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Green Credit, Investment Behavior and High-quality Development of Enterprises

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Abstract

This paper explores the relationship between green credit, investment behavior and high-quality development of enterprises. With the advancement of global sustainable development goals, green finance has received widespread attention as an important tool to achieve coordinated development of economy and environment. Green credit, by providing financing support for environmental protection industries and energy conservation and emission reduction projects, is becoming a key force in promoting sustainable development of enterprises. This study first defines the concept of green credit and its development status, analyzes the impact of green credit on corporate investment behavior, and reveals how green credit can promote high-quality development of enterprises by encouraging enterprises to make green investments and technological innovations and optimizing resource allocation. Through theoretical analysis and policy research, we find that green credit can effectively guide enterprises to incorporate environmental benefits into investment decisions and choose more environmentally friendly and sustainable projects, which not only contributes to the long-term development of enterprises, but also brings significant environmental and social benefits. At the same time, green credit has played an important role in promoting corporate technological innovation, enhancing market competitiveness, and fulfilling social responsibilities, and has become an important driving force for high-quality development of enterprises. Finally, this paper proposes policy recommendations such as improving the green credit policy system, promoting corporate green investment behavior, and establishing a green financial market, which provides valuable reference for policymakers and corporate managers. The significance of this study is to clarify the role of green credit in enterprise development, provide a theoretical basis and policy recommendations for achieving a win-win situation between the economy and the environment, and trigger further attention and discussion from academia and practitioners on the topic of green credit and high-quality development of enterprises.

Keywords

Green credit, corporate investment, high-quality development, resource optimization.

1. Introduction

1.1. Research background

With the advancement of the global sustainable development agenda, green finance has received widespread attention as an important means to achieve high-quality economic development and environmental protection goals. Green credit, as an important part of green finance, is becoming a key force in promoting the sustainable development of enterprises by providing financing support for environmental protection industries and energy-saving and emission reduction projects. In recent years, the Chinese government has actively promoted the implementation of green financial policies and issued a series of relevant laws and

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regulations and guidelines to guide financial resources to green industries and promote the coordinated development of the economy and the environment. The concept of sustainable development is becoming more and more popular around the world, and governments, enterprises and the public are actively promoting environmental protection and sustainable use of resources .

1.2. Research significance

The importance of green finance is reflected in many aspects. First, green finance helps promote the transformation and upgrading of industrial structure and promote the development of green economy. Through financial instruments such as green credit, funds can flow more to green industries such as new energy and environmental protection technology, promoting technological innovation and industrial upgrading. Secondly, green finance helps to cope with climate change. By supporting low-carbon projects and enterprises, green finance can effectively reduce greenhouse gas emissions and alleviate the risks and challenges brought by climate change. Finally, green finance can also enhance the stability of the financial system. By incorporating environmental risks into the financial risk management system, financial institutions can better identify and respond to potential environmental risks and enhance the risk resistance of the financial system (UEFA.com) . This study aims to explore the impact of green credit on corporate investment behavior, and further analyze how it promotes the high-quality development of enterprises, providing valuable reference for policymakers and corporate managers.

2. Literature Review

2.1. Research on Green Credit

In terms of the micro-enterprise governance effect of green credit, in terms of theoretical model-related research, based on the DSGE model, Wang Yao et al. (2019) took green credit policy as the starting point and proposed a model framework for green financial policy. The study concluded that moderate policies can improve the quality of green credit, optimize the economic structure, and produce a win-win situation for "economy" and "environment". In terms of empirical research, Yang Liuyong et al. (2022) used the implementation of the "Green Credit Guidelines" as a quasi-natural experiment and found that green credit policies can inhibit green innovation in heavily polluting enterprises, and the inhibitory effect of green credit policies on green innovation in heavily polluting enterprises is more significant in small-scale enterprises and non-state-owned enterprises. In terms of the impact of green credit on corporate investment and financing, Wang Yanli et al. (2021) used listed companies as samples and found that green credit policies can improve corporate underinvestment and overinvestment, and commercial credit and debt maturity structure are partial mediators of the impact of green credit policies on corporate investment efficiency. Shu Limin and Liao Jinghua (2022) found that green credit promoted environmental protection investment in heavily polluting enterprises, and this promotion effect was more significant in green finance-developed regions, state-owned enterprises and when the degree of industry competition was low. In terms of green credit and corporate performance, Lai et al. (2022) used data from Chinese new energy listed companies from 2007 to 2018 and found that green credit increased the value of new energy companies by easing financing constraints and strengthening external supervision, and this positive impact lasted for a long time. Based on the environmental governance perspective of green credit, Zhang et al. (2022) further pointed out that green credit policies promoted green innovation in high-polluting enterprises.

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2.2. Research on high-quality corporate investment behavior

In terms of greening corporate investment, Chen Qi (2019) pointed out that corporate green investment has a "U"-shaped relationship with corporate value: when the scale of corporate green investment is small, green investment will reduce corporate value. When green investment reaches a certain "threshold", green investment will increase corporate value. In terms of corporate investment innovation, Bai Junhong and Liu Yuying (2021) pointed out from the perspective of financial marketization that the process of financial marketization helps to ease corporate financing constraints and enhance corporate R&D expenditures, thereby promoting corporate innovation capabilities, and the promotion effect will be affected by the government; Ding et al. (2022) found that the development of financial technology can optimize bank credit for enterprises in the market, which is conducive to the acquisition of corporate R&D funds, thereby promoting corporate technological innovation. In terms of corporate investment scale, Wu Na et al. (2014) believed that most studies on corporate investment assume that corporate investment depends on Tobin's Q value, ignoring the role of financing constraints in corporate investment. Financing constraints are an important factor in determining corporate investment behavior. In terms of corporate investment structure, Zhang Chengsi and Zheng Ning (2020) pointed out that the main motivation for Chinese companies to invest in financial assets is profit pursuit. Li Xiaolin et al. (2021) used the implementation event of "Shanghai-Hong Kong Stock Connect" to study and found that the opening of the capital market can guide enterprises to shift from financial assets to real investment structure.

2.3. Research on green credit, investment behavior and high-quality development of enterprises

In the research on the impact of green credit on the quality of economic development by foreign scholars, Yoshino (2019) believes that green credit responds to the huge demand for funds in the environmental protection industry and is an innovative financing model that uses obvious price differences to guide the flow of capital; Rudra P. Pradhan (2020) believes that green credit policies have had a positive impact on economic growth in some countries: Yang (2021) found that green credit has a positive impact on the three aspects of ecological environment, economic efficiency and economic structure, and comprehensively promotes high-quality economic development.

There are relatively few domestic literatures that link green credit with high-quality economic development. Most of them start from the perspective of green finance as a whole, and very few of them study from the perspective of green credit. From the perspective of green finance as a whole, Lei Hanyun and Wang Xuxia (2020) proposed that green finance can achieve high-quality economic development by promoting environmental governance and reducing environmental pollution; Liu Haihong et al. (2021) compared the development of green economy in inland my country with the Guangdong-Hong Kong-Macao Greater Bay Area and found that there are still some obvious problems in the development of green finance in inland areas, such as incomplete green standards and unclear division of responsibilities among all parties; Zhou Chenying et al. (2022) used principal component analysis to conclude that green finance plays an important role in the quality of economic development.

3. Analysis of Enterprise Investment Behavior

3.1. Basic theories of corporate investment behavior

The investment behavior of an enterprise is a crucial part of its business activities, involving the optimal allocation of resources and strategic choices for long-term development. The theoretical basis of investment behavior mainly includes classical investment theory and behavioral finance theory. Classical investment theory believes that the investment decision of

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an enterprise is mainly based on the comparison of costs and benefits, that is, the enterprise will choose those investment projects that can bring the maximum net present value . Behavioral finance theory introduces psychological factors and believes that the cognitive bias and emotional factors of corporate decision makers will also affect investment decisions . In actual operations, corporate investment decisions are also affected by the macroeconomic environment, market competition conditions, the company's own financial situation and management risk preferences.

3.2. Impact of green credit on corporate investment behavior

As a financial tool specifically supporting environmental protection and sustainable development, the incentive mechanism of green credit has a significant impact on corporate investment behavior. Green credit encourages companies to invest in energy conservation, emission reduction and environmental protection projects by providing low-interest loans, extending repayment periods, and reducing financing costs. In addition, the government and financial institutions further encourage companies to make green investments through policy support and financial subsidies. These measures not only reduce the financing costs of companies, but also increase the attractiveness of green projects, making companies more inclined to choose investment projects with environmental benefits. Studies have shown that the implementation of green credit policies can significantly improve the environmental performance and sustainable development capabilities of companies.

3.3. Enterprises' investment strategies in the context of green credit

In the context of green credit, enterprises need to develop scientific investment strategies to achieve sustainable development goals. First, enterprises should strengthen investment risk management, identify and avoid potential environmental and market risks through comprehensive evaluation of green projects. Second, when selecting green investment projects, enterprises should comprehensively consider the environmental, economic and social benefits of the projects to ensure the sustainability and comprehensive returns of the projects. Specifically, enterprises can establish a professional green investment evaluation system, formulate detailed investment plans and risk management measures, and ensure that each green investment can bring the expected environmental and economic benefits. By optimizing the investment portfolio and improving technological innovation capabilities, enterprises can achieve high-quality development and enhance market competitiveness with the support of green credit.

4. The Relationship Between Green Credit and High-quality Development of Enterprises

4.1. The connotation of high-quality development of enterprises

The definition of high-quality development of enterprises is not limited to the speed and scale of economic growth, but also emphasizes the quality and benefits of growth, including comprehensive performance in many aspects such as innovation capability, resource utilization efficiency, environmental protection level and social contribution. The evaluation indicators of high-quality development usually cover multiple dimensions, such as economic benefit indicators (such as profit margin, market share), innovation indicators (such as R&D investment, number of patents), environmental indicators (such as energy consumption, carbon emissions) and social responsibility indicators (such as employee benefits, social contribution). These indicators together reflect the comprehensive performance achieved by enterprises in the process of high-quality development.

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4.2. Mechanisms of green credit promoting high-quality development of enterprises

Green credit has become an important mechanism to promote high-quality development of enterprises by optimizing enterprise resource allocation and promoting technological innovation. First, green credit can effectively guide enterprises to invest funds in efficient and environmentally friendly projects, improve resource utilization efficiency, and reduce environmental pollution. This resource allocation optimization not only improves the operating efficiency of enterprises, but also enhances their market competitiveness. Secondly, green credit encourages enterprises to carry out technological innovation, especially the research and development and application of environmental protection technology and clean energy technology. These innovations can not only bring new growth points to enterprises, but also significantly reduce resource consumption and pollution emissions in the production process, helping enterprises achieve green transformation and sustainable development.

4.3. Impact of green credit on corporate sustainable development

The impact of green credit on corporate sustainable development is mainly reflected in two aspects: environmental protection and social responsibility fulfillment. Green credit encourages enterprises to implement environmental protection projects by providing preferential financing conditions, reduce the emission of waste gas, wastewater and solid waste, and promote the improvement of the ecological environment. This role in promoting environmental protection not only improves the environmental performance of enterprises, but also enhances their social image and public recognition. In addition, green credit also encourages enterprises to better fulfill their social responsibilities, and enhances their social contribution and sense of responsibility by supporting public welfare projects, improving employee welfare, and promoting community development. This comprehensive sustainable development strategy not only helps the long-term development of enterprises, but also makes positive contributions to the overall sustainable development of society.

5. Policy Recommendations and Practical Paths

5.1. Improving the green credit policy system

Improving the green credit policy system is an important guarantee for promoting the effective implementation of green credit. The government plays a key role in the green credit policy system and needs to ensure the smooth promotion and implementation of green credit by formulating and implementing a series of policy measures. First, the government should issue clear green credit guidelines and policy frameworks to provide clear operational guidance for financial institutions and enterprises. Secondly, a green credit incentive mechanism should be established, such as tax incentives, financial subsidies and risk compensation, to reduce the cost and risk of financial institutions and enterprises participating in green credit. In addition, the government should strengthen the supervision and evaluation of green credit to ensure that the use of funds meets the requirements of green development, and regularly publish green credit implementation effect evaluation reports to improve the transparency and credibility of the policy.

5.2. Promoting green investment behavior of enterprises

Promoting corporate green investment behavior is a key link in achieving the policy objectives of green credit. In order to encourage companies to actively participate in green investment, the government and financial institutions should take a series of measures. First, green project evaluation standards should be established and improved to ensure that green credit funds flow to projects that truly have environmental benefits. Second, green investment training and

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guidance for companies should be strengthened to help companies understand the policy advantages and operational procedures of green credit and improve their green investment capabilities and enthusiasm. In addition, the government and financial institutions can also promote experience sharing and cooperation among companies and create a good green investment atmosphere by holding green finance forums and exchange activities.

5.3. Establishing a green financial market

Establishing a green financial market is an important way to promote the sustainable development of green credit and green investment. The development of the green financial market requires the joint effect of policy support, market innovation and regulatory guarantee. First, the government should introduce policies to support the development of the green financial market, such as incentives for financial products such as green bonds, green funds and green insurance, to promote the innovation and diversification of green financial products. Secondly, the regulatory system of the green financial market should be established and improved to ensure the transparency and risk controllability of green financial products and maintain the healthy development of the market. In addition, the information disclosure and communication platform construction of the green financial market should be strengthened to improve the information transparency and communication efficiency of market participants and promote the healthy development of the green financial market.

6. Conclusion

6.1. Summary of main research findings

This study explores the impact of green credit on corporate investment behavior and high-quality development through theoretical analysis and policy research. First, green credit has a significant positive impact on corporate investment behavior. Green credit encourages companies to invest more funds in environmental protection and energy-saving projects by providing preferential financing conditions, such as low interest rates, long terms, and risk compensation. This not only changes the traditional investment decision-making model of enterprises, promotes enterprises to consider environmental benefits and sustainable development more when selecting projects, but also improves the resource utilization efficiency of enterprises and reduces operating costs. Secondly, green credit plays a key role in promoting the high-quality development of enterprises. By promoting technological innovation and optimizing resource allocation, green credit helps enterprises improve their market competitiveness and environmental performance, while enhancing their sense of social responsibility and promoting the comprehensive development of enterprises in the social and environmental fields.

6.2. Limitations of the study and future research directions

Although this study reveals the important role of green credit in corporate investment behavior and high-quality development, there are still some limitations. First, since this study is mainly based on theoretical analysis and policy research, it lacks empirical data support, which may affect the universality and reliability of the research conclusions. Secondly, this study failed to deeply explore the differential performance of different types of enterprises under the background of green credit. Future research can further refine the implementation effects of green credit in different enterprise sizes, industries and regions. Future research directions may include empirical research to verify and improve the conclusions of this study by collecting and analyzing the actual investment and development data of enterprises under the green credit policy . In addition, the application and effect comparison of green credit in different international economies can be explored to provide a more comprehensive reference for the formulation of global green finance policies. Further research can also focus on the synergy between green credit and other green financial instruments, as well as best practices in different economic environments and policy backgrounds, to promote the in-depth integration of green finance and high-quality development of enterprises.

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