

Poland transportation market outlook for 2022*

Lack of Truck drivers what leads to labor costs increases –it is estimated that in Poland transportation industry is lacking 100K of truck drivers what leads to increase in wages and competition for truck drivers has upward impact on transportation costs. As older drivers retire, trucking companies struggle to find replacements for vehicles. Recruiting new drivers is difficult; the job is perceived as tough and getting license for truck is costly and takes several months to complete. Moreover, many logistics companies struggle to compete with 'in-house' truck driving positions that tend to pay better and may offer less stress.

EU Regulations – Mobility Package, it is expected that introducing in 2022 Mobility Package in entire EU will increase labor costs by apx 30% - increase will be related to additional taxes, retirement and social benefits to be charges for full driver's salary. Driver costs represent 35% in cost structure of transportation companies and after Mobility Package will be life in 2022 it is estimated it will increase to 45-50%.

Increase in electricity and oil prices - in to 2021 we see increase in oil prices by apx 60% (4-th Jan 2021 47,5 USD per barrel, to 81 USD/brl on 11-th of October 2021. In 2021 we also see increase in electricity prices by apx 20% compared to 2020 and current estimations for 2022 says about another 10-15 % increases. Fuel costs represent apx 25% in cost structure for transportation companies.

Trucks/chassis prices increases –it is estimated that currently waiting time for new truck and chassis is apx 6 to 8 months. Main reasons behind it are increased demand for transportation services and lack of semiconductors what limits truck/car producers capabilities. These factors let to increase of trucks/chassis costs by apx 25-30%.

Inflation - expected inflation rate for Poland in 2021 is 5% and in 2022 even 6-7%.