

BBVA Chair Carlos Torres Vila statement from Davos

This year, **Davos** aims to promote **cooperation** in an increasingly fragmented world.

This cooperation is fundamental to face humanity's **greatest challenge: decarbonization**.

Decarbonization is **non-negotiable**. And possible to achieve, but only if **two prerequisites** are met:

The first is that **governments of developed countries have to step up their financial support for emerging countries**, so that they can join the **decarbonization race**. And that is key, because without them, we will not be able to achieve a planet free of emissions.

The second prerequisite is that the investment needed for the economy to function without emissions must be attractive, must be **economically viable, and profitable**.

Part of it, it's already, for example, investments in renewable energy, energy efficiency and electric vehicles. There are **profitable alternatives** over fossil fuels for families and businesses.

But the **majority**, in fact (between 60 percent to 70 percent) - does not have an emission-free version that is **economically viable**.

We are witnessing an **unprecedented wave of innovation**, creating solutions to complex problems, such as emission-free cement and steel; CO2 capture; power generation; new ways of power generation without emissions such as nuclear fusion; we have to continue developing more of these technologies.

In order for these technologies to grow, and above all so they can be escalated, **we need a legislative, regulatory and supervisory framework that offers adequate incentives**, like what is already underway in countries like the U.S. **Europe cannot fall behind and must establish mechanisms and adequate incentives to foster investments for decarbonization**.

BBVA is already investing in cutting-edge technologies through venture capital funds like Hy24 and Lowercarbon, which allows us to achieve **our fundamental purpose** of advising and financing our clients in their transition toward a more sustainable and inclusive future.