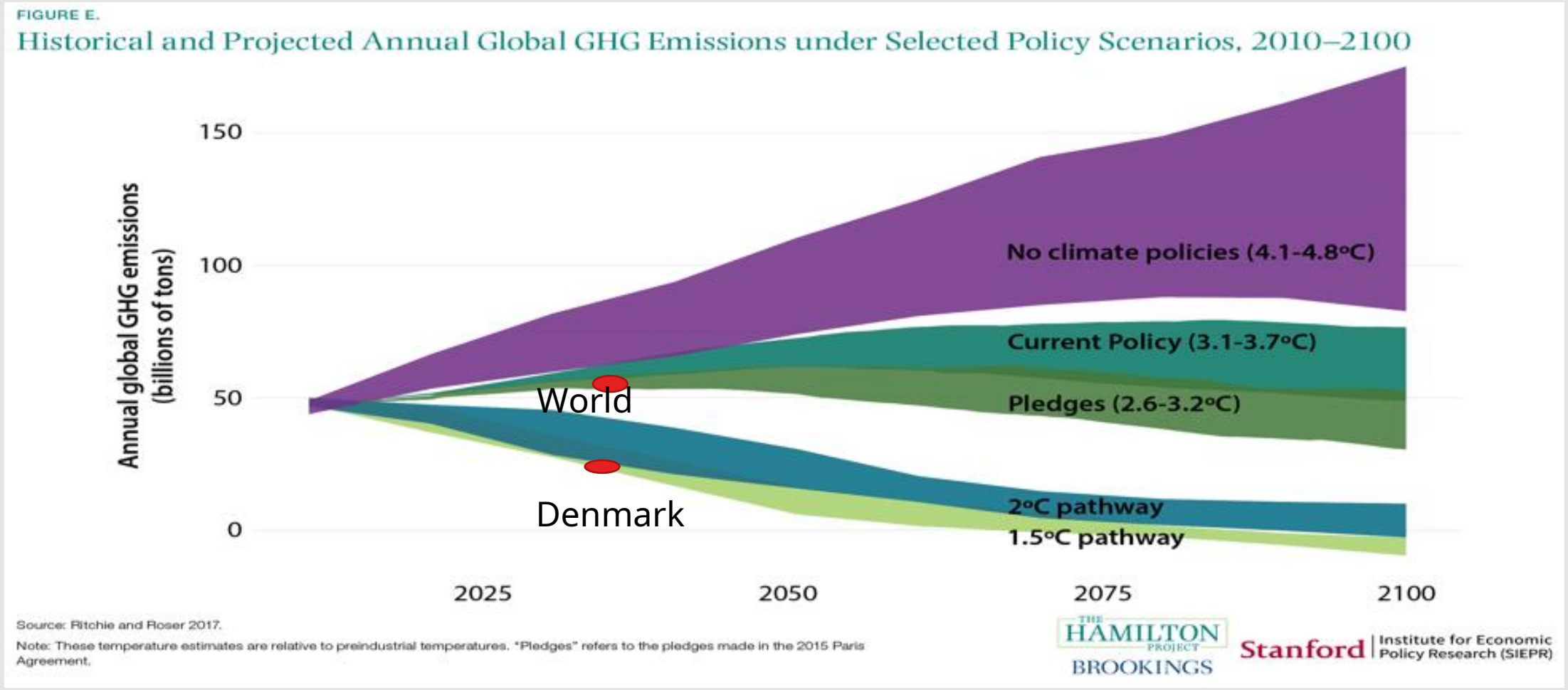
CLIMATE DIPLOMACY
-
THE DANISH CASE

DANISH CLIMATE AMBASSADOR

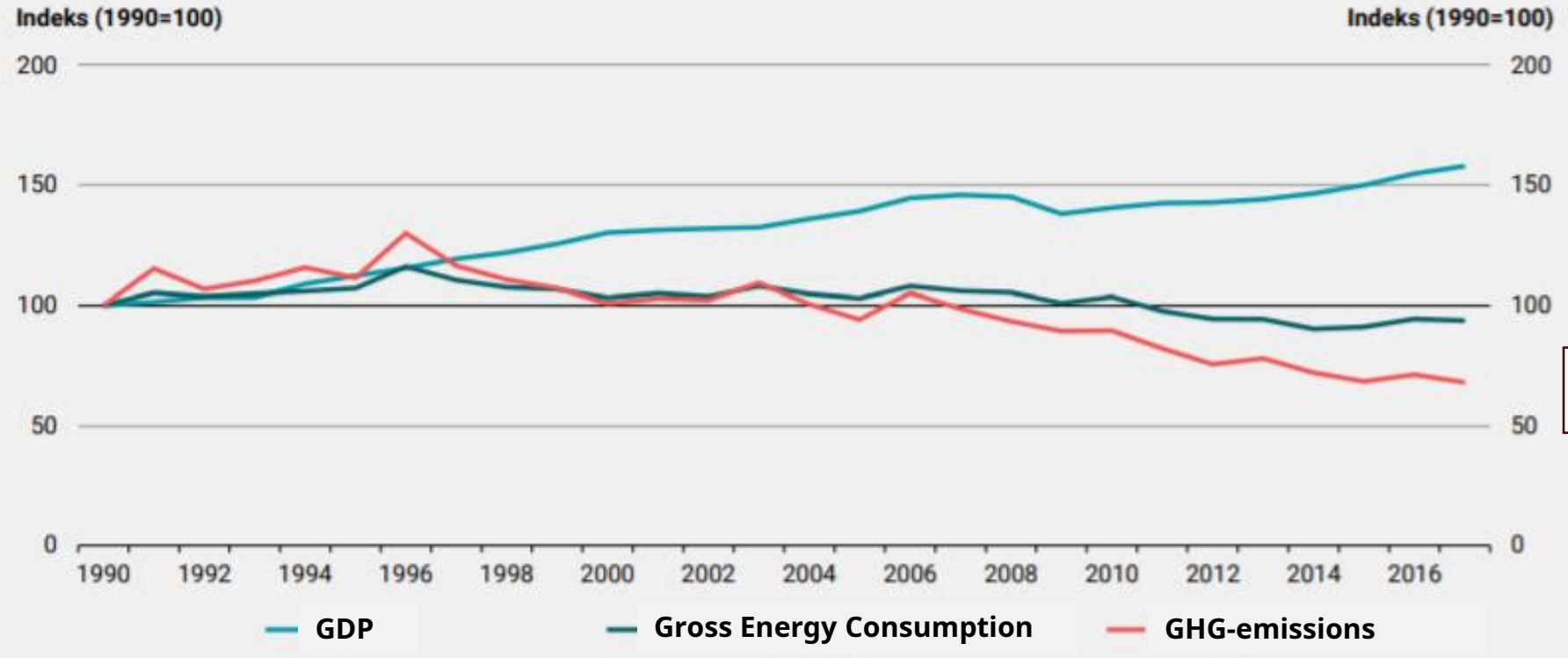
TOMAS ANKER CHRISTENSEN

PATH TO ACHIEVING THE PARIS OBJECTIVE OF 1.5 C IN 2050 – CO2E EMISSIONS REDUCTIONS OF 6-8% ANNUALLY UNTIL 2030



Denmark's example of economic growth and emission reductions

Economic growth, stable energy consumption and emission reductions last 30 years



Anm.: Udledningen af drivhusgasser følger UNFCCC-opgørelsen, ekskl. arealanvendelse og skovbrug (LULUCF).

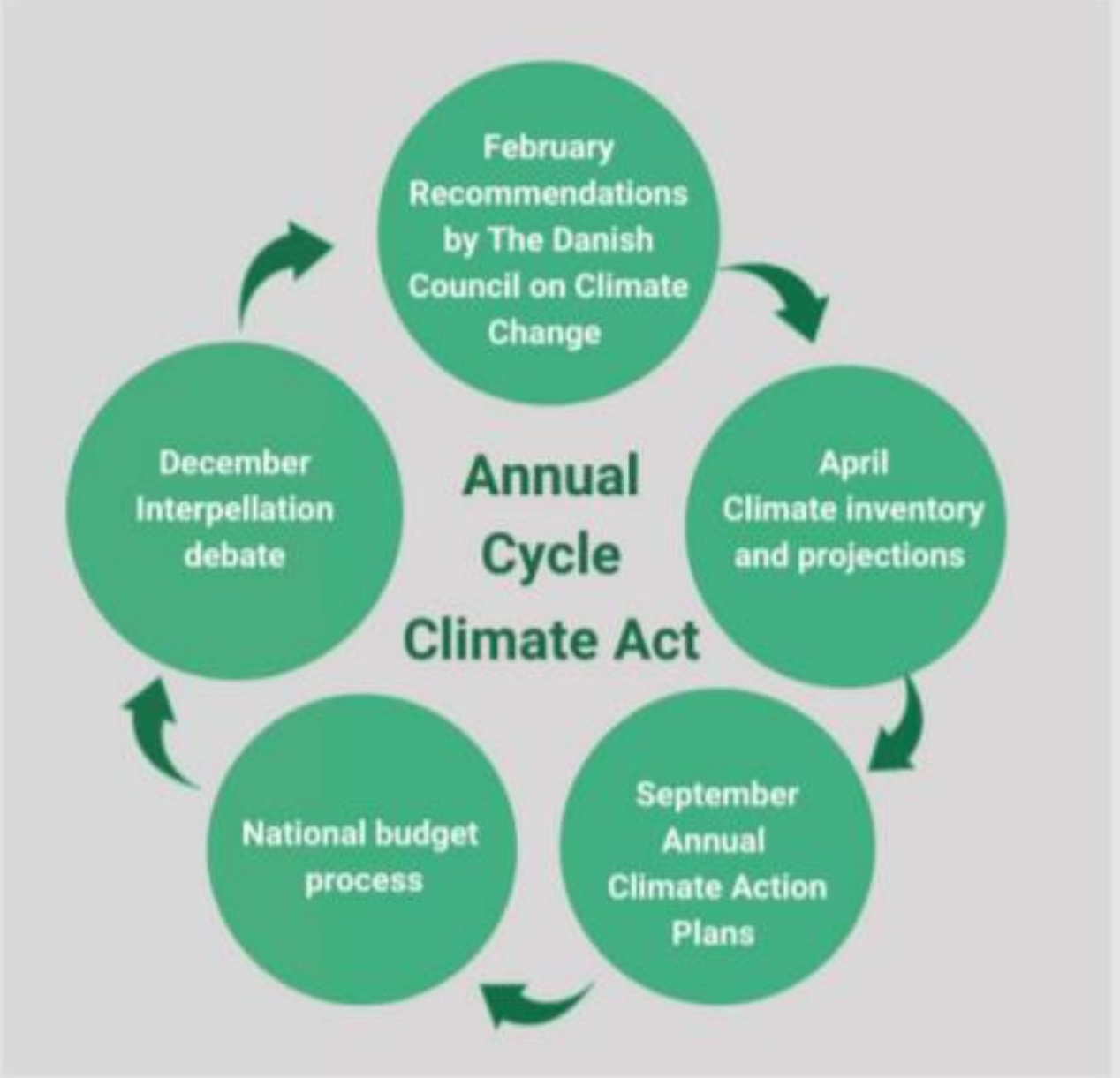
Kilde: Danmarks Statistik og egne beregninger.

+60 pct. GDP

-40 pct. emissions

NEW DANISH GOVERNMENT 2019 WITH HIGH CLIMATE AMBITIONS

- **JUNE 2019:** NEW AMBITIOUS CLIMATE AGENDA: 70% TARGET BY 2030
- **DECEMBER 2019:** BROAD POLITICAL AGREEMENT ON A NEW CLIMATE ACT
- CLIMATE LAW ADOPTED **JUNE 2020** 5-6 IMPLEMENTATION TRACKS


Annual Cycle Climate Act
February Recommendations by The Danish Council on Climate Change
April Climate inventory and projections
September Annual Climate Action Plans
National budget process
December Interpellation debate

DENMARK'S NEW GOVERNMENTS 2030 VISION

- 70% reduction in CO2 emissions by 2030 mandated by law 50% by 2025.Climate neutrality at the latest in 2050.

Six implementation tracks/action plans:

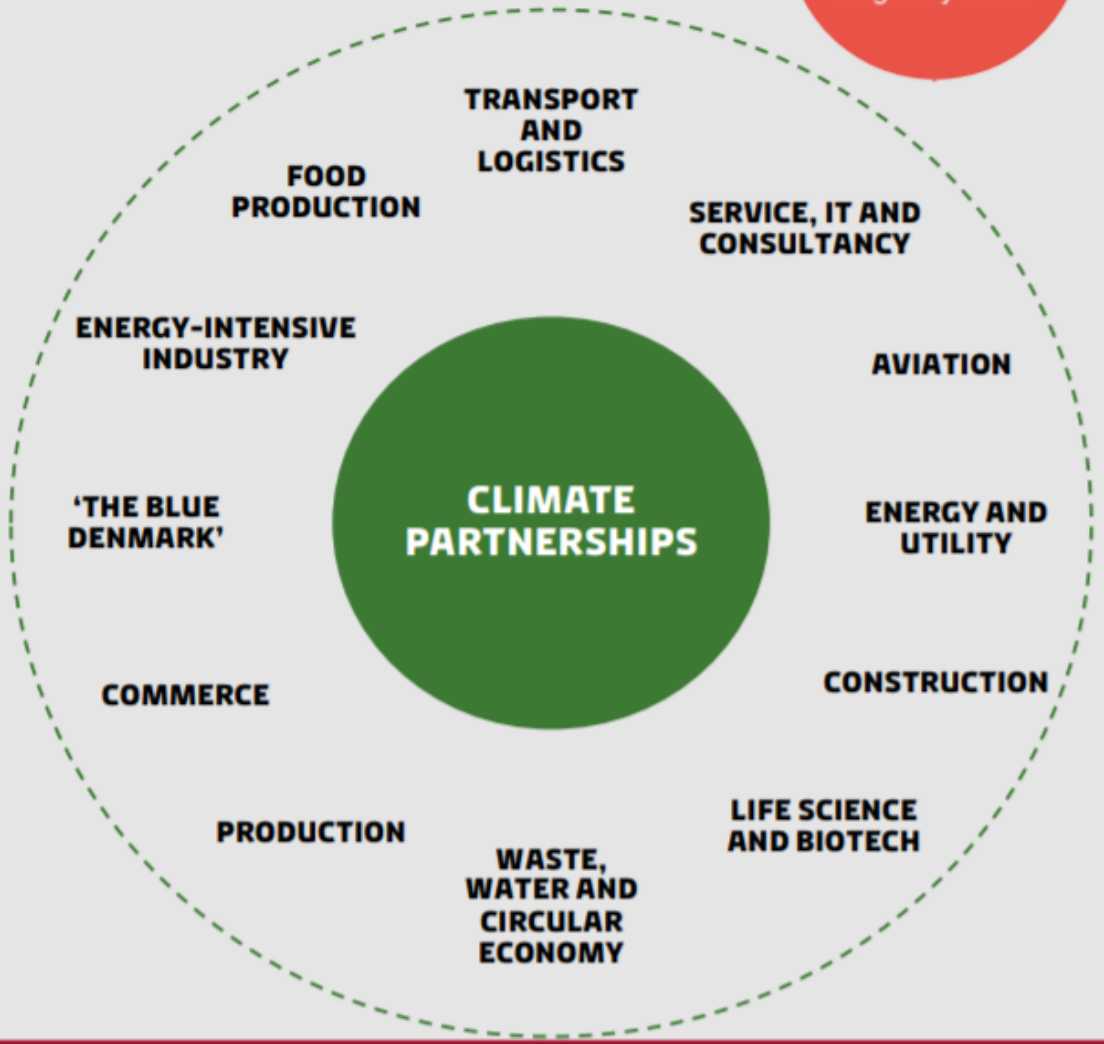
  - Buildings (May 2020)
  - Energy and industry - 100% RE by 2028 and PtX (June 2020)
  - Waste management and Circular Economy (June 2020)
  - Road transport (December 2020)
  - Agriculture (2021)
  - Taxation (2020/2022)

- Global Climate Action Strategy
- 13 climate partnerships w private sector incl. institutional investors

CLIMATE PARTNERSHIPS – FROM AMBITIONS TO ACTION

70%
emission reduction target by 2030

- Danish government based on **green ambitions** of making Denmark a green powerhouse again
- Established in November 2019 by **the Danish government** as a part of **climate action plan** with 70 % emission reduction target
- **13 climate partnerships across all sectors and industries** – most ambitious broad-based cooperation so far



GREEN AREAS OF BUSINESS EXCELLENCE

- **WIND POWER** Denmark is the global wind power hub and major global wind turbine manufacturers have established R&D and innovations centres here. The interaction with all parts of the value chain and user-driven innovation makes the cluster second to none globally

- **DATA CENTRES** Apple and Facebook are placing some of the world's largest data centres in Denmark due to power grid uptime, excellent sites, low latency and electricity prices and 100 % electricity available from green sources

- **BIOENERGY** The bioenergy industry is the biggest contributor to Denmark's green energy transition – offering lucrative opportunities for international companies that are looking to invest

- **POWER TO X** Denmark has all the prerequisites for scaling up a power to x value chain, including affordable and reliable green power, and strong policy support for PtX

- **CARBON CAPTURE, UTILISATION, AND STORAGE (CCUS)** Clear policy goals, public funding, geological mapping, and research infrastructure in place

A Green and Sustainable World - Denmark's Global Climate Action Strategy

Denmark will work to:

Increase global climate ambition

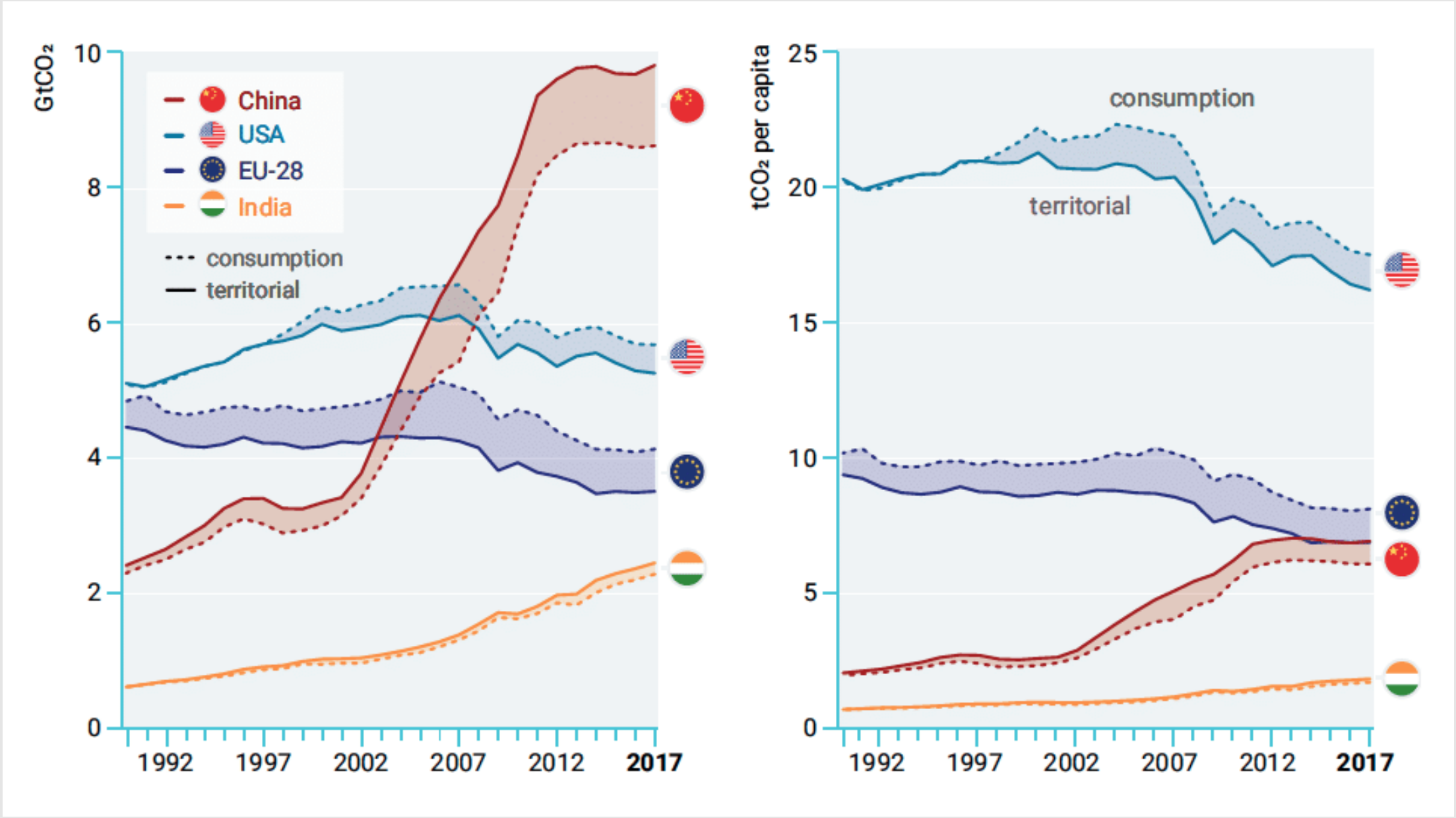
Reduce global greenhouse gas emissions

Strengthen focus on climate adaption and sustainable development

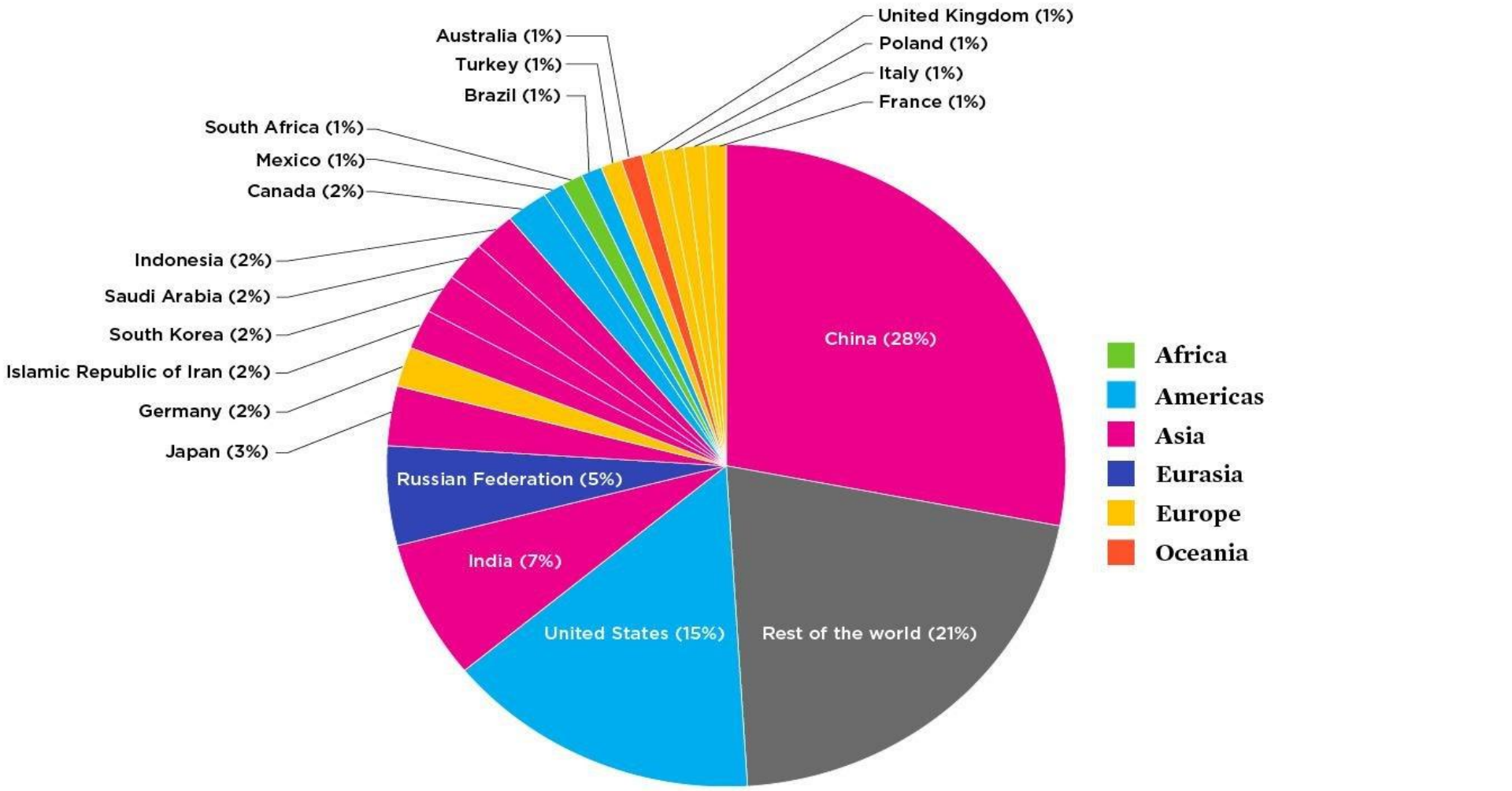
Shift financial flows and investments from black to green

Collaborate with the private sector on green solutions

THE GEOPOLITICS OF THE CLIMATE CHALLENGE

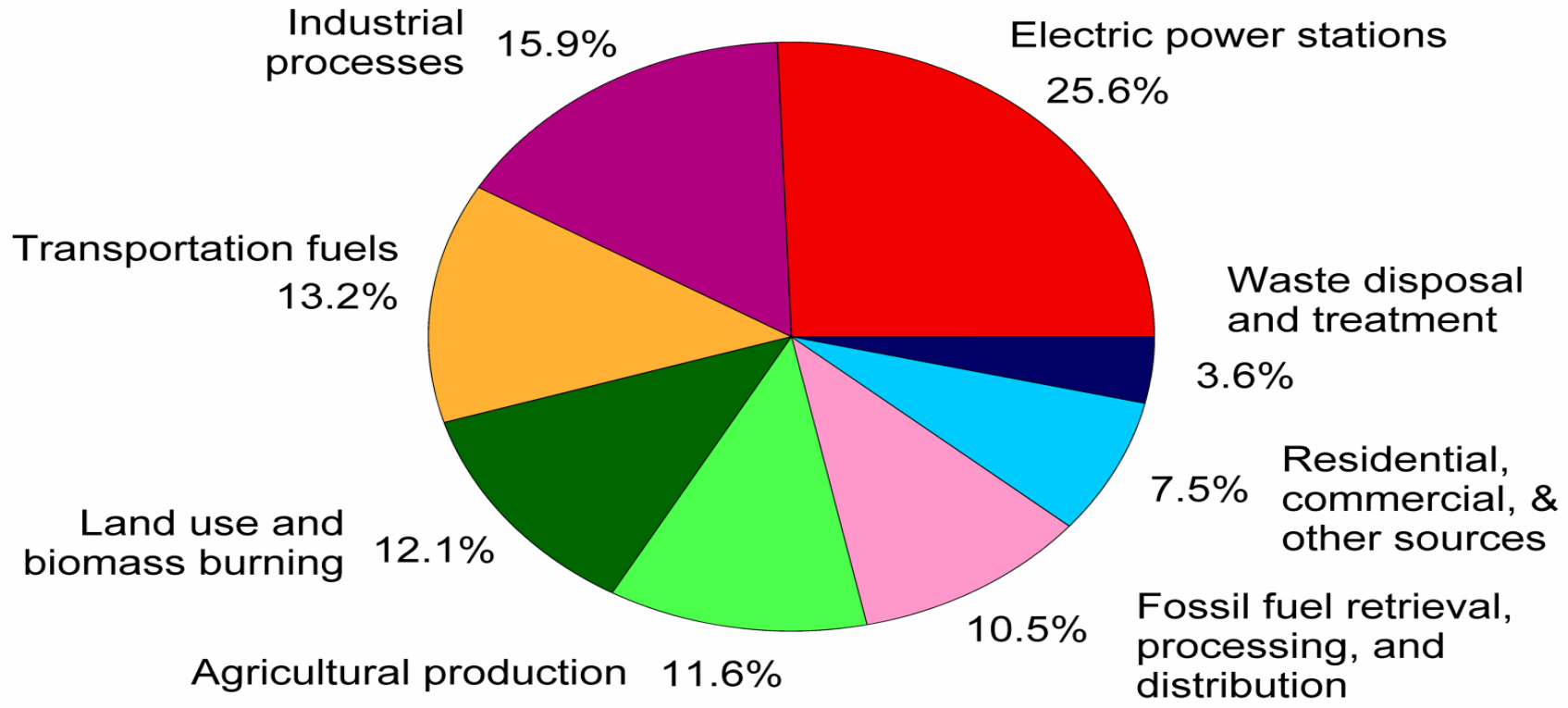


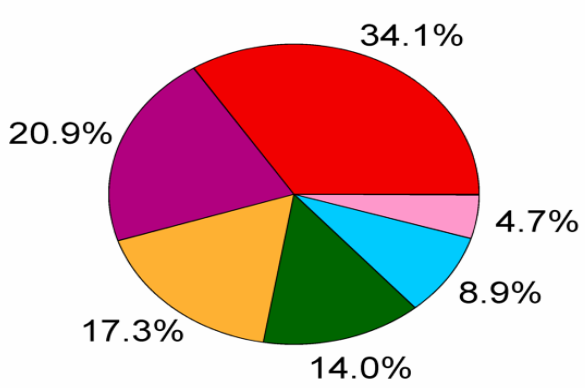
DISTRIBUTION OF GLOBAL CO2 EMISSIONS



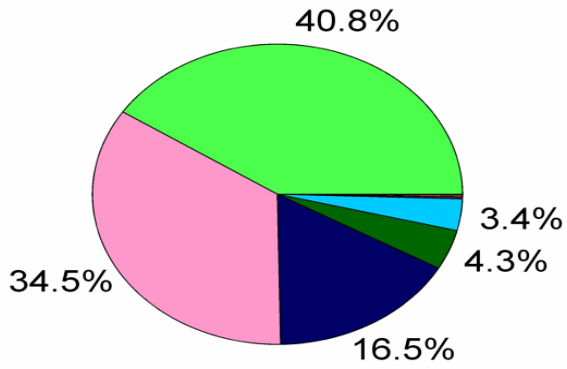
Data: Earth Systems Science Data 11, 1783–1838, 2019

Annual Greenhouse Gas Emissions by Sector

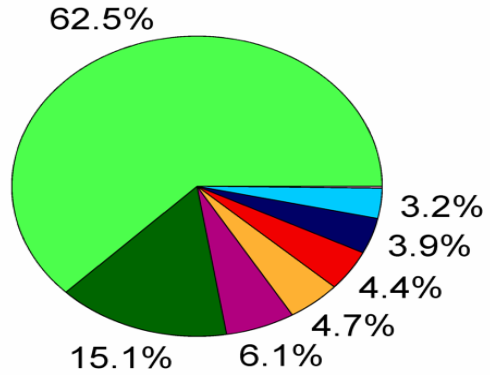




Carbon Dioxide
(72% of total)

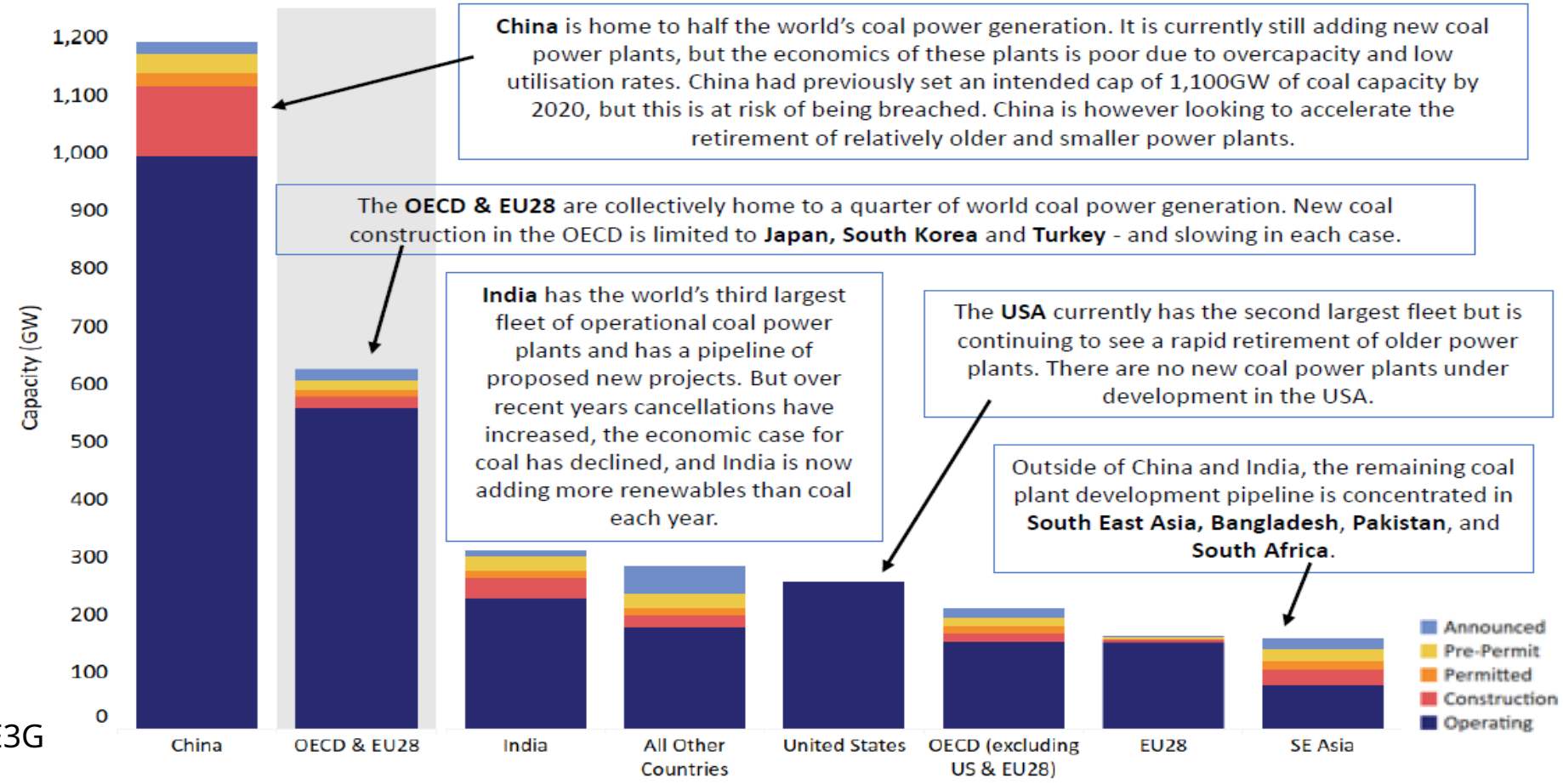


Methane
(20% of total)



Nitrous Oxide
(5% of total)

Overview of global coal capacity



China is home to half the world's coal power generation. It is currently still adding new coal power plants, but the economics of these plants is poor due to overcapacity and low utilisation rates. China had previously set an intended cap of 1,100GW of coal capacity by 2020, but this is at risk of being breached. China is however looking to accelerate the retirement of relatively older and smaller power plants.

The **OECD & EU28** are collectively home to a quarter of world coal power generation. New coal construction in the OECD is limited to **Japan, South Korea** and **Turkey** - and slowing in each case.

India has the world's third largest fleet of operational coal power plants and has a pipeline of proposed new projects. But over recent years cancellations have increased, the economic case for coal has declined, and India is now adding more renewables than coal each year.

The **USA** currently has the second largest fleet but is continuing to see a rapid retirement of older power plants. There are no new coal power plants under development in the USA.

Outside of China and India, the remaining coal plant development pipeline is concentrated in **South East Asia, Bangladesh**, **Pakistan**, and **South Africa**.

Kilde: E3G

Illustrative final energy mix in a zero-carbon economy by sector

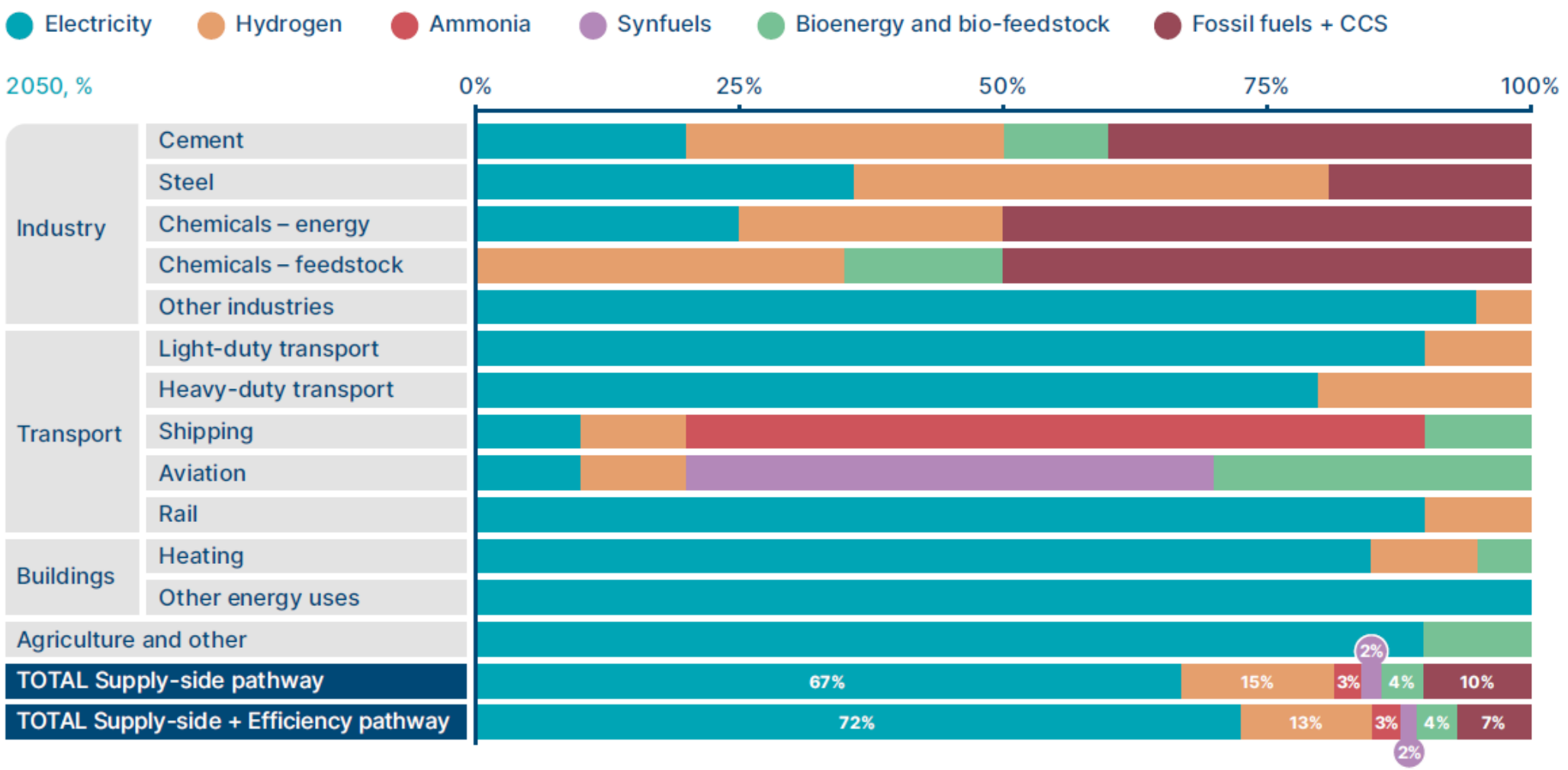


Exhibit 1.18

NOTE: Steel energy mix represents the supply-side pathway only. For chemical feedstock, inputs are not used as energy but in order to provide the molecules required to build the chemicals. In our model, for comparison we express it in EJ equivalent.

SOURCE: SYSTEMIQ analysis for the Energy Transitions Commission (2020)

THANK YOU FOR YOUR ATTENTION