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Geneva, 5 November 2021

Emergency Call – Supply Chain Disruptions

IRU Resolution unanimously adopted at the IRU Goods Transport Council on 4 November 2021.

The Goods Transport Council of IRU, the world road transport organisation, representing over 3.5 million companies operating mobility and logistics services, calls on governments to address urgently the supply chain crisis.

Global supply chains are being put at risk by an unprecedented crisis, with road transport services at its heart. Dramatic increases in demand, unnecessary COVID-19 restrictions, driver shortages and drastic fuel price increases are creating a perfect storm. Without immediate action by governments, this may lead to economically and socially devastating delays and severe reductions in the availability of products over the holiday period and well into 2022. Since the outbreak of the pandemic, the road transport industry has been heavily impacted with economic losses expected to reach 1 trillion US dollars this year. As the backbone of global supply chains, road transport operators need further financial support to avoid bankruptcies and stabilise the transport system as a whole.

I. RESTORING TRADE FLOWS WITH ROAD TRANSPORT DIGITILISATION

High transport prices, primarily from surging maritime shipping costs and congested ports, can be largely mitigated using road transport. In order to reap the full benefits of road transport for global supply chains, governments must accelerate the use and implementation of the UN CMR Convention and the e-CMR Protocol, the UN TIR Convention and eTIR, which do not require physical checks and therefore reduce contact between people at borders.

II. ABANDONING MISGUIDED COVID-19 RESTRICTIONS

On 29 September, supported by ILO, IATA, ICS and ITF, IRU warned of a global transport system collapse to the UN General Assembly. Governments have been failing road transport workers and must abandon unnecessary, politically motivated border controls and driving restrictions, in order to restore freedom of movement for essential road transport workers immediately. Truck drivers need to be given priority to receive WHO recognised vaccines.

III. FIGHTING CHRONIC DRIVER SHORTAGES

Globally, 24% of driver positions remain unfilled. Governments must tackle this by immediately implementing 18 as the minimum age to become a professional truck driver, in addition to facilitating training, driver visa processes and attracting female drivers to the profession.

IV. LEVELLING OUT SOARING FUEL PRICES

The barrel price of oil, and natural gas and AdBlue prices have at least doubled over recent weeks, which has led to a substantial financial burden for road transport companies and has had a direct impact on customers and products. Operating on low margins, transport companies will ultimately be forced to stop servicing clients.

Governments must level out fuel prices by freezing or correspondingly adjusting fuel taxes and charges. National fuel reserves of diesel should be released where necessary.

Without immediate globally coordinated action, economies, employment and consumers will pay the ultimate price and global economic recovery will be at risk. Road transport and deliveries by truck remain key to keep supply chains moving and must be supported by governments now.

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