

# Leaseurope's road map for 2011

Leaseurope has a central role to play in resolving issues that are important to the leasing industry and its customers, and should truly be the platform for industry players as well as a knowledge centre for this important part of the European economy. Those are not just my words, but the words of Leaseurope's new Chairman, Jukka Salonen, CEO of Nordea Finance," says Tanguy van de Werve, Director General of Leaseurope and Eurofinas.

Leaseurope's articles of association provide for the board of Leaseurope to approve the priorities of the various committees, and the use of the board as a discussion forum for key developments that may impact leasing is one of Leaseurope's most valuable tools. After amending the articles of association in 2008, the eligibility criteria for selection to the board are far stricter than before, and this has benefited the effectiveness of the association.

It is widely acknowledged that Leaseurope's work on the proposed new lease accounting standard has stimulated the leasing industry's discussion about its future in general. In the process of pushing for significant changes to the accounting proposals and gaining extra time for proper review, Leaseurope seems to have brought national associations and leasing companies closer together.

Leaseurope has also shown that it can effectively deal with complex issues and speak on behalf of the industry, all the while bringing insight to its members. In the view of Jukka Salonen, "Leaseurope must be in charge of ensuring that the regulatory environment allows the leasing industry to support its corporate customers, large and small, and in turn the growth of the European economy, through the provision of efficient and easy-to-use financial solutions."

In a sense the major pitched battles on the accounting front have been fought, and now there are fresh concerns, such as Basle III, that need prioritising for 2011 and forward. Some of these concerns are shared by lessors from around of the world, and with Leaseurope representing lessors in a large proportion of the world's economic bloc, their feed-in to the relevant EU organs gives it access to the world stage.

Chairman Jukka Salonen feels strongly that the banking and finance sector is in a transition phase because of the new Basel III regulation. This will impact leasing as well, and quite soon. For the industry it will be vital to navigate in the right direction in this new era. Business models, value addition and funding will be brought into the spotlight even more than today, and Leaseurope has to be able to support industry level discussion about this future.

New regulations have also highlighted environmental and mobility problems, making them more important and requiring scrutiny by the automotive rental and leasing industry, again an area where Leaseurope can lead the debate and ensure that leasing's value proposition is well understood by policymakers.

In his inaugural statement as chairman of Leaseurope, Jukka Salonen said he saw knowledge management and membership development as further objectives, "More resources need to be



Jukka Salonen and Tanguy van de Werve

invested in research and analysis in order to be able to support our lobbying activities, the members and the whole industry. Providing fast information on European leasing markets and trends is another area requiring further developments. Leaseurope must continue to improve its position as the official source of rich and reliable European leasing information.

"I also intend to focus on strengthening our relations with our customers, their trade associations and the academic world. This will not alter our determination to get closer to our own member associations and their constituency. Indeed we find it important that Leaseurope becomes a focal point for all leasing and automotive rental professionals across Europe."

Tanguy van de Werve points to some big projects on the go at Leaseurope, which are not to do with either lease accounting or Basle III. "We are commissioning a major European study of the use of leasing by SMEs, a subject close to the hearts of many lessors, and to the EU. We will soon be introducing a new industry Index, partly inspired by the US ELF Foundation MLFI-25 but specific to the European market.

"We are working with the BVRLA to establish an ADR (Alternative Dispute Resolution) mechanism acceptable to the EU which will help customers with unresolved complaints concerning cross border vehicle rentals within Europe.

"And let's not forget, we must work hard to attract new members and retain existing ones. Our Associate scheme opens up the benefits of the greater visibility that Leaseurope membership can bring, and this division is growing, our most recent member being Ritchie Bros., the world's largest yellow goods auctioneers."

Summing up the short-term priorities agenda yields an ambitious and adventurous programme: lease accounting, Basel III, environmental and mobility benefits of automotive leasing and rental, knowledge management, communication and networking. With 12 of Europe's top leasing CEOs driving the agenda forward, Leaseurope's road map will be quite a journey.