

## NEA memorandum

The abbreviation NEA originates from a partnership between the Netherlands Transport Scientific Institute (NVI), the Economic Bureau for Road and Water Transport (EWB) and the Administrative and Automation Centre for Professional Transport (ACB).

NEA makes calculations that yield data on the cost developments of general domestic HGV transport in the current year and the forecasts for the coming year. In determining the changes in the cost level, NEA uses information on the average cost ratios of companies in the various sub-sectors. This is reported to the Board of Directors of Stichting NIWO (National and International Road Transport Organisation).

The total (forecast) cost increase calculation is based on the weighted price developments of individual cost types. The NEA uses already known wage and price developments and estimates of the Netherlands Bureau for Economic Policy Analysis (CPB), as laid down in the Macro Economic Studies.

The following aspects are taken into account for the calculations of the cost development for general domestic HGV transport:

- Wage cost development: changes in the wage level have an impact on the cost level of drivers;
- Price increases for aspects such as vehicle costs; changes in the price of diesel have an effect on fuel costs;
- Congestion and deterioration in accessibility: especially in and just outside the Randstad conurbation, freight transport is having to contend with increasing congestion and decreasing accessibility in cities, which means an increase in lost time and therefore an increase in costs;

The final results of the calculations carried out by NEA are published annually in October in an overview. In calculating the total cost increase, a distinction is made between seven sub-sectors. For parcels, PostNL bases its annual rate adjustment on aspects such as the forecast of the cost development for the coming year of the 'fine-meshed distribution' subsector.

If during the contract period it emerges that the actual price development deviates significantly from what was initially forecast by NEA, PostNL reserves the right to pass on such an increase in costs to the client.

