



Leaseurope Feedback on the Circular Economy Action Plan

Leaseurope, the European federation representing the leasing and rental industries, supports the Commission's aim of improving the circularity of the European economy through the circular economy action plan. We believe the action plan would be more effective if the services offered by the leasing and rental industries, which will be essential in helping the Commission reach its objectives, were given due consideration.

A number of key characteristics of the leasing and rental industries make them inherently compatible with the goals of the circular economy action plan. As experts on asset life cycle management and total cost of ownership, leasing and rental companies ensure that the assets they provide remain in good working condition and are able to be reused for as long as possible. This goal is very much in line with the ultimate rationale of the circular economy; to reduce waste and ensure materials are utilised until the end of their life cycle. In leasing and rental contracts, the lessor owns the goods, and is therefore responsible for their repair, maintenance, and disposal. As a result of this, leasing companies are primed to ensure they use materials and components that are easy to repair, maintain, and recycle at the end of their life cycle.

In addition to leasing and rental companies ensuring goods are easily repairable and kept in good condition for the duration of their lifecycle, the industries' focus on usage rather than ownership, and their role in ensuring the latest technologies are made available to consumers and businesses in the most cost effective manner will help facilitate a move away from outright ownership of certain types of goods.

The leasing and rental industries facilitate shared use of vehicles and products, encouraging consumers to purchase less frequently, and ultimately ensuring that the same goods can be used for as long as possible. For example, in cases where a customer would traditionally purchase a new piece of equipment when an upgrade becomes available -and the old equipment would ordinarily be disposed of- the leasing industry ensures that the customer is able to upgrade their equipment to the latest model whilst the older equipment is still utilised by a customer with different requirements. In this way, the leasing and rental industries not only play a key role in preventing products from being discarded once a customer has finished using them, but also in encouraging a broader shift in consumer behaviour away from purchasing goods and towards using goods. This shift will be invaluable in facilitating the move towards a circular economy