

The Road Towards a Carbon-Free Society

A Nordic-German Trade Union Cooperation on Just Transition

DENMARK
FINLAND
GERMANY
ICELAND
NORWAY
SWEDEN



This publication is part of a joint project entitled **“The Road Towards a Carbon Free Society - A Nordic-German Trade Union Cooperation on Just Transition”**. The project is a collaboration between the Council of Nordic Trade Unions (NFS), the Friedrich-Ebert-Stiftung (FES) and the German Trade Union Confederation (DGB). Represented by the Council of Nordic Trade Unions (NFS) in the project are 13 national Trade Union Confederations within NFS, from five Nordic Countries: Denmark (FH, Akademikerne), Finland (SAK, STTK), Iceland (ASÍ, BSRB, BHM), Norway (LO-N, Unio, YS) and Sweden (LO-S, TCO, Saco).

A Just Transition towards a carbon neutral future is the most urgent environmental, social and economic issue of our times. This project aims to develop strategies and requirements from a trade union perspective on how to manage the process to a carbon free society. The participating labour organisations are united in their vision that this goal can only be reached, if the social costs of this transition process are socially mitigated. This means harmonising efforts to combat climate change with the aim of ensuring decent working and living conditions. To this end the participating labour organisations have not only analysed their respective countries transition path towards a fossil free future but have also formulated joint policy recommendations for the national and European arenas. The ensuing discussions and debate have strengthened the cooperation and dialogue between the Nordic and the German trade union movements on common challenges and solutions.

A total of six country reports on the Just Transition path of the participating countries (Denmark, Finland, Germany, Iceland, Norway, and Sweden) have been formulated. Each contains an analysis of the climate policies, economic and societal consequences, an evaluation of the respective national instruments and offers European perspectives. The main findings of the country reports are brought together in a synthesis. It features policy recommendations that aim to help guide the transition to a decarbonized society and an economy that is just and sustainable. The reports and their results are presented and discussed in a series of events nationally as well as in terms of Nordic and European cooperation and at the international level.

This is the Danish country report and a collaboration between the Danish Trade Union Confederation (Fagbevægelsens Hovedorganisation, FH) and the Danish Confederation of Professional Associations (Akademikerne).

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01 CURRENT STATE OF PLAY

Table 1: Overview

	Denmark	EU-28/OECD
Population 2019 (EU-28 and Norway + Iceland)	5,800,000	519,160,000
Real GDP aggregates per capita, 2019	€ 49,190	€ 28,630
GHG emissions CO ₂ e per capita (excl. LULUCF), 2017	8.6 t	8.5 t
GHG emissions CO ₂ e (excl. LULUCF), 2017	49 mt	4,323 mt
Difference (excl. LULUCF) from 1990 to 2017	-30%	-23%
Net GHG CO ₂ e emissions/removals from LULUCF, 2017	3 mt	-258 mt
Share of renewable energy in gr. final energy consumpt. 2018	36%	18%
Workforce, "active population", (aged 20-64), 2019	2,766,000	238,515,000
Collective bargaining coverage, 2016	82%	32%
Union density, 2018	67%	N/A

(Data source: Eurostat 2019a, Eurostat 2019b, UNFCCC 2017, Eurostat 2018, Eurostat 2019c, OECD 2016, OECD 2018)



1.1 **THE IMPACT** **OF CLIMATE** **CHANGE ON** **DENMARK**

According to the Danish Ministry of Environment and Food, climate change will affect Danish natural habitats and the species composition of plants and animals (Ministry of the Environment and Food of Denmark). For example, rising water levels and more precipitation could cause flooding and other impacts in coastal habitats. More frequent heavy rain and rising sea and groundwater levels will cause flooding of houses and roads, leading to damaged property and higher costs. Recent years have seen examples of flooding in Copenhagen and inlets, as well as spells of drought that have negatively affected agricultural production and businesses in this sector. While these events cannot be attributed to climate change, some have cast them as indications of how climate change may affect Denmark in the future.

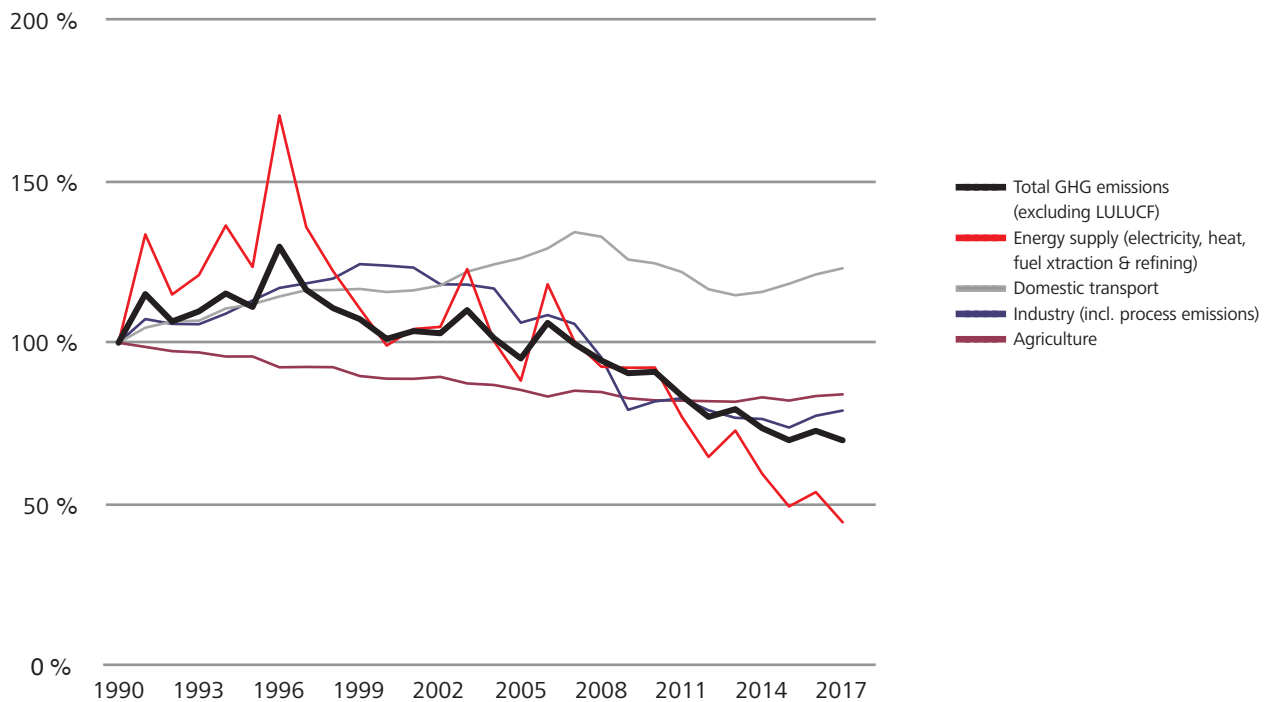
In addition to direct effects in Danish territory, climate change may negatively affect Denmark and the Danish economy through its impacts in other countries. For instance, Denmark is a small open economy, and to the extent that climate change will reduce global growth, Danish exports and economic activity could be negatively affected.

Climate change will also have severe impacts in Greenland. These should in no way be underestimated or ignored but are not covered here.

Major sectors

As shown below, major sectors in terms of greenhouse gas emissions include agriculture, transport and energy. Sector-specific climate change plans have not been made for agriculture and transport in the past but may be included in the wider climate change plan to meet Denmark's 2030 target (more on this below). The absence of sector-specific plans does not imply, however, that no mitigation efforts have been undertaken in these sectors. Efforts have been made, but they have been gradual and often driven by EU legislation or regulation focused on other issues. For instance, regulations that aim to reduce water pollution have contributed significantly to reducing emissions from agriculture (Aarhus Universitet 2016). Agricultural production has increased in past decades while emissions have remained more or less constant, implying an increase in climate efficiency, according to Aarhus University (Aarhus Universitet 2016).

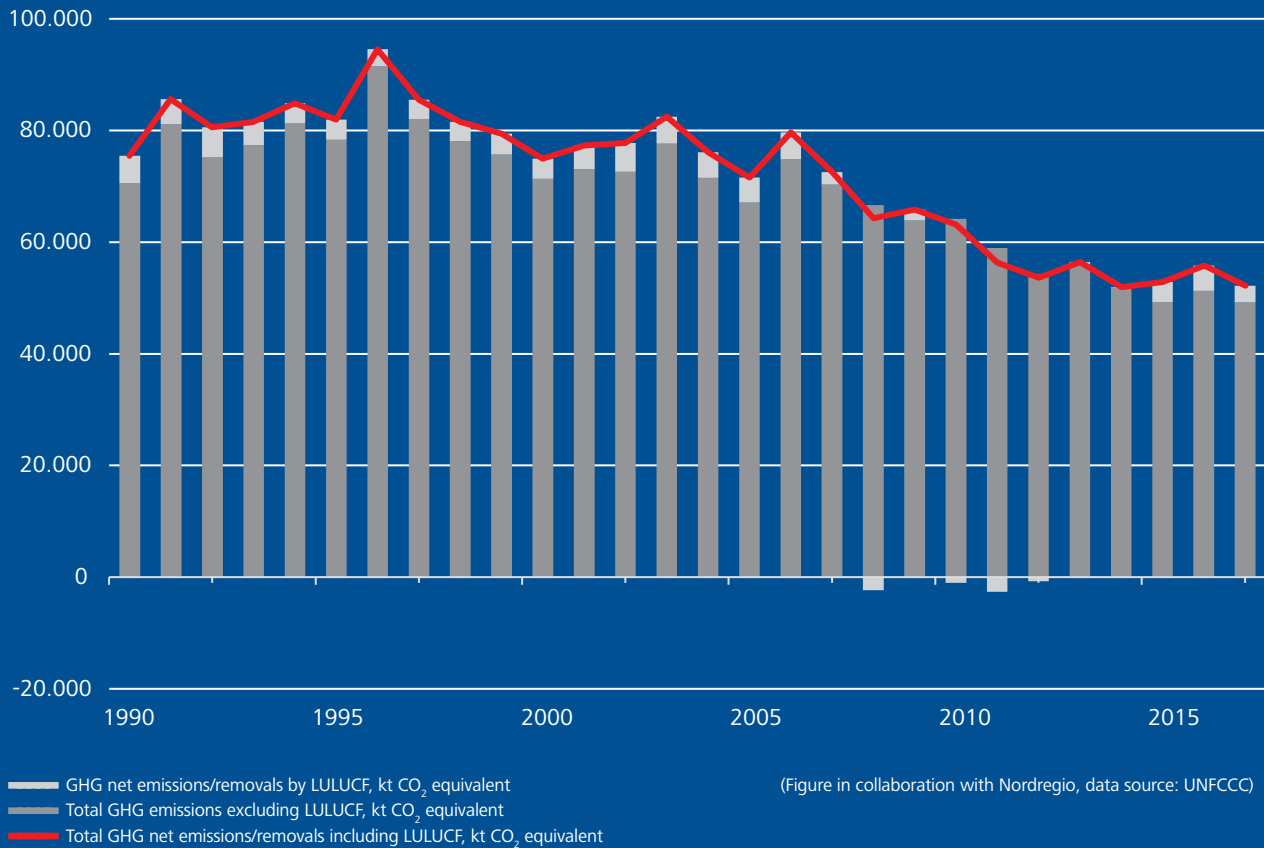
Figure 1: Denmark's domestic greenhouse gas (GHG) emissions, indexed to 1990



(Figure in collaboration with Nordregio, data source: UNFCCC)

Denmark's climate target: A 70 per cent reduction in GHG emissions by 2030 compared to 1990 levels.

Figure 2: Denmark's total domestic GHG emissions including and excluding LULUCF in kt CO₂e



The energy sector is, arguably, the sector that has seen the greatest transformation over the past few decades. Denmark has a long tradition of active energy policy, initiated as a reaction to the first oil crisis in 1973 and later also pushed as a response to climate change. Over the years, a broad consensus in the Danish parliament has provided a basis for a transition of Denmark's energy system towards reduced energy consumption, combined heat and power production, increased decentralised energy production and increased utilisation of renewable energy sources, in particular wind and biomass.

Research and development of new technologies and systems have been critical elements in establishing a Danish energy sector with a high share of renewable energy. The foundation of the low-carbon transition is built on three pillars: energy efficiency, renewable energy and system integration including electrification. The key to understanding Danish energy and climate policy is the rather holistic view of energy planning, with an emphasis on integration of, for

instance, heat and power production, and the work on establishing synergies between taxation schemes and policy support frameworks for renewable energy.

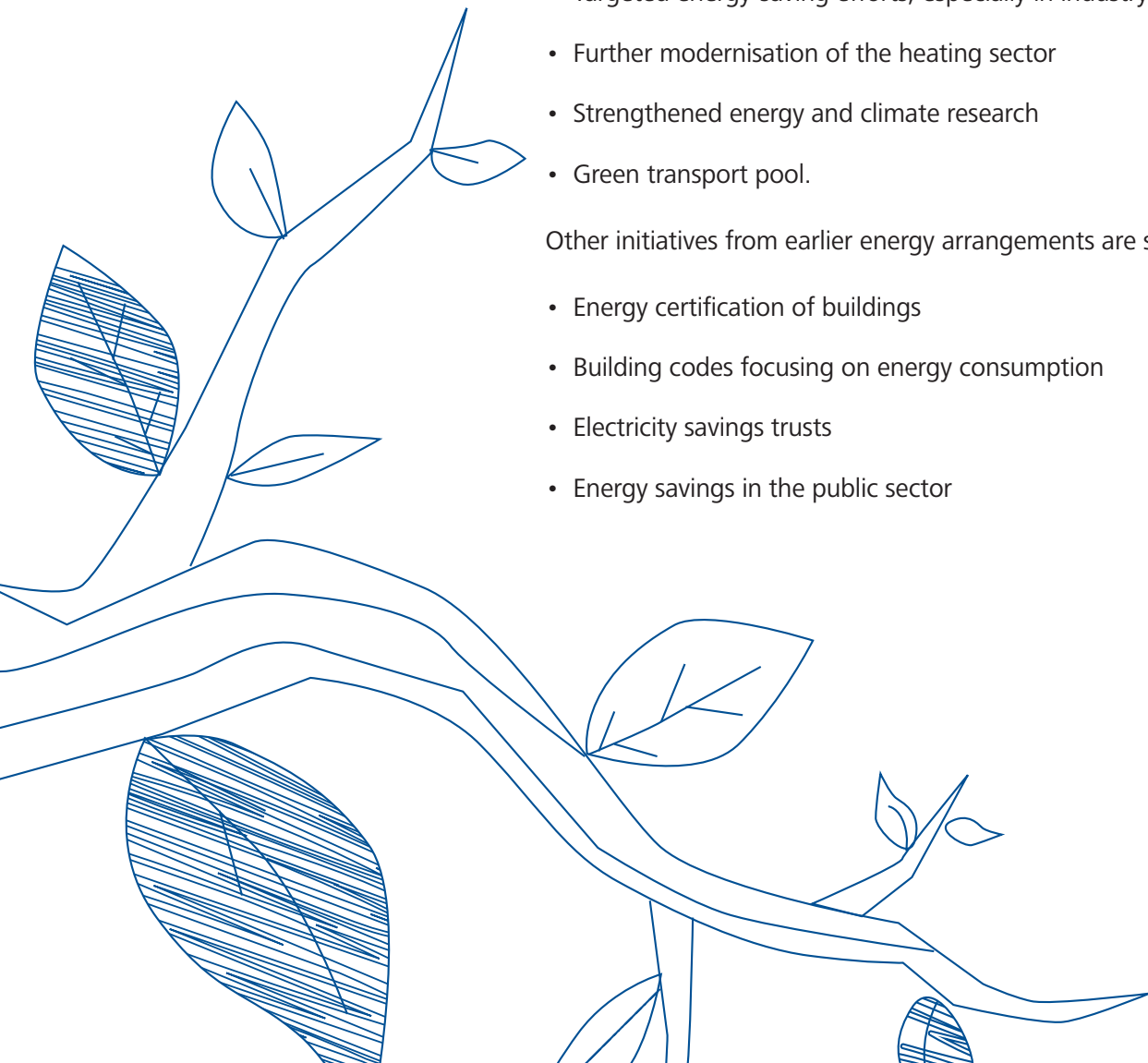
Between 2012 and 2020, the foundation of Danish energy and climate policy was based on a National Energy Agreement. In 2012, the Danish government established the long-term goal of making Denmark self-reliant on renewable energy by 2050, meaning that the entire energy demand – electricity, heating, industry and transportation – is to be met by renewable energy generation by 2050. The Energy Agreement has been the road map for development of energy supply and demand.

A new energy agreement was made in 2018 to follow up and to plan the work leading towards 2030. This agreement contains the following initiatives:

- Off-shore wind expansion meeting the goal of a renewable energy share of approximately 55 per cent by 2030
- Reduction of electricity taxes and conversion of surplus heat
- Targeted energy-saving efforts, especially in industry
- Further modernisation of the heating sector
- Strengthened energy and climate research
- Green transport pool.

Other initiatives from earlier energy arrangements are still running:

- Energy certification of buildings
- Building codes focusing on energy consumption
- Electricity savings trusts
- Energy savings in the public sector



1.2 CLIMATE TARGETS

The Danish Climate Law, action plan and other relevant goals

In June 2020, the Danish parliament laid down new, legally binding climate targets. Under the new law, Denmark must reduce greenhouse gas emissions by 70 per cent by 2030 (compared to the 1990 base level). Furthermore, Denmark aims to become a net-zero emission society by 2050.

The impetus for a climate act came from a citizen petition. Early in 2019, 67,308 Danish citizens signed a petition proposing a new climate law. Since then, both sides of the Danish parliament have expressed the need to revise and tighten the existing 2014 Danish Climate Law. The Climate Law was agreed by a broad political majority in the Danish parliament. In order to reach the climate goals, the Climate Law defines binding sub-targets and binding long-term targets.

The Danish government is required to submit an annual report to the parliament with concrete political initiatives to decarbonise every sector of the economy. Moreover, every five years, the government must outline a legally binding climate strategy with a 10-year outlook.

The Climate Law will be followed by a Climate Action Plan, which will contribute to ensuring that national reduction targets are met. The 2020 Climate Action Plan will include sector strategies and minimum indicators for central sectors such as agriculture, transport, energy, construction and industry.

To fulfill the ambitions of the Climate Act, the Danish Council on Climate Change is to provide the government with recommendations on climate initiatives in the transition to a low-carbon society based on independent analyses. The members of the council come from academia and are appointed by the government.

The Danish Council on Climate Change has assessed whether the Danish targets in the Climate Act are consistent with the Paris Agreement. They point out that the answer depends on how much of the global effort Denmark should take on. It is difficult to argue that Denmark should do less than what a principle of equity demands of it. This principle states that all people have the same limited right to emit greenhouse gases. An analysis by the council based on this principle shows that the Danish 2030 target of 70 per cent reduction in greenhouse gas emissions and a long-term target of net-zero emissions by no later than 2050 is fairly consistent with the international goal of limiting the global temperature increase to 1.5 degrees.

Denmark also has several other goals and obligations that an overall greenhouse gas reduction target should consider. These are:

- 55 per cent renewable energy by 2030
- Phase-out of coal in electricity production by 2030
- 39 per cent reduction of emissions in the non-Emissions Trading System (ETS) sectors, which consists primarily of transport, agriculture and buildings in 2030 (EU obligation)
- 7 per cent renewable energy in the transport sector by 2030 (EU obligation)

Danish emissions

In 1990, CO₂ emissions amounted to 75.7 mt. Over the past 15 years, Denmark has, in general, lowered its CO₂ emissions. Emissions from the agricultural sector have been stagnant, while emissions from transport are rising. This is illustrated by figure 1.

Based on 2019 data from the Danish Energy Agency (Energistyrelsen 2019), to reach a 70 per cent reduction of greenhouse gas emissions by 2030, Denmark must lower its CO₂ emissions to 22.7 mt, as illustrated by figure 2.

1.3 ECONOMY

According to the Climate Partnership for Energy-Intensive Industry (Dansk Industri 2020), the group of the largest CO₂ emitters in industry consists of approximately 630 companies, which together have around 19,000 employees. The three companies with the highest emissions in the group are Aalborg Portland, Equinor and Shell. Overall, energy-intensive industry in Denmark emits 4.8 million tons of CO₂e (2018), where approximately 50 per cent comes from the use of fossil fuels (including own transport), while the remaining approximately 50 per cent comes from process chemical emissions.

An important Danish perspective when it comes to carbon-intensive jobs are the jobs in the oil and gas industry. The number of people employed varies depending on methodology. According to Statistics Denmark around 4,000 people are employed directly in oil and gas extraction, refining and raw material extraction services (see table 1). This may be a low estimate of how many people contribute to the industry. Another analysis, conducted by the oil and gas industry itself, suggests that the number of employees, including indirect employment, is 15,000 (Erhvervsministeriet 2019).

Figure 3: GHG emissions, kt CO₂ equivalent

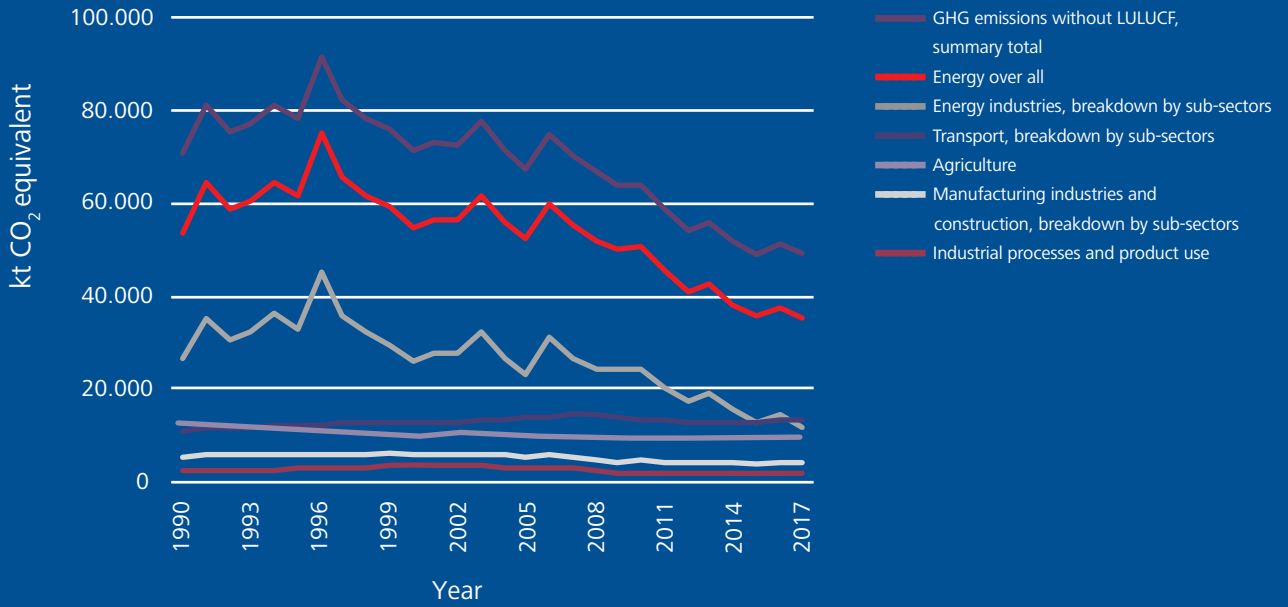


Figure 4: Danish CO₂ emissions

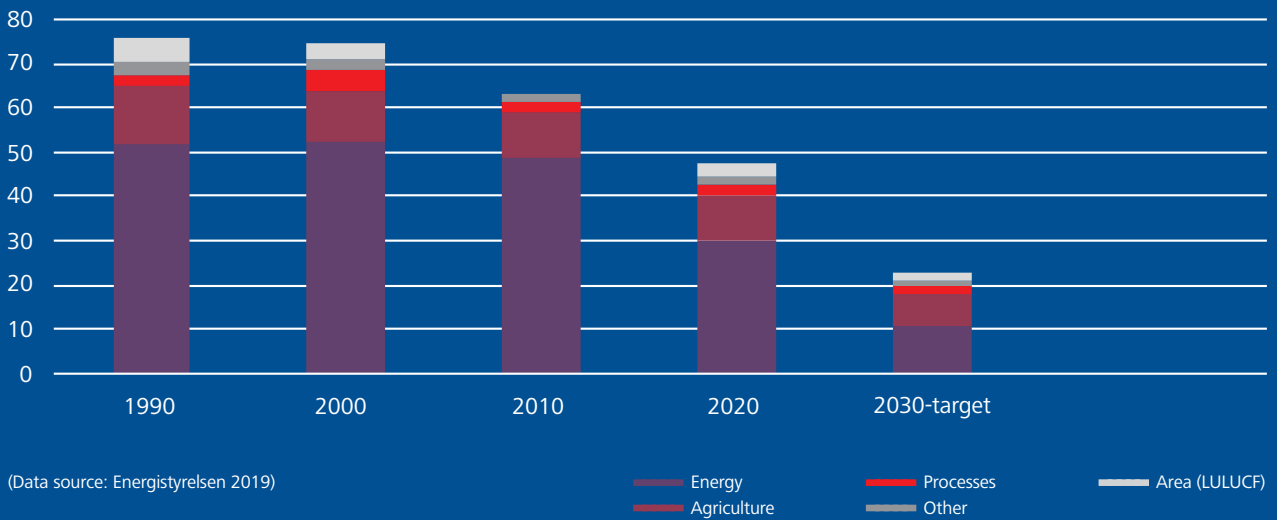


Table 2: Direct employment in the Danish oil and gas industry

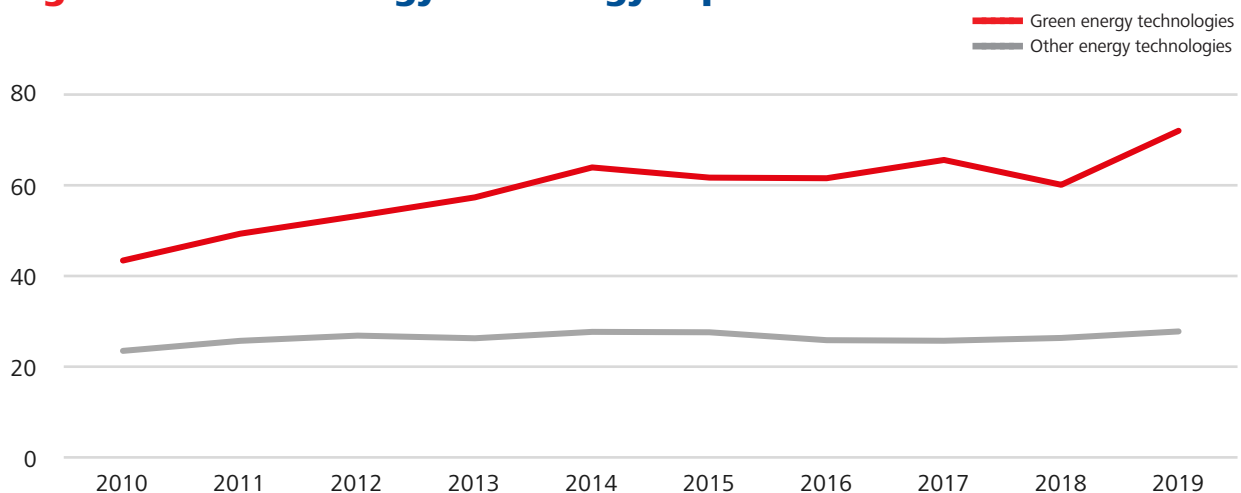
	2010	2011	2012	2013	2014	2015	2016	2017	2018
06000 Extraction of oil and gas	1395	1643	1854	1811	1872	2113	2160	2231	1617
09000 Services related to extraction of raw materials	1785	2052	2462	1073	1132	1009	943	1288	1692
19000 Oil refineries etc.	894	913	870	900	849	811	695	663	660
Total	4074	4608	5186	3784	3853	3933	3798	4182	3969

(Data source: Statistics Denmark)

Table 3: Employment in energy-related business

	2012	2013	2014	2015	2016	2017	2018
Production of energy from renewable sources	17,452	16,569	17,759	19,709	21,281	24,598	22,675
Reducing consumption of energy and heat	13,875	13,36	13,175	14,003	14,226	13,905	14,216
Reducing consumption of fossil fuels as raw/primary material	1,026	1,028	1,081	1,391	1,367	1,556	1,561
Research and development of the potential for resource savings	2,34	1,964	1,984	2,108	1,981	1,854	1,854
Total	34,693	32,921	33,999	37,211	38,855	41,913	40,306

(Data source: Statistics Denmark)

Figure 5: Danish energy technology exports

Note: The export is based on current prices and exclusive of drilling platforms

The figure is based on Eurostat and calculations by Danish Industry, Danish Energy, Danish Energy Agency, Wind Denmark and Danish district Heating.

(Dansk Energi et al 2019)

In Denmark, licenses are offered for new oil and gas extraction in tender periods of approximately 35 years and cover shifting areas in the North Sea. At present, licenses already granted expire in 2046, the largest of which expires in 2042. The eight tender period was, as well as any future tenders, canceled in December 2020.

Halting extraction will have an impact on businesses and employees. While some workers might find employment in the production of hydrogen and power-to-X or the servicing of, for example, offshore wind plants, there is a significant risk of job losses. The political agreement on the cancelled tender therefore includes a program for relocation and reeducation of employees in oil and gas.

Employment in the green sector

In the green sector as such, 74,886 people were employed in 2018. Of these, 40,306 were employed within climate and energy-related businesses. In general, employment in the green sector has increased steadily in recent years.

Exports from the Danish energy industry

Energy technology exports accounted for 13.5 per cent of total Danish goods exports in 2019. This is an increase on 2018, when the share stood at 12.5 per cent. The export of green energy technologies has been increasing steadily over the past 15 years.

Another consideration in the transition to climate neutrality is the aspect of democracy. The transition raises questions about the extent to which citizens should take part in decisions on emissions reductions and climate adaption policies.

With the law on climate enacted in December 2019, a new "Borgerting" (citizens' council) will be formed to involve citizens in the green debate. A similar institution already exists in Ireland and France (Information 2020). The purpose of the Borgerting is to discuss citizens' concerns related to the green transition and contribute with different inputs and recommendations in the formulation of climate policies. A concern could, for example, be green taxes, the sorting of waste or the energy renovation of households. In the end, the discussions in the Borgerting will be represented at a seminar in Danish parliament.

1.4 **SOCIETY**

NATIONAL INSTRUMENTS

The global pandemic has negatively influenced the global economy and Denmark's GDP. The Danish Council on Climate Change has proposed an economic recovery package, into which the aim of reducing greenhouse gas emissions by 70 per cent by 2030 is integrated. The council addresses the importance of not investing in fossil-based technology and consumption to kick start the economy. In the long run, according to the council, it will cost more money to invest in fossil-based technology and consumption since society will have to pay for the green transition afterwards. It will be more difficult to reach the green goals if the recovery package does not focus on the climate emissions reduction pathway.

The Danish Council on Climate Change has made the following 14 recommendations:

- 1.** Lowering the electrical heating charge
- 2.** Measures to promote energy renovation of buildings
- 3.** Expanding investment in charging infrastructure
- 4.** A fund to support the replacement of oil and natural gas boilers
- 5.** Promoting a green tax reform
- 6.** Upward adjustment of the price in socio-economic calculation assumptions
- 7.** Stepping up construction of offshore wind farms
- 8.** Coal phase-out by no later than 2025
- 9.** Installation of onshore wind and solar cells
- 10.** Supply of biogas
- 11.** Repeal of rules that bind customers to natural gas
- 12.** Elimination of tax on certified surplus heat
- 13.** Increased waste recycling
- 14.** Promotion of green public procurement

Both trade unions and industry have been supporting the idea that a Danish economic recovery package should focus on creating jobs while meeting the goals of the Climate Act.

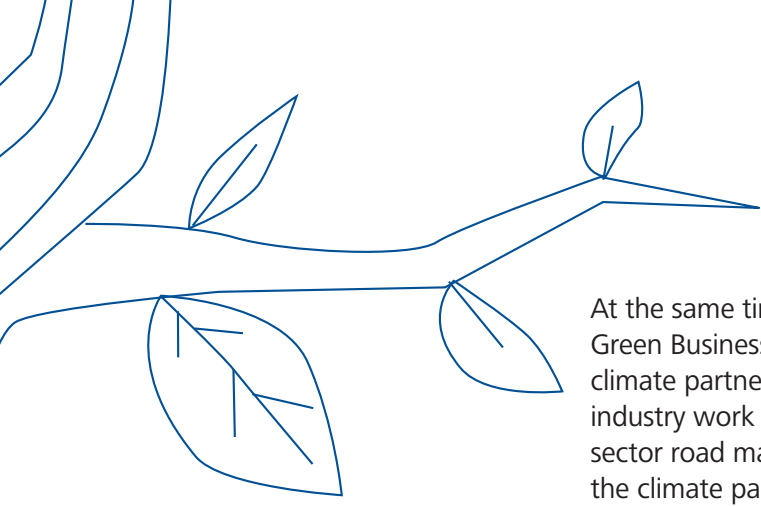
Job creation forecasts related to the Danish Climate Action Plan are in general positive for Denmark. The Danish Trade Union Confederation (FH) has calculated the employment effects of additional investment in a number of climate measures that FH overall estimates will be sufficient to meet the 2030 target of 70 per cent reduction. According to the calculations, investment at a level of approx. 230–450 billion DKK (approximately 30–60 billion euros) is expected to create at least 200,000 work years (one job for one year).¹

In the Danish government's preparation of a new Climate Action Plan, the business community, including specific companies, has been granted an important role. The government has, together with business, established 13 climate partnerships, working together on actions to reduce greenhouse gas emissions and strengthen the green competitiveness of businesses. Trade unions (primarily FH members) have been represented in several of the partnerships.

The 13 climate partnerships:

- Energy and utilities sector
- Waste and water, circular economy
- Energy-intensive industry
- Manufacturing
- Life science and biotech
- Food and agriculture
- Land transport
- Aviation
- "Blue Denmark" (the maritime sector)
- Construction
- Trade
- Service, IT and consulting
- Finance

¹ only in Danish <https://fho.dk/blog/2020/05/14/groen-omstilling-skaber-jobs/> (FH 2020a)



At the same time, a Green Business Forum has been established. The Green Business Forum is to continuously monitor the work of the 13 climate partnerships in the business sectors in which government and industry work together, including focusing on the progress of the sector road maps as well as synergies and cooperation areas between the climate partnerships, e.g. technology development and research. Also, the Green Business Forum will discuss the framework conditions for the green transition and competitiveness of business and the consequent need for government action, e.g. the upcoming Climate Action Plan.

The Green Business Forum is composed of relevant ministers, representatives of business organisations and representatives from the trade union movement (FH and two of their member organisations), as well as independent experts. The chairpersons of the 13 climate partnerships are also members. The Green Business Forum is chaired by the Minister for Business and the Minister for Climate, Energy and Supply.

The green transition also influences collective bargaining. The latest example is from 2020, when agreements included a decision to work together in the years to come on green transition and how to involve employees in the process.²

Just Transition elements and the Nordic/Danish model

When discussing Danish climate policy, its impacts on employees and, accordingly, elements of a Just Transition, it is important to consider the context of the Nordic/Danish model. As described by NFS (2018), the Nordic model, which implies – among other things – tripartite cooperation between trade unions, employers and the government, rests on three mutually supportive pillars: 1) organisation of working life through cooperation between the social partners and coordinated wage determination; 2) the welfare system and 3) economic policy. The model and approach may be helpful in coordination, realigning expectations and providing some predictability and flexibility in times of uncertainty. One reason for this is that the model provides flexibility for employers but also a high level of security to workers. It has generally served workers and businesses well in previous transitions, e.g. in the financial crisis and phases of globalisation. The Green Business Forum adopts some of the elements of the tripartite negotiations by inviting business and trade unions to discuss the framework conditions for the green transition with the government. It may be worth exploring how the model can best be used to support a green and Just Transition in the coming years

² In Danish: <https://okfakta.dk/sites/okfakta.dk/files/media/document/OK20%20-%20underskrevet%20forlig.pdf> (CO-industri; DI 2020)

Unions and confederations working on climate change

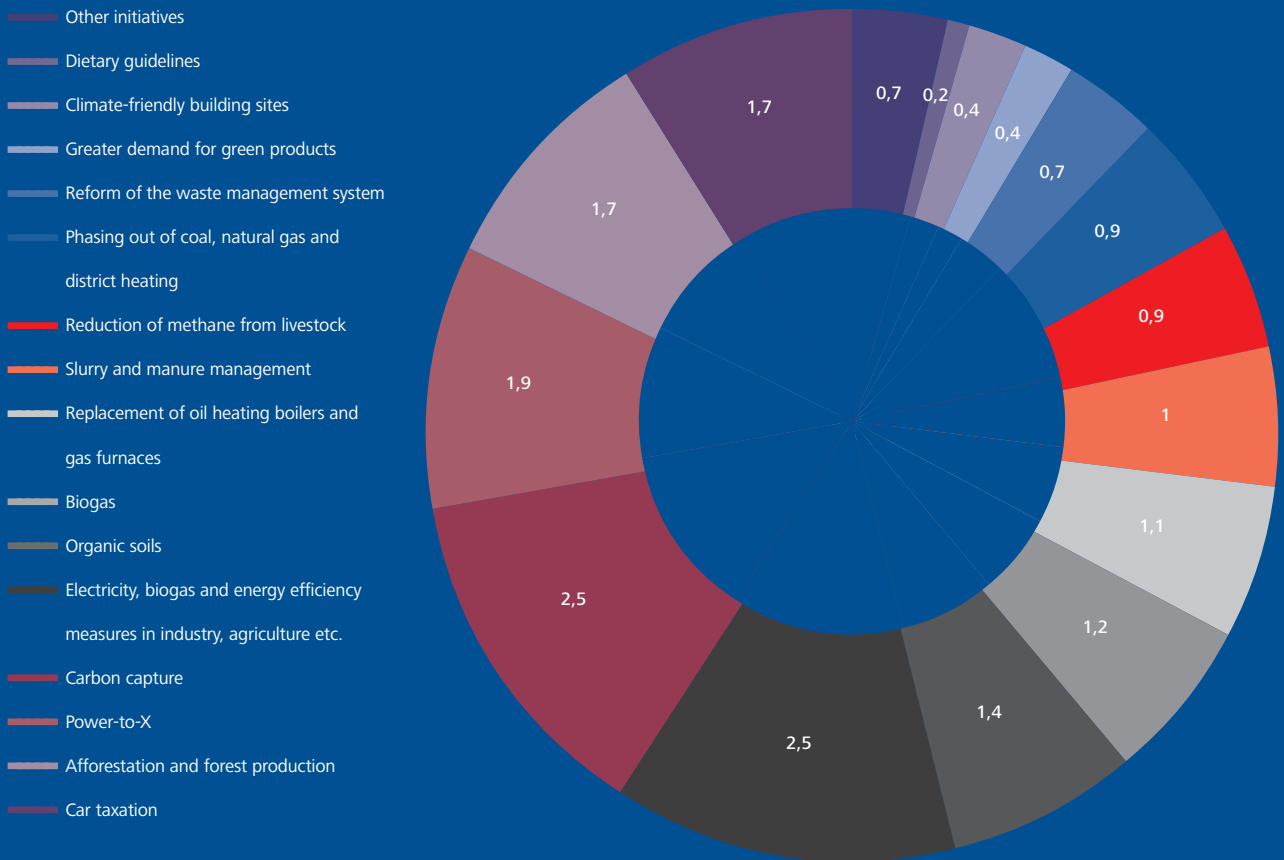
In May 2020, FH presented a proposal for a Danish Climate Action Plan, which delivered on the 2030 target and included a total of 113 initiatives (FH 2020b). The main features of FH's proposal are:

- 1) Emissions reductions totaling 19 mt CO₂e by 2030 and inclusion of all major sectors, e.g. energy, transport, agriculture. In total, 89 climate policy initiatives are proposed.
- 2) The plan is comprehensive in the sense that, unlike other proposals so far, it addresses not only climate policy but also a range of necessary conditions in other policy areas: employee involvement, work environment, education, reskilling and social security. In these areas, 24 policy initiatives are proposed.
- 3) The plan prescribes specific strategic roles for the public sector (none of the 13 climate partnerships focused specifically on the public sector, cf. above) and includes strategic 'missions' in Power-to-X (electrofuels etc.), circular economy/bioeconomy and CCS/CCU (carbon capture and storage/usage) which could contribute significantly to global emissions reductions.
- 4) A proposal for an expert commission to propose sector-specific carbon taxes that meet three criteria: 1) climate effect/technological development, 2) production and emission leakage, 3) equality/social justice.
- 5) A clear description of the important roles of workers in the green transition. These include 1) workers as drivers of implementation, 2) workers as developers of new solutions and 3) workers as citizens and employees that may be positively or negatively affected by climate policies.

Figure 6 sums up the emissions reductions and most potent climate policy initiatives. While the supporting initiatives in other policy areas are not shown, the proposal stresses that these are essential and that the transition must be not only green but also just.

For the 113 proposals where it has been possible to assess the financial requirements, the total costs are expected to be in the range of 230–450 billion DKK (approximately 30–60 billion euros). Of these, FH expects that the state would have to provide up to 75 billion DKK (approximately 10 billion euros). This implies that FH expects the major share of the costs to be covered by the private sector, including investors, businesses and, to some extent, households. For instance, investors are expected to co-finance wind farms, bio-refineries and Power-to-X facilities. It must be stressed that these numbers and assessments are subject to major uncertainties.

Figure 6: Emissions reductions and most potent climate policy initiatives FH (in mt CO₂e)



(Data Source: FH 2020b)

The other Danish confederation, the Danish Confederation Professional Associations (Akademikerne) is mainly working on climate in relation to its members in the private sector, and has gathered the most important priorities and contributions from academics across the country in 29 concrete proposals on how we secure the country's supply chain of green, digital and export-oriented companies with a strong knowledge base (Akademikerne 2020a).

The Danish Confederation of Professional Associations (Akademikerne) has also presented a proposal for economic recovery including climate action perspectives³. The recovery package from the Danish Confederation of Professional Associations has a section on using the crisis to initiate the green transition, with the following initiatives:

- Invest in green research
- Invest in free research
- Energy renovation of public housing and public buildings
- Invest in renewable energy storage
- Invest in developing alternative transport fuels
- Create a green entrepreneurial support fund
- Strengthen corporate incentives for green transition
- Set goals for sustainability requirements with regards to all procurement
- Introduce green certification and labeling schemes

In the Danish debate, the trade unions are calling for a stronger focus on skills and re-skilling in order to prepare everybody for the demands of the green transition, labour standards, employee involvement in climate actions at workplaces, and, specifically, a plan for the future of Danish off-shore oil and gas production and the people who work in the field.

³ only in Danish: <https://www.akademikerne.dk/danmark-tilbage-paa-sporet> (Akademikerne 2020b)

Some Danish trade union member-related climate policy initiatives:

1.

3F Sustainable energy and bioeconomy

The United Federation of Danish Workers, 3F, has focused on the potential of the bioeconomy for more than 10 years, including the potential for job creation, growth and export of high-value products. Together with different stakeholders, from farmers' organisations and companies to universities, 3F advocates for Denmark to become one of the leading countries on bioeconomy, with a focus on growth, job creation and employee skills.

3F has also had a great focus on how the union can help members and companies create green jobs for the future. In 2014, 3F set up a Green Think Tank with high-level representatives from companies, business organisations, the financial sector, etc. The think tank produced 32 recommendations in different sectors, such as wind power generation, the water sector, waste, district heating, bioeconomy and energy efficiency. At the same time, 3F analysed how many green jobs the different sectors could create, with the conclusion pointing to a total of around 380,000 temporary jobs over a period of 30 years. More information can be found on www.groennejob.dk

2.

IDA's Klimasvar – The IDA Climate Response

The Danish Society of Engineers (IDA) is a trade union with more than 125,000 members working and studying in the fields of technology, natural sciences and IT. IDA has worked with energy and climate scenarios for Denmark for the past 15 years. In cooperation with the Research Group for Energy Planning at Aalborg University, IDA has calculated scenarios that show how Denmark can achieve a 100 per cent renewable energy system and deliver on its national climate goals. The latest is the IDA Climate Response, a scenario for how transport and energy can contribute to the necessary reductions, so that Denmark overall will reach a 70 per cent reduction by 2030. IDA's climate response requires investments of approx. DKK 500 billion over the next 10 years. The most important investments are in building renovations, wind turbines, electric car infrastructure, energy efficiency improvements in industry and district heating. A calculation of the employment effects using the input-output model shows the investment of DKK 442 billion can create 415,000 jobs over 10 years or 41,500 jobs per year.

Whereas the Danish Climate Act strives for climate neutrality in 2050, In its scenario IDA aims for a goal of climate neutrality as early as 2045.

IDA's Climate Response focuses on the technologies and investments we need to focus on in order to make the best use of Denmark's strengths. IDA's Climate Response works for a positive development in Danish employment and exports and can be implemented without large co-funding costs to the economy.

3.

The Bridge to the Future is an alliance of trade unions and green NGOs.

The bridge to the future is a network of green and social movements, trade unions, and researchers. The aim of the alliance is a CO₂-neutral Denmark with 100 per cent renewable energy by 2040 based on a Just Transition – leaving no one behind.



03

EUROPEAN INSTRUMENTS

In late 2019, the European Commission issued a Communication outlining a European Green Deal for the European Union. The European Green Deal is a response to the massive environmental challenges that we are facing. Moreover, the Commission describes the European Green Deal as a new growth strategy that aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy. The overall goal of the Green Deal is to create a Union where there are no net emissions of greenhouse gases by 2050 and where economic growth is decoupled from resource use.

As described earlier, the global pandemic has negatively influenced the global economy and Denmark and Europe's GDP has fallen drastically. As a response to the current crisis, the European Commission has put forward a proposal for a major recovery plan called the Next Generation EU. This recovery plan is closely linked to the new growth strategy elaborated in the Green Deal Communication and aims to create millions of jobs through the green transition. The EU should aim for a climate-proof EU by targeting funding from the new recovery fund towards investment in green sustainable transitions and renewable energies. When drawing up national energy and climate plans and the national reform programmes, the social partners should be consulted.

The Danish trade unions strongly support this shift in the growth narrative and the ambitions put forward in the European Green Deal. However, it is imperative that the scope is expanded so that the new jobs created from the green transition will also be better jobs. To ensure this, extra attention should be put into areas such as upskilling/reskilling, occupational health and safety measures and inclusive governance where workers are actively involved.



The upskilling and reskilling of workers will be a crucial element if we want Europe to succeed in the climate transition. The upskilling and reskilling of workers has to be the foundation of the public endorsement of the transition. Training workers will ensure better opportunities for the workers to actively contribute to the green transition by means of implementation, but also provide workers with tools to develop new solutions and thereby obtain a greater sense of ownership and involvement in the green transition. In other words, it is necessary to support workers and local communities affected by the value chain of decarbonisation processes in order to make the transition from one (type of) job to another. These dynamics are crucial when the Commission puts forward the update of the Skills Agenda for Europe etc.

Another way to provide workers with a greater sense of ownership is by actively involving them in the transition. Workers, for instance, have tangible knowledge about the use of materials and different processes in their workplaces and this knowledge must be put to use in order to drive forward the transition, reduce costs and reap co-benefits such as export opportunities. A survey conducted by FH shows that 37 per cent of Danish workers have experienced involvement in their workplace in efforts to reduce their greenhouse gas emissions.

Wherever possible, transition processes must be negotiated with the social partners at the appropriate level. In case of a future revision of the European Works Council Directive, the involvement of EWC's in transition processes could be explored.

Furthermore, the workers are the ones who recognise risks in their work environment. It is important that this knowledge is taken into account regarding new legislation, but also at every workplace. We know that the transition will create millions of new jobs across Europe, but also that these new jobs will create new risks for workers. Therefore, the Danish trade unions emphasise the need for the creation of good jobs. Occupational health and safety measures have to be a part of all future legislation within the framework of the European Green Deal.

The European Commission has put forward a proposal for a Just Transition Fund. Overall, the Danish trade unions support this fund. It is, however, crucial to ensure that the Just Transition Fund is in addition to existing cohesion policy funds. Moreover, the fund should target not only the dependent industries of the most vulnerable regions and countries as a priority, but also provide support to other impacted sectors and regions, even if they are not the very worst hit. Finally, the Just Transition Fund should focus on reskilling for those who stand to lose their jobs, but at the same time apply further attention on continuing training of workers.

Socially responsible public procurement is the basis for a sustainable green transition for administrations as well as for promoting responsible practices via service providers. EU public procurement rules should be adapted to promote greener – and socially responsible – tenders.

In relation to disclosure of non-financial information, the upcoming review of non-financial reporting directive could be an opportunity to encourage companies to fully understand their real impact on the climate and environment.

It may be added that FH's proposal for a Climate Action Plan includes a number of European-level initiatives, including a) an increase in the EU's emissions reduction target, b) carbon border adjustment, c) promotion of common standards in various areas.



04

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FH

FH – Danish Trade Union Confederation is the largest national trade union confederation in Denmark and is recognised as the most representative workers' organisation in both the private and the public sector. The aim of FH – Danish Trade Union Confederation is to contribute to a society that focuses more on solidarity and democracy, to the benefit of workers. A society in which everyone has the opportunity to get an education and good and healthy jobs in order to provide for themselves and their families.

Akademikerne

The Danish Confederation of Professional Associations (Akademikerne) is an umbrella organisation for its member organisations. These organisations offer services to professional and managerial staff who have graduated from universities and other higher educational institutions. Akademikerne was founded in 1972 and has its head office in Copenhagen.

The Friedrich-Ebert-Stiftung

The Friedrich-Ebert-Stiftung (FES) was founded in 1925. It is the political foundation with the longest history in Germany. It has remained true to the legacy of its founder and namesake, and it upholds the values of social democracy: freedom, justice and solidarity. Its ideals are linked to the Social Democratic Party and free trade unions.

The FES promotes social democracy primarily through:

- political education work to strengthen civil society
- political consultancy work
- international collaboration with foreign offices in over 100 countries
- providing financial support for gifted students
- preserving the collective memory of social democracy with facilities including an archive and a library

NFS

The Council of Nordic Trade Unions (NFS) is a regional trade union council. Its affiliates are 15 national trade union confederations of the Nordic countries which together represent more than 8.5 million members from blue collar, white collar and academic sectors in Denmark, Finland, Iceland, Norway, Sweden, Greenland and the Faroe Islands.

Founded in 1972, the main task of NFS is to coordinate and foster regional trade union cooperation in the Nordic countries, particularly with regard to employment, economic and social policy and in relation to ETUC, ITUC, TUAC, ILO and PERC. NFS represents its members in relation to the Nordic Council and the Nordic Council of Ministers and has close ties with the Baltic Sea Trade Union Network (BASTUN).

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Abstract

Denmark is committed to reducing its emissions by 70 per cent by 2030 and to net-zero emissions by 2050. FH and Akademikerne strongly support ambitious climate policies, which can also create thousands of decent jobs. Both unions have put forward proposals for a Danish climate plan. According to FH and Akademikerne, to make the transition practical and just, there is a need to promote workforce skills, labour standards and participation – also at the EU level. The Nordic/Danish Model provides a solid foundation for this.