

## ***A difficult 2020 for European rental markets amid the pandemic, but a return to growth in 2021***

***24 November, 2021 (Brussels, Belgium): The European Rental Association (ERA) has released its 2021 Market Report. Developed with the support of the ERA Statistics Committee, the ERA Market Report has been the reference source of intelligence for the European equipment rental market since 2008.***

In 2020, equipment rental companies and other companies providing rental services generated a total rental turnover of more than EUR 25.2 billion in these countries. At a constant exchange rate, the equipment rental industry in the 15 countries analysed and the Baltic region declined by 7.2% in 2020. In 2021, there is an estimated growth of 6.3%, with 2022 forecast to increase by 5.6%, also at a constant exchange rate.

The overarching theme from this year's report is that 2020 was a difficult year for all the markets covered, even for those that managed to remain positive amidst the pandemic. Consequently, some markets fell considerably (France, Italy, Spain, UK), while others also lost ground but fared better overall (Switzerland, Sweden, Germany). This trend continued into the first quarter of 2021 before seeing returns closer to pre-pandemic levels of activity later in the year.

The COVID-19 pandemic took Europe by surprise last year and continues to hamper the recovery in some markets, both directly and indirectly. The immediate impact differed from country to country. The Nordic countries, which did not lock down and with almost no site shutdowns, performed better than southern Europe and the UK, which faced severe lockdowns and disruptions to activity. With Brexit having now taken effect, the UK finds itself in a difficult position as the sourcing of materials now incurs increased costs, and the labour shortage, present across Europe, is further exacerbated.

The reopening of most European economies after the first quarter of 2021 proved beneficial for rental activity as construction was able to pick up and other sectors of the economy also reopened. The performance throughout the rest of the year improved in most markets and now points to a solid growth forecast for 2021, mainly in Southern Europe and the UK, which were the worst-hit regions, while growth in Nordic countries and Eastern Europe remains more constrained.

It is important to stress the extreme conditions of 2020 and 2021, which have been analysed with our forecasts. Large peaks are expected this year, and further significant growth is expected in the short term.

The report 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](mailto:era@erarental.org).

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### ***About the Report***

The ERA Market Report is the leading source of market intelligence on the European equipment rental market and the only Europe-wide industry benchmark. It contains detailed market information for the years 2018 to 2023 and key indicators, including rental turnover, fleet value and investments. This year includes a more accurate estimate of the UK rental market, with an

improved methodology for evaluating cross-hire, as well as detailed data on the US rental market.

This edition, comprising market trends and international comparisons, uses a common methodology and definition to analyse 15 European markets, plus the Baltic states, with detailed market size results for 2018–19 (actual), 2020–21 (estimates) and 2022–23 (forecasts). These countries account for more than 95% of the equipment rental industry in the EU, the European Free Trade Association (EFTA) and the United Kingdom.

The report is being published later this year due to a delay from Eurostat in delivering its 2019 data. Unfortunately, the data will still not be available before the end of this year, so ERA and IHS Markit took the decision to publish the report based on the available data. When receiving the data for the year 2019, and if this is justified, an update of the report will be established and released as soon as possible.

The results for the European rental market in this report refer to renting of equipment without an operator. The figures are based on official statistics for NACE rev. 2 code 77.32: "Renting and leasing of construction and civil engineering machinery and equipment without operator."

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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>.

### **About IHS Markit**

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