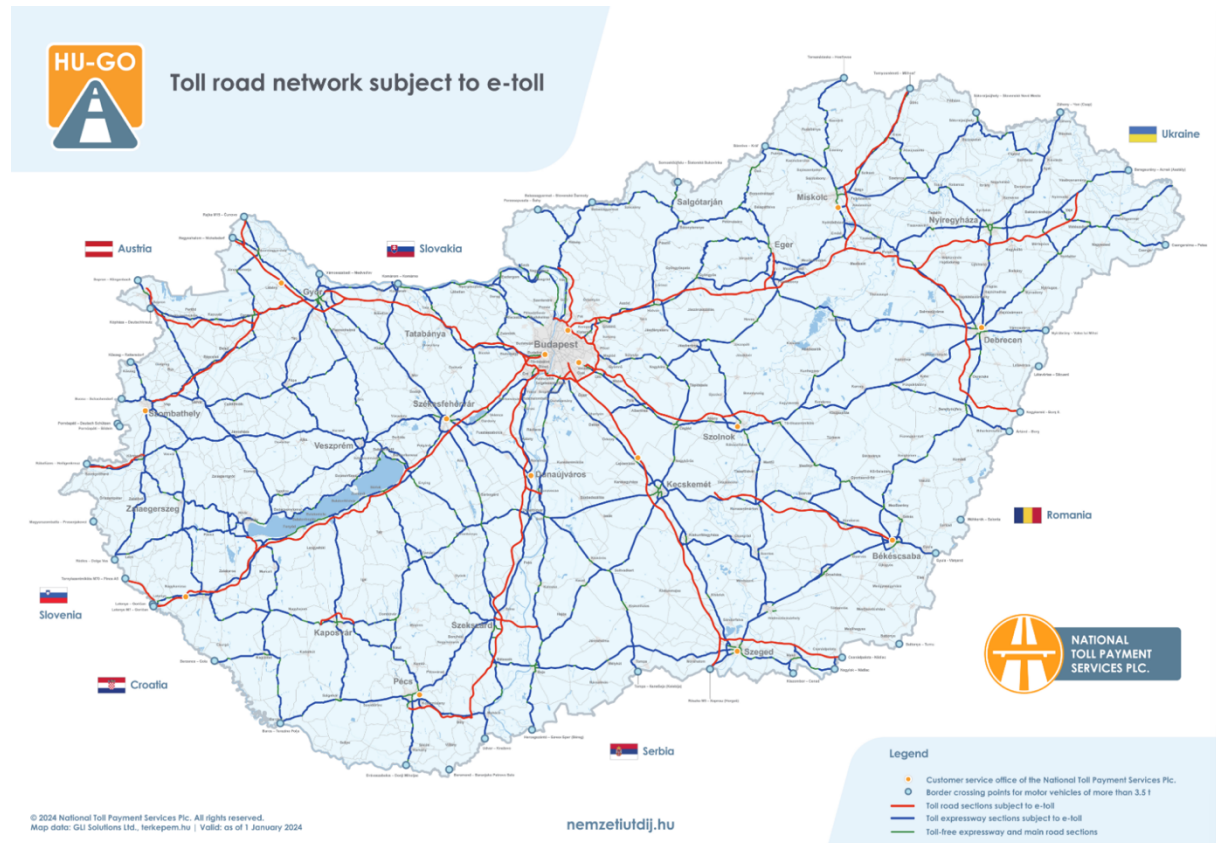
The following map shows the Hungarian road and motorway network subject to kilometre tolls.

Map legend:

Red: toll motorways

Blue: national toll roads (main roads)

Green: national roads not subject to tolls



Excise duty on commercial diesel

In accordance with Directives 92/12/EC and 2008/118/EC, Hungary has introduced a system of excise duties, applying a minimum of 330 €/1,000 litres. This amount is converted to 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 lead to a situation where a Member State appears not to be complying with the regulations in force due to the devaluation of its currency.

The system for calculating excise duty was changed in 2019 to better adapt it to the volatility of fuel prices on the international market. As a result, Hungary now applies a double rate of taxation:

- If the official international oil price is above 50 \$/barrel, Hungary applies excise duty of 110,350 HUF per 1,000 litres of diesel, plus 3,883 HUF in strategic storage costs.
- If the official international oil price is less than or equal to \$50/barrel, Hungary applies excise duty of 120,000 HUF per 1,000 litres of diesel, plus 3,883 HUF in strategic storage costs.

In 2022, the government took exceptional measures to limit the economic impact of the war in Ukraine. Excise duty on diesel was limited to 23.91 €/hl. The situation returned to normal during 2023. For 2024, the official amount of excise duty on diesel in Hungary, as set by the European Commission, was 36.69 €/hl. This amount is subject to partial reimbursement of excise duty, which has been in force in Hungary since 2011.

The amount of the partial reimbursement is set by the Hungarian tax authorities. It amounts to 1,000 HUF/hl, or around 2.57 €/hl in RFT.

The net rate of excise duty on commercial diesel in the RFT sector is thus 34.12 €/hl.

LABOUR REGULATIONS APPLICABLE TO ROAD FREIGHT TRANSPORT

Pay

In 2022, when the interviews were conducted, the current minimum wage was 200,000 HUF (500€) gross per month. As of 1 January 2023, the Hungarian minimum gross monthly wage rose sharply, by 16% compared with 2022, to 232,000 HUF gross per month, or almost 580€. On 1 January 2024, a further increase of +15 % was decided by the government.

Generally speaking, the rise in road transport drivers' wages in Eastern European countries over the period 2022-2024 significantly increased the wage costs of Hungarian haulage firms. During 2022, most companies and drivers reported fixed gross salaries of between 380,000 HUF and 400,000 HUF, or almost 1,000€ per month.

Evolution of minimum wage in Hungary				
Year	Monthly gross amount in HUF	Evolution (HUF)	Monthly gross in EUR (exchange rate on january 1st)	Evolution
2024	266,800 HUF	15%	706.89 €	20%
2023	232,000 HUF	16%	588.35 €	9%
2022	200,000 HUF	19%	542.09 €	17%
2021	167,400 HUF	4%	461.96 €	-5%
2020	161,000 HUF	8%	488.38 €	5%
2019	149,000 HUF	8%	465.92 €	4%
2018	138,000 HUF	8%	447.31 €	8%
2017	127,500 HUF	15%	412.65 €	17%
2016	111,000 HUF	6%	352.74 €	6%
2015	105,000 HUF	3%	331.75 €	-1%
2014	101,500 HUF	4%	335.56 €	1%
2013	98,000 HUF	5%	333.32 €	10%
2012	93,000 HUF	19%	302.61 €	7%
2011	78,000 HUF	6%	283.30 €	4%
2010	73,500 HUF	3%	272.80 €	7%
2009	71,500 HUF	4%	255.48 €	-5%
2008	69,000 HUF	5%	269.50 €	4%
2007	65,500 HUF	5%	258.00 €	3%
2006	62,500 HUF	10%	249.29 €	8%
2005	57,000 HUF	8%	231.33 €	15%
2004	53,000 HUF	6%	200.51 €	-4%
2003	50,000 HUF	0%	208.00 €	1%
2002	50,000 HUF	25%	205.05 €	36%
2001	40,000 HUF	57%	151.20 €	51%
2000	25,500 HUF		100.24 €	

Source : Ministry of Finance - Hungary

It should be remembered that the Hungarian minimum wage applies to job categories that do not require any particular qualifications. This is the minimum wage for drivers on Hungarian contracts.

A second level of Hungarian minimum wage, known as the "guaranteed minimum wage", applies to skilled occupations requiring a 2nd level university degree, vocational training leading to a qualification diploma or special responsibility on the part of the employee. The amount of this second minimum wage level was 296,400 HUF on 1 January 2023, or more than 750€. Since 1 January 2024, it has been 326,000 HUF, or 815€.

Despite the professional qualifications required by their training, lorry drivers do not fall within the scope of this minimum wage level. On the other hand, most transport companies offer higher pay levels and declare their drivers as skilled workers in order to retain them.

Travel allowances (Külföldi napidíjak)

Until the end of 2023, the daily travel allowance for employees subject to Hungarian law was set at 40€ for most EU countries, with the exception of Bulgaria and Romania (30€).

Specific to Hungary since 2016, Hungarian tax regulations have allowed international hauliers to receive 60€ in daily allowances when the driver's journey is considered to be a secondment involving at least one full day of 8 hours' work in the country concerned.

The national travel allowance was set at 3,000 HUF per day, or 8.50€.

Travel Allowances for Hungarian drivers in Europe - until end of 2023	
Country	Amount
Germany	40 €
Austria	40 €
Belgium	40 €
Bulgaria	30 €
Cyprus	40 €
Croatia	40 €
Czechia	40 €
Denmark	40 €
Spain	40 €
Estonia	40 €
Finland	40 €
France	40 €
Greece	40 €
Ireland	40 €
Italy	40 €
Latvia	40 €
Lithuania	40 €
Luxemburg	40 €
Malta	40 €
Norway	40 €
Netherlands	40 €
Poland	40 €
Portugal	40 €
Romania	30 €
Slovakia	40 €
Slovenia	40 €
Sweden	40 €
UK	£30
Other - Europe	30 €

Source : International Relations Center

Travel allowances are not subject to tax or social security contributions. The amounts of the allowances are shown in the table above. In practice, hauliers received 60€ per day in compensation for full days worked abroad. For other days (in particular days when part of the driving time is spent in Hungary), the previous rates applied.

In March 2023, following the example of Poland, the system for awarding travel allowances and their amounts was completely changed. The national travel allowance was increased to 9,000 HUF (22.50€) per day. A minimum travel allowance equivalent to 30% of gross pay was introduced for lorry drivers. The ceiling for travel abroad was revised to 85€, irrespective of the country and without the need for proof such as a secondment certificate. Travel allowances are not subject to income tax or social security contributions.

Social security contributions

Social Contributions in Hungary - 2022/2023/2024

Social contributions applicable to driving staff	Employer	Employee
Pension contribution	Social Contribution Tax - global rate of 13%	10.0%
Health insurance - benefits in kind		4.0%
Health insurance - cash benefits		3.0%
Unemployment		1.5%
Vocational training contribution	1.5%	0.0%
Total	14.5%	18.5%

Source: Cleiss et Ministry of Human Ressources

Social security contributions for businesses have fallen sharply in Hungary. The social tax for companies, or *szociális hozzájárulási adó* in Hungarian, fell from 27% between 2012 and 2016 to 22% in 2017, then to 19.5% between January 2018 and June 2019. It was lowered to 17.5% a year later, then to 15.5% from July 2020 before reaching 13% on 1 January 2022.

Employee contributions remained stable at 18.5% over the same period.

To support economic activity, which has been in increasing difficulty since the outbreak of war in Ukraine, the Hungarian government is focusing more than ever on lowering corporate taxes and social security contributions, sometimes at the cost of not complying with OECD rules and European Union recommendations.

Personal income tax

The calculation of Hungarian income tax has been simplified as much as possible. The single rate of 15% applies to all gross income before deduction of social security contributions. Depending on the family situation and the number of children, a tax-free income band may be granted by the tax authorities.

2. CONDITIONS AND COSTS OF OPERATING A HUNGARIAN 40-TONNE HGV INTERNATIONALLY

This part of the study describes the economic and labour conditions prevailing at the end of 2022, at the time of this survey. In carrying out this study, the CNR has drawn on research focused primarily on the fiscal and labour aspects of the RFT sector, as well as on previous CNR surveys and feedback from the experts with whom the CNR collaborates. These different sources provide an overview of the Hungarian international RFT sector and highlight the main developments since the last study. This research and process of dialogue are further backed up by interviews with Hungarian hauliers and lorry drivers.

All the figures ultimately used by the CNR in order to construct the standard profile represent the best expert appraisal of this set of data sources.

2.1. BUSINESS OPERATING CONDITIONS AND COSTS

This section is mainly based on face-to-face interviews with 12 Hungarian road freight transport companies involved in long-distance transport operations, mainly internationally. All the companies visited were able to provide the information requested. The 12 companies selected for the purposes of this study can be described as follows:

	No of tractors	No of semi-trailers	Main markets	No of drivers	Turnover
Company 1	12	12	AT, DE, IT, FR, ES	15	1,390,000 €
Company 2	4	4	IT, SI	4	468,00 €
Company 3	3	4	DE, AT	3	400,00 €
Company 4	9	13	PL, SK, AT	11	1,022,000 €
Company 5	21	25	DE, NL, BE	24	2,800,000 €
Company 6	84	95	AT, CH	97	13,458,000 €
Company 7	5	5	DE, AT, IT	5	603,00 €
Company 8	16	17	SK, AT, RO	18	1,880,000 €
Company 9	55	60	Benelux	61	6,740,000 €
Company 10	28	31	Scandinavia	31	n/a
Company 11	6	6	DE, AT	6	649,00 €
Company 12	16	19	FR, ES, IT	15	2,100,000 €

The companies visited for this study are extremely diverse in terms of their size and structure. They all specialise in international road haulage. Subcontracting concerns most of the RFT activity. While some large Hungarian companies have the capacity to manage international flows with direct customers, other small companies are often subcontractors to large Hungarian or other European companies.

For the purposes of comparison with data from the CNR's other national surveys, only companies whose main activity was international long-distance haulage were selected.

The findings in this report are based on interviews conducted by the CNR, and thus cannot be used for statistical purposes. However, they do shed some light on figures and information

obtained elsewhere. Ultimately, the CNR uses the best available expert opinion to calculate the costs and operating conditions of a "typical" HGV operating internationally.

TRANSPORT EQUIPMENT - Use

Hungarian vehicles are driven between 242 and 274 days annually (with a clustering around 258 days), down from 2019 when the estimated figure was 267 days.

The average annual mileage travelled by the vehicles of the hauliers we met ranged from 110,000 km to 155,000 km. According to its calculations (which are consistent with driver mileage) and based on expert opinion, the CNR has arrived at an estimated mileage figure of approximately 139,000 km per year per vehicle, a slight decline since the last study (144,500 km). The fall in these two variables reflects a market that has not yet fully recovered from the Covid crisis. Hungary's international trade volumes are stagnating, and the difficulties associated with the slowdown in the German market and the war in Ukraine are weighing on Hungarian RFT.

The length of time vehicles are kept is increasing significantly due to the shortage of vehicles caused by problems with the supply of electronic chips from Asia. Although the large companies that renew their fleets every 3 to 4 years thanks to advantageous leasing contracts expressed their desire to continue with this model, by 2022 they were obliged to keep their vehicles for more than 5 years. Others are turning to the hectic second-hand market, or agreeing to pay top dollar for their new acquisitions. They use their vehicles for longer, up to 10 years in some cases.

To facilitate comparison with other countries, the CNR will use an average profile based on expert opinion, with an ownership period for road tractors of 8 years, i.e. 4 years of leasing and a further 4 years of full ownership.

There is no shortage of semi-trailers on the market, but prices are keeping pace with those for tractors. The period of ownership has not changed since the last study and is therefore estimated at 9 years on average.

The tractor/semi-trailer ratio recorded in the company surveys is 1.12, down on the previous figure (1.15 in 2019).

TRANSPORT EQUIPMENT - Financing

The most common form of vehicle financing is a 48-month lease with a purchase option, usually involving an initial payment of 10% of the price of the vehicle and a purchase option amounting to 10% of the new vehicle price at the end of the contract. On the other hand, rising interest rates and tractor supply problems are encouraging self-financing or an increase in the amount of the first rent on leasing contracts. Some companies don't hesitate to pay up to 40% or even 50% down payment to get a vehicle quickly. For the typical profile, and given that this exceptional situation only affects acquisitions in 2022, the CNR will opt for 48-month leasing contracts, with an initial lease of 20% and an interest rate of 5% for tractors. For semi-

trailers, 60-month leasing contracts with an initial lease of 10% and an interest rate of 5.2% seem more suitable.

The average purchase price of a Euro VI tractor as reported in interviews with Hungarian hauliers was 107,000€, an increase of almost 20% compared with the average price recorded in 2019. The rise in the price of new vehicles is encouraging some small Hungarian hauliers to turn to the second-hand market to buy recent road tractors for domestic and Eastern European transport operations. On the second-hand market, prices are soaring. A German or Belgian tractor, 4 years old and with almost 500,000 km on the clock, would sell for around 55,000€ to 60,000€.

The purchase price of a semi-trailer is estimated at 28,000€, compared with approximately 22,000€ in 2019. Most vehicles are acquired on 60-month leases with a purchase option.

FUEL

The average unit cost of fuel in 2022 for Hungary was 1.2240€ per litre according to official figures published in the European Commission's Oil Bulletin. This figure is well below that observed over the same period in other European countries. In 2022, the Hungarian government decided to reduce excise duty on fuel in order to curb inflation and protect consumers and businesses. In 2022, excise duties fell below the European minimum threshold. Partial reimbursement of excise duty has been retained at the same level, i.e. 350 forints per hectolitre.

As a result, Hungarian companies obtain 70% of their fuel supplies mainly in their own country, split between tank supplies (45%), with a symbolic discount of -1 euro cent, and pump supplies (25%). The remainder is sourced from Spain, Luxembourg and Poland, each accounting for 10%.

Given the increase in prices, fuel consumption is closely monitored by managers, who focus on it as a means of maintaining their already tight operating margins. Average fuel consumption is estimated at 28.9 litres/100 km, depending greatly on the countries crossed.

According to the fuel basket calculated by the CNR, based on information provided by companies, the price of a litre of fuel stood at 1.2932€.

MAINTENANCE & REPAIRS

The cost of maintenance and repairs for major Hungarian companies is difficult to calculate due to the widely varying costs and approaches reported by the companies surveyed. The most advantageous leasing contracts for large companies often include a full service maintenance contract costing between 1,800€ and 2,500€ per year per vehicle. These contracts also include tyre changes (excluding the cost of the equipment). For the period of ownership after leasing and for minor repairs to new vehicles not covered by the maintenance contract, large companies are equipping themselves with integrated workshops.

In the case of small companies, servicing and maintenance is still largely carried out in external garages. For this type of company, the cost of vehicle upkeep and maintenance is estimated at between 4,900€ and 8,300€, with a clustering around 6,950€. It varies greatly depending on the age and manufacturer of the vehicle.

For the typical company, the CNR estimates the annual cost of maintenance and repairs at around 5,570€. This figure, which is 16% higher than in 2019, is due in part to the ageing of the fleet linked to vehicle shortage problems and the increase in labour costs.

TYRES

The annual cost of tyres ranges widely, from 1,850,000 HUF to 2,500,000 HUF. This cost item varies greatly depending on the method use for purchasing vehicles (with or without a tyre contract), on mileage as well as on tyre changing and/or retreading policies.

Internal calculations carried out by the CNR give an average result of almost 2,180,000 forints, or 5,450€ per year per set, slightly up on 2019, despite the fall in annual mileage. However, according to experts, this average cost would seem to be inconsistent with current market realities, the intensity with which vehicles are used and the price of the equipment, which is relatively consistent across the eastern European market.

Tyre contracts offered by tyre manufacturers at a cost per kilometre of between 2,000 forints and 2,500 forints, i.e. between 5 and 6 euro cents, are sometimes taken out by large Hungarian transport companies, but are not yet widespread.

TOLLS

As far as tolls are concerned, the trend in 2019, as already mentioned, is for the cost to be passed on directly to customers, depending on the route chosen and the time constraints imposed. In this way, hauliers who are suffering from the sharp rise in the cost of tolls across Europe are managing to pass on this burden.

The annual cost of tolls ranges from 14,000€ to over 30,000€ for companies crossing Switzerland.

In the end, this cost item is estimated at 8,000,000 forints, or almost 20,000€, for a 40-tonne articulated vehicle covering almost 139,000 km a year, 80% of which is on motorways and toll roads. Lower than in 2019, this estimated cost does not include the possible cost of the Eurovignette, which is not widely purchased by Hungarian hauliers.

INSURANCE

The rises in the cost of insurance, so decried by Hungarian hauliers in 2019, seem to be subsiding. This cost item is stabilising. The cost of insurance in 2022 for road tractors alone was 1,100,000 HUF, i.e. 2,750€ per year for compulsory + Casco (comprehensive) insurance,

and between 1,500€ per year and 3,400€ per year for third-party insurance. Casco insurance, the generic term used in much of Central and Eastern Europe, is an extension of insurance that can be likened to "comprehensive" insurance. It is often calculated on the market value of the vehicle at the time the premium is calculated. Companies are free to split their insurance into two parts: compulsory insurance and Casco insurance, to obtain better prices in certain cases.

For a semi-trailer, insurance is around 510€ to 620€. In total, insurance for a set is estimated at 3,300€ per year, stable from 2019.

AXLE TAX

As explained above, the amount of this tax is calculated on the basis of the vehicle's Euro class, total permissible weight and engine power (if applicable). It decreases with the age of the vehicle.

The method for calculating the tax is complex and is based on a rate per 100 kg of net vehicle weight. In the case of semi-trailers and trailers, tax is calculated on the basis of the vehicle's unladen weight. The amount is set at 1,380 HUF per 100 kg.

The figure used for a 40-tonne Euro VI, 5-axle truck with air suspension, the model and power most frequently encountered during the interviews in Hungary, is 190,000 HUF for a new road tractor and 110,000 HUF for the semi-trailer, i.e. almost 300,000 HUF or 750€.

FIXED COSTS

Based on data collected from Hungarian companies, the CNR estimates this cost item at 9% of the total cost.

2.2. EMPLOYMENT CONDITIONS AND DRIVER EMPLOYMENT COSTS

Employment conditions and driver pay in Hungary 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. During this second phase, approximately twenty drivers, employees with Hungarian contracts, agreed 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 Hungarian contract working internationally.

EMPLOYMENT CONDITIONS

Most Hungarian drivers are hired directly on permanent contracts. Fixed-term contracts, which can last up to 5 years, are no longer commonplace, as Hungarian regulations allow for rapid dismissal at little cost to the employer. The use of fixed-term contracts tends to be reserved for situations of temporary or seasonal increase in activity, similar to the use of temporary work in France and other Western European countries.

The number of hours worked per month by Hungarian drivers ranges between 215 and 235 hours, according to drivers' statements. The data received from companies is lower, at around 220 hours. According to expert opinion, the value adopted will be 228 hours per month for a month of full activity, including almost 180 hours of driving, close to its 2019 level.

The number of days worked per year is 238, ranging from 220 to 255 days. The number of working weeks is estimated at 46 weeks. The number of days of leave observed among the drivers surveyed is 25 days per year, with an average age of 35 and 7 years' seniority. As a reminder, Hungarian employees are entitled to a minimum of 20 working days' paid holiday per year, supplemented by paid holidays linked to the employee's age. Current law requires 1 additional day's leave every three years between the ages of 25 and 31, then 1 additional day's leave every 2 years, until the maximum total of 30 days is reached. The first two children entitle you to 2 extra days paid holiday per child. From the third child onwards, additional leave is capped at 7 days per year. These rights are cumulative.

In terms of work organisation, Hungarian drivers assigned to the international business generally spend around 18 nights away abroad per month and work 5 days at their home location, giving a total of 23 working days per month. According to the drivers we met, the "3/1" work pattern is still common. This means working cyclically for 3 weeks abroad and one week at home. Some young drivers prefer to work in "4/1" shifts to earn more. Drivers in large companies with a stable business often have a "round trip" activity, i.e. regular return journeys, generally between fixed customers. The latter model involves periods of driving of between 4 and 10 days, followed by 1 or 2 days rest at home.

Lastly, average annual driver mileage, as reported by companies, is approximately 124,000 km. Drivers report driving an average of around 137,800 km annually. The average is 130,000 km per year.

Virtually all drivers employed solely on international assignments report that they drive the maximum permitted number of hours over a two-week period.

As indicated in previous CNR studies, the Hungarian labour market has fairly specific characteristics. Indeed, Hungarian drivers do not emigrate much abroad. The cultural and linguistic peculiarities of the Hungarian people are thought to be at the root of this stability. On the other hand, the existence of Magyar-speaking minorities in Romania, Slovakia, Ukraine, Croatia and Serbia is a source of drivers, who often balance the labour market. Recently, the surge in Hungarian exports to Germany, particularly in the automotive sector, seems to have disrupted the market and created the current shortage of drivers.

The driver/tractor ratio obtained from company interviews is 1.12.

NOTE ON THE BREAKDOWN OF DRIVER COSTS

International driver pay


In 2022, drivers on Hungarian contracts received a basic monthly salary between 250,000 HUF and 300,000 HUF gross (or between 625€ and 750€). This amount is often supplemented by a thirteenth month's salary, often paid at the end of the year as a Christmas bonus, or divided into two payments to be distributed in June and December.


In addition to his monthly salary, the typical Hungarian driver received an "eco-driving" bonus of a fixed amount of 100,000 HUF (250€) per month during the months in which he was active. The salary was supplemented by international travel allowances of between 60€ and 40€ per day, depending on the country and the duration of the trip.

While this study was being carried out, the regulations governing the eco-driving bonus and travel allowances were changed to bring them closer to the standards of other countries in the region, such as Poland. The bonus has been abolished; the amount of national travel allowance has been increased to 9,000 HUF (22.50€) per day and a minimum travel allowance equivalent to 30% of gross salary has been introduced for lorry drivers. The ceiling for travel abroad has been revised to 85€, regardless of country and without justification.

Travel allowances are not subject to income tax or social security contributions.

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

Standard profile of an international driver - Hungary - 2022						
Characteristics			- 80% of driver's work realized on international routes.			
			- Medium and long distance international trips (Austria, Germany, Italy, France, Benelux,...)			
			- "3/1" work organisation for a majority of drivers interviewed, meaning they spend 3 weeks abroad, followed by 1 week of rest at home. This organisation concerns over 65 % of drivers.			
			- Paid holidays (average of 25 days) systematically taken in summer period and during Christmas time.			
			- Income composed of a fixed salary above national minimum, completed by a variable part composed of a 13th month of salary and/or travel allowances.			
- Travel allowances usually reflect the reality and their amounts are respected.						
- Monthly working time close to 228 hours.						
Annual mileage achieved			130,000 km			
Number of actual working days per year			238			
Number of working weeks per year			46			
Number of driving hours per year			1,980			


Cost breakdown of a standard Hungarian international driver in 2022, updated following the new regulation on travel allowances of 2023						
Presentation of a standard pay slip						
EMPLOYER			EMPLOYEE			
Gross salary	€/month	744.79 €	Salaire Brut	€/mois	744.79 €	
Fixed gross salary (200,000 HUF)	€/month	687.50 €	Fixed gross salary (200,000 HUF)	€/month	687.50 €	
Other bonuses (on monthly basis) (100,000 HUF)	€/month	57.29 €	Other bonuses (on monthly basis) (100,000 HUF)	€/month	57.29 €	
Social contributions	14.50%	107.99 €	Social contributions	18.50%	137.79 €	
Social Contribution Tax - global rate	13.00%	96.82 €	Pension contribution	10.00%	74.48 €	
			Health insurance - benefits in kind	4.00%	29.79 €	
			Health insurance - cash benefits	3.00%	22.34 €	
			Unemployment	1.50%	11.17 €	
Vocational training contribution	1.50%	11.17 €	Vocational training contribution	0.00%	0.00 €	
			Income tax	15.00%	111.72 €	
Salaire brut chargé		852.78 €	Net salary after social contributions and income tax		495.28 €	
Travel allowances for a full working month (11 months in a year)		1642.50 €	Travel allowances for a full working month (11 months in a year)		1642.50 €	
Monthly cost of a driver for a month of full activity		2,495.28 €	Net income of a driver for a month of full activity		2,137.78 €	

Recomposition du coût annuel d'un conducteur hongrois en 2022/2023					
Fixed gross salary + bonuses * 12 months		8,937.48 €	Fixed gross salary + bonuses * 12 months		8,937.48 €
Employer's social contributions * 12 months		1,295.88 €	Employee's contributions and income tax* 12 mois		2,994.12 €
Salary cost after payment of contributions * 12 months		10,233.36 €	Net fixed income after income tax * 12 mois		5,943.36 €
Travel allowances * 10,5 months		17,246.25 €	Travel allowances * 10,5 months		17,246.25 €
Total annual cost		27,479.61 €	Annual net income		23,189.61 €
Cost of one hour of driving in €		13.88 €	Average monthly net income		1,932.47 €
Cost per kilometre in €		0.21 €			

Source : CNR European Studies

Since the 2019 Hungarian RFT study, the cost of a Hungarian driver has risen by +25%, for stable annual mileage. Lower social security contributions and income tax have meant that this increase has been passed on directly to drivers' net salary. As a result, the average net income of a driver has risen from 1,250€ to 1,930€ in just a few years, which is close to Western European wage levels, reducing the number of Hungarian drivers going abroad. As a result, the cost of a driving hour rose from 11.05€ in 2019 to 13.88€ in 2022, and the cost per kilometre from 0.17€ to 0.21€.

2.3. OVERVIEW OF CONDITIONS AND COSTS OF OPERATING A "TYPICAL" HGV INTERNATIONALLY

Operating conditions and costs excluding overhead costs, for a 40-tonne HGV operated on long distance international routes, 2022 values 		
	unit	Hungary <i>Simulation</i>
Yearly mileage of a vehicle	km	145,560
Number of operating days	days/year	266
Semitrailer/tractor ratio		1.12
Cost of one driver	€/year	27,480
Driver/tractor ratio		1.12
Yearly cost of vehicle financing and possession	€/year	15,015
Average consumption per 100 km	litres	28.9
unit fuel price, 2019 average	€/litre	1.2932
Yearly fuel cost	€/year	54,401
Tyres	€/year	5,450
Maintenance-repair	€/year	5,570
Tolls and vignettes	€/year	20,000
Insurance (vehicle)	€/year	3,300
Axle tax and other vehicle taxes	€/year	750
Synthesis - cost price (excluding overhead costs)		135,254
Cost/mileage ratio per annum	€/km	0.929
Overhead costs	€/year	13,377
Synthesis - complete cost price		148,631
Complete cost per kilometer	€/km	1.02

Source : CNR European studies

According to CNR calculations, the per-kilometre cost of operating a Hungarian 40-tonne HGV internationally (excluding fixed costs), was 0.93€, compared with 0.82€ in 2019 (i.e. an increase of 13% compared with our previous study). This increase is largely explained by the rise in the cost of the driver (+25%). The fall in fuel consumption is significant, but the annual cost is rising sharply (+30%), driven by soaring oil prices in 2022. Vehicle mileage stagnated.

In conclusion, when fixed costs (estimated at approximately 9% of total costs) are factored in, the overall cost at the start of 2023 amounted to 1.02€.

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