Costs of Waiting at Borders – the Road
Transport Industry’s Point of View

_The Problem_

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IRU Priorities 2009

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What is at Stake?
Not just our daily Cup of Coffee...

What does it take to have a cup of coffee in a Paris café?

The combined efforts of 29 companies in 18 countries

Road Transport has become a vital production tool!
Economic and Social Importance of Border Waiting Times

- Macro and micro-economic losses
- Benefits of lifting borders (the EU lesson)
- Existing Barriers cost billions (The Hague Study; IRU-intern estimations for TIR traffic)
- Insecurity leads to economic losses and human suffering (ITF-IRU “attack survey”)

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Dismantling internal EU borders

- Saved *traders* ECU 5 billion / year
- Longest delays: SP/PI, GR/IT, SP/F and IT/F
- Surplus costs to *haulers* in 1992: ECU 900 mln
- Greatest savings in the Mediterranean (long delay times) and between Germany, France and Benelux (high traffic volumes)
- Total weighted direct saving to hauliers thanks to efficiency gains: ECU 370 million
- **Further benefits**: distribution centres; just-in-time techniques
Source: Hague Consulting Group, 1998

* Includes lost opportunities
## Border Waiting Time
Costs Money to TIR Users

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average number of TIR carnets issued per year</td>
<td>2’923’481</td>
</tr>
<tr>
<td>Minimum number of border crossing operations in the TIR system per year</td>
<td>8’770’443</td>
</tr>
<tr>
<td>Total waiting time, hour per year, for TIR traffic</td>
<td>8’770’443</td>
</tr>
<tr>
<td>Value of an hour lost per truck, USD per hour</td>
<td>50</td>
</tr>
<tr>
<td>Total lost value per year, TIR traffic, USD</td>
<td>438’522’188</td>
</tr>
</tbody>
</table>

**Total lost value**

**1998-2005, TIR traffic, USD**

3’508’177’500

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**Direct costs can double through losses to producers and traders, including lost opportunities due to longer and unreliable transport time, thus: total USD 7.0 billion.

Source: IRU 2006
Attacks on International Drivers
(ITF-IRU Survey 2007-08)

- Security = major concern across transport and logistics chain also at borders:
  - theft of goods, vehicles
  - illegal immigration
  - smuggling of goods...

- Violent attacks on truck drivers a growing problem over the surveyed period (2001-2005)
Border queues are also dangerous and harmful
1 in 6 or 17% of drivers attacked in the past 5 years (30% more than once)
Financial Impact of Attacks

- Direct financial loss due to incidents identified in the survey: **Euro 12 million**
- Extrapolated direct financial loss for a calculated number of attacks on international HGV drivers in 36 countries over five-years: **Euro 7.217 billion**
- With indirect losses: 2 - 8 times **Euro 7.217 billion**
Solutions ?
Working together for a better future

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