

ERA Market Report 2020 update confirms regional discrepancy in COVID-19 impact

18 June, 2021 (Brussels, Belgium): The European Rental Association (ERA) is today releasing a further update to its 2020 Market Report, covering the period 2019 to 2022 and with new year on year estimates for rental activity, construction and GDP in each of the 15 countries of the Market Report.

The main changes from the previous update (in [February 2021](#)) concern the 2020 figures, which confirm the regional discrepancy in the impact of the COVID-19 pandemic, with a worsening picture for the southern European countries and the UK, and a better-than-expected situation for countries in central and northern Europe.

Michel Petitjean, Secretary General of ERA, said:

"In 2020, trends in rental and construction followed a similar course, but there wasn't the traditional amplification effect for the rental industry that we usually see during times of uncertainty. Many rental companies are now starting to benefit from this amplification effect due to continued uncertainty in the general economy, but are also largely suffering from start and stop cycles occurring from one quarter to the next, which is hurting the revenue trajectory.

"If we add to that the difficulties in the construction industry with the supply of materials and the extended deadlines for delivering equipment from the OEMs, it is still hazardous to forecast the future outlook for the industry."

Overall, the update shows an improved picture for the rental industry, but a worse performance for the construction sector, in 2020 (-6.6% and -5.2%, respectively) compared to the previous update, but with a positive forecast for 2021 (+3.6% and +2.1%) and 2022 (+4.5% and +2.9%). The regional picture is as follows:

Northern Europe: Rental activity is up in 2020 in Denmark, Finland, Norway and Sweden, which also see an uplift in their construction and GDP figures. This is particularly notable for rental activity in Norway (+3.1 percentage points, now -2.2%) and Finland (+1.7pp, now -2.3%), and construction activity in Denmark (+2.5pp, now +1.8%), Finland (+2.1pp, now -1.7%) and Sweden (+1.9pp, now +0.4%).

Western and Central Europe (excluding the UK): This region has been more resistant to ups and downs. Rental activity in 2020 is notably up compared to the previous update in Czech Republic (+1.6pp, now -6.8%) and Germany (+1.6pp, now -1.5%), although the performance of the construction sector in Switzerland in 2020 has been revised down (-2.9pp, now -4%).

Southern Europe: Construction activity in 2020 in Belgium (-3.6pp, now -7%), France (-4pp, now -14.1%) and Spain (-4.3pp, now -11.6%) was much worse than expected, although there was no significant change to estimates of rental activity.

The UK: There is a very significant revision to the 2020 construction activity in the UK (-6.6pp, now -12.3%) cancelling the positive revision from early 2021. Rental activity in 2020 is also revised down (-1.2pp, now -16%).

The [ERA Market Report 2020](#) is available digitally for ERA members (EUR 500) and for non-members (EUR 1,200). To order a copy, please contact the European Rental Association at era@erarental.org.

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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 and Technical, and through its working groups, including the Future Group and the Cybersecurity Working Group.

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