



EUROPEAN  
RENTAL  
ASSOCIATION

Press release

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### **ERA: “Rental is the perfect circular model”**

The European Rental Association (ERA), the voice of the construction equipment rental industry, today welcomes the publication of the European Commission’s new Circular Economy Action Plan and has high hopes for the EU to recognise the full potential of the sharing and rental business models to deliver for the transition to a circular economy.

Rental ticks all the boxes in fulfilling circular economy principles and is, therefore, the perfect circular model. Rental allows for less waste through shared usage of assets, extending the lifetime of equipment and putting emphasis on proper recycling. The Circular Economy Action Plan, published today, also recognises the need for circular business models to retain value in the economy, and rental does just that.

In parallel, the importance of cutting carbon in the construction industry is increasingly being recognised, as demonstrated by the new Circular Economy Action Plan’s focus on the construction and building sector. In this context, the use of construction equipment is one of the areas where the climate impact can be minimised – which is where rental enters into play.

“Rental is a great way to minimise the carbon footprint of construction equipment and bring us closer to meeting the Paris climate goals,” said ERA Secretary General Michel Petitjean. “By sharing equipment and optimising its use, the rental industry lowers the construction sector’s overall climate impact. Renting helps reduce CO2 emissions by around 30%, sometimes even up to 50%, depending on how the equipment is used, by optimising equipment adequacy, transportation, utilisation rate and maintenance, as a recent major [study](#) shows.”

ERA calls on decision makers to recognise and encourage practices that minimise the climate impact of construction equipment, particularly in view of the upcoming ‘Renovation Wave’, which will incorporate circularity principles, as well as in the context of public procurement.

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#### **About ERA**

The European Rental Association was created in 2006 to represent national rental associations and equipment rental companies in Europe. Today, the membership includes over 5,000 rental companies, either directly or through 15 rental associations. ERA is active through its committees in the fields of Promotion, Sustainability, Statistics, Technical and through its Future Group.

Extensive information on ERA’s activities, reports, and publications is available on the ERA website at <http://www.erarental.org>.

#### **Media Contact**

Kinga Timaru-Kast: [kinga.timarukast@grayling.com](mailto:kinga.timarukast@grayling.com), T +32 (0)2 713 0747