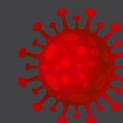
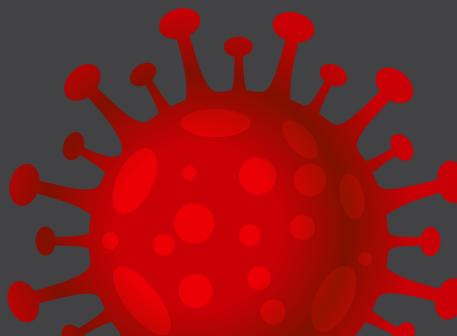
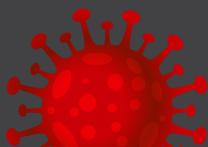
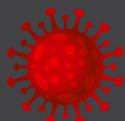


WORLD ECONOMY CHANGES FOR YOU AND FOR ME

We are sharing articles, facts, statistics and information about how COVID-19 impacted world economy crisis, businesses, transport sector, labor market, Girteka Logistics and every one of us.

For readers in Transics tablets in trucks: links to the sources are working when opening the newsletter via driver.girteka.eu

- 1 SITUATION IN THE WORLD, TRANSPORT SECTOR
- 2 IMPACT ON GIRTEKA LOGISTICS
- 3 LABOR MARKET
- 4 REMUNERATION FORMULA
- 5 STRIKE DEFINITION
- 6 WHERE TO GET MORE INFORMATION



1. THE WORLD AND LOGISTICS

With most of the European business stopped, Europe faces an unprecedented financial crisis, affecting the entire transport sector and Girteka Logistics.

"46% of UK's lorry fleet parked up"

trans.info/en/46-of-the-uk-s-lorry-fleet-parked...



Airlines, hotels, most factories are no longer working, thousands of people are out of work.

A stagnant industry means less cargo, bigger competition in the transportation sector, dropping in transportation prices and cargo volumes.

We live in a world where uncertainty is the only certain thing. We can't predict how

long and how deep the economic crisis will be, we have a well thought out business continuity plan. However, we have the experience to achieve our two main goals: to ensure business continuity and to preserve as many jobs as possible.

"International Monetary Fund: The global economy will experience its worst recession since the 1930s."

<https://www.vz.lt/verslo-aplinka/2020/04/14/tvf-...>



It is no longer just about the COVID-19 virus, the world is in a deep financial crisis that will last for months, and we will see its effects for even longer.

"Huge changes at Waberer's: halting trucks, renegotiating wages and appointing a new CEO"

<https://trans.info/lt/sunkus-waberer-s-laikai-pokyciai...>



Road transport usually is among the first to feel an economic crisis and as well the first to see a recovery.



2. IMPACT FOR GIRTEKA LOGISTICS

In the logistics business, we see that the volume of **cargo will drop down by 30%** this quarter, compared to the same quarter last year.

Keeping trucks running and saving jobs when we have a third of our loads and transport them at a lower price would not be possible without taking temporary **cost-cutting actions** across the organization. These actions will affect everyone working at Girteka Logistics, from shareholders and executives to drivers and managers.

What are those actions?

- We are not employing new people;
- Reduced business trips budget and using online meetings instead;
- Temporary reduced daily allowance rate for drivers and administrative staff;
- Cancelled a number of company business and internal events;
- Less trainings and courses;
- We suspend planned purchases;
- We are blocking part of the planned growth-oriented strategic and other major projects;
- We review all existing contracts with suppliers to reduce prices;

- Refused part of remuneration for top management;
- We have rejected the renewal of our truck fleet from 2nd quarter onwards;
- From the second half of the year, we are no longer implementing the fleet renewal plan and are reviewing the future plans.

We have entered the survival mode in our organization. But I, my team, and all my colleagues in management firmly know we will win in this crisis. It's not the first huge economic downturn for us, and with these changes, done with solidarity and understanding, and teamwork that we're capable to have, we will see the situation getting better.

These are some of the temporary cost-cutting measures implemented. Our organization has started some "survival" mode steps to better live through these times. We have two main goals during this crisis: to ensure **business continuity** and secure as **many jobs as possible**.

However, it is not the first economic crisis in 24 years history of Girteka Logistics, we have the experience how to act in order to sustain the business and as many workplaces as possible. Yet this crisis is different because everything happens so sudden and globally. We understand that in solidarity and understanding of the situation, we will implement these steps, and by working as a team and supporting each other, we will survive till recovery.

Once the economic situation has stabilized, all changes will come back as before as soon as we can continue with our projects, development and growth.

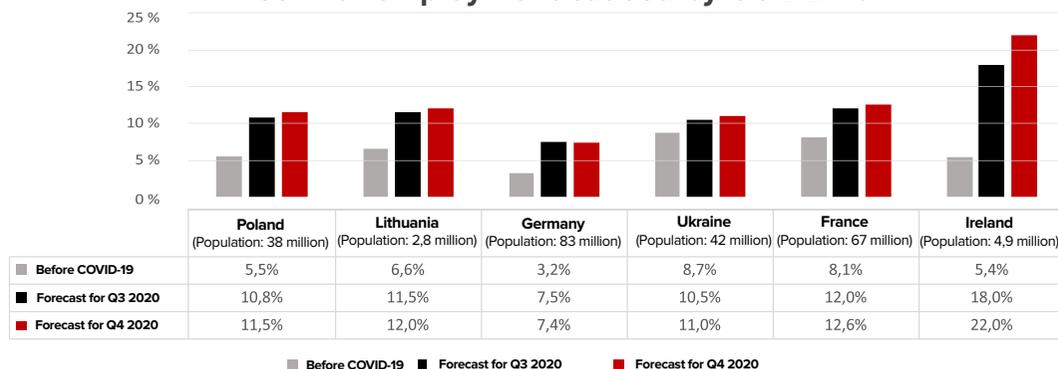
3. LABOUR MARKET REVIEW

By firstly stating, that one of the main focus is to secure as many working places and people as possible during this economy crisis, we provide you with statistics, collected from official sources, on the number of redundancies in the market due to the economic crisis caused by COVID-19.

COUNTRY	PERIOD	REDUNDANCIES	SOURCES: www.lb.lt/finance.liga.net/ www.dcz.gov.ua/mintrud.gov.by/ www.npr.org/ec.europa.eu/eurostat/tradingeconomics.com/
Lithuania	2020-03-14/2020-04-15	40 000	
Belarus	2020-01-01/2020-02-29	13 900	
Germany	2020-03-14/2020-04-15	9 000 000*	
Ukraine	2020-03-16/2020-04-13	71 400	

* DE is implementing the Kurzarbeit plan, under which wages are reduced and working hours are shortened

Rise in unemployment caused by COVID-19



We emphasize that our main goals during this difficult period are:

1. To ensure business continuity
2. To secure as many working places as possible

Coface: Coronavirus will cause a 25% worldwide increase in business failures

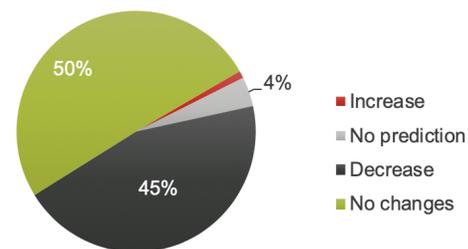


www.coface.com/News-Publications/News/Coface-Baromete...

In April 2020, Statio, one of the largest research companies in Belarus, conducted a study, according to which almost every second resident of the country had already experienced a decline in income.

satio.by/novosti/issledovanie...

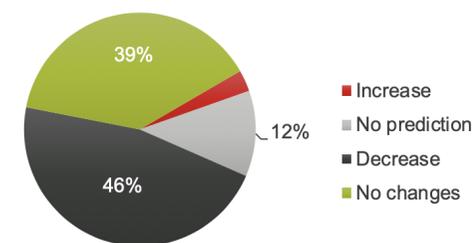
Income change over the past few weeks, n=1002



Average decrease*
34%

Median decrease
30%

Expect income change in the nearest future



An average decrease is expected
35%

An median decrease is expected
30%

* among those who claimed about income decrease

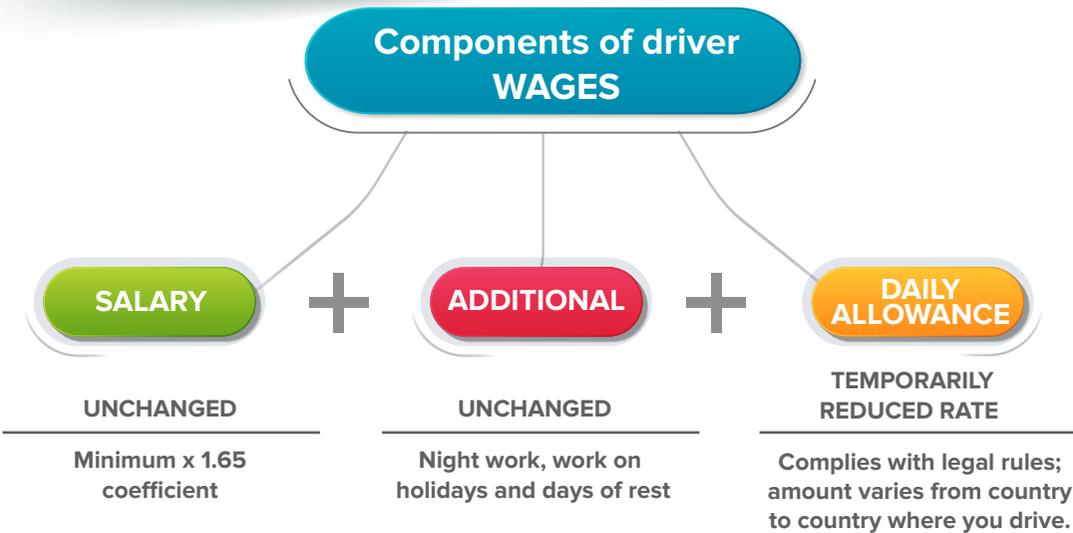
Up to 1.3 million Belarusians may lose jobs due to the 'corona crisis'

naviny.by/article/20200403/1585924288-iz-za-koronakrizisa...



Let's get in touch : WeCare@girteka.eu

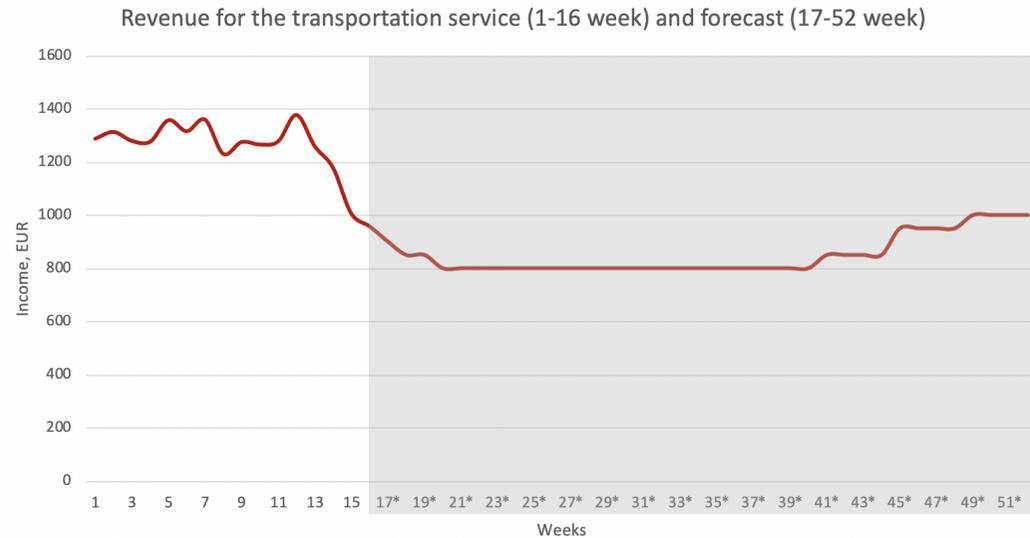
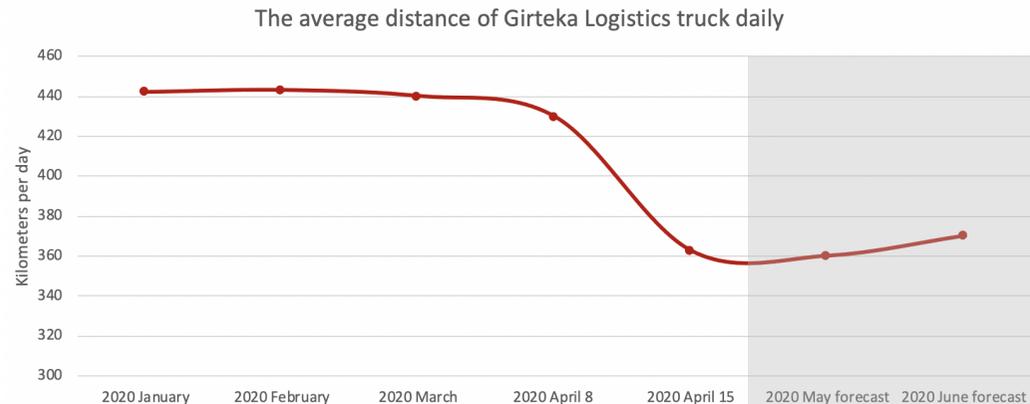
4. WAGES



A driver's monthly wage include 3 components: salary, additional pays, and daily allowance. The crisis caused by COVID-19 has led to a temporary reduction in the daily allowance rate, which has been above-the-market in Girteka Logistics for some time. It will not be lower than the permissible rate established by the Government (50% of the maximum established rate). This change is temporary, until the recovery of the economic situation. The amount to be paid for a trip-day depends significantly on the countries where you are driving, how much time you spent in a specific country, whether you had loading/unloading, etc. For the standard daily allowance rates, please visit:

seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.232345/asr

The daily mileage is decreasing, freight is falling, while the number empty kilometres are growing. All this considerably cuts income and dictates cost reduction throughout the organisation, in all business areas and in all countries where we work.



5. DEFINITION OF STRIKE

Strike is a **legal action**, which is strictly regulated by legal acts that establish a **procedure** and requirements for actions through which problems that arise can be **resolved effectively**.



A strike is an **extreme instrument of resolving disputes** that should be used as a last resort, after all other peaceful means have been tried.

The aim of a strike is to **solve** problems in a consistent and organised way when other ways of solving them have failed.

A strike can only be organised by employees of organization and officially elected workers' **representatives**. In cases where a state of emergency is declared, organising strikes is prohibited by law.

It is mandatory to formally submit the demands on which the agreement has not been reached, the date of the strike, its start, place, and the expected number of workers to strike and to appoint a strike committee (Representatives). The employer must be notified in writing in advance in accordance with the law before starting the strike.

Any strikes that are declared or organised in violation of **legislation** are considered illegal. Persons who have organised and encouraged illegal strikes as well as participants of such strikes, whether or not they are employees of that particular company, may be subject to administrative and criminal **liability**.

Any damage caused to the company, such as downtime, lost revenue or lost orders, is **recovered** from the responsible employees. **The Representatives** are also responsible for the safety of property or cargoes and people, for the smooth operation of equipment and technological systems during and after a strike conducted properly in accordance with the rules.

6. BE WELL INFORMED



REFERENCES TO SOURCES:

- Girteka drivers to go on strike against daily allowance reduction. Girteka comments on what happened trans.info/lt
- The Bank of Lithuania: Registered unemployment grows; more than 40,000 people are made redundant as of 15 April www.lb.lt/lt/
- The Lithuanian Labour Code e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.232345/asr
- The Government of the Republic of Lithuania: The Resolution on payment of daily allowances and other expenses of business trips e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.232345/asr
- Waberer's hard times: changes in management, revision of wages, and freezing of employment trans.info/lt
- The International Monetary Fund: The world's economy to suffer the greatest recession since the 1930s vz.lt/verslo-aplinka/



- 470,000 enterprises register short working hours tagesschau.de/wirtschaft/
- Half a million enterprises send their employees to work shortened hours spiegel.de/wirtschaft/
- Short-time work is the main instrument of this time faz.net/aktuell/
- The Law on Working Hours (ArbZG) mayr-arbeitsrecht.de/wp-content/



- Quarantine labour market: expectations and forecasts dcz.gov.ua/novyna/



- The Labour Code of the Russian Federation consultant.ru/document/
- Scientific research: How do Belarusian people respond to coronavirus? satio.by/novosti/
- Waberer's hard times: changes in management, revision of wages, and freezing of employment trans.info/ru/
- COVID-19 crisis poses a threat to financial stability imf.org/ru/
- Unemployment rate grows 22% but receiving allowances becomes easier finance.liga.net/ekonomika/
- Girteka drivers to go on strike against daily allowance reduction. Girteka comments on what happened trans.info/ru/
- Up to 1.3 million Belarusians may lose jobs due to the corona crisis naviny.by/article/
- 'When the pandemic to step down and what the economy will lose. Belarusian TVF reports a sharp rise in unemployment' news.tut.by/economics/
- Employment of population mintrud.gov.by/ru/



- Coface: Coronavirus will cause a 25% worldwide increase in business failures coface.com/News-Publications/
- In February 2020, a month before quarantine was introduced, Euro area saw unemployment at 7.3%, EU at 6.5% ec.europa.eu/eurostat/
- 46% of the UK lorry fleet parked trans.info/en/
- Waberer's hard times: changes in management, revision of wages, and freezing of employment trans.info/en/
- EU unemployment rate to reach 10% in Q3, 11.5% in Lithuania and will grow. Predictions for all EU member states tradingeconomics.com/forecast/
- The Labour Code of the Republic of Lithuania e-seimas.lrs.lt/rs/
- Germany: One fifth of German labour (9 million people) see shortened working hours, nearly half a million companies file for state funds npr.org/sections/



- Girteka drivers organise a strike against wage reduction trans.info/pl/
- The Labour Code prawo.sejm.gov.pl/isap.nsf/
- Recession in Poland. The International Monetary Fund gave numbers money.pl/gospodarka/
- Waberer shrinks. In 2019, the Hungarian giant announced further fleet reduction trans.info/pl/

The references to the information sources will work when this newsletter is opened through driver.girteka.eu

Let's get in touch via e-mail: WeCare@girteka.eu