

By Flemming Stender, Ambassador of Denmark to Latvia

Speeding up Europe's green transition

For the next few months, the street in front of my house in Copenhagen is going to be a big mess as the city's utility company is going to lay the tubes for the installation of district heating in the neighbourhood. I am looking very much forward to say goodbye to my existing gas boiler eliminating completely gas as a heating resource in my house. And I am going to be even happier, when I receive my heating bills in the future as district heating is generally considered to be a lot cheaper than heating based on traditional fossil fuels.

In Denmark, two-thirds of all households are heated by district heating, and two-thirds of district heating is based in green energy resources such as sun, wind, biomass, biogas or geothermal energy. By 2025, all district heating in Denmark will be green. By eliminating my gas boiler, I am going to save money *and* help the climate at the same time. A win-win situation!

To reduce the use of fossil fuels, including natural gas, in the energy sector is a crucial step towards reaching a climate-neutral EU. With Russia's unprovoked, unjustifiable and brutal war in Ukraine, it has however become even more acute to eliminate as quickly as possible dependence on Russian black energy including gas. The best way to do it is to speed up the green transition in Europe with more renewable energy, more green solutions, and increased energy efficiency.

Last month, the EU Heads of states and governments agreed to phase out Russian gas as quickly as possible. The European Commission estimates that the demand for Russian gas can be reduced by two-thirds in the EU before the end of 2022 and that Europe can be fully independent of Russian fossil fuels well before 2030. Next month, the European Commission is going to put forward a concrete plan.

In Denmark, the government already last week put forward its proposals to speed up the green transition and free Denmark from Russian fossil fuels as fast as possible. The proposal includes plans to quadruple onshore wind and solar generation by 2030 as well as to utilize the enormous potential for wind energy in the North Sea by constructing more energy islands and adding more offshore wind. Already today, Denmark produces more wind energy per capita than any other country in the world. The plans also include initiatives to phase-out natural gas entirely by 2030 by increasing the rollout of district heating or making households that are currently using fossil heating switch to another heat source, mostly electric heat pumps. Furthermore, the plans foresee that Denmark will scale up and bring forward the production of renewable gas as well as contribute with natural gas from the North Sea to accelerate European energy independence from Russia. The decision previously taken by the Danish parliament to stop oil and gas exploitation in the North Sea at the latest in 2050 remains unchanged.

In the EU, Denmark will also push for higher targets for renewables and energy efficiency, as these measures are key both in order to address the climate crisis and to make the EU fit for energy independence. In April, Denmark and ten other EU Member States including Latvia

co-signed a statement in which the countries urge the EU to speed up and increase ambitions to address the climate crisis and to ensure clean, reliable and cheap independent EU energy supplies for the future.

Also, the Danish government last week put forward a green tax reform to contribute to the phasing out of gas in the industry. A high and more uniform CO₂ tax will ensure a stable and long-term framework for companies giving them a strong incentives to adapt to less climate-damaging production. A green tax reform is estimated to reduce gas consumption by Danish companies by almost a third and reduce CO₂ emissions significantly by 2030.

The fight against climate change has never been more important. Denmark may be a small country accounting for only a fraction of global CO₂-emissions, but we have big ideas on green solutions and ways to accelerate the green transition in Denmark and Europe. We can contribute to Europe's green transition with more green energy and green technologies, and we like to show the way collaborating across borders on the journey towards a climate-neutral Europe. On 22-25 May, the Danish embassy is organizing a study visit to Denmark for interested Latvian district heating companies and utilities to learn about new technologies, smart solutions and know-how behind the efficient Danish district heating system.

In the current times of high geopolitical instability, it is time to speed up the green transition in Europe. Governments, cities, companies, and citizens all have to do their part. I am pleased to make my small contribution, soon getting rid of natural gas in my house.