

## Assessment of country performance and opportunities from the Energy Union

Denmark is **performing well along the five dimensions** of the Energy Union. Increasingly competitive electricity and gas markets and the country's integration in the Nordic electricity market are reflected in a high degree of *Energy Security*. Concerning *Energy Efficiency and Decarbonisation*, Denmark is on track to meet its 2020 targets for energy efficiency, greenhouse gas emissions reduction and renewable energy. As regards *Research and Innovation*, Denmark performs well on renewable technologies such as off-shore wind and has a competitive advantage with regard to energy efficiency technologies.

Still, some **challenges remain to improve Denmark's performance** in the Energy Union: There is further scope for investing into energy efficiency and tax instruments could be used to stimulate the replacement of old cars by more efficient ones in order to reduce the energy intensity in the transport sector, which is higher than the EU average.

The **Energy Union Strategy can provide potential benefits** for Denmark:

- *Internal energy market*: Market integration of renewables and regional cooperation in relation to support schemes can increase the cost-effectiveness of Denmark's energy transition.
- *Energy efficiency*: The Energy Union will contribute to promoting energy efficiency including in the transport sector. In particular, the car and van regulation ensures that new vehicles are increasingly energy efficient.
- *Decarbonisation*: The Energy Union will ensure that all EU Member States participate in the common effort to achieve the 2030 Framework for Climate and Energy.
- *Research and innovation*: Denmark is an innovative country in the fields of renewable energy and energy efficiency. The Energy Union objective to make the EU number one in renewable energy will continue to provide new business opportunities for Danish companies via increased demand for technological innovation.