

THE ADVANTAGES OF BEING A FORERUNNER IN THE ENERGY TRANSITION

Posted on 29/04/2022 by Naider



The conflict in Ukraine has led to the rising costs of fossil fuels such as oil and natural gas, and is accelerating decision-making in the global energy arena. The **dependence of supplies** and the **threat to coverage of energy needs** have underlined the need, at least in Europe, to **reduce the energy dependence and move towards a sustainable model**.

Organizations and companies are not always prepared for disruptive events of this nature, events that usually accelerate inevitable model changes. A recent report on decarbonization and the company of the World Economic Forum ([WinningtheRace to Net Zero: The CEO Guide to ClimateAdvantage](#)) explains that Faced with technological changes, companies tend to underestimate the pace and depth of transformation to come, collectively.

On the one hand, companies often underestimate the pace of technological progress, for example, for photovoltaics, both in increasing capacity and reducing unit costs. On the other hand, there is often too much trust in the inertia of prevailing policies; in crisis escalates, regulators catch up with more ambitious than anticipated. Finally, companies underestimate how quickly long-term changes affect your industry and business model.

Given the changes that the ecological transition will cause in sectors of the economy, positioning yourself as a forerunner can bring several competitive advantages:

- **Attraction of talent:** Companies that make a firm commitment to sustainability are more attractive to attract and retain talented people.
- **Demand growth:** The companies leading the energy transition compete in market segments and sectors with the highest demand growth.
- **Cost reduction:** The commitment to more efficient solutions and processes leads to lower costs.
- **Risk reduction:** Companies that join the changes early are less exposed to penalties and overcharges in the future.
- **Access to capital:** Precursors often have better access to finance.
- **Best legacy:** Companies that promote sustainability provide greater value to society as a whole.

There are a number of ways to be pioneers and be proactive in change in a sector, rather than reactants. Set ambitious goals

can inspire and be a reference for the entire sector.

Prioritizing energy efficiency and decarbonization, the organizations can achieve savings in the process, and in some activities it will be possible to achieve zero emissions at zero cost.

Beyond worrying about obtaining sustainable and efficient supplies, companies can focus on developing and offering more efficient products to the market.

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There are no comments yet.