

Costing the Earth?

“By polluting the oceans, not mitigating CO₂ emissions and destroying our biodiversity, we are killing our planet. Let us face it, there is no planet B.”

EMMANUEL MACRON, President of France, in his April 2018 speech to the US Congress

“If we stopped producing oil and gas tomorrow we would have an economic crisis. We would have famine and we would have a world war.”

MAARTEN WETSELAAR, director of integrated gas and new energies, Shell

As the issue of sustainability increasingly influences business decisions, Kevin Appleton examines the role the rental industry might have in mitigating our impact on the environment



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There, dear reader, we have the tensions that currently dominate headlines around the developed world. On the one hand, if we don't change our ways then there will be no survivable planet for our great-grandchildren to live in – and the world's youngsters are starting to catch on to this uncomfortable fact. On the other hand, if we change our ways too dramatically then we will have famine, crisis and war. Heads we lose, tails we lose.

These are grand issues and yet, in their way, they are coming to influence debate and decision inside the rental industry too. What does the equipment rental industry contribute, positively or negatively, to factors which have been associated with climate change? (I don't have space here to get into a debate about whether man-made climate change is a “thing” or not and am assuming, along with the vast majority of the world's climate scientists that it probably is. Even if it isn't, I think there are sound ethical arguments to be made against unnecessarily polluting the planet anyway).

Greenhouse gases

What contributes to the production of greenhouse gases is a good place to start (although concern about planetary destruction has recently come to focus on use of plastics too). The big 5 (according to the World Resources Institute) are Electricity and Heat Generation, Industry (including construction), Transport (air, sea and road), Agriculture and Land Use Change (deforestation), which between them make up around 80% of greenhouse gases. As an industry we are implicated in three of these – power generation (as consumers of electricity), Industry (as manufacturers and as part of the industrial supply chain – especially in construction) and Transport (moving finished product around the world, and to and from jobsites within a country).

And at this point it's hard to resist simply waving our hands round and crying “somebody (else) ought to do something” because it starts to get difficult. Practically, what can we do? Well, there are some simple, uncontroversial, steps. We can ensure our energy use is as efficient as it can be (low energy light systems, renewable energy wherever possible) and reduce the waste we put back into industrial processes. We can also ensure that methods of transport used are as appropriate and energy efficient as possible. Then it starts to get hard.

Because the truth is that fundamental shifts in what we are putting into the planet's ecosystems

require decisions which, at the moment and under present taxation regimes, are economically illogical. We would want to favour manufacturing in countries which have the cleanest energy rather than the lowest energy (and labour) costs. Immediately that would disadvantage manufacturing in China, which is still a disproportionately high polluter (but only because they're late to the party, by the way – the West has a 150-year pollution head-start). We would want to focus on recycling equipment rather than continually manufacturing new. All those lovely production lines need to be stripped out and replaced with work cells where old equipment is patched up and made workable again. We would also need this refurbishment or remanufacture of equipment to take place as close to end-demand as possible, in order to reduce sea and air transport. Finally, we'd need to see much greater use of electrically powered delivery vehicles, topped up using clean energy.

For some of these things the economic (and, maybe, moral) motivation doesn't yet exist. It's likely that this will only change once tax and incentives start to reward economically counter-intuitive behaviours. In other areas it requires technology that doesn't yet exist and where, again, incentives will be needed to kick-start the necessary innovation.

Reason to hope

There is hope. In the UK, for example, electricity generation capacity from renewables recently passed that from fossil fuels, having grown 300% in five years. Much of this has been down to targeted government incentives and penalties and, as a consequence, the costs of renewable energy are now becoming competitive with traditional fossil-fuel forms. However, for the major breakthroughs to be made more industries will have to experience the transitional pains (and maybe extinction) of the European coal industry, for example. Maybe even parts of our industry will be required to completely rethink their purpose – moving from centralised manufacturing into geographically distributed, low-impact recycling, remanufacturing and repurposing of equipment.

The rental industry is “a good thing” for the environment in that it encourages more efficient use of assets, although it has probably also been responsible for simply introducing more assets, too. However, we are only at the beginning of a long and difficult journey and the landscape of 100 years time will look very different, one way or another. **IRN**

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