

# **INVESTMENT IN BUSINESS COMPETITIVENESS, THE MOST EFFECTIVE RECIPE TO ADVANCE IN THE ECOLOGICAL TRANSITION**

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The COVID19 pandemic has brought with it an unprecedented impact on the economy due to the need to completely paralyze the productive system to eradicate its expansion. The distancing and confinement measures have also significantly affected directly for consumption, generating a scenario of uncertainty and mistrust.

In the scope environment, there has been a turning point on the road to ecological transition. The fall in the consumption of fossil fuels has generated a 2020 scenario in which the largest drop to date in the greenhouse gas (GHG) emissions. According to [report issued by the International Energy Agency \(IEA\)](#), global GHGs will fall by 8%, which in absolute terms represents a drop never seen. Even so, it would be necessary for these figures to be repeated year after year in order to reach net zero emissions by 2050.

After the shock of COVID19, short-term efforts to boost the recovery of our society are oriented to ensure a prompt reactivation economy and to ensure employment and social welfare. rescue measures immediate economic and social focus on the present (cyclical approach) and, at a given moment, they may forget the implications of challenges, such as climate emergency, which can still be understood to be related to the future generations and not so much with the present ones. However, the measures of recovery of the economic base do cover the long term (structural approach).

Opt for one or the other measures may alter the desired balance between economic, social and and environmental.

That is, the investments made now aimed at alleviating the economic crisis and reactivating the business base will condition, to a great extent, the process of ecological transition of the economy and, consequently, the evolution of the climate emergency in which we are immersed and whose indicator par excellence are GHG emissions into the atmosphere.

<b>POLÍTICAS FRENTE A LA CRISIS</b>
<i>Competitividad</i>
N. Reciclaje profesional
S. Inversión en infraestructura para la conectividad
T. Inversión en infraestructura de energía limpia
X. Inversión en I+D general
Y. Inversión en I+D limpia
<i>Financiación</i>
A. Renuncia Temporal al pago de intereses
C. Apoyo de liquidez para grandes empresas
D. Apoyo de liquidez para hogares y PYMEs
O. Transferencias de efectivo focalizadas o incremento de salarios temporales
<i>Fiscal</i>
G. Reducción del IVA y otros impuestos sobre bienes y servicios
H. Recortes del impuesto sobre la renta.
L. Aplazamiento del impuesto sobre sociedades
J. Reducción del impuesto sobre sociedades para ajustes estratégicos y estructurales
<i>Rescate</i>
B. Quiebra asistida
E. Rescate de aerolíneas
F. Rescate de institutos sin ánimo de lucro, de educación, de investigación y sanitarios
<i>Desarrollo territorial</i>
P. Políticas de desarrollo rural
Q. Inversión en infraestructura de transporte tradicional
R. Subvenciones para proyectos de infraestructura local
U. Mejora de los edificios (eficiencia energética)
V. Inversión en espacios verdes e infraestructura natural
W. Prevención de desastres, fortalecimiento de capacidades
<i>Social</i>
K. Abastecimiento directo de bienes básicos
M. Inversión en sanidad
L. Inversión en educación

**Table 1. "Model" policies chosen by the researchers.**

[Hepburn et al \(2020\)](#), published a study in April with the objective of analyzing the climate impact of the policies that are carried out in the face of recessions. The study had a 230-person expert panel comprised of senior officials from central banks, development banks, finance/treasury ministers, academics, and other expert groups.

Those who participated in the study evaluated 25 “model” policies chosen by the team investigator. The policies were proposed based on an exercise of cataloging of more than 700 economic stimuli adopted by the countries of the G20 during the period 2008-2020.

It was requested at people surveyed who evaluated the policies based on four metrics:

- Speed of implementation (from less than a month to more than three years).
- Economic multiplier effect in the long term (of low to high).
- Potential climate impact (from very negative to very positive).
- Global convenience based on personal criteria of each expert consulted.

Of the 25 areas of action on which the consultation was made, those six who are directly involved in the competitiveness of the business base (investment in general R&D, investment in clean R&D, Investment in connectivity, Investment in energy infrastructure, Investment in connectivity, Investment in professional recycling) induce the greatest multiplier effect in terms economic and positive climatic impacts.

- **Invest in clean energy infrastructure (i.e. through renewable energy, storage techniques) and in modernization of connectivity networks** (policies T and S). This type of action clearly improves the efficiency of the processes at the same time that this improvement in competitiveness impacts positive in the climate.
- **Invest in R&D** (policies X and Y). Investment in R&D favors, in the long run, an improvement of existing production processes and contributes to the discovery of new technologies. **The innovation environment aimed at improving business competitiveness is closely related to obtaining cleaner and more responsible processes with the climate.**
- **Invest in training and professional retraining** (policy N). Events such as the current health crisis and technological development They promote constant changes in the market. Firms that do not increase training their staff run the risk of losing part of their productivity and investment. **The promotion of training within the company maximizes the competitive advantages and taking advantage of business opportunities while increasing the social and environmental awareness of the employees.**

Of the interpretation of the results of this work and the evidence of previous analyses, give rise to messages of great importance for the formulation of policies of

recovery after COVID19.

**In particular, it is very**

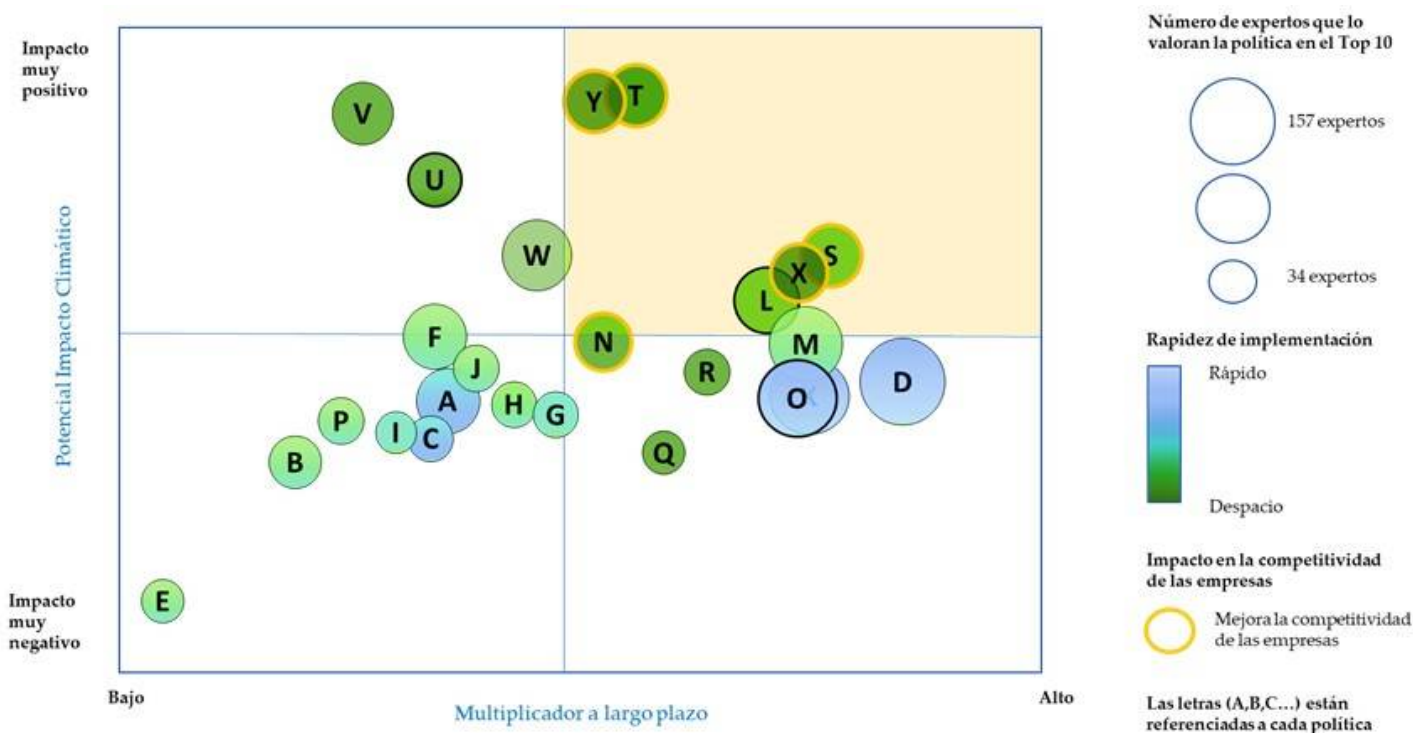
**It is convenient to highlight that it is precisely the policies that promote the competitiveness of the companies that have the greatest positive impact on the climate emergency (yellow quadrant).**

A very relevant point

when making the best investment policy decisions and when prioritize recovery schemes promoted from the public.

The uncertain nature

of the current crisis advises not to lose perspective and integrate decisively and security measures to promote competitiveness as a formula for success for achieve that desired balance between economic development and engagement climate.



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**There are no comments yet.**