

ERA contribution to the Call for Evidence for the EU's Electrification Action Plan

ERA welcomes the opportunity to provide input into the EU's Electrification Action Plan¹. In 2025, ERA produced a report on the topic of energy transition in the equipment rental sector² that identified the most pressing barriers to electrification as well as some of the possible solutions to those barriers.

ERA consider electrification of rental equipment as one of the most efficient ways to help decarbonise the sector. However, due to operational and environmental considerations, using electric equipment is not always the right answer in some scenarios and therefore, safeguarding the possibility to use machinery with the internal combustion engine (ICE) will be necessary.

In the report, ERA has identified the following barriers to increasing the uptake of electric rental equipment:

- **High upfront costs (CAPEX premium) and uncertain resale value**

Battery-electric machines are often 1,3 to 2,5 times more expensive than their current diesel equivalents. This translates into higher rental fees, which customers are often unwilling to pay. Offsetting the typical CAPEX premium (and thus rental fee premium) requires a very high utilisation rate, which is currently rarely observed in most use cases. Rental companies perceive uncertainty when it comes to the value of used and second-hand equipment, which also reduces the consistent commitment to buy these products each time.

- **Customer reluctance and lack of awareness**

Customers' of rental companies (equipment end-users) often focus on upfront rental cost rather than total cost of ownership (TCO), and sometimes tend to overlook lower operating costs (fuel, maintenance) unless they have to ensure compliance with low and zero-emission zones. At times, customers also have prejudices about electric equipment performance and the complexity of use.

Safety concerns and handling of batteries also plays a role when end-user are deciding on the use of electric equipment.

- **Energy infrastructure limitations**

Setting up a grid connection on construction jobsites can take months to a year in urban areas, and may never be available in remote locations. At the same time, on-site charging capacity is often insufficient, especially when multiple machines need to be charged.

¹ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14529-Electrification-Action-Plan_en

² <https://erarental.org/publications/energy-transition-in-rental-report/>



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- **Lack of standardisation and operational practicality**

Charging protocols are not harmonised across OEMs, requiring brand-specific chargers, which can mean additional rental and transport costs for providing temporary charging means on site. Differences in onboard chargers (mono-phase vs. three-phase) affect charging speed and the feasibility of daytime charging. Charging time and frequency impact the operations of equipment users.

- **Skills gap & training needs**

Transitioning from diesel to battery-electric equipment requires new skills in safety (high-voltage systems, charging protocols, fire risks), maintenance, and diagnostics. At the same time, the industry in general often lacks skilled staff to operate, service, and repair (electric) equipment. Increased complexity and risk, and less people wanting to join the industry represent compounding factors preventing a more rapid transition.

To address these barriers, ERA recommends EU and its Member States take the following actions:

On equipment TCO:

- Enabling economies of scale and providing subsidies & (tax) incentives to cut CAPEX premium in purchasing equipment by rental companies
- Public authorities should tax externalities of high carbon fuel use and incentivize the adoption of low carbon technologies to make it more competitive
- Standardisation and facilitating interoperability of various battery and charging solutions will also drive costs down over time.

On energy infrastructure and operational practicality

- Impose common rules for charging standardisation (following the automotive industry's example).
- Public authorities & DSOs need to focus on grid connection facilitation and optimisation of grid connection lead times.
- Both technical (grid congestion) and administrative gains to be achieved.

On skills:

- Support developing training programs for rental staff, technicians, and customers focused on electric safety, charging, and operations.
- Encourage equipment OEMs to provide training packages with new equipment.
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- Vocational education should integrate electric equipment training to build a pipeline of skilled workers.



About ERA

The key mission of ERA – European Rental Association is to promote the rental concept in order to facilitate a continued growth of a sustainable and professional rental industry in Europe. The works of ERA focus on 7 main areas: promotion of the rental concept, technical issues and equipment, statistics on the European rental market, sustainability, harmonisation of national regulations, awareness of the challenges of the future and support for rental associations.

The equipment rental sector in Europe generates around EUR 31bn turnover annually. There are more than 18 thousand rental companies across Europe employing more than 160 thousand people.

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ERA is registered in the EU Transparency Register under ID number 163373217053-39.