



Comité National Routier



EUROPEAN STUDIES

Road freight transport in Norway in 2022



Comité national routier (CNR)

in collaboration with
Moreus

EUROPEAN STUDIES

Road Freight Transport in Norway

2022 study

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WARNING

The exchange rate for the Norwegian krone in January 2022 was between 10.017 and 9.98 kroner to the euro. For the sake of simplicity, the exchange rate used throughout this 2022 Norwegian study will be 10 kroner to the euro.

SUMMARY

Although not a member of the European Union, Norway adopts and applies European regulations under the terms of the European Economic Area (EEA) agreements. Its RFT sector exists and operates in a similar business environment to those of its neighbours, Sweden and Denmark.

91% of the Norwegian road haulage sector's business is domestic. International business, which accounted for 15% of total business 10 years ago, is in decline and now confined to a few routes between the Oslo region and the economic hubs of Sweden and Denmark.

The Norwegian fleet uses 2 main types of equipment. In the domestic market, companies operate "classic" 40-tonne articulated lorries. Internationally, the Norwegian sector tends to use EMS vehicles. Like the Swedish fleet, it benefits from an exemption from European regulations allowing this type of vehicle to operate in neighbouring countries. The most commonly used vehicles are rigid lorries attached to a semi-trailer by a dolly. These vehicles are expensive, but they offer advantages that extend far beyond the economic benefits of consolidating loads. In particular, they help the Norwegian fleet to tap into the market of its Swedish neighbour, whose territory it crosses to get to Norway's northernmost towns, where overland access is often cut off in winter.

Lorry drivers in Norway benefit from a generous sectoral collective agreement, which provides for two types of salary calculation. For those working internationally, salaries are usually calculated by factoring in "productive" and "passive" working hours. At the beginning of 2022, the annual cost of a Norwegian driver, as estimated by the CNR, is 71,774€, i.e. 44.01€ per hour of driving or 0.69€ per kilometre.

Lastly, the annual cost of a Norwegian EMS-compliant 60-tonne articulated lorry operated internationally is estimated at 230,464€, or 1.92€ per kilometre. On a per-tonne basis, this cost is high, comparable to that of a Belgian 40-tonne vehicle, but lower than the cost in France, Italy or the Netherlands, for example.

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1. ECONOMIC, SOCIAL AND ENVIRONMENTAL CONDITIONS OF THE NORWEGIAN SECTOR

1.1. NORWAY IN BRIEF

Capital	Oslo
Area	385,180 km ²
Population	Population: 5,408,320
Official EU language(s)	Norwegian
Political system	Constitutional monarchy
King	Harald V
Prime Minister	Jonas Gahr Støre, since 14 October 2021
Minister for Transport	Jon-Ivar Nygård, since 14 October 2021
Date of EU membership	Not a member of the EU, with membership rejected in two referendums, in 1972 and 1994
Date of joining the Euro	Not applicable
Seats at the European Parliament	Not applicable
European Commissioner	Not applicable
Real GDP growth (%)	3.3% (Eurostat, 2022)
Inflation (%)	6.2% (Eurostat, 2022)
Unemployment rate (% of working population)	3.4% (Eurostat, end 2022)
Balance of trade	156.354 billion euros (2022)
Minimum monthly wage	no national minimum wage
Greenhouse gas emissions	9.3 tonnes/inhabitant (Eurostat, 2020)

1.2. REMINDER ON APPLICATION OF EUROPEAN REGULATIONS IN NORWAY

Norway has twice initiated the procedure for joining the European Union, in 1972 and 1994. However, in those same years, the Norwegian people voted in referenda to reject their country's membership.

As part of the European Free Trade Association of which it is a member, and following successive referenda rejecting EU membership, Norway concluded an agreement to participate in the European Economic Area (EEA), which involves:

- participation in the common market (all laws, except those relating to agriculture and fisheries, apply to Norway),
- participation in EU agencies and programmes without voting rights,
- participation in the process of achieving economic and social integration within the EEA, and regular political dialogue on external relations at ministerial and expert level.

According to the White Paper "Outside & Inside - Norway's agreement with the EU" published by the Norwegian government, Norway's participation in the EEA and its other existing agreements with the EU mean that the country is 75% integrated with the EU.

The European Economic Area (EEA)¹

"The European Economic Area (EEA) came into being in 1994, extending the European Union's internal market provisions to the member countries of the European Free Trade Association (EFTA). The members of the EEA are Norway, Iceland and Liechtenstein. Switzerland is a member of EFTA, but not the EEA. The EU and its EEA/EFTA Nordic partners (Norway and Iceland) are also linked through various "Nordic policies" and other forums focused on Europe's rapidly evolving northern margins and the Arctic region as a whole.

A. Objectives

The European Economic Area (EEA) aims to extend the EU's internal market to the member countries of the European Free Trade Association (EFTA). As the current EFTA countries do not wish to join the European Union, EU legislation relating to the internal market is incorporated into the legislation of the EEA/EFTA states upon approval by them. The administration and management of the EEA is shared between the EU and the EEA/EFTA countries on the basis of a two-pillar structure. The EEA is jointly administered and managed by the EU and the EEA/EFTA States on the basis of a twin-pillar structure. Decisions are taken by joint EEA bodies (the EEA Council, the EEA Joint Committee, the EEA Joint Parliamentary Committee and the EEA Consultative Committee).

¹ <https://www.europarl.europa.eu/factsheets/fr/sheet/169/l-espace-economique-europeen-eee-la-suisse-et-le-nord>

B. Context

In 1992, the seven EFTA members negotiated an agreement enabling them to participate in the European Community's ambitious internal market project, which had been launched in 1985 and completed at the end of 1992. The EEA Agreement was signed on 2 May 1992 and came into force on 1 January 1994.

However, the number of EEA/EFTA members quickly declined: Switzerland chose not to ratify the agreement following a negative referendum on the issue, and Austria, Finland and Sweden joined the European Union in 1995. Iceland, Norway and Liechtenstein are the only remaining non-EU members of the EEA. The 10 new Member States that joined the European Union on 1 May 2004 automatically acceded to the EEA, as did Bulgaria and Romania when they joined in 2007. The same was true for Croatia in 2013, although in this case the agreement on its participation in the EEA has only been provisionally applied since April 2014.

C. Scope of the EEA

The scope of the EEA goes beyond traditional free trade agreements (FTAs) in that it extends all the rights and obligations of the EU's internal market to EEA/EFTA countries (with the exception of Switzerland). The EEA includes the four freedoms of the internal market (free movement of goods, persons, services and capital) and the related policies (competition, transport, energy and economic and monetary cooperation). The agreement covers horizontal policies directly related to the four freedoms mentioned above: social policies (including health and safety at work, labour law and equal treatment for men and women); consumer protection, environment, statistics and company law policies; and a series of associated policies, such as those relating to research and technological development, which are not based on the EU *acquis* or legally binding acts, but are implemented by means of cooperation activities.

D. Limits of the EEA

The EEA Agreement does not introduce binding provisions in all sectors of the internal market or with regard to other policies conducted under EU Treaties. In particular, its binding provisions do not concern:

- the Common Agricultural Policy and the Common Fisheries Policy (although the agreement includes provisions on trade in agricultural and fisheries products);
- the EU Customs Union;
- the Common Commercial Policy;
- the Common Foreign and Security Policy;
- justice and internal affairs (although all EFTA countries are members of the Schengen area);
- Economic and Monetary Union.

E. EEA institutions and mechanisms

1. Adoption of European Union legislation

New legislation relating to the Union's internal market are examined by the EEA Joint Committee, made up of representatives of the Union and the three EEA/EFTA Member States. At its monthly meetings, this body decides what legislation should be adopted by the EEA. The formal adoption process involves incorporating the relevant acts into the lists of Protocols and Annexes to the EEA Agreement. Several thousand acts have thus been incorporated into the EEA Agreement.

The EEA Council, composed of representatives of the Council of the European Union and the Foreign Ministers of the EEA/EFTA States, meets at least twice a year to give political guidance to the Joint Committee. The EEA Agreement includes provisions aimed at facilitating input from the EEA/EFTA countries at various stages of the legislative process prior to the adoption of new legislation (decision shaping).

2. Transposition

Once a piece of EU legislation has been incorporated into the EEA Agreement, it must be transposed into the domestic law of the EEA/EFTA countries (if this is necessary under their national legislation). This transposition may require a simple government decision or parliamentary approval. Transposition is a formality and at this stage only purely technical adjustments may be made.

3. Monitoring

Once internal market law has been extended to the EEA/EFTA States, the EFTA Surveillance Authority and the EFTA Court are charged with overseeing its transposition and implementation. The EFTA Surveillance Authority maintains an Internal Market Scoreboard which reports on the implementation of legislation by EEA member countries.

4. Role of parliaments

Both the European Parliament and the national parliaments of the EEA/EFTA States are closely involved in monitoring the EEA Agreement. Article 95 of the Agreement sets up an EEA Joint Parliamentary Committee (JPC), which meets twice a year. The European Parliament and the EEA/EFTA national parliaments take it in turns to organise the meetings of the Committee, which are chaired in turn each year by a Member of the European Parliament and an EEA/EFTA national parliamentarian. The delegations each have 12 members.

All EU legislation that applies to the EEA is scrutinised by the EEA JPC, whose members have the right to put oral and written questions to representatives of the EEA Council and the EEA Joint Committee, and to express their views in reports and resolutions. The same procedure applies to the process of reviewing how the legislation is being implemented. Each year, the JPC adopts a resolution on the Joint Committee's annual report on the functioning of the EEA Agreement, in which it expresses its views on the progress made with regard to the integration of EU law and to any delays that have occurred, and makes recommendations with a view to making the internal market function smoothly.

Norway is also a member of the Schengen area, Europol and Eurojust.

When it comes to European road transport regulations, the transposition and application of new European rules entail a legal procedure that generally lasts several months. For example, the European Union's recent mobility package, adopted in July 2020, some of whose major provisions came into force in February 2022, was incorporated into the EEA agreement on 18 March 2022. Following approval of these provisions by the Norwegian parliament, the European Mobility Package come into force in Norway from¹ November 2022.

1.3. THE VARIOUS MODES OF TRANSPORT IN NORWAY

Transport infrastructure and use

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

2021	Road	Rail	Inland waterways
European Union	77.3%	17.0%	5.6%
Norway	84.9%	15.1%	n/a

Source : Eurostat

Norway's location in Europe means that it is not well connected to the main European transport networks. Because of its rugged geography, the considerable distances separating economic centres and difficult weather conditions, the issue of transport and related infrastructure has always been a major concern for the country's leaders.

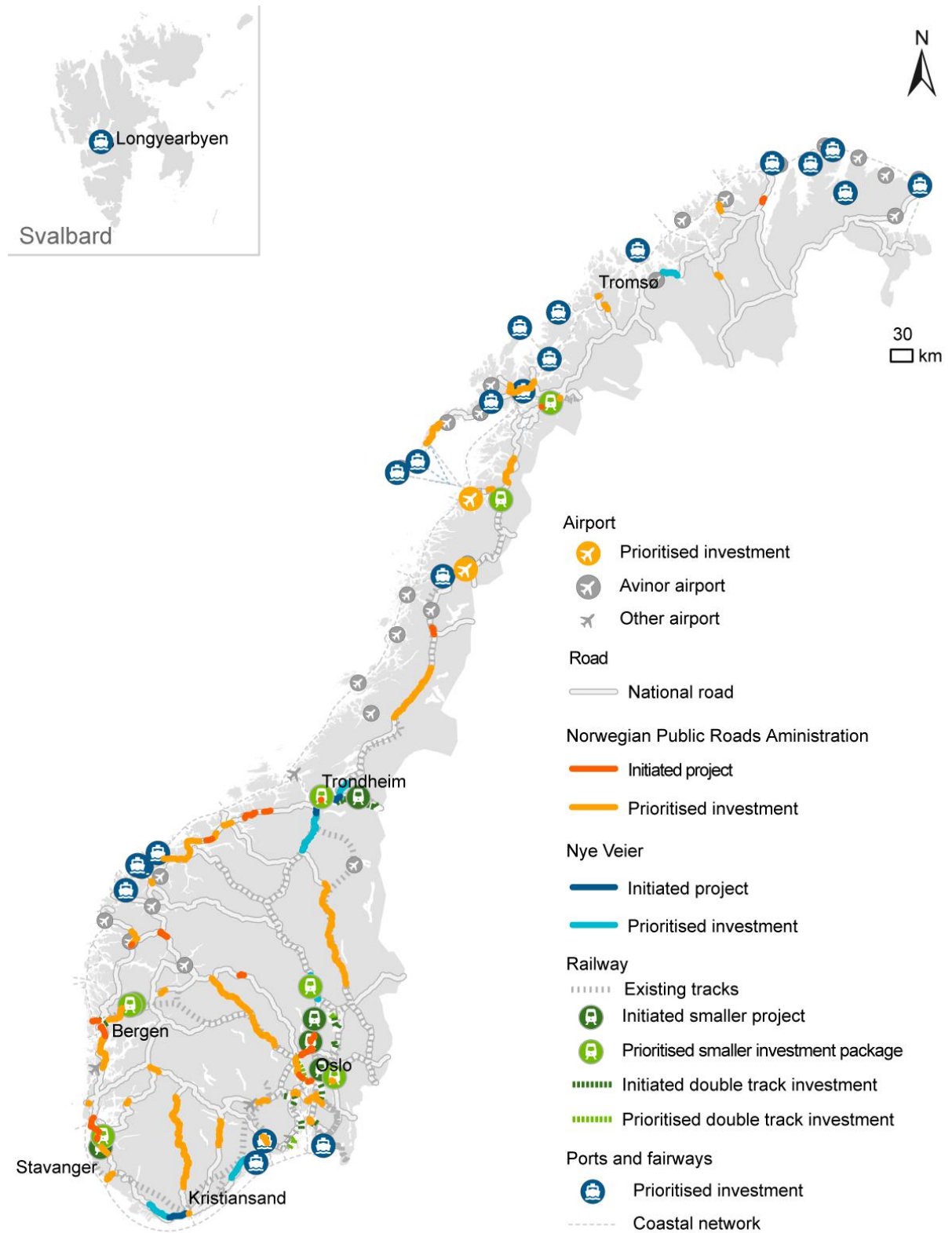
To facilitate the mobility of its citizens, both within the country and in relation to the rest of Europe, Norway has long had to invest in infrastructure projects that are often very costly. The latest national plan for the development of transport in Norway, which covers the period 2018-2029, illustrates country's political commitment in this respect. Launched in 2018 by the government and adopted by parliament, this document provides for a total budget of 1,064 billion kroner (around 106€ billion), spread over twelve years. This represents a 57% increase on the previous plan (2014-2023). Of this amount, more than an eighth of which will be financed by road tolls, 55€ billion will be devoted to the road network (+27%) and 35€ billion to rail infrastructure (+45%).

Norway is not a member of the European Union and receives very little financial development aid, so it uses a rather conventional method when it comes to financing its infrastructure projects. Despite being one of the world's largest producers of oil and gas, the country invests virtually all the revenue from oil and gas extraction in a so-called "oil fund", whose managers are prohibited from making investments within the country. Only around 3% of this fund, amounting to more than 1,165€ billion (in June 2022), goes into the State budget each year. These revenues do not therefore directly go to fund Norwegian infrastructure.

Since 2013, Norway has opened up its infrastructure construction sector to European competition. These include the E39 "ferry-free" motorway project - which includes the construction of bridges to span the many fjords in the west and tunnels to run underwater - and the major Nordland rail project.

By 2022, the Norwegian government had laid out 6 major transport corridor projects, linking most of the country's major cities by road and rail and developing other means of transport (sea and air) to serve the most inaccessible areas.

The following map offers an overview of the future infrastructure projects under discussion in 2022:



Norwegian road network

(Orange: motorways; Yellow: national roads; Grey: secondary roads)



The Norwegian road network, which is highly developed in the south of the country, particularly around the capital Oslo, is still inadequate in the centre (between Bergen and Trondheim) and impractical in the north. Because of road closures in winter, some towns in the north can only be reached via the Swedish road network.

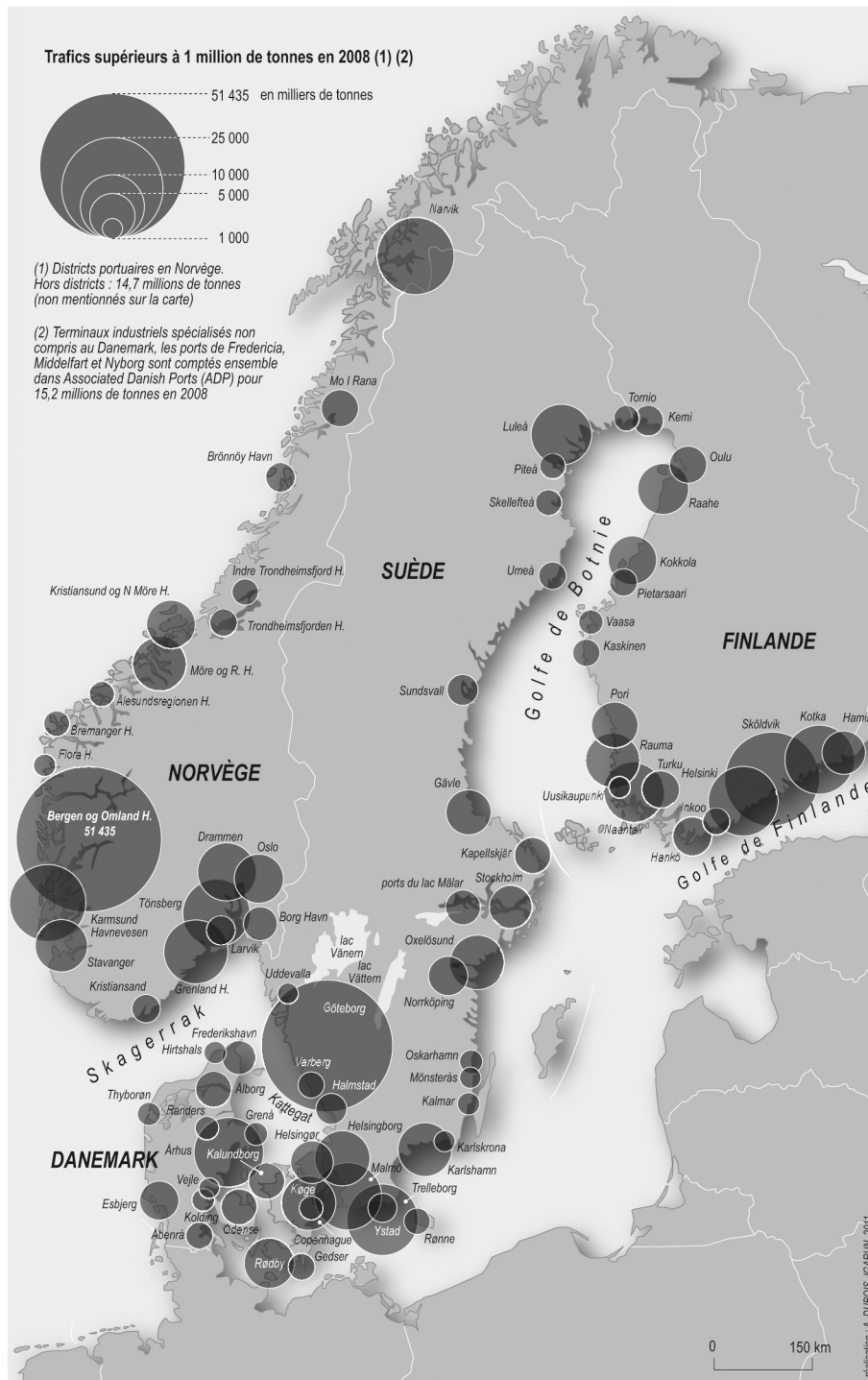
Northern Europe rail network



Although most of the major cities in southern Norway are accessible by rail, notably by means of the Oslo-Bergen and Oslo-Trondheim lines, the northernmost cities are linked to the Swedish rail network. As a result of decades of under-investment, Norway's railways are now showing their age. Signage does not comply with the latest European standards, which sometimes makes international connections with Sweden difficult.

Work is underway to modernise rail signalling in preparation for the introduction of the European signalling system (ERTMS). The first trains (passenger and freight) equipped with ERTMS are due to go into service in 2026.

Main seaports in Northern Europe



Norway also has a network of coastal seaports which it uses for international trade, particularly the export of oil and gas. The most important ports are located close to oil fields (Bergen in particular).

A major network of RORO shipping links the country to its Scandinavian neighbours.

Main RORO routes between Scandinavian countries



Norwegian airports



In cases where land routes are impracticable or non-existent, Norway uses its air network to enable its citizens to get around. The main airports are located in Oslo, Bergen, Stavanger and Trondheim. Other regional airports are subsidised by the government and operated by private companies under public service contracts.

Transport Infrastructures of Norway

	2021
Length of national routes	10,511 km
of which highways	580 km
Length of rail network	84,609 km
of which high-speed network	4,196 km
of which electrified	2,773 km

Source : Eurostat

ROAD FREIGHT TRANSPORT OPERATORS

Institutional stakeholders

Ministry of Transport and Communications² and the Department of Roads, Urban Mobility and Road Safety

The Ministry of Transport and Communications oversees the various freight and passenger transport sectors, as well as postal activities, coastal management, the maritime environment and port policy. It is divided into 5 departments, including the Department of Roads, Urban Mobility and Road Safety, headed by Mr Anders Buttedahl.

This department is divided into 3 sections:

- The Roads Section is responsible for the planning, construction, operation and maintenance of the national road network and has overall responsibility for managing the Norwegian Road Administration. It is also responsible for road and traffic regulations. In addition, this section is responsible for funding roads (partly through tolls) and domestic road ferries, as well as development agreements with Nye Veier/New Roads/Nouvelles routes.
- The Road Safety Section is responsible for the department's road safety activities and is in charge of administering road safety regulations, as well as overseeing and developing road traffic legislation and regulations governing commercial road transport.
- The responsibilities of the Urban Section include, among other issues, work on urban development and growth agreements, partial state funding of major public transport projects, congestion charges and regional policies, public transport and environmental and technological development in urban areas.

Norwegian Public Roads Administration³

Operating under the supervision of the Ministry of Transport, the Norwegian Public Roads Administration is responsible for the planning, operation and maintenance of Norway's public road network. It also develops solutions for intelligent transport and sets the regulations governing the construction of state-of-the-art roads.

It manages almost 10,700 kilometres of national roads and 44,600 kilometres of local roads.

²<https://www.regjeringen.no/en/dep/sd/id791/>

³<https://www.vegvesen.no/en/about-us/about-the-organisation/about-the-norwegian-public-roads-administration/our-service-to-society-tasks-and-responsibilities/tasks-and-responsibilities/>

[Norwegian Maritime Authority](#)⁴

The Norwegian Maritime Authority is an important stakeholder when it comes to road transport, as it works closely with the Norwegian Public Roads Administration in managing road ferries to provide seamless road links, particularly in the northern part of the country.

Professional RFT organisations

[Norwegian Road Transport Association \(NLF\)](#)⁵

NLF is Norway's only employers' organisation in the road transport sector, representing nearly 4,000 member companies with a total of 14,000 employees and 15,000 vehicles. It negotiates the road transport collective agreement with the sector's employee representatives.

It also represents the sector at international level and is a member of the Nordic Logistics Association (NLA)⁶ which brings together the Danish, Norwegian and Swedish sector organisations. At the European level, NLA works with the German BGL and French FNTR associations, with which it shares an office in Brussels.

For the past few years, NLF has been emphasising the need to re-establish fair competition in the European road haulage sector. In its statement on the policy decisions of its 2021 General Meeting, NLF notes:

"The transport sector has always been characterised by fierce competition. Norwegian transport companies must offer high quality at the lowest possible price. Historically, the road haulage sector has often been faced with similar cost factors, such as taxes, fees, insurance and wages. This has tended to encourage competition based primarily on quality.

Today, the picture is more complicated. Norwegian carriers face price-based competition from low-cost foreign carriers, particularly those involved in cross-trade and cabotage. It is no longer the case that all operators are playing on a level playing field when it comes to costs. Despite the existence of a standard minimum wage, this has not eliminated all the competitive imbalances between companies registered in Norway and foreign companies. A number of factors, in particular pensions and social security contributions, mean that Norwegian operators incur expenses that are a far cry from those incurred by foreign companies, not to mention the fact that overall operating costs are lower in many other countries. Regulations in the sectors are becoming increasingly stringent, however compliance is not always what it should be. Arbeidstilsynet (Norway's Labour Inspection Authority) regularly publishes unsatisfactory inspection results showing that foreign drivers are not being paid the wages to which they are entitled, and uncovering other breaches of the cabotage regulations.

Fortunately, a new, stronger pan-European regulatory framework is being put in place. The mobility package adopted by the EU in the summer of 2020 will lead to a number of tougher measures in the coming years. That's all well and good, but it won't stop carriers from breaking

⁴<https://www.sdir.no/en/about-us/>

⁵ <https://lastebil.no>

⁶ <https://nla.eu/>

the rules for personal gain. We thus believe that, irrespective of the regulations currently in place, much more vigorous action needs to be taken to ensure a level playing field for all concerned."

Union representation

Transport Workers' Union

Historically, the Transport Workers' Union (Norsk Transportarbeiderforbund or NTF) has been the union responsible for representing the rights of transport workers and negotiating collective agreements with employers. This union, like many others in Norway, became part of a national multi-sector body called the United Federation of Norwegian Trade Unions in 2019.

NORWEGIAN RFT IN 2022 - KEY DATA

Structure of the Norwegian RFT sector in 2022

Structure of the Norwegian 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	266,855	24,428	100.0%	92	1,621
Domestic transport	261,988	22,325	91.4%	85	1,515
International transport	4,867	2,103	8.6%	432	106
<i>International transport of goods loaded in Norway</i>	3,011	1,083	4.4%	360	51
<i>International transport of goods unloaded in Norway</i>	1,763	988	4.0%	560	52
<i>Cross-trade</i>	48	19	0.1%	396	1
<i>Cabotage</i>	44	13	0.1%	295	2

Source : Eurostat

With a share of over 91% of all business, the Norwegian sector has one of the highest domestic activity rates in Europe. On the other hand, the average distance travelled is approximately 85 km, which reflects the concentration of RFT operations around the capital, Oslo, and the main seaports in the south of the country. International activity is generally limited to routes between the Oslo region and the economic hubs in neighbouring Sweden. Amounting to 0.1% of total activity in 2022, cross-trade and cabotage remain niche activities that are insignificant in scale.

Evolution of the Norwegian RFT sector

Evolution of the Norwegian RFT sector in million tonne-kilometres

In million t-km	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	AAGR*
TOTAL	20,171	21,317	21,594	23,136	20,910	21,385	21,338	21,463	21,399	22,553	24,428	1.93%
Domestic transport	16,983	18,334	19,034	20,462	18,514	18,741	18,924	19,400	19,235	20,415	22,325	2.77%
International transport	3,188	2,983	2,560	2,674	2,397	2,645	2,414	2,063	2,164	2,138	2,103	-4.07%

Source : Eurostat

*Average annual growth rate

The Norwegian sector's domestic RFT growth has been moderate, with periods of stagnation and downturns, followed by periods of recovery. International business is in decline, down from 15% of total business in 2012 to less than 9% ten years later.

Cabotage

Cabotage under Norwegian flag

In million tonne-kilometres	2019	2020	2021	2022
Cabotage under Norwegian flag	26	11	17	13
<i>in Sweden</i>	21	9	5	6
Share of cabotage in Norwegian transport %	0.1	0.1	0.1	0.1

Source: Eurostat

Cabotage is of only marginal importance for Norwegian carriers, amounting to a handful of cabotage jobs carried out by Norwegian vehicles on Northern Swedish roads in order to reach isolated Norwegian towns.

On the other hand, there is a lot more cabotage activity in Norway. It represents between 3% and 4% of the RFT market. This often involves cabotage carried out by operators based in Eastern Europe.

Cabotage in Norway

In million tonne-kilometres	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	TCAM
Cabotage in Norway	273	554	441	417	419	599	623	643	547	813	428	4.60%
Penetration rate of cabotage*	1.58%	2.93%	2.26%	2.00%	2.21%	3.10%	3.19%	3.21%	2.77%	3.83%	1.88%	1.75%
Market share cabotage**	1.66%	3.13%	2.58%	2.77%	2.37%	3.32%	3.48%	3.56%	3.03%	4.05%	2,00%	1.95%

*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

RFT companies

All told, there are currently almost 7,500 road haulage companies in Norway, compared with just under 9,000 a decade ago.

The vast majority of these companies are very small, with between 1 and 3 vehicles, and some of them are dormant. As a reminder, the Norwegian Road Transport Association (NLF) boasts a membership of 4,000, representing more than 85% of the RFT sector. As in Sweden, the RFT sector in Norway has its own distinctive features. Some of the companies that describe themselves as hauliers and are recognised as such are in fact freight forwarders, who do not own any vehicles. Most of these companies have a large fleet of trailers or semi-trailers. Their main work involves organising freight transport in close collaboration with shippers, foreign hauliers as well as regional road and sea carriers.

The number of haulage companies listed by Eurostat includes both categories of hauliers, with no distinction being made between those with their own fleet and those who merely arrange for haulage operations to be carried out.

RFT* Business Statistics in Norway

	2020
Number of enterprises	7,658
Number of persons employed	32,262
Number of employees	29,046
Net sales	5,372,800 k€
Costs	
Total amount of purchased goods and services	3,420,100 k€
of which merchandise for resale	3,500 k€
of which materials, supplies and intermediate goods	11,100 k€
Personnal expenses	1,436,900 k€
of which wages and salaries	1,233,500 k€
of which social security costs	203,400 k€
Apparent social security contributions rate	16.5%
Gross operating profit	525,500 k€

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

Source : Eurostat

RFT vehicles

Statistics

Vehicle Statistics in Norway							
		2016	2017	2018	2019	2020	2021
Road tractors	Total	9,092	9,292	9,618	9,837	8,395	8,673
	Less than 2 years	2,414	2,435	2,709	2,986	2,073	2,479
	2 to 5 years	3,154	3,156	3,095	2,983	3,433	3,447
	5 to 10 years	1,810	1,881	1,906	2,029	2,607	2,423
	10 to 20 years	1,111	1,231	1,308	1,225	203	241
	More than 20 years	603	589	600	614	79	384
Lorries > 3.5 tonnes	Total	480,962	487,853	491,649	502,455	504,893	515,202
	Less than 2 years	65,389	67,535	68,139	70,013	53,508	67,506
	2 to 5 years	87,509	88,490	92,693	97,576	105,206	107,514
	5 to 10 years	154,292	142,579	137,578	142,241	147,419	145,752
	10 to 20 years	148,805	163,489	166,056	163,885	163,649	161,376
	More than 20 years	24,967	25,760	27,183	28,740	35,111	33,054
Lorries <= 3.5 tonnes	Total	68,759	66,544	64,365	63,481	72,419	70,588
	Less than 2 years	7,175	7,748	7,909	8,508	8,692	10,107
	2 to 5 years	10,510	10,123	10,368	10,715	15,533	15,771
	5 to 10 years	15,194	13,807	12,320	12,382	16,301	15,426
	10 to 20 years	22,854	22,551	21,910	19,972	16,809	15,160
	More than 20 years	13,026	12,315	11,858	11,904	15,084	14,124

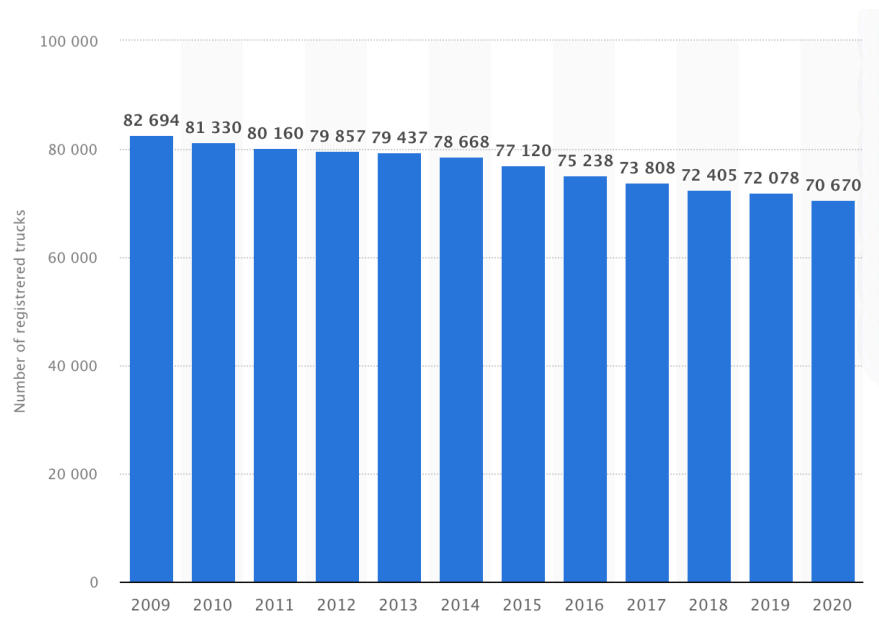
n/a : not available

Source : Eurostat

Vehicle Statistics in Norway - 2							
		2016	2017	2018	2019	2020	2021
Semi-trailers	Total	16,418	16,344	17,111	nd	17,955	11,522
	20 000 kg or less	251	220	228	nd	238	81
	between 20 001 and 30 000 kg	521	435	426	nd	416	97
	between 30 001 and 40 000 kg	3,567	3,187	3,198	nd	3,232	1,073
	over 40 000 kg	12,079	12,502	13,259	nd	14,069	10,271
Trailers	Total	1 087	1 122	1 157	nd	nd	1 188
	750 kg or less	549,657	559,666	569,086	nd	nd	577,138
	between 751 and 3 500 kg	517,475	542,288	566,889	nd	nd	589,383
	between 3 501 and 10 000 kg	1,162	904	893	nd	nd	879
	over 10 000 kg	19,139	19,324	19,871	nd	nd	20,527

Source : Eurostat

Number of RFT motor vehicles registered in Norway between 2009 and 2020



Source: www.statista.com

Registered vehicles in Norway as of 31st Decembre 2022

Type of vehicle	Evolution in %		
	2022	2019-2022	2015-2022
Private cars	2,907,164	3.8%	11.4%
Electric cars	599,169	129.8%	766.7%
Busses	14,697	-7.4%	-11.8%
Vans	508,674	3.9%	12.9%
Lorries	68,407	-5.1%	-11.3%
Combined vehicles	10,271	-30.7%	-61.4%
Tractors	311,945	6.9%	16.0%
Special purpose vehicles	5,911	-8.5%	-23.5%
Light motor cycles	141,858	-10.9%	-20.4%
Heavy motor cycles	184,471	-7.1%	4.8%
Snow scooters	95,934	4.4%	16.8%
Trailers	1,582,931	6.8%	19.9%

Source : ssb.no

Registered vehicles in Norway by type of fuel

	2022							
	Petrol	Diesel	Gas	Electricity	Hydrogene	Hybrid - chargable	Hybrid non- chargable	Other fuel
Private cars	822,133	1 135,538	195	599,169	216	198,841	149,899	21
Ambulances	64	1,071	-	-	-	-	17	-
Busses	153	12,771	755	840	-	59	106	13
Vans	18,931	466,490	457	21,657	1	534	582	22
Combined vehicles	1,215	9,056	-	-	-	-	-	-
Lorries	1,962	65,056	813	455	4	2	9	106
Light motor cycles	134,038	3,514	-	4	-	-	-	-
Heavy motor cycles	182,069	52	-	2,347	-	-	-	3
Snow scooters	95,923	2	-	9,000	-	-	-	-
Tractors	78,554	233,175	8	143	-	-	-	65
Special purpose vehicles	1,895	3,996	1	19	-	-	-	-

Source : ssb.no

Technical characteristics of vehicles and features specific to Sweden and Nordic countries⁷

Like its Swedish neighbour, Norway often uses EMS vehicles. Directive 2002/7/EC of 18 February 2002 introduces a major exemption from European Directive 96/53/EC, which sets the maximum weight and length of road vehicles permitted for use on domestic and international routes in Europe, i.e. 18.75 metres and 40 tonnes. In the case of certain national and international haulage operations, it allows Member States to authorise vehicles with vehicle dimensions that deviate from the official standards. Thus, it is possible to operate vehicles weighing up to 60 tonnes and measuring up to 25.25 metres in length by using certain compliant combinations of equipment. This system is known as the European Modular System, or EMS.

Currently, 5 European countries have authorised the EMS: Sweden, Finland, the Netherlands, Denmark and Germany (with a maximum authorised weight of 44 tonnes). Although it is not a member of the EU, Norway has adopted the same regulations as its neighbours, for the sake of compatibility, and thus also allows the use of vehicles that meet EMS standards. Sweden and Norway also mutually accept EMS vehicles on their respective networks, but Norway requires that Swedish EMS vehicles on Norwegian roads do not exceed a total weight of 50 tonnes.

The EMS makes it possible to operate vehicles weighing up to 60 tonnes and measuring up to 25.25 metres in length. The benchmark payload is considered to be 25 tonnes for a 40-tonne vehicle, 29 tonnes for a 44-tonne vehicle and 38 tonnes for a 60-tonne vehicle, which translates into a 50% increase in payload compared with the EU international standard (GVWR

⁷ <https://www.cnr.fr/le-transport-routier-de-marchandises-suedois-2021>

of 40 tonnes). The gain in the number of pallets that can be carried is equivalent, while the gains in terms of volume are of the order of 60%.

EMS2 vehicles, which are currently in the development phase in Sweden, are not permitted in Norway.

The CNR's recent study on Swedish RFT provides more details regarding the EMS standard. This study is available on the CNR website at the following address:

<https://www.cnr.fr/le-transport-routier-de-marchandises-suedois-2021>

1.4. FISCAL AND LABOUR REGULATIONS APPLICABLE TO ROAD FREIGHT TRANSPORT IN NORWAY

GENERAL AND SPECIFIC LABOUR REGULATIONS APPLICABLE TO ROAD FREIGHT TRANSPORT

Norwegian social security scheme for employees⁸

The Norwegian social protection system is universal: the entire population is covered. Access to a wide range of services is based on residency. For people in employment, compensation is available to partially offset losses of income due to illness, disability or age. Employees differ from self-employed workers in that they are covered against unemployment and are obliged to be insured against accidents in the workplace (optional insurance for the self-employed). As regards other risks, the same provisions apply to employees and self-employed workers, with a few differences, particularly in relation to the calculation of daily sickness benefits.

Most benefits under the Norwegian social security system are determined using a baseline income figure (grunnbeløp), set by royal decree once a year with effect from 1 May, in line with wage trends.

On 1 May 2021, the basic annual amount was set at 106,399 NOK, i.e. approximately 10,640€. ON 1 May 2022, it was increased to 111,477 NOK.

National Insurance (folketrygden) is financed by an overall contribution paid by employees, the self-employed and employers, as well as by State subsidies. A portion of healthcare is covered by National Insurance, but for the most part it is a universal, tax-funded system. In addition to the National Insurance system, private insurance companies provide cover against accidents at work and occupational illnesses. The insurance premium is payable by employers and it is also used to finance the National Insurance's system's in the area of occupational risks (insurance companies pay part of their revenue into the National Insurance scheme). As regards the RFT sector, this insurance premium is paid at a rate that varies between 2% and 3.5%, depending on the cover chosen.

⁸ https://www.cleiss.fr/docs/regimes/regime_norvege_salaries.html

Social security contributions largely finance the basic pension and the supplementary pension for high earners. Since the 2011 reform, the occupational pension scheme has become compulsory (obligatorisk tjenestepensjon, OTP) and is mainly funded by employers. Companies that employ at least one full-time employee (75% of a full-time position or more) are required to join an occupational pension scheme. This insurance must be taken out with an approved institution (bank, life insurance company, pension fund, etc.).

All employees aged over 20 must be enrolled in this scheme, once they have joined the National Insurance scheme. Pension contributions are made once the employee's salary exceeds the basic threshold (see above). Employers are free to adopt more generous coverage arrangements, but this is rare in the haulage sector.

The compulsory occupational pension may operate using a defined-contribution system, a defined-benefit system or a mixed system. In the first system, which is the one most often encountered among RFT companies, the amount of the annual contribution must be at least equivalent to 2% of the employee's income.

Contributions for both employees and the self-employed are calculated on the basis of gross income, including benefits payments (daily sickness, maternity, unemployment or retraining benefits), with no ceiling.

No employee contribution is payable if annual income is less than 69,650 NOK (6,965€). In addition, this contribution may not exceed 25% of the portion of income above 69,650 NOK.

[Employee contribution](#)

In 2021, 2022 and 2023, the employee contribution (trygdeavgift) stood at 7.9%.

Pensioners pay a contribution equivalent to 5.1% of their pension. This rate also applies to the earned income of workers under 17 or over 69.

[Employer contribution](#)

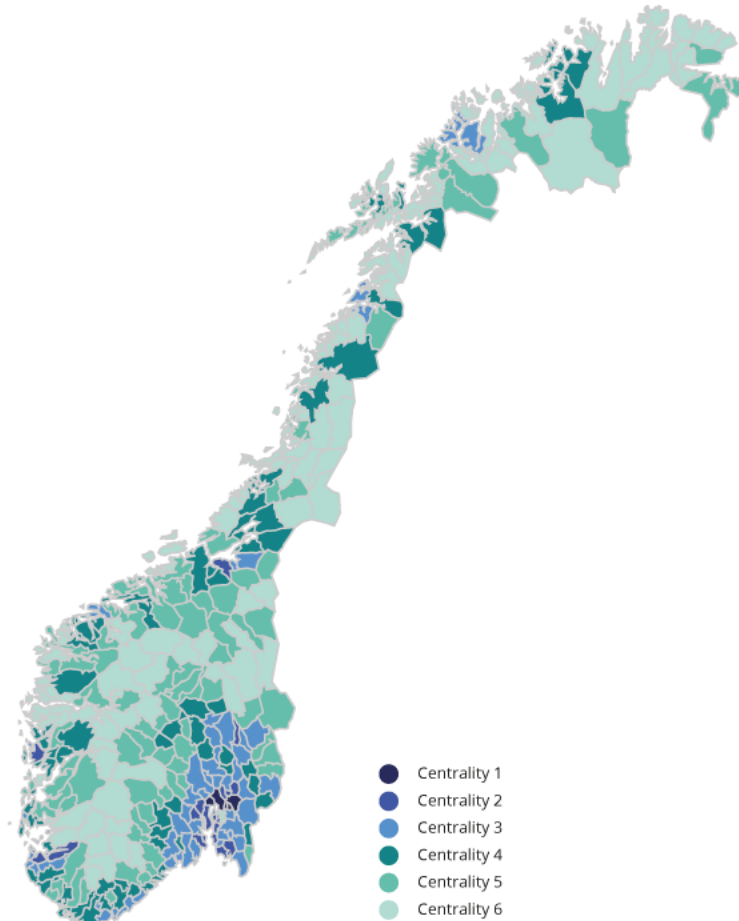
The rate of the employer contribution depends on the geographical location of the employer.

Social contributions in Norway

Social contributions applicable to driving staff in 2021 and 2022	Employer		Employee
	Ordinary sectors	Agriculture and fishing	General scheme
I	14.1 %	14.1 %	7.9%
Ia*	14.1 %	10.6 %	
II	10.6 %	10.6 %	
III	6.4 %	6.4 %	
IV	5.1 %	5.1 %	
IVa	7.9 %	5.1 %	
V	0 %	0 %	

Source: nav.no

“Centrality” zones from which the 6 zones in the social security system are derived⁹



⁹ <https://www.regjeringen.no/en/dokumenter/prop.-1-ls-20222023/id2931482/?ch=1>

RFT labour regulations and the collective agreement

There is no cross-sectoral minimum wage at national level in Norway. Wages are therefore set using a complex system in which three different agreements may be involved:

- National collective agreement,
- Sectoral collective agreement,
- Company agreement.

National collective agreement

The national collective agreement is the basic document negotiated between employers' representatives (mainly the NHO - Confederation of Norwegian Enterprise) and employees' representatives (LO - Norwegian Confederation of Trade Unions).

The national agreement, in force over the period 2020-2022, specifies the rules concerning :

- compulsory items in employment contracts
- general working hours : 37.5 hours for those working during the day, i.e. 7.5 hours a day, or 35.5 hours for those working at night, i.e. 7 hours and 5 minutes per day, for 5 days
- the minimum lunch break,
- the arrangements for and the cost of transport for employees between their home and their place of work,
- prepayment of sick leave,
- Paid leave: 5 weeks or 30 working days or 35 calendar days, including at least 5 Saturdays
- a number of "special" jobs, such as cooks, security guards, discotheque workers, etc.

The national collective bargaining agreement sets minimum seniority rates, i.e. 640 NOK/month for 10 years' seniority in the same company, 940 NOK/month for 15 years' seniority, 1,240 NOK/month for 20 years' seniority.

It also sets out the minimum salary scale, which increases with seniority as follows:

National collective agreement			
Minimum salary			
Qualified employees with certification/diploma (including road drivers)	Monthly amount	Hourly wage for night workers 35.5 h/week	Hourly wage for day workers 37.5 h/week
Beginner	28,915.25 NOK	187.86 NOK	177.94 NOK
After 2 years of experience	29,339.38 NOK	190.52 NOK	180.55 NOK
After 4 years of experience	30,485.00 NOK	197.95 NOK	187.60 NOK
After 6 years of experience	31,234.13 NOK	202.82 NOK	192.21 NOK
After 8 years of experience	31,578.63 NOK	205.06 NOK	194.33 NOK
After 10 years of experience	31,968.63 NOK	207.59 NOK	196.73 NOK
Unqualified employees	Monthly amount	Hourly wage for night workers 35.5 h/week	Hourly wage for day workers 37.5 h/week
Beginner	27,563.25 NOK	178.98 NOK	169.62 NOK
After 2 years of experience	27,987.38 NOK	181.71 NOK	172.23 NOK
After 4 years of experience	29,061.50 NOK	188.71 NOK	178.84 NOK
After 6 years of experience	29,724.50 NOK	193.02 NOK	182.92 NOK
After 8 years of experience	30,150.25 NOK	195.78 NOK	185.54 NOK
After 10 years of experience	30,540.25 NOK	198.31 NOK	187.94 NOK

Source : Confederation of workers unions

The salary scale for a specific position may be renegotiated downwards or upwards within companies, but a salary that has been renegotiated downwards may under no circumstances fall below 80% of the national average salary for the position in question, based on official statistics as at 1 October preceding the negotiation process.

Under the national collective agreement, overtime worked during daytime hours (between 6 a.m. and 9 p.m.) is paid at 50% above the normal rate, while overtime during nighttime hours (between 9 p.m. and 6 a.m.), as well as work on public holidays, is paid at 100% above the standard rate. Overtime may not exceed 2 hours per day and 7.5 hours per week.

Sectoral collective agreement

Some economic sectors, including RFT, are covered by their own collective agreement. The collective agreement applicable in the transport sector has a 3-year term, with wage increases in the final year. Unlike the national collective agreement, the provisions of the sectoral collective agreement are not binding. According to the NLF, more than 80% of Norwegian RFT companies, accounting for 94% of employees, abide by the sectoral collective agreement.

The RFT collective agreement contains a number of provisions that are set out in the national collective agreement, such as the 37.5-hour working week and the standard overtime bonus.

In addition, it also provides for extra pay for inconvenient working hours:

- Working hours on New Year's Day, Maundy Thursday, Good Friday, the 1st and 2nd Sundays of Easter, the 1st and 17th of May, Ascension Day, Pentecost Sunday and Monday, Christmas Day and Boxing Day, as well as after 3 p.m. on the day before Christmas, Easter, Pentecost and New Year's Day, are paid at 100% above the normal rate.
- Working hours between 7 p.m. and 6 a.m. are paid at 25% above the standard rate.
- An additional bonus of 40% is applied in the case of hours worked between 3 p.m. on Saturdays and midnight on Sundays.

The RFT collective agreement sets out the minimum wage to which a standard road haulage driver is entitled (excluding long-distance drivers) as follows:

RFT Collective agreement		
Minimum salary		
Qualified RFT driver	Monthly amount	Hourly wage 37.5 h/week
Beginner until 3 years of seniority	29,706.75 NOK	182.25 NOK
between 3 and 6 years of seniority	30,032.75 NOK	184.25 NOK
6 years of seniority and more	30,358.75 NOK	186.25 NOK

Source : NLF

The category of long-haul truck driver benefits from a special status that is not binding under the RFT collective agreement. The collective agreement explains that, given the specific circumstances of the job, a long-distance driver's working time is made up of productive hours and "passive" hours. Consequently, their pay cannot be calculated precisely in advance, but instead depends on the number of hours worked per month.

Productive hours include working hours between the beginning and the end of the working day, including rest periods and availability periods. On multi-day journeys, with the exception of start and end days, no day may be comprised of fewer than 5 hours of productive time and 19 hours of passive time for the purposes of compensation. At the beginning of 2022, productive working time was paid at an hourly rate of 115.41 NOK. Passive time was paid at 43% of this "productive" rate.

Qualified Drivers receive a supplement of 9 NOK/hour during productive working hours, applicable at all times, for all hours worked. In order for a driver to be recognised as qualified, the person concerned must have passed a professional examination as set out in the Professional Driver Training Act.

The monthly salary of a long-distance driver working full-time may not be less than the basic monthly salary of a typical driver. Companies have the right to average out wages over a 9-week period in order to guarantee a minimum wage during periods of reduced activity and to balance these adjustments out during other busier periods.

Company agreement

Company agreements may be used as a substitute for, or in conjunction with, the sectoral collective agreement. Any such agreement must offer at least the same benefits as the sectoral collective agreement.

As a general rule, company agreements define the number of paid holidays due in relation to seniority, set a figure for any salary increase in relation to the standard rates, and specify the choice of health insurance provider, works accident insurance company and compulsory occupational pension plan.

Travel allowances (Utlandstraktamenten)

Allowances for travel within Norway or abroad are defined by the national collective agreement.

Travel that does not involve an overnight stay is reimbursed as follows:

- 200 NOK (20€) for trips lasting between 6 and 12 hours
- 400 NOK (40€) if the trip exceeds 12 hours.

If the trip includes an overnight stay, the truck driver is entitled to an allowance of 300 NOK (30€) per day. This allowance is specifically intended for long-haul lorry drivers. If the driver spends the night in a hotel, the cost may be fully paid by the employer covered by an allowance of up to 617 NOK/night.

This 30€ travel allowance for lorry drivers may appear at first glance to fall well short of the rates paid in other European countries, but it should not be forgotten that long-haul drivers are also entitled to payment for the hours they do not work, i.e. almost 5.40€ per hour of rest.

Personal income tax

In terms of total Norwegian tax revenues, personal income tax and wealth tax account for the lion's share, representing 65% of the country's total tax yield in 2021. Excluding the oil sector, income tax accounted for 41% of tax revenues in 2021, compared with just 1% from wealth tax.

Income tax has two components:

- Progressive tax
- Universal tax

Progressive tax is calculated on the basis of gross income as follows:

Progressive income tax brackets in Norway, 2022		
Taxable income bracket		Tax rate
From	Until	%
0 NOK	190,349 NOK	0.0%
190,350 NOK	267,899 NOK	1.7%
267,900 NOK	643,799 NOK	4.0%
643,800 NOK	969,199 NOK	13.4%
969,200 NOK	1,999,999 NOK	16.4%
Over 2,000,000 NOK		17.4%

Source : Norwegian fiscal administration

Once the employee social security contribution and progressive tax have been deducted, this net income is further adjusted: in 2022, this involved the application of a 20% allowance as well as a further fixed annual allowance of 58,250 NOK, i.e. 5,825€/year or 485.42€/month. After these deductions, all remaining income is subject to a flat income tax rate of 22%, of which 8.65% goes to the central government, 10.95% to the municipal authorities and 2.40% to the county.

Wealth tax

Wealth tax is levied on the net assets of each household. A person's principal residence is eligible for a specific allowance depending on its value. There are two components to this tax, council tax and national tax.

Wealth tax levels - local rate 2022		
Taxable wealth		Tax rate
Category	Wealth	%
Tax class 0	All assets	0.7%
Tax class 1	Between 0 et 1,700,000 NOK	0.0%
	Over 1,700,000 NOK	0,7%

Wealth tax levels - national rate 2022		
Taxable wealth		Tax rate
Category	Wealth	%
Tax classes 0 and 1	Between 0 et 1,700,000 NOK	0.0%
	Between 1,700,000 and 20,000,000 NOK	0.25%
	Over 20,000,000 NOK	0.4%

Source : Norwegian tax administration

ROAD FREIGHT TRANSPORT TAXES

Corporation tax

Since 2013, successive governments have lowered the corporation tax rate in Norway. Thus, between 2013 and 2019 rates fell from 28% to 22%. Since then, the tax rate for corporations has remained unchanged.

Norway has always heavily taxed income derived from natural resources, which are deemed to be “common”. Since 28 September 2022, taxation on the exploitation of shared resources (oil, gas, water, wind, etc.) has been increased. Companies that receive oil or gas licences from the Norwegian government in the North Sea, Norwegian Sea or Barents Sea pay tax at a rate of 78%, most of which is paid into the Norwegian sovereign wealth fund.

VAT

The standard rate of value added tax in Norway is 25%. In principle, this rate applies to all goods and services. However, reduced rates are applied to certain specific goods.

The reduced 15% VAT rate

Food products are subject to a rate of 15%. These food products include drinks, food supplements and over-the-counter medicines. It should be noted, however, that when they are served in a restaurant or café, these items are deemed to be services and are subject to 25% VAT. Tobacco, alcoholic beverages and medicines, on the other hand, are not considered food products for these purposes and are thus subject to the standard 25% rate.

The reduced 12% rate

Norway also has a reduced VAT rate of 12%. This rate is used by the government to influence and nudge consumer behaviour. This reduced VAT rate applies to the following items:

- Passenger transport services,
- Admission to cultural events, museums, cinemas and theme parks,
- Room rental (e.g. hotel rooms).

The reduced 0% rate

The 0% VAT rate is used in cases where the government wishes to stimulate consumption of specific items:

- Newspapers,
- Books (including e-books),
- Funeral services,
- Transport originating in Norway and ending abroad (plane tickets),
- Goods or services supplied to the oil industry.

Axle tax or tax on heavy motor vehicles (Vektårsavgift)

The annual tax on heavy motor vehicles with a maximum authorised weight exceeding 7.5 tonnes is paid in two instalments during the year, on 20 February and 20 August. This tax includes an environmental component based on Euro class and total authorised weight, and a second component based on the number of axles, total authorised weight and type of suspension.

Environmental tax on motor vehicles								
Total accessible weight	Euro 0	Euro I	Euro II	Euro III	Euro IV	Euro V	Euro VI ou plus	Véhicules 0 émission
7,500 – 11,999 kg	5,417 NOK	3,011 NOK	2,107 NOK	1,283 NOK	675 NOK	422 NOK	106 NOK	-
12,000 – 19,999 kg	8,887 NOK	4,938 NOK	3,453 NOK	2,107 NOK	1,112 NOK	690 NOK	174 NOK	-
20,000 kg or more	15,802 NOK	9,052 NOK	6,420 NOK	3,859 NOK	2,037 NOK	1,266 NOK	318 NOK	-

Source : Nowegian tax administration

Tax on motor vehicles - 2nd part (infrastructure)		
Lorries		
Groupe	Pneumatic suspension	Other type of suspension
Two axles and more		
7,500 kg – 11,999 kg	423 NOK	423 NOK
Two axles		
12,000 kg – 12,999 kg	423 NOK	758 NOK
13,000 kg – 13,999 kg	758 NOK	1,354 NOK
14,000 kg – 14,999 kg	1,354 NOK	1,731 NOK
15,000 kg or more	1,731 NOK	3,383 NOK
Three axles		
12,000 kg – 14,999 kg	423 NOK	423 NOK
15,000 kg – 16,999 kg	758 NOK	1,005 NOK
17,000 kg – 18,999 kg	1,005 NOK	1,624 NOK
19,000 kg – 20,999 kg	1,624 NOK	1,978 NOK
21,000 kg – 22,999 kg	1,978 NOK	2,819 NOK
23,000 kg or more	2,819 NOK	4,148 NOK
Four axles and more		
12,000 kg – 24,999 kg	1,978 NOK	2,000 NOK
25,000 kg – 26,999 kg	2,000 NOK	2,885 NOK
27,000 kg – 28,999 kg	2,885 NOK	4,330 NOK
29,000 kg or more	4,330 NOK	6,221 NOK

Articulated vehicles		
Groupe	Pneumatic suspension	Other type of suspension
2+1 axles		
7,500 kg – 13,999 kg	423 NOK	423 NOK
14,000 kg – 15,999 kg	423 NOK	423 NOK
16,000 kg – 17,999 kg	423 NOK	574 NOK
18,000 kg – 19,999 kg	574 NOK	766 NOK
20,000 kg – 21,999 kg	766 NOK	1,231 NOK
22,000 kg – 22,999 kg	1,231 NOK	1,468 NOK
23,000 kg – 24,999 kg	1,468 NOK	2,313 NOK
25,000 kg – 27,999 kg	2,313 NOK	3,733 NOK
28,000 kg or more	3,733 NOK	6,239 NOK
2+2 axles		
16,000 kg – 24,999 kg	747 NOK	1,176 NOK
25,000 kg – 25,999 kg	1,176 NOK	1,663 NOK
26,000 kg – 27,999 kg	1,663 NOK	2,249 NOK
28,000 kg – 28,999 kg	2,249 NOK	2,627 NOK
29,000 kg – 30,999 kg	2,627 NOK	4,043 NOK
31,000 kg – 32,999 kg	4,043 NOK	5,444 NOK
33,000 kg or more	5,444 NOK	8,045 NOK
2 axles + at least 3 axles		
16,000 kg – 37,999 kg	4,418 NOK	5,985 NOK
38,000 kg – 40,000 kg	5,985 NOK	7,982 NOK
over 40,000 kg	7,982 NOK	10,689 NOK
At least 3 axles + 1 axle		
16,000 kg – 24,999 kg	747 NOK	1,176 NOK
25,000 kg – 25,999 kg	1,176 NOK	1,663 NOK
26,000 kg – 27,999 kg	1,663 NOK	2,249 NOK
28,000 kg – 28,999 kg	2,249 NOK	2,627 NOK
29,000 kg – 30,999 kg	2,627 NOK	4,043 NOK
31,000 kg – 32,999 kg	4,043 NOK	5,444 NOK
33,000 kg or more	5,444 NOK	8,045 NOK
At least 3 axles + 2 axles		
16,000 kg – 37,999 kg	3,954 NOK	5,327 NOK
38,000 kg – 40,000 kg	5,327 NOK	7,205 NOK
over 40,000 kg	7,205 NOK	10,452 NOK
At least 3 axles + at least 3 axles		
16,000 kg – 37,999 kg	2,432 NOK	2,853 NOK
38,000 kg – 40,000 kg	2,853 NOK	4,051 NOK
over 40,000 kg	4,051 NOK	6,200 NOK

Source : Norwegian tax administration

In the case of a Norwegian articulated EMS vehicle weighing 60 tonnes, the amount of this tax is estimated at 437€/year.

Tolls

All Norwegian and foreign vehicles with a total authorised weight of more than 3.5 tonnes registered with a company, government, county municipality or municipality - or which are otherwise used for commercial purposes - must be fitted with a valid toll tag linked to a valid toll payment scheme in Norway.

Tolls vary according to distance, date and time of journey, vehicle Euro class and length of vehicle. The following website can be used to calculate the precise cost of a given journey:

<https://fremtindservice.no/private/toll-calculator/>

If we take as an example one of the most frequently made trips in Norway, i.e. from the point of entry into Norway from Sweden at the Svinesung bridge to the city of Bergen via the capital Oslo, on a weekday at 8 a.m. involving a Euro 6 class EMS vehicle over 22 metres in length, the toll amounts to 669 NOK, i.e. 66.90€ for this 583 km journey.

Excise duty on commercial diesel

In 2021, the rate of excise duty applicable to commercial diesel was 3.58 NOK/l, or 35.80€/hl, i.e. in excess of the minimum rate applicable in the European Union.

To this needs be added the CO2 tax, which amounted to 1.58 NOK/l, or 15.80€/hl.

The total excise duty levied on commercial diesel in 2021 in Norway was thus 51.60€/hl.

In 2022, this increased to 55.70€/hl.

And, in 2023, excise duty was reduced to 54.50€/hl.

There is no partial rebate system for excise duties in Norway.

2. STUDY OF THE OPERATING CONDITIONS AND COSTS FOR A NORWEGIAN 60-TONNE EMS-STANDARD VEHICLE OPERATING INTERNATIONALLY

This part of the study describes the economic and social conditions prevailing at the end of 2022, at the time this study of RFT in Norway was conducted. In carrying out this study, the CNR has drawn on a research focused primarily on the fiscal and social aspects of the RFT sector, as well as on feedback from the experts with whom the CNR collaborates. These different sources provide an overview of the Norwegian RFT sector internationally and highlights its key specific features. This research and process of dialogue are further backed up by interviews with Norwegian hauliers and lorry drivers.

It is important to note that the typical vehicle chosen to represent the operating conditions and costs of the Norwegian sector is a 60-tonne EMS-standard truck-and-dolly-semi-trailer combination. This is the most common type of vehicle, used by over 60% of the companies we met with in Norway.

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 Norwegian road freight transport companies involved in long-distance transport operations, mainly internationally. Of the companies visited, 1 reported that, while it organised transport services, it neither operated a motor vehicle nor employed a driver. The 11 companies selected for the purposes of this study can be described as follows:

	Number of motor vehicles	Number of semi-trailers and trailers	Main markets	Number of drivers	Turnover
Company 1	52	42	SE, NO	96	17,600,000 €
Company 2	50	100	SE, NO, FI, DK	58	20,000,000 €
Company 3	72	72	SE, NO, DK, DE	230	45,000,000 €
Company 4	16	16	SE, NO, DK, DE, BE, NL	19	5,200,000 €
Company 5	22	50	SE, NL, BE, DE	20	10,000,000 €
Company 6	40	35	SE, NO	80	18,000,000 €
Company 7	300	350	SE, NO	550	95,000,000 €
Company 8	46	na	NO, SE, DK, DE, BE, NL	55	6,000,000 €
Company 9	19	19	SE, DE, Benelux, DK	20	3,400,000 €
Company 10	19	22	NO, DE, AT	35	5,000,000 €
Company 11	15	30	NO, DK, Benelux	27	9,000,000 €

The companies visited for this study are diverse in terms of their size and structure. They all specialise in RFT, and have a significant international focus. Most of the companies we met with use equipment tailored to Scandinavian markets. They often use foreign subcontractors for operations that fall outside their area of expertise.

Given the specific nature of the market and the vehicles used (EMS), the typical Norwegian RFT company is not directly comparable with most other European companies. It can,

nevertheless, be compared with its Swedish, Danish and Finnish counterparts, which are subject to the same set of specific regulations.

TRANSPORT EQUIPMENT - Use

There are two types of vehicle in use in Norway. Firstly, some companies operate classic articulated vehicles: 40-tonne vehicles composed of a tractor and semi-trailer. These vehicles are often used to provide transport to towns in the north of Norway due to the state of the roads and limited ferry capacity. Most of the time, they are driven by a two-person driving team for reasons of safety and efficiency. They are also much sought-after for freight shipments to the Benelux countries, which often involve taking a ferry between Norway and Denmark.

In the south of Norway, transport companies prefer EMS-type vehicles, consisting of a rigid lorry, a dolly and a semi-trailer. These vehicles not only provide services to the major towns in the south, but also make trips to and from neighbouring Sweden. More than 60% of the vehicles in this study are of the EMS variety.

The 40-tonne vehicles used in Norway have an annual mileage of between 150,000 km and 180,000 km due to the use of two-person driving teams. The average annual mileage travelled by EMS vehicles is between 90,000 km and 129,000 km, with a clustering around 120,000 km/year. For reasons connected with operational patterns and compatibility with other Scandinavian countries, the CNR has chosen EMS vehicles as the standard profile for the purposes of this study.

The average number of days a vehicle is used is estimated at 220 days.

The length of time rigid lorries are kept is approximately 6 years. Some companies say they have recently changed their purchasing strategy as a result of the microchip crisis. In light of these market difficulties, they say they plan to keep their current vehicles for at least 8 years. Few companies change their vehicles after 4 or 5 years of leasing.

Semi-trailers have an operational life of between 7 and 12 years, although rarely more than 10 years. In the case of the typical scenario, the CNR has arrived at an average figure of 9 years for trailers.

The ratio of rigid lorries to semi-trailers is close to 1.07 for companies engaged in conventional haulage that do not lease semi-trailers to foreign hauliers.

TRANSPORT EQUIPMENT - Financing

The purchase price of an EMS-compliant Euro VI rigid truck, as reported in the course of interviews with Norwegian haulage companies, is between 110,000€ and 135,000€. The price used for the purposes of this study is 128,000€. This price includes the dolly used to attach the semi-trailer.

The purchase price of a semi-trailer specially designed for northern weather conditions can easily exceed 120,000€. Prices for more traditional models range from 45,000€ to 57,000€.

The total purchase price of a typical vehicle combination is thus approximately 180,000€. It is important to note, however, that certain vehicles fitted with special equipment designed for winter trips in the north of the country can cost in excess of 250,000€, and in some cases upwards of 300,000€.

The most widespread form of vehicle financing in Norway is 60-month leasing contracts with an initial payment of approximately 15% of the vehicle price and a purchase option at a token price at the end of the contract. The average interest rate for this kind of financing at the beginning of 2022 stood at 2.5%.

FUEL

Fuel consumption for this type of EMS vehicle on typical journeys in southern Norway varies between 29 litres/100 km and 42 litres/100 km. We have estimated the average to be 37 litres/100 km, although this depends greatly on the weight of the vehicle and the topography of the region involved. On trips to northern Norway, fuel consumption may regularly exceed 40 litres/100 kilometres, while on trips to Denmark consumption may fall as low as 28 L/100 kilometres.

According to data from Statistics Norway, the average unit cost of fuel for 2022 was 1.7376€ per litre at the pump in Norway. Only 30% of the diesel purchased by the companies surveyed was bought in bulk, at a discount of 3 euro cents. Companies report that they source 10% of their fuel in Sweden, except for purchases made in Germany in the course of a small number of trips further south. According to official figures published in the European Commission's Oil Bulletin, the average unit cost of fuel for 2022 stood at 1.8920€ per litre at the pump in Sweden (10% of supply) and 1.6805€ per litre in Germany (20% of supply).

Based on the fuel shopping basket established by the CNR (using information provided by companies and including potential discounts), the average price of a litre of fuel in 2022 was 1.7326€.

MAINTENANCE & REPAIRS

The cost of maintenance and repairs in the Norwegian sector is difficult to calculate due to the widely varying costs and strategies reported by the companies surveyed. It varies between 3,500€ and 8,400€ per year for rigid lorries alone, and between 700€ and 1,200€ for semi-trailers. These differences are often attributable to the existence of an in-house garage at a haulage firm. In other cases, some manufacturers offer “Gold Package” maintenance

contracts at preferential prices, or even free of charge for the first two years following the purchase of the vehicle.

Based on expert opinion, the cost of maintenance for a rigid lorry in 2022 is estimated at 7,000€ and for a semi-trailer at 1,000€ per year.

TYRES

The annual cost of tyres ranges widely, from 3,500€ to 8,000€. This cost item varies greatly depending on the method used for purchasing vehicles (with or without a tyre contract), on mileage as well as on tyre changing and/or retreading policies.

The calculations carried out by the CNR, which are consistent with the figures reported by most Norwegian companies, yield a figure of 0.055€ per kilometre, i.e. 6,600€ per year per EMS vehicle.

TOLLS

The cost of tolls in Norway is approximately 5,500€ for a Norwegian company. To this needs to be added the cost of the Eurovignette (1,250€ per year per vehicle) for journeys in Sweden and Denmark, as well as that of bridge crossings to Sweden and Denmark (Oresund bridge) and of ferries, mainly for crossings to northern Denmark and Germany.

This item is thus heavily dependent on the market being served and the length of the trip undertaken.

According to interviews conducted in Norway, the annual cost of tolls, ferries and the annual Eurovignette in the Norwegian sector is estimated at 10,350€.

INSURANCE

The cost of insurance for a complete vehicle in Norway is between 2,360€ and 4,000€, with a clustering around 3,200€, which is the figure that has been selected for the typical scenario.

AXLE TAX

Vehicle tax is 437€ per year per vehicle, as explained above.

FIXED COSTS

Based on data collected from Norwegian companies, the CNR estimates that this cost item represents 10% of total costs.

2.2. EMPLOYMENT CONDITIONS AND DRIVER EMPLOYMENT COSTS

Employment conditions and driver pay in Norway 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 located at the Swedish border. During this second phase, approximately twenty drivers, employees with Norwegian contracts, were 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 Norwegian contract working internationally.

CONDITIONS OF EMPLOYMENT AND NOTE ON DRIVING PERSONNEL COST FORMATION

Permanent contracts are the most widespread form of employment contract in the sector. New drivers are hired directly on permanent contracts, with a short two-month trial period.

Norwegian drivers are entitled to a minimum of 30 working days of paid leave, which may extend up to 35 days in certain cases, particularly for drivers with at least 10 years' experience. Companies offer extra days of paid leave to retain their drivers. Most leave is taken in the summer, usually at the beginning of July.

According to information obtained during interviews with drivers, they work approximately 210 days per year (i.e. 43 weeks of the year) and drive between 80,000 km and 118,000 km per year. According to its calculations (which are consistent with information provided by drivers) and based on expert opinion, the CNR has arrived at a typical estimated mileage figure of 104,000 km per year, per driver.

Salaries for Norwegian drivers working internationally (and those who do trips to hard-to-reach towns in the north of the country) are often calculated using the long-distance driver template set out in the collective agreement. The number of productive and "passive" hours reflects reality and these figures are clearly set out on pay slips. Hourly rates are generally close to or slightly in excess of standard agreed rates.

In most cases, the typical schedule for a Norwegian driver might involve a week's work broken up by two returns to base, followed by 2 to 3 long-distance trips of one week each with a 3-day rest between journeys. For the purposes of this study, the working month of a typical driver includes 16 nights away from home.

Based on expert appraisal, the driver/motor vehicle ratio determined on the basis of company interviews is estimated at 1.15.


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

Standard profile of an international driver - Norway - 2022					
Characteristics		- Standard profile valid end of 2021 - Driver working 50% of his time on international routes, particularly in neighboring countries such as Sweden and Germany - International trips of 10 days including sometimes the trips to large Belgian and Dutch ports, followed by 4 to 5 days of break and short haul trips for the rest of the month. - Back to the base 3 weekends per month. Total of 20 days of work and 16 overnights, including all short and long haul trips in all countries - 32 days of paid holidays, for a driver with 11 years of seniority - Variable remuneration with the long haul driver status higher than the collective contract minima, completed by official travel allowances representing though the real travels abroad - Low individual premia.			
Annual mileage achieved		104,000 km			
Number of actual working days per year		210			
Number of working weeks per year		43			
Number of driving hours per year		1,630			
Cost breakdown of a standard Norwegian international driver in 2022					
Presentation of a standard pay slip					
EMPLOYER			EMPLOYEE		
Gross Salary	€/month	4,581.88€	Salaire Brut	€/mois	4,581.88€
Wage - productive hours - 125 NOK/h	€/month	2,250.00€	Wage - productive hours - 125 NOK/h	€/month	2,250.00€
Wage - passive hours - 53.75 NOK/h	€/month	1,612.50€	Wage - passive hours - 53.75 NOK/h	€/month	1,612.50€
Overtime hours	€/month	201.56€	Overtime hours	€/month	201.56€
Conventional premium - qualification	€/month	162.00€	Conventional premium - qualification	€/month	162.00€
Seniority premium - 10 years	€/month	64.00€	Seniority premium - 10 years	€/month	64.00€
Inconvenient hours bonus	€/month	231.82€	Inconvenient hours bonus	€/month	231.82€
Individual premium - on monthly basis	€/month	60.00€	Individual premium - on monthly basis	€/month	60.00€
Social contributions	20.30%	930.12€	Social contributions	9.15%	419.24€
General contribution - Zone 1 or 1a	14.10%	646.05€	General contribution - employee	7.90%	361.97€
Accidents at work	2.70%	123.71€	Accidents at work	0.00%	0.00€
Compulsory occupational pension	3.50%	160.37€	Compulsory occupational pension	1.25%	57.27€
			Progressive tax on gross income		104.97€
			Salary after social contributions and progressive tax		4,057.67€
			Income tax after deductions		699.65€
Monthly salary after payment of contributions		5,512.00€	Net salary after all taxes and contributions		3,358.02€
Travel allowance of a month of full service (10 months in a year)		560.00€	Travel allowance of a month of full service (10 months in a year)		560.00€
Monthly cost of a driver for a month of full activity		6,072.00€	Net income of a driver for a month of full activity		3,918.02€
Breakdown of annual cost of a standard Norwegian driver in 2022					
Fixed gross salary + bonuses * 12 months		54,982.59€	Fixed gross salary + bonuses * 12 months		54,982.59€
Employer's social contributions * 12 months		11,161.47€	Cotisations sociales et impôt * 12 mois		14,686.31€
Travel allowances * 10 months		5,600.00€	Travel allowances * 10 months		5,600.00€
Total annual cost		71,744.06€	Annual net income		45,896.28€
Cost of one hour of driving in €		44,01 €	Average monthly net income		3,824.69€
Cost per kilometre in €		0.69€			

Source : CNR European studies

At the beginning of 2022, the CNR estimates the annual cost of a Norwegian driver at 71,774€, i.e. 44.01€ per hour of driving, or 0.69€ per kilometre. The total average take-home pay for drivers, including travel allowances, came to 45,896€ per year.

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

Operating conditions and costs for a 60-tonne EMS vehicle operated on international routes, 2022 values 		
	unit	Norway Simulation
Yearly mileage of a vehicle	km	120,000
Number of operating days	days/year	220
Semitrailer/tractor ratio		1.07
Cost of one driver	€/year	71,744
Driver/tractor ratio		1.150
Yearly cost of vehicle financing and possession	€/year	23,555
Average consumption per 100 km	litres	35,0
unit fuel price, 2022 average	€/litre	1.7326
Yearly fuel cost	€/year	72,770
Maintenance-repair	€/year	8,000
Tyres	€/year	6,600
Tolls and vignettes	€/year	10,350
Insurance (vehicle)	€/year	3,200
Axle tax and other vehicle taxes	€/year	437
Synthesis - cost price (excluding overhead costs)	€/year	207,418
Cost/mileage ratio per annum	€/km	1.728
Overhead costs	€/year	23,046
Synthesis - complete cost price	€/year	230,464
Complete cost per kilometer	€/km	1.92

Source : CNR European studies

According to CNR calculations, the cost per kilometre of a Norwegian, 60-tonne, EMS-compliant articulated lorry operating on international routes, excluding fixed costs, was 1.73€. When fixed costs (estimated at approximately 10% of total costs) are factored in, the overall cost amounted to 230,464€, i.e. a per-kilometre cost of 1.92€. The CNR's calculations are in line with information provided by Norwegian companies, which estimate the full cost of an EMS vehicle to be approximately 2€/km.

For the purposes of making comparisons between European countries, an EMS vehicle has a typical payload of 38 tonnes, which puts the cost per potential tonne-kilometre at 0.051€/km, compared with 25 tonnes for an EU-standard vehicle (40-tonne GVWR). Accordingly, the Norwegian RFT sector has relatively high operating costs in European terms, comparable to those of the Belgian sector, but lower than those of the French, Italian and Dutch sectors, for example.

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